

**PRECIPITATE GOLD CORP.**  
**Management Discussion and Analysis (“MD&A”)**  
**for the nine months ended August 31, 2019**

The following discussion and analysis of the operations, results, and financial position of Precipitate Gold Corp. (“the Company”) for the nine months ended August 31, 2019, should be read in conjunction with the Company’s unaudited financial statements and related notes for the three and nine months ended August 31, 2019, and the audited financial statements and related notes for the year ended November 30, 2018 which have been prepared in accordance with International Financial Reporting Standards. The effective date of this report is October 28, 2019. All figures are presented in Canadian dollars, unless otherwise indicated.

**COMPANY OVERVIEW**

The Company was incorporated pursuant to the provisions of the *Business Corporations Act* of British Columbia on January 31, 2011 and is based in Vancouver, British Columbia, Canada. On May 24, 2012, the Company completed an initial public offering (“IPO”) on the TSX Venture Exchange (“TSX-V”) and commenced trading under the symbol PRG. The Company is in the business of exploration, development and exploitation of mineral resources in Canada and the Dominican Republic, with the primary objective to explore mineral properties to a stage where they can be developed profitably or sold to a third party.

The Company is primarily focused on gold and base metal exploration in the Dominican Republic. The Company has three distinct Dominican properties, Juan de Herrera, Pueblo Grande and Ponton, covering a combined 25,967 hectares. The Pueblo Grande Property adjoins the world class, high sulphidation epithermal Pueblo Viejo gold-silver mine, owned by Barrick (60%) & Newmont Goldcorp (40%), in the heart of the Dominican Republic’s most active and mining-friendly district. The Juan de Herrera Project is located within the prospective Tireo Gold Trend of western Dominican Republic, directly adjoining GoldQuest Mining Corp. on the south and west sides of its Tireo Gold Project. The Ponton Property, located 30 kilometres east of Pueblo Grande, is an early stage, high sulphidation epithermal copper-gold (and possibly porphyry copper-gold) exploration target hosted in the same Los Ranchos Formation volcanic rocks as found at Pueblo Viejo.

**MINERAL PROPERTIES**

The Company is conducting exploration activities and evaluating possible new opportunities in the Dominican Republic. The Company’s mineral property interests are as follows:

**a) Pueblo Grande, Dominican Republic**

On October 24, 2018 the Company announced entering into a purchase-sale agreement with Everton Resources Inc. (“Everton”) to acquire a 100% interest in all of Everton’s Dominican Republic exploration concessions, including two highly prospective concessions, making up the “Pueblo Grande Property” surrounding the world-class Pueblo Viejo gold-silver-copper mine. On January 15, 2019, the Company announced the completion of its due diligence and the acceptance of necessary government and regulatory approvals to close the transaction. As consideration for complete title to Everton’s three Dominican exploration concessions totalling 9,583 hectares, and an extensive geochemical, geophysical, geological and drill data base, on January 15, 2019 the Company delivered to Everton the following:

- CDN \$25,000 cash (paid);
- 7,000,000 common shares of the Company subject to resale restrictions for up to 3 years, expiring as follows (issued):

<b>Number of shares</b>	<b>Restriction expiry dates</b>	<b>Restriction removal on volume weighted average price (“VWAP”) achievement</b>
700,000	July 15, 2019	\$0.20 per share for 10 consecutive days
700,000	January 15, 2020	\$0.20 per share for 10 consecutive days
700,000	July 15, 2020	\$0.20 per share for 10 consecutive days
1,050,000	January 15, 2021	\$0.40 per share for 10 consecutive days
1,050,000	July 15, 2021	\$0.40 per share for 10 consecutive days
2,800,000	January 15, 2022	\$0.60 per share for 10 consecutive days

Pre-existing advanced stage or mining-related commitments to a third party include (i) a sliding scale NSR royalty ranging from 1%, where gold is under US\$1,000/oz, to 2%, where gold is over US\$1,400/oz and (ii) sum of cash or shares valued at the greater of \$5,000,000 or the value of 5,000,000 common shares based on a 20 day VWAP, in the event a resource of 1,000,000 gold equivalent ounces or greater are delineated at certain grades and in various indicated and inferred categories.

