



**MANAGEMENT’S DISCUSSION AND ANALYSIS**  
**OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2022**

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**Date of Report: November 28, 2022**

This Management’s Discussion and Analysis (“MD&A”) of the financial condition of GGX Gold Corp (*formerly Revolver Resources Inc.*) (“GGX” or the “Company”) and results of operations of the Company, should be read in conjunction with the unaudited interim financial statements including the notes thereto for the three months ended September 30, 2022 and the audited financial statements including the notes thereto for the year ended June 30, 2022. The financial statements together with this MD&A are intended to provide investors with a reasonable basis for assessing the financial performance of the Company. These financial statements have been prepared using accounting policies consistent with IFRS as issued by the International Accounting Standards Board (“IASB”). The Company’s accounting policies are described in Note 3 of the Annual Financial Statements for the year ended June 30, 2022.

The Financial Statements, together with the MD&A, are intended to provide investors with a reasonable basis for assessing the performance and potential future performance of the Company and are not necessarily indicative of the results that may be expected in future periods. The information in the MD&A may contain forward-looking statements, and the Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance, as they are subject to significant risks and uncertainties that may cause projected results or events to differ materially from actual results or events

All monetary amounts are in Canadian dollars unless otherwise specified. Additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com).

**Description of Business**

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GGX Gold Corp. (*formerly Revolver Resources Inc.*) (the “Company”) was incorporated on May 10, 2007 under the British Columbia Business Corporations Act. The Company is a junior mineral exploration company engaged in the business of acquiring, exploring and evaluating natural resource properties. The Company is currently focusing its financial resources on conducting an exploration program in British Columbia.

The Company is a reporting issuer in British Columbia and Alberta and its shares are listed on the TSX Venture Exchange under the symbol GGX.V.

The Company has incurred losses since its inception and had an accumulated deficit of \$12,752,755 as at September 30, 2022 which has been funded primarily by the issuance of shares. The level of the Company’s future operations will be determined by the availability of capital resources, which will be derived from the issuance of special warrants and future financings. In addition, the Company has no source of operating cash flows and expects to incur further losses in the exploration and development of its mineral properties.

**Overall Performance**

The Company is currently focused on its recent acquisition of the Gold Drop Project and is actively pursuing other precious metal assets particularly in the province of British Columbia.



## **Shares Issued**

There were not shares issued during the period ended September 30, 2022.

## **Reclamation Bond**

The Company posted a non-interest-bearing reclamation bond in August 2019 against any potential land restoration costs that may be incurred in the future on its mineral properties. The funds are held in trust and may be released after any required reclamation is satisfactorily completed.

As at September 30, 2022 (June 30, 2022 - \$21,500), the amount on deposit is \$21,500 with respect to the Gold Drop Property.

## **Investments**

The Company classifies its investments in shares of private companies as FVTPL. They are carried at cost as they do not have a quoted price in an active market and their fair value cannot be reliably measured.

### **a) The J2 Syndicate**

In July 2017, the Company acquired a 9% interest in the private J2 Syndicate (the “Syndicate”) for a cash payment of \$225,000. The Syndicate was formed to pool resources amongst its members, with the objective of identifying and exploring mineral properties in northwestern British Columbia and marketing any resulting property interest with the intention to option or sell the property interests.

During the year ended June 30, 2017, the Company received \$27,000 and 891,000 units of Goliath Resources Inc with a fair value of \$89,100 for the option of four of Syndicate mineral properties. This Syndicate distribution represented the Company’s 9% share of the option payments and was recorded as a credit against the cost of the Syndicate investment.

In fiscal 2018, the Company received a disbursement of \$54,000 from the Syndicate, along with 1,476,000 shares of Juggernaut Exploration Ltd. (formerly Ardonblue Ventures Inc.), with a value of \$221,400. The Company recorded a gain on investments of \$269,055 for the year ended June 30, 2018.

During the year ended June 30, 2020, the Company received 73,800 Juggernaut shares with a fair market value of \$12,546 for the option of two properties. This Syndicate distribution represented the Company’s 9% share of the option payments and was recorded as a credit to investment income. The Company recorded a loss on sale of marketable securities of \$20,216 for the year ended June 30, 2020.

During the year ended June 30, 2021, the Company received 306,000 Juggernaut shares with a fair market value of \$48,960 and 306,000 warrants valued at \$30,305 for the option of two properties. This Syndicate distribution represented the Company’s 9% share of the option payments and was recorded as a credit to investment income. For the year ended June 30, 2021, the Company recorded a gain on sale of marketable securities of \$170,462. Based on 306,000 warrants held by the Company as at June 30, 2021, the warrants were revalued to fair market value at \$64,060 (2020 – \$Nil) using the Black-Scholes option pricing model.

