



K9 GOLD CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE SIX MONTHS ENDED JUNE 30, 2021

GENERAL

Dated: August 30, 2021

The purpose of this Management Discussion and Analysis ("MD&A") is to explain management's point of view regarding the past performance and future outlook of K9 Gold Corp.'s (the "Company") past performance and future outlook. This report also provides information to improve the reader's understanding of the financial statements and related notes as well as important trends and risks affecting the Company's financial performance, and should therefore be read in conjunction with the Company's audited financial statements and notes thereto for the years ended December 31, 2020 and 2019 and the unaudited condensed interim consolidated financial statements for the three and six months ended June 30, 2021 and 2020 (the "Financial Statements"). Additional information on the Company is available on SEDAR. All information contained in this MD&A is current as of the date of this report unless otherwise stated.

All financial information in this MD&A has been prepared in accordance with International Financial Reporting Standards ("IFRS") and all dollar amounts are expressed in Canadian dollars unless otherwise indicated.

FORWARD LOOKING STATEMENTS

Certain sections of this MD&A may contain forward-looking statements.

All statements, other than statements of historical fact, made by the Company that address activities, events or developments that the Company expects or anticipates will or may occur in the future are forward-looking statements, including, but not limited to, statements preceded by, followed by or that include words such as "may", "will", "would", "could", "should", "believes", "estimates", "projects", "potential", "expects", "plans", "intends", "anticipates", "targeted", "continues", "forecasts", "designed", "goal", or the negative of those words or other similar or comparable words. Forward-looking statements may relate to the Company's future financial conditions, results of operations, plans, objectives, performance or business developments including, among other things, exploration and work programs, drilling plans and timing of drilling, plans for development and facilities construction and timing, method of funding and completion thereof, the performance characteristics of the Company's lithium and gold reserves, drilling results of various projects of the Company, commercial viability of exploration and development wells and producing mines, the existence of resources or reserves and the timing of development thereof, projections of market prices and costs, supply and demand for lithium and gold, expectations regarding the ability to raise capital and to acquire reserves through acquisitions and/or development, treatment under governmental regulatory and royalty regimes and tax laws, and capital expenditure programs and the timing and method of financing thereof.

Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. The estimates and assumptions of the Company contained in this MD&A, which may prove to be incorrect, include, but are not limited to, the various assumptions set forth herein and in the MD&A, or as otherwise expressly incorporated herein by reference as well as: (1) there being no significant disruptions affecting operations, whether due to labour disruptions, supply disruptions, power disruptions, damage to equipment, adverse weather conditions or otherwise; (2) permitting, access, exploration, expansion and acquisitions at our projects (including, without limitation, land acquisitions for and permitting of exploration plans) being consistent with our current expectations; (3) prices for and availability of equipment, labor, natural gas, fuel oil, electricity, water and other key supplies remaining consistent with current levels; (4) labour and materials costs increasing on a basis consistent with the Company's current expectations; (5) the availability and timing of additional financing being consistent with the Company's current expectations. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. Such factors include, but are not limited to: fluctuations in the currency markets; fluctuations in the spot and forward price of lithium, gold, or certain

other commodities (such as diesel fuel and electricity); changes in national and local government legislation and royalty regimes, taxation, controls, regulations and political or economic developments in the countries the Company operates in; business opportunities that may be presented to, or pursued by, us; our ability to successfully integrate acquisitions; operating or technical difficulties in connection with exploration or development activities; employee relations; the speculative nature of mineral resources exploration and development, including the risks of obtaining necessary licenses and permits; competition for, among other things, capital, acquisitions of reserves, undeveloped lands and skilled personnel, incorrect assessments of the value of acquisitions, geological, technical, drilling and processing problems, fluctuations in foreign exchange or interest rates and stock market volatility, changes in income tax laws or changes in tax laws and incentive programs relating to the resource industry including, without limiting the generality of the foregoing, contests over title to properties, particularly title to undeveloped properties. In addition, there are risks and hazards associated with the business of mineral resources exploration and development including environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins, flooding and/or uncontrolled mineral resources releases (and the risk of inadequate insurance, or the inability to obtain insurance, to cover these risks).

Many of these uncertainties and contingencies can affect the Company's actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, the Company. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements are provided for the purpose of providing information about management's expectations and plans relating to the future.

All of the forward-looking statements made in this MD&A are expressly qualified by these cautionary statements and those made in our other filings with applicable securities regulators in Canada. These factors are not intended to represent a complete list of the factors that could affect the Company and readers should not place undue reliance on forward-looking statements in this MD&A. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, or to explain any material difference between subsequent actual events and such forward-looking statements, except to the extent required by applicable law.

The forward looking statements contained herein are based on information available as of the date of this report.

OVERVIEW

K9 Gold Corp. was incorporated under the Business Corporations Act (Alberta) on December 10, 2007 and continued into British Columbia under the Business Corporation Act (British Columbia) in March 2016. The Company completed its Qualifying Transaction and began trading on the TSX-V on April 18, 2011 as a Tier 2 Mining Issuer. In March 2015, the Company did not meet the continued listing requirements of a Tier 2 Mining Issuer. Therefore, as part of the resumption to trading, the Company's listing had been transferred to NEX and traded under the symbol, "GLV.H". On February 28, 2019, the Company met the requirements to be listed as a TSX-V Tier 2 Mining Company. Therefore, the Company's listing was transferred from NEX to TSX-V and currently trades under the symbol, "KNC".

