Management Discussion & Analysis
For the year ended December 31, 2019 and 2018

Contents

SAILFISH ROYALTY CORP

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The following Management Discussion and Analysis ("MD&A") of Sailfish Royalty Corp. ("Sailfish", or the "Company") has been prepared as of April 14, 2020. All dollar amounts are expressed in United States dollars unless otherwise stated. This MD&A should be read in conjunction with Sailfish's audited consolidated financial statements and the notes thereto for the years ended December 31, 2019 and 2018. The audited consolidated financial statements have been prepared based on International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS"). Additional information relating to the Company is available under the Company's profile on the SEDAR website at www.sedar.com.

In March 2020, the World Health Organization declared a global pandemic related to the novel coronavirus (COVID-19). The expected impacts on global commerce are anticipated to be far reaching. The mineral exploration sector is expected to be impacted significantly as many local and regional governments have issued public health orders in response to COVID-19, including restricting the movement of people, which could impact the ability of the Company's royalty interests to access their properties and complete their exploration programs in the coming year. While the impact of COVID-19 is expected to be temporary, the current circumstances are dynamic and the impacts of COVID-19 on the Company are not yet determinable. These circumstances may have an adverse impact on the Company's financial position, results of operations and cash flows in 2020. In particular, there may be heightened risk of impairment of mineral, royalty and other interests. There has been no impact on the audited consolidated financial statements for the year ended December 31, 2019 due to effects of the global pandemic.

DESCRIPTION OF BUSINESS

Sailfish is a public company listed on the TSX Venture Exchange ("TSXV") under the symbol "FISH" following its listing on December 21, 2017. Sailfish was incorporated on February 27, 2014 under the BVI Business Companies Act, 2004 and is domiciled in the British Virgin Islands. The address of its registered and head office is Sea Meadow House, P.O. Box 116, Road Town, Tortola, British Virgin Islands, VG1110. Sailfish is primarily engaged in the acquisition of royalty and streaming agreements.

2019 FINANCIAL HIGHLIGHTS AND MAJOR ACTIVITIES

Acquisition of Terraco Gold Corp.

On June 19, 2019, the Company entered into a definitive arrangement agreement with Terraco Gold Corp. ("TGC") pursuant to which Sailfish acquired all of the issued and outstanding common shares of TGC (the "Arrangement Agreement"). Each TGC shareholder received 0.12 of a common share of Sailfish for each share of TGC held. Each stock option of TGC was exchanged for 0.12 Sailfish stock options, resulting in 1,626,120 stock options in the Company being issued. The transaction was approved by the securityholders of TGC on August 13, 2019 and closed on August 19, 2019.

In connection with the plan of arrangement, the Company issued 22,401,097 common shares in exchange for TGC common shares. The Company also issued 1,626,120 stock options to replace TGC stock options. Based on the opening share price of Sailfish on August 19, 2019, the fair value of the consideration, including transaction costs, was $22,438,869.

The transaction is accounted for as an asset acquisition and the allocation of the purchase price to the assets acquired and liabilities assumed is based on estimated fair values at the time of acquisition.

The allocation of the purchase price to the estimated fair value of the assets and liabilities of TGC is as follows:

Purchase price		
Issuance of 22,401,097 shares to TGC Shareholders	$	21,244,454
Issuance of 1,626,120 replacement options		797,247
Transaction costs		397,168
	$	**22,438,869**
Fair value of assets and liabilities acquired		
Cash		3,112,937
Accounts receivable		60,840
Prepaid expenses		13,295
Accounts payable and accrued liabilities		(564,816)
Mineral, royalty and other interest		30,982,095
Exploration and evaluation assets		865,573
Convertible debenture		(12,031,055)
	$	**22,438,869**

As part of the transaction, Sailfish repaid in full the $12,031,055 outstanding senior unsecured convertible debenture held by Solidus Resources, LLC, a wholly-owned subsidiary of Waterton Precious Metals Fund II Cayman, LP (the "Debenture"), with the funds generated from the loan facility (see Note 12 in the December 31, 2019 audited consolidated financial statements). The extinguishment of the Debenture provides Sailfish shareholders with an unencumbered royalty ownership, with no future conversion or buy back rights on the multi-million-ounce Spring Valley Project (as further described below).

As Sailfish was obliged to replace the TGC stock options under the terms of the Arrangement Agreement, it accounted for the exchange of instruments as a modification of share-based payment awards. The purchase consideration includes the portion of the fair value of the Sailfish replacement options that relate to services prior to the acquisition. The fair value of the replacement options was calculated using the Black Scholes option pricing model with the weighted average assumptions of expected volatility ranging from 103.21% to 131.93%, a risk free interest rate of 1.35% and expected life ranging from 0.81 to 4.2 years. The revaluation of the replacement options resulted in a share-based compensation expense of $89,360 during the year.

Normal Course Issuer Bid

On June 19, 2019, Sailfish announced that the TSX Venture Exchange (the "Exchange") had accepted a notice filed by Sailfish of its intention to make a Normal Course Issuer Bid (the "NCIB").

As a result of the successful NCIB, Sailfish is authorized, during the 12-month period commencing June 24, 2019 and ending June 24, 2020, to purchase up to 1,918,678 common shares of Sailfish (the "Shares") in total, being approximately 5% of the total number of 38,373,559 Shares outstanding as at

June 19, 2019. The price which Sailfish will pay for any such Shares is the prevailing market price at the time of acquisition. The actual number of Shares which may be purchased pursuant to the NCIB and the timing of any such purchases will be determined by management of Sailfish. Purchases under the NCIB will be made from time to time by PI Financial Corp. on behalf of Sailfish.

On September 5, 2019 the Company amended its previously announced NCIB to increase the number of common shares of the Company which the Company may repurchase for cancellation under the NCIB from 1,918,678 Shares, or 5% of the Company's issued and outstanding Shares as of the date of commencement of the NCIB, to 2,974,522 Shares, representing 5% of the Company's 59,490,456 Shares issued and outstanding as of August 27,2019.

All share purchases will be made on the open market through the facilities of the Exchange and will be purchased for cancellation. The funding for any purchase pursuant to the NCIB will be financed out of the working capital of Sailfish.

Mineral, royalty and other interest

As part of the TGC acquisition, the Company acquired a portfolio of royalties on the Spring Valley gold project ("Spring Valley Project") located in Pershing County, Nevada. The Spring Valley Project is 100% owned and controlled by Waterton Global Resource Management. The royalties in the portfolio acquired range from a 0.5% NSR royalty on a portion of the Spring Valley Project up to a 3.0% NSR sliding scale royalty on another portion of the Spring Valley Project.

