JUBILEE GOLD EXPLORATION LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2020

(EXPRESSED IN CANADIAN DOLLARS)

The following Management's Discussion and Analysis ("MD&A") is current to November 23, 2020 and is management's assessment of the financial position and results of operation together with future prospects of Jubilee Gold Exploration Ltd. ("Jubilee" or the "Company"). This MD&A should be read in conjunction with the Company's unaudited condensed interim financial statements for the nine months ended September 30, 2020 and 2019, and its audited financial statements for the year ended December 31, 2019, prepared in accordance with International Financial Reporting Standards ("IFRS"). All figures are expressed in Canadian dollars ("$" or "CAD") unless stated otherwise.

This discussion contains forward-looking statements that are not historical in nature and involves risks and uncertainties. Forward-looking statements are not guarantee as to the Company's future results as there are inherent difficulties in predicting future results. This MD&A includes, but is not limited to, forward-looking statements. Management considers the assumptions on which these forward-looking statements are based to be reasonable at the time the Company's unaudited condensed interim financial statements were prepared. Accordingly, actual results could differ materially from those expressed or implied in the forward-looking statements. Factors that could have a material impact on the results, activities and future events in relation to the expectations expressly or implicitly stated in these forward-looking statements include, without being limited to the volatility of gold and metal prices, risks related to the mining industry, uncertainties regarding estimated mineral resources, additional financing needs and the Company's ability to obtain that financing. The Company has adopted National Instrument 51-102F1 as the guideline in presenting the MD&A. Additional information relevant to the Company's activities, including its press releases, can be found on SEDAR at www.sedar.com.

Description of Business

Jubilee is a public company listed on the TSX Venture Exchange ("TSX-V") that was incorporated under the laws of Ontario. Jubilee is controlled by the Company's Chief Executive Officer ("CEO"), Jeffrey Becker.

The address of the Company's registered office is P.O. Box 939 Toronto Adelaide Retail, Toronto, Ontario, M5C 2K3, Canada.

The Company's primary business consists of exploring its resource properties to determine whether the properties contain reserves that are economically recoverable. The Company is in the process of exploring its resource properties for mineral resources and has not determined whether the properties contain economically recoverable reserves. The continued operations of the Company and the recoverability of amounts shown as mining claims are dependent upon the existence of recoverable reserves, the ability of the Company to obtain financing to complete the development, the Company's continuing interest in the underlying mineral claims and future profitable production or proceeds from the disposition thereof. The Company also holds investments and earns ancillary investment income and royalty income.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of mining claims and the Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise alternative financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis. Changes in future conditions could require material impairment of the carrying values.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and non-compliance with regulatory and social requirements. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contracts, and political uncertainty.

Business Overview

Exploration Update for the nine months ended September 30, 2020

During the third quarter of 2020, exploration was directed at the Hislop Township Property, in the Larder Lake Mining Division of northeastern Ontario, 43 km northwest of Kirkland Lake. The property is immediately north of the past-producing Golden Arrow gold deposit, and 5 km southwest of the past-producing Ross Gold Mine, which produced nearly one million ounces of gold between 1936 and 1989. In 1975, drilling in the southeast corner of the Jubilee-Hislop Property reportedly returned a gold intersection of 0.08 ounces per ton over a core length of 20 feet.

In August 2020, Jubilee did soil-geochemical sampling on the Hislop Property, in follow-up to an earlier 2004 program of Induced Polarization (I.P.) geophysical surveying and preliminary soil-geochemical sampling.

Soil sampling in 2020 returned anomalous gold values of up to 70 times background from an area of thin, sandy, soil cover in the northcentral section of the property. Preliminary sampling of an exposure of sheared and rusty mafic-volcanics near that location returned gold values of up to 1040 ppb. The 2004 survey identified an I.P. chargeability anomaly of interest 50 metres east and along trend from the sample area.

As in 2004, elevated soil-gold values were obtained from an area of thick clay cover in the southcentral section of the property. Chargeability anomalies of interest are also present in that area and represent preferred targets for future investigation.

Net Smelter Return Royalties Receivable

Elmhirst Property

The Elmhirst Property, a four-claim lease in the Beardmore-Geraldton area of north-central Ontario, was optioned to Laurion Mineral Exploration Inc, ("Laurion") pursuant to an agreement dated August 30, 2011. Laurion had the right to earn a 60% interest in the property by making aggregate cash payments of $52,000, issuing 290,000 Laurion common shares and, incurring $500,000 in exploration expenditures over a five-year period. The Company received the cash payment of $10,000 in May 2018.

An amending agreement in 2018 (the "2018 Amendment") provided for Laurion with the right to earn an additional 40% interest in the Jubilee leases by issuing a further 160,000 Laurion common shares in 2018, making additional cash payments of $50,000 and, incurring an additional $333,333 in exploration expenditures and, granting a 2% Net Smelter Return ("NSR") Royalty to the Company. Laurion has the right to purchase 1% of the retained NSR for $1,000,000.

In 2019, the Company received the final option payments of $20,000 pursuant to the 2018 Amendment.

