

MANAGEMENT DISCUSSION AND ANALYSIS

Accompanying the June 30, 2020 Consolidated Interim Financial Statements

This Management Discussion and Analysis (“MD&A”), prepared as of August 31, 2020, should be read in conjunction with the Company’s consolidated interim financial statements and the accompanying notes for the six months ended June 30, 2020 and related notes thereto, which have been reported in Canadian dollars, and prepared in accordance with International Financial Reporting Standards (“IFRS”).

This discussion relates to the operations of Transatlantic Mining Corp. (“Transatlantic” or the “Company”), its wholly-owned subsidiaries Archean Star Resources Australia Pty Ltd. (“ASA”), incorporated in Australia, and Transatlantic Idaho Corp., Transatlantic Contracting Corp., Transatlantic Montana Corp., Transatlantic Equipment Corp., and Alder Mountain Milling Corp., all incorporated in the USA during the period up to the date of this report, being August 31, 2020.

Additional information, including press releases, has been filed electronically through the System for Electronic Document Analysis and Retrieval (“SEDAR”) and is available under the Company’s profile at www.sedar.com.

FORWARD-LOOKING INFORMATION

This MD&A contains certain forward-looking statements and information relating to the Company that are based on the beliefs of management as well as assumptions made by and information currently available to the Company. When used in this document, the words “*anticipate*”, “*believe*”, “*estimate*”, “*expect*” and similar expressions, as they relate to the Company or management, are intended to identify forward-looking statements. This MD&A contains forward-looking statements relating to, among other things, regulatory compliance, the sufficiency of current working capital, the estimated cost and availability of funding for the continued exploration and development of exploration properties. Such statements reflect the current views of management with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect management’s analysis only as of the date hereof. Readers should be aware that the Company is under no obligation to publicly release the results of any revision to these forward-looking statements, which may not reflect circumstances, or occurrences of unanticipated events after the date of this document.

CORPORATE OVERVIEW

The Company was amalgamated under the *Business Corporations Act* (British Columbia) by Certificate of Amalgamation dated January 28, 2011.

On January 28, 2011, the Company was amalgamated under a Plan of Arrangement whereby the Gnaweeda Gold Project (“**Gnaweeda Project**”) was spun off from Kent Exploration Inc. (“**Kent**”) (now Bayhorse Silver Inc.), a TSX.V company, as a non-taxable dividend to its shareholders of record on January 25, 2011.

The Company is engaged in the review and acquisition of exploration of mineral property interests with a view to developing the assets into future economic mining activities. The Company’s registered and head office is located at Suite 400 - 837 West Hastings Street, Vancouver, BC V6C 3N6.

The Company’s main activities are summarized below on the Projects:

As of June 30, 2020:

- Miller Mine: Drill planning and permitting with an exclusive Option Agreement
 - Historical Jericho DD Hole #1 -- **2.4 m** at **516 g/t Au**
Hole # 2 -- **1.5 m** at **8.6 g/t Au**
 - Hand specimens have also been collected on the level indicating gold which require additional sampling information.
 - Further assays on the existing level indicates gold mineralization of **9.57 g/t Au** over **1.8 m** with 100 m plus of strike exposed after quarter end.
- Kearsarge Gold Project: Drill assays confirm high grade with future drill planning for extension

- **Hole KSRC_18_03 -- 20 metres (65 feet) at 8.64 g/t Au (0.252 ounce per tonne Au) -- true width 11.9 m Includes 3.3 m (10 feet) at 24.1 g/t Au drilled by Transatlantic;**

Follow up holes are planned that further enhance and update to a new Mineral Resource with additional technical activities on the drilling. Geophysics has been compiled in concert with the compilation of historical sample data into a new database.

- **Previous Big Vein highlighted drill hole grades:**
 - Hole No. 70-1-94 -- **5.9 metres** (17.6 feet) at **31.15 g/t Au** (1.0 oz/t Au) -- true width 5.9 m;
 - 70-3-94 -- **7.5 metres** (22.6 feet) at **48.23 g/t Au** (1.55 oz/t Au) -- true width 6.0 m;
 - * KS-01 -- **5.0 metres** (15.0 feet) at **60.27 g/t Au** (1.94 oz/t Au) -- true width 4.3 m;
- **Previous Kearsarge Vein highlighted drill hole grades:**
 - Hole No. UGKS-9-94 -- **3.3 metres** (9.8 feet) at **35.26 g/t Au** (1.13 oz/t Au) -- true width 1.6 m;
 - 96-2 -- **1.3 metres** (4.0 feet) at **30.47 g/t Au** (0.98 oz/t Au) -- true width 1.3 m;
 - * KS-02 -- **3.3 metres** (10.0 feet) at **10.23 g/t Au** (0.33 oz/t Au) -- true width 2.7 m.
- Alder Mountain Project: The geologic Model was confirmed with last drilling campaign with newly completed finance due diligence testing of the Gold concentrate for smelter terms. Reviews were undertaken for various financing options that have restricted the mine development for a further trial mine parcel and extended drilling campaign due to COVID-19.

- Kearsarge Project: A drill permit extension was sent to the Department of Environmental Quality and approved subject to a bond being initiated. Discussions have been maintained with drilling companies for availability to drill with Drill Permit approved subject to the bond lodged.

The QP required additional information for updating the project status at the Kearsarge and US Grant projects, now with this completed in an updated Database compilation.

Surface Geochemical and Drill data have now been compiled into a format for NI 43-101.

Discussions continue on the agreement terms for the US Grant Asset sales and the sublease rights for the Kearsarge Gold project as Transatlantic have met the obligations and waiting on Endomines to complete their obligations at quarter end.

- Monitor Copper Gold Project: TCO (80:20) Amcor Joint Venture Meeting are to be held to discuss the planning of drilling and further works in 2020. This would require further finance to complete and target the Big Elk and Monitor/ Richmond Vein targets
- Business Development: Additional projects and data were reviewed which included the high-grade Miller Mine option that included a limited drill permit that commenced but was interrupted by weather with an allowed extension.
- Finance: Advancing the finance for mine development and drilling on all projects throughout the year by various scenario options with best scenario to date on share for Project sale for the US Grant and Kearsarge to expedite value for all Transatlantic Shareholders.
- Miller Mine Gold Project: In exclusive option period to enter in an exclusive agreement to lease and purchase.

Continued and extended its due diligence period to November 15, 2019, on an exclusive agreement to lease and purchase the Miller Mine Gold Project. On further site review and compilation of existing reports, new grab samples were taken from the lower level (6,300 feet Elevation) and entering the old levels that contain gold both visually and in assay form from the grab sample # 1, which contained sulphides that assayed **15.5 grams per tonne** gold and **26 grams per tonne silver**. An additional rock specimen from the lower level received contained large “visual gold” and was therefore not assayed.

The Company plans to complete drilling and additional old level reconnaissance and survey data has been received.

At the end of the quarter, the share structure for the Company was 83,639,916 common shares.

