

BANYAN GOLD CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE QUARTER ENDED JUNE 30, 2020

Background

This discussion and analysis of financial position and results of operations is prepared as at August 26, 2020 and should be read in conjunction with the quarter end financial statements and the accompanying notes for the quarter ended June 30, 2020 for Banyan Gold Corp. (the "Company" or "Banyan"). The financial statements, including comparatives, have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS"). Except as otherwise disclosed, all dollar figures included therein and in the following Management Discussion and Analysis ("MD&A") are quoted in Canadian dollars.

This MD&A contains "forward-looking statements" that are subject to risk factors set out in the cautionary statement below. Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com and at www.banyangold.com.

Cautionary Note Regarding Forward-Looking Statements

Consequently, all of the forward-looking statements made in this MD&A are qualified by these cautionary statements and other cautionary statements or factors contained herein, and there can be no assurance that the actual results or developments will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, Banyan. These forward-looking statements are made as of the date of this MD&A. Except as required by applicable securities legislation, we assume no obligation to update publicly or revise any forward-looking statements to reflect subsequent information, events, or circumstances.

Business Overview

Banyan is in the business of exploration and development of mineral properties. The Company currently holds two main projects in the mining friendly Yukon Territory.

AurMac Project

The Company's flagship asset is the AurMac Project ("formally Aurex-McQuesten") located in the Mayo Mining District.

The Corporation has the right to earn a 100% interest in the Aurex project from Victoria Gold Corp. ("Victoria") and up to 100% of the McQuesten Property, from Alexco Resource Corp. ("Alexco"). The Aurex and McQuesten gold properties are contiguous, comprising 8,230 hectares and 1,000 hectares and are both highly prospective for intrusive-related gold mineralization, and include areas of historic gold production (lode and placer), in the prolific Mayo Mining District, Yukon Territory.

A NI 43-101 technical report for the AurMac Project was prepared by Marc Jutras of Ginto Consulting

Inc. and filed on SEDAR on July 7, 2020.

AurMac has an inferred resource of 903,945 gold ounces at a 0.2 g/t pit-constrained cut-off grade (see Table 1 below).

This pit constrained Mineral Resource is contained in two near/on-surface deposits: The Airstrip and Powerline deposits. The Mineral Resource is summarized below:

Table 1: Pit-Constrained Inferred Mineral Resources at a 0.2 g/t Au Cut-Off – AurMac Property

Deposit	Classification	Tonnage Tonnes	Average Au Grade g/t	Au Content oz.
Airstrip	Inferred	45,997,911	0.524	774,926
Powerline	Inferred	6,578,609	0.610	129,019
Total Combined	Inferred	52,576,520	0.535	903,945

Notes to Table 1:

1. *The effective date for the Mineral Resource is May 25, 2020.*
2. *Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, changes in global gold markets or other relevant issues.*
3. *The CIM definitions were followed for classification of Mineral Resources. The quantity and grade of reported inferred Mineral Resources in this estimation are uncertain in nature and there has been insufficient exploration to define these inferred Mineral Resources as an indicated Mineral Resource and it is uncertain if further exploration will result in upgrading them to an indicated or measured Mineral Resource category.*
4. *Mineral Resources are reported at a cut-off grade of 0.2 g/t Au, using a US\$/CAN\$ exchange rate of 0.75 and constrained within an open pit shell optimized with the Lerchs-Grossman algorithm to constrain the Mineral Resources with the following estimated parameters: gold price of US\$1,500/ounce, US\$1.50/t mining cost, US\$2.00/t processing cost, US\$2.50/t G+A, 80% heap leach recoveries, and 45° pit slope¹*

¹ The gold price and cost assumptions are consistent with current pricing assumptions and costs, and in particular are consistent with those employed for recent technical reports for similar pit-constrained Yukon gold projects.

Hyland Gold Project

The Company's second asset is the Hyland Gold Project located in the Watson Lake mining district. The Hyland Main Zone Indicated Gold Resource Estimate, prepared in accordance with NI 43-101, at a 0.3 g/t gold equivalent cut-off, contains 8.6 million tonnes grading 0.85 g/t AuEq for 236,000 AuEq ounces with an Inferred Mineral Resource of 10.8 million tonnes grading 0.83 g/t AuEq for 288,000 AuEq ounces.

Cut-off Grade (AuEq g/t)	In situ Tonnes	Au		Ag		AuEq	
		Grade (g/t)	Ozs	Grade (g/t)	Ozs	Grade (g/t)	Ozs
Indicated							
0.3	8,637,000	0.78	216,000	7.04	1,954,000	0.85	236,000
Inferred							
0.3	10,784,000	0.77	266,000	5.32	1,845,000	0.83	288,000

(1) Mineral resources which are not mineral reserves do not have demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimate.

(2) Mineral resources are reported at a cut-off grade of 0.3 g/t AuEq. AuEq grade is based on \$1,350.00/oz Au, \$17.00/oz Ag and assumes a 100% recovery. The AuEq calculation does not apply any adjustment factors for difference in metallurgical recoveries of gold and silver. This information can only be derived from definitive metallurgical testing which has yet to be completed.

*News Release March 22, 2018 and Technical Report filed May 2, 2018 which can be found on SEDAR and www.banyangold.com.

Corporate Results

Results of Operations

During the current quarter there were a number of stock option and warrant exercises providing \$740,993 in funding. Please see Disclosure on Financing and Share Activities below for details.

In 2020 Banyan Gold continues to focus on exploring projects that meet our selection criteria:

- Geology
- Multi-million ounce potential
- Road access (Infrastructure)

Covid 19 Update

As of today, there are no confirmed cases of COVID-19 at Banyan Gold and we have adopted recommendations to protect our staff and contractors. In the Yukon, where our exploration activities are focused, COVID-19 infections are currently low, and strong social distancing, travel restrictions and prevention measures are in place to prevent further transmission. Mining and exploration are essential services in Yukon, so we will operate in the field following all the recommended precautions and restrictions that are in place. Banyan Gold has existing infrastructure and employees that will allow us

to abide by all the current requirements for exploration, including the mandated self-isolation periods and avoidance of all unnecessary travel into Yukon communities.

Exploration Highlights

On May 25, 2020, Banyan announced an Initial Mineral Resource Estimate in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum (“CIM”) Definition Standards incorporated by reference in National Instrument 43-101 (“NI 43-101”) for the Aurex and McQuesten properties (together, the “AurMac Property”)² located in the Mayo Mining district, approximately 56 kilometres northeast from the village of Mayo, Yukon and 356 kilometres north of Whitehorse, Yukon.

The Initial Mineral Resource Estimate comprises a total Inferred Mineral Resource of **903,945** ounces of gold on the near surface, road accessible AurMac Property.