Brenbar Gold Property

On December 30, 2019, Laurion entered into an option agreement with the Company, for the acquisition of the Brenbar Gold Property which is also located in the Beardmore-Geraldton area, immediately adjoining the west side of Laurion's flagship area properties. Pursuant to the option agreement, Laurion is required to make a cash payment of $50,000 and issue 300,000 common shares to the Company, in order to acquire (i) the option to earn up to a 100% undivided working interest in the project; and (ii) the sole, exclusive, irrevocable and immediate right to enter upon and conduct mining operation in and on the project for a period of five years from closing of the agreement. In order to maintain the right to operate and exercise the option, the corporation is required to make additional cash payments totaling $115,000, and issue an aggregate of 460,000 additional common shares, and incur an additional $300,000 in exploration expenditures within a three-year period from the execution of the agreement. Upon vesting, Jubilee would retain a 3% NSR on gold production and a 1.5% NSR on base metal production, with Laurion having the right to purchase 1% of the royalties for $1 million.

During the nine months ended September 30, 2020, the Company received cash payments of $90,000, and 460,000 common shares of Laurion valued at $80,800. The consideration received had been recorded as other income on the Company's unaudited condensed interim statements of income and comprehensive income.

Violet and Beaver Properties, Coleman Township

On May 10, 2011, the Company entered into an option agreement with Grupo Moje Limited ("Grupo"), whereby the Company granted Grupo the exclusive right and option to acquire a 100% undivided interest in the Violet and Beaver Properties. The Company holds a 3% NSR of which each 1% of the NSR can be purchased from the Company for $1,500,000. The Violet and Beaver Properties are currently owned by Canada Coblat Works Inc. (formerly Castle Silver Resources Inc.).

Bourlamaque Royalty

The Company holds an NSR varying between 0.75% and 2.5% on claims in Bourlamaque Township in Quebec.

Baird-Farlie Township Property

The Company is entitled to a sliding scale NSR based on the price of gold with a 4% NSR if the price of gold per troy ounce exceeds USD $800.

Casummit Lake Property

In 2010, the Company entered into a milestone claims royalty agreement with Gold Canyon Resources Inc. ("Gold Canyon") to sell and transfer the recorded title of certain Casummit claims to Gold Canyon for cash and share consideration. The Company holds a 3% NSR of which Gold Canyon can purchase 1% NSR for $1,000,000. Gold Canyon shall pay the Company an annual advanced royalty of $70,000, which will be adjusted by the Consumer Price Index (the "CPI") published by Statistics Canada each year, payable within 90 days of each fiscal year-end of Gold Canyon. Gold Canyon will also issue 100,000 common shares to the Company upon each of the first to fifth anniversary of the TSX-V approval of the agreement. In 2015, Jubilee received its final share issuance of 100,000 Gold Canyon common shares.

On July 12, 2010, the Company entered into a royalty agreement with Gold Canyon and the Company retains a 3% NSR on a second Casummit claim group. Gold Canyon has the right to re-acquire a 1% NSR upon payment of an aggregate of $500,000. No royalties have been received with respect to this arrangement. First Mining Finance Corp. had since acquired Gold Canyon in November 2015.

During the nine months ended September 30, 2020, the Company received advanced royalties of $82,177 (2019 – $80,566) on the Casummit Property.

German-Stock Property (Clavos Project)

In 1996, the Company purchased a royalty interest in some mining properties from a company under common management, Clavos Porcupine Mines Limited, for an exchange amount of $100,000. The Company is entitled to receive future royalty payments as follows:

(i) A payment of $200,000 in cash upon commencement of commercial production.
(ii) A royalty based upon a sliding scale net smelter return based on gold price and subject to changes in the consumer price index.
(iii) The agreement also provides for a royalty payment in the event that an active exploration program is not commenced within 12 months of the gold price exceeding USD $650 per ounce for more than 90 consecutive days.

In July 2018, Sage Gold Inc. ("Sage"), the owner of the Clavos Project at that time, was issued a Court Order by the Ontario Superior Court of Justice Commercial List (the "Court"), and a receiver was appointed by the Court to oversee all the assets, undertakings and properties of Sage. The receivership application was brought forth by CRH Funding II Pte. Ltd. ("CRH"), alleging that Sage had become insolvent and was unable to fulfill its obligations to CRH under a gold prepayment agreement.

As at September 30, 2020, commercial production has not commenced on this project and no royalties are currently recoverable.

Guillet Township Property (formerly the Belletere Mine)

The Company holds a 2% NSR on two mining concessions located in the Township of Guillet, Quebec of which one-half of the NSR can be purchased for $500,000.

Duprat Township Property

The Company holds a 7.5% interest in the net proceeds of commercial exploitation from 10 mining claims, and a 2% NSR on 51 additional claims, both located in Duprat Township, in the Noranda Mining Camp, Quebec.

McGarry Royalty

The Company holds a royalty interest in certain mining claims currently held by Orefinders Resources Inc. ("Orefinders") in McGarry Township within the Larder Lake Mining Division of Ontario ("Larder Lake"). The Company is entitled to royalties determined at the greater of:

(i) An NSR royalty based on the price per troy ounce as follows:
- 2% when less than USD $500
- 3% when greater than USD $500 and less than USD $800
- 4% when greater than USD $800; or

(ii) $1.00 per short ton of ore derived from the properties; and

(iii) An advance royalty payment of $21,573 payable quarterly, adjusted to the CPI.