During the year ended June 30, 2022, the Company revalued the 306,000 warrants held to market value at \$21,214 (2021 – \$64,060) using the Black-Scholes option pricing model.

During the period ended September 30, 2022, the Company revalued the 306,000 warrants held to market value at \$20,201 (June 30, 2022 - \$21,214) using the Black-Scholes option pricing model.

### **b) Goliath Resources Limited**

The Company’s investment in Goliath Resources Inc (“Goliath Inc”) consisted of 891,000 common shares with a value of \$45,090 and 891,000 warrants with a value of \$44,010. Goliath Inc was a private junior exploration company in British Columbia and was acquired by Bitumen Capital Inc. (“Bitumen”), with the resulting entity being Goliath Resources Limited (“Goliath”), a public company listed on the TSX-V.

These shares and warrants were received as a result of 891,000 units of Goliath Inc being distributed from the Syndicate during the year ended June 30, 2017. The value of the units was determined to be \$0.10 per unit based on the most recent private placement subscription price of Goliath Inc’s units on the date the units were issued. The



unit value was first allocated to the attached warrants using the Black-Scholes option pricing model, and the balance was allocated to the shares.

On October 17, 2017, Goliath completed the reverse take-over and the Company received 1,376,550 common shares with a value of \$0.10 per unit and 1,376,550 warrants with a value of \$0.10 per unit. The 1,376,550 common shares and warrants are in replacement of 891,000 common shares and warrants subject to value escrow, released over 36 months, every six months in release of 10% and 15% thereafter.

For the year ended June 30, 2020, based on 793,450 warrants held by the Company, the warrants were fair valued at \$166,070 (2019 – NIL) using the Black-Scholes option pricing model.

On May 5, 2020, the Company received 351,000 Goliath shares with a fair value of \$49,140 as part of an amended agreement. As part of the same issuance, the Company received 351,000 warrants in the year ended June 30, 2021, valued at \$66,828 using the Black-Scholes option pricing model. This Syndicate distribution represented the Company’s 9% share of the option payments and was recorded as a credit to investment income. The shares are recorded in Marketable Securities. The warrants are recorded in Investments.

In January 2021, the Company received 117,000 Goliath shares with a fair value of \$49,140 as part of an amended agreement. As part of the same issuance, the Company received 117,000 warrants in the year ended June 30, 2021, valued at \$46,336 using the Black-Scholes option pricing model. This Syndicate distribution represented the Company’s 9% share of the option payments and was recorded as a credit to investment income. The shares are recorded in Marketable Securities. The warrants are recorded in Investments.

During the year ended June 30, 2021, the warrants received in the year were exercised, and the Company recorded a loss on derecognition of investments in warrants in the amount of \$115,164. Based on 793,450 warrants held by the Company as at June 30, 2021, the warrants were revalued to fair market value at \$540,420 (2020 - \$166,070) using the Black-Scholes option pricing model.

In July 2021, the 793,450 warrants held were exchanged for 52,897 Goliath warrants as a result of a share consolidation at 15:1. The Company recorded a loss on derecognition of investment in warrants in the amount of \$525,932 using the Black-Scholes option pricing model.

In April 2022, the 52,897 Goliath warrants expired.

**Marketable Securities**

Marketable securities consist of a portfolio of investments held for trading. The fair value of the marketable securities has been determined directly by reference to public price quotations in an active market. These marketable securities are comprised of common shares of publicly traded companies and are classified as fair value through profit or loss and measured at fair value with unrealized gains and losses recognized through the consolidated statement of operations.

	September 30, 2022	June 30, 2022
	\$	\$
Opening Balance	2,645	36,320
Marketable Securities Sold at Cost	(2,645)	(30,340)
Adjust Marketable Securities to Fair Market Value	-	(3,335)
	-	2,645



**Mineral Property**

**Gold Drop, British Columbia, Canada**

On June 21, 2016, the Company entered into an option agreement with Ximen Mining Corp. (“Ximen”), a company with a common director and a common officer, to acquire a 100% interest in the Gold Drop Property located about nine kilometers northeast from Greenwood, British Columbia, in the Greenwood Gold Mining district. Pursuant to the option payments, the Company is required to make cash payments, issue shares, and meet exploration expenditure requirement as follows:

**Cash Payments**

	\$
On Execution of the Agreement (Paid)	50,000
Upon TSX-V approval on July 26, 2016 (Paid)	50,000
On or Before July 26, 2017 (Paid)	100,000
On or Before July 26, 2018 (Equivalent Value in Stock Issued)	100,000
On or Before July 26, 2019 (Paid)	100,000
	400,000

**Share Issuances**

Pursuant to the option agreement, the Company issued 333,333 common shares with a fair value of \$200,000 on July 27, 2016, following TSX Venture approval. In July 2017 and March 2018, the Company issued, respectively, 250,000 common shares with a fair value of \$150,000, and 833,333 common shares with a fair value of \$250,000. The Company is required to issue additional common shares with a value of \$150,000 on or before July 26, 2019. On August 21, 2019, the Company issued 600,000 common shares with a fair value of \$159,000.

