



**MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE COMPANY'S FINANCIAL
CONDITION AND RESULTS OF OPERATIONS
FOR THE THREE AND SIX-MONTH PERIODS ENDED JULY 31, 2021**

GENERAL BUSINESS AND OVERVIEW

Gold Mountain Mining Corp., previously Freeform Capital Partners Inc. (hereinafter "GMTN" or the "Company") was incorporated pursuant to the provisions of the Business Corporations Act of British Columbia on November 5, 2018. The Company's common shares were listed on the TSX Venture Exchange (the "TSXV") under the stock symbol ("FRM.P") and commenced trading on June 19, 2020. On December 23, 2020, the Company changed its name to Gold Mountain Mining Corp. On December 31, 2020, the Company listed on the TSXV as a Tier 2 Mining Issuer and began trading on the TSXV under the stock symbol "GMTN.v". On April 15, 2021, the Company's common shares also began trading on the OTCQB Venture Market under the stock symbol "GMTNF".

It is fundamental for readers of this document to be aware that effective December 23, 2020, the Company underwent a reverse takeover transaction ("RTO"). The RTO resulted in numerous highly material changes to the Company's business, including changing its name from Freeform Capital Partners Inc. to Gold Mountain Mining Corp. and acquiring all the shares of Bayshore Minerals Incorporated ("Bayshore"), a private company holding a 100% interest in Elk Gold Mining Corp ("Elk Mining"), which is the owner of the Elk Gold Property in British Columbia, Canada and its subsidiary Gold Mountain Resources Corp. ("GMRC").

As a consequence of the RTO, Bayshore became the parent company of the consolidated entity for accounting purposes.

GMTN is a mineral exploration and development company currently focused on the exploration and development of the Elk Gold Property.

The Company's registered head office address is Suite 1000, 1285 West Pender Street, Vancouver, B.C. V6E 4B1.

All public filings for the Company can be found on the SEDAR website www.sedar.com.

DATE AND SUBJECT OF REPORT

The following Management Discussion & Analysis ("MD&A") is intended to assist in the understanding of the trends and significant changes in the financial condition and results of operations of GMTN for the period ended July 31, 2021 and to the date of this MD&A. The MD&A should be read in conjunction with the annual MD&A for the year ended January 31, 2021, the unaudited condensed interim consolidated financial statements for the three and six-month periods ended July 31, 2021 and July 31, 2020 and the audited consolidated financial statements for the years ended January 31, 2021 and January 31, 2020. This report is dated September 29, 2021.

The following is a discussion and analysis of GMTN. The Company reports its financial results in Canadian dollars and in accordance with International Financial Reporting Standards ("IFRS") and related interpretations as issued by the International Accounting Standards Board. All published financial results include the assets, liabilities, and results of operations of the Company.

FORWARD LOOKING STATEMENTS

The information set forth in this MD&A contains statements concerning future results, future performance, intentions, objectives, plans and expectations that are, or may be deemed to be, forward-looking statements. These statements concerning possible or assumed future results of operations of the Company are preceded by, followed by or include the words 'believes,' 'expects,' 'anticipates,' 'estimates,' 'intends,' 'plans,' 'forecasts,' or similar expressions. Forward-looking statements are not a guarantee of future performance. These forward-looking statements are based on current expectations that involve numerous risks and uncertainties, including, but not limited to, those identified in the Risks and Uncertainties section in this MD&A. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately. Although management believes such assumptions underlying the forward-looking statements to be reasonable, any of the assumptions could prove inaccurate. These factors should be considered carefully, and readers should not place undue reliance on forward-looking statements. The Company may not provide updates or revise any forward-looking statements, except those otherwise required under paragraph 5.8(2) of NI 51-102, whether written or oral that may be made by or on the Company's behalf.

BUSINESS DEVELOPMENT AND OVERALL PERFORMANCE

Strategic financings

On February 23, 2021, the Company closed its brokered private placement by issuing 10,310,000 units at a price of \$0.97 per unit for gross proceeds of \$10,000,700. Each unit consists of one common share of the Company and one-half of a share purchase warrant. Each full warrant is exercisable for one common share of the Company for a price of \$1.25 for a period of three years following the closing of the private placement.

On June 24, 2021, the Company announced that it had completed a bought deal private placement (the "Offering") led by Canaccord Genuity Corp, Eight Capital and Red Cloud Securities Inc. (collectively the "Underwriters"). The Company issued a total of 4,255,190 units (the "HD Units") at a price of \$2.10 per HD Unit and 1,326,450 flow-through units (the "FT Units") at a price of \$2.31 per FT Unit, for total gross proceeds of \$11,999,999. Each FT Unit consists of one common share of the Company and one-half of one common share purchase warrant where each common share entitles the holder to a renunciation, for tax purposes, of qualifying expenditures incurred by the Company in respect of the Elk Gold Property. Each HD Unit consists of one common share of the Company and one-half of one common share purchase warrant. Each HD Unit and FT Unit warrant will entitle the holder thereof to purchase one common share of the Company at an exercise price of \$3.15 for a period of two years following the closing date of the Offering. Funds received upon exercise of the FT Unit warrant will not be renounced.

