GALWAY METALS INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE AND NINE MONTHS ENDED
SEPTEMBER 30, 2019

Introduction

The following management's discussion and analysis ("MD&A") of the financial condition and results of operations of Galway Metals Inc. ("Galway", "Galway Metals" or the "Company") constitutes management's review of the factors that affected the Company's financial and operating performance for the three and nine months ended September 30, 2019. This MD&A has been prepared in compliance with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the audited annual consolidated financial statements of the Company for the years ended December 31, 2018, as well as the unaudited interim consolidated financial statements for the three and nine months ended September 30, 2019, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. Information contained herein is presented as at November 29, 2019 unless otherwise indicated.

For the purposes of preparing this MD&A, management, in conjunction with the board of directors of the Company (the "Board of Directors" or "Board"), considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of Galway common shares; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) if it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity. Mr. Mike Sutton, P.Geo., Vice President of Exploration and a Director to the Company, is the "Qualified Person" under National Instrument 43-101, who has reviewed the technical information for the Clarence Stream project in this management discussion and analysis. In compliance with National Instrument 43-101, Kamil Khobzi, P. Eng., is the Qualified Person who supervised the preparation of the scientific and technical disclosure on behalf of Galway Metals Inc. for the Estrades project and is independent of Galway.

Description of Business

Galway Metals Inc. was incorporated pursuant to the Business Corporations Act (New Brunswick) on May 9, 2012 and continued to the Province of Ontario on July 21, 2015. Galway Metals' head office is located at 82 Richmond Street East, Toronto, Ontario M5C 1P1. Galway Metals was incorporated for the sole purpose of participating in the Plan of Arrangement (the "Arrangement") which closed December 20, 2012 involving Galway Metals, Galway Gold Inc., Galway Resources Ltd., AUX Acquisition 2 S.àr.l. ("AUX") and AUX Canada Acquisition 2 Inc., formerly 2346407 Ontario Inc. ("AUX Canada"), a wholly owned subsidiary of AUX. Prior to the close of the Arrangement Agreement, Galway Metals did not carry on any active business.

Under the Arrangement, AUX Canada acquired all of the common shares of Galway Resources not already owned by AUX Canada and its affiliates and pursuant to the Arrangement, Galway Resources shareholders received for each Galway common share: cash consideration of $2.05 per share, one common share of Galway Metals, and one common share in a new exploration and development company, Galway Gold Inc. Under the Arrangement, Galway Resources transferred to Galway Metals a 100% interest in Galway Resources' Victorio project, being a molybdenum-tungsten exploration project located in New Mexico (the "Victorio Project") and US$12 million. Upon completion of the Arrangement, Galway's existing security holders owned 100% of the Galway Metals shares outstanding, proportionate to their ownership of Galway Resources at the time the Arrangement was completed.

The Arrangement was completed by way of a statutory Plan of Arrangement under the Business Corporations Act (Ontario). The Arrangement was approved by Galway Resources' shareholders and warrant holders at a special meeting held on December 17, 2012. On January 4, 2013, the Company's common shares commenced trading on the TSX Venture Exchange under the symbol "GWM".

On July 27, 2015, the Company announced that it has been named as a defendant in a legal proceeding commenced by Vic Alboini in the Ontario Superior Court of Justice, Court File No.: CV-15-532630 (the "Alboini Claim"). The Alboini Claim seeks general damages for defamation in the amount of $2,000,000, punitive, aggravated and exemplary damages in the amount of $400,000, as well as certain other relief, regarding alleged libel in an amended management information circular dated May 12, 2015, and a press release issued on May 14, 2015. The statements in question were subsequently clarified in a press release issued on June 26, 2015, and a notice to shareholders mailed to shareholders on or about June 26, 2015, after receiving a libel notice from Mr. Alboini. Galway intends to vigorously defend this action. It is the position of Galway that there has been no libel and no damages, and the claimant has not advanced the claim since 2015.

