SAILFISH

ROYALTY CORP.

Management Discussion & Analysis
For the three months ended March 31, 2020 and 2019

Contents

SAILFISH ROYALTY CORP

Management Discussion & Analysis
For the three months ended March 31, 2020 and 2019

The following Management Discussion and Analysis ("MD&A") of Sailfish Royalty Corp. ("Sailfish", or the "Company") has been prepared as of May 25, 2020. All dollar amounts are expressed in United States dollars unless otherwise stated. This MD&A should be read in conjunction with Sailfish's unaudited condensed consolidated financial statements and the notes thereto for the three months ended March 31, 2020 (the "Period") and 2019 and the notes thereto, as well as the audited annual consolidated financial statements as at December 31, 2019 and 2018. The unaudited condensed interim consolidated financial statements for the three months ended March 31, 2020 (the "Interim Financial Statements") have been prepared in accordance with IAS 34 - Interim Financial Reporting. Additional information relating to Sailfish is available under Sailfish'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 and has been 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 continues to 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 unaudited condensed interim consolidated financial statements for the three months ended March 31, 2020 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.

Q1 2020 FINANCIAL HIGHLIGHTS AND MAJOR ACTIVITIES

Major assets and liabilities activities

Assets classified as held for sale

On March 2, 2020, the Company sold the Almaden Property to GoldMining Inc. for total consideration of CAD$1,150,000 ($861,036) including cash of CAD$575,000 and 337,619 shares in GoldMining Inc. valued at CAD$575,000. The GoldMining Inc. shares have a deemed value of CAD$1.70 per share which was calculated using the volume-weighted average price of GoldMining Inc.'s shares for the five trading days immediately prior to the closing date. The sale resulted in an additional loss on disposal of $10,516.

Exploration and evaluation asset activity during the Period:

Almaden (Nutmeg Mountain) Property	Ending Cost
Balance at December 31, 2018	-
Acquisition costs and option payments	865,573
Balance at December 31, 2019	865,573
Sale of property	(865,573)
Balance at March 31, 2020	-

Major Equity activities

- During the year ended December 31, 2019 the Company purchased 558,000 common shares on-market, which were cancelled on January 2, 2020. The buy-back was approved by 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.

MINERAL, ROYALTY AND OTHER INTEREST

As of and for the three months ended March 31, 2020:

	Cost			
Royalty / other interest	Opening	Additions	Translation effect	Ending
San Albino (3%) (i)	4,371,291	-	-	4,371,291
El Compass (1.5%) (ii)	1,030,097	-	-	1,030,097
Gavilanes option (iii)	340,926	-	-	340,926
La Cigarra (1%) (iv)	201,989	-	-	201,989
TZ Royalty (3.5%) (v)	12,107,000	-	-	12,107,000
Spring Valley (0.5-3.0%) (vi)	30,982,095	-	(5,072)	30,977,023
Total	49,033,398	-	(5,072)	49,028,326

	Accumulated depletion				
Royalty / other interest	Opening	Depletion	Impairment	Ending	Carrying amount
San Albino (3%) (i)	-	-	-	-	4,371,291
El Compass (1.5%) (ii)	(151,066)	(20,356)	-	(171,422)	858,675
Gavilanes option (iii)	-	-	-	-	340,926
La Cigarra (1%) (iv)	-	-	-	-	201,989
TZ Royalty (3.5%) (v)	-	-	-	-	12,107,000
Spring Valley (0.5-3.0%) (vi)	-	-	-	-	30,977,023
Total	(151,066)	(20,356)	-	(171,422)	48,856,904

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 acquired 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 three months ended March 31, 2020, $29,546 (2019 - $5,557) of royalty revenue was received from this NSR and depletion of $20,356 (2019 - $38,701) 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 August 1, 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 ("TZ 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 TZ 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 TZ Royalty, then, within 35 days of the announcement by Eldorado of a construction decision to proceed with development of the TZ 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 Terraco Gold Corp. ("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.

SUMMARY OF ANNUAL RESULTS

Quarter ended March 31, 2020, compared to the year ended December 31, 2019 and 2018. The following table is derived from the interim unaudited financial statements of Sailfish as at March 31, 2020 and the audited financial statements for the year ended December 31, 2019 and 2018:

	March 31, 2020	December 31, 2019	December 31, 2018
Total assets	$ 49,873,705	$ 50,300,943	$ 20,308,076
Total non-current liabilities	$ 11,523,748	$ 11,236,106	$ -
Total equity	$ 37,967,344	$ 38,612,658	$ 20,222,667
Total royalty revenue	$ 29,546	$ 124,231	$ 29,078
Basic (loss) earnings per share	$ (0.01)	$ (0.08)	$ 0.15
Diluted (loss) earnings per share	$ (0.01)	$ (0.08)	$ 0.15
Net (loss) income before comprehensive (loss) income	$ (744,780.00)	$ (3,431,896.00)	$ 5,626,285.00

Sailfish had total assets of $49,873,705 as at March 31, 2020 compared to $50,300,943 as at December 31, 2019, a change of ($427,238), as explained in the following paragraphs.