In connection with the Offering, the Underwriters received an aggregate cash fee of \$690,000 and 320,612 non-transferrable broker warrants. Each broker warrant entitles the holder thereof to purchase one common share at an exercise price of \$2.10 for a period of two years from closing.

OUTLOOK

For the remainder of 2021, the Company's primary focus will be to continue with the exploration and development of the Elk Gold Project. Below are the upcoming milestones management is forecasting to accomplish in the last quarter of 2021:

- Receive permits required to commence production
- Deliver first ore to New Gold
- Achieve commercial production
- Continue to expand the resource base and delineate maiden resources at different zones on the Elk Gold Project;

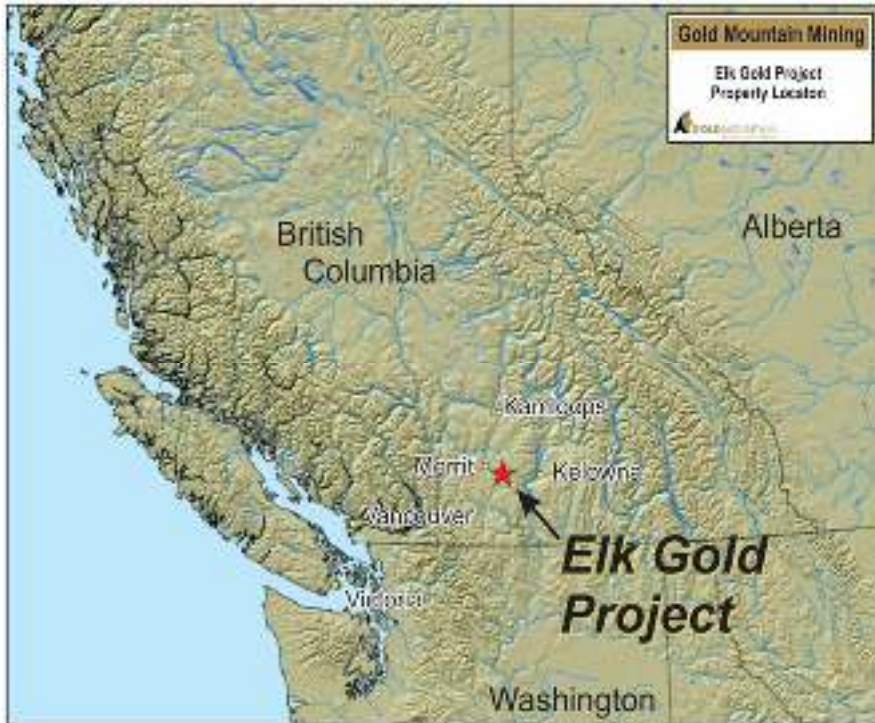
Since March 2020, several measures have been implemented in Canada and the rest of the world in response to the increased impact from novel coronavirus ("COVID-19"). The impact of COVID-19 is expected to be long term, and the effects on business operations cannot be reasonably estimated at this time. The Company anticipates this could have an adverse impact on its business, results of operations, financial position, and cash flows in future periods.

ELK GOLD PROJECT

Property Description and Location

On May 16, 2019, the Company acquired the Elk Gold Property in British Columbia, Canada from Equinox Gold Corp (“Equinox”).

The Elk Gold Project is located in south central British Columbia, Canada, approximately 325km northeast of Vancouver and 55km west of Okanagan Lake, midway between the cities of Merritt and West Kelowna. The map below sets out the location of the Elk Gold Project.



Land Tenure

The Company holds its interest in the Elk Gold Project through its wholly owned subsidiary, Elk Mining. The entire Elk Gold Project consists of 27 contiguous mineral claims covering 16,716 ha and one mining lease covering 150 ha. The mining lease expires on September 14, 2022 and all mineral claims expire on December 31, 2021. The claims may be maintained beyond their current expiry date by continuing to conduct work on the property at the rate of \$331,321 per annum or by cash payment in lieu at double that rate. The mining lease may be maintained by paying a yearly rental of \$3,000 and providing an annual reclamation report that is acceptable to the B.C. Ministry of Energy, Mines and Low Carbon Innovation (formerly the Ministry of Energy, Mines and Petroleum Resources). Surface rights are currently held by the Provincial Government. The Company anticipates keeping all claims in good standing.