On June 19, 2017, the Company announced that it had received a Notice of Action issued in the Ontario Superior Court of Justice, Court File No.: CV-17-577025 (the "Action") pursuant to which Jaguar Financial Corporation and Mr. Vic Alboini (collectively, the "Plaintiffs") have sued Galway, its directors and another shareholder (collectively, the "Defendants"). Pursuant to the Action, the Plaintiffs alleged that they were oppressed by the Defendants regarding certain matters relating to shareholder meetings held in 2015 at which nominees of Jaguar Financial Corporation were proposed for but did not obtain seats on the board of Galway. Plaintiffs also alleged that they "missed the opportunity of making a gain" due to Jaguar Financial Corporation's sale of shares of Galway before increases in the trading price of shares of Galway. The Plaintiffs are seeking damages in the amount of $2,700,000 and certain other relief. Galway believes that the Action has no merit and intends to defend the Action. Galway has notified its insurers on behalf of itself and its directors.

On June 8, 2018, the Company announced that it had completed a previously announced non-brokered private placement financing consisting of the sale of 11,263,891 Hard Dollar Units at a price of $0.23 per HD Unit and 2,624,998 Flow Through Shares at a price of $0.28 per FT Unit for total gross proceeds of $3,325,694.

Each HD Unit consisted of one (1) common share in the capital stock of Galway Metals and one-half (1/2) of one Share purchase warrant. Each whole Warrant entitles the holder to purchase one Share for a period of 24 months after closing at a price of $0.35. Each FT Unit consisted of one Share issued on a flow-through basis within the meaning of the *Income Tax Act* (Canada).

On June 13, 2018, Galway Metals granted 500,000 incentive stock options exercisable at C$0.23 per common share and expiring on June 13, 2028, to officers, directors, employees and consultants of the Company.

On October 11, 2018, the Company announced that Debbie G. Laney, P.Eng, has agreed to act as a technical advisor to the Company, assisting in guiding the advancement of Galway's high grade Estrades zinc-gold and Clarence Stream gold properties to optimize their full potential.

Mrs. Laney has over 30 years of experience as a Metallurgical Engineer in the United States and overseas covering all facets of the metallurgical/mining industry. Debbie has extensive knowledge of oxide, sulphide and refractory processing of gold, silver, copper, and polymetallic ores. She provides engineering and management oversight for field trials and pilot plant studies; develops detailed process designs for feasibility studies and provides data analyses for successful full-scale production plants. Debbie holds both Bachelor and Master of Science Degrees in Metallurgical Engineering from Montana Tech of the University of Montana and is a licensed Professional Engineer in Nevada and Arizona. She is a member of SME, CIM, MMSA, and CMP. She is on the advisory board for the Women's Mining Coalition and a member of the PE exam committee for SME. Throughout her career Debbie has worked for both small and large mining companies, chemical companies and research firms.

On November 5, 2018, Galway awarded 150,000 incentive stock options exercisable at C$0.175 per common share and expiring on November 5, 2028, to an officer of the Company. This grant of options is in compliance with terms of the Company's Stock Option Plan.

On December 21, 2018, Galway Metals completed a non-brokered private placement of $3,367,090. The Offering consisted of the sale of: (i) 2,826,086 Québec flow-through shares at a price of $0.23 per QC FT Share; (ii) 5,600,000 federal flow-through shares at a price of $0.20 per FT Share; and (iii) 9,394,636 hard-dollar common shares at a price of $0.17 per HD Share, for aggregate gross proceeds of $3,367,090.

Each HD Share consisted of one common share in the capital stock of the Company. Each QC FT Share and each FT Share consist of one Common Share issued on a flow-through basis within the meaning of the Income Tax Act (Canada) ("Tax Act").

On May 8, 2019, Galway purchased the 1% NSR royalty on its Estrades property from Mistango River Resources for $75,000. Original terms included a cash payment of $700,000, plus a 1% NSR royalty on portions of three claims with a buyout option at any time for $1.0 mm. These three claims host the majority of the Estrades resources.

On May 9, 2019, the Company completed a non-brokered private placement consisting of the sale of 4,594,593 flow through Shares at a price of $0.37 per share and 4,333,334 hard dollar shares at a price of $0.30 per share for aggregate gross proceeds of $3,000,000. On

June 21, 2019, Galway completed the second of the private placement consisting of the sale of 270,270 flow through Shares at a price of $0.37 per share for aggregate gross proceeds of $99,999.90.

On July 22, 2019, the Company completed a non-brokered private placement financing consisting of the sale of 4,060,000 flow through shares at a price of $0.37 per FT Unit for total gross proceeds of $1,502,200.