Exploration and evaluation assets

As part of the TGC acquisition, the Company acquired a 100% interest in the Almaden (Nutmeg Mountain) Property comprising 12 leased patented lode mining claims (approximately 248 acres), 208 unpatented lode mining claims (approximately 4,150 acres), 2 unpatented mining claims in the surrounding area and approximately 280 acres of private fee ground located in Washington County, Idaho.

Stock options

On August 19, 2019, pursuant to the Arrangement Agreement regarding the acquisition of TGC (see Note 5 in the December 31, 2019 audited consolidated financial statements), the Company issued 1,626,120 stock options to replace TGC stock options. The revaluation of the replacement options resulted in a share-based compensation expense of $89,360 during the year which was the difference between the historical valuation of the TGC options and the current valuation of the replacement options.

The following assumptions and inputs were used to fair value the options on the date of the acquisition: expected life - 0.81 to 4.2 years; weighted average expected volatility – ranging from 103.21% to 131.93%, expected dividend yield – 0.0%; risk free interest rate – 1.35%; share price- CAD$0.99.

Major assets and liabilities activities

- Mineral, royalty and other interest

As of and for the year ended December 31, 2019:

Royalty / other interest	Cost			Accumulated depletion				
	Opening	Additions	Ending	Opening	Depletion	Impairment	Ending	Carrying amount
San Albino (3%) (i)	4,371,291	-	4,371,291	-	-	-	-	4,371,291
El Compass (1.5%) (ii)	1,030,097	-	1,030,097	-	(151,066)	-	(151,066)	879,031
Gavilanes option (iii)	340,926	-	340,926	-	-	-	-	340,926
La Cigarra (1%) (iv)	201,989	-	201,989	-	-	-	-	201,989
TZ Royalty (3.5%) (v)	12,107,000	-	12,107,000	-	-	-	-	12,107,000
Spring Valley (0.5-3.0%) (vi)	-	30,982,095	30,982,095	-	-	-	-	30,982,095
Total	18,051,303	30,982,095	49,033,398	-	(151,066)	-	(151,066)	48,882,332

The Company owns the following royalties and other interests;

(i) San Albino (3%)

The Company has acquired a stream equivalent to a 3% NSR on the original area of interest of the San Albino project operated by Mako.

(ii) El Compass (1.5%)

The Company has a 1.5% NSR on El Compass, located in Zacatecas, Mexico, which is operated by Endeavour Silver Corp ("Endeavour"). Commissioning of El Compass commenced in 2018 and commercial production was achieved in March 2019. During the year ended December 31, 2019, $124,231 (2018 - $29,078) of royalty revenue was received from this NSR and depletion of $151,066 (2018 - $Nil) was expensed.

(iii) Gavilanes option

The Company has an option to assign a 100% ownership interest from Mako for a de minimis amount on the Gavilanes project located in Durango, Mexico. The option was exercised on November 9, 2019.

(iv) La Cigarra (1%)

The Company has a 1% NSR on La Cigarra, located in Chihuahua, Mexico. Kootenay Silver Inc. is the current operator and the project is at the exploration stage.

(v) TZ Royalty (3.5%)

The Tocantinzinho Royalty ("TZ Royalty") was acquired as part of the spin-out of Sailfish from Marlin Gold Mining Ltd ("Marlin") in 2017. It is a 3.5% royalty on revenues on the Tocantinzinho Project payable following the commencement of commercial production, which Eldorado Gold Corp ("Eldorado") has the right to reduce to a 1.5% royalty on revenues by payment of US$5.5 million within 30 days of a construction decision to proceed with development of the Tocantinzinho Project. In the event that Eldorado elects to make such a payment and such amount is paid to Sailfish, Sailfish will be obligated, pursuant to the Tocantinzinho Royalty Purchase Agreement to pay such amount to the TZ Royalty Vendors. If Eldorado does not exercise its right to reduce the Tocantinzinho Royalty, then, within 35 days of the announcement by Eldorado of a construction decision to proceed with development of the Tocantinzinho Project, Sailfish shall, at its option, either (i) pay US$5.5 million to the TZ Royalty Vendors or (ii) assign 2% of the TZ Royalty back to the TZ Royalty Vendors. No liability has been recognized for this in the consolidated statement of financial position.

(vi) Spring Valley Royalty (0.5% - 3.0%)

The Spring Valley gold project ("Spring Valley Project") is located in Pershing County, Nevada and is 100% owned and controlled by Waterton Global Resource Management. The Company acquired a portfolio of royalties on the Spring Valley Project as part of the Arrangement Agreement and acquisition of TGC (see Note 5 in the December 31, 2019 audited consolidated financial statements). The royalties in the portfolio acquired range from a 0.5% NSR royalty on a portion of the Spring Valley Project up to a 3.0% NSR sliding scale royalty on another portion of the Spring Valley Project.

The parameters surrounding of the 3% NSR sliding scale royalty are as follows:

Gold Price (US$ per oz)	**Royalty %**
<$300	0.84%
$300-$399	1.26%
$400-$499	1.74%
$500-$599	2.16%
$600-$699	2.58%
$700+	3.00%

The Company owns the following royalties and other interests for which no value has been attributed;

(i) San Albino (2%)

The Company has a 2% NSR on the district-scale land package surrounding the original area of interest of the San Albino project, which hosts multiple high-grade targets including Las Conchitas and El Golfo.

(ii) Moonlight Property Royalty (2%)

As part of the Arrangement Agreement and acquisition of TGC, Sailfish acquired a 2% NSR on the Moonlight exploration property, located to the north of the Spring Valley Project ("Moonlight Property").

The Moonlight Property is comprised of 95 parcels of private fee lands as well as 3 mineral leases of private fee lands and 3 leases of patented mining claims, plus 230 unpatented lode mining claims.

- As part of the TGC acquisition, the Company acquired a 100% interest in the Almaden (Nutmeg Mountain) Property comprising 12 leased patented lode mining claims (approximately 248 acres), 208 unpatented lode mining claims (approximately 4,150 acres), 2 unpatented mining claims in the surrounding area and approximately 280 acres of private fee ground located in Washington County, Idaho.