Permitting

The Company holds Mine Permit M-199 (“Mine Permit”), Effluent Discharge Permit #106262 (“Discharge Permit”) as well as Exploration Permit M-4-387 (“Exploration Permit”). The Company is seeking to amend the Mine Permit and Effluent Discharge Permit to allow for production up to 70,000 tonnes per year. In June 2021 the Company received a draft of the amended Mine Permit from the Ministry of Energy, Mines & Low Carbon Innovation (“EMLI”). A draft mine permit is provided to applicants in advance of issuing a final permit to provide the opportunity to comment on any permit terms and conditions. The Company has provided feedback to EMLI and anticipates receiving the final Mine Permit early in the fourth quarter which should include EMLI’s approval of the Company’s mine plan and reclamation plan for work at the Elk Gold Project.

Exploration on the Elk Gold Project is regulated via two permits: the Mine Permit for work on the mining lease and the Exploration Permit for exploration on the surrounding claims. Bulk sample mining operations on the mining lease are permitted under the Mine Permit. Reclamation bonding posted by the Company under the Mine Permit and the Exploration Permit totaling \$180,000 is held by the Provincial Government.

On June 3, 2021 the Company announced that it successfully executed three memorandums of understanding with surrounding Indigenous communities, establishing a process for ongoing engagement towards social and economic collaboration.

Royalties and Encumbrances

Equinox Share Pledge Agreement

On May 16, 2019 Bayshore entered into a share pledge agreement with Equinox whereby Bayshore pledged the Elk Mining shares to Equinox as security for amounts owing under the Equinox promissory note, which was issued in connection with Bayshore's purchase of the Elk Gold Project. If the Company defaults on the payment of the Equinox promissory note, then Equinox may take possession of the Elk Mining shares. The Equinox promissory note is repayable in three annual instalments of \$3,000,000 with the first payment having been made on May 17, 2021. The total remaining amount due under the Equinox promissory note may be adjusted such that if the Company pays \$5,500,000 prior to May 16, 2022, that will represent full and final payment.

Net Smelter Return ("NSR") Royalties

Production from the Elk Gold Project is subject to a 2% NSR royalty held by Star Royalties Ltd. (the "NSR"). Star Royalties Ltd. purchased the NSR from Almadex Minerals Limited on September 28, 2021 for total consideration of US\$10,630,000. A further 1% NSR royalty is payable to Don Agur on production from the Agur Option block which is outside of any of the identified mineralized zones.

Location of Mineralized Zones

The Elk Gold Project is host to nine known mineralized zones. The map below sets out the names and location of those zones within the Elk Gold Project. The Mineral Resource on the Elk Gold Project is located in the Siwash North Zone:



Summary of Mineral Resources and Preliminary Economic Assessment

In June 2021, the Company filed an updated NI 43-101 compliant independent Technical Report and Preliminary Economic Assessment ("PEA") for the Elk Gold Project prepared by Robert G. Wilson, P.Geo, Greg Mosher, P.Geo, Antonio Loschiavo, P.Eng., and Andre De Ruijter, P. Eng, each an independent "Qualified Person" as defined in NI 43-101, with an effective date of May 14, 2021.

The table below summarizes the current resource estimate at the Elk Gold Project:

Classification	Tonnes	AuEq (g/t)	Au Capped g/t	Ag Capped g/t	AuEq (Oz)
Measured	196,000	9.9	9.8	9.9	63,000
Indicated	3,148,000	5.8	5.7	11.2	589,000
Measured + Indicated	3,344,000	6.1	5.9	11.1	651,000
Inferred	1,029,000	4.8	4.7	10.9	159,000

CIM definitions were followed for classification of Mineral Resources.

Mineral Resources are not Mineral Reserves and have not demonstrated economic viability.

Results are presented in-situ and undiluted.

Mineral resources are reported at a cut-off grade of 0.3 g/t Au for pit-constrained resources and 3.0 g/t for underground resources.

The number of tonnes and metal ounces are rounded to the nearest thousand.

The Resource Estimate includes both gold and silver assays. The formula used to combine the metals is:

*$AuEq = ((Au_Cap * 55.81 * 0.96) + (Ag_Cap * 0.76 * 0.86)) / (55.81 * 0.96)$*

The Resource Estimate is effective as of May 1, 2021.

The PEA contemplates an initial 19,000 ounce per year mine that ramps up to 65,000 ounces of annual production by Year 4. The pre and post tax net present value ("NPV") (5% discount) are \$395M and \$231M, respectively. The PEA contemplates that for the life of mine, the mineralized material from the Elk Gold Project will be mined by the Company's contract mining partner, Nwhelmen-Lake LP ("Nwhelmen-Lake") and then delivered to New Gold's New Afton Mine located approximately 130km from the Elk Gold Project (the "New Afton Mine").

The PEA is preliminary in nature and includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. There is no certainty that the PEA will be realized. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

The mine is scheduled to release 70,000 tonnes per year of plant feed for Years 1 to 3. In Year 4, the mine is planned to expand to 324,000 tonnes per year.