This pit constrained Mineral Resource is contained in two near/on-surface deposits: The Airstrip and Powerline deposits. The Mineral Resource is summarized below:

Table 1: Pit-Constrained Inferred Mineral Resources at a 0.2 g/t Au Cut-Off – AurMac Property

Deposit	Classification	Tonnage Tonnes	Average Au Grade g/t	Au Content oz.
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- 2. Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, changes in global gold markets or other relevant issues.*
- 3. The CIM definitions were followed for classification of Mineral Resources. The quantity and grade of reported inferred Mineral Resources in this estimation are uncertain in nature and there has been insufficient exploration to define these inferred Mineral Resources as an indicated Mineral Resource and it is uncertain if further exploration will result in upgrading them to an indicated or measured Mineral Resource category.*
- 4. Mineral Resources are reported at a cut-off grade of 0.2 g/t Au, using a US\$/CAN\$ exchange rate of 0.75 and constrained within an open pit shell optimized with the Lerchs-Grossman algorithm to constrain the Mineral Resources with the following estimated parameters: gold price of US\$1,500/ounce, US\$1.50/t mining cost, US\$2.00/t processing cost, US\$2.50/t G+A, 80% heap leach recoveries, and 45° pit slope³*

A supporting NI 43-101 Technical Report was filed on SEDAR at www.sedar.com on July 7, 2020.

² Formerly referred to as the Aurex-McQuesten property in previous Company disclosure.

³ The gold price and cost assumptions are consistent with current pricing assumptions and costs, and in particular are consistent with those employed for recent technical reports for similar pit-constrained Yukon gold projects.

Airstrip Deposit

The Airstrip deposit is delineated by 102 drill holes. Topographic control was from a detailed LiDAR survey dataset.

There are several geologic controls on gold mineralization as per the current geologic understanding of the Airstrip deposit. The Airstrip lithological model is made of seven units mainly oriented east-west, with six of the units dipping at approximately 40°. The bulk of the Inferred Mineral Resources are hosted within the calcareous package, a roughly 90-metre-thick zone that strike east west and dips approximately 35° to the south.

The most common sampling length of the Airstrip deposit is 1.5m, with approximately 40% of the sample data; and composites were constructed at this interval. Capping of high-grade outliers was based on lithological domains and varied from 0.4 g/t Au to 9.0 g/t Au.

The estimation of gold grades into a block model was carried out with the Ordinary Kriging (OK) technique on capped composites and the resultant block model contains a block size of 5m (easting) x 5m (northing) x 5m (elevation). Density was calculated from a total of 418 measurements from the drill core. The average density per lithology type was assigned to the corresponding blocks.

At a 0.20 g/t Au cut-off, the pit-constrained, inferred Mineral Resources are of 46.0 million tonnes at an average gold grade of 0.524 g/t for a total of 774,926 ounces of gold. Cut-off grade sensitivities for the Airstrip deposit are presented in Table 2.

Table 2: Pit-Constrained Inferred Mineral Resources – Airstrip Deposit

Au Cut-Off g/t	Tonnage Tonnes	Average Au Grade g/t	Au Content oz.
0.10	61,300,337	0.430	847,466
0.15	53,264,976	0.476	815,154
0.20	45,997,911	0.524	774,926
0.25	38,397,872	0.583	719,725
0.30	31,869,662	0.647	662,938
0.35	26,516,484	0.712	606,998
0.40	21,676,296	0.787	548,467
0.45	18,151,272	0.857	500,125
0.50	15,513,348	0.923	460,361

Notes to Table 2:

- 1. The effective date for the Mineral Resource is May 25, 2020.*
- 2. Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, changes in global gold markets or other relevant issues.*
- 3. The CIM definitions were followed for the classification of inferred Mineral Resources. The quantity and grade of reported inferred Mineral Resources in this estimation are uncertain in nature and there has been insufficient exploration to define these inferred Mineral Resources*

as an indicated Mineral Resource and it is uncertain if further exploration will result in upgrading them to an indicated or measured Mineral Resource category.

4. Mineral Resources are reported at a cut-off grade of 0.2 g/t Au, using a US\$/CAN\$ exchange rate of 0.75 and constrained within an open pit shell optimized with the Lerchs-Grossman algorithm to constrain the Mineral Resources with the following estimated parameters: gold price of US\$1,500/ounce, US\$1.50/t mining cost, US\$2.00/t processing cost, US\$2.50/t G+A, 80% heap leach recoveries, and 45° pit slope

Powerline Deposit

The drill data for the Powerline deposit is comprised of 15 drill holes. The most common sampling length of the Powerline deposit is 1.5m, with approximately 35% of the sample data. 1.5m was selected as the composite length and is based on the most common sampling length as well as on the envisioned block height of 5m. Capping of high-grade outliers was based on grade distribution domains and ranged from 4.0 g/t Au to 6.0 g/t Au.

The estimation of gold grades into a block model was carried out with the inverse distance squared (ID²) technique on capped composites with the resultant block model containing a block size of 5m (easting) x 5m (northing) x 5m (elevation).

At a 0.20 g/t Au cut-off, the pit-constrained, inferred Mineral Resources are of 6.6 million tonnes at an average gold grade of 0.61 g/t for a total of 129,019 ounces of gold. Cut-off grade sensitivities for the Powerline deposit are presented in Table 3.

Table 3. Pit-Constrained Inferred Mineral Resources – Powerline Deposit

Au Cut-Off g/t	Tonnage tonnes	Average Au Grade g/t	Au Content oz.
0.10	7,281,920	0.565	132,277
0.15	6,930,115	0.588	131,011
0.20	6,578,609	0.610	129,019
0.25	6,084,687	0.641	125,397
0.30	5,457,139	0.683	119,833
0.35	4,939,191	0.720	114,335
0.40	4,420,295	0.761	108,150
0.45	4,083,388	0.789	103,583
0.50	3,654,322	0.826	97,046

Notes to Table 3:

1. The effective date for the Mineral Resource is May 25, 2020.
2. Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, changes in global gold markets or other relevant issues.
3. The CIM definitions were followed for the classification of inferred Mineral Resources. The quantity and grade of reported inferred Mineral Resources in this estimation are uncertain in nature and there has been insufficient exploration to define these inferred Mineral Resources as an indicated Mineral Resource and it is uncertain if further exploration will result in upgrading them to an indicated or measured Mineral Resource category.

4. *Mineral Resources are reported at a cut-off grade of 0.2 g/t Au, using a US\$/CAN\$ exchange rate of 0.75 and constrained within an open pit shell optimized with the Lerchs-Grossman algorithm to constrain the Mineral Resources with the following estimated parameters: gold price of US\$1,500/ounce, US\$1.50/t mining cost, US\$2.00/t processing cost, US\$2.50/t G+A, 80% heap leach recoveries, and 45° pit slope*

Quality Assurance, Quality Control Measures and Data Verification

The reported work was completed using industry standard procedures, including a quality assurance/quality control (“QA/QC”) program consisting of the insertion of certified standards and blanks into the sample stream and utilizing certified independent analytical laboratories for all assays. Additionally, historic QA/QC data and methodology on the AurMac Property were reviewed and is summarized in the NI 43-101 Technical Report. The qualified persons detected no significant QA/QC issues during review of the data.