Each HD Share consists of one common share in the capital stock of the Company. Each FT Share consists of one Common Share issued on a flow-through basis within the meaning of the *Income Tax Act* (Canada) ("**Tax Act**"). The securities issued pursuant to the Offering will be subject to a hold period of four months and one day after closing.

Proceeds of the offerings will be used to continue the financing of drilling at the Clarence Stream gold property located in south-western New Brunswick, for other exploration at Clarence Stream and at the Estrades polymetallic property located in the northern Abitibi of western Quebec, and for working capital purposes. The gross proceeds received by the Company from the sale of the FT Shares will be used to incur Canadian Exploration Expenses ("CEE") that are "flow-through" mining expenditures (as such terms are defined in the Income Tax Act (Canada)). Such gross proceeds will be renounced to the subscribers with an effective date not later than December 31, 2019, in the aggregate amount of not less than the total amount of the gross proceeds raised from the issue of FT Shares.

Further information about the Company and its operations can be obtained from **www.galwaymetalsinc.com** and **www.sedar.com**.

Discussion of Operations

Clarence Stream Project

On August 3, 2016, Galway announced that it had entered into an Option Agreement to acquire a 100% undivided interest in Wolfden Resources Corporation's Clarence Stream property located 70 kilometres (km) south-southwest of Fredericton in south-western New Brunswick, Canada. Galway completed the final cash payment to Wolfden on Clarence Stream in July, 2019, such that the Company now owns a 100% interest. In conjunction with this acquisition, in 2016 Galway acquired Jubilee Gold Exploration Ltd.'s Birneys Lake property, which is adjacent on the south side of Wolfden's Clarence Stream property.

Galway increased its land position at Clarence Stream to 60,465 hectares (149,412 acres) by staking additional claim units and acquiring the Lower Tower Hill Property from Globex Mining because the Company's early exploration efforts have enhanced its views of the potential for the Clarence Stream gold district. Gold districts need major fault systems through which mineralized fluids can be trapped. These conditions exist at Clarence Stream with the Sawyer Brook Fault System and the many intrusives located along its 65-km trend. Gold deposits around the world are commonly found by following up initial glacial till sample anomalies, soil sample anomalies, boulders back to their source gold veins, and/or mineralized bedrock chip samples; Galway has all four at Clarence Stream.

On September 26, 2017, the Company released an updated National Instrument (NI) 43-101 resource statement prepared by SRK Consulting (U.S.), Inc., which included a maiden pit constrained resource estimate.

Updated Mineral Resource Statement for Gold, Clarence Stream Gold Deposit, New Brunswick, Canada, by SRK Consulting (U.S.) Inc., August 21, 2017

Area	Cutoff Grade Au (g/t)	Class	Tonnes (000)	Au Grade (g/t)	Au Ounces (000)
North Pit	0.42	Measured	28	2.96	2.7
		Indicated	1,593	1.96	100.4
		M&I	**1,622**	**1.98**	**103.0**
		Inferred	**1,838**	**2.09**	**123.3**
South Pit	0.42	Measured	207	1.66	11.0
		Indicated	4,081	1.81	38.0
		M&I	**4,289**	**1.81**	**249.0**
		Inferred	**709**	**1.31**	**29.9**

Total Pit	0.42	Measured	236	1.81	13.7
		Indicated	5,675	1.86	338.4
		M&I	**5,910**	**1.85**	**352.2**
		Inferred	**2,723**	**1.87**	**153.1**
Underground	2.55	**Indicated**	**267**	**4.39**	**37.8**
		Inferred	**862**	**4.48**	**124.1**
Total Gold Resource	Variable	Measured	236	1.82	14.0
		Indicated	5,941	1.97	376.0
		M&I	**6,178**	**1.96**	**390.0**
		Inferred	**3,409**	**2.53**	**277.0**

Updated Mineral Resource Statement for Antimony, Clarence Stream Gold Deposit, New Brunswick, Canada, by SRK Consulting (U.S.) Inc., August 21, 2017

Area	**Class**	**Tonnes (000)**	**Sb Grade (%)**	**Sb Pounds (000)**	**Au Eq**	
					Grade (g/t)	**Ounces (000)**
North Pit	Inferred	1,153	0.50	12,746	1.1	42.5
South Pit		1,421	0.28	8,633	0.6	28.8
Underground		162	0.18	650	0.4	2.2
Total Sb Resource		2,736	0.37	22,030	0.8	**73.4**