Mirado and Derlak Properties

The Company holds a 3% NSR in the Mirado project located in Larder Lake.

The Company also holds a 3% NSR in the Derlak project located in Red Lake. Orefinders has the right to purchase 1% of the retained NSR at any time for $1,000,000. On March 10, 2017, Orefinders completed the sale of the Derlak project to Pure Gold Mining.

Birney Lake Property

The Company retains a 1% NSR on the Birney Lake Property located in southwestern New Brunswick that is currently owned and actively being explored by Galway Metals Inc. ("Galway Metals"). On July 27, 2020, the Company entered into an agreement (the "Agreement") to sell its 1% NSR on the Birney Lake Property. Under the terms of the Agreement, Galway Metals will pay the Company a total purchase price of $580,000 comprised of a cash payment of $100,000 and 400,000 common shares of Galway Metals.

On August 4, 2020, the Company received the cash payment of $100,000, and the 400,000 common shares of Galway Metals which are valued at $480,000. During the nine months ended September 30, 2020, a gain of $579,999 was recorded on the disposal of the 1% NSR on the Birney Lake Property.

Pagwachuan Lake Property

The Company holds a 3% NSR in this project located in the Pagwachuan Lake Area in Ontario. Argonaut Gold Inc. has the right to purchase 1% of the retained NSR at any time for $1,000,000.

Net Smelter Return Royalties Payable

Elliott Lake Property (Ghost Lake)

The Company has a 2.5% NSR obligation on net proceeds of production to Ty Randa on the Elliott Township Property in Larder Lake.

Harker Township Property (Golden Harker)

The Company has a 2% NSR obligation to Goldcorp on 3 mineral claims within the Golden Harker Property in Larder Lake.

Munro Property (Croesus-Munro)

The Company has a 2% NSR obligation to Johns Manville Canada Inc. on certain claims within the Croesus-Munro Property in Larder Lake.

Overall Performance

Selected Annual Information

The Company's selected annual financial information as at and for the three most recently completed financial years ended December 31 are summarized as follows:

As at and for the years ended December 31,	2019	2018	2017
	$	$	$
Net income (loss)	656,391	(1,184,058)	(769,278)
Basic net income (loss) per share	0.08	(0.15)	(0.09)
Total assets	4,157,483	3,536,917	4,607,091
Total liabilities	396,914	432,739	293,096

For the years ended December 31,	2019	2018	2017
	$	$	$
Investment income	12,112	6,621	7,981
Lease income	1,000	6,785	12,425
Royalty income	80,566	131,670	122,060
Other income	41,374	40,000	200,000
Total expenses	(260,161)	(399,020)	(433,116)

Summary of Quarterly Results

The Company's selected financial information for the eight most recently completed quarters are as follows:

	Q3 2020	**Q2 2020**	**Q1 2020**	**Q4 2019**
	$	**$**	**$**	**$**
Total income	658,655	8,434	150,973	20,306
Total expenses	(51,391)	(49,463)	(67,329)	(58,902)
Net operating income (loss)	607,264	(41,029)	83,644	(38,596)
Net income (loss)	2,021,005	2,460,947	(399,543)	76,172
Income (loss) per share – basic	0.26	0.31	(0.05)	0.00
Working capital deficiency	(3,680)	(215,067)	(185,326)	(323,463)

	Q3 2019	**Q2 2019**	**Q1 2019**	**Q4 2019**
	$	**$**	**$**	**$**
Total income	2,899	96,522	15,325	56,360
Total expenses	(76,107)	(79,111)	(46,040)	(94,576)
Net operating income (loss)	(73,208)	17,411	(30,715)	(38,216)
Net income (loss)	8,400	295,171	276,648	(158,855)
Income (loss) per share – basic	0.00	0.04	0.04	(0.02)
Working capital deficiency	(321,715)	(249,841)	(268,081)	(239,317)

Results of Operations

During the nine months ended September 30, 2020, the Company generated total income of $866,062, as compared to total income of $114,746 for the comparative period in 2019. The increase was primarily due to (i) option payments comprised of $90,000 from Laurion on the Elmhirst Property, and 460,000 common shares of Laurion valued at $80,800, received on the Brenbar Gold Property, and (ii) a gain on disposal of $579,999 on the sell of a 1% NSR on the Birney Lake Property to Galway Metals.

During the nine months ended September 30, 2020, total operating expenses decreased by $33,074 to $168,183, as compared to total operating expenses of $201,257 in the comparative period in 2019. The decrease is mainly attributable to reduced mining and property taxes of $7,434, for a total of $7,396 (2019 – $14,830), and reduced professional fees of $27,095, for a total of $71,201 (2019 – $98,296) in legal services.

During the nine months ended September 30, 2020, the Company recorded a total realized loss of $1,791,335 on dispositions of certain of its investments in the portfolio, as compared to a realized loss of $1,577 in the comparative period in 2019. The Company also recorded unrealized gains of $5,175,267 (2019 – unrealized gains of $674,811) on its investments, as the value of its investments had substantially recovered from the market's lowest point in March 2020 due to the COVID-19 pandemic.

Reflecting the Company's activities, net income for the nine months ended September 30, 2020 was $4,082,409 (basic income of $0.52 per share; diluted income of $0.48), as compared to a net income of $580,221 (basic and diluted income of $0.07 per share) in the comparative period in 2019.

