

**HIGHWAY 50 GOLD CORP.**

**Management's Discussion and Analysis**

**For the six months ended June 30, 2019 and 2018**

The following Management Discussion and Analysis (“MD&A”) of Highway 50 Gold Corp. (the “Company” or “Highway 50”) has been prepared by management, in accordance with the requirements of National Instrument 51-102 (“NI 51-102”) as of August 29, 2019 and should be read in conjunction with the unaudited condensed interim consolidated financial statements for the six months ended June 30, 2019 and 2018 and the related notes contained therein which have been prepared under International Financial Reporting Standards (“IFRS”). The following should be read in conjunction with the audited annual consolidated financial statements for the year ended December 31, 2018 and all other disclosure documents of the Company. The information contained herein is not a substitute for detailed investigation or analysis on any particular issue. The information provided in this document is not intended to be a comprehensive review of all matters and developments concerning the Company. The Company is presently a “Venture Issuer” as defined in NI 51-102. Additional information relevant to the Company’s activities can be found on SEDAR at [www.sedar.com](http://www.sedar.com) and the Company’s website at [www.highway50gold.com](http://www.highway50gold.com).

All financial information in this MD&A has been prepared in accordance with IFRS and all dollar amounts are quoted in Canadian dollars, the reporting and functional currency of the Company, unless specifically noted.

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## DESCRIPTION OF BUSINESS AND OVERVIEW

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Highway 50 Gold Corp. is an exploration stage company engaged principally in the acquisition and exploration of exploration and evaluation assets. The Company’s activities have focused on exploration in British Columbia and Nevada, USA. The recovery of the Company’s investment in its exploration and evaluation assets is dependent upon the discovery of economically recoverable mineral reserves and the ability to raise sufficient capital to finance this operation. The ultimate outcome of these operations cannot presently be determined because they are contingent on future matters.

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## MINERAL PROPERTY REVIEW

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*This review has been prepared by the Company’s geologic staff under the supervision of Gordon P. Leask, P.Eng., President, CEO and Director of the Company, and a Qualified Person (“QP”) as defined by National Instrument 43-101 (Standards of Disclosure for Mineral Projects).*

The Company currently owns, or has the right to acquire an interest in, three primary projects (the Golden Brew Property and the Porter Canyon Project as well as another early stage prospect, all located in Nevada, and the Monroe Property, located in BC).

### Monroe Property

In May 2016, the Company announced it had executed an option agreement with Eagle Putt Ventures Inc. (“Eagle Putt”) to earn an undivided 50% interest in the 1,282 hectare Monroe property (the “Property”) located in the Fort Steele Mining Division, southeast British Columbia. The Property covers an area exhibiting comparable geologic similarities to the Sullivan mine corridor located 40 kilometres to the north. In order to exercise the option (the “Option”), the Company made a firm commitment to spend an initial \$100,000 in exploration expenditures on the Property in the first year, followed by additional annual optional exploration expenditures totalling \$2.9 million over the next four years. No other consideration is required to exercise the Option. The Company will be the operator on the Property during the course of the Option. Upon exercise of its Option to earn a 50% undivided interest in the Property, the Company and Eagle Putt will form a joint venture to further advance the exploration and development of the Property.

The Monroe property is owned 50/50 by Gordon P. Leask, President, Chief Executive Officer and a director of the Company and John M. Leask, a director of the Company, and is held in trust for them by Eagle Putt, a private corporation owned by Gordon Leask. Given the non-arm’s length nature of the transaction, the Company obtained approval to the grant of the Option by way of written resolution from a majority of the disinterested shareholders of the Company. Messrs. Gordon Leask and John Leask and their associates were excluded from voting on the shareholder resolution to approve the grant of the Option to the Company.

The Sullivan Mine closed in 2001 after producing 160 million tons of ore yielding over 17 million tons of lead and zinc plus more than 285 million troy ounces of silver. A significant amount of drilling has been completed on the western portion of the Monroe property by former operators including Eagle Putt. The proposed target is in the eastern half of the Property where there has been sparse drilling in widely spaced holes. Impetus for further exploration is a combination of new geophysical surveys coupled with a re-examination of a number of previous drill holes.