A robust system of standards, ¼ core duplicates and analytical blanks, was implemented in all Banyan drilling programs and was monitored as chemical assay data became available. All control samples were within accuracy and precision thresholds required to meet data quality standards. These control samples amounted to approximately 10% of the all samples submitted to analytical laboratories. A verification program of historic core was carried out by re-sampling the entire length of two holes, MQ-00-004 and MQ-03-009. The percent relative difference between the re-assays and the original assays ranged from -1.5% to +2.5%.

All geological data in the resource estimate was verified by Ginto Consulting Inc. (“Ginto”) as being accurate to the extent possible and to the extent possible all geological information was reviewed and confirmed. Ginto made site visits to the AurMac property in 2018 and 2019 and observed Banyan’s drilling and sampling techniques, as well as viewed AurMac drillcore. Ginto confirms that the assay sampling and QA/QC sampling of core by Banyan provides adequate and good verification of the data and believes the work to have been done within the guidelines of NI 43-101. Additional discussion on the AurMac Mineral Resource Model Data Verification can be found in the NI 43-101 Technical Report filed on July 7, 2020 on SEDAR.

Qualified Persons

The Initial Mineral Resource Estimate for the AurMac Property (May 25, 2020) and Technical Report on the AurMac Property, Mayo Mining District Yukon Territory Canada filed July 7, 2020 was prepared by Marc Jutras, P.Eng., M.A.Sc., Principal, Ginto Consulting Inc., an independent Qualified Person in accordance with the requirements of NI 43-101.

Analytical Method

All drill core and RC splits collected from the 2017 to 2020 AurMac Project programs were analyzed at Bureau Veritas Minerals of Vancouver, B.C. utilizing the aqua regia digestion ICP-MS 36-element AQ200 analytical package with FA450 50-gram Fire Assay with AAS finish for gold on all samples. All core samples were split on-site at Banyan’s core processing facilities in Elsa, Yukon. Once split, half samples were placed back in the core boxes with the other half of split samples sealed in poly bags with one part of a three-part sample tag inserted within. All RC samples were split in the field with a 3-tier riffle splitter with 87.5% of the sample being stored in a reject poly bag and 12.5% of the sample in a submittal poly bag. Once split, both poly bags were sealed with one part of a three-part sample tag inserted within. Samples were delivered by Banyan personnel or a dedicated expediter to Bureau

Veritas, an independent Whitehorse preparatory laboratory where samples are prepared and then shipped to Bureau Veritas's Analytical laboratory in Vancouver, B.C. for pulverization and final chemical analysis.

Risk Factors

Banyan is unaware of any legal, political, environmental or other risks that could materially affect the AurMac or Hyland Project.

Exploration History 2017 - 2019

The geologic model validated at the Airstrip and Powerline deposits is likely applicable elsewhere on the 92 sq. km property; including other areas such as Aurex Hill where a ten square kilometer gold in soil anomaly has been identified.

Highlights for AurMac are summarized below.

In 2017, Banyan optioned the contiguous Aurex and McQuesten properties in central Yukon, from Victoria Gold Corp. and Alexco Resource Corp., respectively with a right to earn up to a 100% interest in both properties. The AurMac property, formerly referred to as the Aurex-McQuesten property is just 40 km from Victoria Gold Corp.'s heap leach Eagle Gold mine which has recently completed construction and produced its first gold in September 2019. Most importantly Victoria has maintained an aggressive exploration campaign on their Potato Hills mineralized trend to the north-west and Alexco Resource Corp.'s highly mineralized Keno Hill Silver District immediately to the North and East of the AurMac Gold Project. The property is therefore well positioned in this highly mineralized area and benefits from existing road and power infrastructure. The McQuesten Zone is located just 100 m west of the main Yukon Government highway between Mayo and Keno and just 50m north of the all-season road to Victoria Gold. The property has numerous historic exploration roads and trails. The 3-phase power line from the hydroelectric dam in Mayo passes through the property, as well as, the switching station and spur power line to Victoria Gold. There is an existing airstrip on the property and the Mayo airport is a 20 minute drive on the highway from the property.

In 2019, Banyan re-negotiated terms of the Aurex Option Agreement (the "Aurex Agreement") which allows the Company to earn up to a 100% interest in the Aurex Property from StrataGold Corporation, a 100% owned subsidiary of Victoria Gold Corp. (TSX-V: VIT), and the McQuesten Option Agreement (the "McQuesten Agreement") to earn up to a 100% interest in the McQuesten Property from Alexco Resource Corporation (TSX: AXR), originally signed in May 24, 2017 (see news release of May 25th, 2017). The addendum to both agreements allows Banyan the election to extend the timeframe to complete the first earn in (51% total interest) by up to three (3) years.

The amended McQuesten agreement grants Banyan the election to extend the agreement by three (3) years beyond the original option dates, by spending an additional \$90,000 in exploration expenditures for each year of extension (potentially adding a maximum of \$270,000 in exploration expenditures above the requirements in the original agreement). The agreement also had minor housekeeping amendments to dates to be consistent with the timing and mechanics of the Aurex Agreement. The Aurex Agreement adds an election to extend the date to complete exploration expenditures to 2023, but otherwise remains unchanged.

The terms of both agreements beyond the First Option (51%) remain unchanged as in the news release of May 25th, 2017 and give Banyan the election to form Joint Ventures with the Victoria Gold and Alexco at 51% and also allow Banyan the election to earn 100% on both properties.

In the McQuesten Zone, Banyan developed a geological model, a 900m block of calcareous clastic sediments approximately 90m thick dipping about 30 degrees to the south that is interpreted to host gold mineralization within stratabound retrograde skarn-altered horizons. With 2018's approximately 1,414m of diamond drilling, a volume of about 12 million cubic metres (500m of strike) of this interpreted mineralized block "Block 1" was tested with nominal drill-section spacing of 100m and nominal in section drill spacing of 50 metres. Broad zones of gold mineralization intersected with Banyan's 2017 and 2018 drilling campaigns have averaged 0.51 g/t Au confirmed the geologic model for the McQuesten Gold Zone contains near surface gold mineralization of this tenor over predictable widths. Banyan's interpretations and 2018 drill results confirmed potential extensions to the east, west and down-dip to the south, all of which remain open to further delineation.