By the Arrangement Agreement (the “Arrangement”) dated March 12, 2010, effectively closing on January 28, 2011, the Company acquired a 100% interest of ASA, an Australian subsidiary of Kent Exploration Inc. (“Kent”) (now Bayhorse Silver Inc.), for the issuance of 15,313,295 common shares at fair value of \$0.15 to Kent’s shareholders on a basis of 4:1. As part of the Arrangement, Kent also agreed to receive 100,000 common shares of the Company to settle ASA’s shareholder loan in the amount of \$164,833.

The transaction has been accounted for using the purchase method of accounting as an acquisition of assets by the Company. The allocation of the purchase price is based on the assets acquired and liabilities assumed measured at the carrying values, which approximated their fair values, at the date of the acquisition.

On July 4, 2014, the Company entered into an agreement with an arm's-length party to dispose of its Gnaweeda Gold Project, comprising interests in five tenements in Western Australia. As consideration for the property, the Company received a deposit of AUD\$5,000 and received a further AUD\$495,000 in the nine months ended September 30, 2015. The Company received a further AUD\$500,000 upon establishment of a Joint Ore Reserves Committee-compliant mineral resource of at least 150,000 ounces of gold on the 1st August 2016. The Company is further entitled to receive AUD\$250,000 for every consecutive 50,000 ounces of poured gold sourced from the property, capped at 200,000 ounces of poured gold for a total of AUD\$1,000,000. At December 31, 2014, the Company recognized a receivable of \$516,818 (AUD\$495,000 plus GST of AUD\$50,000) for the payment received after December 31, 2014. The Company realized a loss on sale of the property of \$3,191,290, which includes write off of related receivables of \$23,480 and prepaid expenses of \$8,565.

On December 29, 2014, the Company filed a draft valuation of its Gnaweeda Gold Project with the TSX.V with respect to the disposition of the property and obtained TSX.V approval on March 31, 2015 with its attached obligations thereto.

During the December 31, 2014 and pursuant to a resolution passed by shareholders, the Company changed its name from Archean Star Resources Inc. to Transatlantic Mining Corp.

The Company's shares trade on the TSX Venture Exchange ("TSX.V") under the symbol "TCO".

OVERALL PERFORMANCE / DISCUSSION OF OPERATIONS

The Company's business is the acquisition, financing, and exploration of prospective mineral properties in areas of low political risk, close to support facilities and with ready, all weather access to support future mine development in the district.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. The impact on the Company is not currently determinable but management continues to monitor the situation.

The Company has purchased the Alder Mountain (US Grant) Gold Project and title in Madison County in Montana in the USA effective August 28, 2017. It has also met expenditure commitments to acquire an 80% interest (plus) in a Mining Lease on the Monitor Copper Gold Project in the Coeur D'Alene Mining District, Idaho effective December 31, 2017. Whilst this milestone has been met subsequent expenditures will gain additional ownership or pro rata payment. The Company entered into the 10 year lease option to purchase the prospective Kearsarge Gold Project 8 kilometres to the south of the Alder Mountain Gold Project and US Grant Processing facility.

Monitor Property

On February 5, 2013, as amended on March 12, 2015, the Company entered into an option and joint venture agreement with American Cordillera Mining Corporation (“AMCOR”), and Northern Adventures LLC (“NALLC”) whereby it has the right to earn 80% of AMCOR’s 100% leasehold interest in a Purchase Option Mining Lease Agreement between AMCOR and NALLC on the Monitor Property (the “Property”), located in Idaho, USA. In order for the Company to earn the 80% interest in the Property, subject to certain underlying royalties, the Company must:

- (i) pay US\$25,000 in cash (paid);
- (ii) incur property expenditures of US\$2,100,000 over three years (completed); and
- (iii) issue 400,000 common shares of the Company in stages, all of which have been issued in prior years.

In exchange for the amendment, the Company paid additional consideration of 150,000 common shares (issued at a fair value of \$30,000 in previous year) and US\$25,000 cash (paid in previous year).

The Company shall have the right to exercise a buyout clause and thereby purchase a 100% interest in the Property from NALLC, and thereby terminate the Purchase Option Mining Lease Agreement. Upon exercise of this buy-out option, AMCOR shall be obligated to contribute 20% of the cost of the acquisition of the Property.

If the Company exercises the option, AMCOR shall receive a 20% carried interest until such time as the earlier of:

- (i) a NI 43-101 compliant Feasibility Study is completed; and
- (ii) the Company has notified AMCOR in writing of its decision to proceed with mining of the Property.

At this time, a joint venture shall automatically be deemed to be formed between the Company and AMCOR, where AMCOR will hold a 20% joint venture interest and the Company will hold an 80% joint venture interest in the Monitor claims.

The Company has focused on getting the drill permits ready for new drill programs and metallurgical testing of mineralized rock coming from the St. Lawrence and Monitor properties.

One future option for treating mineralized materials from the Monitor is to utilize and send it to the US Grant processing facility, which has an existing flotation circuit that has been upgraded and commissioned by Transatlantic.

St. Lawrence Property

On June 25, 2015, the Company entered into a Lease Agreement for a parcel of land (the “St. Lawrence Property”) on the Montana/Idaho border. The term of the lease is for 25 years, with an option to renew for a further 25 years. As consideration, the Company must issue 130,000 common shares of the Company (issued with a fair value \$19,500) and a 1% net smelter returns (“NSR”) royalty from any production from the Monitor Property and St. Lawrence Property.

The Company is obligated to pay an annual maintenance fee of US\$10,000 upon the execution of the Lease Agreement (paid) and upon each anniversary date of the Lease Agreement. The landowner may terminate the Lease Agreement after seven years if the Company has not paid during that period NSR or equivalent cash payments totaling at least US\$150,000.

The landowner may also terminate the lease after three years if the Company has not incurred by that time at least US\$100,000 in expenditures on the St. Lawrence Property. As at June 30, 2020, the Company incurred \$126,718 (December 31, 2019 - \$84,137) in accumulated expenditures related to St. Lawrence Property.

As of June 30, 2020, the Company has paid all required lease payments for 2018 and 2019 and had an outstanding amount owing to the landowner of US\$7,500 for the 2020 year end.

At June 30, 2020, the Company has a refundable performance bond of \$14,705 (US\$10,260) (December 31, 2019 - \$14,705) for security of drilling activity requirements for the property.

Alder Mountain Project

On January 18, 2016, the Company entered into a Mining Lease and Option to Purchase Agreement to lease the U.S. Grant Mine located in the County of Madison, Montana, for an initial term of 4 months, commencing January 18, 2016 until May 17, 2016. The Company was obligated to pay a non-refundable rent of US\$50,000 prior to the initial term (paid). The Company extended the initial term for an additional 12 months to May 18, 2017 for rent of US\$25,000 per month. Such rent payments will be applied to the purchase price. If after the initial and extension term, the Company had not exercised its option to purchase, the agreement would terminate.

At any time during the initial and extension term, the Company may exercise its option to purchase the U.S. Grant Mine for a purchase price of US\$6,000,000. The purchase price shall be paid in installments, less rent payments noted above, as follows:

- US\$2,000,000 upon closing of the purchase (paid);
- US\$2,000,000 one year after the date of closing of the purchase; and
- US\$2,000,000 two years after the date of closing.

