BANYAN GOLD CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE QUARTER ENDED DECEMBER 31, 2020

Background

Background

This discussion and analysis of financial position and results of operations is prepared as at February 23, 2021 and should be read in conjunction with the quarterly financial statements and the accompanying notes for the fiscal year ended December 31, 2020 for Banyan Gold Corp. (the "Company", "Corporation" 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.

Company Overview

The Company was incorporated by a Certificate of Incorporation issued pursuant to the provisions of the Alberta Corporations Act ("ABCA") on July 26, 2010 under the name Banyan Coast Capital Corp, which was subsequently changed to Banyan Gold Corp under a certificate of amendment on February 14, 2013. On November 24, 2010, the Company became a reporting issuer in the Provinces of British Columbia, Alberta, Saskatchewan and Ontario.

Banyan completed its IPO and commenced trading on January 27, 2011 on the TSX Venture Exchange and trades under the symbol BYN.

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:

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 slope*[1]

The Corporation expanded the land package at AurMac in 2020 to include an additional 401 claims and, also added a second claim block 5 km to the West referred to at Nitra, as described below.

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**.**

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.

Table 2: Hyland Main Zone Indicated Gold Resource

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

Notes:
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 quarter ended December 31, 2020, there was $2,524,503 in funds raised through the issuance of shares in private placements and the exercise of stock options. Please see Disclosure on Financing and Share Activities below for details.

On December 9, 2020, the Corporation issued a total of 1,150,000 shares to Victoria Gold Corp. and Alexco Resource Corp. thereby completed the first 51% earn-in on the AurMac property.

In the first quarter, Banyan Gold continued 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 have been no confirmed cases of COVID-19 at Banyan Gold and we have adopted recommended public health measures to protect our STAFF, contractors and Yukon communities where our projects are located. In the Yukon, COVID-19 infections are currently low, and strong social distancing, travel restrictions and prevention measures are in place to prevent transmission. Mining and exploration have been declared essential services in Yukon, allowing Banyan to operate in the field following the recommended health precautions and restrictions that are in place, including the mandated self-isolation periods and avoidance of all unnecessary travel into Yukon communities.

Exploration Highlights

Banyan continued drilling on the AurMac property until mid-December with the completion of in excess of 10,000 metres of diamond drilling during 2020 and continues to receive and analyze assay results leading into the March 2021 drilling startup.

During the quarter, Banyan completed drilling: 355 metres from two (2) dedicated metallurgical drill holes

(MQ-MET-20-01 and MQ-MET-20-02) within the Airstrip Zone; 1,850 metres from nine (9) step-out drill holes (MQ-20-85 to MQ-20-93) within the Airstrip Zone; and 1,539 metres from eight (8) step-out drill holes (AX-20-58 to AX-20-65) within the Powerline Zone.

The Company shipped both dedicated metallurgical drill holes to Forte Dynamics for metallurgical testing, including bottle roll testing and column leach testing,

Line cutting for geophysical surveys were completed for a planned 2021 induced polarization (IP) and coincident gravity geophysical surveys.

LiDAR survey deliverables were received from McElhanney Ltd. including:

LiDAR data: Bar-earth and Full-Feature
1m pixel, bare-earth DEM
1m LiDAR hillside imagery
5m contours
20cm orthophoto

Highlights from the results received between October to December 2020 are summarized in Table 3.

Table 3: 2020 Highlighted Diamond Drill Analytical Results – Powerline

Hole ID	From (m)	To (m)	Interval* (m)	Au (g/t)
AX-20-41	43.0	73.5	30.5	0.47
Including	49.8	50.7	0.9	1.62
Including	70.5	72.0	**1.5**	**3.05**
And	97.1	126.0	**28.9**	**0.35**
Including	111.3	112.5	1.2	1.46
And	145.0	199.5	54.5	0.24
Including	145.0	145.3	0.3	1.12
Including	167.5	169.0	**1.5**	**3.74**
Including	198.0	199.5	1.5	1.09
AX-20-42	13.3	184.0	**170.7**	**0.35**
Or	13.3	22.9	9.6	0.69
Including	22.5	22.9	**0.4**	**14.0**
And	34.5	38.5	4.0	0.70
Including	34.5	36.0	1.5	1.50
And	54.0	62.5	8.5	0.40
And	89.5	115.0	25.5	0.40
Including	95.5	97.0	**1.5**	**2.56**
And	129.5	159.3	29.8	0.80
Including	140.4	141.9	1.5	1.97
Including	148.2	148.5	**0.3**	**18.2**
Including	157.5	158.7	1.2	1.82
Including	158.7	159.3	**0.6**	**11.5**
And	172.5	184.0	11.5	0.59
Including	182.5	184.0	1.5	2.38
AX-20-43	82.0	210.5	**128.5**	**0.72**
Including	82.0	150.5	**68.5**	**1.07**
Including	87.0	88.5	1.5	1.64

