



HIGHGOLD MINING INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three months ended March 31, 2021



HIGHGOLD MINING INC.

Management's Discussion and Analysis

For the Three Months Ended March 31, 2021

(Expressed in Canadian Dollars)

GENERAL

The information in this Management's Discussion and Analysis ("MD&A") is intended to assist the reader in the understanding and assessment of the trends and significant changes in the results of operations and financial conditions of HighGold Mining Inc. (the "Company" or "HighGold"). This MD&A should be read in conjunction with the unaudited condensed consolidated interim financial statements of the Company for the three months ended March 31, 2021 and the audited consolidated financial statements of the Company for the year ended December 31, 2020, and other information relating to the Company on file with the Canadian provincial securities regulatory authorities on SEDAR at www.sedar.com. The Company's consolidated financial statements for the three months ended March 31, 2021 and for the year ended December 31, 2020 have been prepared in accordance with International Financial Reporting Standards ("IFRS").

This MD&A contains forward-looking statements. Please refer to the cautionary language at the end of this document.

Historical results of operations and trends that may be inferred from the following discussions and analysis may not necessarily indicate future results from operations.

HighGold is a mineral exploration company focused on premier high-grade gold projects located in North America. HighGold's flagship asset is the high-grade Johnson Tract Gold (Zn-Cu) Project, a gold-dominant polymetallic deposit, located in an easily accessible area of south-central coastal Alaska, USA. The Company also controls an extensive portfolio of quality gold projects in the greater Timmins gold camp, Ontario, Canada that includes the Munro-Croesus Gold property, which is renowned for its high-grade mineralization, and the large, early-stage exploration properties, Golden Mile and Golden Perimeter. HighGold's experienced Board and senior management team, are committed to providing shareholder value through discovery, careful stewardship of capital, and environmentally and socially responsible mineral exploration activities.

The Company is a reporting issuer in British Columbia, Alberta and Ontario and trades on the TSX Venture Exchange ("TSX-V") under the symbol HIGH and US Over-the-Counter market under the symbol HGGOF.

This MD&A has taken into account information available up to and including May 26, 2021.

The head office and principal business address of the Company is Suite 320 – 800 West Pender St., Vancouver, BC, V6C 2V6.

HIGHLIGHTS

Financial

- The treasury was augmented in the first quarter by \$1.9 million received from exercise of 2,709,027 warrants, which were issued at the time the Company went public.

Johnson Tract Project

- A budget and work plan for the Johnson Tract Project were defined during the first quarter that will see an initial 16,000 meters (\$10 million budget) of drilling, targeting the main JT deposit area. Three drill rigs were left on site at the end of the 2020 field season to facilitate an efficient start up for 2021.

JT Deposit Targets

- Approximately 10,000 meters dedicated to the JT Deposit area (750koz @ 10.93 g/t AuEq Indicated and 134koz @ 7.16 g/t AuEq Inferred), with a focus on systematic expansion and infill drilling to upgrade the JT Deposit in preparation for an updated resource, with an emphasis on continuing to track and expand the deposit down-plunge.
- Drilling to also target the immediately surrounding Footwall Copper Zone, Gap, Fault Offset 2.0, and new VMS Zone targets.

Johnson Tract District Targets

- Approximately 6,000 meters of first phase drilling will target Johnson District targets. The drilling will be carried out in concert with additional ground-work and geophysical surveys, with a focus on the following high-priority prospects:
 - Difficult Creek
 - New high-grade silver-gold vein field discovered in 2020 in rock sampling over a 500-meter by 1000-meter area. Grab sample results included:
 - 1,800 g/t Ag, 0.4 g/t Au
 - 1,500 g/t Ag, 4.1 g/t Au
 - 1,280 g/t Ag, 1.9 g/t Au
 - 7.9 g/t Au, 94 g/t Ag over 1.4 m in a rock chip channel sample
 - Milkbone
 - 184 g/t Au in grab sample
 - 4.4 g/t in soils
 - Easy Creek
 - 1,500-meter x 1,000-meter gold-in-soil anomaly (20 ppb to 1,610 ppb gold) +/- copper +/- molybdenum that was defined in 2020.
 - Kona
 - Strong IP Chargeability anomaly associated with large scale alteration.

Timmins, Ontario Projects

- During Q1, the focus of work for the Munro- Croesus project included the compilation and analysis of data for the new mining claims acquired by HighGold over the past 12 months. This target generation study is in preparation for a methodical work plan for this area which can begin in late summer to early fall 2021. HighGold raised \$3.7 million in flow through funds late in 2020 which can be spent over two years.

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BACKGROUND

HighGold began trading on the TSX-V on September 23, 2019 under the ticker "HIGH". Concurrent with the exchange listing, the Company closed a non-brokered private placement of \$7,650,000. To the date of this report, HighGold has raised gross proceeds of \$35,426,611 in five rounds of financing, as follows:

Date	Amount \$C	Shares Issued	Price \$C	Warrants
August 20, 2019 ⁽¹⁾	\$200,000	1,000,000	\$0.20	½ @ \$0.45 5-year term
September 23, 2019	\$7,650,000	17,000,000	\$0.45	½ @ \$0.70 2-year term
December 5, 2019 ⁽²⁾	\$2,304,000	1,280,000	\$1.80	N/A
December 5, 2019	\$7,000,000	5,600,000	\$1.25	N/A
July 28, 2020	\$13,800,166	7,976,975	\$1.73	N/A
July 28, 2020 ⁽³⁾	\$772,445	446,500	\$1.73	N/A
December 23, 2020 ⁽²⁾	\$3,000,000	1,500,000	\$2.00	N/A
December 23, 2020 ^(2,3)	\$700,000	350,000	\$2.00	N/A

(1) Seed round completed by management and directors.