- On August 19, 2019, Sailfish entered into a loan facility (the "Loan Facility") with Wexford Spectrum Trading Limited ("WST") and Wexford Catalyst Trading Limited ("WCT"). The total amount of the Loan Facility was $12,031,055 of which $4,812,422 was loaned from WST and

$7,218,633 was loaned from WCT, with a maturity date of August 19, 2022 (“Maturity Date”). The loan bears interest at 8% per year, with no compounding and is payable on the Maturity Date. The Loan Facility is non-revolving and, accordingly, no principal amounts repaid under the Loan Facility may be re-borrowed and the limit of the Loan Facility will be automatically and permanently reduced by the amount of any principal repayment thereunder. The Company may repay the Loan Facility either in whole or in part at any time and from time to time without penalty. Sailfish paid a one-time commitment fee to WST and WCT associated with the Loan Facility in the amount of $180,465.

Major Equity activities

- On August 19, 2019, Sailfish issued 22,401,097 common shares to the shareholders of TGC for the acquisition of TGC for a total consideration of $21,244,454.
- On August 19, 2019, Sailfish issued 1,626,120 replacement options to the shareholders of TGC for the acquisition of TGC for a total consideration of $797,247.
- The Company used an effective interest rate of 12.0%, the estimated market interest rate for non-related parties, when valuing the Loan Facility upon initial recognition; as a result, the Company recorded a capital contribution from a related party of $1,155,863 directly in contributed surplus.
- During the year ended December 31, 2019 Sailfish purchased 558,000 common shares on-market, which were cancelled on January 2, 2020. The buy-back was approved by the board of directors on June 18, 2019 and an amendment to increase the number of common shares which the Company may repurchase for cancellation was approved on September 5, 2019. The shares were acquired at an average price of $0.6751 (CAD$0.8808) per share. The total cost of $373,809, plus $2,883 of after-tax transaction costs, was deducted from shareholder equity.
- During the year ended December 31, 2019 Sailfish purchased 2,214,678 common shares on-market, which have been cancelled. The shares were acquired at an average price of $0.9983 (CAD$1.3188) per share, with prices ranging from $0.6240 (CAD$0.8258) to $1.2158 (CAD$1.6090). The total cost of $2,198,584, plus $12,385 of after-tax transaction costs, was deducted from shareholder equity.

SUMMARY OF ANNUAL RESULTS

The following table is derived from the audited financial statements of the Company for the year ended December 31, 2019 (the “Current Year”), 2018 and 2017:

	December 31, 2019	December 31, 2018	December 31, 2017
Total assets	$ 50,300,943	$ 20,308,076	$ 13,740,886
Total non-current liabilities	$ 11,236,106	$ -	$ -
Total equity	$ 38,612,658	$ 20,222,667	$ 13,519,114
Total revenue	$ 124,231	$ 29,078	$ -
Basic (loss) earnings per share	$ (0.08)	$ 0.15	$ (0.01)
Diluted (loss) earnings per share	$ (0.08)	$ 0.15	$ (0.01)
Net (loss) income	$ (3,449,319)	$ 5,626,285	$ (358,235)

The Company had total assets of $50,300,943 as at December 31, 2019 compared to $20,308,076 as at December 31, 2018, a change of $29,992,867, as explained in the following paragraphs.

Assets classified as held for sale at December 31, 2019 was $865,573 (2018 - $Nil) (the "Asset Held for Sale"), which was the result of the Company acquiring exploration and evaluation assets as part of the TGC acquisition. The Asset Held for Sale is classified as held for sale because it didn't fit with the strategic direction of the Company, the Company was actively looking to sell the asset at year end and there was a probable sale due to discussions that had taken place and the offer from GoldMining Inc. On February 20, 2020, the Company, together with Western Standard Metals USA, Inc. , its wholly-owned Nevada subsidiary, entered into an asset purchase agreement with GoldMining Inc. to indirectly acquire a 100% interest in the Almaden-Nutmeg Mountain Project located in Washington Country, Idaho (the "Transaction"). The total purchase price under the Transaction is CAD$1,150,000, which was satisfied by CAD$575,000 in cash and issuing 337,619 GoldMining Inc. shares at a deemed price of C$1.70 per share. The Transaction was completed on March 3, 2020 (see events after the reporting period).

Mineral, royalty and other interest at December 31, 2019 was $48,882,332 ($2018 – $18,051,303), which was the result of the TGC acquisition as explained above.

The Company had total non-current liabilities of $11,236,106 as at December 31, 2019 compared to $Nil as at December 31, 2018, a change of ($11,236,106), which was the result of lease liabilities increasing by $80,670 due to the adoption of IFRS 16 pertaining to leases and a loan facility by $11,155,436, which were the result of the TGC acquisition as explained above.

The Company had total equity of $38,612,658 as at December 31, 2019 compared to $20,222,667 as at December 31, 2018, a change of $18,389,991, which was the result of:

- Shares bought back on-market – a decrease of $2,587,661
- Share-based compensation – an increase of $1,179,117
- Share options issued on acquisition – an increase of $797,247
- Shares issued on acquisition – an increase of $21,244,454
- Stock options exercised – an increase of $50,290
- Capital contribution – an increase of $1,155,863
- Cumulative translation adjustment – a decrease of $17,423
- A net loss and comprehensive loss for the year – a decrease of $3,449,319

The Company recorded a net loss and comprehensive loss of ($3,449,319) for the year ended December 31, 2019 ($0.07 loss per common share) compared to a net income and comprehensive income of $5,626,285 ($0.15 gain per common share) for the year ended December 31, 2018, a change of ($9,075,604), as explained in the following paragraphs.

Royalty revenue in the Current Year was $124,231 (2018 - $29,078), which is the result of the 1.5% NSR royalty on the El Compas project commencing production during the last quarter of 2018.

Depletion expense in the Current Year was $151,066 (2018 - $Nil), which is the result of the 1.5% NSR royalty on the El Compas project commencing production during the last quarter of 2018.

Share based compensation in the Current Year was $1,179,117 (2018 - $1,077,268), which is the result of the stock options vesting over the period and the new options issued as part of the TGC acquisition.

Consulting fees in the Current Year were $490,213 (2018 - $Nil), which is the result of severance fees of $225,000 paid during the year to the incoming director as a result of the TGC acquisition as well as consulting fees incurred in Sailfish's acquired subsidiaries.

Exploration fees in the Current Year were $556,206 (2017 - $172,004), which is the result of the required ongoing payments for the Gavilanes project as part of the restructuring transaction which occurred in 2018.

Travel and marketing fees for the Current year were $126,000 (2018 - $37,894), which is the result of additional promotion and activity of the Company during the year.