Cash Flows

Net cash flows used in operating activities for the nine months ended September 30, 2020 was $43,374, as compared to net cash used in operating activities of $97,869 in the comparative period in 2019. The decrease in cash flows spent on operations is primarily due to option payments received by the Company on certain of its properties, and a reduction in management fees recorded during the current period.

Net cash flows from financing activities for the nine months ended September 30, 2020 was $123,000 (2019 – $nil). The inflow of cash is primarily due to proceeds received on a non-brokered private placement for $84,500, and from a loan of $40,000 received under the Canada Emergency Business Account (CEBA).

Net cash flows from investing activities for the nine months ended September 30, 2020 was $162,016 (2019 – $679). The increase is primarily due to cash proceeds of $100,000 from the disposition of the 1% NSR on the Birney Lake Property to Galway Metals. Additional proceeds of $86,488 were also received from the dispositions of investments during the period (2019 – $3,420), which was partially offset by purchases of $24,472 (2019 – $2,741) of new investments into the portfolio.

Working Capital and Liquidity Outlook

As at September 30, 2020, the Company had a working capital deficiency of $3,680, as compared to a working capital deficiency of $323,463 as at December 31, 2019.

As at September 30, 2020, the Company had total current assets of $314,301 (December 31, 2019 – $73,451) available for working capital and other operational purposes, primarily comprised of $302,043 in cash (December 31, 2019 – $60,401) and amounts receivable of $5,220 (December 31, 2019 – $8,284). The Company also had investments, which it can liquidate, which are valued at $7,764,694 (December 31, 2019 – $3,881,978).

Related Party Transactions and Key Management Compensation

Related party loan

On April 6, 2016, the Company entered into a loan agreement with the CEO of the Company, who is also a director and controlling shareholder of Jubilee, providing for the terms and conditions pursuant to which the CEO loaned the Company a principal amount of $300,000 (the "Loan") by evidenced of a promissory note. The Loan has a term of five years and is payable on demand after one year. The Loan bears interest at the rate of 1% per annum payable yearly on the date of each annual anniversary. The Loan is convertible at the option of the holder into Class A common shares of the Company at any time until the date of expiry of the loan term. The terms and conditions of the Loan provide that accrued interest can also be paid through the issuance of Class A common shares.

The conversion rate will be determined based on a price per Class A common share that is not less than the market price of the Class A common shares at the time of the conversion of the loan or at the time the accrued interest is payable, all subject to TSX-V acceptance. If the Company is no longer a publicly traded reporting issuer at the time of conversion, the conversion price shall be $0.10 for any amount of principal or accrued interest to be converted.

The estimated fair value of the conversion option at the time of issue and as at September 30, 2020 was $nil.

As at September 30, 2020, the loan payable balance was $127,500 (December 31, 2019 – $127,500). Interest accrued on the Loan of $6,464 (December 31, 2019 – $5,508) was included in accounts payable and accrued liabilities.

Management fees

During the nine months ended September 30, 2020, remuneration of $9,000 (2019 – $9,000) had been recorded for a director of Jubilee, for services provided to the Company. As at September 30, 2020, the amount of $6,000 (December 31, 2019 – $nil) due to the director was included in accounts payable and accrued liabilities. This balance is unsecured, non-interest bearing and due on demand.

Effective January 1, 2019, the amount previously accrued as management fees to an entity controlled by the CEO of the Company were invoiced by the entity, and the management remuneration had been amended and reduced to $1 per annum. During the nine months ended September 30, 2020, an amount of $80,000 was paid for the accrued management fees owed to the entity controlled by the CEO of the Company. As at September 30, 2020, total management fees of $151,752 (December 31, 2019 – $231,751) was owed to the entity controlled by the CEO and was included in accounts payable and accrued liabilities. This balance is unsecured, non-interest bearing and due on demand.

Other related party transactions

On September 1, 2017, the Company and Branson Corporate Services Ltd. ("Branson") entered into a management services agreement providing for Chief Financial Officer services and other accounting and administrative services to the Company. During the nine months ended September 30, 2020, Branson provided $33,750 (2019 – $33,750) of services to the Company, which are included in professional fees. As at September 30, 2020, no balance (December 31, 2019 – $nil) was owed to Branson.

Financial Instruments and Risk Management

The Board of the Company has the overall responsibility for the establishment and oversight of its risk management framework. Risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. There have been no changes in risks, objectives, policies and procedures during the nine months ended September 30, 2020 and the year ended December 31, 2019.

The Company is exposed to various risks through its financial instruments. The following analysis provides a measure of the risks:

Credit risk

Credit risk is the risk that a party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company is subject to concentrations of credit risk through cash and investments. The maximum credit risk is equivalent to the carrying values of the Company's cash, harmonized sales tax receivables and investment balances as at September 30, 2020 and December 31, 2019.

Liquidity risk

Liquidity risk arises through the excess of financial obligations over available financial assets due at any point in time. The Company manages liquidity risk by ensuring that it has sufficient cash and other financial resources available to meet its needs. The Company forecasts cash flows for a period of 12 months to identify financial requirements. These requirements are met through cash management, dispositions of assets and accessing financing through loans.