(2) Flow-through financing at premium to market.

(3) Side-car financing pursuant to existing investor rights agreement with strategic shareholder.

EXPLORATION PROPERTIES
Overview

HighGold holds a portfolio of gold assets in the well-established mining jurisdictions of USA (Alaska) and Canada (Timmins, Ontario). Both project areas have a history of high-grade gold results and substantial exploration upside. The most advanced of these assets is the 21,000-acre Johnson Tract property, located in coastal southcentral Alaska, in the Cook Inlet region. The Company also controls an extensive portfolio of quality gold projects in the greater Timmins gold camp, located in Ontario, that includes the Munro-Croesus Gold property, which is renowned for its high-grade mineralization, and the earlier stage large exploration properties, Golden Mile and Golden Perimeter.

Johnson Tract Property

The large, 21,000-acre Johnson Tract property is located near tidewater, 125 miles (200 kilometers) southwest of Anchorage. It includes the high-grade Johnson Tract Gold (Zn-Cu) deposit along with excellent exploration potential indicated by several other prospects over a 12-kilometer mineralized trend. Prior to HighGold, the project was last explored in the mid-1990s by a mid-tier mining company that evaluated direct shipping gold mineralized material from Johnson to the Premier Mill near Stewart, British Columbia.

HighGold acquired Johnson Tract through a lease agreement with Cook Inlet Region, Inc. ("CIRI") an Alaska Native regional corporation that is the largest private landowner within the Cook Inlet region. The Johnson Tract property is an inholding in Lake Clark National Park and was conveyed to the CIRI Native Corporation under the terms of the Alaskan Native Claims Settlement Act (ANSCA) and the Cook Inlet Land Exchange. Ratified by an act of Congress CIRI is entitled to transportation and port easements through Park lands for

mineral extraction.

Johnson Tract Project

While the exploration season had not yet begun in the first quarter of 2021, HighGold finalized the work plan for the main JT deposit and the regional prospects. The initial work program will include 16,000 meters of drilling, split approximately two thirds/one third between the main area and the regional targets.

The JT target areas include:

- The down plunge and lateral extensions of the main deposit to extend the mineral resource,
- The Fault Offset area,
- The mineralized corridor between the main deposit and the Northeast Offset target that also includes a new VMS style of mineralization.

During 2020, assay lab turn-around times were much slower than normal due to an industry-wide surge in mineral exploration combined with COVID-related impacts, resulting in extensive delays in releasing results from the 2020 drill program. While there is no guarantee of faster turnaround in 2021, the Company has made additional provisions to attempt to reduce assay result turn around times.

Main JT Deposit, Fault Offset Target and New VMS Zone

In and around the main JT deposit, information gained from the extensive 2020 drill program not only expanded the main mineralized zone, but also significantly advanced HighGold's understanding of the deposit and structural geology including insight into the fault structures responsible for displacing (off-setting) part of the main deposit. Based on the new data, it appears that a significant portion of the mineral system is open to expansion down-plunge and is not cut-off at depth as interpreted by previous operators. This is well demonstrated by successive step-out intersections that doubled the plunge length of mineralization to a total of 575m and included new Footwall Copper Zone intersections.

2020 drilling that tested the fault offset target 700m northeast of the main JT deposit. While failing to intersect a displaced part of the JT deposit as anticipated, this program was successful in the discovery of a second distinct zone of Volcanic Massive Sulphide (VMS) style mineralization. The occurrence of VMS mineralization, a new style of mineralization for the Project, indicates that mineralization is more widespread and diverse than originally understood.

A new structural model has been developed that includes a revised fault offset target for that portion of the deposit affected by the fault. The new target area is located east of the 2020 drilling and has, as yet, been subject to little to no drill testing. This will be one of several priority targets for 2021.

Johnson Tract District Targets

During 2020 surface exploration work was completed at several of the JT District targets including Difficult Creek, Easy Creek, Kona and Milkbone.

At the Difficult Creek (DC) prospect, approximately 4km to the northeast of the JT Deposit, a new high-grade silver-gold vein field was discovered in rock sampling over an area measuring roughly 500 meters by 1000 meters, as well as a new copper zone. Following up on gold-in-soil results from 2019, a new sub-parallel 320m long 'gold-in-soil' anomaly was identified.

DC Grab sample results included:

- 1,800 g/t Ag, 0.4 g/t Au
- 1,500 g/t Ag, 4.1 g/t Au
- 1,280 g/t Ag, 1.9 g/t Au
- 7.9 g/t Au, 94 g/t Ag over 1.4 m in a rock chip channel sample

DC Gold-in-soil anomalies included:

- 180 m x 50 m of greater than 100 ppb Au
- 320 m x 50 m of greater than 50 ppb Au

DC copper zone grab samples included:

- 9.87% Cu
- 3.98% Cu

At the Milkbone prospect, located 400 meters west of the new DC Ag-Au vein field, soil and rock sample results included:

- 184 g/t Au, 46 g/t Ag, 20% Pb, 2.1% Zn, 0.1% Cu in a grab rock sample
- Gold-in-soil values ranging from 70 ppb to 4,390 ppb (4.39 g/t Au) over 150 meters

At the Easy Creek (EC) prospect, approximately 8km northeast of the main JT Deposit, a 1,500-meter by 1,000-meter gold-in-soil anomaly (20 ppb to 1,610 ppb gold) +/- copper +/- molybdenum was defined.