On August 28, 2017, the Company received exchange approval to close its acquisition of the U.S. Grant Mine property in Montana. The remaining payments will be secured by a mortgage on the property in favour of the vendors. On August 28, 2017, the short and long-term portions have been discounted to US\$1,882,132 from US\$1,995,060 and US\$1,779,993 from US\$2,000,000, respectively, at a 6% discount rate and will be accreted up to the face values over the term of the debt.

On August 23, 2018, the Company's wholly owned subsidiary, Transatlantic Montana Corp., has received a notice of default regarding its scheduled US\$2,000,000 mortgage payment due on the U.S. Grant property.

On November 5, 2019, Transatlantic Montana Corp. entered into amended and restated purchase and sale agreement (the "Agreement") with Madison Mining Corporation, Elite Property CA and Carmen Renee Dugan (the "Sellers"). Under the amended agreement, the balance of the purchase price is payable as follows:

- US\$500,000 shall be paid on or before January 7, 2020; (paid during the period)
- US\$500,000 shall be paid on or before July 1, 2020; and
- US\$3,250,000 shall be paid on or before January 31, 2021.

During the year ended December 31, 2019, the remaining payments of the purchase price were discounted to \$5,228,336 (US\$4,025,513) from \$5,519,899 (US\$4,250,000), at a 6% discount rate and were being accreted up to the face values over the term of the debt. The Company recognized a gain on debt modification of \$9,020 (US\$6,945) in the consolidated statement of comprehensive loss during the year ended December 31, 2019. The remaining payments were secured by a mortgage on the property in favour of the vendors. On April 21, 2020, the Company entered into an agreement with Endomines Idaho, LLC (“Endomines” or “Seller”) to sell the U.S. Grant Mine and Mill. Pursuant to the agreement, upon closing and meeting all the conditions the third party will assume all the obligations post July 31, 2020, or thereabout.

On January 8, 2020, the Company paid \$651,300 (US\$500,000) to the Seller of US Grant Mine and Mill. During the six months ended June 30, 2020, the Company recorded accretion expense of \$153,704 (US\$112,596) (2019 - \$Nil). As at June 30, 2020, the outstanding balance was \$4,958,016 (US\$3,638,110) (December 31, 2019 - \$5,228,336 (US\$4,025,513)).

At June 30, 2020, the Company has refundable performance bonds of \$36,345 (US\$27,439) (December 31, 2019 - \$36,345) for security of drilling activity requirements for the property.

On September 30, 2016, the Company signed a binding agreement with the owners of a neighboring claim that allows the Company access to recommission the Cornucopia shaft for use in ventilating the deepest reaches of U.S. Grant No. 3 level. In consideration of the right to construct the opening in the Cornucopia shaft and use the shaft for ventilation purposes, the Company shall pay the owner the sum of US\$30,000 in two payments of US\$15,000 on or before October 10, 2016 (paid), and US\$15,000 on or before October 10, 2017. The second payment was not made and the agreement therefore terminated.

Kearsarge Gold Project

On May 4, 2017, the Company entered into an exclusive agreement to lease and purchase the Kearsarge claim group (KCG) in Madison country in the state of Montana. These claims are approximately four miles from the U.S. Grant Mine. The Company may extend the initial term for up to an additional 12 months to December 31, 2018 for rent of US\$40,000 (paid). The Company can then extend the agreement for a second renewal term to December 31, 2028 for rent of US\$8,333 per month until the Company reaches commercial production of a minimum of 30,000 ore tons per month, after which the rent will increase based on production. Such rent payments will be applied to the purchase price. At any time during the initial and extension term, the Company may exercise its option to purchase the KCG for a purchase price of US\$6,000,000, less rent payments and US\$60,000 paid to the claim owner for personal property.

On March 11, 2019, the Company’s new drilling has confirmed that gold mineralization continues strong below the Kearsarge Mine at the Kearsarge Gold Project on which the Company has acquired an exclusive option to purchase. Hole KSRC_18_03 hole intersected significant mineralization, 20 metres at 8.64 g/t Au below the lowest level (6900 Feet level) in concert with previous mine development and drillhole intersections and within 40 m (120 feet) from surface on

the northern end of the “Initial Area of focus”.

On July 31, 2019, the Company elected to exercise its second renewal term for up to 10 years of the exclusive agreement to lease and purchase the KCG after due diligence work was completed.

At June 30, 2020, the Company has paid all required lease payments for 2019. During the six months ended June 30, 2020, the Company has paid \$171,415 (US\$125,032) to the owner whilst also spending funds in the project data.

During the year ended December 31, 2019, the Company commenced plans to sell certain properties, and on April 21, 2020, the Company entered into an agreement with Endomines to sell the U.S. Grant Mine and Mill in conjunction with the lease assignment of the Kearsarge Gold Project (the “assets”). Summary of the purchase consideration for the assets are as follows:

- Shares of the third party with a market value of 95% of the value of the Company’s issued and outstanding shares at an agreed value of \$0.10 per share (83,639,916 shares outstanding x 95% x \$0.10 CAD);
- Cash payment of US\$550,000 (received during the period);
- Payment of US\$2,000,000 by May 31, 2020, extended to July 31, 2020 or prior (received \$376,609 (US\$268,510) during the period); and
- US\$2,000,000 cash payment on first gold production from the assets or in two years, whichever is earlier.

The company to July 31 2020 have an extension that has been mutually agreed by the parties, Transatlantic have met their conditions.

The Company reclassified the Assets from exploration and evaluation assets to assets held for sale as at December 31, 2019. The value was determined based on the lower of the assets carrying amount and fair value less costs to sell and is computed as follows:

	Alder Mountain Project (\$)	Kearsarge Gold Project (\$)	Total (\$)
Purchase price			
Value of common shares	7,906,394	39,398	7,945,792
Cash payment of \$716,430 (US\$550,000 at 1.3026)	708,587	7,843	716,430
US\$2,000,000 at 1.2988	2,569,160	28,440	2,597,600
PV of US\$2,000,000 at 1.2988	2,162,411	23,937	2,186,348
Fair value of the consideration to be received	13,346,552	99,618	13,446,170
Carrying amount of the assets	7,142,587	37,210	7,179,797

Since the fair value of the consideration to be received is more than its carrying amount, the assets are not impaired. The Company reclassified from exploration and evaluation assets and recognized \$7,179,797 as assets held for sale as at December 31, 2019.