Gain on disposal of assets in the Current Year was $101,346 (2018 - $7,401,551), which is the result of the restructuring transaction that occurred in 2018.

Interest expense for the Current Year was $460,710 (2018 - $Nil), which is the result of a new Loan Facility as part of the TGC acquisition explained above.

SUMMARY OF QUARTERLY RESULTS

Sailfish's quarterly financial statements are prepared under IFRS as applicable to interim financial reporting. The following table provides highlights from Sailfish's financial statements of quarterly results for the past eight quarters.

	31-Dec 2019	**30-Sep 2019**	**30-Jun 2019**	**31-Mar 2019**
Total revenue (interest & other income)	$ 28,131	$ 55,388	$ 137,877	$ 5,557
Net (loss) income for the quarter	$ (972,235)	$(1,553,865)	$ (273,433)	$ (649,786)
Basic earnings (loss) per share	$ (0.02)	$ (0.03)	$ (0.01)	$ (0.02)
Diluted earnings (loss) per share	$ (0.02)	$ (0.03)	$ (0.01)	$ (0.02)

	31-Dec 2018	**30-Sep 2018**	**30-Jun 2018**	**31-Mar 2018**
Total revenue (interest & other income)	$ 7,430,629	$ -	$ 22,296	$ 21,621
Net (loss) income for the quarter	$ 6,285,977	$ (258,865)	$ (303,499)	$ (97,328)
Basic earnings (loss) per share	$ 0.16	$ (0.01)	$ (0.01)	$ (0.00)
Diluted earnings (loss) per share	$ 0.16	$ (0.01)	$ (0.01)	$ (0.00)

DISCUSSION OF OPERATIONS

For the three months ended December 31, 2019, compared to the three months ended December 31, 2018.

Sailfish recorded a net loss of $972,235 for the three months ended December 31, 2019 ($0.02 loss per common share) compared to a net gain of $6,285,977 ($0.16 gain per common share) for the three months ended December 31, 2019, a change of $7,258,212, as explained in the following paragraphs:

Gain on disposal of assets for the three months ended December 31, 2019 was $Nil (comparative three months ended December 31, 2018 - $7,401,551), which is the result of the restructuring transaction which occurred in 2018.

Share based compensation for the three months ended December 31, 2019 was $255,766 (comparative three months ended December 31, 2018 - $870,638), which is the result of the stock options vesting over time.

Consulting fees for the three months ended December 31, 2019 was $64,012 (comparative three months ended December 31, 2018 - $425), which is primarily related to the acquisition.

Exploration fees for the three months ended December 31, 2019 was $42,203 (comparative three months ended December 31, 2018 - $172,004), which is the result of the restructuring transaction which occurred in 2018.

Finance fees for the three months ended December 31, 2019 was $314,159 (comparative three months ended December 31, 2018 - $Nil), which is the result of the loan facility and lease liability.

Professional fees for the three months ended December 31, 2019 was $213,180 (comparative three months ended December 31, 2018 - $72,425), which is the result of legal and consulting fees incurred during the Current Period for tax consultation work due to the acquisition.

For the three months ended September 30, 2019, compared to the three months ended September 30, 2018.

Sailfish recorded a net loss of $1,553,865 for the three months ended September 30, 2019 ($0.03 loss per common share) compared to a net loss of $258,865 ($0.01 loss per common share) for the three months ended September 30, 2018, a change of ($1,295,000), as explained in the following paragraphs:

Royalty revenue for the three months ended September 30, 2019 was $55,299 (comparative three months ended September 30, 2018 - $Nil), which is the result of the 1.5% NSR royalty on the El Compass project.

Depletion expense for the three months ended September 30, 2019 was $69,130 (comparative three months ended September 30, 2018 - $Nil), which is the result of the depletion on the El Compass project.

Share based compensation for the three months ended September 30, 2019 was $359,137 (comparative three months ended September 30, 2018 - $169,275), which is the result of the stock options vesting over time and the revaluation of the replacement options which resulted in a share-based compensation expense of $89,360 during the period.

Consulting fees for the three months ended September 30, 2019 was $411,223 (comparative three months ended September 30, 2018 - $Nil), which is the result of the TGC acquisition.

General office and regulatory fees for the three months ended September 30, 2019 was $63,727 (comparative three months ended September 30, 2018 - $5,550), which is the result of the TGC acquisition.

Exploration fees for the three months ended September 30, 2019 was $292,202 (comparative three months ended September 30, 2018 - $Nil), which is the result of the restructuring transaction which occurred in 2018.

Finance fees for the three months ended September 30, 2019 was $146,551 (comparative three months ended September 30, 2018 - $Nil), which is the result of the Loan Facility and lease liability.

Travel and marketing for the three months ended September 30, 2019 was $59,147 (comparative three months ended September 30, 2018 - $22,425), which is the result of additional travel regarding the TGC acquisition.

Gain on disposal for the three months ended September 30, 2019 was $Nil (comparative three months ended September 30, 2018 - $525,618), which is the result of the restructuring transaction which occurred in 2018.

For the three months ended June 30, 2019, compared to the three months ended June 30, 2018.

Sailfish recorded a net loss of $273,433 for the three months ended June 30, 2019 (($0.01) per common share) compared to a net loss of $303,499 ($0.01 loss per common share) for the three months ended June 30, 2018, a change of $30,066, primarily due to the royalty revenue and depletion expense, share-based compensation, professional fees and interest income, as explained in the following paragraphs:

Royalty revenue for the three months ended June 30, 2018 was $36,531 (comparative three months ended June 30, 2018 - $Nil), which is the result of the 1.5% NSR royalty on the El Compass project.

Depletion expense for the three months ended June 30, 2018 was $23,417 (comparative three months ended June 30, 2018 - $Nil), which is the result of the depletion on the El Compass project.

Share based compensation for the three months ended June 30, 2018 was $272,723 (comparative three months ended June 30, 2018 - $125,116), which is the result of the stock options vesting over time.

Professional fees for the three months ended June 30, 2018 was $44,536 (comparative three months ended June 30, 2018 - $148,648), which is the result of legal and consulting fees incurred during the comparative quarter for mineral, royalty and other interest acquisitions.

Interest revenue for the three months ended June 30, 2018 was $Nil (comparative three months ended June 30, 2018 - $22,296), which is the result of the restructuring transaction as explained above as no interest was earned on the advance after June 30, 2018.

For the three months ended March 31, 2019, compared to the three months ended March 31, 2018.