The recent surface exploration results have identified widespread, robust and diverse styles of mineralization over an area several square kilometres in size. Collectively, these emerging prospects define a mineralized district at Johnson with potential for multiple deposits. HighGold's 2021 work plan includes drill testing several of these prospects for the first time.

JT Deposit Mineral Resource

- Indicated Resource of 2.14 million tonnes ("Mt") grading 10.93 grams per tonne ("g/t") gold equivalent ("AuEq") for 750,000 ounces AuEq
- Additional Inferred Resource of 0.58 Mt grading 7.16 g/t AuEq for 134,000 ounces AuEq
- The deposit includes a high-grade core of 1.25 Mt Indicated grading 14.54 g/t AuEq for 583,000 ounces AuEq at an 8 g/t AuEq cut-off
- 79% of total resource tonnage is in the Indicated category, including 85% of the total AuEq ounces

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JT Deposit Mineral Estimate at 4.0 g/t AuEq Cut-off
(effective date April 29, 2020)

Category	Tonnes (000s)	Au (g/t)	Ag (g/t)	Cu (%)	Pb (%)	Zn (%)	AuEq (g/t)
Indicated	2,135	6.07	5.8	0.57	0.80	5.85	10.93
Inferred	581	2.05	8.7	0.54	0.33	6.67	7.16
Contained Metal							
Category		Au (koz)	Ag (koz)	Cu (M lb)	Pb (M lb)	Zn (M lb)	AuEq (koz)
Indicated		417	397	26.8	37.6	275.3	750
Inferred		38	162	6.9	4.2	85.5	134

Notes

1. Includes all drill holes completed at JT Deposit, with drilling completed between 1982 and most recently as September 2019
2. Gold Equivalent ("AuEq") is based on assumed metal prices and 100% recovery and payabilities for Au, Ag, Cu, Pb, and Zn
3. $AuEq\ equals = Au\ g/t + Ag\ g/t \times 0.012 + Cu\% \times 1.422 + Pb\% \times 0.508 + Zn\% \times 0.610$
4. Assumed metal prices are US\$1350/oz for gold (Au), US\$16/oz for silver (Ag), US\$2.80/lb for copper (Cu), US\$1.00/lb for lead (Pb), and US\$1.20/lb for zinc (Zn) and are based on nominal 3-year trailing averages as of April 1, 2020
5. An average bulk density value of 2.84 used as determined by conventional analytical methods for assay samples
6. Capping applied to assays to restrict the impact of high-grade outliers
7. A 4 g/t AuEq cut-off was deemed appropriate for assumed underground mining and mineral processing methods while providing adequate continuity of mineralized blocks
8. Mineral resources as reported are undiluted
9. Mineral resource tonnages have been rounded to reflect the precision of the estimate
10. Readers are cautioned that mineral resources that are not mineral reserves do not have demonstrated economic viability

In addition to attractive grades and favourable metallurgy, the JT Deposit has several attributes that are considered attractive for underground development, including excellent width, strong continuity, subvertical geometry, and geotechnically competent mineralization. The resource is viewed as an excellent starting point for the Company on the project and the Company's focus has now turned to further drilling, with the intent of expanding the JT Deposit and testing multiple well-developed peripheral targets.

Timmins, Ontario Properties

HighGold has 100% ownership of three properties in the Timmins, Ontario gold camp: the Munro-Croesus property, the Golden Mile property and the Golden Perimeter property. The properties can be explored year-round, with winter months particularly favorable for drilling when frozen conditions enhance access.

A 5000-meter, two-rig drill program was initiated in February 2020 to include drilling on all three of HighGold's Ontario properties. The program was suspended prematurely on March 17, 2020 in response to the COVID-19 pandemic, after completing a total of 2,524 meters consisting of 5 drill holes for 1,553 meters at Golden Perimeter and 6 drill holes for 971 meters at Munro-Croesus. Highlights from the drilling include:

- Croesus-like vein intersected southeast of Croesus mine shaft returning **29.1 g/t gold over 0.30m**
- Widespread gold mineralization over an 850-meter-long trend in a quartz veined, variable altered and pyritic monzonite intrusion, including:
 - 10.30 g/t Au and 42.80 g/t Ag over 0.2 meters
 - 2.30 g/t Au over 0.9 meters
 - 0.50 g/t Au over 4.7 meters
 - 4.04 g/t Au over 0.3 meters
 - 4.82 g/t Au and 57.50 g/t Ag over 0.3 meters

During the summer of 2020 at Munro-Croesus, the Company completed a prospecting and mapping program followed by mechanical stripping, power washing and channel sampling of gold-bearing quartz vein systems. Several of these vein prospects are developed in areas outside the historic Croesus mine environment.

Highlights from the channel sampling include:

- 11.24 grams per tonne gold ("g/t Au") over 1.85 meters
- 17.05 g/t Au over 0.8 meters
- 8.42 g/t Au over 1.5 meters

In the fall of 2020 HighGold completed 2,645 meters of drilling at the Munro Croesus Project testing areas in the immediate vicinity of the historic Croesus Gold mine as well as new targets identified in recent trench sample results elsewhere on the property. Results included:

- 190.5 g/t Au over 0.5 meters in hole MC20-43, including 311.0 g/t Au over 0.3 meters
- 11.01 g/t Au over 1.1 meters in hole MC20-46, within a broader zone grading 3.16 g/t Au over 4.2 meters.