As at September 30, 2020, the Company had cash of $302,043 (December 31, 2019 – $60,401) to settle current liabilities of $310,621 (December 31, 2019 – $396,914). All of the Company's accounts payable and accrued liabilities generally have contractual maturities of less than 30 days and are subject to normal trade terms. As the Company has the ability to liquidate its investment portfolio, management believes that it has sufficient cash flows to meet its obligations for the next 12 months.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. These fluctuations may be significant. The methods and assumptions management use when accessing market risks are summarized below:

<u>Foreign currency risk</u>

The Company's functional currency is the Canadian dollar. The Company maintains a portion of its cash and investments in United States dollars ("USD"). The Company does not engage in any hedging activities to reduce its foreign currency risk. As September 30, 2020, the Company had cash held in USD accounts totaling $7,658 (December 31, 2019 – $5,886). A change in rates of plus or minus 1% would have a nominal effect on comprehensive loss for the nine months ended September 30, 2020. As at September 30, 2020, the Company held investments denominated in USD with a fair value totaling $485,130 (December 31, 2019 – $359,724).

<u>Commodity price risk</u>

The Company is exposed to price risk with respect to commodity prices. The Company closely monitors commodity prices to determine the appropriate course of action to be taken. The loss due to price risk on production is remote at this time since the Company is not a producing entity. There are certain investments in companies that may be producing entities who may be sensitive to fluctuations in commodity prices.

<u>Equity price risk</u>

The Company is exposed to equity price risk associated with changes in the market value of its investments. The Company closely monitors equity prices to determine the appropriate course of action to be taken. The Company's equity investments are concentrated in the resource sector. A 10% change in the quoted market of these investments would result in a change of approximately $768,000 to the Company's net income and comprehensive income for the nine months ended September 30, 2020.

Fair value

Fair value estimates of financial instruments are made at a specific point in time based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values. The Company's financial instruments consist of cash, investments, accounts payable and loan payable. The fair value of cash, accounts payable and loan payable are approximately equal to their carrying value due to their short-term nature. Investments in financial assets are carried at their fair value when there is an active market.

The Company classifies financial instruments recognized at fair value in accordance with a fair value hierarchy that include the inputs used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities, and the lowest priority to unobservable inputs. The three levels of the fair value hierarchy are described below:

- Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1	**Level 2**	**Level 3**	**Total**
	$	**$**	**$**	**$**
Investments – equity portfolio	7,670,969	-	-	7,670,969

As at September 30, 2020, the Company's financial instruments carried at fair value consisted of its investments in publicly traded equities, which have been classified as Level 1. The fair value disclosure for investment in non-financial assets had also been classified as Level 1. There were no transfers between Levels 2 and 3 for recurring fair value measurements during the nine months ended September 30, 2020.

Capital Management

The Company's objectives when managing capital are:

(i) To safeguard its ability to continue as a going concern;
(ii) Continue the development and exploration of its mineral properties; and
(iii) Maintain a capital structure, which optimizes the cost of capital at acceptable risk.

For capital management purposes, the Company defines capital as its shareholders' equity that includes share capital, contributed surplus, and deficit. Funds are secured through equity capital. There can be no assurance that the Company will be able to obtain sufficient capital in the case of operating cash deficits. There has been no change with respect to the overall capital risk management strategy during the nine months ended September 30, 2020 and the year ended December 31, 2019.

The Company is not subject to any externally imposed capital imposed by a lending institution or regulatory body, other than Policy 2.5 of the TSX-V which requires adequate working capital or financial resources of the greater of (i) $50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 9 months. As at September 30, 2020, management believes that the Company was compliant with TSX-V Policy 2.5.

Summary of Significant Accounting Policies

The accounting policies applied by the Company in its unaudited condensed interim financial statements for the nine months ended September 30, 2020 and 2019 are the same as those noted in the Company's audited financial statements for the year ended December 31, 2019, unless otherwise noted below.

Changes in Accounting Policies

The Company adopted the following amendments, effective January 1, 2020. These changes were made in accordance with the applicable transitional provisions.

IAS 1 – Presentation of Financial Statements ("IAS 1") and IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors ("IAS 8")

IAS 1 and IAS 8 were amended in October 2018 to refine the definition of materiality and clarify its characteristics. The revised definition focuses on the idea that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements. There was no material impact upon adoption of the amendments on the Company's unaudited condensed interim financial statements.

Effective September 17, 2020, the Company adopted the following accounting policy:

Government grants

Government grants are transfers of resources to an entity by government in return for past or future compliance with certain conditions relating to the operating activities of the entity. Government assistance is action by government designed to provide an economic benefit that is specific to an entity or range of entities qualifying under certain criteria.

Government grants and assistance are recognized where there is a reasonable assurance that the grants and assistance will be received, and conditions will be complied with. Government grants and assistance are recognized in other income over the periods in which the Company recognizes expenses which the grants and assistance are intended to compensate.

A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs is recognized in profit or loss.

Significant Accounting Judgments and Estimates

The preparation of the Company's unaudited condensed interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, revenue and expenses. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenue and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions. These estimates are reviewed periodically, and adjustments are made as appropriate in the period they become known. Items for which actual results may differ materially from these estimates are described as follows:

Going concern

At each reporting period, management exercises judgment in assessing the Company's ability to continue as a going concern by reviewing the Company's performance, resources and future obligations.