In February 2021, the Company closed three tranches of private placements as follows:

1. The first tranche of private placement financing consisted of 2,855,000 non-flow through units (the "NFT Unit") at a price of \$0.30 per NFT Unit for gross proceeds of \$856,500. Each NFT Unit consists of one common share of the Company and one share purchase warrant. Each warrant shall entitle the holder to purchase an additional common share of the Company at a price of \$0.40 for a period of three years.
2. The second tranche of private placement financing consisted of 8,174,143 flow through units (the "FT Unit") at a price of \$0.35 per FT Unit for gross proceeds of \$2,860,950. Each FT Unit consists of one common share of the Company and one share purchase warrant. Each warrant shall entitle the holder to purchase an additional common share of the Company at a price of \$0.40 for a period of three years.
3. The third tranche of private placement financing consisted of 1,666,667 units at a price of \$0.30 per unit for gross proceeds of \$500,000. Each unit consists of one common share of the Company and one share purchase warrant. Each warrant shall entitle the holder to purchase an additional common share of the Company at a price of \$0.40 for a period of three years.

The company paid an aggregate total of \$112,108 in finders' fees for the three tranches of financing.

In February 2021, the Company appointed Mr. Chris M. Healey as a Director of the Company. Concurrently, Mr. Alexander Helmelt resigned as a director of the Company.

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In March 2021, the Company granted 1,375,000 stock options to its directors, officers, employees, and consultants at an exercise price of \$0.32 per share for a period of five years and vest upon issuance.

In May 2021, the Company closed a private placement financing consists of 7,499,934 units at a price of \$0.30 per unit for gross proceeds of \$2,249,980. Each unit consists of one common share of the Company and one share purchase warrant. Each warrant shall entitle the holder to purchase an additional common share of the Company at a price of \$0.40 for a period of three years. In connection with the financing, the Company issued 576,000 units, having the same terms as the financing, for finder's fees.

Mr. Eric Sprott, through 2176423 Ontario Ltd., a corporation which is beneficially owned by him, acquired 6,666,667 units for total consideration of \$2,000,000. As a result, Mr. Sprott beneficially owns and controls 6,666,667 common shares of the Company and 6,666,667 warrants representing approximately 12.6% of the issued and outstanding common shares of the Company on a non-diluted basis and approximately 22.4% on a fully diluted basis assuming exercise of the warrants immediately following the financing. Prior to the financing, Mr. Sprott did not beneficially own or control any securities of the Company.

In May 2021, the Company granted 1,200,000 stock options to certain officers, directors, and consultants of the Company at an exercise price of \$0.56. These options were granted for a period of five years and vest upon issuance.

SELECTED FINANCIAL INFORMATION

The Company has not recorded any revenues, and depends upon share issuances to fund its administrative expenses. The summary of results is as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2021	2020	2021	2020
	\$	\$	\$	\$
Operations:				
Revenues	-	-	-	-
Administrative expenses	(1,553,559)	(11,190)	(2,872,008)	(19,688)
Net and comprehensive loss	(1,553,559)	(11,190)	(2,872,008)	(19,688)
Basic and diluted loss per share	(0.03)	(0.00)	(0.07)	(0.00)
Total assets	9,363,329	1,570,141	9,363,329	1,570,141
Dividends per share	-	-	-	-

As at June 30, 2021, the Company had not yet achieved profitable operations and had an accumulated deficit of \$8,337,237 (December 31, 2020 - \$5,465,229). For the six months ended June 30, 2021, the Company had a net and comprehensive loss of \$2,872,008 (June 30, 2020 - \$19,688) resulting in a basic and diluted net loss per share of \$0.07 (June 30, 2020 - \$0.00).

As at June 30, 2021, the Company has no continuing source of operating revenues. The Company has not paid any dividends on its common shares nor does it have any present intention of paying dividends on its common shares, as it anticipates that all available funds for the foreseeable planning horizon will be used to finance future business activities.

RESULTS OF OPERATIONS

The Company has yet to generate any revenue since its inception from its planned operations and has, to date, incurred annual net losses from operating and administrative expenses.

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The table below details the significant changes in administrative expenditures for the three months ended June 30, 2021 as compared to the corresponding period ended June 30, 2020:

Expenses	Increase / Decrease in Expenses	Explanation for Change
Consulting fees	Increase of \$645,194	Increased due to the Company engaging consultants for financial, strategic and corporate advisory services.
Management fees	Increase of \$60,000	Increased due to no management compensation in the prior period.
Marketing	Increase of \$172,278	Increased due to new marketing and social media campaigns engaged to increase investor awareness.
Share-based compensation	Increase of \$616,560	Increased due to no stock options granted in the prior period.

The table below details the significant changes in administrative expenditures for the six months ended June 30, 2021 as compared to the corresponding period ended June 30, 2020:

Expenses	Increase / Decrease in Expenses	Explanation for Change
Consulting fees	Increase of \$1,180,911	Increased due to the Company engaging consultants for financial, strategic and corporate advisory services.
Management fees	Increase of \$115,000	Increased due to no management compensation in the prior period.
Marketing	Increase of \$476,346	Increased due to new marketing and social media campaigns engaged to increase investor awareness.
Share-based compensation	Increase of \$1,005,548	Increased due to no stock options granted in the prior period.