During 2020, HighGold embarked on a strategy to consolidate the patchwork of underexplored 1911 to 1950 era patented and unpatented mining claims surrounding the historic Croesus Mine. To date, the Company has completed ten separate land deals in pursuit of this goal, bringing the strategic Munro Croesus land position total size to 32 km² (3,187 ha). Systematic exploration and targeting work was completed on the newly consolidated land package that includes airborne magnetic-EM and LiDAR surveys, surface geophysical surveys, data compilation, geological and structural studies, and orientation drilling with the objective of preparing the project for a significant exploration drilling campaign. Work on the project over the next 18 months will be funded by the \$3.7 million in flow-through funds raised in December 2020.

As at March 31, 2021, the Company incurred \$2,704,031 of eligible flow-through expenditures on its Ontario properties.



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Munro-Croesus Property

The Munro-Croesus Gold Project is located approximately 75 kilometers (47 miles) east of Timmins, Ontario along Highway 101. The 100% owned land package includes the past-producing Croesus Mine, which yielded some of the highest-grade gold ever mined in Ontario. The highly prospective geology is proximal to the Porcupine-Destor Deformation Fault Zone and Pipestone Fault and located approximately three kilometers (1.9 miles) northwest and along trend of Mayfair Gold's multi-million ounce Fenn-Gib gold deposit. Since discovery in 1914, the Croesus Mine property has spent the majority of its history in private hands, with limited modern exploration conducted to date across the greater project area.

Golden Perimeter Property

This 100%-owned, 11,900-hectare (29,400 acre) property is located approximately 30 kilometers southeast of several major gold producing mines in Timmins. The property covers several intrusive bodies hosted by Tisdale komatiites and mafic volcanic rocks and is prospective for both alkalic disseminated gold and orogenic vein-hosted gold mineralization.

Golden Mile Property

This 86 square kilometer (33 square mile) property is located nine kilometers (5.6 miles) northeast of Newmont-Goldcorp's multi-million-ounce Hoyle Pond deposit in the Timmins gold camp, northeast Ontario. The property covers the extension of the Pipestone Fault System on the north margin of the Timmins gold camp that has produced more than 55 million ounces of gold to date.

CORONAVIRUS GLOBAL PANDEMIC

During 2020, global capital markets experienced an unprecedented set of circumstances caused by the worldwide outbreak of the human virus, COVID-19. Canadian and global travel restrictions were imposed mid-way through the first quarter of 2020 and many of those restrictions have extended to the date of publication although many areas are beginning to open up following successful vaccine programs. While continued restrictions in Ontario are uncertain at the point of publications, Alaska's successful vaccination and testing program has caused the state to ease many of the protocols in place in 2020. HighGold will continue to follow guidelines set out by the State of Alaska and continue to provide a safe workplace for field employees.

HighGold has investigated alternate arrangements for both sample preparation and laboratory assay work for the 2021 field season but cannot guarantee that these will increase turnaround times.

RESULTS OF OPERATIONS

Exploration and Evaluation Property Expenditures

During the three months ended March 31, 2021, the Company recorded expenditure additions of \$1,263,799 (2020 - \$991,510) on exploration and evaluation properties. The Johnson Tract property, Munro-Croesus property and Golden Perimeter property accounted for \$404,280 (2020 - \$247,111), \$763,528 (2020 - \$274,133) and \$49,842 (2020 - \$414,291) of these expenditures, respectively.

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Operating Costs

The net loss for the three months ended March 31, 2021 was \$316,280 (2020 – income of \$101,682). Significant expenses include:

- Office and miscellaneous expenses of \$21,127 (2020 - \$90,364), mainly consisting of general head office expenses and the cost of participating in mining investment conferences and roadshows. Expenditures for conferences and roadshows were significantly lower compared to the previous year, due to curtailment because of COVID-19 this year.
- Professional fees of \$34,605 (2020 - \$42,830), relating to legal fees of \$15,105 (2020 - \$25,130), and fees of \$19,500 (2020 - \$17,700) related to accounting services provided to the Company. Total legal fees were impacted by the Company's successful efforts to acquire additional mineral properties in Ontario.
- Salaries, wages and benefits of \$102,240 (2020 - \$138,098) paid to officers and employees of the Company. Please refer to "Transactions with Related Parties" section for additional information.
- Share-based compensation of \$48,959 (2020 - \$229,366), relating to the vesting of stock options previously granted during the prior year.

During the three months ended March 31, 2021, the Company recorded interest income of \$18,182 (2020 - \$54,924) related to the Company's investment in short-term bank certificates, other income of \$129,500 (2020 - \$704,000) related to the recovery of flow-through premium liability upon renouncement of the expenses and an unrealized loss of \$112,000 (2020 - \$Nil) related to an investment in 350,000 shares of Fireweed Zinc Ltd. ("Fireweed").