Fair value of financial assets and financial liabilities

Fair value of financial assets and financial liabilities on the statements of financial position that cannot be derived from active markets, are determined using a variety of techniques including the use of valuation models. The inputs to these models are derived from observable market data where possible, but where observable market data are not available, judgment is required to establish fair values. Judgments include, but are not limited to, consideration of model inputs such as volatility, estimated life and discount rates.

Expected credit losses on financial assets

Determining an allowance for expected credit losses for all debt financial assets not held at fair value through profit or loss requires management to make assumptions about the historical patterns for the probability of default, the timing of collection and the amount of incurred credit losses, which are adjusted based on management's judgment about whether economic conditions and credit terms are such that actual losses may be higher or lower than what the historical patterns suggest.

Impairment

Long-lived assets, including property and equipment and mineral exploration claims, are reviewed for indicators of impairment at each reporting period or whenever events or changes in circumstances indicate that the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of an asset is the higher of its fair value, less costs to sell, and its value in use. If the carrying amount of an asset exceeds its recoverable amount, an impairment charge is recognized immediately in profit or loss by the amount by which the carrying amount of the asset exceeds the recoverable amount. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the lesser of the revised estimate of recoverable amount, and the carrying amount that would have been recorded had no impairment loss been recognized previously.

Income taxes

Income taxes and tax exposures recognized in the Company's financial statements reflect management's best estimate of the outcome based on facts known at the reporting date. When the Company anticipates a future income tax payment based on its estimates, it recognizes a liability. The difference between the expected amount and the final tax outcome has an impact on current and deferred taxes when the Company becomes aware of this difference.

In addition, when the Company incurs losses that cannot be associated with current or past profits, it assesses the probability of taxable profits being available in the future based on its budgeted forecasts. These forecasts are adjusted to take account of certain non-taxable income and expenses and specific rules on the use of unused credits and tax losses. When the forecasts indicate the sufficient future taxable income will be available to deduct the temporary differences, a deferred tax asset is recognized for all deductible temporary differences.

Disclosure of Outstanding Share Data on November 23, 2020

	Authorized	**Outstanding**
Voting or equity securities issued and outstanding	Unlimited Class A Common Shares	7,961,578 Class A Common Shares
Securities exercisable into voting or equity shares		Stock Options to acquire up to 675,000 Class A Common Shares of the Company.

Off-Balance Sheet Arrangements

As at September 30, 2020 and the date of this MD&A, the Company does not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on the results of operations or financial condition of the Company.

Risk Factors

There are numerous and varied risks, known and unknown, that may prevent the Company from achieving its goals. If any of these risks occur, the Company's business, financial condition or results of operation may be adversely affected. In such case, the trading price of the Company's common shares could decline, and investors could lose all or part of their investment. The following is a summary of risks that could be applicable to the business of the Company:

Exploration, development and operating risks

Mining operations generally involve a high degree of risk. The Company's operations are subject to all the hazards and risks normally encountered in the exploration, development and production of gold, precious metals and other minerals, including unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although adequate precautions to minimize risk will be taken, milling operations are subject to hazards such as equipment failure or failure of retaining dams around tailings disposal areas which may result in environmental pollution and consequent liability.

The exploration for and development of mineral deposits involves significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of a mineral-bearing structure may result in substantial rewards, few properties which are explored are ultimately developed into producing mines.

Major expenses may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the exploration or development programs planned by the Company will result in a profitable commercial mining operation. Whether a gold or other mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as quantity and quality of mineralization and proximity to infrastructure; mineral prices which are highly cyclical; and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital.

There is no certainty that the expenditures made by the Company towards the search and evaluation of gold or other minerals will result in discoveries of commercial quantities of gold or other minerals.

Additional financing

The Company believes that its raised capital is sufficient to meet its presently anticipated working capital and capital expenditure requirements for the near future. This belief is based on its operating plan which, in turn, is based on assumptions, which may prove to be incorrect. In addition, the Company may need to raise significant additional funds sooner to support its growth, respond to competitive pressures, acquire or invest in complementary or competitive businesses or technologies, or take advantage of unanticipated opportunities. If its financial resources are insufficient, it will require additional financing to meet its plans for expansion. The Company cannot be sure that this additional financing, if needed, will be available on acceptable terms or at all.

Furthermore, any debt financing, if available, may involve restrictive covenants, which may limit its operating flexibility with respect to business matters. If additional funds are raised through the issuance of equity securities, the percentage ownership of existing shareholders will be reduced, such shareholders may experience additional dilution in net book value, and such equity securities may have rights, preferences or privileges senior to those of its existing shareholders. If adequate funds are not available on acceptable terms or at all, the Company may be unable to develop or enhance its services and products, take advantage of future opportunities, repay debt obligations as they become due, or respond to competitive pressures, any of which could have a material adverse effect on its business, prospects, financial condition, and results of operations.