SUMMARY OF QUARTERLY RESULTS

Historical quarterly financial information derived from the Company's eight most recently completed quarters is as follows:

		Quarters Ended			
		June 30, 2021	March 31, 2021	December 31, 2020	September 30, 2020
Net and comprehensive loss	(\$)	(1,553,559)	(1,318,449)	(926,332)	(1,003,142)
Loss per share basic and diluted	(\$)	(0.03)	(0.03)	(0.03)	(0.04)
Weighted average number of shares outstanding – basic and diluted		49,408,775	38,002,110	31,003,156	22,439,488
		June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019
Net and comprehensive loss	(\$)	(11,190)	(8,498)	(23,541)	(13,711)
Loss per share basic and diluted	(\$)	(0.00)	(0.00)	(0.00)	(0.00)
Weighted average number of shares outstanding – basic and diluted		18,156,879	18,156,879	18,156,879	18,156,879

The variations in the losses from quarter to quarter are mainly due to the level of administrative expenses incurred by the Company and are fairly consistent from quarter to quarter with the exception of the following:

- the quarters ended June 30, 2021, March 31, 2021, December 31, 2020, and September 30, 2020 included increased consulting, management, and marketing fees; and
- the quarters ended June 30, 2021, March 31, 2021, December 31, 2020, and September 30, 2020 included share-based compensation related to stock options granted.

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SUMMARY OF EXPLORATION ACTIVITIES

Exploration and Evaluation Properties

For the six months ended June 30, 2021, the Company incurred exploration and evaluation expenditures of \$1,049,971 as compared to \$808 in the comparative period for 2020.

	Desert Eagle	Stony Lake East Gold	Total
	\$	\$	\$
Exploration:			
Maintenance fees	808	-	808
For the six months ended June 30, 2020	808	-	808

	Desert Eagle	Stony Lake East Gold	Total
	\$	\$	\$
Exploration:			
Consulting	-	35,000	35,000
Geological	-	1,014,971	1,014,971
For the six months ended June 30, 2021	-	1,049,971	1,014,971

The total cumulative acquisition and deferred exploration costs of the Company to June 30, 2021 are summarized as follows:

	Desert Eagle	Stony Lake East Gold	Total
	\$	\$	\$
Acquisition:			
Common shares issued	1,260,000	220,000	1,480,000
Cash payments	80,000	75,000	155,000
Exploration:			
Consulting	-	74,285	74,285
Geological	7,923	1,420,847	1,428,770
Maintenance fees	44,060	-	44,060
Balance as at June 30, 201	1,391,983	1,790,132	3,182,115

Current Projects

Desert Eagle Project, USA

In November 2018, the Company closed a Share Purchase and Sale Agreement (“SP&S Agreement”) with the shareholders (“Vendors”) of 1141717 B.C. Ltd. (“1141717 BC”) whereby the Company purchased 100% of the outstanding shares of 1141717 BC for \$80,000 (paid) and 7,000,000 common shares of the Company (issued) at a fair value of \$1,260,000. In conjunction with the closing of the SP&S Agreement, the Company incorporated Global Vanadium Nevada Corp. (“GVNC”) which is a wholly owned subsidiary of 1141717 BC. The acquisition of 1141717 BC has been determined to be an asset acquisition as 1141717 BC did not meet the definition of a business under IFRS 3 – Business Combinations. As a result, the acquisition of 1141717 BC was accounted for as an asset acquisition whereby the sole asset acquired being exploration and evaluation assets is assigned the entire purchase price. In connection with the acquisition of 1141717 BC, the title to the Desert Eagle Project was transferred to GVNC.

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The Desert Eagle Project is comprised of a total of 2,004 acres located in the Trachyte district situated to the east of the Henry Mountains, 95 miles south of Green River, Utah. The project is considered prospective for the development of vanadium due to high historic grades and high ratios of vanadium over uranium present on the claims. Mineralization occurs within sandstone of the Salt Wash member of the Jurassic Morrison formation, a rock unit synonymous with vanadium and uranium production across the Colorado Plateau. A 1967 publication by the Utah Geological and Mineralogical Survey (Special Studies #22) reported results from 24 samples collected in historic audits on the property. These samples ranged from 0.11% to 28.20% V_2O_5 , and averaged 5.17% V_2O_5 . That same report indicates that historic production from this area yielded a 5:1 vanadium to uranium ratio. Sampling on behalf of the company in 2018 resulted in 57 samples being analyzed. Of those, 33 returned values greater than 0.5% V_2O_5 , and 22 were greater than 1.0% V_2O_5 . Twenty of those samples collected from accessible areas of the old audits ranged from 0.01% to 4.32% V_2O_5 , and averaged 1.40% V_2O_5 . In January 2019, the Company completed an NI 43-101 technical report on the project.

Stony Lake East Gold Project, Canada

In August 2020, the Company closed an option agreement with District Copper Corp. ("District") to acquire up to a 100% interest in the Stony Lake East Gold Project ("Stony Lake Project") located in the Grand Falls – Bishops Falls area of the Province of Newfoundland and Labrador. The Stony Lake Project is comprised of 8 mineral licenses covering a total of 13,625 hectares.