The tables below further summarize the basis for the PEA and the assumptions and parameters used:

Base Case: US\$1,600/oz long-term gold price and an exchange rate of 1.25 (US\$/CAD\$)	
Gold Price	Long-term US\$1,600
Exchange Rate	1.25
NPV @ 5% Pre-tax	\$395 million
Net present value (NPV 5%) After-tax	\$231 million
Year 1 owner's costs	\$3.9 million
Year 1 capital costs	\$9.0 million
Sustaining owner's costs	\$12.8 million
Sustaining capital costs	\$54.5 million
After tax payback period	1 Year
All in sustaining costs (AISC) per ounce gold	US\$554 / troy ounce
PEA life of mine (LOM)	11 years
LOM metal production gold equivalent ounces	582,080 oz
LOM metal recovered gold equivalent ounces	532,942 oz
LOM average gold head grade	6.98 g/t
LOM average silver head grade	11.73 g/t
LOM strip ratio (waste:ore)	20.2:1

Internal rate of return (“IRR”) note: there are relatively insignificant pre-production costs prior to commencement of commercial production on the Elk Gold Project. Initial capital costs of approximately \$9.0M are captured in year 1 of operations, which results in a positive year 1 cashflow of \$27.2M. Since there is no negative cashflow that precedes the positive cashflow, IRR is not calculable.

Additional PEA Assumptions and Parameters:	
Gold Recovery	92%
Silver Recovery	70%
Gold Payable	96%
Silver Payable	90%
Gold TC/RC	\$6.00/oz
Silver TC/RC	\$0.50/oz
NSR Royalty	2%

PEA Sensitivities

The table below sets out a sensitivity analysis showing the effect the price of gold has on the Elk Gold Project’s NPV. The bold line shows the PEA’s base case.

Gold Price (US\$)	Pre-tax NPV (5%) (\$M)	Post-tax NPV (5%) (\$M)
2200	644.6	379.3
2000	561.5	329.9
1800	478.2	280.3
1600	395.4	231.0
1400	311.9	181.3
1200	228.7	131.2

For information on the data verification and key assumptions and parameters used to estimate the mineral resources and the PEA, please see the PEA a copy of which is available at www.sedar.com.

Phase 2 Exploration

On May 6, 2021 the Company announced it began its Phase 2 exploration program (“Phase 2”). Phase 2 exploration has reached approximately 12,000m of drilling and the relogging of high interest historical core. Phase 2 drilling continues to target extensions of the high-grade mineralization the Company consistently encountered during Phase 1 in the Siwash North Zone. The Company began drilling certain satellite zones, including the South Zone, Gold Creek Zone and the Elusive Zone which is located approximately 4km from the Siwash North Zone where historic high-grade soil geochemical samples indicate promising new potential at the Elk Gold Project.

Contract Summaries

Ore Purchase Agreement

On January 26, 2021, the Company entered into an Ore Purchase Agreement (“OPA”) with New Gold to purchase ore produced from the Elk Gold Project. The Company will deliver ore to New Gold’s New Afton Mine located 130km from the Elk Gold Project in Kamloops BC. Under the terms of the OPA, the Company will deliver 70,000 tonnes of ore per annum or approximately 200 tonnes per day. The OPA has a term of three years and is effective upon the first delivery of ore to the New Afton Mine. In June 2021, the Company announced that it signed a letter of intent with New Gold to increase its tonnage delivered to New Afton from 70,000 to 350,000 tonnes per annum beginning in year four of production. The increase in tonnage delivered is subject to both the Company and New Gold obtaining the necessary regulatory approvals.

The ore will be sampled and weighed at the Elk Gold Project site to determine the contained ounces of gold and silver being delivered to the New Afton Mine. Following delivery of the ore, New Gold will pay the Company at the end of each calendar month based on the value of the gold and silver in the ore, net of the agreed metallurgical recovery and concentrate selling costs.

Prior to the first delivery of ore, the parties must settle on a sampling procedure for tracking the tonnes and grade delivered, the Company must receive the joint permit amendment application for the Mine Permit and Discharge Permit and New Gold must obtain a permit amendment to allow for the processing to occur.

Mining Contract

On January 19, 2021, the Company entered into a mining contract (“Mining Contract”) with Nhwelmen-Lake for contract mining services at the Elk Gold Project. Nhwelmen-Lake is a majority owned, First Nations mining contractor.

Pursuant to the terms of the Mining Contract, Nhwelmen-Lake will be paid a fixed price per tonne mined over the first three years which is determined based on the planned production rate, mined volumes, haulage distances and equipment productivity. The scope of the Mining Contract includes mining of ore at a rate of 70,000 tonnes per annum (200 tonnes per day), waste mining, drilling, blasting, hauling, site supervision, supply of operating personnel, road maintenance, dust suppression as well as all the site preparation activities required prior to commencing mine operations, including topsoil stockpiling, and preparing surface water management structures. Nhwelmen-Lake will also provide the haulage of plant feed material from the mine to the toll milling location.