**Exploration Expenditures**

Work commitments of \$1,000,000 are required to be performed on or before July 26, 2019, but not less than \$150,000 per year on or before July 26, 2017, July 26, 2018, and July 26, 2019.

The option agreement was completed in the year ended June 30, 2020. The Company has earned a 100% interest in the Gold Drop Property.

Ximen will retain a 2.5% net smelter return royalty (the “NSR Royalty”) which the Company may buy down 1% of the NSR Royalty by paying \$1,000,000.

Since acquiring the Gold Drop Property in 2016, the Company has conducted prospecting, rock / soil geochemical sampling, trenching and diamond drilling. The work has been focused in the Gold Drop Southwest Zone in the area of the COD and Everest gold and silver bearing quartz veins. All diamond drilling was conducted in the area of these veins. This consisted of 31 holes (1,517 meters) in 2017 and 79 holes (5,222 meters) in 2018. The trenches exposed gold bearing quartz veins. Chip samples collected in 2017 across the approximate 0.4 meter wide Everest Vein exposure returned up to 52.8 grams per tonne (g/t) gold (Au) and 377 g/t silver (Ag) while a grab sample of a quartz vein boulder broken off the outcrop by the excavator returned 81.8 g/t gold and 630 g/t silver. Numerous drill holes in the area of the trenches intersected significant mineralization. Some of the higher grade gold drilling intersections include (core length):

- COD17-14: 4.59 g/t Au over 16.03 meters.
- COD18-3: 14.62 g/t Au over 2.1 meters
- COD18-26: 10.3 g/t Au over 1.4 meter recovered core (within 2.35 meter interval)
- COD18-28: 11.3 g/t Au over 0.51 meters
- COD18-33: 8.65 g/t Au over 2.98 meters
- COD18-34: 6.16 g/t Au over 3.41 meters
- COD18-37: 8.23 g/t Au over 3.95 meters
- COD18-45: 50.1 g/t Au over 2.05 meters
- COD18-46: 54.9 g/t Au over 1.47 meters
- COD18-49: 9.52 g/t Au over 1.47 meters
- COD18-54: 7.60 g/t Au over 1.66 meters



EVE18-5: 10.55 g/t Au over 0.45 meters  
EVE18-12: 12.45 g/t Au over 0.85 meters

Prospecting during 2018 in the east region of the property yielded significant results including 297 g/t gold and 1290 g/t silver in a sample of quartz from a dump pile from what is believed to be the southern Silent Friend showing. Samples from a mineshaft dump pile north of this exposure returned 6.98 g/t gold and 38.6 g/t silver. A sample collected from a mineshaft speculated to be the Ken mineshaft returned 4.47 g/t gold and 23.0 g/t tonne silver.

**Results of Operations**

Net Gain/Loss and Operating Expenses

During the period ended September 30, 2022, the Company reported a net loss of \$147,385 compared to a loss of \$951,135 for the same period in the prior year. The Company recorded considerably lower expenses for the period, in comparison to the prior year, due to a lack of exploration and acquisition expenditures and large ‘Other Item’ losses recorded in 2021. A non-cash expense was recorded as a derecognition of investments (\$519,882) as well as unrealized losses on investments (\$33,560) in 2021. The Derecognition was as a result of the 15:1 consolidation of Goliath warrants held by the Company (see investments above). Operating expenditures were otherwise consistent between the periods ended September 30, 2022, and 2021. Although the Company had little exploration activity in the current period, the Company continues to advance the Gold Drop Property and search for new mineral properties.