In order to exercise the option up to a 75% interest, the Company must make option payments to District as follows:

Date	Cash \$	Number of Shares	Exploration Expenditures
Within 15 business days following August 14, 2020	(paid) 75,000	(issued) 500,000	-
On or before November 14, 2021	125,000	1,200,000	(incurred) 150,000
On or before August 14, 2022	150,000	1,600,000	(incurred) 250,000
Total	350,000	3,300,000	400,000

In order to exercise a further 25% interest, for a total interest of 100%, the Company must make option payments to District as follows:

Date	Cash \$	Number of Shares	Exploration Expenditures
On or before August 14, 2023	500,000	2,000,000	-

The Stony Lake project lies within Exploits sub-zone of the Cape Ray/Valentine Lake structural trend in Central Newfoundland, lying parallel to that of New Found Gold's Queensway project, along the prolific Dog Bay Line. The project covers 13,625 ha and 27 kilometers of favorable trend between Sokoman's Moosehead discovery to the northeast and Marathon's Valentine Lake deposit to the southwest.

At Stony Lake, large areas of significant gold mineralization occur primarily in altered Botwood sediments and quartz-feldspar porphyry intrusives associated with intense silicification, sericite-chlorite-carbonate alteration and a strong pyrite-arsenopyrite mineralogical association. These features indicate epizonal/mesozonal temperatures for the hydrothermal fluids and support the exploration model of hydrothermal fluids leaking upwards into the Botwood sediments from a deeper igneous intrusive source. This area is now referred to as the Exploits Subzone gold district which essentially covers the Silurian-age clastic sediments surrounding the Mount Peyton intrusive.

Prior to the 2021 field season, several airborne surveys, including magnetometer (2019), Versatile Time-Domain Electromagnetic (VTEM), LiDAR and Orthophotography (2020) were completed. Added to this are various ground surveys, including till sampling and mapping/prospecting/sampling. This work has led to the identification of seven areas of highly anomalous to high grade gold mineralization. The gold mineralization is hosted in a variety of environments, including quartz-feldspar porphyries, reduced sandstones, quartz stockworks and quartz veins. The property hosts both widespread low grade mineralization (up to 4.0 g/t Au) within the Botwood Formation and high grade veins (>4.0 g/t Au) in the basement rocks below the Botwood, similar to the nearby New Found Gold Queensway project, and the immediately adjacent Sokoman Minerals Moosehead discovery.

Published information on the Moosehead discovery indicates that the mineralization is spatially related to reworking of a major basement structure which is likely the main pathway for the mineralizing fluids. The spatial association of the faulting with mafic intrusives appears to be highly significant. The Moosehead mineralization is hosted by N to NW trending and east dipping faults, which appear to be related to meso-scale anticlinal folding. These types of mineralizing systems typically have great lateral and depth extents (measured in kilometers).

Recent (2019) and historic (2001) geophysical work on the Jumper's Pond area strongly suggests the presence of a large fold structure that plunges to the NE towards Moosehead, as well as several NW-trending structural features. The presence of mafic rocks has also been confirmed for this area. The major fault structure related to the Moosehead discovery can clearly be traced by regional magnetics for 5 – 6 km onto the Stony Lake property. These similarities increase K9's confidence in the prospectivity of the Jumper's Pond area.

Geotech Ltd. of Aurora, Ontario completed an airborne geophysical survey in October 2020 using its Versatile Time-Domain Electromagnetic (VTEM™ Plus) geophysical system, along with Horizontal Magnetic Gradiometer. This survey will cover the entire property at a 200-metre line spacing and to better define the interpretation of the 2019 airborne magnetometer, radiometrics and VLF-EM survey. That interpretation clearly showed that the structural trend of the Sokoman's Moosehead discovery crosses onto and continues along the main axis of the Stony Lake East property.

The interpretation of the VTEM (Versatile Time Domain Electromagnetic) System data was contracted out to Campbell & Walker Geophysics Ltd, of North Vancouver BC. The main interpretive tool used was resistivity depth imaging (RDI) which converts the EM profile decay data into an equivalent resistivity versus depth cross section, by deconvolving the measured time domain EM data. RDIs provide reasonable indications of conductor relative depth and vertical extent, as well as accurate 1D layered-earth apparent conductivity /resistivity structure across flight lines. The interpretation shows two highly significant areas of interest that are coincident with various anomalies from earlier work, and will improve our understanding of the geological setting of these areas. The two areas are the Jumper's Pond zone and Island Pond. Additionally, there are numerous indications of potential narrow vertical conductive zones in the basement rocks beneath the Botwood sediments. This new information will be used to refine plans for the upcoming 2021 field season which includes drilling.

Subsequently, Campbell and Walker was contracted to complete a 3D inversion study of the 2019 airborne magnetometer survey data. Combined with previous ground work (sampling of rocks and tills), these inversions provide a valuable guide to the next phases of exploration. In particular, four areas have been identified as high priority targets for phased follow-up ground geophysical surveys. Two of these targets (Jumper's Pond and Moonlight) have been selected for the first phase of Induced Polarization (IP) surveying, for a total of 60 line kilometres.

The inversion study of the airborne magnetic survey data was completed by Sean Walker of Campbell & Walker Geophysics, North Vancouver, BC. Due to the size of the block the inversion was carried out in two steps. A coarse inversion was performed, where the full block was inverted into 80 x 80 x 40 m cells. The recovered model was then used as the reference point for a fine inversion. For the fine inversion, the block was divided into three parts and each part was inverted using 40 x 40 x 20 m cells. The three parts were then merged into a single final model.

Also in October 2020, the company contracted Leading Edge Geomatics of Lincoln, New Brunswick to conduct a LiDAR and Imagery survey over the Stony Lake Project. The survey will assist with ground mapping to extrapolate geomorphology and both regional and local geologic structures.