The Mining Contract is for the life of mine while the price schedule carries a three-year term. The obligations of the Company under the Mining Contract begin upon the Company delivering a notice of commencement to Nhwelmen-Lake.

Nhwelmen-Lake LP (“Nhwelmen-Lake”) has now mobilized vehicles and mining equipment to begin construction and road development including waste rock mining utilizing the Company’s gravel borrow near the corner of Pit 2.

ELK NORTH CLAIMS

On October 7, 2020, the Company staked the following claims located next to the Elk Gold Project as set out in the table below:

<u>Title Number</u>	<u>Claim Name</u>	<u>Owner</u>	<u>Title Type</u>	<u>Title Sub Type</u>	<u>Map Number</u>	<u>Issue Date</u>	<u>Good To Date</u>	<u>Status</u>	<u>Area (ha)</u>
1079067	ELK NORTH 1	256235 100%	Mineral	Claim	092H	2020/OCT/07	2021/OCT/07	PROTECTED	832.45
1079068	ELK NORTH 2	256235 100%	Mineral	Claim	092H	2020/OCT/07	2021/OCT/07	PROTECTED	1331.15
1079069	ELK NORTH 3	256235 100%	Mineral	Claim	092H	2020/OCT/07	2021/OCT/07	PROTECTED	976.78
1079070	ELK NORTH 4	256235 100%	Mineral	Claim	092H	2020/OCT/07	2021/OCT/07	PROTECTED	1330.60

The Company is currently evaluating the best strategy to explore and develop these separate claims.

EXPLORATION AND EVALUATION ASSET

The following is a description of the Company's exploration and evaluation asset and related expenditures incurred in the six-month period ended July 31, 2021:

	Elk Gold Property
Property acquisition costs	
Balance, beginning	\$ 6,248,405
Transfer to property and equipment	(6,248,405)
Property acquisition costs, ending	-
Exploration and evaluation costs	
Balance, beginning	3,633,154
Costs incurred during the period:	
Aircraft	27,083
Assaying	225,896
Camp operations	256,759
Consulting	423,959
Drilling	1,255,974
Depreciation	11,128
Environmental	338,155
Geological	660,210
Maintenance	357,647
Share-based payments	376,927
Travel and accommodation	28,337
	3,962,075
Other items:	
Transfer to property and equipment	(6,039,703)
Exploration and evaluation costs, ending	1,555,526
Total	\$ 1,555,526

See Note 7 in the condensed interim consolidated financial statements for additional details.

PROPERTY AND EQUIPMENT

Effective June 1, 2021, the Company commenced capitalization of all direct costs related to the development of the Elk Gold Project, as management determined that the technical feasibility and commercial viability of the project had been established. Accordingly, the Company reclassified capitalized costs associated with the Elk Gold Project from exploration and evaluation assets to mineral property within property and equipment. Capitalized mineral property costs will be carried at cost until the Elk Gold Project is placed in commercial production, sold, abandoned, or determined by management to be impaired in value. Costs related to development work are capitalized in property and equipment as mine construction work-in-progress.

The Company incurred \$660,780 on mine development activities in the six-month period ended July 31, 2021.

	Mine construction - work-in- progress	Mineral property	Other equipment	Total
Cost				
Balance January 31, 2021	\$ -	\$ -	\$ 111,278	\$ 111,278
Additions	660,780	-	73,582	734,362
Transfer from exploration and evaluation asset	-	12,288,108	-	12,288,108
Reclamation costs	-	41,027	-	41,027
Balance July 31, 2021	\$ 660,780	\$ 12,329,135	\$ 184,860	\$ 13,174,775
Accumulated depreciation				
Balance January 31, 2021	\$ -	\$ -	\$ 38,020	\$ 38,020
Depreciation	-	-	11,266	11,266
Balance July 31, 2021	\$ -	\$ -	\$ 49,286	\$ 49,286
Net book value				
Balance January 31, 2021	\$ -	\$ -	\$ 73,258	\$ 73,258
Balance July 31, 2021	\$ 660,780	\$ 12,329,135	\$ 135,574	\$ 13,125,489

FINANCIAL PERFORMANCE

Summary of Quarterly Results

The following table summarizes the financial results of operations for the eight most recent fiscal quarters:

	July 31, 2021 (USD)	April 30, 2021 (USD)	January 31, 2021 (USD)	October 31, 2020 (USD)	July 31, 2020 (USD)	April 30, 2020 (USD)	January 31, 2020 (USD)	October 31, 2019 (USD)
Total operating expenses	\$ 4,714,851	\$ 3,511,894	\$ 290,974	\$ 159,155	\$ 237,290	\$ 675,702	\$ 712,104	\$ 112,452
Other income	148,300	400,885	5,067,005	259,953	275,051	295,601	459,356	246,226
Net loss and comprehensive loss	(4,566,551)	(3,111,009)	(5,847,979)	(444,803)	(512,341)	(981,401)	(352,748)	(295,654)
Basic and diluted loss per common share	(0.69)	(0.95)	(0.09)	(0.02)	(0.02)	(0.09)	(0.01)	(0.02)

On December 23, 2020, the Company completed the RTO.