McQuesten Gold Zone "Block 1" intercepts from Banyan's 2017 and 2018 drilling campaigns are summarized below:

68.3 m of 0.42 g/t Au from 22.7 m in DDH MQ-17-24
73.7 m of 0.23 g/t Au from 15.1 m in DDH MQ-17-25
96.4 m of 0.74 g/t Au from 5.8 m in DDH MQ-17-26
79.0 m of 0.22 g/t Au from 0.0 m in DDH MQ-17-27
71.2 m of 0.45 g/t Au from 36.2 m in DDH MQ-17-28
107.7 m of 0.66 g/t Au from 33.7 m in DDH MQ-17-29
80.8 m of 1.06 g/t Au from 10.1 m in DDH MQ-18-30
62.5 m of 0.21 g/t Au from 12.2 m in DDH MQ-18-31
68.1 m of 0.30 g/t Au from 3.1 m in DDH MQ-18-32
80.3 m of 0.32 g/t Au from 25.8 m in DDH MQ-18-33
113.0 m of 0.74 g/t Au from 63.5 m in DDH MQ-18-34
75.7 m of 0.28 g/t Au from 45.0 m in DDH MQ-18-35
76.5 m of 0.49 g/t Au from 57.5 m in DDH MQ-18-36
94.9 m of 0.64 g/t Au from 8.9 m in DDH MQ-18-37

*True widths are estimated to be >90% of drilled interval lengths

In addition to the modelled calcareous unit containing gold mineralization, an additional structurally controlled target for gold, silver and base metal mineralization, stratigraphically above the McQuesten zone was identified with steeply dipping quartz veins and breccias appearing to be the host of the gold, silver and base metal mineralization. Determination of the orientation, width and location of where these mineralized structures crosscut the stratabound McQuesten gold zone will be an additional target in future drill programs.

2019 Phase 2 Exploration Program – Aurex-McQuesten

The Phase 2, 2019 exploration campaign began in October and concentrated on the Airstrip and Powerline Zones of the Company's Aurex-McQuesten Gold Project near Mayo, Yukon. The 3,385 metre (26 hole) Phase 2 diamond drill program had a two-fold exploration focus:

1. Expansion of the drill defined strike length of the Airstrip zone from the current 500 metres to greater than one kilometre; with a target of doubling the interpreted mineralization volume;

2. Stepout drilling at the Powerline zone, a new discovery of a modelled parallel, structurally controlled zone of gold mineralization located one kilometre south of the south Airstrip zone.

Highlights from Phase 2 Airstrip Zone diamond drilling included:

- 50.7 metres of 0.46 g/t Au in MQ-19-46;
- 74.2 metres of 0.48 g/t Au in MQ-19-47;
- 89.4 metres of 0.43 g/t Au in MQ-19-48;
- 36.2 metres of 0.61 g/t Au in MQ-19-49;
- 38.0 metres of 0.43 g/t Au in MQ-19-50;
- 106.7 metres of 0.63 g/t Au in MQ-19-52;
- 98.0 metres of 0.71 g/t Au in MQ-19-54;
- 53.3 metres of 0.31 g/t Au in MQ-19-55;
- 74.5 metres of 0.47 g/t Au in MQ-19-56;
- 76.9 metres of 0.61 g/t Au in MQ-19-59;
- 33.7 metres of 0.40 g/t Au in MQ-19-57;
- 23.2 metres of 0.39 g/t Au in MQ-19-58;
- 16.7 metres of 0.37 g/t Au in MQ-19-60.

This Airstrip zone drilling campaign was successful in the expansion of the strike length of the mineralization of Airstrip Block 1 from its previously defined 500-metre extension to greater than one kilometre in total. These seven holes, MQ-19-57 to MQ-19-63, together with previously announced drill holes MQ-19-46 to MQ-19-56 and MQ-19-64 (see company news releases of Nov. 18, 2019, Dec. 2, 2019, and Dec. 11, 2019) extend and infill Airstrip mineralization approximately 400 metres east and 150 metres west of Block 1 of the Airstrip zone mineralized trend and further validate the McQuesten mineralization geologic model.

2019 Phase 2 Exploration Program – Powerline

Banyan completed seven (7) diamond drill holes in the Phase 2, 2019 exploration campaign at the Powerline zone on the company's Aurex-McQuesten gold project near Mayo, Yukon. These seven holes totalled 871 metres as stepout drill fences from the Powerline Discovery holes (see Company news release of Sept. 3, 2019); and defined broad intervals of near- and on-surface gold mineralization akin to the Airstrip zone located just over one kilometre north of Powerline.

Powerline zone mineralization has been shown to be similar to the Airstrip zone with broad sub-gram gold intervals; however, within these near-surface intervals, higher-grade horizons are evident and provide compelling targets for exploration follow-up.

Powerline Zone Phase 2 drill hole result highlights:

- 97.9 metres of 0.49 g/t Au in AX-19-39 including 24.5 metres of 1.34
- 78.5 metres of 0.35 g/t Au in AX-19-36
- 45.5 metres of 0.47 g/t in AX-19-40

Higher-grade intervals of note include:

- 13.4 metres of 0.78 g/t Au in AX 19-34
- 1.5 metres of 4.57 g/t Au in AX-19-35
- 4.3 metres of 2.05 g/t Au in AX-19-36

- 1.5 metres of 5.68 g/t Au in AX-19-39

Full results from 2019 drilling at the Powerline zone, are shown in the associated table. Phase 1 holes AX-19-30 through 34 have been included in this table and with reinterpreted mineralized intervals based on phase 2 drilling results. The 2019 phase 2 holes are AX 19-34 to AX 19-40 and cover a drill-tested area to the east, west and north of the phase 1 discovery holes and represent the first-ever systematic assessment of the mineral potential of this area.

Hole ID	From (m)	To (m)	Interval(m)*	Au (g/t)
AX-19-30	25.9	135.6	109.7	0.36
Or	25.9	30.5	4.6	2.89
including	25.9	27.4	1.5	8.19
and	44.2	67.3	23.1	0.62
Including	44.2	51.6	7.4	1.46
and	116.3	116.4	0.1	1.59
and	128.0	129.7	1.7	1.79
and	134.1	135.6	1.5	1.51
AX-19-31	11.7	86.5	74.8	0.54
Or	11.7	16.8	5.1	0.57
and	30.5	41.2	10.7	0.71
Including	11.7	13.8	2.1	1.16
and	64.0	86.5	22.5	1.21
Including	64.0	65.5	1.5	1.34
Including	71.6	72.0	0.4	48.1
Including	75.4	76.9	1.5	0.93
Including	82.2	83.2	1.0	2.39
AX-19-32	13.3	30.8	19.5	0.4
AX-19-33	44.2	91.4	47.2	0.64
Or	44.2	59.4	15.2	0.71
Including	44.2	46.4	2.2	1.12
Including	49.6	53.8	4.2	1.24
Including	56.0	56.3	0.33	3.59
and	74.8	91.4	16.6	1.10
Including	82.2	83.8	1.6	4.51
Including	86.0	87.9	1.9	2.08
Including	90.1	91.4	1.3	3.12
AX-19-34	43.6	96.3	52.7	0.31
Or	43.6	57.0	13.4	0.78
Including	48.1	49.6	1.5	3.39
Including	50.4	51.8	1.4	2.03
and	83.5	96.3	12.8	0.33
AX-19-35	3.7	105.4	101.7	0.33
Or	3.7	18.2	14.5	0.90
Including	3.7	4.7	1.0	1.64
Including	15.4	16.8	1.4	7.26
and	53.2	105.4	52.2	0.36
Including	53.2	54.6	1.4	1.30
Including	101.5	103.0	1.5	4.57
Including	104.4	105.4	1.0	1.34
Ax-19-36	13.4	91.9	78.5	0.35