Administrative and General Expenses

	Three Months Ended	
	September 30,	
	2022	2021
	\$	\$
Operating Expenses		
Advertising and Marketing	45,000	49,221
Consulting	1,500	-
Depreciation	1,387	1,387
Exploration and Acquisition Costs	194	256,926
Management and Administrative Fees	63,500	64,500
Office and Miscellaneous	1,696	3,116
Professional Fees	9,000	9,000
Rent	10,500	10,500
Transfer Agent and Regulatory Fees (Recovery)	(815)	3,923
	(146,717)	(398,573)
Gain on Sale of Marketable Securities	345	1,110
Loss on Derecognition of Investments	-	(519,882)
Unrealized Loss on Investments	(1,013)	(33,560)
Adjust Marketable Securities to Fair Value	-	(230)
	(147,385)	(951,135)
<b>Net Loss of the Period</b>	<b>(147,385)</b>	<b>(951,135)</b>

For the Period Ended September 30, 2022:

- Advertising and Marketing of \$45,000 (2021 - \$49,221) comprise of advertising fees.
- Consulting fees of \$1,500 (2021 – \$Nil) was paid to various consultants for strategic planning, as well as corporate financing and project evaluation.
- Management and administrative fees of \$63,500 (2021 – \$64,500) paid to companies for general administrative services, overseeing regulatory filings requirement, accounting fees and secretarial services.
- Office and miscellaneous of \$1,696 (2021 – \$3,116) included telephone, printing, shareholder costs, miscellaneous office expenses, interest and bank charges and foreign exchange. The Company also had an office rental expense of \$10,500 (2021 - \$10,500).



- The Company incurred \$194 (2021 – \$256,926) of exploration expenditures and acquisition costs on the company’s Gold Drop Property. *Exploration and Evaluation Expenditures see above.*
- Professional fees of \$9,000 (2021 – \$9,000) comprise of legal and audit accruals.
- Transfer agent and regulatory fees of (\$815), a recovery due to an invoice adjustment (2021 – \$3,923) consisted of fees paid to regulatory bodies in Canada and the Company’s transfer agent.

**Summary of Quarterly Reports**

Results for the most recent quarters ending with the last quarter for the period ended September 30, 2022:

	September 30, 2022 \$	Three Months Ended		December 31, 2021 \$
		June 30, 2022 \$	March 31, 2022 \$	
Revenue	Nil	Nil	Nil	Nil
Net Income (Loss)	(147,385)	(87,780)	(205,928)	(197,126)
Basic and diluted loss per share	(0.00)	0.00	(0.00)	(0.03)

	September 30, 2021 \$	Three Months Ended		December 31, 2020 \$
		June 30, 2021 \$	March 31, 2021 \$	
Revenue	Nil	Nil	Nil	Nil
Net Income (Loss)	(951,135)	115,397	253,269	(843,890)
Basic and diluted loss per share	(0.03)	0.00	(0.00)	(0.03)

Mineral exploration is typically a seasonal business, and accordingly, the Company’s operating expenses, and cash requirements will fluctuate depending upon the season and the level of activity. The Company’s primary source of funding is through the issuance of share capital. When the capital markets are depressed, the Company’s activity level normally declines accordingly. As capital markets strengthen and the Company can secure equity financing with favorable terms, the Company’s activity levels and the size and scope of planned exploration projects will typically increase.

**Liquidity and Capital Resources**

At September 30, 2022, the Company had cash of \$431 and working capital deficit of \$1,283,425.

	September 30, 2022 \$	June 30, 2022 \$
Total Assets	56,250	70,768
Total Liabilities	1,284,758	1,439,891
Shareholders’ Deficiency	1,228,508	1,369,123
Working Capital Deficiency	1,283,425	1,426,440

The Company does not generate enough cash flow from operations to fund its exploration activities, its acquisitions and its administration costs. The Company is reliant on equity financing to provide the necessary cash to continue its operations.

	September 30, 2022 \$	September 30, 2021 \$
Cash Used in Operating Activities	(321,342)	(36,053)
Cash Used in Investing Activities	2,990	31,450
Cash Provided by Financing Activities	315,700	-
Change in Cash	<u>(2,652)</u>	<u>(4,603)</u>

### **Transactions with Related Parties**

At the Report Date, key management consists of Barry Brown (CEO and Chairman of the Board), Nicolette Keith (CFO), Quinn Field-Dyte, Scott Kent and Stu Hughes (independent, Directors of the Company).

#### **a) Related Party Balances**

Amounts owed to related parties are non-interest bearing, unsecured, and have no specified terms of repayment.

	September 30, 2022 \$	June 30, 2022 \$
Due to a company with a common director and an officer for exploration expenditures and other expenses	<u>89,082</u>	<u>89,082</u>

#### **b) Compensation of Key Management Personnel**

	September 30, 2022	September 30, 2021
Management and Administrative Fees (i)	<u>5,000</u>	<u>6,000</u>
	<u>6,000</u>	<u>6,000</u>

- i) During the period ended September 30, 2022 the Company incurred management and administrative fees of \$5,000 (2021 – \$6,000) to directors and officers (\$5,000 - Barry Brown and \$1,000 – Quinn Field-Dyte ).