The road-accessible and logistically-favourable Pueblo Grande property adjoins Barrick’s Pueblo Viejo mine site on the west, north and east sides, covering approximately 9,863 contiguous hectares. The sizeable historical property and regional dataset gives the Company an excellent starting point to benefit from past exploration work and to immediately focus on priority gold and base metal prospects identified through geophysics, geology, geochemistry and past drill intercepts with limited follow-up.

The Company’s near-term exploration plan will focus on the priority Loma Cuaba Lithocap Alteration Zone west of the Pueblo Viejo mine. This area is interpreted to be an advanced argillic lithocap alteration type environment which lacks significant known gold-silver mineralization but has the same highly anomalous trace element suite that typifies the adjacent Pueblo Viejo deposit. The lithocap alteration is dominated by pervasive quartz-pyrophyllite-pyrite and locally extensive surface silica zones. Silicification, mapped structures and various pathfinder elements associated with Pueblo Viejo style-high sulphidation epithermal gold-silver-copper mineralization offer key exploration vectors within the extensive altered lithocap zone. Past drill testing has focused mainly on coincident geochemical and induced polarization chargeability anomalies on the eastern extents of the lithocap, in close proximity to the mine site, largely overlooking the sizable magnetic anomalies (high and low), located near surface and at depth, within the central lithocap region, leaving much of this target untested.

**b) Juan de Herrera Project, Dominican Republic**

Precipitate, through 0945044 B.C. Ltd., acquired 100% of certain concessions within the Juan de Herrera Project. The properties are subject to a 3% NSR royalty on any base and precious metal commercial production. The Company may purchase 50% of the NSR royalty by paying \$2,000,000.

The Company has completed multiple phases of regional and local scale exploration work on its Juan de Herrera Project (“JDH”), since acquiring the property in late 2012. The JDH Project concessions cover approximately 12,754 hectares, directly adjoining the “Tireo Gold Trend” holdings of GoldQuest Mining Corp. on the south and west sides. Much of the Company’s initial exploration work focused on the Ginger Ridge zone, however more recent exploration has expanded to include several other geochemically anomalous areas, such as the Ginger Ridge East, Southeast, South Jengibre, Peak and Melchor zones.

Exploration completed at the Ginger Ridge Zone includes geological mapping, rock sampling, gridded soil sampling, trenching, induced polarization (‘IP’) geophysical surveying, ground magnetics geophysical surveying and two diamond drilling programs consisting of 15 holes, totalling 3,274 metres. See the Company’s September 23, 2014 and select 2016-2017 news releases for more drill program related details. Results for follow up holes 7 to 15 reported intervals of sulphide-silica alteration combined with anomalous gold-copper-zinc metal enrichment is encouraging, as they appear to show characteristics commonly associated with a volcanogenic massive sulphide (“VMS”) setting. See the Company’s news releases dated January 19, 2017 and August 1, 2017 for full details.

### Ginger Ridge East Zone

Subsequent to the completion of the late 2016 Phase 2 drilling at Ginger Ridge, the Company shifted its exploration focus to the Ginger Ridge East zone, located approximately 1.0 km east of the main Ginger Ridge zone. The East Zone emerged as a prospective target following the announcement of GoldQuest Mining’s Cachimbo discovery which identified a new gold-rich polymetallic discovery approximately 3.0km northwest of Ginger Ridge East. The East Zone’s multi-element soil anomaly (gold, lead, zinc, copper, arsenic, antimony, plus other elements) strikes approximately 1 kilometre in a northwest direction and is coincident with induced polarization gradient geophysical anomalies of elevated resistivity and moderate chargeability. Trench sampling within the anomaly returned consistent gold, lead, zinc, and copper mineralization over substantial lengths at all six trench locations.