SUMMARY OF QUARTERLY RESULTS

The following is a summary of certain consolidated financial information of the Company since its inception:

	Quarter ended March 31, 2021	Quarter ended December 31, 2020	Quarter ended September 30, 2020	Quarter ended June 30, 2020
Revenue ⁽¹⁾	\$ -	\$ -	\$ -	\$ -
Net comprehensive income (loss)	(316,280)	(385,226)	(9,476)	(445,779)
Total assets	39,824,695	40,316,322	36,970,384	19,271,384
Basic and diluted earnings (loss) per share	\$ (0.01)	\$ (0.01)	\$ (0.00)	\$ (0.01)



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	Quarter ended March 31, 2020	Quarter ended December 31, 2019	Quarter ended September 30, 2019	Period from inception April 16, 2019 to June 30, 2019
Revenue ⁽¹⁾	\$ -	\$ -	\$ -	\$ -
Net comprehensive income (loss)	101,682	(654,009)	(669,351)	(1,218)
Total assets	18,906,795	19,065,716	11,985,268	1,882
Basic and diluted loss per share	\$ 0.00	\$ (0.02)	\$ (0.06)	\$ (12.18)

(1) The Company has no sales revenues.

Quarterly Results – General Trend

The Company's operating expenses for the quarter ended March 31, 2021, not including share-based compensation, were \$288,483, compared to \$427,876 for the same period last year. Such operating costs are expected to moderately increase in the next three quarters, as COVID-19 restrictions are lifted and the Company resumes travel and conferences. Exploration expenditures are currently projected to be in the same range as last year for the Johnson Tract and the Timmins, Ontario Projects, as Company continues its plans to forward exploration in both areas in 2021.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

As at March 31, 2021, the Company had current assets of \$17,151,251 (December 31, 2020 - \$18,904,363), including cash and cash equivalents of \$16,186,182 (December 31, 2020 - \$17,946,613) and \$292,579 (December 31, 2020 - \$891,818) in total liabilities.

During the three months ended March 31, 2021, the Company used \$641,794 (2020 - \$899,177) in cash for operating activities and \$1,350,707 (2020 - \$568,453) in cash for exploration and evaluation expenses, spent primarily on the Johnson Tract, Munro-Croesus and Golden Perimeter properties.

Total cash provided by financing activities was \$232,070 (2020 - \$186,660) consisted of the Company receiving \$15,000 (2020 - \$147,119) related to the exercise of 15,000 stock options and \$217,070 (2020 - \$40,600) related to the exercise of 310,100 share purchase warrants.

The financial statements have been prepared in accordance with IFRS applicable to a going concern, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

SUBSEQUENT EVENTS

Subsequent to the three months ended March 31, 2021, the Company issued an aggregate of 2,845,527 common shares upon the exercise of 2,845,527 warrants, for cash proceeds of \$1,970,931.

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Subsequent to the three months ended March 31, 2021, the Company issued an aggregate of 316,666 common shares upon the exercise of 316,666 stock options, for cash proceeds of \$156,166.

Subsequent to the three months ended March 31, 2021, the Company issued an aggregate of 1,682,500 stock options for the purchase of up to 1,682,500 common shares of the Company, at an exercise price of \$1.43 per share. Forty thousand of the options have a two-year term and the remaining 1,642,500 options have a five-year term

FINANCIAL INSTRUMENTS
Classification of financial instruments

	Ref.	March 31, 2021	December 31, 2020
		\$	\$
Financial assets at FVTPL	(a)	266,000	378,000
Financial assets at amortized cost	(b)	16,215,771	17,975,623
Financial liabilities at amortized cost	(c)	292,579	762,318

(a) Comprised of marketable securities

(b) Comprised of cash and interest receivable

(c) Comprised of accounts payable, accrued liabilities and loans payable

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

The Company's marketable securities carried at fair value have been classified as Level 1 within the fair value hierarchy.

Management of Industry and Financial Risk

The Company's financial instruments are exposed to certain financial risks, which include the following:

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company limits its exposure to credit loss for cash by placing its cash with high quality financial institutions and for trade receivables by performing standard credit checks. The credit risk for cash is considered negligible since the counterparties are reputable banks with high quality external credit ratings.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations when they become due. The Company ensures, as far as reasonably possible, that it will have sufficient capital in order to meet short-term business requirements, after taking into account cash flows from operations and the Company's holdings of cash. As at March 31, 2021, the Company has working capital of



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\$16,858,672 (December 31, 2020 - \$18,012,545). There can be no assurance that the Company will be successful with generating and maintaining profitable operations or will be able to secure future debt or equity financing for its working capital and expansion activities.

Foreign exchange risk

The Company operates internationally and is exposed to foreign currency risk arising from currency exposures to Canadian dollars. The main currency to which the Company has an exposure is the U.S. dollar. The Company is exposed to currency risk to the extent of its cash and trade and other payables that are denominated in U.S. dollars. The Company does not currently hedge its exposure to fluctuations in the related foreign exchange rates.

Based on the Company's net US currency exposure as at March 31, 2021, and assuming all other variables remain constant, a 15% weakening or strengthening of the Canadian dollar against the US dollar would result in an increase/decrease of approximately \$620,000 in comprehensive income/loss for the period.

Interest rate risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company does not hold any assets or liabilities subject to variable interest rates, and as such, the Company is not exposed to significant interest rate risk.

Equity price risk

Equity price risk arises from market fluctuations in equity prices that could adversely affect the Company's operations. The Company's current exposure to equity price risk is limited to declines in the values and volumes including those of its own shares, which could impede its ability to raise additional funds when required and movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors the individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company. As at March 31, 2021, the Company's marketable securities of \$266,000 are subject to fair value fluctuations.