The Company plans to drill test the area southwest of drill holes HWY-17-03 and HWY-18-08 from a drill site which is constructed 250 m southwest of HWY-18-08. This will provide an off-set of extremely strong albitization and lead-zinc veins which occur within the Sullivan Time intervals at the intersection of the Sullivan Corridor and the Moyie Fault. Drilling is expected to commenced mid-September 2019.

### Golden Brew Property

The Golden Brew project (“Golden Brew”) comprises 153 claims prospective for Carlin-style gold mineralization. The property has only been superficially explored by previous owners, including eight shallow drill holes totaling 2,885 feet completed in 1989. To date, gold mineralization at Golden Brew consists of a zone of gold bearing jasperoid measuring 2,500 feet long and up to 200 feet wide, hosted in thin

bedded platy Cambrian-aged carbonates. Wherever sampled, the jasperoid is anomalous in all Carlin-type gold deposit pathfinder elements, with gold grades ranging from anomalous to 4 grams/tonne. This zone is exposed on the western slope of the Toiyabe Mountain range and is truncated on the west by a north-south trending range front fault. West of the range front fault is an area of gravel cover where the company conducted gravity and CSAMT geophysical surveys. These surveys were designed to locate the gold bearing structure within the favourable host rocks at reasonable exploration depths beneath the gravel cover. The geophysical program was successful in locating an uplifted horst block with the potential gold bearing structure extending through it.

In August 13, 2019, the Company announced the results of 2,280 metres of RC drilling completed in 3 holes at Golden Brew by Regulus. Bedrock depths varied from 451 m to 577 m with the redox zone varying from 167 m to 207 m below the gravel contact. The most encouraging result from this drilling program was the intersection (25 metres) of Carlin-type mineralization in vertical drill hole GBR-19-10 at a depth of 700 m to 725 m. The mineralized zone assayed up to 163 ppb gold (80x background) and 475 ppm arsenic (20x background) within decalcified thin-bedded silty limestones. Together with three previous holes, GBR-19-10 constitutes a cluster of four RC holes located at the south-east corner of the Golden Brew horst block which exhibit weak Carlin-type mineralization over an area of 580 metres by 300 metres. The strongest levels of gold encountered to date in the horst are in GBR-19-10 at the northwest edge of the drill hole cluster. A coincident magnetic low and gravity low is noted 600 metres to the northwest of GBR-19-10 at a major structural intersection. This area constitutes an intriguing target for follow-up drilling.

Golden Brew Drill Hole Location Information						
Hole Name	UTM Coordinates		Elevation	Orientation		Total Depth
	E (m)	N (m)	metres	azimuth	inclination	metres
GBR 19-10	479485	4341863	2,036		-90	762
GBR 19-11	479956	4342033	2,060		-90	762
GBR 19-12	479485	4341863	2,051	90	-60	765

The Company is party to a mining lease with Genesis Gold Corporation with an option to acquire a 100% interest in Golden Brew. The mining lease is for a term of fifteen years, and for so long thereafter as the Company is engaged in mineral development, mining or reclamation and closure activities on the property, subject to earlier termination by the parties in accordance with the mining lease agreement. The terms of the mining lease agreement include an initial payment to the optionor of US\$10,000 (paid) on execution of the mining lease agreement. The Company has also agreed to pay to the optionor escalating annual lease payments (the "Lease Payments") until production is achieved or the mining lease agreement has terminated. The Company has an option which may be exercised at any time during the mining lease agreement to acquire a 100% interest in the property for the purchase price of US\$2,000,000 (the "Purchase Price"), subject to a 2% net smelter returns royalty (the "Royalty"). The Company may not place the property into production without paying the optionor the Purchase Price in full. All Lease Payments made by the Company will be applied to the Purchase Price. The Royalty will be reduced to one percent of net smelter returns at such time as the Company has paid US\$4,000,000 to the optionor in royalty payments. During 2014, the Company negotiated an amendment to the Genesis Agreement whereby the Lease payments due January 5, 2014 and 2015 were reduced from US\$50,000 to US\$20,000. During 2015, the Company negotiated an amendment to the Genesis Agreement whereby the lease payment of US\$10,000 due January 5, 2017 was reduced to US\$5,000 plus another US\$5,000 upon mobilization of a drilling rig to the property. In January 2018, the Company amended the annual lease payment from US\$50,000 to US\$30,000.