Or	13.4	42.4	29.0	0.54
Including	22.7	24.0	1.3	1.89
Including	38.1	42.4	4.3	2.05
and	65.7	77.1	11.4	0.75
Including	70.0	72.9	2.9	2.36
and	90.4	91.9	1.5	0.96
AX-19-37	41.9	109.0	67.1	0.21
Or	41.9	51.3	9.4	0.45
Including	41.9	43.0	1.1	1.70
and	63.6	81.6	18.0	0.29
Including	70.1	71.5	1.4	1.26
and	107.5	109.0	1.5	1.87
AX-19-38	29.9	122.1	92.2	0.26
Or	29.9	45.3	15.4	0.44
including	30.7	32.2	1.5	2.18
and	83.6	122.1	38.5	0.37
including	101.1	102.5	1.4	1.15
including	109.4	110.9	1.5	2.08
AX-19-39	5.6	103.5	97.9	0.49
Or	5.6	11.2	5.6	0.88
Including	8.8	11.2	2.4	1.81
and	16.0	40.5	24.5	1.34
Including	17.2	18.3	1.1	1.89
Including	19.5	21.0	1.5	1.77
Including	22.5	24.0	1.5	1.08
Including	33.0	34.5	1.5	1.07
Including	37.9	39.0	1.1	1.12
and	46.5	78.0	31.5	0.64
Including	46.5	48.0	1.5	5.68
Including	70.8	72.3	1.5	1.99
and	84.0	103.5	19.5	0.39
Including	84.0	85.5	1.5	1.12
Including	102.0	103.5	1.5	2.41
AX-19-40	18.0	63.5	45.5	0.47
Or	18.0	30.4	12.4	0.52
Including	18.0	19.0	1.0	1.20
Including	27.5	29.0	1.5	1.31
and	37.3	48.4	11.1	0.97
Including	38.5	40.0	1.5	2.14
Including	44.9	48.4	3.5	1.55
and	62.0	63.5	1.5	2.10

**True widths are not known at this time*

The 2019 Powerline drill holes are hosted in the Yusezyu formation of the Hyland group sediments. These Proterozoic-aged, host rocks to the Powerline gold mineralization are juxtaposed against the younger Sourdough formation of the Keno Hill quartzite, which is host to the Airstrip zone gold mineralization. Interpretation of the drill results from the Phase 2 Powerline program indicates a gold grade increase to the north, toward the regional-scale Robert Service thrust, which lies between the Airstrip zone and the Powerline zone.

2020 Exploration Update

The geologic model validated at the Airstrip and Powerline deposits is likely applicable elsewhere on the 92 sq. km property; including other areas such as Aurex Hill where a ten square kilometer gold in soil anomaly has been identified.

Banyan has contracted McElhanney Ltd. to fly a LiDAR survey over the entirety of the 92 square kilometre AurMac property. The LiDAR survey will provide valuable insight into the District and Property scale structures that are interpreted to be key controls to gold mineralization on AurMac property, and in addition the survey will deliver detailed topographic control for all future AurMac evaluations and economic studies.

The Company has also initiated line cutting preparation in advance of planned induced polarization (IP) and coincident gravity geophysical surveys over priority targets of the AurMac property.

Banyan has drilled over 25 holes and 5,000 metres of diamond drillholes to date this season. First results were released on August 17, 2020 and additional results will be released when available. Drilling is planned to continue into the late Fall, 2020.

Highlights from the 2020 Diamond AurMac are summarized below.

Table 1: Summary Table of 2020 Diamond Drill Analytical Results to Date

Hole ID	From (m)	To (m)	Interval* (m)	Au (g/t)
MQ-20-65	118.5	217.1	98.6	0.24
Including	121.4	122.2	0.8	2.97
Including	133.7	135.0	1.3	1.26
Including	137.3	137.8	0.5	1.03
MQ-20-66	88.1	134.1	46.0	0.63
Including	111.0	111.9	0.9	2.02
Including	122.5	123.9	1.4	8.33
Including	123.9	124.9	1.0	1.84
Including	133.0	134.1	1.1	1.69
MQ-20-70	17.9	45.7	27.8	0.45
Including	20.3	21.4	1.1	2.40
Including	40.1	41.9	1.8	1.26
And	65.5	83.7	18.2	0.40
Including	77.5	78.4	0.9	3.22
And	104.1	110.1	6.0	0.64
Including	104.1	105.8	1.7	1.14
Including	108.7	110.1	1.4	1.28
And	128.8	136.0	7.2	0.64
Including	134.1	136.0	1.9	1.91
MQ-20-71	20.2	136.6	116.4	0.75
Including	20.2	26.8	6.6	1.44
Including	40.2	41.8	1.6	1.80
Including	51.7	54.6	2.9	2.77
Including	68.2	68.9	0.7	19.5
Including	68.9	69.5	0.6	2.32
Including	70.8	72.4	1.6	3.13
Including	73.7	73.9	0.2	19.4

Including	85.7	86.7	1.0	1.00
Including	92.3	93.3	1.0	3.94
Including	98.1	99.1	1.0	1.39
Including	109.4	110.9	1.5	1.39
Including	112.4	114.1	1.7	1.03
Including	114.1	115.2	1.1	7.93
Including	119.3	120.8	1.5	2.29
Including	135.1	136.6	1.5	1.45
MQ-20-74				
And	8.9	12.5	3.6	0.42
Including	23.0	46.0	23.0	0.64
Including	25.9	26.9	1.0	1.46
Including	34.0	35.9	1.9	2.54
Including	43.1	44.5	1.4	1.00
And	61.0	95.0	34.0	0.51
Including	67.1	67.4	0.3	3.07
Including	79.5	82.8	3.3	2.85
And	136.2	143.0	6.8	0.57
Including	136.2	137.2	1.0	1.00
Including	140.0	141.5	1.5	1.17
MQ-20-75				
Including	37.5	76.2	38.7	0.52
Including	43.0	44.0	1.0	1.15
Including	58.6	60.0	1.4	1.41
Including	66.6	67.4	0.8	4.35
Including	72.2	72.5	0.3	4.16
Including	75.2	77.5	2.3	1.74
MQ-20-76				
Including	18.0	50.5	32.5	0.75
Including	41.0	42.5	1.5	1.69
Including	46.1	47.5	1.4	1.06
Including	49.0	50.5	1.5	8.64
And	76.2	85.0	8.8	0.38
Including	82.0	83.5	1.5	1.11
MQ-20-77				
Including	9.0	51.4	42.4	0.45
Including	9.0	10.5	1.5	1.80
Including	18.0	21.0	3.0	1.50
Including	35.5	37.0	1.5	1.02
And	84.5	105.0	20.5	0.82
Including	96.5	99.5	3.0	1.27
Including	100.3	101.8	1.5	2.32
Including	104.0	105.0	1.0	7.11
And	135.8	139.3	3.5	1.20
MQ-20-78				
Including	5.8	71.0	65.2	0.64
Including	21.5	24.5	3.0	1.38
Including	26.0	27.5	1.5	3.40
Including	40.0	41.5	1.5	2.22
Including	50.5	52.0	1.5	1.84
Including	64.0	65.5	1.5	1.40
Including	68.5	71.0	2.5	2.20

**True widths are considered to be greater than 90% of the reported intervals*

Qualified Person

Paul D. Gray, P.Geo., Vice President of Exploration for the Company, is a “qualified person” as defined under NI 43-101 and has reviewed and approved property disclosure content of this report.