The mid-2017 first phase of drilling at the East Zone consisted of 8 shallow drill holes totalling 812 metres. Highlight core sampling results include mineralized drill intercepts yielding 10.47m of 0.83 g/t gold, and 0.20% zinc (hole EA17-03) and 3.04m of 2.1% zinc and 0.2% copper, including 1.50m of 3.18% zinc and 0.4% copper (hole EA17-06). Subsequent to the completion of the 2017 drill program, results were received for the expanded continuous chip sampling of the Zone’s Trench 6; including highlight values of 22.0m of 1.79 g/t gold, including 8.0m of 3.52 g/t gold (see August 09, 2017 news release). Several immediate follow up targets, including a sizable untested area in and around the newly expanded Trench 6, are the anticipated focus of follow up drilling.

### Southeast Zone

The Company’s continuous rock chip channel sample results from Trench 7 at the high-grade copper showing at the Southeast Zone, located approximately 6 kilometres southeast of the Ginger Ridge Zone, has yielded a highlight interval of 3.0m of 2.78% copper within 8.0m of 1.28% copper, within a broader 18.0m of 0.70% copper. Surface rock grab samples collected up to 60 metres to the southwest report copper values up to 0.76%. In late 2017, crews conducted an extensive soil sampling and X-ray fluorescence (“XRF”) scanning survey over the Southeast Zone (and multiple other zones within the project). Results from the latest soil sampling survey have strengthened the anomalous base metal component of this zone. The Southeast copper showing is located within a northwest trending, 650m by 125m multi-element soil anomaly which is currently open in all directions, except to the southeast. The zone is underlain by mixed andesitic and dacitic volcanic rocks with moderate high and locally variable IP chargeability and resistivity geophysical anomalies and a magnetic low signature. See the Company’s news release dated September 19, 2017.

## Other Zones

The Company has carried out property wide exploration on targets derived from the integrated Precipitate and GoldQuest Mining Corp. database and respective field work. Crews have focused on areas which evidence compelling gold, copper, lead and zinc values identified in soil or rock grab samples gathered in areas underlain by magnetic and induced polarization anomalies, all within the favoured Tiroo formation volcanic rock units. The most recent work included a near property-wide soil sampling and XRF scanning survey throughout the project. Crews collected over 17,000 individual soil samples on 25 metre by 50 metre spacings. Over 14,000 of the soil samples were scanned by the Company using a portable XRF unit for indications of various base metal and pathfinder elements.

To-date, the full scope of JDH property exploration work has successfully identified multiple combined geological, geophysical, and geochemical anomalous areas which require modest additional work to refine and prioritize future drill targets. These additional early-stage zones include the Southeast, Jengibre South, Peak and Melchor areas, as well as several other un-named anomalous zones in the northern part of the project. These new target areas are part of an expanding and developing prospective regional mineral trend that cuts through several portions of Precipitate and GoldQuest Mining Corp's Tiroo Gold Camp landholdings.

### **c) Ponton Project, Dominican Republic**

The Ponton Property was acquired 100% as part of the October 24, 2018 purchase-sale agreement with Everton Resources Inc., which subsequently closed on January 15, 2019 (see Pueblo Grande Property above).

### **d) Reef Property, Yukon**

On February 9, 2017 the Company entered into a mineral Property Option Agreement (the "Agreement") with Golden Predator Mining Corp. ("Golden Predator") pursuant to which Golden Predator had the right to acquire Precipitate Gold's 100% interest in the claims comprising the Reef property. The Reef claims are located immediately adjacent to the northern boundary of Golden Predator's 3 Aces Project. In the period ending August 31, 2019, Golden Predator completed the Agreement's payment obligations and acquired a 100% interest in the claims comprising the Reef property.