Sailfish recorded a net loss of $649,786 for the three months ended March 31, 2019 (($0.02) per common share) compared to a net loss of $97,328 ($0.00 loss per common share) for the three months ended March 31, 2018, a change of ($552,458), primarily due to the royalty revenue and depletion expense, exploration fees, share-based compensation and interest income, as explained in the following paragraphs:

Royalty revenue for the three months ended March 31, 2019 was $5,557 (comparative three months ended March 31, 2018 - $Nil), which is the result of the 1.5% NSR royalty on the El Compass project.

Depletion expense for the three months ended March 31, 2019 was $38,701 (comparative three months ended March 31, 2018 - $Nil), which is the result of the depletion on the El Compass project.

Exploration fees for the three months ended March 31, 2019 was $221,801 (comparative three months ended March 31, 2018 - $Nil), which is the result of the restructuring transaction as explained above.

Share based compensation for the three months ended March 31, 2019 was $291,491 (comparative three months ended March 31, 2018 - $Nil), which is the result of the stock options vesting over time.

Interest revenue for the three months ended March 31, 2019 was $Nil (comparative three months ended March 31, 2018 - $21,621), which is the result of the restructuring transaction as explained above as no interest was earned on the advance after June 30, 2018.

LIQUIDITY, CAPITAL RESOURCES AND GOING CONCERN

The Company has experienced operating losses and negative operating cash flows during the year and anticipates that operating expenses will continue to exceed funds received from revenues in the next year. As at December 31, 2019, the Company's working capital deficit totalled $37,000 (excluding the Asset Held for Sale) (2018: surplus of $2,172,000). For the year ended December 31, 2019 the Company used cash in operations of $1,646,802 (2018: $790,610). The continuing operations of the Company are dependent upon economic and market factors which involve uncertainties including the Company's ability to raise adequate equity financing for future royalty acquisitions and continuing operations (see note 19 in the December 31, 2019 audited consolidated financial statements).

There can be no assurances that the Company will be successful in obtaining additional financing. This matter indicates the existence of material uncertainties that cast significant doubt about the Company's ability to continue as a going concern.

A summary and discussion of Sailfish's cash inflows and outflows for the year ended December 31, 2019 and December 31, 2018 is as follows:

Operating Activities

Cash used in operating activities during the Current Year was $1,646,802 (2018 – $790,610). The addbacks to the net income during the Current Year included depreciation of $26,144 (2018 - $Nil), interest expense of $460,710 (2018 - $Nil), exploration fees of $556,206 (2018 - $172,004), depletion of $151,066 (2018 - $Nil) and share-based compensation of $1,179,117 (2018 – $1,077,268). The deductions to the net income during the Current Year included realized gain on disposal of assets of $101,346 (2018 – $7,401,551), unrealized foreign exchange gain of $35,288 (2018 – $30,303) and interest income of $186 (2018 – $43,917).

Investing Activities

Sailfish received payments during the Current Year of $1,674,785 from Mako Mining Corp. ("Mako") during the Year (2018 - $300,000). It received interest of $186 (2018 - $44,378), acquired cash on the TGC acquisition of $3,112,937 and incurred transaction cost on the TGC acquisition of $397,168.

Financing Activities

Sailfish made repayments during the Current Year on the TGC related convertible debenture of $12,031,055, purchased treasury shares for $2,572,393, and incurred a related transaction cost of $15,268, paid principal payments on the lease of $21,119, received proceeds from the Loan Facility of $12,031,055 and proceeds from stock options exercised of $50,290.

OFF-BALANCE SHEET ARRANGEMENTS

Sailfish has no off-balance sheet arrangements.

KEY SOURCES OF ESTIMATION UNCERTAINTY AND CRITICAL ACCOUNTING JUDGEMENT

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Information about estimates, assumptions and other sources of estimation uncertainty as at December 31, 2019 that have a risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next year are provided below. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each period end. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Outlined below are some of the areas that require management to make judgements and significant estimates and assumptions in determining carrying values.

Going concern:
The Company’s ability to execute its strategy by funding future working capital requirements requires judgment. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, such as expectations of future events that are believed to be reasonable under the circumstances.

Fair value of assets acquired as part of the revised stream agreement
The Company, at the annual and special meeting of shareholders of the Company held on October 30, 2018, voted in favor of the restructuring of the Company's gold stream on the San Albino gold project (the "Amended and Restated Gold Purchase Agreement"). The total value of the transaction was $8,497,602 of which $2,553,299 was settled with the proceeds from a legal settlement regarding a Mexican IVA tax refund. The fair value of the royalty has been determined by assessing the net present value of the expected cash flows from the royalties and other interests.

The determination of the fair values of acquired royalty, stream and other interests requires the use of estimates and assumptions for recoverable production, commodity prices, discount rates, mineral reserve/resource conversion, future capital expansion plans and the associated production implications.

In addition, the Company may use other approaches in determining fair value which may include estimates related to (i) dollar value per unit of mineral reserve/resource; (ii) cash-flow multiples; (iii) comparable transaction and (iv) market capitalization of comparable assets. Changes in any of the estimates used in determining the fair value could impact the acquisition date fair values of the royalty, stream and other interests.

i. **Impairment of assets**

The assessment of any impairment of exploration and evaluation assets, mineral, royalty and other interests and right-of-use assets is dependent upon estimates of the recoverable amount that take into account factors such as reserves, economic and market conditions and the useful lives of assets.

Management is required to assess impairment in respect of intangible exploration and evaluation assets, mineral, royalty and other interests and right-of-use assets. The triggering events are defined in IFRS 6 and 36. In making the assessment, management is required to make judgments on the status of each project and the future plans towards finding commercial reserves. The nature of exploration and evaluation activity is such that only a proportion of projects are ultimately successful and some assets are likely to become impaired in future periods.

ii. **Acquisition accounting**

The assessment of whether acquisitions are considered business combinations or asset acquisitions requires management judgement, the outcome of which may result in different accounting treatments. Estimates and assumptions were used to allocate the purchase price of the assets and liabilities on the acquisition, specifically to the carrying value of mineral, royalty and other interest and exploration and evaluation assets

iii. **Loan accretion**

The Loan Facility is measured at amortized cost and will be accreted to maturity over the term using the effective interest method. The Company used an effective interest rate of 12.0%, the estimated market interest rate for non-related parties based on comparable debt when valuing the Loan Facility upon initial recognition.