Hole ID	From (m)	To (m)	Interval* (m)	Au (g/t)
Including	97.5	99.9	2.4	2.26
Including	117.0	118.5	1.5	6.38
Including	124.5	127.5	**3.0**	**3.54**
Including	129.0	132.0	**3.0**	**3.04**
Including	135.1	138.5	**3.4**	**5.50**
Including	141.5	143.0	1.5	1.72
Including	186.0	187.5	1.5	1.07
Including	198.5	200.0	1.5	1.29
Including	205.5	207.0	**1.5**	**3.79**
AX-20-44	14.0	17.0	3.0	0.50
And	47.5	56.0	8.5	0.36
And	64.1	79.8	15.7	0.31
And	85.5	93.0	7.5	0.23
And	108.0	117.2	9.2	0.45
Including	116.0	117.2	1.2	2.29
And	135.0	148.0	13.0	0.76
Including	143.5	145.0	1.5	2.93
Including	147.3	148.0	0.7	1.72
And	168.5	175.5	7.0	0.88
Including	174.0	175.5	1.5	2.98
AX-20-45	12.0	177.7	165.7	0.21
Or	12.0	39.0	27.0	0.46
Including	12.0	13.5	1.5	5.15
Including	37.5	39.0	1.5	1.28
And	90.0	99.0	9.0	0.32
And	136.6	141.2	4.6	0.66
Including	136.6	138.1	1.5	1.62
And	161.0	177.7	16.7	0.43
Including	161.0	162.5	1.5	1.43
Including	173.1	176.2	3.1	1.25

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

Analysis of Property Expenditures:

	Aurex	McQuesten	Nitra	Aurex Extension	Hyland	Total
Balance, Sept 30, 2019	**592,444**	**965,401**	**-**	**-**	**3,641,266**	**5,199,111**
Acquisition costs	52,500	28,000	40,250	-	-	120,750
Exploration & evaluation expenses capitalized	221,590	489,106	-	-	144	710,840
Balance, Dec 31, 2019	**866,534**	**1,482,507**	**40,250**	**-**	**3,641,410**	**6,030,701**

Balance, Sept 30, 2020	**1,733,434**	**2,274,003**	**134,097**	**67,087**	**3,679,053**	**7,887,674**
Acquisition costs	172,500	92,000	-	-	-	264,500
Exploration & evaluation expenses capitalized	715,642	685,502	47,430	24,923	101	1,473,598
Balance, Dec 31, 2020	**2,621,576**	**3,051,505**	**181,527**	**92,010**	**3,679,154**	**9,625,772**

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.

Selected Financial Information

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

Fiscal Quarters of the Fiscal Year Ended September 30, 2021

All in $ Cdn	**First Quarter**	**Second Quarter**	**Third Quarter**	**Fourth Quarter**
Operations				
Revenues	$ –			
Expenses	(547,510)			
Comprehensive (loss)/profit	(547,510			
Loss Per Share – Basic & Fully Diluted	0.00			
Balance Sheet				
Working Capital	5,226,235			
Total Assets	**$15,282,839**			
Total Long-Term Liabilities	**Nil**			

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	1,426,324
Comprehensive (loss)/profit	118,136	(109,219)	(207,504)	(1,426,324)
Loss Per Share – Basic & Fully Diluted	0.00	0.00	0.00	**0.01**
Balance Sheet				
Working Capital	958,814	805,560	1,122,706	**4,673,356**
Total Assets	**$ 7,039,949**	**$ 6,920,707**	**$ 7,822,065**	**$ 13,448,847**
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)/profit	(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**

During the quarter ended December 31, 2020, the Company recorded a net loss of $547,510 vs a profit of $118,136 in the prior year quarter ended December 31, 2019.

Major Variances

Tax Credits. The majority of the variance is comprised of a tax credit of $371K recognized in the December 2019 Quarter vs nil this quarter.