A till sampling survey, comprising 76 samples, was completed in October 2020. The work was completed by Overburden Drilling Management (ODM), of Ottawa, ON. The program was a follow up to on-going compilation of historic exploration work on the property that has identified a large area with highly anomalous gold values in tills collected in 1989 by Teck Explorations Limited. These are clustered around the Island Pond – Moccasin Lake area in the central part of the property. Calculated visible gold assays, by Overburden Drilling Management, yielded 15 samples with values over 1500 ppb, four of which had values of 11787, 12754, 14092 and 19502 ppb au. Analysis of non-magnetic heavy mineral concentrates by Chemex Labs yielded 16 samples with values >1000 ppb au. Four of these samples were reported as >10,000 ppb au, which was the upper detection limit.

A brief, two-week program of mapping and sampling was also completed in October, 2020, using 2 two-person crews of geologists. The data from this program has been used to update the geological map of the property. As is to be expected, adding detail adds to the complexity of the geological setting of the property.

Significant Results:

- Seven areas of highly anomalous to high grade gold mineralization have been identified.
- The gold mineralization is hosted in quartz feldspar porphyry, pyrite, and arsenopyrite bearing reduced sandstone, quartz stockwork, and quartz veins.
- The gold mineralization exhibits arsenic-antimony-molybdenum geochemical associations with a high gold to silver ratio.
- The gold mineralization is characterized by sericite, silica, ankerite, carbonate, and chlorite alteration typically as pervasive alteration and envelopes around quartz stockwork and quartz veins.
- Pyrite and arsenopyrite (1-3% total sulphide) are common to the gold mineralization in all samples containing greater than 50 ppb gold.

In 2021 the field program has included an Induced Polarization (IP) survey on two grids (51.5 km), soil surveys on five grids (approximately 4000 samples), trenching in five locations, and on-going mapping/prospecting/sampling. A 5000-metre drill program commenced in late June 2021.

The IP survey was carried out by Simcoe Geoscience, using their Alpha IP™ Wireless Time Domain Induced Polarization (IP) system. Preliminary interpretation of the IP data has confirmed several previously identified airborne geophysical anomalies that coincide with areas of coincident pyrite and arsenopyrite and weak-moderate gold mineralization in the Botwood sandstone. The survey also identified several new targets for ground follow-up. Detailed review and interpretation of the data is ongoing and will assist in locating specific drill targets for the upcoming drill program, starting in early June.

On the Moonlight grid, the IP data confirms and better defines the structural targets previously identified by airborne geophysics and geochemical anomalies from a variety of historic surveys. The anomalous zone appears to continue for a distance of 2 – 3 km. A second anomaly has been discovered on the NW side of the grid, and extends for over one kilometre to the northern limit of the survey, where it coincides with significant geochemical anomalies at the south end of Island Pond.

At Jumper's Pond, the main target extends north toward the property boundary, is now well defined and will be a high priority drill target area. A new zone has been discovered on the western side of the survey grid, west of the Bay d'Espoir highway. This zone extends southwards from the Rabbit Tracks East anomaly, where trenching and drilling are planned.

Partial results from the soil sampling survey have been received and will be reported when complete and reviewed.

The trenching program over recently discovered showings has identified multiple significant mineralized structures. These structures are known to be a controlling factor in the localization of mineralization in this geological environment, so this is a significant enhancement to the property.

The first phase of trenching at the newly exposed Deliverance and Moonlight veins structures has been completed.

At the Deliverance trench, in the centre of the property approximately 15 km SW of Jumper's Pond, a 10m wide zone of moderate to intense oxidation was uncovered. One major vein system was encountered with several parallel minor veins also. Where exposed, the main vein varies from 0.10m to 0.25m wide, with crustiform/ginguro to sheeted quartz veining. The vein exhibits intense FeO oxidation and clay alteration, with 5-10% pyrite. The vein trends at 128° and dips at -68° SW. A series of chip samples was taken across a 5.4m zone on the top of the outcrop, perpendicular to the main vein, as well as one 4.0m composite sample collected along the strike of the vein. The samples were analyzed at Eastern Analytical in Springdale, NL, using the ICP-OES method after a four acid digestion, with fire assays for Au.

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Deliverance Trench sample results				
Sample ID	Au (ppb)	Au g/t	Length (m)	Comments
Samples taken along the strike of the vein				
105057	5475	5.475	4	along centre of vein
Samples taken across the strike of the vein				
105020	<5		1.3	chips to S, at 90° to main vein
105021	9		1	chips to S, at 90° to main vein
105022	546	0.055	0.75	chips in sandstone, immediately S of main vein
105023	1888	1.888	0.3	chips in main vein, 10 cm of qtz
105024	17		0.5	chips immediately N main of vein
105025	9		0.9	chips, vfg sandstone – siltstone, to N
105026	<5		0.65	chips, vfg sandstone, no sulphides, to N
105058	1815	1.815	0.3	chips across main vein, 2m below sample 105023

At the Moonlight trench, approximately 3 km SE of the Deliverance trench, a series of quartz veins were exposed over an approximately 30m wide zone. Detailed sampling has not been completed yet on this trench due to seasonal restrictions for caribou-calving season.

Additional trenching is now planned for both of these highly prospective zones.

The summer drilling program commenced on June 26. Results are pending.