Notes for the Clarence Stream Mineral Resource Statement for Gold:

1. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. There is no certainty that any part of the Mineral Resources estimated will be converted into Mineral Reserves;
2. Pit constrained resources as stated are contained within a potentially economically minable pit; pit optimization was based on an assumed gold price of US$1,350/oz (CAD$1,687.50/oz at a 0.8:1 CAD$:US$ conversion rate), an Au Recovery of 90%, a mining cost of CAD$3.00/t, an ore processing and G&A cost of CAD$20.00/t, and pit slopes of 45 degrees;
3. Pit constrained resources are reported using a gold cutoff grade of 0.42 ppm, which incorporates a 3% royalty and Au sales costs of CAD$5.00/oz beyond the costs used for pit constrained optimization;
4. Underground resources as stated are contained within modeled underground stope shapes using a nominal 1.5m minimum thickness, above an Au cutoff grade of 2.55 ppm, and below the reported pit constrained resource;
5. The underground cutoff is based on an assumed gold price of US$1,350/oz (CAD$1,687.50/oz at a 0.8:1 CAD$:US$ conversion rate), Au Recovery of 90%, a mining cost of CAD$100/t, an ore processing and G&A cost of US$20.00/t, a 3% royalty, and Au sales costs of CAD$5.00/oz;
6. Tonnage estimates for the resource statement were informed by 139 new density determinations collected in 2017 by Galway technicians advised by SRK. Average density values were assigned to the block model by material type, with break-outs for major lithology units, overburden and mineralized zones.
7. Mineral Resources were classified based on NI 43-101 guidelines using distance to source data and geologic continuity. In general, Measured Resources required a minimum of four drill holes within 18m of a block. Indicated Resources required a minimum of two drill holes within 40m of a block. Inferred Resources required at least one drill hole within 80m of a block. All Mineral Resources are reported less than 80m from source data.
8. Numbers in the table have been rounded to reflect the accuracy of the estimate and may not sum due to rounding.

Notes for the Clarence Stream Mineral Resource Statement for Antimony

1. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. There is no certainty that any part of the Mineral Resources estimated will be converted into Mineral Reserves;
2. Metal reported in this table is in addition to the metal reported in the gold resource and contained within the reported gold resource tonnage;
3. Antimony is considered for inclusion in the resource when contained within the block model in the gold resource AND above an Sb cutoff grade of 0.1%;
4. Equivalent gold is calculated using the ratio of the Au sales price of US$1,350/oz and an assumed Sb sales price of US$4.50/lb;
5. No consideration has been made for any deleterious material that may be associated with the antimony; and
6. Numbers in the table have been rounded to reflect the accuracy of the estimate and may not sum due to rounding.

For complete details, refer to: "NI 43-101 Technical Report on Resources, Clarence Stream Gold Project, Charlotte County, New Brunswick, Canada" with an effective date of August 21, 2017, available on the Company's website at www.galwaymetalsinc.com or SEDAR profile at www.sedar.com.

Galway has reported results from 142 drill holes at the Clarence Stream project. Highlights include*:

- **4.6 grams per tonne (g/t) Au over 30.0 meters (m)** (True Width (TW) 29.1m), including 28.0 g/t over 1.0m, 20.7 g/t over 1.0m, and 32.1 g/t over 1.0m, starting at a vertical depth of 33.0m from drill hole CS16-343 (South Zone),
- **4.6 g/t Au over 24.0m** (TW 23.2m), including **9.6 g/t Au over 8.0m** (TW 7.7m), starting at a vertical depth of 12 meters from drill hole CS16-345 (South Zone),
- **10.0 g/t Au over 31.0m** (TW 29.9m), including **24.2 g/t Au over 12.0m** (TW 11.6m), starting at a vertical depth of 10 meters from drill hole CS16-346 (South Zone),
- **7.9 g/t Au over 18.0m** (TW 17.4m), including **30.1 g/t Au over 4.0m** (TW 3.9m), starting at a vertical depth of 16 meters from drill hole CS16-347 (South Zone),
- **11.8 g/t Au over 12.8m** (TW 12.0m), including **105.0 g/t Au over 1.2m,** starting at a vertical depth of 73 metres from CS17-360 (South Zone),
- **10.1 g/t Au over 13.0m** (TW 12.2m), including **24.9 g/t Au over 5.0m** (TW 4.7m), starting at a vertical depth of 115 meters from drill hole CS16-348 (South Zone),
- **14.6 g/t Au over 10.2m** (TW 8.8m), including **37.3 g/t Au over 1.1m** (TW 1.0m), 36.1 g/t Au over 1.0m (TW 0.9m), and 31.7 g/t Au over 1.0m (TW 0.9m), starting at a vertical depth of 41 metres from hole AD17-127 (North Zone),
- **56.2 g/t Au over 0.6m** (TW 0.55m) in a quartz vein zone that grades **2.8 g/t Au over 13.95m** (TW 12.8m), starting at a vertical depth of 36.0 meters from drill hole AD17-96 (North Zone),
- **3.4 g/t Au over 17.0m** (TW 8.9m), including 40.0 g/t Au over 0.5m (TW 0.3m), and 24.3 g/t Au over 1.0m (TW 0.6m), starting at a vertical depth of 101 metres in hole GWM-18CL-27 (George Murphy Zone),
- **241.5 g/t Au over 4.2m** (TW 2.2m)**,** including **807.0 g/t Au over 1.25m** (TW 0.65m), starting at a vertical depth of 73m in hole GWM18CL-26 (George Murphy Zone),
- **13.0 g/t Au over 8.7m**, including **201.0 g/t Au over 0.5m**, plus 5.7 g/t Au over 1.0m at a vertical depth of 36m below surface in hole CL18-36
- **1.9 g/t Au over 43.3m** (TW 35.7), including **21.2 g/t Au over 2.35m,** starting at a vertical depth of ~~101~~ 36 metres in hole BL19-21 (Jubilee Zone),
- **1.2 g/t Au over 20.5m** (TW 19.3m), including **9.5 g/t Au over 1.0m**, plus **1.2 g/t Au over 6.5m**, including 4.0 g/t Au over 1.25m, starting at vertical depths of 67 metres and 79 metres, respectively, in hole BL19-20A (Jubilee Zone),
- **2.3 g/t Au over 10.0m** (8.0m TW)**,** including **32.9 g/t Au over 0.5m,** and 4.3 g/t Au over 0.65m, plus **1.2 g/t Au over 16.4m** (13.2m TW), including 4.1 g/t Au over 0.65m, 3.9 g/t Au over 1.1m, 3.0 g/t Au over 0.5m, and 3.0 g/t Au over 0.5m, starting at vertical depths of 87m and 61m, respectively, in hole BL19-43 (Jubilee Zone)
- **7.3 g/t Au over 36.65m**, including **38.1 g/t Au over 6.5m**, plus 1.3 g/t Au over 5.2m, plus 3.0 g/t Au over 1.15m, starting at a vertical depth of 36 metres below surface in hole BL18-12 (Richard Zone),
- **5.4 g/t Au over 11.0m,** including **20.9 g/t Au over 2.55m,** starting at a vertical depth of 133 metres, plus **1.4 g/t Au over 9.0m,** plus **1.5 g/t Au over 7.5m**, including **7.6 g/t Au over 1.0m**, plus 3.6 g/t Au over 0.6m, plus 2.7 g/t Au over 1.0m, starting at vertical depths of 72m, 84m, 208m, and 225m, respectively, in hole BL19-15 (Richard Zone),
- **20.7 g/t Au over 9.5 m,** including **92.0 g/t Au over 0.75m**, **51.9 g/t Au over 0.9m** and **23.5 g/t Au over 1.1m**, plus **14.2 g/t Au over 7.5m,** including **63.6 g/t Au over 0.8m**, **49.1 g/t Au over 0.5m**, and **17.5 g/t Au over 0.75m**, starting at vertical depths of 185 m and 151 m below surface in hole BL19-72
- **5.5 g/t Au over 16.7m**, including **50.7 g/t Au over 0.5m**, **9.5 g/t Au over 0.5m**, **8.4 g/t Au over 0.6m**, **32.4 g/t Au over 0.5**, **43.2 g/t Au over 0.6m**, and **11.7 g/t Au over 0.6m,** starting at a vertical depth of 142 m below surface in hole BL19-69
- **3.5 g/t Au over 5.3m**, including **12.5 g/t Au over 0.9m**, plus **2.3 g/t Au over 7.2m,** and plus 5.7 g/t Au over 0.85m, starting at vertical depths of 116m, 84m, and 39m, respectively, in hole BL19-28 (Richard Zone)
- **2.1 g/t Au over 12.8m,** including **14.4 g/t Au over 1.1m**, plus **1.5 g/t Au over 16.0m,** and plus 4.0 g/t Au over 0.7m, starting at vertical depths of 34m, 74m, and 104m, respectively, in hole BL19-30 (Richard Zone), and
- **1.1 g/t Au over 21.25m,** including **5.4 g/t Au over 1.45m**, plus **1.1 g/t Au over 10.3m**, including **6.2 g/t Au over 0.5m**, and plus 4.6 g/t Au over 0.5m, starting at vertical depths of 76m, 145m, and 184m, respectively, in hole BL19-35 (Richard Zone)