To maintain the mining lease agreement, the Company must make the following lease payments:

	Annual Lease Payments	
On January 5, 2010 (paid)	US\$	10,000
On or before January 5, 2011 (paid)		15,000
On or before January 5, 2012 (paid)		25,000
On or before January 5, 2013 (paid)		35,000
On or before January 5, 2014 (paid by Regulus)		20,000
On or before January 5, 2015 (paid by Regulus)		20,000
On or before January 5, 2016 (paid by Regulus)		10,000
On or before January 5, 2017 (paid by Regulus)		5,000
Upon the mobilization of a drill rig to the property (paid by Regulus)		5,000
On or before January 5, 2018 (paid by Regulus)		30,000
On or before January 5, 2019 (paid by Regulus)		50,000
On or before January 5, 2020 to January 5, 2025		75,000

In 2014, the Company entered into a definitive Option Agreement with Regulus, a related party, whereby Regulus may acquire a 50% interest in Golden Brew (the "Option"). In order to exercise the Option, Regulus must, among other things, spend US\$5,000,000 on exploration expenditures on the project by May 2022, and assume the underlying third party lease payments to Genesis and claim holding

costs. Upon earn-in the parties will form a joint venture on a 50/50 basis. A minimum US\$500,000 firm commitment in the first year was delayed by Force Majeure when the permitting process for the project was slowed as the requisite agencies dealt with a request by the U.S. Fish and Wildlife Service to have the Sage-Grouse designated as an endangered species. The Company has received guidance from U.S. Forest Service personnel that noise restriction parameters will be observed within 3 miles of active Sage-Grouse mating grounds (“Leks”) between the dates of March 1 and June 30. An active Lek is located within this distance from exploration activities at the property. The final permit allowing the parties to commence drilling was received in August 2017. As such, the firm commitment of US\$500,000 in exploration expenditures was due 120 days from August 1 with all subsequent annual work commitments deferred accordingly. By May 2019, Regulus has fulfilled the exploration expenditures totaling US\$1,250,000.

## **OPERATIONS AND FINANCIAL CONDITION**

### **Summary of Quarterly Results**

The following is a summary of certain selected financial information for the most recent eight fiscal quarters comprising the Company’s preceding two fiscal years:

All in \$1,000’s except loss per share	June 30, 2019	March 31, 2019	December 31, 2018	September 30, 2018
Working capital (deficiency)	\$ (349)	\$ (196)	\$ (124)	497
Loss	\$ (156)	\$ (100)	\$ (1,631)	\$ (84)
Loss per share	\$ (0.00)	\$ (0.00)	\$ (0.05)	\$ (0.00)
Loss per share (fully diluted)	\$ (0.00)	\$ (0.00)	\$ (0.05)	\$ (0.00)
Total assets	\$ 3,507	\$ 3,570	\$ 3,643	\$ 5,165
Total liabilities	\$ 602	\$ 509	\$ 483	\$ 358
Deficit	\$ 6,649	\$ 6,493	\$ 6,393	\$ 4,762
All in \$1,000’s except loss per share	June 30, 2018	March 31, 2018	December 31, 2017	September 30, 2017
Working capital (deficiency)	\$ 36	\$ (215)	\$ (44)	\$ 430
Loss	\$ (308)	\$ (95)	\$ (92)	(109)
Loss per share	\$ (0.01)	\$ (0.00)	\$ (0.00)	\$ (0.00)
Loss per share (fully diluted)	\$ (0.01)	\$ (0.00)	\$ (0.00)	\$ (0.00)
Total assets	\$ 4,547	\$ 4,056	\$ 4,017	\$ 4,049
Total liabilities	\$ 285	\$ 300	\$ 165	\$ 111
Deficit	\$ 4,677	\$ 4,370	\$ 4,275	\$ 4,183

### **Results of Operations – For the Six Months Ended June 30, 2019 Compared to the Six Months Ended June 30, 2018**

During the six months ended June 30, 2019, loss from operating activities was \$255,713 compared to \$402,664 for the six months ended June 30, 2018. The net decrease in loss from operating activities is mainly made up of:

- Stock-based compensation was \$Nil for the six months ended June 30, 2019, compared to \$241,557 for the six months ended June 30, 2018. There were no options granted in the current period.
- Settlement of flow-through premium liability was \$352 for the six months ended June 30, 2019 compared to \$55,627 for the six months ended June 30, 2018. By the end of the current period, the company has fulfilled all its flow-through obligations.
- Consulting fees was \$150,000 for the six months ended June 30, 2019, compared to \$120,000 for the six months ended June 30, 2018. The increase was due to additional consulting services that were incurred by the Company in the current period.