Quality Control and Quality Assurance

The scientific and technical content and interpretation contained in this MD&A have been reviewed, verified and approved by Chris M. Healey, P. Geo., Chief Geologist and a Director of the Company, who is a Qualified Person as defined by NI 43-101, Standards of Disclosure for Mineral Projects.

LIQUIDITY, FINANCIAL POSITION, AND CAPITAL RESOURCES

The Company has financed its operations to date through the issuance of common shares and the exercise of options and warrants. The Company continues to seek capital through various means including the issuance of equity and/or debt.

The Company's liquidity and capital resources as at the following dates are as follows:

	June 30, 2021	December 31, 2020
	\$	\$
Cash	5,602,064	1,606,462
Receivables	76,315	28,468
Prepays	502,835	442,376
Total current assets	6,181,214	2,077,306
Accounts payable and accrued liabilities	435,652	115,375
Flow-through premium liability	408,707	-
Total current liabilities	844,359	115,375
Working capital	5,336,855	1,961,931

As at June 30, 2021, the Company had cash of \$5,602,064 (December 31, 2020 – \$1,606,462) and working capital of \$5,336,855 (December 31, 2020 – \$1,961,931).

MANAGEMENT DISCUSSION AND ANALYSIS FOR THE SIX MONTHS ENDED JUNE 30, 2021

During the six months ended June 30, 2021, the Company experienced an increase in cash of \$3,995,602 versus a decrease of \$12,562 in the comparative period ended June 30, 2020. In the current period, the Company's increase in cash was mostly due to closing private placements for proceeds of \$6,467,430, proceeds of \$297,676 from exercise of warrants, proceeds of \$82,500 from exercise of stock options, which was offset by paying shares issuance costs of \$147,559, incurring exploration and evaluation asset expenditures of \$764,156, and funds used for administrative costs. In the comparative period, the Company's decrease in cash was mostly due to funds for administrative costs.

The Company's continuation as a going concern is dependent upon its ability to attain profitable operations and generate funds there from and/or raise equity capital or borrowings sufficient to meet current and future obligations. See "Risks and Uncertainties".

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off balance sheet arrangements.

RELATED PARTY TRANSACTIONS

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including directors (executive and non-executive) of the Company.

	For the six months ended June 30,	
	2021	2020
	\$	\$
Management fees	115,000	-
Exploration and evaluation assets expenditures	106,688	-
Share-based compensation	664,236	-
	885,924	-

All related party transactions are recorded at the amount agreed to by the Company and the related party. During the six months ended June 30, 2021, the Company entered into the following transactions with key management personnel:

- (a) Paid or accrued management fees of \$57,500 (June 30, 2020 – \$nil) to a company controlled by Brian Morrison, the CFO and director of the Company. As at June 30, 2021, \$10,500 (December 31, 2020 - \$nil) was included in accounts payable and accrued liabilities for management fees.
- (b) Paid or accrued management fees of \$57,500 (June 30, 2020 – \$nil) to Kosta Tsoutsis, a director of the Company. As at June 30, 2021, \$10,500 (December 31, 2020 - \$nil) was included in accounts payable and accrued liabilities for management fees.
- (c) Paid or incurred exploration and evaluation expenditures of \$61,500 (June 30, 2020 – \$nil) to a company controlled by Jeff Poloni, the CEO and director of the Company. As at June 30, 2021, \$45,109 (December 31, 2020 - \$nil) was included in accounts payable and accrued liabilities for exploration and evaluation expenditures incurred.
- (d) Paid or incurred exploration and evaluation expenditures of \$45,188 (June 30, 2020 – \$nil) to a company controlled by Chris Healey, a director of the Company. As at June 30, 2021, \$19,846 (December 31, 2020 - \$nil) was included in accounts payable and accrued liabilities for exploration and evaluation expenditures incurred.
- (e) Paid or accrued rent of \$6,400 (2020 – \$nil) to Millennial Lithium Corp., a company related by a common officer.

In May 2021, the Company completed a private placement financing with 2176423 Ontario Ltd. ("2176423 ON"), a company controlled by Eric Sprott, whereby 2176423 ON acquired a total of 6,666,667 units of the Company at a price of \$0.30 per share for gross proceeds of \$2,000,000. Each unit consists of one common share of the Company and one share purchase warrant. Each warrant shall entitle the holder to purchase an additional common share of the Company at a price of \$0.40 for a period of three years. As a result, Mr. Sprott beneficially owns and controls 6,666,667 common shares of the Company and 6,666,667 warrants representing approximately 12% of the issued and outstanding common shares of the Company on a non-diluted basis and approximately 22% on a fully diluted basis assuming exercise of the warrants immediately following the financing. Prior to this financing, Mr. Sprott did not beneficially own or control any securities of the Company.

RISKS & UNCERTAINTIES

The business and operations of the Company are subject to numerous risks, many of which are beyond the Company's control. The Company considers the risks set out below to be some of the most significant to potential investors in the Company, but not all of the risks associated with an investment in securities of the Company. If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which the Company is currently unaware or which it considers to be material in relation to the Company's business actually occur, the Company's assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects, are likely to be materially and adversely affected. In such circumstances, the price of the Company's securities could decline and investors may lose all or part of their investment.

The Company is engaged in the acquisition, exploration and development of mineral properties. Given the nature of the resource business, the limited extent of the Company's assets, and the present stage of exploration, the following risks factors, among others, should be considered.