Golden Predator completed staged cash payments, and issuances of common shares and warrants as follows:

- a) Cash payments totalling \$600,000:
  - \$400,000 on February 9, 2017
  - \$150,000 on February 9, 2018
  - \$50,000 on or before July 25, 2019
- b) Common shares of Golden Predator:
  - 100,000 common shares on February 9, 2017
  - 100,000 common shares on February 9, 2018
  - 950,000 common shares on April 1, 2019
- c) Warrants of Golden Predator:
  - 100,000 warrants on February 9, 2017 at an exercise price of \$1.59 per share with a 3 year term
  - 100,000 warrants on February 9, 2018 at an exercise price of \$2.00 per share with a 3 year term

- 450,000 warrants on April 1, 2019 at an exercise price of \$0.40 per share with a 4 year term

Golden Predator grants the Company a 2% net smelter return (“NSR”) royalty on the claims that are not subject to a pre-existing royalty, and a 1% NSR royalty on claims that are subject to a pre-existing royalty. Golden Predator may purchase 25% of the Company’s NSR royalty at any time for \$1,000,000 and an additional 25% of the Company’s NSR royalty at any time for \$1,500,000.

In addition, if Golden Predator at any time elects to abandon any one or more of the claims, Golden Predator must provide Precipitate 30 days advance written notice of its intention to abandon the claims. Upon receipt of such notice Precipitate may, within 30 days of receipt of notice, request assignment of such claims and Golden Predator will re-transfer such title to Precipitate at Golden Predator’s expense. For greater certainty, any NSR Royalty payable by Golden Predator to Precipitate with respect to such abandoned claims will be void and no longer payable.

**e) Island Zinc Property, British Columbia**

On April 18, 2017, the Company entered into an Option Agreement to earn a 100% interest in the Island Zinc Property. On April 16, 2018, the Company terminated the agreement. As a result, the Company wrote off \$10,000 of mineral property interests as at November 30, 2018.

**OPERATIONS UPDATE**

The Company’s current exploration work is focussed on its Pueblo Grande property in the Dominican Republic.

***Qualified Person***

The technical information regarding the Company’s mineral property contained in this MD&A has been reviewed by Michael Moore (P. Geo.). Mr. Moore is a Qualified Person (“QP”) as defined in the “Canadian Institute of Mining, Metallurgy and Petroleum, CIM standards on Mineral Resources and Reserves” and NI 43-101.

**PLAN OF OPERATIONS AND FUNDING**

The Company’s plan of operations for the next twelve months is as follows:

- Pueblo Grande Project: Follow up exploration work has included surface geochemical sampling, geological mapping, ground magnetic surveying, and a detailed desktop data review, resulting in the identification of eight prioritized drill test target areas located within the Loma Cuaba lithocap alteration zone, west of the Pueblo Viejo mine site. A proposed initial phase of drill testing is expected to commence in the coming months, following the anticipated closing of an equity financing. Additional surface sampling and prospecting is planned for the northern and eastern portions of the Pueblo Grande property to refine additional future drill targets for subsequent programs.
- Juan de Herrera Project: Modest scale follow up exploration work includes a combination of surface geological mapping and selective sampling, particularly focused on lesser known peripheral anomalous areas on trend with the higher priority Ginger Ridge East, Southeast and Peak zones;
- Continue the evaluation and assessment of other prospective mineral exploration projects in geologically and geopolitically attractive jurisdictions, as opportunities are presented to the Company; and

- Monitor and evaluate the capital markets for possible equity financing opportunities attainable under favourable terms to fund the Company's on-going operations and exploration activities.