Cash at March 31, 2020 was $469,843 (December 31, 2019 - $274,390), a change of $195,453, which was largely the result of $417,123 (CAD$575,000) received from the cash proceeds from sale of the Almaden Property to GoldMining Inc. The statement of cash flows in the interim unaudited financial statements of Sailfish for the three-month period ended March 31, 2020 provides a full reconciliation.

Financial assets at fair value through profit or loss at March 31, 2020 was $306,991 (December 31, 2019 - $nil), a change of $306,991, which was the result of the 337,619 shares in GoldMining Inc. valued at CAD$575,000 received from the sale of the Almaden Property to GoldMining Inc. These shares then decreased in value after the being acquired to $306,991 as at March 31, 2020.

Assets classified as held for sale at March 31, 2020 was $nil (December 31, 2019 - $865,573), a change of ($865,573), which was the result of the sale of the Almaden Property to GoldMining Inc.

Right-of-use assets at March 31, 2020 was $76,818 (December 31, 2019 – $137,708), a change of ($60,890) which was the result of the Company assigning it's lease commitment for office premises in Weiser, Idaho to GoldMining Inc., resulting in a disposition of right of use assets of $63,340. The additional movement in value is due to depreciation and the effects of translation during the Period.

Sailfish had non-current liabilities of $11,523,748 as at March 31, 2020 (December 31, 2019 - $11,236,106), a change of $287,642 as explained in the following paragraphs.

Long term lease liabilities at March 31, 2020 was $58,882 (December 31, 2019 – $80,670), a change of ($21,788) which was the result of the Company assigning its lease commitment for office premises in Weiser, Idaho to GoldMining Inc. and principal payments made on the lease of $12,005 during the Period.

Loan Facility liabilities at March 31, 2020 was $11,464,866 (December 31, 2019 – $11,155,436), a change of $309,430 which was the result of interest expense accruing on the loan.

Sailfish had total equity of $37,967,344 as at March 31, 2020 compared to $38,612,658 as at December 31, 2019, a change of ($645,314), which was the result of:

- a net loss before comprehensive loss of ($744,780)
- an increase in contributed surplus of $78,867 from share-based compensation during the Period.
- An increase in shares of $26,278 from stock options exercised

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-Mar 2020	31-Dec 2019	30-Sep 2019	30-Jun 2019
Total revenue (royalty fees, interest & other income)*	$ (102,157)	$ (432,579)	$ 55,388	$ 137,877
Net (loss) income before comprehensive (loss) income for the quarter	$ (744,780)	$ (1,280,328)	$ (1,503,125)	$ (273,208)
Basic earnings (loss) per share	$ (0.01)	$ (0.03)	$ (0.03)	$ (0.01)
Diluted earnings (loss) per share	$ (0.01)	$ (0.03)	$ (0.03)	$ (0.01)

	31-Mar 2019	31-Dec 2018	30-Sep 2018	30-Jun 2018
Total revenue (royalty fees, interest & other income)*	$ 5,557	$ 6,905,011	$ 525,618	$ 22,296
Net (loss) income before comprehensive (loss) income for the quarter	$ (375,235)	$ 5,849,438	$ 165,824	$ (292,162)
Basic earnings (loss) per share	$ (0.01)	$ 0.16	$ -	$ (0.01)
Diluted earnings (loss) per share	$ (0.01)	$ 0.16	$ -	$ (0.01)

* Other income includes gain/(loss) on disposal of assets, gain on lease disposal and unrealized gain/(loss) on financial assets at fair value through profit or loss.

DISCUSSION OF OPERATIONS

For the three months ended March 31, 2020, compared to the three months ended March 31, 2019.