Analysis of Property Expenditures:

	Aurex	McQuesten	Nitra	Hyland	Total
Balance, September 30, 2018	352,642	659,558	Nil	3,603,898	4,616,098
Acquisition Costs	37,500	20,000		Nil	57,500
Exploration & Evaluation Expenses Capitalized	72,197	120,156		37,108	229,461
Balance, June 30, 2019	462,339	799,714	Nil	3,641,006	4,903,059
Balance, September 30, 2019	592,444	965,401	Nil	3,641,266	5,199,111
Acquisition Costs	52,500	28,000	40,250	Nil	
	120,750				
Exploration & Evaluation Expenses Capitalized	249,592	808,404	2,500	433	1,060,929
Balance, June 30, 2020	894,536	1,801,805	42,750	3,641,699	6,380,790

Financial Results

Selected Financial Information

The following selected financial information is derived from the audited financial statements of the Company prepared in accordance with International Financial Reporting Standards (“IFRS”).

Fiscal Quarters of the Fiscal Year Ended September 30, 2020

All in \$ Cdn	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Operations:				
Revenues	\$ -	-	-	-
Expenses	(118,136)	(109,219)	(207,504)	(207,504)
Comprehensive (loss)/profit	118,136	(109,219)	(207,504)	(207,504)
Loss per share – basic & fully diluted	0.00	0.00	0.00	0.00
Balance Sheet:				
Working Capital	958,814	805,560	1,122,706	1,122,706
Total Assets	7,039,949	6,920,707	7,822,065	7,822,065
Total Long-term liabilities	Nil	Nil	Nil	Nil

Fiscal Quarters of the Fiscal Year Ended September 30, 2019

All in \$ Cdn	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Operations:				
Revenues	\$ -	-	-	-
Expenses	120,492	98,159	93,658	10,626
Comprehensive Loss	(120,492)	(98,159)	(93,658)	(10,626)
Loss per share – basic & fully diluted	(0.00)	(0.00)	(0.00)	(0.00)
Balance Sheet:				
Working Capital	166,860	480,432	333,723	322,935
Total Assets	5,502,945	5,401,925	5,295,703	5,629,609
Total Long-term liabilities	Nil	Nil	Nil	Nil

Fiscal Quarters of the Fiscal Year Ended September 30, 2018

All in \$ Cdn	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Operations:				
Revenues	\$ -	\$ -	\$ -	\$ -
Expenses	168,787	151,953	57,390	(703)
Comprehensive Loss	(168,787)	(151,407)	(56,878)	(355)
Loss per share – basic & fully diluted	(0.00)	(0.00)	(0.00)	(0.00)
Balance Sheet:				
Working Capital	882,689	700,914	299,733	341,187
Total Assets	4,564,301	4,434,247	4,513,984	5,199,324
Total Long-term liabilities	Nil	Nil	Nil	Nil

During the quarter ended June 30, 2020, the Company recorded a net loss of \$207,504 vs a loss of \$93,658 in the prior year quarter ended June 30, 2019. The increase in the current quarter loss is the result of an increases in G&A (\$72.3K in June 2019 vs \$46.7K in 2019, see “Additional Disclosure for General & Administrative Costs”) and in Stock Based Compensation (\$85,444 in 2020 vs Nil in 2019) as the Company issued stock options during the Quarter to the field staff prior to the startup of field work.

Additional Disclosure for General & Administrative Costs

Since the Corporation has no revenue from operations, the following is a breakdown of general and admin expenses and material costs incurred in the last two fiscal periods:

General & Admin & Material Costs	Quarter Ended June 30, 2020	Quarter Ended June 30, 2019
General & Admin:		
Marketing	46,513	31,779
Insurance	11,108	5,600
Rent	5,508	706
Amortization	2,712	3,628
General Office	2,472	1,862
Travel	2,145	1,061
Transfer Agent fees	1,832	2,082

Liquidity and Capital Resources

The accompanying interim financial statements are presented on a going concern basis, which assumes the Company will continue to realize its assets and discharge its liabilities in the normal course of operations.

The Company does not generate cash flows from operations and has therefore relied principally on the issuance of equity securities to finance its operation activities to the extent that such instruments are issuable under terms acceptable to the Company.

If future financing is unavailable, the Company may not be able to meet its ongoing obligations, in which

case the realizable values of its assets may decline materially from current estimates. The financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue operations.

From inception to June 30, 2020, the Company raised gross proceeds of \$9,917,143 from the sale of its common shares.

As at June 30, 2020, the Company had working capital of \$1,122,706 (2019 - \$333,723) which will be sufficient to fund the Company through the fiscal year. The Company has no contractual obligations and the Company's Hyland Property is in good standing into 2023 and beyond while the McQuesten property spending commitment for Fiscal 2020 has already been met and the Aurex property spending commitment for Fiscal 2020 will be met with funds on hand. See also "Subsequent Event".

Off-Balance Sheet Arrangements

None

Proposed Transactions

None

Transactions with Related Parties

During the quarter, \$55,500 (2019 - \$55,500) was billed to the corporation by officers and directors of the Company. \$10,500 (2019 - \$10,500) has been billed to management fees by 1195472 Ontario Ltd. for the CFO. \$39,500 was charged by 44984 Yukon Inc. for management fees for Tara Christie, CEO (2018 - \$36,000) with a further \$1,000 billed to projects (2019 - \$9,000) and \$4,500 for rent (2019 - nil).

Other transactions consisted of expense reimbursement at cost.

Critical Judgments and Accounting Estimates

These financial statements, including comparatives have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS"). The financial statements have been prepared on a historical costs' basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the period. Actual results could differ from these estimates.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carry amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- i) the recoverability of receivables which are included in the statements of financial position;

- ii) the inputs used in accounting for stock-based compensation expense, which are included in the statement of operations;
- iii) recoverability of future income tax asset;
- iv) recoverability of exploration and evaluation expense asset;
- v) the valuation of the rehabilitation provision; and
- vi) the valuation of share-based payments transactions.