## SUMMARY OF QUARTERLY RESULTS

The following is a summary of the Company's quarterly results for the last eight quarters:

	Aug 31, 2019	May 31, 2019	Feb 28, 2019	Nov 30, 2018	Aug 31, 2018	May 31, 2018	Feb 28, 2018	Nov 30, 2017
Expenses	\$138,578	\$299,915	\$234,592	\$482,993	\$152,405	\$213,245	\$267,896	\$373,105
Loss/ (income) for the period	(\$124,960)	\$88,325	\$230,620	\$484,555	\$167,788	\$261,908	\$26,633	\$398,602
Weighted average shares outstanding	82,692,575	82,692,575	79,114,797	75,692,575	75,692,575	75,692,575	75,692,575	75,637,780
Loss per share	\$0.00	\$0.00	\$0.00	\$0.01	\$0.01	\$0.00	\$0.00	\$0.01
Mineral property acquisition costs	-	-	\$900,000	\$5,278	-	-	-	-
Mineral property write-off	-	-	-	-	-	-	(\$10,000)	-
Mineral property exploration costs	\$56,254	\$188,225	\$140,552	\$112,479	\$33,777	\$96,414	\$176,361	\$259,482

The Company's operating losses are due to mineral exploration, share-based compensation and general and administrative expenses, such as audit and accounting fees, marketing, conferences and shareholder relations costs, salaries and wages, and office and administrative expenses incurred during the process of managing the Company's operations and to ensure regulatory compliance, and can vary from quarter to quarter based on planned exploration activities, resource constraints, and share-based compensation. The net loss in the three months ended May 31, 2019 and February 28, 2018 are significantly lower due to a gain on the sale of the Reef property. There was a net income in the three months ended August 31, 2019 due to a gain on the sale of investments and an unrealized gain on the fair value of investments in Golden Predator during the quarter.

## DISCLOSURE OF OUTSTANDING SHARE DATA

As of the date of this MD&A, the Company had 88,137,575 shares outstanding. The following table summarizes the maximum number of common shares outstanding as at August 31, 2019 and as of the date of this MD&A, if all outstanding options were converted to shares:

	August 31, 2019	As of the date of this MD&A
Common shares	82,692,575	82,692,575
Options to purchase common shares	5,445,000	5,445,000
	88,137,575	88,137,575

## RESULTS OF OPERATIONS

### **Nine months ended August 31, 2019 (“2019 period”) compared to the nine months ended August 31, 2018 (“2018 period”)**

The loss for the 2019 period was \$193,985 compared to \$456,329 for the nine months ended August 31, 2018. The decrease in the net loss in the 2019 period is mainly due to an increase in gain on sale of mineral property interests, a gain on sale of investments, and an unrealized gain on investments, offset by an increase in exploration and evaluation costs. Major variances are explained as follows:

- Exploration and evaluation costs of \$385,031 were incurred on the Company’s properties in the Dominican Republic during the 2019 period compared to \$306,552 in the 2018 period due to the fact that there were more exploration activities in the 2019 period compared with the 2018 period;
- During the 2019 period, the gain on sale of mineral property interests was \$327,500 compared to \$241,000 in the 2018 period. The gain on sale of mineral property interests during the 2019 period consists of 950,000 common shares valued at \$218,500, 450,000 share purchase warrants valued at \$59,000, and \$50,000 of cash received from Golden Predator as consideration for completion of the option agreement relating to the Reef property. The gain on sale of mineral property interests during the 2018 period consists of a \$150,000 cash payment, 100,000 common shares valued at \$66,000 and 100,000 share purchase warrants valued at \$25,000 received from Golden Predator as part of the option agreement relating to the Reef property;
- During the 2019 period, the Company recorded a gain on the sale of investments of \$99,934 as compared to a loss of \$24,684 in the 2018 period. The gain on the sale of investments in the 2019 period was due to an increase in share price of Golden Predator at date of sale as compared to the share price as the acquisition date during the period whereas there was a decrease in the share price of Golden Predator in the 2018 period; and
- During the 2019 period, an unrealized gain on investments of \$48,000 was recorded to reflect the increase in the value of the shares and warrants received from Golden Predator as part of the option agreement for the Reef property, compared to an unrealized loss of \$42,000 in the 2018 period. The gain was due to the increase in the share price of Golden Predator.