*All drill results released by Galway to date can be found on Galway's website at www.galwaymetalsinc.com. True Widths Unknown if not listed

In 2018, Galway completed 8,861 metres of drilling in 142 holes at Clarence Stream (plus one lost hole), and since year-end another 14,729.5 metres has been completed such that Galway's total drilling since the Company began drilling in October 2016 amounts to 40,548 metres. With 61,703 metres of historic drilling, total drilling at Clarence Stream to date is 102,251 metres. Drilling in 2018 mostly targeted expansions to the George Murphy Zone (GMZ), which was discovered by Galway in late-2017. In-early 2019, Galway reported that it had made a second significant new discovery, the Richard Zone, and in early 2019 Galway has significantly expanded the Jubilee Zone.

All five zones at Clarence Stream have multiple structures with good grades and widths, and all of them remain open for expansion in all directions. There are also many strong and never-before-drilled targets to probe for new discoveries. As such, Galway has added two drill rigs to the property to bring the total to three. Galway's short-term goal is to drill with two rigs between the George Murphy and Richard Zones and between the Richard and Jubilee Zones to see if the three zones are connected. If this is the case, it would yield one zone stretching 2.5 km. The 3rd rig will seek to expand the North Zone where gold-in soil and boulders exist. Galway will also drill for new discoveries along gold-in-soil and boulder anomalies southeast of Jubilee and west of the South Zone in search for extensions to the South Zone. Galway also plans to drill extensions to the George Murphy and South Zone for resource expansion purposes.

Having 3 drill rigs provides Galway with significantly more flexibility to make new discoveries and to expand existing zones at Clarence Stream, which we believe is an emerging new gold district in eastern Canada.

The recently-discovered Richard Zone is in an area where there had been no previous drilling, centered between the George Murphy and Jubilee Zones, approximately 1km from each. The discovery hole, BL18-12, returned **7.3 g/t Au over 36.7m, including 38.1 g/t Au over 6.5m** in multiple quartz veins containing abundant visible gold, starting only 51 metres downhole and 36 metres vertical. Follow-up drilling in hole BL19-15 intersected **5.4 g/t Au over 11.0m**, including **20.9 g/t Au over 2.55m**, starting at a vertical depth of 133 metres, plus **1.4 g/t Au over 9.0m,** plus **1.5 g/t Au over 7.5 m.** The 5.4 g/t Au over 11.0 m intersect is located approximately 50 metres NW of and 97 metres vertically below the VG seen in BL18-12. Also reported was hole BL19-13, which returned intersects of **2.5 g/t Au over 6.85m,** including **7.1 g/t Au over 2.2 m**, plus **13.4 g/t Au over 1.4 m**, starting at vertical depths of 71m and 35m, respectively. This hole was collared 100 metres SW of discovery hole BL18-12.

These holes were followed up more recently with intersections of **3.5 g/t Au over 5.3m**, including **12.5 g/t Au over 0.9m,** plus **2.3 g/t Au over 7.2m,** and plus 5.7 g/t Au over 0.85m in hole BL19-28**, and 2.1 g/t Au over 12.8m**, including **14.4 g/t Au over 1.1m,** plus **1.5 g/t Au over 16.0m,** and plus 4.0 g/t Au over 0.7m in hole BL19-30, and **1.1 g/t Au over 21.25m,** including **5.4 g/t Au over 1.45m**, plus **1.1 g/t Au over 10.3m,** including **6.2 g/t Au over 0.5m**, and plus 4.6 g/t Au over 0.5m in hole BL19-35.