RESULTS OF OPERATIONS

	Three months ended July 31, 2021	Three months ended July 31, 2020	Six months ended July 31, 2021	Six months ended July 31, 2020
Operating Expenses				
Management, director and consulting fees	\$ 431,042	\$ 85,484	\$ 904,038	\$ 76,831
General and administration	16,000	1,435	60,028	7,764
Investor relations	45,024	-	53,822	-
Marketing	2,575,498	-	2,253,577	-
Professional fees	24,419	41,309	54,409	65,691
Regulatory and transfer agent fees	38,012	-	67,101	-
Share-based payments	2,487,891	168,218	3,031,895	716,500
Tax and	2,038	-	10,067	-
Total operating expenses	(4,714,002)	(287,206)	(47,234,439)	(833,992)
Other Items				
Interest income	110	120	144	743
Interest expense and finance costs	(218,732)	(375,180)	(520,817)	(551,635)
Recovery of flow-through share premium	76,173	-	76,173	-
Net loss and comprehensive loss	\$ (4,856,451)	\$ (662,066)	\$ (47,678,932)	\$ (1,304,844)

On December 23, 2020, the Company completed the RTO.

Six-month period ended July 31, 2021

For the six-month period ended July 31, 2021, the net loss was \$7,670,836 compared to \$1,404,944 for the six-month period ended July 31, 2020. On December 23, 2020, the Company completed the RTO.

Major variances are as follows:

- An increase in share-based payments of \$3,031,895 for the six-month period ended July 31, 2021 primarily related to the vesting of restricted share units, performance share units and stock options.
- An increase in management, director and consulting fees of \$919,221 mainly due to increased management fees for services provided by the officers of the Company and higher consulting fees for corporate advisory services post-closing of the RTO transaction.
- An increase in marketing expenses of \$2,253,577 for the six-month period ended July 31, 2021 primarily related to various digital marketing and advertising campaigns to provide public awareness of the Company and attract new investors.
- An increase in regulatory and transfer agent fees of \$67,101 primarily related to the various share issuances during the six-month period ended July 31, 2021.
- An increase in investor relations of \$53,822 for the six-month period ended July 31, 2021 primarily related to new contracts entered into by the Company for investor relation communications.
- A \$76,173 recovery of flow-through share premium for the Company's exploration activities during the six-month period ended July 31, 2021.

Three-month period ended July 31, 2021

For the three-month period ended July 31, 2021, the net loss was \$4,858,442 compared to \$512,341 for the three-month period ended July 31, 2020. On December 23, 2020, the Company completed the RTO.

Major variances are as follows:

- An increase in share-based payments of \$2,318,473 for the quarter ended July 31, 2021 primarily related to the vesting of restricted share units, performance share units and stock options.
- An increase in management, director and consulting fees of \$385,588 mainly due to increased management fees for services provided by the officers of the Company and higher consulting fees for corporate advisory services post-closing of the RTO transaction.
- An increase in marketing expenses of \$1,679,998 for the quarter ended July 31, 2021 primarily related to various digital marketing and advertising campaigns to provide public awareness of the Company and attract new investors.
- An increase in regulatory and transfer agent fees of \$36,012 primarily related to the various share issuances during the quarter ended July 31, 2021.
- An increase in investor relations of \$46,024 for the quarter ended July 31, 2021 primarily related to new contracts entered into by the Company for investor relation communications.
- A decrease in interest expense and finance costs of \$55,397 primarily related to reduced accretion on the promissory note dated May 16, 2019 with Equinox due to a reduction of the loan principal from the first installment being paid in the current quarter.
- A \$76,173 recovery of flow-through share premium for the Company's exploration activities during the quarter ended July 31, 2021.

LIQUIDITY AND CAPITAL RESOURCES

As at July 31, 2021, the Company had a cash balance of \$14,931,106 (January 31, 2021 – \$2,691,382) and working capital of \$11,956,550 (January 31, 2021 – deficit of \$1,088,426).

During the six-month period ended July 31, 2021, the Company incurred a net loss of \$7,670,836 and has cumulative losses of \$16,818,778 since inception.

On February 23, 2021, the company closed its brokered private placement of units by issuing 10,310,000 units consisting of one common share and one-half of a share purchase warrant for gross proceeds of \$10,000,700.

On May 17, 2021, the Company paid the first installment payment of \$3,000,000 due to Equinox.