The following table summarizes the assets held for sale as at June 30, 2020:

	Alder Mountain Project (\$)	Kearsarge Gold Project (\$)	Total (\$)
Balance, December 31, 2019	7,142,587	37,210	7,179,797
Cash payment received of US\$550,000 at 1.3026	(651,300)	(65,130)	(716,430)
Cash payment received of US\$183,000 at 1.4086	(257,774)	-	(257,774)
Cash payment received of US\$30,707 at 1.4094	(43,278)	-	(43,278)
Cash payment received of US\$54,803 at 1.3787	(75,557)	-	(75,557)
Addition	-	171,415	171,415
Balance, June 30, 2020	6,114,678	143,495	6,258,173

Miller Mine Gold Project

On July 2, 2019, the Company entered into an exclusive agreement to lease with an option to purchase the Miller Mine in the Broadwater County of Montana. The agreement is subject to an initial due diligence period including the Company's election to lease and purchase with a profit share arrangement consideration. The Company has been granted an exclusive due diligence right to data and information on the Miller Mine Patented and Unpatented claims to August 15, 2019, extended to October 15, 2019 and then to May 31, 2020. To June 30, 2020, funds have been spent on the property with drill set up and report reviews along with sampling and access along the old levels commenced. The terms of the agreement include:

- A First Renewal Term of 24 months following the expiry of the due diligence period for consideration of \$100,000 in cash or square equivalent between \$0.05 and \$0.10 at the Company's election subject to TSX approval. The Company is also to spend a further \$100,000 in development in the first renewal term.
- A Second Renewal Term of 24 months on the expiry of the First Renewal Term for consideration of \$100,000 spent in that period.
- Should mining occur at any time, an 8.5% royalty on ounces produced must be paid. During the term of the agreement, the Company may purchase the property for US\$4,500,000, less the payments made above, and a perpetual 1% gold NSR to the vendor thereafter.

On September 27, 2019, the Company has commenced further review and compilation of existing reports with the most recent grab samples taken from the lower level (6,300 feet) and entering the old level. Initial grab sampling of vein material has been undertaken on the quartz vein in the lower level with visual gold and high-grade gold results. Rock samples from the lower level contain gold both visually and in assay form from sample 1, which contained sulphides that assayed 15.5 grams per tonne gold and 26 grams per tonne silver. An additional rock specimen from the lower level contained visual gold and was therefore not assayed as assumed high grade at that time.

Highlights:

- Exclusive Due diligence on “Historical Drillholes’ DD 1 and DD 2 drilled in 1968-69;
Jericho DD #1 8 feet at 14.9 oz/ton Au (2.4 metres at 513 g/t Au)
Jericho DD #2 5 feet at 0.25 oz/ton Au (1.5 metres at 8.6 g/t Au) and
2 feet at 0.9 oz/ton Au (0.6 metre at 31 g/t Au)
- Commence confirmation drilling on the “historical” core holes; and
- Exclusive Lease and purchase option for the Miller Mine and Claims.

Table 1. “Historical” Drillhole Assays on the Miller Mine Claims (Target area for new TCO confirmation drilling)

Historic Drillhole Number	From (ft)	To (ft)	Length (ft)	Length (m)	True Width (m) #	g/t Au	Oz/ton Au	Oz/ton Ag	Vein
Jericho DD Hole 1	293	301	8	2.4	1.8	513	14.9	6.0	Blue Shale
Jericho DD Hole 2	160	165	5	1.5	1.2	8.6	0.25	Trace	
	319	321	2	0.6	0.5	30.9	0.9	Trace	

Up to the date of this MD&A, tenements are in good standing with the relevant statutory bodies.

	June 30, 2020 (\$)
Monitor Project	
<i>Acquisition Costs</i>	518,855
St. Lawrence Project	
<i>Acquisition Costs</i>	83,105

Mineral property expenses for the six months ended June 30, 2020 are as follows:

	For the Six Months Ended June 30, 2020					
	Alder Mountain	Monitor	St. Lawrence	Kearsarge Gold	Miller Mine	Total
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Assays and analysis	-	-	-	13,910	-	13,910
Consultants	57,935	8,532	5,435	37,420	7,435	116,757
General and administrative field cost	3,354	1,978	1,770	3,541	11,355	21,998
Management fees	45,000	27,000	27,000	54,000	27,000	180,000
Professional fees	22,965	8,376	8,376	16,752	4,725	61,194
Rent	-	-	-	-	2,377	2,377
Report and data compilation	-	-	-	1,660	-	1,660
Repairs and maintenance	1,720	-	-	-	-	1,720
Utilities recovery	(2,416)	-	-	-	-	(2,416)
Travel, accommodation and fuel	-	1,715	-	425	315	2,455
Total	128,558	47,601	42,581	127,708	53,207	399,655

Summary of Alder Mountain Project Activities

The project is best described currently as an exploration and mine development project with the current surface drilling supporting the geological model for gold mineral extraction. The mine is being reviewed for startup from the Sherman portal with final costings being determined off the trial mining estimates and by introducing and utilizing modern underground mobile mining equipment. This is part of the working capital required to commence the operations being sought.

The US Grant Mine is permit ready and is one of the three opportunities to advance mine development and large bulk mining parcels. Finance considerations are being regularly assessed on this proposition and that of the Kearsarge in conjunction with each other.

The Company continues to review other propositions that can add value to the processing facility and that compliments its activities in the region with its own operating expertise as a potential toll treating facility unless otherwise sold to the third party should this occur in the future.

Location

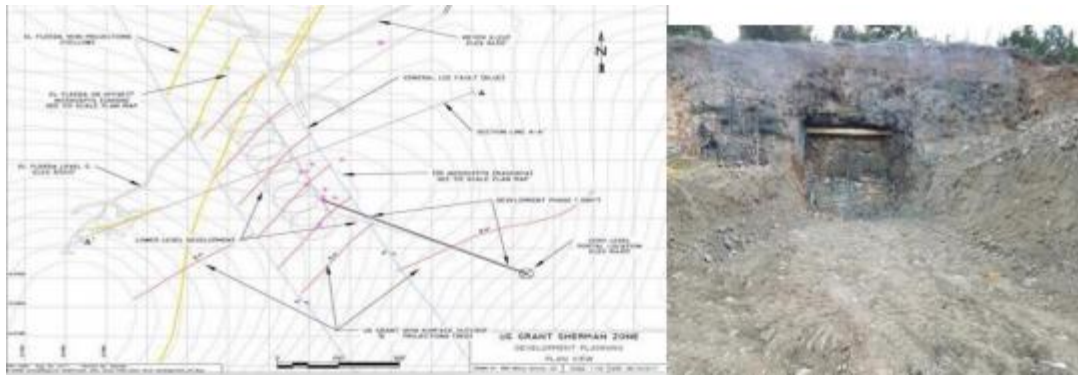
The mine is located in the historical mining district of Virginia City, Montana, USA. This is an area with a history of alluvial (plus 2.5 Million Ounces Au) and underground gold mining and there are still a number of mines operating within the proximity of US Grant ranging from open pit operations to some underground operations. The processing facility can and is a strategic asset for this region.

Sherman Mine Development

The mine has a plan in place to develop to the vein drilled by the Company with a new underground mining access, the Sherman Decline. This will be undertaken with the Company's own heavy equipment and contract labour going forward when financing is completed. The Sherman decline will be utilized to access the yet unmined Sherman vein, an offset and extension of the U.S. Grant vein. The decline can be driven rapidly with modern trackless gear to enable subsequent development of the Sherman vein to obtain a bulk sample in the order of plus 40,000 tons initially.

The portal development is complete, 165 metres (540 feet) of a 3.6-metre-by-3.6-metre (12 feet by 12 feet) ramp is planned to access the first sublevel of the vein mineralization. After the secondary escape way and initial vein exploration are completed, the mining of this mineralized zone can continue to the extent of the current and known drilling and be on vein within 3 months of start up.