The intersections in holes 28, 30, and 35 are located approximately 53-118 metres south and west of the 7.3 g/t Au over 36.7m. They are up to 109 metres vertically below that intersection. Drilling was undertaken using a NW horizontal (strike) interpretation, but the 7.3/36.7m can be lined up with the VG in hole 39 (3.25 g/t over 0.5m), as well as other parallel structures such as 2.1/12.8m (incl. 14.4/1.1m), 3.5/5.3m (incl. 12.5/0.9m), and 1.1/10.3m (incl. 6.2/0.5m). With this interpretation, the horizontal trend (strike) is identical to the NE trends of the Jubilee and George Murphy Zones (generally following the granite contact to the NW that might be the source of the gold-bearing fluids), and the dip would be half-way between the dips at the other 2 zones at ~70 degrees.

More recently, RUSH assays have been returned for parts of two drill holes that have Visible Gold in multiple spots. Hole BL19-72 intersected **20.7 g/t Au over 9.5m** (including **92.0 g/t Au over 0.75m**, **51.9 g/t Au over 0.9m** and **23.5 g/t Au over 1.1m**) plus **14.2 g/t Au over 7.5m** (including **63.6 g/t Au over 0.8m**, **49.1 g/t Au over 0.5m**, and **17.5 g/t Au over 0.75m**). The 20.7/9.5m and 14.2/7.5m are thought to be the same zone as the 1.5/16.0m intersection from hole BL19-30 (noted above) and is located 91m and 66m west of it respectively.

Hole 69 intersected **5.5 g/t Au over 16.7m** (including **50.7 g/t Au over 0.5m**, **9.5 g/t Au over 0.5m**, **8.4 g/t Au over 0.6m**, **32.4 g/t Au over 0.5**, **43.2 g/t Au over 0.6m**, and **11.7 g/t Au over 0.6m**.) The 5.5/16.7m is also thought to be the same zone as the 1.5/16.0m intersection from hole 30 and is located 54m west of it. The intersections in holes 72 and 69 are 181m, 153m, and 140m respectively from the discovery hole intersection in BL18-12.

The original drilling of the Richard Zone consisted of 1,222m in 4 holes (holes 12-15). Drilling was stopped early 2019 due to the rapid snow melt and subsequent flooding in New Brunswick. Since resumption of drilling in early June, 2,438m in 12 holes have been drilled (all are pending assays), with multiple gold-bearing structures intersected in multiple drill holes.

The Richard Zone discovery represents the 2nd deposit that Galway has found since the Company began drilling Clarence Stream in October 2016 (the George Murphy Zone (GMZ) was the other), and the fifth deposit identified in the Clarence Stream district to date. Currently, only two of these five deposits, the North and South Zones, are in the existing resource (September 26, 2017), and all five zones are open in all directions. Given the new discovery of the Richard Zone, Galway has decided to postpone the planned 2019 resource update to allow time to drill that deposit, to expand the GMZ, Jubilee and North Zones, and to explore the gaps between the GMZ and Richard Zone, and between the Richard and Jubilee Zones to determine if the three zones meet to form one deposit over this 2.5 km trend.

At the Jubilee Zone, Galway followed up on successful drilling in 2017 (after the August 2017 resource update), which intersected **14.5 g/t Au over 3.1m** (TW 2.7m), including **41.7 g/t Au over 1.05m,** plus **0.8 g/t Au over 10.6m** (TW 9.2m) in one hole, and **0.9 g/t Au over 35.2m** (TW 33.8m), including **8.2 g/t Au over 1.0m**, 2.2 g/t Au over 1.0m, 3.4 g/t Au over 1.3m, and 1.9 g/t Au over 1.0m, plus **0.7 g/t Au over 12.5m** (TW 12.0m), including 1.3 g/t Au over 1.0m, 1.5 g/t Au over 1.0m, and 1.7 g/t Au over 1.0m in the other hole. More recent holes, which extended Jubilee to the SW by 130 metres and 90 metres, respectively, intersected **1.9 g/t Au over 43.3m** (TW 35.7), including **21.2 g/t Au over 2.35m** in hole BL19-21**, and 1.2 g/t Au over 20.5 m** in hole 19-20A. Follow-up holes in the west end of Jubilee returned **2.3 g/t Au over 10.0m** (8.0m TW)**,** including **32.9 g/t Au over 0.5m**, plus **1.2 g/t Au over 16.4m** (13.2m TW) in hole 19-43, and 0.5 g/t Au over 11.95m (11.95m TW) in hole 19-46.