TRANSACTIONS WITH RELATED PARTIES

(a) Key management compensation

Key management includes directors and senior management. For the year ended December 31, 2019 the compensation was as follows:

(i) Director fees of $44,534 (2018 - $41,000) were recorded in 2019 and are payable semi-annually in advance.

(ii) Senior management fees of $68,500 (2018 - $40,545) and share-based compensation of $1,179,117 (2018 - $1,077,268) were incurred.

(iii) Special committee fees of $Nil (2018 - $22,500) were incurred.

(b) Related party transactions

(i) During the year ended December 31, 2019, the Company received payments of $1,674,785 (2018 -$300,000), paid exploration expenses of $556,206 (2018- $172,004), incurred a gain on the receivable of $101,346 (2018- $7,401,551) and earned a foreign exchange gain of $18,047 (2018 - $30,303), leaving a balance of $Nil (2018 -$2,111,598) receivable at December 31, 2019 from Mako, a company with a director and officer in common and ownership interest by WST and WCT.

(ii) Rent of $18,950 (2018 - $19,900) was paid during the year to a company related to one of the directors for office space for which there is no long-term commitment. Of this amount, $1,500 (2018 - $Nil) is included in due to related parties at December 31, 2019.

(iii) Consulting fees pertaining to severance of $225,000 (2018 - $Nil) was paid during the year to the incoming director as a result of the TGC acquisition (see Note 5 in the December 31, 2019 audited consolidated financial statements) and $12,500 (2018 - $Nil) as an additional consulting fee.

(iv) As shown in the consolidated statement of cash flows the Company's change in due to/from related parties is as follows:

		2019		2018
Due to related parties, beginning of year		(6,165)		(23,898)
Less loan commitment fee payable		(156,404)		-
Less accretion of commitment fee		(24,064)		-
Due to related parties, end of year		188,075		6,165
Change in due to related parties		1,442	$	(17,733)

		2019		2018
Due from related parties, beginning of year		-		-
Due from related parties, end of year		2,192		-
Change in due from related parties	$	2,192	$	-

(c) Financing activities

Sailfish entered into a Loan Facility with related parties: WST and WCT. The total amount of the loan was $12,031,055 of which $4,812,422 was loaned from WST and $7,218,633 was loaned from WCT. See Note 12 in the December 31, 2019 audited consolidated financial statements for further details. The Company recorded a capital contribution from WST and WCT of $1,155,863 directly in contributed surplus during 2019. At December 31, 2019, loan commitment fees of $180,466 (2018- $Nil) are included in due to related parties.

FINANCIAL INSTRUMENTS

(a) Overview

The Company has exposure to credit risk, liquidity risk and market risk from its use of financial instruments. This note presents information about the Company's exposure to each of these risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

(b) Fair Value of Financial Instruments

Financial instruments are classified into one of the following four categories: fair-value-through-profit or loss ("FVTPL"); held-to-maturity investments; loans and receivables; and available-for-sale. The carrying values of the Company's financial instruments are classified into the following categories:

Financial Instrument	Category	December 31, 2019	December 31, 2018
Cash	Amortized cost	274,390	88,942
Accounts receivable	Amortized cost	53,706	2,111,598
Due from related parties	Amortized cost	2,192	-
Royalty fees receivable	Amortized cost	26,844	29,078
Accounts payable and accrued liabilities	Amortized cost	(201,861)	(79,244)
Lease liabilities	Amortized cost	(142,913)	-
Due to related parties	Amortized cost	(188,075)	(6,165)
Loan facility	Amortized cost	(11,155,436)	-

Financial instruments must be classified at one of three levels within a fair value hierarchy according to the relative reliability of the inputs used to estimate their values. The three levels of the hierarchy are as follows:

- Level 1: Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.

- Level 2: Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace.

- Level 3: Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The carrying values and the fair market values of the Company's financial instruments are that the fair value of all financial instruments approximates their carrying value due to either their short-term maturity and/or capacity of prompt liquidation.

The Company does not have any financial instruments that are measured using level 1, 2 or level 3 inputs.

During the year ended December 31, 2019 and 2018 there were no transfers between level 1, level 2 and level 3 classified assets and liabilities.

(b) Credit Risk

Credit risk is the risk of potential loss to the Company if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to cash held in bank accounts and accounts receivable. The carrying amount of financial assets recorded in the consolidated financial statements represents the Company's maximum exposure to credit risk.

The Company limits its exposure to credit risk on liquid financial assets through investing its cash and cash equivalents with high-credit quality financial institutions and by closely monitoring its accounts receivable.

(c) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk by forecasting cash flows from operations, anticipated investing and financing activities and through the management of its capital structure. Accounts payable and accrued liabilities, lease liabilities and due to related parties of $452,181 are due in the first quarter of fiscal 2020. See note 1 and note 19 in the December 31, 2019 audited consolidated financial statements.

(a) Market Risk

(i) Foreign Currency Risk

Foreign exchange risk is the risk arising from changes in foreign currency fluctuations. The Company's operations and royalty agreements are conducted in both Canadian and US dollars and management has determined that the functional currency is US dollars. As a result, the Company is not significantly exposed to fluctuation in exchange rates and foreign currency risk.

At December 31, 2019 and 2018, the Company's exposure to foreign currency risk is as follows:

	December 31, 2019	December 31, 2018
Accounts receivable (MXN)	-	19,227,779
Accounts payable and accrued liabilities (CAD)	247,095	89,281
Due from related parties (CAD)	2,847	-
Due to related parties (CAD)	2,789	-

Had the Canadian Dollar or Mexican Peso foreign exchange rates strengthened against the United States dollar by 1%, with all other variables remaining constant, the change in net income would have been insignificant. A weakening of 1% in the Canadian Dollar against the United States dollar, with all other variables held constant, would have had an equal but opposite effect.

CRITICAL ACCOUNTING POLICIES

Sailfish's significant accounting policies are described in Notes 2 of the audited consolidated financial statements for the year ended December 31, 2019.

CHANGE IN ACCOUNTING STANDARDS INCLUDING INITIAL ADOPTION

Adoption of new accounting policies

Adoption of IFRS 16: Leases ("IFRS 16"):

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset. The Company has the right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

For contracts that contain a lease, the Company recognizes a right-of-use asset and a lease liability at the lease commencement date. 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 being the rate that the lessee would have to pay to borrow the funds necessary to obtain the asset. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

There was no impact on adoption of IFRS 16 on the Company's December 31, 2019 audited consolidated financial statements.