### **Cash Flow**

#### *Operating Activities*

Cash outflow from operating activities was \$94,336 for the six months ended June 30, 2019 compared to \$84,244 for the six months ended June 30, 2018. The increase is mainly the cumulative result of several variations in the items affecting cash flow from operations discussed above and the change in working capital items.

#### *Financing Activities*

Cash inflow from financing activities was \$Nil for the six months ended June 30, 2019 compared to \$631,891 for the six months ended June 30, 2018.

In May 2018, the Company closed a non-brokered private placement of 1,200,000 units at a price of \$0.25 per unit for gross proceeds of \$300,000.

In May 2018, the Company closed a non-brokered private placement of 1,750,000 units at a price of \$0.20 per unit for gross proceeds of \$350,000. Share issuance costs of \$18,109 were paid in relation to the private placement.

In the prior period the Company received loans from related parties in the amount of \$60,000 and repaid them in the prior period.

#### *Investing Activities*

Cash inflow from investing activities was \$3,143 for the six months ended June 30, 2019 compared to cash outflow of \$325,136 for the six months ended June 30, 2018. The inflow resulted from refund of reclamation bond received during the current period.

#### **Results of Operations – For the Three Months Ended June 30, 2019 Compared to the Three Months Ended June 30, 2018**

During the three months ended June 30, 2019, loss from operating activities was \$156,097 compared to \$307,530 for the three months ended June 30, 2018. The net decrease in loss from operating activities is mainly made up of:

- Stock-based compensation was \$Nil for the three months ended June 30, 2019, compared to \$241,557 for the three months ended June 30, 2018. There were no options granted in the current period.
- Settlement of flow-through premium liability was \$Nil for the three months ended June 30, 2019 compared to \$49,275 for the three months ended June 30, 2018. By the current period, the company has fulfilled all its flow-through obligations.
- Consulting fees was \$90,000 for the three months ended June 30, 2019, compared to \$60,000 for the three months ended June 30, 2018. The increase was due to additional consulting services that were incurred by the Company in the current period.

#### **Cash Flow**

##### *Operating Activities*

Cash outflow from operating activities was \$26,772 for the three months ended June 30, 2019 compared to \$65,688 for the three months ended June 30, 2018. The increase is mainly the cumulative result of several variations in the items affecting cash flow from operations discussed above and the change in working capital items.

##### *Financing Activities*

Cash inflow from financing activities was \$Nil for the three months ended June 30, 2019 compared to \$571,891 for the three months ended June 30, 2018.

In May 2018, the Company closed a non-brokered private placement of 1,200,000 units at a price of \$0.25 per unit for gross proceeds of \$300,000.

In May 2018, the Company closed a non-brokered private placement of 1,750,000 units at a price of \$0.20 per unit for gross proceeds of \$350,000. Share issuance costs of \$18,109 were paid in relation to the private placement.

In the prior period the Company repaid loans to related parties in the amount of \$60,000.

##### *Investing Activities*

Cash outflow from investing activities was \$Nil for the three months ended June 30, 2019 compared to cash outflow of \$250,541 for the three months ended June 30, 2018. There has been no activity relating to the mineral properties in the current period.

#### **Liquidity and Capital Resources**

Cash at June 30, 2019 totaled \$235,207 compared to \$326,400 at December 31, 2018. Working capital deficiency at June 30, 2019 was \$349,404 compared to \$123,824 as at December 31, 2018. The ability of the Company to continue as a going-concern depends upon its ability to develop profitable operations and to continue to raise adequate financing.

In August 2019, the Company announced a non-brokered private placement of up to \$240,000 by the issuance of up to 1,600,000 units at a purchase price of \$0.15 per flow-through (FT) unit. Each FT unit will comprise one common share and one half of one non-flow-through (NFT) common share purchase warrant. Each FT warrant will entitle the holder to purchase one NFT common share at a purchase price of \$0.20 per share for a period of two years from the date of the closing of the FT offering. The Company also announced a non-brokered private placement of up to \$55,000 by the issuance of up to 366,666 units at a purchase price of \$0.15 per unit. Each unit will comprise one NFT common share and one NFT common share purchase warrant. Each warrant will entitle the holder to purchase one NFT common share at a purchase price of \$0.20 cents per share for a period of two years from the closing date of the non-FT offering.