COVID-19 Pandemic

In March 2020, there was a global outbreak of coronavirus (COVID-19). The actual and threatened spread of the virus globally has had a material adverse effect on the global economy and, specifically, the regional economies in which the Company operates. The pandemic could continue to have a negative impact on the stock market, including trading prices of the Company's shares and its ability to raise new capital. These factors, among others, could have a significant impact on the Company's operations.

On August 1, 2020, the Company's office resumed normal business, with multiple COVID-19 precautionary measures in place. The Company continues to operate in a safe manner with social distancing measures and daily health checks. The Company has taken actions to minimize the risks of COVID-19 for both consultants and persons interacting with the Company's programs and activities with the adoption of a policy that mandates social distancing, a safety champion, and frequent office cleaning/wipe down, self-health checks, and work from home protocol if exposure to COVID-19 is suspected or known.

The Company's exploration activities are considered an "essential business" in Newfoundland and Utah and are permitted to continue, so long as these activities are conducted in a safe manner. Quarantine measures are required in Newfoundland and the Company's personnel may be restricted from certain activities for a duration of 14 days after entering the province. Travel between Canada and the USA also has quarantine restrictions that will cause delays in exploration activities.

To ensure a safe workplace environment in Canada that protects the health and safety of employees and contractors, the Company follows all federally and provincially mandated and recommended guidelines regarding COVID-19.

Competition

There is potential that the Company will face intense competition from other companies, some of which can be expected to have longer operating histories and more financial resources, manufacturing and marketing experience. Increased competition by larger and better financed competitors could materially and adversely affect the business, financial condition, and results of operations of the Company.

Exploration, Development and Operating Risks

The Company is in the process of exploration and development of its properties and has not yet generated any revenues from production. The recovery of expenditures on mineral properties and the related exploration and evaluation expenditures are dependent on the existence of economically recoverable mineralization, the ability of the Company to obtain financing necessary to complete the exploration and development of its Desert Eagle Project and Stony Lake East Gold Project, and upon future profitable production, or alternatively, on the sufficiency of proceeds from disposition. Resource exploration is highly speculative in nature, involves many risks and frequently is non-productive. There is no assurance that the Company's efforts will be successful and will result in commercial production or profitability.

Fluctuating Resource Prices

The economics of resource exploration and development are affected by many factors beyond the Company's control, including commodity prices, the cost of operations, variations in the quantity and quality of resources and fluctuations in the market price of those resources. Depending on the price of resources, the Company may determine that it is impractical to continue a resource exploration operation or to develop one. Resource prices are prone to fluctuations and the marketability of resources are affected by government regulation relating to price, royalties, allowable production and the importing and exporting of resources, the effect of which cannot be accurately predicted.

Reliance on Management and Dependence on Key Personnel

The success of the Company will be largely dependent upon the performance of its directors and officers and the ability to attract and retain key personnel. The loss of the services of these persons may have a material adverse effect on the Company's business and prospects. The Company will compete with numerous other companies for the recruitment and retention of qualified employees and contractors. There is no assurance that the Company can maintain the service of its directors and officers or other qualified personnel required to operate its business. Failure to do so could have a material adverse effect on the Company and its prospects.

Local Resident Concerns

Apart from ordinary environmental issues, the exploration and development the Company's projects could be subject to resistance from local residents that could either prevent or delay exploration and development of its properties.

Title to Properties

Acquisition of title to mineral properties can be a very detailed and time-consuming process. Title to, and the area of, properties could be disputed. The Company cannot give a certain assurance that title to its properties will not be challenged or impugned. A successful claim that the Company does not have title to its properties could cause the Company to lose any rights to explore, develop and mine any resources or minerals on its properties without compensation for its prior expenditures relating to its properties.

Financing Risks and Dilution to Shareholders

In order to execute the current business objectives, the Company will require additional equity and/or debt financing to support on-going operations, to undertake capital expenditures or to undertake acquisitions or other business combination transactions. There can be no assurance that additional financing will be available to the Company when needed or on terms which are acceptable. The Company's inability to raise financing to support on-going operations or to fund capital expenditures or acquisitions could limit the Company's growth and may have a material adverse effect upon future profitability.

If additional funds are raised through issuances of equity or convertible debt securities, existing shareholders could suffer significant dilution. Any debt financing secured in the future could involve restrictive covenants relating to the capital raising activities and other financial and operational matters, which may make it more difficult for the Company to obtain additional capital and to pursue business opportunities, including potential acquisitions.

Environmental Risks

The Company's exploration and development programs will, in general, be subject to approval by regulatory bodies. Additionally, all phases of the resource business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of international conventions and state and municipal laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with mining operations. The legislation also requires that wells and facility sites be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs.

Regulatory, Permit and License Requirements

The current or future operations of the Company require permits from various governmental authorities, and such operations are and will be governed by laws and regulations concerning exploration, development, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, site safety and other matters. Companies engaged in the exploration and development of mineral properties generally experience increased costs and delays in development and other schedules as a result of the need to comply with applicable laws, regulations and permits. There can be no assurance that all permits which the Company may require for facilities and the conduct of exploration and development operations on the properties will be obtainable on reasonable terms, or that such laws and regulations will not have an adverse effect on any exploration or development project which the Company might undertake.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in exploration and development operations may be required to compensate those suffering loss or damage by reason of the exploration and development activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations. Amendments to current laws, regulations and permits governing operations and activities of resource companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or exploration and development costs, or require abandonment or delays in the development of new or existing properties.

Litigation

The Company and/or its directors may be subject to a variety of civil or other legal proceedings, with or without merit.