Sailfish recorded a net loss before comprehensive loss of $744,780 for the three months ended March 31, 2020 ($0.01 loss per common share) compared to a net loss of $375,235 ($0.01 loss per common share) for the three months ended March 31, 2019, a change of ($369,454), primarily due to exploration fees, unrealized loss on financial assets at fair value through profit or loss and interest expense as explained in the following paragraphs:

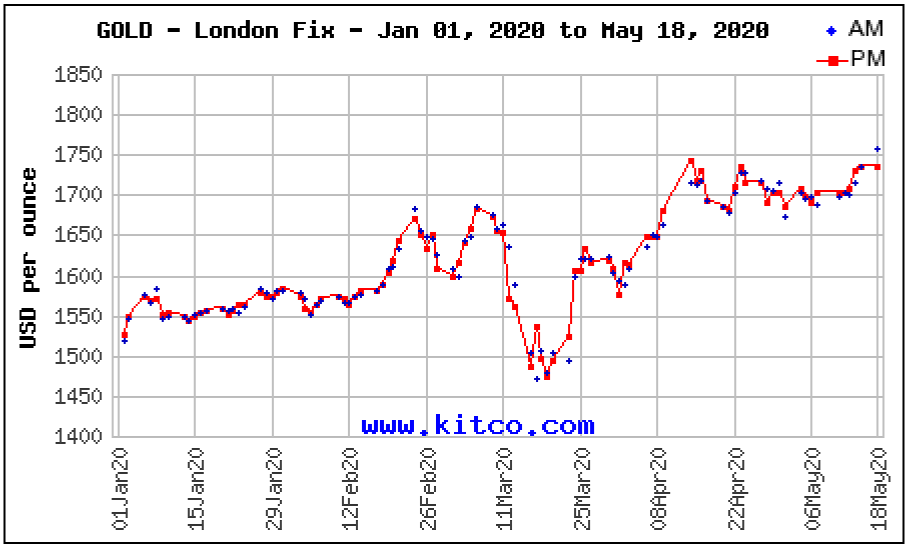
Exploration fees for the three months ended March 31, 2020 was $nil (comparative three months ended March 31, 2019 - $221,801), which is the result of the restructuring transaction which occurred during 2018.

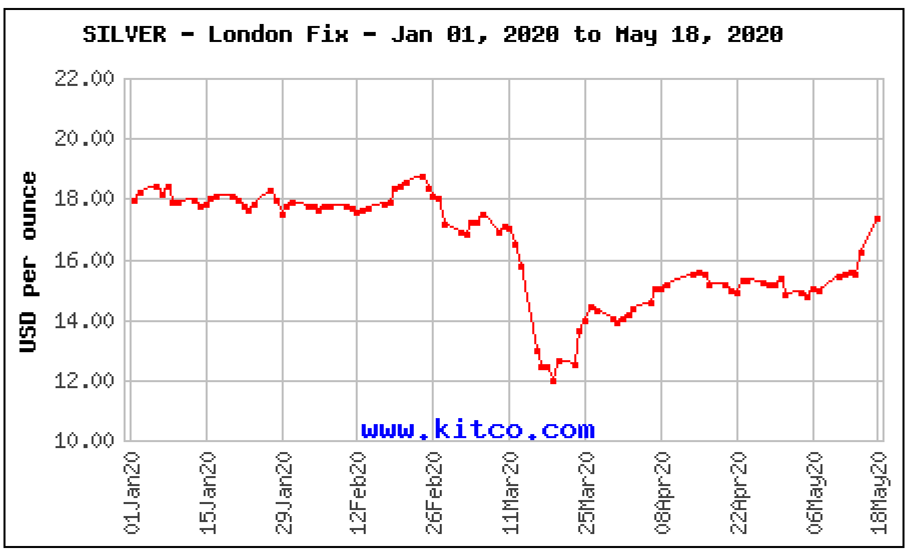
Interest expense for the three months ended March 31, 2020 was $309,431 (comparative three months ended March 31, 2019 - $Nil), which is the result of the loan facility acquired during the third quarter of 2019.

Unrealized loss on financial assets at fair value through profit or loss for the three months ended March 31, 2020 was $123,527 (comparative three months ended March 31, 2019 - $Nil), which is the result of the decrease in the value of the shares of GoldMining Inc. acquired as part of the proceeds from the sale of the Almaden Property.