### **Off Balance Sheet Agreements**

The Company has not entered into any material off-balance sheet arrangements such as guarantee contracts, contingent interests in assets transferred to unconsolidated entities, derivative instrument obligations, or with respect to any obligations under a variable interest entity arrangement.

### **Changes in Accounting Policies and Accounting Pronouncements**

In preparing these interim financial statements as at September 30, 2022, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements for the year ended June 30, 2022.

### **Critical Accounting Policies and Estimates**

The details of GGX's accounting policies are presented in Note 3 of the financial statements ended June 30, 2022. These policies are considered by management to be essential to understanding the processes and reasoning that go into the preparation of the Company's financial statements and the uncertainties that could have a bearing on its financial results.

## **Financial Instruments and Risk Management**

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

The carrying values of cash and accounts payable and accrued liabilities approximate their fair values because of the short-term nature of these financial instruments.

*The Company's financial instruments are exposed to the following financial risks:*

### *Liquidity Risk*

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

As at September 30, 2022, the Company had a cash balance of \$431 to settle current liabilities of \$1,284,758. Management expects to fund those liabilities through the issuance of common shares and loans from related parties over the coming year. There can be no assurance that the Company will be successful with generating and maintaining profitable operations or will be able to secure future debt or equity financing for its working capital and exploration activities.

### *Credit Risk*

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash. Management believes that its credit risk is not significant.

### *Interest Rate Risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's amounts due to related parties are non-interest bearing, and as such, the Company is not exposed to significant interest rate risk.

### *Foreign Currency Risk*

The Company is exposed to foreign currency risk on fluctuations related to cash and accounts payable and accrued liabilities that are denominated in U.S. Dollars. The Company's financial instruments denoted in U.S. Dollars are insignificant and any fluctuation in foreign currency exchange rates would have no significant impact.

### *Commodity Price Risk*

The Company is subject to price risk from fluctuations in the market prices of commodities as it relates to the possible underlying values of its commodity based mineral properties and the corresponding ability to raise funds for future operations. Management closely monitors commodity prices to determine the appropriate course of actions to be taken in its investing and financing activities. As the Company has not yet developed commercial mineral interests, it is not exposed to significant commodity price risk.

## **Capital Risk Management**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to support the acquisition, exploration, and development of its exploration and evaluation assets.

The Company manages its share capital as capital, which as at September 30, 2022, was \$10,903,618 (June 30, 2022 – \$10,903,618). The Company manages the capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may issue common shares or dispose of assets.

The Company does not have any externally imposed capital requirements to which it is subject. There were no changes in the Company's approach to capital management during the period ended September 30, 2022.

### **Risk and Uncertainties**

There are no significant changes relating to the risk factors since the filing of the annual MD&A of June 30, 2022.

### **Internal Control over Financial Reporting**

In connection with National Instrument ("NI") 52-109 (Certification of Disclosure in Issuer's Annual and Interim Filings) adopted in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the unaudited interim financial statements and the audited annual financial statements and respective accompanying Management's Discussion and Analysis. The Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

This MD&A, which contains certain forward-looking statements, are intended to provide readers with a reasonable basis for assessing the financial performance of the Company. All statements, other than statements of historical fact, are forward-looking statements. The words "believe", "expect", "anticipate", "contemplate", "target", "plan", "intends", "continue", "budget", "estimate", "may", "will", "schedule" and similar expressions identify forward looking statements. Forward looking statements are necessarily based upon several estimates and assumptions that, while considered reasonable by the Company, are inherently subject to significant business, economic and competitive uncertainties and contingencies.

### **Additional Information in relation to the Company**

Additional information relating to the Company is available:

- (a) On SEDAR at [www.sedar.com](http://www.sedar.com)
- (b) On the Company's website at [www.ggxgold.com](http://www.ggxgold.com)
- (c) In the Company's annual audited financial statements for the year ended June 30, 2022.

### **Outstanding Shares Data**

	Number	Exercise Price	Expiry Date
		\$	
Common Shares	34,678,731	n/a	n/a
Stock Options	166,667	0.30	April 25, 2024
Stock Options	1,000,000	0.22	August 30, 2024
Stock Options	400,000	0.22	July 10, 2025
Stock Options	175,000	0.16	July 10, 2025
Warrants	2,012,333	0.20	November 13, 2023
Warrants	2,050,581	0.2438	March 15, 2024
Agents' Warrants	4,667	0.20	November 13, 2023