The Companies significant accounting policies are detailed in Note 3 to the Annual Financial Statements.

New Standards and Interpretations

The following new standards have been adopted by the Company:

IFRS 16, Leases will replace existing guidance on accounting for leases.

IFRS 16 eliminates the current dual accounting model for lessees, which distinguishes between on-balance sheet finance leases and off-balance sheet operating leases. Instead, there is a single, on-balance sheet accounting model that is similar to current finance lease accounting.

This standard is effective for annual periods beginning January 1, 2019. The Company has adopted this standard on October 1, 2019. The Company does not currently have any leases and this change is not expected to have a material impact.

The following new standards has not yet been adopted by the Company.

None

Risks and Uncertainties

The Company's financial performance is likely to be subject to the following risks:

The Issuer is a relatively new company with limited operating history and no history of business or mining operations, revenue generation or production history. The Issuer was incorporated on July 26, 2010 and has yet to generate a profit from its activities. The Issuer will be subject to all of the business risks and uncertainties associated with any new business enterprise, including the risk that it will not achieve its growth objective. The Issuer anticipates that it may take several years to achieve positive cash flow from operations.

Covid 19 Risks

Global and local reactions and responses to coronavirus (COVID-19) continue to evolve and change. The implications of this virus are far reaching and the Yukon, where the Corporation's operations are, are no exception. The health of key personnel, travel restrictions and potential future mandated work shutdowns continue to be added risks to the Corporation as a result of the Covid 19 pandemic.

Exploration, Development and Operating Risks

The exploration for and development of minerals involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. Few properties which are explored are ultimately developed into producing mines. There can be no guarantee that the estimates of

quantities and qualities of minerals disclosed will be economically recoverable. With all mining operations there is uncertainty and, therefore, risk associated with operating parameters and costs resulting from the scaling up of extraction methods tested in pilot conditions. Mineral exploration is speculative in nature and there can be no assurance that any minerals discovered will result in an increase in the Issuer's resource base.

The Issuer's operations will be subject to all of the hazards and risks normally encountered in the exploration, development and production of minerals. These include unusual and unexpected geological formations, rock falls, seismic activity, flooding and other conditions involved in the extraction of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although precautions to minimize risk will be taken, operations are subject to hazards that may result in environmental pollution, and consequent liability that could have a material adverse impact on the business, operations and financial performance of the Issuer.

Substantial Capital Requirements and Liquidity

Substantial additional funds for the establishment of the Issuer's current and planned exploration program and potential mining operations will be required. No assurances can be given that the Issuer will be able to raise the additional funding that may be required for such activities, should such funding not be fully generated from operations, mineral prices, environmental rehabilitation or restitution. Revenues, taxes, transportation costs, capital expenditures and operating expenses and geological results are all factors which will have an impact on the amount of additional capital that may be required. To meet such finding requirements, the Issuer may be required to undertake additional equity financing, which would be dilutive to shareholders. Debt financing, if available, may also involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Issuer or at all. If the Resulting Issuer is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion, and pursue only those development plans that can be funded through cash flows generated from its existing operations.

Fluctuating Mineral Prices

The economics of mineral exploration is affected by many factors beyond the Issuer's control including, commodity prices, the cost of operations, variations in the grade of minerals explored and fluctuations in the market price of minerals. Depending on the price of minerals, it may be determined that it is impractical to continue the mineral exploration operation.

Mineral prices are prone to fluctuations and the marketability of minerals is affected by government regulation relating to price, royalties, allowable production and the importing and exporting of minerals, the effect of which cannot be accurately predicted. There is no assurance that a profitable market will exist for the sale of any minerals found on the Property.

Regulatory Requirements

The current or future operations of the issuer require permits from various governmental authorities, and such operations are and will be governed by laws and regulations governing exploration, development, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, site safety and other matters. Companies engaged in the exploration and development of mineral properties generally experience increased costs and delays in development and other schedules as a result of the need to comply with the applicable laws, regulations and permits. There can be no assurance that all permits which the Issuer may require for the facilities and conduct of exploration and development operations will be obtainable on reasonable terms or that such laws and regulation would not have an adverse effect on any exploration and development project which the Resulting Issuer might undertake.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in exploration and development operations may be required to compensate those suffering loss or damage by reason of the exploration and development activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations. Amendments to current laws, regulation and permits governing operations and activities of mineral companies, or more stringent implementation thereof, could have a material adverse impact on the Issuer and cause increases in capital expenditures or exploration and development costs or require abandonment or delays in the development of new properties.

Financing Risks and Dilution to Shareholders

The Issuer has limited financial resources. If the Issuer's exploration programs on the Property are successful, additional funds will be required for the purposes of further exploration and development. There can be no assurance that the Issuer will be able to obtain adequate financing in the future or that such financing will be available on favourable terms or at all. It is likely such additional capital will be raised through the issuance of additional equity which will result in dilution to the Issuer's shareholders.

Requirement for Permits and Licenses

A substantial number of additional permits and licenses may be required should the Issuer proceed beyond exploration; such licenses and permits may be difficult to obtain and may be subject to changes in regulations and in various operational circumstances. It is uncertain whether the Issuer will be able to obtain all such licenses and permits.

Competition

There is competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. The Issuer will compete with other mining companies, many of which have greater financial, technical and other resources than the Issuer, for, among other things, the acquisition of minerals claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel.

Reliance on Management and Dependence on Key Personnel

The success of the Issuer is currently largely dependent upon on the performance of its directors and officers and the ability to attract and retain its key personnel. The loss of the services of these persons may have a material adverse effect on the Issuer's business and prospects. The Issuer will compete with numerous other companies for the recruitment and retention of qualified employees and contractors. There is no assurance that the Issuer can maintain the service of its directors and officers or other qualified personnel required to operate its business. Failure to do so could have a material adverse effect on the Resulting Issuer and its prospects.

No Mineral Reserves

Mineral reserves are, in the large part, estimates and no assurance can be given that the anticipated tonnages and grades will be achieved or that the indicated level of recovery will be realized. Reserve estimates for properties that have not yet commenced production may require revision based on actual production experience. Market price fluctuations of metals, as well as increased production costs or reduced recovery rates may render mineral reserves containing relatively lower grades of mineralization uneconomic and may ultimately result in a restatement of reserves. Moreover, short-term operating factors relating to the mineral reserves, such as the need for orderly development of the ore bodies and the processing of new or different mineral grades may cause a mining operation to be unprofitable in any particular accounting period.

Environmental Risks

The Issuer's exploration and appraisal programs will, in general, be subject to approval by regulatory bodies. Additionally, all phases of the mining business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of international conventions and state and municipal laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with mining operations. The legislation also requires that wells and facility sites be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs.