Currency Risks

The Company's financial results are reported in Canadian dollars. The Company's exploration properties are located in the United States and Canada, and the Company incurs some of its expenditures in United States dollars. Any appreciation in the currency of the United States against the Canadian dollar will increase the Company's costs of carrying out operations and its ability to continue to finance its operations. Such fluctuations could have a material adverse effect on the Company's financial results.

No Operating History

The Company has not commenced commercial operations since incorporation to date. The Company has no history of earnings or paid any cash dividends, and it is unlikely to produce earnings or pay dividends in the immediate or foreseeable future.

Political Risks

The Company's operations may be adversely affected by changes in governmental policies or other economic developments which are not within the control of the Company including a change in taxation policies, economic sanctions, and currency control. The Company is subject to various laws governing exploration, development, production, taxes, labour standards and occupational health, toxic substances, land use, water use, land claims of local people and other matters. No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner, which could increase the cost of operations.

Conflicts of Interest

Certain of the directors and officers of the Company will be engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies (including mineral resource companies) and, as a result of these and other activities, such directors and officers may become subject to conflicts of interest. The BCBCA provides that in the event that a director has a material interest in a contract or proposed contract or agreement that is material to an issuer, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement, subject to and in accordance with the BCBCA. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the BCBCA and applicable internal corporate governance or board policies where and when applicable.

Uninsurable Risks

Exploration, development and production operations on resource properties involve numerous risks, including unexpected or unusual geological and/or operating conditions, fires, floods, earthquakes and other environmental occurrences, any of which could result in damage to, or destruction of, producing facilities, damage to life or property, environmental damage and possible legal liability. Although precautions to minimize risk will be taken, operations are subject to hazards that may result in environmental pollution and consequent liability that could have a material adverse impact on the business, operations and financial performance of the Company. 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 other reasons. Should such liabilities arise, they could have an adverse impact on the Company's results of operations and financial condition and could cause a decline in the value of the Company's shares.

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported revenues and expenses during the period.

Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

The most significant accounts that require estimates as the basis for determining the stated amounts include the valuation of share-based compensation and the recognition of deferred tax amounts.

Income taxes

In assessing the probability of realizing income tax assets, management makes estimates related to expectation of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.

Critical judgments exercised in apply accounting policies that have the most significant effects on the amounts recognized in the financial statements are as follows:

- i) Determination of categories of financial assets and financial liabilities; and
- ii) Assessment of the going concern assumption.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The fair value of the Company's cash, receivables, and accounts payable and accrued liabilities approximates their carrying values.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts and its receivables. The Company has deposited its cash with a large Canadian financial institution and its receivables mostly consist of amounts due from the Canadian government. Management believes the risk of loss is low.

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity is to ensure that it will have sufficient working capital to meet liabilities when due. As at June 30, 2021, the Company had a cash balance of \$5,602,064 to settle current liabilities of \$844,359.

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

(d) Currency risk

The Company's operations and financing activities are conducted majorly in Canadian dollars and, as a result, the Company is not subject to significant exposure to market risks from changes in foreign currency rates.

(e) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not subject to interest rate risk.

CAPITAL DISCLOSURE AND MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain a flexible capital structure which will allow it to meet its exploration commitments. Therefore, the Company monitors the level of risk incurred in its expenditures relative to its capital structure.

The Company considers its capital structure to include shareholders' equity. The Company monitors its capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the potential underlying assets. To maintain or adjust the capital structure, the Company may issue new equity if available on favourable terms and approved by the TSX-V. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company's overall strategy remains unchanged from 2020. The Company is not subject to any externally imposed capital requirements.

DISCLOSURE DATA FOR OUTSTANDING COMMON SHARES, OPTIONS AND WARRANTS

The Company has one class of common shares. Below is a summary of the outstanding capital of the Company as at June 30, 2021 and the date of this report:

	As at June 30, 2021	Date of this report
Common shares	53,989,543	53,989,543
Stock options	5,025,000	4,875,000
Warrants	33,502,664	33,502,664

Stock Options

As of the date of this report, there were four tranches of stock options outstanding as shown below.

Stock Options Issue Date	Number of Stock Options Outstanding	Exercise Price	Expiry Date
October 15, 2018	500,000	\$ 0.165	October 15, 2023
September 28, 2020	1,500,000	0.55	September 28, 2025
November 9, 2020	300,000	0.45	November 9, 2025
March 1, 2021	1,375,000	0.32	March 1, 2026
May 19, 2021	1,200,000	0.56	May 19, 2026
	4,875,000		

Warrants

As of the date of this report, there were five tranches of warrants outstanding as shown below.

Warrants Issue Date	Number of Warrants Outstanding	Exercise Price	Expiry Date
August 25, 2020	9,510,000	\$ 0.50	August 25, 2022
October 27, 2020	3,220,920	0.42	October 27, 2023
February 5, 2021	2,855,000	0.40	February 5, 2024
February 22, 2021	9,840,810	0.40	February 22, 2024
May 14, 2021	8,075,934	0.40	May 14, 2024
	33,502,664		

OTHER MD&A REQUIREMENTS

Additional information relating to the Company may be found on SEDAR at or in:

- the Company's condensed interim consolidated financial statements for the three and six months ended June 30, 2021 and 2020.
- the Company's audited financial statements for the years ended December 31, 2020 and 2019.

This MD&A was approved by the Board of Directors of K9 Gold Corp.