On June 24, 2021, the Company closed a bought deal private placement by issuing 4,255,190 HD Units for a price of \$2.10 and 1,326,450 FT Units for a price of \$2.31 for gross proceeds of \$11,999,999.

During the six-month period ended July 31, 2021, 2,109,409 warrants were exercised for gross proceeds of \$2,405,200 and 386,531 stock options were exercised for gross proceeds of \$307,860.

Subsequent to July 31, 2021, the Company issued 221,151 common shares from warrant exercises for gross proceeds of \$238,236.

The following table summarizes cash inflows and outflows for the periods shown:

	Six months ended July 31, 2021	Six months ended July 31, 2020
Cash flow provided by (used in):		
Operating activities	\$ (4,006,837)	\$ (655,866)
Investing activities	(5,140,503)	(1,117,708)
Financing activities	20,288,404	1,208,706
Increase in cash	\$ 11,140,864	\$ 435,132

Cash flows from operating activities can vary significantly from period to period as a result of the Company's working capital requirements, which are dependent on operations and increased spending typically results during periods of expansion.

Cash flows from investing activities can vary depending on the nature of the transactions occurring during a period. During the six-month period ended July 31, 2021, most investing activities related to exploration and evaluation expenditures and mineral property expenditures.

Cash flows provided by financing activities for the six-month period ended July 31, 2021 resulted from the issuance of shares from private placements and exercises of warrants and options partially offset by the partial repayment of Equinox promissory note.

RELATED PARTY TRANSACTIONS

Balances

The following amounts due to related parties are unpaid director and consulting fees included in trade payables and accrued liabilities. These amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

	July 31, 2021	January 31, 2021
Directors and officers of the Company	\$ 302,112	\$ 174,750

Transactions

The Company has identified the CEO, President, CFO, COO, General Counsel & Corporate Secretary and the Company's directors as its key management personnel. During the three and six-month periods ended July 31, 2021 and 2020, the following amounts were incurred with directors and officers of the Company:

	Three Months Ended July 31, 2021	Three Months Ended July 31, 2020	Six Months Ended July 31, 2021	Six Months Ended July 31, 2020
Management, director and consulting fees ⁽¹⁾	\$ 217,625	\$ 6,000	\$ 726,091	\$ 12,217
Share-based payments ⁽²⁾	966,596	25,441	2,155,376	225,064
	\$ 1,184,221	\$ 31,441	\$ 2,881,467	\$ 237,281

⁽¹⁾ Included in management, director and consulting fees disclosed above are fees capitalized to mineral property under property and equipment. For the three and six-month periods ended July 31, 2021, the Company recorded \$38,750 and \$136,423 of capitalized management, director and consulting fees respectively (three and six-month periods ended July 31, 2020 - \$Nil).

⁽²⁾ Included in share-based payments disclosed above are payments capitalized to mineral property and mine construction work-in-progress under property and equipment. For the three and six-month periods ended July 31, 2021, the Company recorded capitalized share-based payments of \$81,976 and \$376,927, respectively, to mineral property, and \$163,950 to mine construction work-in-progress (three and six-month periods ended July 31, 2020 - \$Nil).

Included in the management, directors and consulting fees for the six-month period ended July 31, 2021 was 230,000 bonus shares issued to officers of the Company with a fair value of \$289,800.

During the six-month period ended July 31, 2021, the Company converted 116,250 of vested restricted share units and 815,000 of vested performance share units and issued them to the directors and officers of the Company.

COMMITMENTS

On January 26, 2021, the Company entered into an OPA with New Gold for a three-year term. Under the terms of the OPA, GMTN will deliver 70,000 tonnes of ore per annum, approximately 200 tonnes per day, to the mill located at New Gold's New Afton Mine situated 130km from the Elk Gold Project, in Kamloops British Columbia.

The OPA is effective upon the first delivery of ore to the New Afton Mine. Prior to the first delivery of ore, the parties must settle on a sampling procedure for tracking the tonnes and grade delivered, GMTN must receive the joint permit amendment application for the Mine Permit and Discharge Permit and New Gold must obtain a permit amendment to allow for the processing to occur.

FINANCIAL INSTRUMENT RISK

The following table summarizes the classifications of the Company's financial instruments under IFRS 9:

Financial Asset/Liability	IFRS 9 Classification
Cash	Amortized cost
Receivables excluding GST receivables	Amortized cost
Reclamation deposits	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Short-term loans	Amortized cost
Promissory note	Amortized cost

The carrying values of cash, receivables, excluding GST receivables, accounts payable and accrued liabilities and short-term loans approximate their fair value because of the relatively short-term nature of the instruments and are measured and reported at amortized cost. The promissory note and reclamation deposits are measured and reported at amortized cost using the effective interest rate method. These estimates are subjective and involve uncertainties and matters of significant judgment and therefore cannot be determined with precision. Changes in assumption could significantly affect the estimates.