Volatile global financial and economic conditions

Current global financial and economic conditions remain extremely volatile. Access to public and private capital and financing continues to be negatively impacted by many factors as a result of the global financial crisis and global recession. Such factors may impact the Company's ability to obtain financing in the future on favorable terms or obtain any financing at all. Additionally, global economic conditions may cause a long-term decrease in asset values. If such global volatility, market turmoil and the global recession continue, the Company's operations and financial condition could be adversely impacted.

Reliability of resource estimates

There is no certainty that any mineral resources identified in the future on any of the Company's properties will be realized. Until a deposit is actually mined and processed, the quantity of mineral resources and grades must be considered as estimates only. In addition, the quantity of mineral resources may vary depending on, among other things, metal prices. Any material change in quantity of mineral resources, grade or stripping ratio may affect the economic viability of any project undertaken by the Company. In addition, there can be no assurance that gold recoveries or other metal recoveries in small-scale laboratory tests will be duplicated in a larger scale test under on-site conditions or during production.

Fluctuations in gold and other base or precious metals prices, results of drilling, metallurgical testing and production and the evaluation of studies, reports and plans subsequent to the date of any estimate may require revision of such estimate. Any material reductions in estimates of mineral resources could have a material adverse effect on the Company's results of operations and financial condition from time to time.

Operating risk and insurance coverage

The Company's insurance coverage is intended to address all material risks to which it is exposed and is adequate and customary in its current state of operations. However, such insurance is subject to coverage limits and exclusions and may not be available for the risks and hazards to which the Company is exposed. In addition, no assurance can be given that such insurance will be adequate to cover the Company's liabilities or will be generally available in the future or, if available, that premiums will be commercially justifiable. If the Company were to incur substantial liability and such damages were not covered by insurance or were in excess of policy limits, or if the Company were to incur such liability at a time when it is not able to obtain liability insurance, its business, results of operations and financial condition could be materially adversely affected.

Disruption of business

Conditions or events including, but not limited to, those listed below could disrupt the Company's operations, increase operating expenses, resulting in delayed performance of contractual obligations or require additional expenditures to be incurred: (i) extraordinary weather conditions or natural disasters such as hurricanes, tornadoes, floods, fires, extreme heat, earthquakes, etc.; (ii) a local, regional, national or international outbreak of a contagious disease, including the COVID-19 corona virus, Middle East Respiratory Syndrome, Severe Acute Respiratory Syndrome, H1N1 influenza virus, avian flu, or any other similar illness could result in a general or acute decline in economic activity (see also, "Public Health Crises, including COVID-19"); (iii) political instability, social and labour unrest, war or terrorism; or (iv) interruptions in the availability of basic commercial and social services and infrastructure including power and water shortages, and shipping and freight forwarding services including via air, sea, rail and road.

Public health crises

The Company's business, operations and financial condition could be materially adversely affected by the outbreak of epidemics or pandemics or other health crises beyond the Company's control, including the current outbreak of COVID-19. On January 30, 2020, the World Health Organization declared the COVID-19 outbreak a global health emergency. Many governments have likewise declared that the COVID-19 outbreak in their jurisdictions constitutes an emergency. Reactions to the spread of COVID-19 have led to, among other things, significant restrictions on travel, business closures, quarantines and a general reduction in consumer activity. While these effects are expected to be temporary, the duration of the business disruptions and related financial impact cannot be reasonably estimated at this time.

Such public health crises can result in volatility and disruptions in the supply and demand for various products and services, global supply chains and financial markets, as well as declining trade and market sentiment and reduced mobility of people, all of which could affect interest rates, credit ratings, credit risk and inflation. The risks to the Company of such public health crises also include risks to employee health and safety and a slowdown or temporary suspension of operations in geographic locations impacted by an outbreak. At this point, the extent to which COVID-19 may impact the Company is uncertain; however, it is possible that COVID-19 may have a material adverse effect on the Company's business, results of operations and financial condition.

Environmental risks and hazards

All phases of the Company's operations are subject to environmental regulation in the jurisdictions in which it operates. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on the properties on which the Company holds interests which are unknown to the Company at present and which have been caused by previous or existing owners or operators of the properties.

Government approvals and permits are currently and may in the future be required in connection with the Company's operations. To the extent such approvals are required and not obtained, the Company may be curtailed or prohibited from continuing its exploration or mining operations or from proceeding with planned exploration or development of mineral properties.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, 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 mining operations or in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining and exploration companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in exploration expenses, capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

Land title

No assurances can be given that there are no title defects affecting property or any other property interests of the Company. Title insurance generally is not available, and the Company's ability to ensure that it has obtained secure claim to individual mineral properties or mining concessions may be severely constrained. Furthermore, the Company has not conducted surveys of the claims in which it holds an interest and, therefore, the precise area and location of such claims may be in doubt. Accordingly, the Company's mineral properties may be subject to prior unregistered liens, agreements, transfers or claims, including native land claims, and title may be affected by, among other things, undetected defects. In addition, the Company may be unable to operate its properties as permitted or to enforce its rights with respect to its properties.

Reliance on management

The success of the Company is dependent on the performance of its senior management. The loss of services of these persons would have a material adverse effect on the Company's business and prospects in the short-term. There is no assurance the Company can maintain the services of its 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.