Based on the Company's marketable securities as at March 31, 2021, and assuming all other variables remain constant, a 10% increase/decrease in the fair value of marketable securities would result in an increase/decrease of approximately \$27,000 in comprehensive income/loss for the period.

Capital management

Capital is comprised of the Company's shareholders' equity and any debt that it may issue. As at March 31, 2021, the Company's shareholders' equity totalled \$39,532,116 (December 31, 2020 - \$39,424,504). The Company's objectives when managing capital are to maintain financial viability and to protect its ability to meet its on-going liabilities, to continue as a going concern, to maintain creditworthiness and to maximize returns for shareholders over the long term. Protecting the ability to pay current and future liabilities includes maintaining capital above minimum regulatory levels, current financial strength rating requirements and internally determined capital guidelines and calculated risk management levels.

The Company's current capital was received from the issuance of common shares, options and warrants. The Company plans to use a significant portion of the net proceeds raised to date for the development of its current mineral properties and for the acquisition of additional mineral properties or assets.

The Company is not subject to externally imposed capital requirements as at March 31, 2021 except when the Company issues flow-through shares for which the amount should be used for exploration work.

On December 5, 2019 and December 23, 2020, the Company completed a flow-through private placement totalling \$2,304,000 and \$3,700,000, respectively. As at March 31, 2021, the Company incurred \$2,704,031 (December 31, 2020 - \$2,325,171) in eligible exploration and evaluation expenditures and consequently the Company has the obligation to incur a remaining balance of \$3,299,969 (December 31, 2020 - \$3,678,829) no later than December 31, 2021. However, due to the Coronavirus pandemic, legislation has been proposed by the Canadian government to extend the deadline for expenditures by one year, to December 31, 2022.

There were no changes to the Company's approach to capital management during the three months ended March 31, 2021.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements and no long-term debt obligations.

TRANSACTIONS WITH RELATED PARTIES

As at March 31, 2021, the Company had a total of \$Nil (December 31, 2020 - \$1,413) payable to Ms. Naomi Nemeth, VP Investor Relations for outstanding expense reimbursements payable.

As at March 31, 2021, the Company had a total of \$702 (December 31, 2020 - \$Nil) payable to Mr. Ian Cunningham-Dunlop, VP Exploration for outstanding expense reimbursements payable.

As at March 31, 2021, the Company had a total of \$Nil (December 31, 2020 - \$4,351) payable to Mr. Darwin Green, the Chief Executive Officer and a director of the Company for outstanding expense reimbursements payable.

As at March 31, 2021, the Company had a total of \$3,125 (December 31, 2020 - \$1,326) payable to Mr. Lance Miller, Director for outstanding fees.

During the three months ended March 31, 2021, the Company paid/accrued salaries, wages and benefits included in administrative expenses of \$15,000 (2020 - \$60,000), paid/accrued salaries, wages and benefits included in exploration and evaluation expenditures of \$45,000 (2020 - \$Nil) to Mr. Darwin Green, the Chief Executive Officer and a director of the Company.

During the three months ended March 31, 2021, the Company paid/accrued salaries, wages and benefits included in administrative expenses of \$24,000 (2020 - \$24,000) to Mr. Aris Morfopoulos, Chief Financial Officer and a director of the Company.

During the three months ended March 31, 2021, the Company paid/accrued salaries, wages and benefits included in administrative expenses of \$Nil (2020 - \$Nil) and exploration and evaluation expenditures of \$58,061 (2020 - \$52,226) to Mr. Ian Cunningham-Dunlop, VP Exploration of the Company.



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During the three months ended March 31, 2021, the Company paid/accrued salaries, wages and benefits included in administrative expenses of \$45,000 (2020 - \$45,000) to Ms. Naomi Nemeth, VP Investor Relations of the Company.

During the three months ended March 31, 2021, the Company paid/accrued salaries, wages and benefits included in administrative expenses of \$3,125 (2020 - \$Nil) to Mr. Michael Cinnamond, Director of the Company.

During the three months ended March 31, 2021, the Company paid/accrued salaries, wages and benefits included in administrative expenses of \$3,125 (2020 - \$Nil) to Mr. Michael Gray, Director of the Company.

During the three months ended March 31, 2021, the Company paid/accrued salaries, wages and benefits included in administrative expenses of \$3,125 (2020 - \$Nil) to Mr. Lance Miller, Director of the Company.

During the three months ended March 31, 2021, the Company paid/accrued salaries, wages and benefits included in administrative expenses of \$3,125 (2020 - \$Nil) to Ms. Anne Labelle, Director of the Company.

During the three months ended March 31, 2021, the Company paid fees of \$Nil (2020 - \$100,000) to a consulting firm partnership for financial, capital markets and strategic advisory services. Mr. Michael Gray, a director of the Company, is a partner of the firm, although he was not involved in providing any of its services to the Company.

During the three months ended March 31, 2021, the Company recorded a total share-based compensation of \$85,715 (2020 - \$313,213), of which \$48,959 (2020 - \$215,055) is included in administrative expenses and \$36,756 (2020 - \$98,158) is included in exploration and evaluation assets, related to stock options granted during the period and vesting of stock options previously granted to officers and directors of the Company.