OUTSTANDING SHARE DATA

As at the date of this MD&A, Sailfish had the following common shares and options issued and outstanding:

- 58,175,985 issued shares
- 4,711,320 options outstanding

Additional information on the stock options is explained in note 11 in the December 31, 2019 audited consolidated financial statements.

CAUTIONARY STATEMENT ON FORWARD-LOOKING INFORMATION

This MD&A contains forward-looking statements or forward-looking information within the meaning of applicable securities laws concerning Sailfish's beliefs and plans, including but not limited to statements with respect to the availability of financial resources; capital, operating and cash flow estimates; and other matters. These statements relate to analyses and other information that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management.

Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, intentions or future events or performance are not statements of historical fact and may be "forward-looking statements".

Forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors which could cause actual events or results to differ from those expressed or implied by the forward-looking statements, including but not limited to those referred to in this MD&A under the heading "Risks and Uncertainties" and elsewhere in this MD&A.

Sailfish's forward-looking statements are based on the beliefs, expectations and opinions of management on the date the statements are made and should not be relied on as representing Sailfish's views on any subsequent date. Sailfish specifically disclaims any intention or any obligation to update forward-looking statements if circumstances or management's beliefs, expectations or opinions should change, except as required by applicable law. For the reasons set forth above, investors should not place undue reliance on forward-looking statements.

PROPOSED TRANSACTIONS

Other than what is disclosed in the events after the reporting period, there are no other proposed transactions that the Company has entered into as of April 14, 2020.

RISKS AND UNCERTAINTIES

Due to the global pandemic related to the novel coronavirus (COVID-19) the mineral exploration sector is expected to be impacted significantly as many local and regional governments have issued public health orders in response to COVID-19, including restricting the movement of people, which could impact the ability of the Company's royalty interests to access their properties and complete their exploration programs in the coming year. While the impact of COVID-19 is expected to be temporary, the current circumstances are dynamic and the impacts of COVID-19 on the Company are not yet determinable. These circumstances may have an adverse impact on the Company's financial position, results of operations and cash flows in 2020. In particular, there may be heightened risk of impairment of mineral, royalty and other interests. The Company intends to fully comply with all government regulations being imposed due to the pandemic.

Negative operating cash flow
Sailfish had negative operating cash flow for the year ended December 31, 2019. To the extent that Sailfish has negative cash flow in future periods, Sailfish may need to enter into additional loan agreements and/or issue additional equity to fund such negative cash flow.

Financial resources
Sailfish has limited financial resources and there is no assurance that sufficient additional funding will be available to fulfill its obligations or for further royalty acquisitions, on acceptable terms or at all. Failure to obtain additional funding on a timely basis could result in delay or indefinite postponement of further royalty acquisitions and could cause Sailfish to forfeit its interests in some or all of its properties or to reduce or terminate its operations.

Operating Hazards and Risks
Mining operations involve many risks which even a combination of experience, knowledge and careful evaluation may not be able to overcome. In the course of exploration, development and production of mineral properties, certain risks, and in particular unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes, may occur. Operations in which the Company has a direct or indirect interest are subject to all the hazards and risks normally incidental to exploration, development and production of mineral deposits, any of which could result in damage to or destruction of mines and other producing facilities, damage to life and property, environmental damage and possible legal liability for any or all damage.

Although the Company maintains liability insurance in an amount which it considers adequate, the nature of these risks is such that liabilities could exceed policy limits, in which event the Company could incur significant costs that could have a materially adverse effect upon its financial conditions.

Metal Prices
The mining industry, in general, is intensely competitive and there is no assurance that a profitable market will exist for the sale of metals produced, even if commercial quantities of precious and/or base metals are discovered. Factors beyond the control of the Company may affect the marketability of metals discovered. Pricing is affected by numerous factors beyond the Company's control, such as international economic and political trends, global or regional consumption and demand patterns, increased production and smelter availability. There is no assurance that the price of metals recovered from any mineral deposit will be such that it can be mined at a profit.

Title Risks

Although the Company has exercised the usual due diligence with respect to determining title to properties in which it has a material interest, there is no guarantee that title to such properties will not be challenged or impugned. The Company's mineral property interests may be subject to prior unregistered agreements, transfers or native claims, and title may be affected by undetected defects.

Environmental Regulations Permits and Licenses

The Company's operations are subject to various laws and regulations governing the protection of the environment, exploration, development, production, taxes, labour standards, occupational health, waste disposal, safety and other matters. Environmental legislation in Nevada, Idaho and Arizona provide restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailing disposal areas, which would result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact statements. Environmental legislation is evolving in a direction of stricter standards and enforcement, and higher fines and penalties for non-compliance. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and their directors, officers and employees. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations. The Company intends to fully comply with all environmental regulations.

The current operations of the Company require permits from various U.S. authorities and such operations are governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental, mine safety and other matters.

The Company believes that it is in compliance with all material laws and regulations which currently apply to its activities. However, there can be no assurance that all permits which the Company may require for its operations and exploration activities will be obtainable on reasonable terms, a timely basis or that such laws and regulations would not have an adverse effect on any mining project which the Company might undertake.

Royalties, streams and other interest in foreign countries

Sailfish's royalties, streams and other interest may be affected in varying degrees by political stability and government regulations relating to the mining industry and foreign investors therein. There is no assurance that the political and investment climate of foreign countries will continue to be favorable. Any changes in regulations or shifts in political conditions are beyond the control of Sailfish and may adversely affect its business. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, income taxes, expropriation of property, environmental legislation and mine safety.

Risks related to conducting business in emerging markets

Sailfish's royalty and streaming activities, and the activities undertaken by companies from which Sailfish may acquire a royalty , stream or interest, may be in international locations that display characteristics of emerging markets. Conducting business in these countries may be subject to a variety of risks including, but not limited to: currency fluctuations, devaluations and exchange controls; inflation; uncertain political and economic conditions resulting in unfavorable government actions such as unfavorable legislation or regulation, trade restrictions, unfavorable tax enforcement or adverse tax policies; the denial of contract rights; and social unrest, acts of terrorism or armed conflict. Management is unable to predict the extent or duration of these risks or quantify their potential impact.