The following plan outlines the Sherman mine development with the short access of 150 metres to the mineralized vein. This new mine start-up is within 1 kilometre of the US Grant processing facility.



Further drilling has now been planned for the extension of the unmined Sherman vein and testing the historically mined gold bearing El Fleeda vein approximately 150m to the north of this infrastructure.

Summary of Kearsarge Gold Project

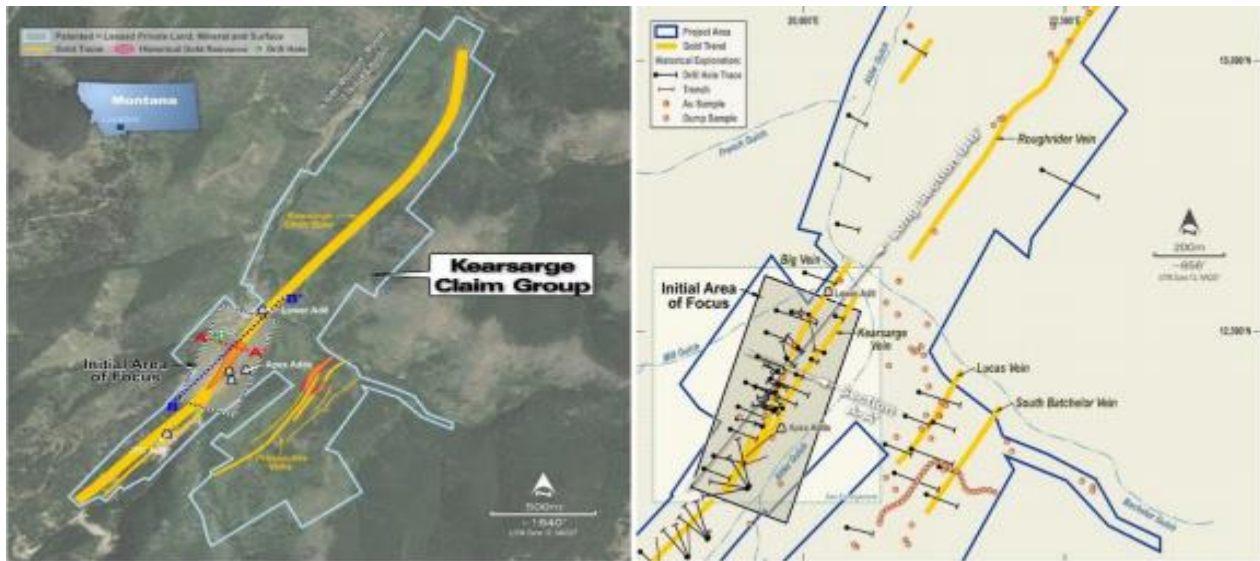
The Kearsarge has more historical holes drilled outside the Kennecott “Historical Resource estimate” of 600,000 ounces in 1995. The Kearsarge Claim Group contains over 700 acres and 33 claims of private patented land. The project is 8 (5 miles) kilometres from the US Grant Mine. The following summary drill results indicate the initial area of focus is highly mineralized and now compiled for additional studies:

- **Hole KSRC_18_03 -- 20 metres (65 feet) at 8.64 g/t Au (0.252 ounce per tonne Au) -- true width 11.9 m Includes 3.3 m (10 feet) at 24.1 g/t Au;**
- **Previous big vein highlighted drill hole grades:**
 - Hole No. 70-1-94 -- 5.9 metres (17.6 feet) at 31.15 g/t Au (1.0 oz/t Au) -- true width 5.9 m;
 - 70-3-94 -- 7.5 metres (22.6 feet) at 48.23 g/t Au (1.55 oz/t Au) -- true width 6.0 m;
 - * KS-01 -- 5.0 metres (15.0 feet) at 60.27 g/t Au (1.94 oz/t Au) -- true width 4.3 m;
- **Previous Kearsarge vein highlighted drill hole grades:**
 - Hole No. UGKS-9-94 -- 3.3 metres (9.8 feet) at 35.26 g/t Au (1.13 oz/t Au) -- true width 1.6 m;
 - 96-2 -- 1.3 metres (4.0 feet) at 30.47 g/t Au (0.98 oz/t Au) -- true width 1.3 m;
 - * KS-02 -- 3.3 metres (10.0 feet) at 10.23 g/t Au (0.33 oz/t Au) -- true width 2.7 m.

The Company completed an initial phase of drilling that was successful in intersecting a new area below the lowest level (6900 Feet level) of **20 m at 8.64 g/t Au** in concert with attaining sample for additional metallurgical confirmation and activities on the Kearsarge Gold Project.

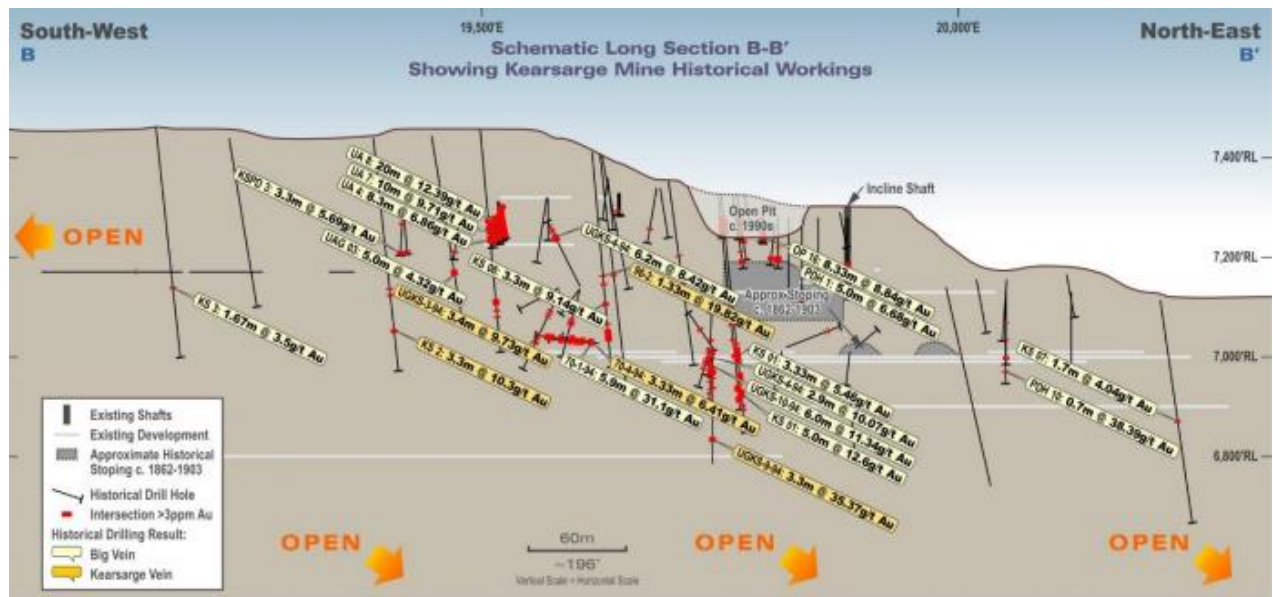
During the collation of geological information, the Company tested the Kearsarge Vein and has planned an additional program submitted to the Department of Environmental Quality (DEQ) for and received approvals to. The Company is sourcing finance alternatives to commence this activity in the spring/summer of 2020. The Kearsarge and Big Vein are in close proximity to surface with demonstrated historical drilling indicating high-grade gold mineralization.