As at the date of this report, the Company has not been able to identify a known body of commercial grade ore on any of its exploration and evaluation assets. The ability of the Company to realize the costs it has incurred to date on these exploration and evaluation assets is dependent upon the Company being able to lever its property interests and cash, by way of exploration activities and option/joint ventures, into assets of greater value.

### **Related Party Transactions**

During the period ended June 30, 2019, the Company entered into the following transactions with related parties:

- a) Eagle Putt Ventures Inc. (“Eagle Putt”) is a private company controlled by Mr. Gordon P. Leask, a director and officer of the Company. For the period ended June 30, 2019, Eagle Putt charged \$60,000 (2018 - \$60,000) which are classified as consulting fees in the condensed interim consolidated statements of loss and comprehensive loss. At June 30, 2019, the Company owed \$251,500 (December 31, 2018 - \$192,500) to Eagle Putt.
- b) Rangefront Exploration Corp. (“Rangefront”) is a private company controlled by Mr. John M. Leask, a director to the Company. For the period ended June 30, 2019, Rangefront charged \$60,000 (2018 - \$60,000) which are classified as consulting fees in the condensed interim consolidated statements of loss and comprehensive loss. At June 30, 2019, the Company owed \$251,500 (December 31, 2018 - \$192,500) to Rangefront.
- c) Megan Cameron-Jones is a director and officer of the Company. For the period ended June 30, 2019, Megan Cameron-Jones charged \$30,000 (2018 – \$Nil) for management services and are classified as consulting fees in the condensed interim consolidated statements of loss and comprehensive loss. At June 30, 2019, the Company owed \$91,500 (December 31, 2018 - \$63,000) to Megan Cameron-Jones.
- d) Cross Davis & Co. LLP (“Cross Davis”) is an accounting firm of which Scott Davis, an officer of the Company, is a partner. For the period ended June 30, 2019, Cross Davis charged \$18,000 (2018 - \$18,000) which are classified as accounting fees in the condensed interim consolidated statements of loss and comprehensive loss. At June 30, 2019, the Company owed \$Nil (December 31, 2018 - \$Nil) to Cross Davis.

Amounts payable to related parties have no specific terms of repayment, are unsecured, and have no interest rate.

The remuneration of directors and other members of key management personnel during the periods ended June 30, 2019 and 2018 are as follows:

	Other Payments	Share-based Benefits	Total
<b>June 30, 2019</b>			
Chief Executive Officer	\$ 60,000	\$ -	\$ 60,000
Chief Financial Officer	18,000	-	18,000
Executive directors	90,000	-	90,000
	<u>\$ 168,000</u>	<u>\$ -</u>	<u>\$ 168,000</u>
<b>June 30, 2018</b>			
Chief Executive Officer	\$ 60,000	\$ 65,879	\$ 125,879
Chief Financial Officer	18,000	21,960	39,960
Executive directors	60,000	153,718	213,718
	<u>\$ 138,000</u>	<u>\$ 241,557</u>	<u>\$ 379,557</u>

### **Outstanding Shares, Stock Options and Warrants**

As at the date of this report, the Company had the following outstanding:

- 34,980,819 common shares.
- Warrants:

Number of Warrants Outstanding	Exercise Price (\$)	Expiry Date
600,000	0.30	May 4, 2020
1,750,000	0.25	May 4, 2020
1,000,000	0.60	May 10, 2020
1,182,455	0.40	September 21, 2020
4,532,455		

- Stock options:

Number of Options Outstanding	Exercise Price (\$)	Expiry Date	Number of Options Exercisable
500,000	0.41	October 14, 2019	500,000
1,175,000	0.40	February 3, 2020	1,175,000
350,000	0.25	May 6, 2021	350,000
1,100,000	0.25	May 17, 2023	1,100,000
3,125,000			3,125,000

### **Proposed Transactions**

The Company is not contemplating any other transactions which have not already been disclosed. The Company continues to look at other property acquisitions and to seek joint venture partners on its properties on a regular basis.

### **Investor Relations**

Investor relations activities are performed by directors and officers of the Company.