OUTSTANDING SHARE DATA

The following table shows the Company's share capital data as at March 31, 2021:

Total issued and outstanding	54,986,228
Stock options (\$0.45 - \$1.59 per share)	3,446,238
Warrants (\$0.45 - 2.15 per share)	10,272,663
Fully diluted	68,705,129



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The following table shows the Company's share capital data as of the date of this MD&A:

Total issued and outstanding	58,148,421
Stock options (\$0.45 - \$1.59 per share)	4,812,072
Warrants (\$0.45 - 2.15 per share)	7,427,136
Fully diluted	70,387,629

Future Cash Requirements

The Company's future capital requirements will depend on many factors, including, among others, its ability to earn cash flow from operations. Should the Company wish to pursue current and future business opportunities, additional funding will be required. If additional funds are raised through the issuance of equity securities, the percentage ownership of current shareholders will be reduced and such equity securities may have rights, preferences, or privileges senior to those of the holders of the Company's common stock. No assurance can be given that additional financing will be available, or that it can be obtained on terms acceptable to the Company and its shareholders. If adequate funds are not available, the Company may not be able to meet its contractual requirements.

CRITICAL ACCOUNTING ESTIMATES

The preparation of these financial statements requires management to make judgments and estimates that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these judgments and estimates. The financial statements include judgments and estimates that, by their nature, are uncertain. The impacts of such judgments and estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

RISKS AND UNCERTAINTIES

Environmental risk

Exploration and development projects are subject to the environmental laws and regulations of the state of Alaska and of the United States of America. As such laws are subject to change, the Company monitors proposed and potential changes and management believes the Company remains in compliance with current environmental regulations in the relevant jurisdictions.

The Munro Croesus project includes the very small past producing Munro Croesus Gold Mine that mined approximately 5000 tons of ore. The Company has assumed the environmental liability at the Croesus mine site on the Munro Croesus property. To date it has not incurred any material expenses, however it does remain an uncertain liability. The Ontario government requires a closure plan if the claims are abandoned or become inactive and the closure plan will require some water sampling and site reclamation costs. The previous owner completed remediation of what the Company considers to be the major liabilities, which included capping the Walsh and Croesus shafts. The Croesus mine site was visited by a mines inspector in September 2010 and an inspection report received from the Ministry of Northern

Development, Mines and Forestry (Ontario) in early 2011. The summary of field observations and recommendations in the Inspection Report are near surface stope stability concerns and recommendation for a crown pillar stability assessment. There is a specific near-term recommendation to secure the location of a small raise to surface that is filled with waste rock with a fence and signs and this remedial action has been taken. The small raise area was fenced and cautionary signage was installed. A preliminary evaluation of the near surface stope stability and a crown pillar stability assessment was completed by a qualified engineer, independent of the Company. The initial conclusion based on historic data and new information from drill data through the old workings and the recent excavation work is that the "old workings will stand for a long time" and that "surface subsidence would be minimal at the downdip edge of the zone and could be as much as 1 meter near the upper edge". Now that the crown pillar is exposed, a site visit by a qualified Ontario mining engineer is required with formal reporting of the conclusions to be made to the Ministry of Northern Development, Mines and Forestry (Ontario). Surface water samples upstream and downstream of the site have been recommended to determine water quality issues. No specific schedule has been established to carry out this work.

Operational risk

Exploration development projects require third party contractors for the execution of certain activities. The availability and cost of third-party contractors is subject to a competitive environment for their use, which is beyond the control of the Company.

Cyber security risk

Cyber security risk is the risk of negative impact on the operations and financial affairs of the Company due to cyber attacks, destruction or corruption of data, and breaches of its electronic systems. Management believes that it has taken reasonable and adequate steps to mitigate the risk of potential damage to the Company from such risks. The Company also relies on third-party service providers for the storage and processing of various data. A cyber security incident against the Company or its contractors and service providers could result in the loss of business sensitive, confidential or personal information as well as violation of privacy and security laws, litigation and regulatory enforcement and costs. The Company has not experienced any material losses relating to cyber attacks or other information security breaches, however there can be no assurance that it will not incur such losses in the future.

Uninsured Risks

The Company may carry insurance to protect against certain risks in such amounts as it considers adequate. Risks not insured against include key person insurance as the Company heavily relies on the Company's officers.

Conflicts of Interest

Certain directors of the Company also serve as directors and/or officers of other companies involved in other business ventures. Consequently, there exists the possibility for such directors to be in a position of conflict. Any decision made by such directors involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with the Company and such other companies. In addition, such directors will declare, and refrain from voting on, any matter in which such directors may have a conflict of interest.

Negative Operating Cash Flows

As the Company is at the early start-up stage it may continue to have negative operating cash flows. Without the injection of further capital and the development of revenue streams from its business, the Company may continue to have negative operating cash flows until it can be sufficiently developed to commercialize.

Risks Related as a Going Concern

The ability of the Company to continue as a going concern is uncertain and dependent upon its ability to achieve profitable operations, obtain additional capital and receive continued support from its shareholders. Management of the Company will have to raise capital through private placements or debt financing and proposes to continue to do so through future private placements and offerings. The outcome of these matters cannot be predicted at this time. However, management believes that the Company has sufficient resources on hand to fund its planned operations for the next 12 months and meet its obligations as they fall due.

Reliance on Key Personnel and Advisors

The Company relies heavily on its officers. The loss of their services may have a material adverse effect on the business of the Company. There can be no assurance that one or all of the employees of, and contractors engaged by, the Company will continue in the employ of, or in a consulting capacity to, the Company or that they will not set up competing businesses or accept positions with competitors. There is no guarantee that certain employees of, and contractors to, the Company who have access to confidential information will not disclose the confidential information.