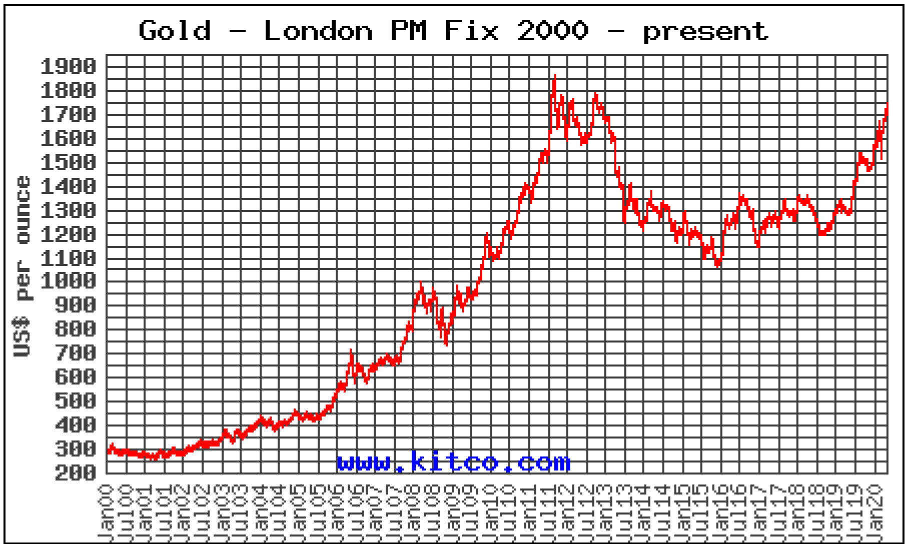
INDUSTRY TRENDS

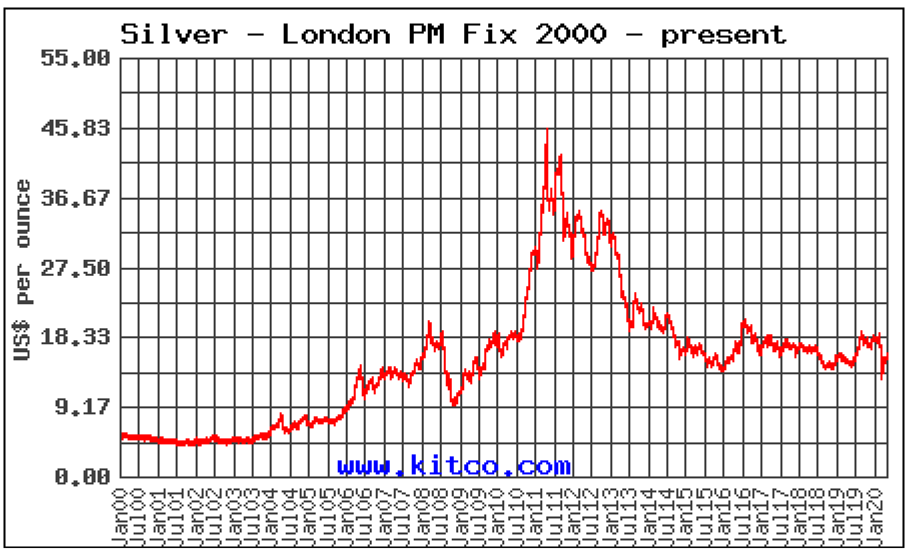
Price of gold and silver (2020-year chart)





Price of gold and silver (2000-2020-year chart)





LIQUIDITY, CAPITAL RESOURCES AND GOING CONCERN

The Company has experienced operating losses and negative operating cash flows during the Period and anticipates that operating expenses will continue to exceed funds received from revenues in the next year. As at March 31, 2020, the Company's working capital totalled $557,370 (2019: deficit of $37,000 (excluding the Asset held for sale)). For the 3-month period ended March 31, 2020 the Company provided cash from operations of $181,115 (2019: used $114,298). 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.

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 three months ended March 31, 2020 and March 31, 2019 is as follows:

Operating Activities

Cash provided by operating activities during the three months ended March 31, 2020 was $181,115 (comparative three months ended March 31, 2019 – used by $114,298). The addbacks to the net income during the three months ended March 31, 2020 included realized loss on disposal of assets of $10,516 (2019 - $nil), unrealized foreign exchange gain of $6,825 (2019 - loss $1,264), unrealized loss on financial assets at fair value through profit of loss of $123,527 (2018 - $nil), proceeds from the sale of assets of $417,126 (2018 - $nil), depreciation of $12,415 (2019 - $nil), interest expense of $309,431 (2019 - $nil), exploration fees of $nil (2019 - $221,801), depletion of $20,356 (2019 - $38,701) and share-based compensation of $78,867 (2019 – $16,939). The deductions to the net income during the Current Year included gain on lease disposal of $2,275 (2019 - $nil), and interest income of $65 (2019 – $nil).

Investing Activities

Sailfish received payments during the three months ended March 31, 2020 of $nil from Mako Mining Corp. ("Mako") (2019 - $500,000) and received interest of $65 (2019 - $nil).