Risks associated with increasing competition

The mining industry is competitive in all of its phases. The Company faces strong competition from other mining companies in connection with the acquisition of properties producing, or capable of producing, precious and base metals. Many of these companies have greater financial resources, operational experience and technical capabilities than the Company. As a result of this competition, the Company may be unable to maintain or acquire additional attractive mining properties on terms it considers acceptable or at all. Consequently, the Company's revenues, operations and financial condition could be materially adversely affected.

Factors which may prevent realization of growth targets

The Company is not currently in active operations. There is a risk that the additional resources will be needed, and milestones will not be achieved on time, on budget, or at all, as they are can be adversely affected by a variety of factors, including some that are discussed elsewhere in these risk factors and the following as it relates to the Company:

- delays in obtaining, or conditions imposed by, regulatory approvals.
- facility design errors.
- environmental pollution.
- non-performance by third-party contractors.
- increases in materials or labour costs.
- construction performance falling below expected levels of output or efficiency.
- breakdown, aging or failure of equipment or processes.
- contractor or operator errors.
- labour disputes, disruptions or declines in productivity.
- inability to attract sufficient numbers of qualified workers.
- disruption in the supply of energy and utilities; and
- major incidents and/or catastrophic events such as fires, explosions, earthquakes or storms.

Commodity prices

The price of the Company's common shares, the Company's financial results, and exploration, development and mineral development activities may in the future be significantly adversely affected by declines in the price of precious metals or other minerals. The price of precious metals and other minerals fluctuates widely and is affected by numerous factors beyond the Company's control such as the sale or purchase of commodities by various central banks and financial institutions, interest rates, exchange rates, inflation or deflation, fluctuation in the value of the USD and foreign currencies, global and regional supply and demand, the political and economic conditions of major mineral-producing countries throughout the world, and the cost of substitutes, inventory levels and carrying charges. Future serious price declines in the market value of precious metals or other minerals could cause continued development of and commercial production from the Company's properties to be impracticable. Depending on the price of precious metals and other minerals, cash flow from mining operations may not be sufficient and the Company could be forced to discontinue production and may lose its interest in, or may be forced to sell, some of its properties. Future production from the Company's mineral exploration properties is dependent upon the prices of precious metals and other minerals being adequate to make these properties economic.

In addition to adversely affecting the Company's future resource or reserve estimates, if any, and its financial condition, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if the project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

Government regulation

The development and mineral exploration activities of the Company are subject to various laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local people and other matters. In addition, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not otherwise be applied in a manner which could limit or curtail production or development in any of the jurisdictions in which the Company operates. Amendments to other current laws and regulations governing mineral exploration and development or more stringent implementation thereof could also have a substantial adverse impact on the Company.

Management of growth

The Company may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of the Company to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base. The inability of the Company to deal with this growth may have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

Dividends

The Company has no earnings or dividend record and does not anticipate paying any dividends on the Company's shares in the foreseeable future. Dividends paid by the Company would be subject to tax and, potentially, withholdings.

Limited market for securities

There can be no assurance that an active and liquid market for the Company's shares will develop or be maintained and an investor may find it difficult to resell any securities of the Company.

Disclosure of Internal Controls over Financial Reporting

Management has established processes to provide them sufficient knowledge to support representations that they have exercised reasonable diligence that (i) the financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the financial statements; and (ii) the financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented. In contrast to non-venture issuers, this MD&A does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"). In particular, management is not making any representations relating to the establishment and maintenance of: controls and procedures designed to provide reasonable assurance that information required to be disclosed by the Company in its filings or other reports or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Investors should be aware that inherent limitations on the ability of management of the Company to design and implement on a cost-effective basis DC&P and ICFR may result in additional risks to the quality, reliability, transparency and timeliness of filings and other reports provided under securities legislation.

Cautionary Note Regarding Forward Looking Statements

This MD&A includes "forward-looking statements", within the meaning of applicable securities legislation, which are based on the opinions and estimates of Management and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar words suggesting future outcomes or statements regarding an outlook. Such risks and uncertainties include, but are not limited to, risks associated with the cannabis industry, the risk of commodity price and foreign exchange rate fluctuations, the ability of the Company to fund the capital and operating expenses necessary to achieve the business objectives of the Company, the uncertainty associated with commercial negotiations and negotiating with foreign governments and risks associated with international business activities, as well as those risks described in public disclosure documents filed by the Company. Due to the risks, uncertainties and assumptions inherent in forward-looking statements, prospective investors in securities of the Company should not place undue reliance on these forward-looking statements. Statements in relation to "reserves" are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described can be profitably produced in the future.

Readers are cautioned that the foregoing lists of risks, uncertainties and other factors are not exhaustive. The forward-looking statements contained in this press release are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or in any other documents filed with Canadian securities regulatory authorities, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws. The forward-looking statements are expressly qualified by this cautionary statement.

Management's Responsibility for Financial Information

Management is responsible for all information contained in this report. The Company's unaudited condensed interim financial statements have been prepared in accordance with IFRS and include amounts based on management's informed judgments and estimates. The financial and operating information included in this report is consistent with that contained in the financial statements in all material aspects.

The Audit Committee has reviewed the Company's unaudited condensed interim financial statements and this MD&A with management. The Board of the Company has approved the unaudited condensed interim financial statements and this MD&A on the recommendation of the Audit Committee.

November 23, 2020

Jeffrey Becker
Chief Executive Officer