The following diagram highlights the plan view and initial area of focus for compiled drilling within a large shear zone and exploration opportunity outside this focus area.



Plan View of the Kearsarge highlighting drilling and initial area of focus

Mineralization appears to be open both along strike and down dip with more technical information now being sourced from different libraries and personal discussions with previous operators. The following long section indicates large exploration opportunity for adding additional ounces down dip, along strike, along with additional veining outside the initial area of focus.



Summary Pierce Points on the Kearsarge and Big Veins along initial area of focus

The Company is not treating the historical estimate as a current mineral resource or reserve and will develop the plan to evaluate the information in the oncoming period. Transatlantic is of the belief that with further evaluation and studies this could be added to Transatlantic's extended future in the district.

The Company has received a permit to advance further activities on the Kearsarge Gold Project with an extended phase of drilling subject to an additional bond with the DEQ (Department of

Environmental Quality).

The QP Dr Aslam Awan made a site visit in May 2019 to the US Grant and Kearsarge project to review all chips, core data and site layout.

Future drill planning has been reviewed in conjunction with the QP and company representatives.

Chris Pfahl is the Qualified Person responsible for having reviewed and approved the technical information contained in this release for engineering. Chris is the Principal and Owner of Silver Valley Engineering.

Dr. Aslam Awan is the Qualified Person responsible for having reviewed and approved the technical information contained in this release for exploration drilling.

Summary of Monitor Project Activities

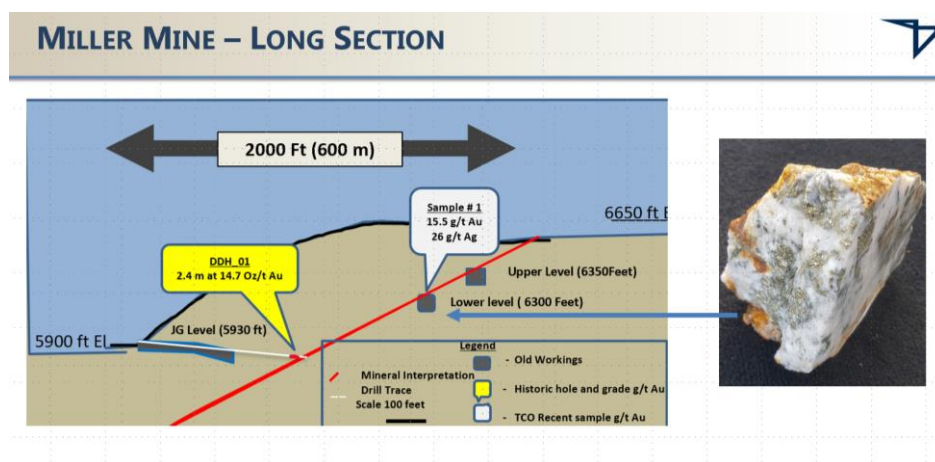
The current and planned drill permits will be set up for the following summer work programs. This project has near term permits required for the exploration drilling and mining of a 10,000-ton mineralized bulk sample.

Summary of Miller Mine Option Activities

An option was undertaken on the project to follow up with due diligence drilling on a historical diamond hole drilled in 1968 that intersected 2.4 m at 516 g/t Au.

An exploration permit for 2 holes has been requested for extension approvals during the quarter with drilling commencing, however technical access and weather hindered the completion of the drill program.

It is planned to drill the holes in the spring of 2020 and access the old levels when weather is amenable to do so at that elevation.



Summary Pierce Points on the Miller Mine Long Section with rock sample from Level

Business Development

The Company has reviewed and ranked many projects and is focused on gold and copper development projects as a future high-margin mining opportunities and a path to faster payback returns on mining startups.

On August 17, 2020, the Company continued and extended its activities.

SELECTED ANNUAL INFORMATION

	Year Ended December 31, 2019 \$	Year Ended December 31, 2018 \$	Year Ended December 31, 2017 \$
Revenue	-	-	-
General & Administrative and Other Expenses	403,686	1,704,368	1,408,989
Exploration Expenses	701,888	836,916	1,578,336
Net loss and Comprehensive Loss	1,105,574	2,541,284	2,987,325
Net Loss per Share - basic and diluted	0.01	0.04	0.09
Total Assets	8,251,718	8,636,078	8,871,379

SUMMARY OF QUARTERLY RESULTS

A summary of financial results for the eight most recently completed quarters ending June 30, 2020:

	Revenue (\$)	General & Administrative and Other Expenses (Recovery) (\$)	Exploration Expenses (\$)	Net Loss and Comprehensive Loss (\$)	Loss per Share (\$)
Jun-30-2020	-	(106,390)	226,522	120,132	0.00
Mar-31-2020	-	738,422	173,133	911,555	0.01
Dec-31-2019	-	47,781	202,437	250,218	0.00
Sep-30-2019	-	115,085	292,109	407,194	0.00
Jun-30-2019	-	86,160	106,410	192,570	0.00
Mar-31-2019	-	154,660	100,932	255,592	0.00
Dec-31-2018	-	847,084	305,305	1,152,389	0.02
Sep-30-2018	-	(144,413)	377,675	233,262	0.00

Fiscal 2020

During the second quarter of 2020, the Company recorded a loss of \$120,132 compared to a loss of \$911,555 in the first quarter of 2020. The significant change is mainly due to decrease in foreign exchange loss recognized during the second quarter of 2020.

During the first quarter of 2020, the Company recorded a loss of \$911,555 compared to a loss of \$250,218 in the fourth quarter of 2019. The significant change is mainly due to increase in foreign exchange loss recognized during the first quarter of 2020.

Fiscal 2019

During the fourth quarter of 2019, the Company recorded a loss of \$250,218 compared to a loss of \$407,194 in the third quarter of 2019. The change is mainly due to decrease in exploration expenses and increase in foreign exchange gain recognized during the fourth quarter of 2019.

During the third quarter of 2019, the Company recorded a loss of \$407,194 compared to a loss of \$192,570 in the second quarter of 2019. The change is mainly due to increase in exploration expenses in the third quarter of 2019.

During the second quarter of 2019, the Company recorded a loss of \$192,570 compared to a loss of \$255,592 in the first quarter of 2019. The change is mainly due to decrease in general and administrative in the second quarter of 2019.

During the first quarter of 2019, the Company recorded a loss of \$255,592 compared to a loss of \$1,152,389 in the fourth quarter of 2018. The change is mainly due to significant decrease in general and administrative in the first quarter of 2019.

Fiscal 2018

During the fourth quarter of 2018, the Company recorded a loss of \$1,152,389 compared to a loss of \$233,262 in the third quarter of 2018. The change is mainly due to the significant increase in general and administrative and other expenses in the fourth quarter of 2018.