Financing Activities

Sailfish made principal payments on lease liabilities during the three months ended March 31, 2020 on the lease of $12,005 (2019 - $nil) and received proceeds from stock options exercised of $26,278 (2019 - $nil).

OFF-BALANCE SHEET ARRANGEMENTS

Sailfish has no off-balance sheet arrangements.

KEY SOURCES OF ESTIMATION UNCERTAINTY AND CRITICAL ACCOUNTING JUDGEMENT

The preparation of the condensed interim 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 March 31, 2020 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.

i. **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.

ii. Income taxes

Provisions for income taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxing authorities. Where the final outcome of these tax-related matters is different from the amounts that were originally recorded, such differences will affect the tax provisions in the period in which such determination is made.

iii. 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.

iv. 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.

v. 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 three month period ended March 31, 2020 the compensation was as follows:

(i) Director fees of $13,500 (2019 - $9,750) were recorded in 2020 and are payable semi-annually in advance.

(ii) Senior management fees of $17,125 (2019 - $6,750) and share-based compensation of $78,867 (2019 - $16,939) were incurred.

(b) Related party transactions

(iii) Rent of $5,450 (2019 - $5,450) was paid during the three month period to a company related to one of the directors for office space for which there is no long-term commitment.

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

		2020		2019
Due to related parties, beginning of period		(188,075)		(6,165)
Due to related parties, end of period		183,522		29,040
Change in due to related parties		(4,553)	$	22,875

		2020		2019
Due from related parties, beginning of period		2,192		-
Due from related parties, end of period		(484)		-
Change in due from related parties	$	1,708	$	-

(c) Financing activities

Sailfish entered into a Loan Facility in 2019 with related parties: Wexford Spectrum Trading Limited ("WST") and Wexford Catalyst Trading Limited ("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 10 of the condensed interim consolidated financial statements for further details. During 2019, the Company recorded a capital contribution from a related party of $1,155,863 directly in contributed surplus.

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

IFRS 9 requires financial assets to be classified into three measurement categories on initial recognition: fair value through profit and loss ("FVTPL"), fair value through other comprehensive income ("FVOCI") and amortized cost. Investments in equity instruments are required to be measured by default at FVTPL (but there is an irrevocable option for each equity instrument to present fair value changes in other comprehensive income). Measurement and classification of financial assets is dependent on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

The carrying values of the Company's financial instruments are classified into the following categories:

Financial Instrument	**Category**	**March 31, 2020**	**December 31, 2019**
Cash	Amortized cost	469,843	274,390
Accounts receivable	Amortized cost	52,051	53,706
Due from related parties	Amortized cost	484	2,192
Royalty fees receivable	Amortized cost	29,546	26,844
Financial assets at fair value through profit or loss	FVTPL	306,991	-
Accounts payable and accrued liabilities	Amortized cost	(177,796)	(201,861)
Lease liabilities	Amortized cost	(80,177)	(142,913)
Due to related parties	Amortized cost	(183,522)	(188,075)
Loan facility	Amortized cost	(11,464,866)	(11,155,436)

The table below analyses financial instruments measured at fair value as at March 31, 2020 by the level in the fair value hierarchy into which the fair value measurement is categorised:

March 31, 2020				
	Level 1	**Level 2**	**Level 3**	**Total**
	US$	US$	US$	US$
Financial assets at FVTPL				
Investment in equities	306,991	-	-	306,991
Total financial assets at FVTPL	306,991	-	-	306,991

There were no financial assets at FVTPL at December 31, 2019.

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 three months ended March 31, 2020 and 2019 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 $382,613 are due in the second quarter of fiscal 2020. See note 1 in the March 31, 2020 unaudited condensed interim 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 March 31, 2020 and December 31, 2019, the Company's exposure to foreign currency risk is as follows:

	March 31, 2020	December 31, 2019
Accounts payable and accrued liabilities (CAD)	177,796	247,095
Due from related parties (CAD)	484	2,847
Lease liabilities (CAD)	80,177	142,913
Due to related parties (CAD)	1,004	2,789

Had the Canadian Dollar 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 Note 2 of the audited consolidated financial statements for the year ended December 31, 2019.

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
- 4,681,320 options outstanding

Additional information on the stock options is explained in note 9 in the March 31, 2020 unaudited condensed interim 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 May 25, 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 (and has impacted) 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 positive operating cash flow for the three month period ended March 31, 2020. 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

- There were no events after the reporting period.

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.