### **Off-Balance Sheet Arrangements**

The Company has no off-balance sheet arrangements.

### **Critical Accounting Estimates**

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual reports could differ from management's estimates.

### **Contingencies**

There are no contingent liabilities.

### **Internal Controls Over Financial Reporting**

#### **Changes in Internal Control over Financial Reporting ("ICFR")**

In connection with National Instrument 52-109, Certification of Disclosure in Issuer's Annual and Interim Filings ("NI 52-109") adopted in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to financial information contained in the unaudited interim financial statements and the audited annual financial statements and respective accompanying Management's Discussion and Analysis. The Venture

Issue Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI52-109.

### **Other MD&A Requirements**

Additional disclosure of the Company's technical reports, material change reports, news releases and other information can be obtained on SEDAR at [www.sedar.com](http://www.sedar.com).

### **Disclosure for Venture Issuers without Significant Revenue**

A breakdown of the material components of the Company's general and administrative expenses is disclosed in the condensed interim consolidated financial statements for the period ended June 30, 2019 to which this MD&A relates. A breakdown of the material components of the exploration and evaluation assets of the Company is disclosed in the condensed interim consolidated financial statements for the period ended June 30, 2019 to which this MD&A relates.

### **Management's Responsibility for Financial Statements**

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls and to ensure that information used internally or disclosed externally, including the financial statements and MD&A, is complete and reliable. The Company's board of directors follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The board's audit committee meets with management quarterly to review the financial statements including the MD&A and to discuss other financial, operating and internal control matters.

### **Financial and Capital Risk Management**

Please refer to the June 30, 2019 condensed interim consolidated financial statements on [www.sedar.com](http://www.sedar.com).

### **Adoption of New Standards and Interpretations, and Recent Accounting Pronouncements**

Please refer to the June 30, 2019 condensed interim consolidated financial statements on [www.sedar.com](http://www.sedar.com).

### **Risks and Uncertainties**

The Company is engaged in the acquisition and exploration of exploration and evaluation assets. These activities involve significant risks which careful evaluation, experience and knowledge may not, in some cases eliminate the risk involved. The commercial viability of any material deposit depends on many factors not all of which are within the control of management. Some of the factors that affect the financial viability of a given mineral deposit include its size, grade and proximity to infrastructure. Government regulation, taxes, royalties, land tenure, land use, environmental protection and reclamation and closure obligations, have an impact on the economic viability of a mineral deposit.

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Annual losses are expected to continue until the Company has an interest in an exploration and evaluation asset that produces revenues. The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon the continued support of its shareholders, obtaining additional financing and generating revenues sufficient to cover its operating costs. The Company's accompanying financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying financial statements.

Any forward-looking information in this MD&A is based on the conclusions of management. The Company cautions that due to risks and uncertainties, actual events may differ materially from current expectations. With respect to the Company's operations, actual events may differ from current expectations due to economic conditions, new opportunities, changing budget priorities of the Company and other factors.

### **Forward Looking Statements**

Information set forth in this MD&A may involve forward-looking statements under applicable securities laws. Forward-looking statements are statements that relate to future, not past, events. In this context, forward-looking statements often address expected future business and financial performance, and often contain words such as "anticipate", "believe", "plan", "estimate", "expect", and "intend", statements that an action or event "may", "might", "could", "should", or "will" be taken or occur, or other similar expressions. All statements, other than statements of historical fact, included herein including, without limitation; statements about the size and timing of future exploration on and



the development of the Company's properties are forward-looking statements. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the Company's actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following risks: the need for additional financing; operational risks associated with mineral exploration; fluctuations in commodity prices; title matters; environmental liability claims and insurance; reliance on key personnel; the potential for conflicts of interest among certain officers, directors or promoters with certain other projects; the volatility of the Company's common share price and volume and other reports and filings with the TSX Venture Exchange and applicable Canadian securities regulations. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date that statements are made and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by applicable securities laws. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from our expectations are disclosed in the Company's documents filed from time to time via SEDAR with the Canadian regulatory agencies to whose policies the Company is bound. Investors are cautioned against attributing undue certainty to forward-looking statements.

The users of this information, including but not limited to investors and prospective investors, should read it in conjunction with all other disclosure documents provided including but not limited to all documents filed on SEDAR ([www.SEDAR.com](http://www.SEDAR.com)).