During the third quarter of 2018, the Company recorded a loss of \$233,262 compared to a loss of \$645,164 in the second quarter of 2018. The change is mainly due to the increase in exploration expenses and was offset by the significant decrease in general and administrative and other expenses in the third quarter of 2018.

RESULTS OF OPERATIONS

Six months ended June 30, 2020

The Company has earned a revenue of \$Nil during the six months ended June 30, 2020 and 2019. Exploration expenditures of \$399,655 were higher by \$192,313 than the \$207,342 during the six months ended June 30, 2019 due to increased costs for completing exploration activities and legal fees associated with the sales agreements.

General and administration expenses during the six months ended June 30, 2020 totaled \$298,629 which were lower by \$233,961 than the \$532,590 in the same period in 2019. This is mainly due to significant decrease in office expenses and management fees during the current period.

Three months ended June 30, 2020

The Company has earned a revenue of \$Nil during the three months ended June 30, 2020 and 2019.

Exploration expenditures of \$226,522 were higher by \$120,112 than the \$106,410 during the three months ended June 30, 2019 due to increased costs for completing exploration activities and legal fees associated with the sales agreements.

General and administration expenses during the three months ended June 30, 2020 totaled \$149,346 which were lower by \$83,409 than the \$232,755 in the same period in 2019. This is mainly due to significant decrease in office expenses and management fees during the current period.

LIQUIDITY AND CAPITAL RESOURCES

As of June 30, 2020, the Company had working capital deficit of \$9,794,487 compared to a working capital deficit of \$5,537,115 as of the year ended December 31, 2019.

Six months ended June 30, 2020

During the six months ended June 30, 2020, net cash used in operating activities was \$849,815 (2019 - \$83,399) comprising of a net loss of \$1,031,687 (2019 - \$448,162), amortization of \$85,890 (2019 - \$143,805), loss on sale of equipment of \$Nil (2019 - \$13,471), accretion and accrued interest of \$154,542 (2019 - \$Nil), unrealized foreign exchange loss of \$230,711 (2019 - gain of \$228,009), decrease in receivables of \$243 (2019 - \$39,410), decrease in prepaid expenses of \$11,803 (2019 - \$12,993), decrease in US grant payable of \$651,300 (2019 - \$Nil) and increase in accounts payable and accrued liabilities of \$349,983 (2019 - \$383,093).

Cash provided by investing activities for the six months ended June 30, 2020 was \$911,100 (2019 - used in of \$2,384) comprising of proceeds from sale of mineral properties of \$1,093,039 (2019 - \$24,349) and mineral property acquisition costs of \$181,939 (2019 - \$26,733).

There was no financing activity during the six months ended June 30, 2020 and 2019 due mainly to poor market conditions and later the COVID-19 for limited travel access.

Three months ended June 30, 2020

During the three months ended June 30, 2020, net cash used in operating activities was \$168,431 (2019 - \$28,951) comprising of a net loss of \$120,132 (2019 - \$192,570), amortization of \$42,042 (2019 - \$70,143), loss on sale of equipment of \$Nil (2019 - \$13,471), accretion and accrued interest of \$75,518 (2019 - \$Nil), unrealized foreign exchange gain of \$203,932 (2019 - \$116,198), decrease in receivables of \$Nil (2019 - \$66), decrease in prepaid expenses of \$5,694 (2019 - \$5,784), and increase in accounts payable and accrued liabilities of \$32,379 (2019 - \$190,353).

Cash provided by investing activities for the three months ended June 30, 2020 was \$247,602 (2019 - \$6,922) comprising of proceeds from sale of mineral properties of \$376,609 (2019 - \$24,349), and mineral property acquisition costs of \$129,007 (2019 - \$17,427).

There was no financing activity during the three months ended June 30, 2020 and 2019 due mainly to poor market conditions and later the COVID-19 for limited travel access.

The Company is in the mineral exploration and development business and is exposed to a number of risks and uncertainties inherent to the mineral resource industry. This activity is capital intensive at all stages and subject to fluctuations in metal prices, market sentiment, currencies, inflation and

other risks. The Company currently has no source of material revenue and relies primarily on equity financings to fund its exploration, development and administrative activities. Material increases or decreases in the Company's liquidity will be substantially determined by the success or failure of its exploration and development activities, as well as its continued ability to raise capital. The current recessionary credit conditions have severely limited the Company's ability to raise financing through its usual methods and if these conditions persist, they will materially decrease the Company's liquidity and capital resources.

The Company's ability to continue as a going concern is dependent on continued financial support from its shareholders, and the ability of the Company to raise equity and other forms of finance to generate a cashflow mining model. While management has been successful in obtaining additional sources of finance in the past, there can be no assurance that it will be able to do so in the future.

RELATED PARTY TRANSACTIONS

The following table summarizes services provided by related parties:

	Six Months Ended June 30, 2020	Six Months Ended June 30, 2019
	(\$)	(\$)
Management (a)	180,000	180,000
Consulting and director fees (b)	56,910	58,253
	236,910	238,253

(a) The Company paid management fees of \$180,000 (2019 - \$180,000) to the CEO of the Company.

(b) The Company paid consulting fees of \$30,000 (2019 - \$30,000) and directors fees of \$26,910 (2019 - \$28,253) to directors of the Company.

As of June 30, 2020, \$3,123,687 (December 31, 2019 - \$2,789,595) is due to related parties, being directors of the Company, for the services above, which is included in accounts payable and accrued liabilities. Amounts due to related parties are unsecured, non-interest bearing and have no fixed terms of repayment.

FINANCIAL INSTRUMENTS

The fair value of the Company's financial assets and liabilities approximates the carrying amount.

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 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:

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 in its cash accounts and its receivables. This risk is managed through the use of a major bank that is a high credit quality financial institution as determined by rating agencies. The risk associated with its receivables is minimal.

Liquidity risk: Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Liquidity risk arises through the excess of financial obligations due over available financial assets at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available capital in order to meet its liquidity requirements. Liquidity risk is assessed as high.

Currency risk: Currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company's functional currency is the Canadian dollar. The Company is exposed to currency exchange rate risk to the extent of its activities in Australia and the United States. The Company's currency risk is presently limited to approximately \$308,310 of net exposure denominated in Australian dollars and approximately \$5,846,881 of net exposure denominated in US dollars. Based on this exposure as at June 30, 2020, a 5% change in the Australian dollar to Canadian dollar exchange rate would impact the Company's net loss by \$15,416 and by \$292,344 for a 5% change in the US dollar to Canadian dollar. Management believes the foreign exchange risk derived from currency conversions from the Australian and U.S. operations is not significant and does not hedge its foreign exchange risk.

Future changes in exchange rates could have a material effect on the Company's business, financial condition and results of operations.

Industry risk: The Company is engaged primarily in the mineral exploration field and manages related industry risk issues directly. The Company is potentially at risk for environmental reclamation and fluctuations in commodity-based market prices associated with resource property interests.

Management is of the opinion that the Company addresses environmental risk and compliance in accordance with industry standards and specific project environmental requirements.