Potential profitability depends upon factors beyond the control of Sailfish

The potential profitability of royalty and streaming activities is dependent upon many factors beyond Sailfish's control. For instance, world prices of and markets for gold and silver are unpredictable, volatile, potentially subject to governmental fixing, pegging and/or controls and respond to changes in domestic, international, political, social and economic environments. Another factor is that rates of recovery of mined material may vary from the rate experienced in tests and a reduction in the recovery rate will adversely affect profitability and, possibly, the economic viability of a property. Production will fluctuate in ways Sailfish cannot predict and are beyond Sailfish's control, and such fluctuations will impact on profitability and may eliminate profitability altogether. Additionally, due to worldwide economic uncertainty, the availability and cost of funds for development and other costs have become increasingly difficult, if not impossible, to project. These changes and events may materially affect the financial performance of Sailfish.

Repatriation of earnings
There is no assurance that any countries in which Sailfish operates or may operate in the future will not impose restrictions or taxes on the repatriation of earnings to foreign entities.

Currency fluctuations; foreign exchange
The operations of Sailfish in the countries where it operates are subject to currency fluctuations and such fluctuations may materially affect the financial position and results of Sailfish. Sailfish is subject to the risks associated with the fluctuation of the rate of exchange of the U.S. dollar and foreign currencies, in particular the Canadian dollar and the Mexican peso. Sailfish does not currently take any steps to hedge against currency fluctuations although it may elect to hedge against the risk of currency fluctuations in the future. There can be no assurance that steps taken by Sailfish to address foreign currency fluctuations will eliminate all adverse effects and, accordingly, Sailfish may suffer losses due to adverse foreign currency fluctuations.

Sailfish may be subject from time to time to foreign exchange controls in countries outside of the United States although no such controls are currently known to Sailfish.

Price volatility and lack of active market
In recent years, the securities markets in Canada and elsewhere have experienced a high level of price and volume volatility, and the market prices of securities of many public companies have experienced significant fluctuations in price which have not necessarily been related to their operating performance, underlying asset values or prospects of such companies. Any quoted market for Sailfish's securities will likely be subject to such market trends and the value of Sailfish's securities may be affected accordingly.

Key executives
Sailfish is dependent on the services of key executives and a small number of highly skilled and experienced consultants and personnel, whose contributions to the immediate future operations of Sailfish are likely to be of importance. Locating royalty streaming agreements depends on a number of factors, not the least of which is the technical skill of the personnel involved. Due to the relatively small size of Sailfish, the loss of these persons or Sailfish's inability to attract and retain additional highly skilled employees or consultants may adversely affect its business and future operations. Sailfish does not currently carry any key man life insurance on any of its executives. The directors and officers of Sailfish will only devote part of their time to the affairs of Sailfish.

Competition
The mineral royalty and streaming agreement business is competitive in all of its phases. Sailfish competes with numerous other companies and individuals, including competitors with greater financial, technical and other resources, in the search for and the acquisition of royalty and streaming agreements. Sailfish's ability to acquire royalty and streaming agreements in the future will depend not only on its ability to develop its present royalty and streaming agreements, but also on its ability to select and acquire suitable prospects.

There is no assurance that Sailfish will be able to compete successfully with others in acquiring such prospects.

Potential conflicts of interest
Certain directors and officers of Sailfish are, and may continue to be, involved in the royalty and streaming agreements industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of Sailfish. Situations may arise in connection with potential acquisitions in investments where the other interests of these directors and officers may conflict with the interests of Sailfish and the Sailfish's interests may be adversely affected.

Dilution
Issuances of additional securities under future financings will result in dilution of the equity interests of persons who are currently Shareholders or who become Shareholders of Sailfish.

Dividends
Sailfish has no earnings or dividend record and is unlikely to pay any dividends in the foreseeable future as it intends to employ available funds for acquiring royalty and streaming agreements. Any future determination to pay dividends will be at the discretion of the Board of Directors of Sailfish and will depend on Sailfish's financial condition, results of operations, capital requirements and such other factors as the Board of Directors of Sailfish deem relevant.

Nature of the securities
The purchase of Sailfish's securities involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks. Sailfish's securities should not be purchased by persons who cannot afford to lose their entire investment.

CORPORATE GOVERNANCE

Management of the Company is responsible for the preparation and presentation of the condensed interim and annual consolidated financial statements and notes thereto, MD&A and other information contained in this MD&A. Additionally, it is management's responsibility to ensure the Company complies with the laws and regulations applicable to its activities.

The Company's management is held accountable to the board of directors ("Directors"), each member of which is elected annually by the shareholders of the Company. The Directors are responsible for reviewing and approving the audited consolidated annual financial statements and MD&A. Responsibility for the review and approval of the Company's annual consolidated financial statements and MD&A is delegated by the Directors to the Audit Committee, which is comprised of 3 directors, 2 of whom are independent of management. Additionally, the Audit Committee pre-approves audit and non-audit services provided by the Company's auditors.

The external auditors are appointed annually by the shareholders to conduct an annual audit of the financial statements in accordance with IFRS. The external auditors have complete access to the Audit Committee to discuss the audit, financial reporting and related matters resulting from the annual audit, as well as assist the members of the Audit Committee in discharging its corporate governance responsibilities.

EVENTS AFTER THE REPORTING PERIOD

- Subsequent to December 31, 2019, the Company cancelled 558,000 common shares which had been purchased during 2019.
- On February 20, 2020, the Company, together with Western Standard Metals USA, Inc. , its wholly-owned Nevada subsidiary, entered into an asset purchase agreement with GoldMining Inc. to have GoldMining Inc. indirectly acquire a 100% interest in the Almaden-Nutmeg Mountain Project located in Washington Country, Idaho. The total purchase price under the Transaction was CAD$1,150,000, which was satisfied with CAD$575,000 in cash and receipt of 337,619 GoldMining Inc. shares at a deemed price of C$1.70 per share. The Transaction was completed on March 3, 2020.
- In March 2020, the World Health Organization declared a global pandemic related to the novel coronavirus (COVID-19). The expected impacts on global commerce are anticipated to be far reaching. The mineral exploration sector is expected to be impacted significantly as many local and regional governments have issued public health orders in response to COVID-19, including restricting the movement of people, which could impact the ability of the Company's royalty interests to access their properties and complete their exploration programs in the coming year. While the impact of COVID-19 is expected to be temporary, the current circumstances are dynamic and the impacts of COVID-19 on the Company are not yet determinable. These circumstances may have an adverse impact on the Company's financial position, results of operations and cash flows in 2020. In particular, there may be heightened risk of impairment of mineral, royalty and other interests.

OTHER INFORMATION

Additional information relating to the Company is available for viewing on SEDAR at www.sedar.com and at the Company's web site www.sailfishroyalty.com.