### **Three months ended August 31, 2019 (“Q3 2019”) compared to the three months ended August 31, 2018 (“Q3 2018”)**

The net income for the quarter ended August 31, 2019 was \$124,960 compared to a loss of \$167,788 for the quarter ended August 31, 2018. The increase from a net loss in Q3 2018 to a net income Q3 2019 is mainly due to a decrease in property investigation costs, an increase in the gain on sale of mineral property interests, a gain on the sale of investments, and an unrealized gain on investments, offset by an increase in exploration and evaluation costs. Major variances are explained as follows:

- Exploration and evaluation costs of \$56,254 were incurred on the Company’s properties in the Dominican Republic during Q3 2019 compared to \$33,777 in Q3 2018. The increase in costs was due to the fact that there were more exploration activities, such as geological consulting, assays, maps, orthophotos, and reports in Q3 2019 compared with Q3 2018;
- Property investigation costs of \$Nil were incurred during Q3 2019 compared to \$37,125 in Q3 2018. The decrease in property investigation costs was due to more time spent by management in the 2018 period to search for potential projects;
- During Q3 2019, the gain on sale of mineral property interests was \$50,000 compared to \$Nil in Q3 2018. The gain on sale of mineral property interests during Q3 2019 consists of \$50,000

from an option payment received from Golden Predator as part of the option agreement relating to the Reef property;

- During Q3 2019, the Company recorded a gain on the sale of investments of \$99,934 as compared to a loss of \$24,684 in Q3 2018. The gain in the sale of investments in Q3 2019 was due to an increase in the share price of Golden Predator during the quarter, whereas there was a decrease in the share price of Golden Predator in the 2018 quarter; and
- During Q3 2019, an unrealized gain on investments of \$113,000 was recorded to reflect the increase in the value of the shares and warrants received from Golden Predator as part of the option agreement for the Reef property, compared to an unrealized gain of \$5,000 in Q3 2018. The increase in unrealized gain on investments was due to the increase in the share price of Golden Predator.

## **LIQUIDITY AND CAPITAL RESOURCES**

The Company generates cash through financing activities and the sale of mineral property interests and investments. During the nine months ended August 31, 2019, the Company did not engage in any financing activities. During the same period, the Company paid \$25,000 of cash option payments for the Pueblo Grande property, received \$50,000 of cash option payment from Golden Predator and received \$318,434 from the sale of common shares of Golden Predator. As at August 31, 2019 the Company had cash of \$456,634 and working capital of \$574,060.

The Company's working capital is being used to fund, among other things, exploration of the Pueblo Grande and Juan de Herrera properties in the Dominican Republic, evaluation of potential new properties, and general corporate expenses of the Company. The Company expects to spend approximately \$1,400,000 during the next fiscal year on exploration and evaluation costs, and property investigation.

## **SUBSEQUENT EVENT**

Subsequent to August 31, 2019, the Company announced a proposed private placement of up to 11,538,462 units at \$0.13 per unit for gross proceeds of up to \$1,500,000.

## **GOING CONCERN**

The recoverability of amounts shown as mineral property interests is dependent upon the discovery of economically recoverable reserves, the Company's ability to obtain financing to develop the properties and the ultimate realization of profits through future production or sale of the properties. Realized values may be substantially different than carrying values as recorded in these financial statements.

The Company's consolidated financial statements have been prepared on a going concern basis which assumes that the Company will be able to continue its operation as a going concern for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. At August 31, 2019, the Company had not achieved profitable operations and had an accumulated deficit. The Company's consolidated interim financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern.

Although the Company has been successful in the past in obtaining financing, there can be no assurances that the Company will continue to obtain the additional financial resources necessary and/or achieve profitability or positive cash flows from its future operations. If the Company is unable to obtain adequate additional financing, the Company would be required to curtail its planned operations, exploration and development activities. These financial statements do not include adjustments that would be necessary should the Company be unable to continue as a going concern, and such adjustments could be material.