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. Interest rate risk is not significant as the Company's assets and liabilities do not bear any interest.

Capital management: The Company manages its capital structure based on the funds available to the Company, in order to fund its general and administration expenses, support acquisition, maintenance, exploration, and development of mineral properties. The capital structure of the Company consists of equity and debt obligations, net of cash and cash equivalents. The Board of Directors has not established any quantitative return on capital criteria for management, instead relying on the expertise of the Company's management to sustain future development of the business. The properties in which the Company currently has interests are in the exploration stage

and early production development, so the Company is dependent on external financing to fund its activities. In order to carry out activities and administration, the Company will spend its existing working capital and raise additional amounts as needed. The Company is not subject to any externally imposed restrictions on capital. There were no changes in the Company's approach to capital management during the period.

SHARE CAPITAL

The Company's authorized share capital consists of an unlimited number of common shares without par value. As of June 30, 2020, and as of the date of this report, the total number of common shares issued and outstanding is 83,639,916*.

As of June 30, 2020, and as of the date of this report, the total number stock options issued and outstanding is 1,150,000.

As of June 30, 2020, the total number of share purchase warrants issued and outstanding is 45,103,058 and as of the date of this report, the total number of share purchase warrants issued and outstanding is 21,965,558.

*Does not include the 2,000,000 shares issued in error. The Company is in the process of having the shares returned for cancellation in cooperation with the other party.

CHANGES IN ACCOUNTING POLICIES

As of January 1, 2018, the Company adopted the new and amended IFRS pronouncements in accordance with transitional provisions outlined in the respective standards. The adoption of these standards did not have a material impact on the consolidated results, financial position or accounting policies of the Company. Significant standards adopted include the following:

IFRS 9, Financial Instruments (“IFRS 9”)

IFRS 9 addresses the classification, measurement and recognition of financial assets and financial liabilities and supersedes the guidance relating to the classification and measurement of financial instruments in IAS 39, *Financial Instruments: Recognition and Measurement* (“IAS 39”).

IFRS 9 requires financial assets to be classified into three measurement categories on initial recognition: those measured at fair value through profit and loss, those measured at fair value through other comprehensive income and those measured at amortized cost. Investments in equity instruments are required to be measured by default at fair value through profit or loss. For financial liabilities, the standard retains most of the IAS 39 requirements.

IFRS 15, Revenue from Contracts with Customers (“IFRS 15”)

The new revenue standard introduces a single principles-based, five-step model for the recognition of revenue when control of goods is transferred to, or a service is performed for, the customer. IFRS 15 also requires enhanced disclosures about revenue to help users better understand the nature, amount, timing and uncertainty of revenue and cash flows from contracts with customers.

As of January 1, 2019, the Company adopted the new and amended IFRS pronouncements in

accordance with transitional provisions outlined in the respective standards. The adoption of these standards did not have a material impact on the consolidated results, financial position or accounting policies of the Company. Significant standards adopted include the following:

IFRS 16 Leases (“IFRS 16”)

Effective January 1, 2019, the Company adopted IFRS 16, *Leases*, which specifies how to recognize, measure, present and disclose leases. The standard introduces a single lessee accounting model and requires a lessee to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The Company’s accounting policy under IFRS 16 is as follows: At inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. This policy is applied to contracts entered into, or changed, on or after January 1, 2019. The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, and estimate of costs to dismantle and remove or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use assets are subsequently amortized from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term using the straight-line method. The lease term includes consideration of an option to renew or to terminate if the Company is reasonably certain to exercise that option.

In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company’s incremental borrowing rate. The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising mainly from a change in an index or rate, if there is a change in the Company’s estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, renewal or termination option due to a significant event or change in circumstances. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. Under IAS 17, *Leases* (“IAS 17”), the Company’s accounting policy was as follows: The determination of whether an arrangement was (or contained) a lease was based on the substance of the arrangement at the inception of the lease. The arrangement was, or contained, a lease if fulfilment of the arrangement was dependent on the use of a specific asset and the arrangement conveyed a right to use the asset, even if that asset was not explicitly specified in an arrangement. A lease was classified at the inception date as a finance lease or an operating lease. A lease that transferred substantially all the risks and rewards incidental to ownership to the Company was classified as a finance lease. Finance leases were capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments were apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges were recognized in net finance expenses (income) in net loss. A leased asset was depreciated over the term of the lease. An operating lease was a lease other than a finance lease. Operating lease payments were recognized in net loss on a straight-line basis over the lease term. Lease incentives received were

recognized as an integral part of the total lease expense, over the term of the lease.

Impact of transition to IFRS 16

Effective January 1, 2019 the Company adopted IFRS 16 using the modified retrospective approach. Accordingly, comparative figures as at and for the year ended December 31, 2018 have not been restated and continue to be reported under IAS 17 and IFRIC 4, determining whether an arrangement contains a lease (“IFRIC 4”). As at January 1, 2019 the Company had no operating leases. For equipment leases previously classified as finance leases under IAS 17, the Company measured the right-of-use asset and lease liability as previously accounted for without adjustment.

Accounting standards issued but not yet effective

There are no other IFRS or International Financial Reporting Interpretations Committee interpretations that are not yet effective that would be expected to have a material impact on the Company’s consolidated financial statements.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

LITIGATION

The Company may from time to time be subject to litigation. At June 30, 2020, the Company has accrued for what it believes is a reasonable amount with respect to any litigation claims.

The Company has completed successful mediation on the Alder Mountain Project – US Grant where it was in default for payment with new deferred payments for 2020 and 2021 milestones.

SUBSEQUENT EVENT

On August 17, 2020, the Company announced that it has continued and extended its activities on an agreement to lease and purchase the Miller Mine in the Broadwater County of Montana. Following on from Lower Level sampling previous, access was made to the Upper Level with quartz and sulphide apparent over 100 metres (300 Feet) in strike. A grab sample under a collapsed chute further informed gold mineralization on the Upper Level. The sampling both from the current program and historical mining and drill programs underpin further drilling and future sampling activities to build a near term trial mining sample. These claims are approximately 29 miles to the North east of Townsend in Montana and add towards the consolidation strategy of the district that Transatlantic is undertaking.

Highlights

Upper level:

- Vein rock chip channel samples (five) averaged 9.57 grams per tonne gold and 34.7 grams per tonne silver (average width of 1.2 metres).
- Vein length composite averaged over 100 m (300 feet) exposed length weighted.
- A chute rock remnant grab sample assayed 12.79 g/t Au and 50.7 g/t Ag.

Lower level:

- A grab sample on the lower level has indicated both visible gold and 15.5 g/t Au with 26 g/t Ag.
- Plan to commence access and drilling in September, 2020.

JG Level:

- “Historical Drillholes” DD 1 and DD 2 drilled in 1968-69.

Jericho DD # 1 8 feet at 14.9 oz /ton Au (2.4 metres at 516 g/t Au).

Jericho DD #2 5 feet at 0.25 oz/ton Au (1.5 metres at 8.6 g/t Au) and 2 feet at 0.9 oz/ton Au (0.6 m at 31 g/t Au)