Operating History and Expected Losses

The Company expects to make significant investments in the near future on its acquired assets. As a result, start-up operating losses are expected and such losses may be greater than anticipated, which could have a significant effect on the long-term viability of the Company.

Growth of Management

In executing the Company's business plan for the future, there will be significant pressure on management, operations and technical resources. The Company anticipates that its operating and personnel costs will increase in the future. In order to manage its growth, the Company will have to increase the number of its technical and operational employees and efficiently manage its employees, while at the same time efficiently maintaining a large number of relationships with third parties.

Industry Risks

Exploring and developing mineral resource projects bears a high potential for all manner of risks. Additionally, few exploration projects successfully achieve development due to factors that cannot be predicted or foreseen. Moreover, even one such factor may result in the economic viability of a project being detrimentally impacted such that it is not feasible or practical to proceed. The Company monitors its risk-based activities and periodically employs experienced consulting, engineering, insurance and legal advisors to assist in its risk management reviews.

Although the Company has taken steps to verify the title to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these

procedures do not guarantee the company's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

Metal Price Risk

The principal activity of the Company is the exploration and development of precious metal and base metal resource properties. The feasible development of such properties is highly dependent upon the price of gold, silver, copper, lead and zinc. A sustained and substantial decline in precious metal and base metal commodity prices could result in the write-down, termination of exploration and development work or loss of its interests in identified resource properties. Although such prices cannot be forecasted with certainty, the Company carefully monitors factors which could affect precious metal and base metal commodity prices in order to assess the feasibility of its resource projects.

Political Risk

The resource properties on which the Company is actively pursuing its exploration and development activities are located in Alaska, USA. While the political climate in Alaska is considered by the Company to be stable, there can be no assurances that this will continue indefinitely. To alleviate such risk, the Company funds its operations on an as-needed basis. The Company does not presently maintain political risk insurance for its foreign exploration projects.

Regulatory Risks

The Company is subject to a number of technological challenges and requirements, and can be subject to the regulations and standards imposed by applicable regulatory agencies. There can be no assurance that the Company will be able to comply with all regulations concerning its businesses.

Coronavirus Global Pandemic Risk

In 2020 the World Health Organization declared a global pandemic related to COVID-19. The expected impacts on global commerce have been far-reaching. To date there have been significant fluctuations in the global economy and equity markets, and the movement of people and goods has experienced significant restrictions.

The Company's ability to fund ongoing operations and exploration is affected by the availability of financing. Due to market uncertainty the Company may be restricted in its ability to raise additional funding.

The impact of these factors on the Company over the past year was not materially significant, however, they may have a material impact on the Company's financial position, results of operations and cash flows in future periods. In particular, there may be heightened risk of going concern uncertainty.

As the Company does not have production activities, its capacity to fund ongoing exploration is affected by the availability of equity financing on terms which are acceptable to it. The ability of the Company to realize the carrying values of its deferred property costs will also depend on its ability to develop an economically feasible project or projects and to ultimately achieve commercial production on that basis, or to profitably dispose of such interests to other parties. Due to market uncertainty, the Company may be restricted in its ability to raise additional funding.



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CORPORATE GOVERNANCE

The Company's Board and its committees follow the recommended corporate governance guidelines for public companies while tailored to its size and operations to ensure transparency and accountability to shareholders. The current Board is comprised of six individuals, two of whom are executive officers of the Company. The Audit Committee is comprised of three members, all of whom are independent directors of the Company.

FORWARD-LOOKING STATEMENTS

This MD&A contains certain statements that may constitute "forward looking statements". Forward looking statements include but are not limited to, statements regarding future anticipated business developments and the timing thereof, and business and financing plans. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Forward looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or which by their nature refer to future events. The Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance, and that actual results may differ materially from those in forward looking statements as a result of various factors, including, but not limited to, the Company's ability to continue its projected growth, to raise the necessary capital or to be fully able to implement its business strategies.

This MD&A includes, but is not limited to, forward-looking statements regarding the Company's upcoming exploration plans for the year, the meeting of its Canadian flow-through expenditure obligations and its ability to meet its working capital needs for the next fiscal year.

Forward-looking statements contained herein are made as of the date of this MD&A and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by applicable securities laws.

FINANCIAL AND DISCLOSURE CONTROLS AND PROCEDURES

During the three months ended March 31, 2021, there has been no significant change in the Company's internal control over financial reporting since its inception on April 16, 2019.

The management of the Company is responsible for establishing and maintaining appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete, reliable and timely. Management is also responsible for establishing adequate internal controls over financial reporting to provide sufficient knowledge to support the representations made in this MD&A and the Company's financial statements for the three months ended March 31, 2021 (together the "Interim Filings").

The management of the Company has filed the Venture Issuer Basic Certificate with the Annual Filings on SEDAR at www.sedar.com.



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In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the venture issuer basic certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency, and timeliness of interim and annual filings and other reports provided under securities legislation.

APPROVALS

The Board of Directors of the Company has approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.

Mr. Ian Cunningham-Dunlop, P. Eng., Vice-President Exploration, and a qualified person as defined by Canadian National Instrument 43-101, has reviewed the technical information contained in this MD&A.

ADDITIONAL INFORMATION

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