There are three levels of the fair value hierarchy as follows:

- Level 1: Values based on unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities.
- Level 2: Values based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability.
- Level 3: Values based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement.

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

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The majority of cash is deposited in bank accounts at a major bank in Canada. As most of the Company's cash is held by one bank there is a concentration of credit risk. This risk is managed by using major banks that are high credit quality financial institutions as determined by rating agencies.

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 has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company aims to have sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from its ability to raise equity capital or borrowing sufficient funds and its holdings of cash.

Historically, the Company's principal source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to necessary levels of equity funding.

The following sets forth details of the payment profile of financial liabilities based on their undiscounted cash flows:

	Total remaining cash flows \$	Contractual cash flows \$	Less than 1 year \$	1 to 5 years \$	More than 5 years \$
Accounts payable and accrued liabilities	1,498,148	1,498,148	1,498,148	-	-
Short-term loans	78,830	78,830	78,830	-	-
Promissory notes	4,830,821	6,286,280	3,000,000	2,600,000	-
Total	6,427,819	7,878,046	4,578,048	3,000,000	-

Interest rate risk

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

Foreign exchange risk

The Company's functional and reporting currency is the Canadian dollar and major purchases are transacted in Canadian dollars. As a result, the Company's exposure to foreign currency risk is minimal.

RISK AND UNCERTAINTIES

For a complete list of the risks and uncertainties facing the Company, please see the annual MD&A for the year ended January 31, 2021, a copy of which is available at www.sedar.com.

MANAGEMENT'S RESPONSIBILITY FOR THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The information provided in this MD&A as referenced from the Company's condensed interim consolidated financial statements for the referenced reporting period is the sole responsibility of management. In the preparation of the information along with related and accompanying statements and estimates contained herein, management uses careful judgement in assessing the values (or future values) of certain assets or liabilities. It is the opinion of management that such estimates are fair and accurate as presented.

OTHER INFORMATION

Additional information on the Company is available on SEDAR at www.sedar.com.

QUALIFIED PERSON AND INFORMATION CONCERNING ESTIMATES OF MINERAL PROJECTS

All of the scientific and technical information contained in this news release has been reviewed and/or approved by Mr. Grant Carlson, P. Eng., a "Qualified Person" within the meaning of National Instrument 43-101 - Standards of Disclosure for Mineral Projects and the Chief Operating Officer of the Company.

USE OF PROCEEDS TABLE

The table below sets out the disclosure the Company has previously made about use of proceeds (other than working capital) from previous financings and any variations:

Financing	Disclosed Use	Actual Use	Variation
June 2020 - \$200,000 IPO financing	Identification and evaluation of a qualified transaction	Same as disclosed use	No variation
July 2020 - \$520,000 private placement	Identification and evaluation of a qualified transaction	Same as disclosed use	No variation
December 2020 - \$4,666,890 financing concurrent with Qualified Transaction	Exploration at the Siwash North Zone and Lake Zone of the Elk Gold Project and general working capital.	Exploration at the Siwash North Zone and general working capital	The Company elected to focus all exploration on the Siwash North Zone in order to expand the resource.
February 2021 - \$10,000,700 private placement	Advancement of the Elk Gold Project	Same as disclosed use	No variation
June 2021 - \$11,999,999 bought deal private placement	Advancement of the Elk Gold Project (for funds from flow through portion, Canadian Exploration Expenses).	Anticipated to be as disclosed.	No variation

SHARE CAPITAL AND OUTSTANDING SHARE DATA

Common shares, stock options, restricted share units, performance share units and share purchase warrants issued and outstanding as at the period-end are described in detail in Note 13 of the condensed interim consolidated financial statements for the three and six-month periods ended July 31, 2021, which as of September 29, 2021 are as follows:

	Number of shares
Issued and outstanding	69,314,583

Number of options outstanding	Number of options exercisable	Exercise price (\$)	Expiry date
50,000	50,000	2.21	May 31, 2023
325,000	100,000	2.00	August 1, 2023
193,182	193,182	0.10	January 25, 2024
2,580,000	2,580,000	0.25	February 1, 2025
314,141	314,141	0.25	July 30, 2025
972,500	729,375	0.90	January 14, 2026
285,000	142,500	1.20	April 9, 2026
4,719,823	4,109,198		

	Restricted Share Units	Performance Share Units
As at July 31, 2021	507,500	890,000
Converted	-	(50,000)
	507,500	840,000

Number of outstanding warrants	Exercise price (\$)	Expiry date
59,726	0.10	June 22, 2022
192,806	0.90	December 23, 2022
1,222,368	1.20	December 23, 2023
270,626	0.97	February 23, 2023
4,442,005	1.25	February 23, 2024
2,790,820	3.15	June 24, 2023
320,612	2.10	June 24, 2023
9,298,963		