Stock Based Compensation. An increase to $379K in the current quarter for stock based compensation vs the prior year ($157K) quarter of December 2019; despite issuing less stock options in the current quarter over the prior year, the decline in interest rates and rise in stock volatility led to a greater stock based compensation charge as a result of the Black Scholes model.

Management Fees. Management fees rose in the current year quarter to $117K vs $58K in the prior years' corresponding quarter as yearly bonuses were awarded to management for the Corporation's transformative year in terms of increased market cap, record funds raised, record metres drilled and the successful implementation of the geological model.

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 December 31, 2020	Quarter Ended December 31, 2019
General & Admin:		
Advertising & Promotion	26,058	18,047
Payroll	8,587	0
Shareholder Communications/AGM	6,028	0
Amortization	4,751	2,787
Rent	4,500	0
Travel	2,045	5,302
Office Supplies	1,804	2,141
Transfer Agent Fees	1,238	5,745
Telephone	692	506
Bank Charges	552	433
Conference	422	0

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 December 31, 2020, the Company raised gross proceeds of $17,862,998 from the sale of its common shares.

As at December 31, 2020, the Company had working capital of $5,226,235 (2019 – $958,814) 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 AurMac spending commitments are well on their way to the next 24% earn-in phase.

Off-Balance Sheet Arrangements

None

Proposed Transactions

None

Transactions with Related Parties

During the quarter, $124,000 (2019 - $58,000) was billed to the Corporation by officers and directors of the

Company. $95,000 (2019 - $ 45,000) was billed by KECM Services, a Company controlled by the CEO and $29,000 (2019 - $13,000) has been billed to management fees by 1195472 Ontario Ltd. for the CFO. The quarterly billings included $64,000 (2019 – Nil) in yearly bonus payments to management for the transformative year for the Company in turns of increased market cap, record funds raised, record metres drilled and the successful implementation of the geological model.

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 Company's significant accounting policies are detailed in Note 3 to the Annual Financial Statements.

New Standards and Interpretations

The following new standards have been issued but are not yet applicable to the Company:

IFRS 16 Leases

IFRS 16, Leases replaced previous guidance on accounting for leases. IFRS 16 eliminates the 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 when it became effective. The Company does not currently have any leases and this change is not expected to have a material impact.

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.

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 funding 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 including potential COVID restrictions, 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 Activities

In December, the Corporation completed two flow through private placements.

The private placements, which encompassed 8,434,067 flow-through shares (within the meaning of Subsection 66(15) of the Income Tax Act (Canada)) consisted of 5,357,143 regular flow through shares at $0.28 per share and 3,076,924 charity flow through shares priced at $0.325 per share.

In total, $24,503 was raised through the exercise of stock options.

On December 9, 2019, the Company issued 750,000 Class A common shares to Victoria Gold Corp. at a deemed price of $0.23 per share for the initial 51% earn-in on the Aurex Property.

On December 9, 2020, the Company issued 400,000 Class A common shares to Alexco Resource Corp. at a deemed price of $0.23 per share for the initial 51% earn-in on the McQuesten Property.

Disclosure of Outstanding Share Data

Authorized and Issued capital stock:

As of December 31, 2020:

Unlimited number of:
Class A voting common shares
Class B non-voting, common shares
Preferred Shares
All issued shares are fully paid

The Company's authorized share capital is unlimited common shares without par value. As at December 31, 2020, there are 171,523,389 issued and outstanding Class A common shares.

Warrants Outstanding as of December 31, 2020:

Number	Exercise Price	Expiry Date
4,330,000	$ 0.075	February 20, 2021
1,700,000	$ 0.090	April 3, 2021*
2,727,250	$0.090	April 19, 2021
8,757,250		

Note: * Subject to an acceleration clause.

Options Outstanding:

On December 9 2020, 2,010,000 stock options were issued, exercisable at $0.23. These options expire on December 9, 2025. During the quarter, 183,350 stock options were exercised; 100,000 @ $0.12 per share and 83,350 @ $0.15 per share.

Number	Exercise Price	**Expiry Date**
166,700	$ 0.15	January 25, 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
1,425,000	$ 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
4,100,000	$ 0.06	December 12, 2024
950,000	$ 0.12	June 2, 2025
2,010,000	$ 0.23	December 9, 2025
12,601,700		

Subsequent Event

None