Governmental Regulations and Licenses and Permits

The activities of the Issuer are subject to provincial and federal approvals, various laws governing prospecting, development, land resumptions, production taxes, labour standards and occupational health, mine safety, toxic substances and other matters. Although the Issuer believes that its activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development. Amendments to current laws and regulations governing operations and activities of exploration and mining, or more stringent implementation thereof, could have a material adverse impact on the business, operations and financial performance of the Issuer. Further, the licenses and permits issued in respect of its projects may be subject to conditions which, if not satisfied, may lead to the revocation of such licenses. In the event of revocation, the value of the Issuer's investments in such projects may decline.

Local Resident Concerns

Apart from ordinary environmental issues, work on, or the development and mining of the Property could be subject to resistance from local residents that could either prevent or delay exploration and development of the Property.

Conflicts of Interest

Certain of the directors and officers of the Issuer will be engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies (including mineral resource companies) and, as a result of these and other activities, such directors and officers of the Issuer may become subject to conflicts of interest. The Alberta Corporations Act ("ABCA") provides that in the event that a director has a material interest in a contract or proposed contract or agreement that is material to the issuer, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement, subject to and in accordance with the ABCA. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the ABCA.

Uninsurable Risks

Exploration, development and production operations on mineral properties involve numerous risks, including unexpected or unusual geological operating conditions, rock bursts, cave-ins, fires, floods, earthquakes and other environmental occurrences. It is not always possible to obtain insurance against all such risks and the Issuer may decide not to insure against certain risks as a result of high premiums or other reasons. Should such liabilities arise, they could have an adverse impact on the Issuer's results of operations and financial condition and could cause a decline in the value of the Issuer Shares. The Issuer does not intend to maintain insurance against environmental risks.

Investor Relations Activities

The Company does not have any investor relations arrangements.

Financing and Share Activities

There were no financing activities during the 3 months ended June 30, 2020. During the quarter ended June 30, 2020 however, there was \$740,993 in funding provided by the exercise of stock options and warrants as detailed below:

Shares Issued:

	Number	Price	Funds Raised	Expiry
Stock Options Exercised:	525,000	\$ 0.05	\$ 26,250	Aug 10, 2020
	200,000	\$ 0.07	\$ 14,000	Oct 27, 2021
Warrants Exercised:	2,893,000	\$ 0.09	\$ 260,370	Oct 2 & 19, 2019
	2,150,000	\$ 0.075	\$ 161,250	Feb 20 & Mar 2, 2019
	1,860,822	\$ 0.15	\$ 279,123	Jul 13 & 19, 2020

During the nine month period, on October 2, 2019 the Company closed the first tranche of non brokered private placement for \$705,119.75 and on October 18, 2019 the Company closed second tranche of non brokered private placement for \$1,169,074.50

The private placement, which encompassed the two tranches, consists of 13,836,109 flow-through shares (within the meaning of Subsection 66(15) of the Income Tax Act (Canada)) priced at 5.5 cents per share, 8,363,000 charity flow-through units priced at 7.7 cents per unit and 8,531,950 non-flow-through units at 5.5 cents per unit. Both the flow-through and non-flow-through units consist of one share and one-half of a non-flow-through share purchase warrant, each full warrant being exercisable for a period of 18 months from closing into one common share at a price of nine cents per share subject to an acceleration clause.

In total, \$1,874,194 was raised.

On December 16, 2019 the Company issued 750,000 Class A common shares to Victoria Gold Corp. at a deemed price of \$0.07 per share for the third year option requirement on the Aurex Property.

On December 16, 2019 the Company issued 400,000 Class A common shares to Alexco Resource Corp. at a deemed price of \$0.07 per share for the third year option requirement on the McQuesten Property.

Disclosure of Outstanding Share Data

a) Authorized and Issued capital stock:

Authorized:

Unlimited number of:

- Unlimited Class A voting common shares
- Unlimited Class B non-voting, common shares
- Unlimited Preferred Shares

All issued shares are fully paid

There were 138,447,737 Class A common shares issued and outstanding on June 30, 2020.

b) Warrants Outstanding:

As of June 30, 2020

Number	Exercise Price	Expiry Date
3,021,530	\$ 0.15	July 13, 2020
159,480	\$ 0.15	July 19, 2020
5,580,000	\$ 0.075	February 21, 2021
2,827,225	\$ 0.09	April 3, 2021*
2,727,250	\$ 0.09	April 19, 2021*

14,315,485		

Note*: Subject to an acceleration clause.

c) Options Outstanding:

Number	Exercise Price	Expiry Date
250,050	\$ 0.15	January 21, 2021
500,000	\$ 0.065	August 4, 2021
500,000	\$ 0.085	August 26, 2021
150,000	\$ 0.07	October 27, 2021
800,000	\$ 0.11	March 2, 2022
1,525,000	\$ 0.12	September 23, 2022
650,000	\$ 0.08	December 29, 2022
200,000	\$ 0.075	June 18, 2023
1,150,000	\$ 0.05	December 19, 2023
4,250,000	\$ 0.06	December 12, 2024
<u>950,000</u>	\$ 0.12	June 1, 2025
<u>10,925,050</u>		

Subsequent Event

Subsequent to quarter end, the following warrants were exercised:

	Number	Price	Funds Raised
Warrants Exercised:	3,181,010	\$ 0.15	\$ 477,152
	1,077,225	\$ 0.09	\$ 96,950
	<u>1,000,000</u>	\$0.075	<u>\$ 75,000</u>
Total	<u>5,508,235</u>		<u>\$ 667,852</u>

On July 31, 2020, the Corporation completed the second tranche (first tranche closed July 29, 2020) of a non-brokered private placement that in total raised gross proceeds of \$4,740,000.

The financing included a combination of 14,000,000 Charity Flow Through Shares at \$0.28, 2,000,000 Flow Through Shares at \$0.25 and 1,600,000 Common Shares at \$0.20 (together the "Offering").

At the close of the Private Placement, the major shareholders will be Alexco Resource Corporation (9.3%), Victoria Gold Corporation (7.9%), Sprott (3%) and Osisko Gold Royalties (4.9%).

The flow through gross proceeds component received from the sale to subscribers of the Charity Flow Through Shares and Flow Through Shares will be used to incur "Canadian exploration expenses" as defined in subsection 66.1(6) of the Income Tax Act (Canada) (the "Tax Act") on the Company's properties in the Yukon Territory, and renounced to such subscribers effective not later than December 31, 2020. Such Canadian exploration expenses will also qualify as "flow-through mining expenditures" as defined in subsection 127(9) of the Tax Act. In connection with the closing of the Private Placement, the Company will pay a cash finder's fee in the amount of \$33,930 on the financing.

Certain insiders of the Company participated in the Private Placement for \$125,000, comprised of 468,000 Flow Through Shares and 40,000 Common Shares, respectively. Such participation represents a related party transaction under Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101"), but the transaction is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of the subject matter of the transaction, nor the consideration paid, exceed 25% of the Company's market capitalization.

Under applicable Canadian securities laws, all securities issued pursuant to the Private Placement are subject to, among other things, a statutory hold period of four months and one day.