## TRANSACTIONS WITH RELATED PARTIES

Key management personnel consist of directors, former directors and senior management, including the President, Chief Executive Officer, Vice President of Exploration and Chief Financial Officer. Key management personnel compensation includes:

Name of related party	Nature of transactions	Nine months ended	
		August 31, 2019	August 31, 2018
Jeffrey Wilson	Salaries and wages	\$ 116,250	\$116,250
Michael Moore	Geological consulting	74,200	120,900
Michael Moore	Property investigation	4,800	-
CDM Capital Partners	Accounting, office and administration services	36,000	36,000
VC Consulting Corp.	Accounting services	13,500	13,500
Total		\$ 244,750	\$ 286,650

The accounts payable and accrued liabilities of the Company as at August 31, 2019 and as at November 30, 2018 include the following amounts due to related parties:

	August 31, 2019	November 30, 2018
Key management personnel	\$ 2,725	\$ 4,725

## RISK AND UNCERTAINTIES

Readers of this interim MD&A are encourage to read the "Risk and Uncertainties" section of the Company's Annual MD&A dated April 1, 2019 under the Company's SEDAR profile on [www.sedar.com](http://www.sedar.com). Important risk factors to consider among others are:

- Competitive industry
- Exploration risks
- Foreign countries ad political risks
- Fluctuating metal and share prices
- Ability to continue as a going concern

## FORWARD-LOOKING STATEMENTS

Certain statements contained in this MD&A may constitute forward-looking statements. These statements relate to future events or the Company's future performance. All statements, other than statements of historical fact, may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "propose", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes that the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this MD&A should not be unduly relied upon by investors as actual results may vary. These statements speak only as of the date of this MD&A and are expressly qualified, in their entirety, by this cautionary statement.

In particular, this MD&A contains forward-looking statements, pertaining to the following: capital expenditure programs, development of resources, treatment under governmental regulatory and taxation

regimes, expectations regarding the Company's ability to raise capital, expenditures to be made by the Company to meet certain work commitments, and work plans to be conducted by the Company.

With respect to forward-looking statements listed above and contained in this MD&A, the Company has made assumptions regarding, among other things: the legislative and regulatory environment, the impact of increasing competition, unpredictable changes to the market prices for minerals, that costs related to development of mineral properties will remain consistent with historical experiences, anticipated results of exploration activities, and the Company's ability to obtain additional financing on satisfactory terms.

The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth in this MD&A: volatility in the market prices of minerals, uncertainties associated with estimating resources, geological problems, technical problems, exploration problems, processing problems, liabilities and risks including environmental liabilities and risks inherent in the exploration and mining, fluctuations in currency and interest rates, incorrect assessments of the value of acquisitions, unanticipated results of exploration activities, competition for capital, competition for acquisitions of reserves, competition for undeveloped lands, competition for skilled personnel, political risks and unpredictable weather conditions.

#### **ADDITIONAL INFORMATION**

For further detail, see the Company's financial statements for the three and nine months ended August 31, 2019 and 2018. Additional information about the Company can also be found on [www.sedar.com](http://www.sedar.com).

## **CORPORATE DIRECTORY**

### **Head Office**

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### **Officers and Directors**

Jeffrey Wilson (Chief Executive Officer and President)  
Michael Moore (Vice President, Exploration)  
Vivien Chuang (Chief Financial Officer)  
Adrian Fleming (Chairman of the Board, and Director)  
Lon Shaver (Director)  
Quinton Hennigh (Director)  
Alistair Waddell (Director)

### **Members of the Audit Committee**

Lon Shaver (Chair)  
Adrian Fleming  
Jeffrey Wilson

### **Members of the Compensation Committee**

Adrian Fleming (Chair)  
Alistair Waddell  
Lon Shaver

### **Legal Counsel**

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### **Auditors**

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### **Transfer Agent**

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