Jubilee was also extended to the NE by 175 metres with an intersection of **2.1 g/t Au over 7.0m** (TW 6.9) in hole BL19-17. These extensions are point-to-point in the long section and include increases to depth. **A resource estimate on Jubilee would cover approximately 465m of strike length compared with 270m previously, representing a 195m increase**. Previous to Galway's initial holes, drilling by Jubilee Gold and Union Gold returned intersections such as 1.2 **g/t Au over 19.7m** (18.6m TW), including **10.1 g/t Au over 1.4m** (1.3m TW), and **2.1 g/t Au over 8.5m** (8.0m TW), including **8.3 g/t Au over 1.4m** (1.3m TW). At least three mineralized structures are present in the Jubilee Zone.

At the George Murphy Zone, where at least three mineralized structures are also present, Galway reported **13.0 g/t Au over 8.7m** (TW 7.1m), including **201.0 g/t Au over 0.5m**, starting at 36 metres vertical. This hole, CL18-36, contained significant visible gold and was located 40 metres above previous hole CL18-26 that returned **241.5 g/t Au over 4.2m** (TW 2.2m), including **807.0 g/t Au over 1.25m**. Drilling has also extended the western limit and depth of the zone. Hole CL18-33, which intersected **7.2 g/t Au over 2.75m,** including **35.0 g/t Au over 0.55m**, extended the zone to the west, while holes CL18-34 and CL18-35, which intersected **2.1 g/t Au over 15.7m**, and **1.6 g/t Au over 14.0m**, respectively, extended the zone to depth.

Current and Future Plans Related to the Clarence Stream Project

The following table summarizes the Company's current plans at the Clarence Stream property, the estimated costs on major initiatives, and expenditures incurred.

Summary of Completed Activities (Nine Months Ended September 30, 2019)	(A) Spent (1) (rounded)	Plans for the Project	(B) Planned Expenditures (rounded)
Drilled 14,729 metres at the Richard and Jubilee Zones and a wildcat hole 1.5m west of the South Zone	$1,354,778	Drill 10,700 metres through the end of 2019 at the Richard, Jubilee, Murphy and North Zones, and at wildcat targets in search for new discoveries	$1,070,000
		Take 4,200 soil samples in 2019 in search of new exploration targets	$100,000
Subtotals	**$1,354,778**		**$1,170,000**

Total (A+B)			**$2,524,778**

(1) Total cumulative exploration activities incurred on the Clarence Stream Project for the nine months ended September 30, 2019 amounted to $2,385,507 (nine months ended September 30, 2018 - $1,430,898). The details of these expenditures are provided in note 8 of the Company's September 30, 2019 condensed interim consolidated financial statements.

Acquisition Cost

Cash payments for the Clarence Stream acquisitions totaled $3.5 million over three years plus 1% Net Smelter Return (NSR) royalties on portions of the project, with Galway retaining rights to acquire most of the NSR's. Galway completed the final cash payment on Clarence Stream in July, 2019.

Jubilee: Galway acquired the Birneys Lake project at Clarence Stream for $200,000 plus a 1% NSR royalty with a buyback option for half (0.5%) at any time for $500,000.

Globex: Subsequent to the original acquisition on August 3, 2016, Galway Acquired 100% of the Lower Tower Hill Property from Globex Mining Enterprises for 260,000 shares plus a 2.5% Gross Metal Royalty on those claims.

Wolfden: Galway has the option to acquire 100% of Wolfden's interest in the Clarence Stream property by making the following payments:

- CDN$750,000 upon closing (completed)
- CDN$750,000 upon the first anniversary of closing (completed)
- CDN$1.0 mm upon the second anniversary of closing (completed)
- CDN$750,000 upon the third anniversary of closing (completed)
- 1% NSR royalty with a full buyback option at any time for CDN$2.0 mm.

Pre-existing royalty agreements: Franco-Nevada Corporation has a 1% NSR royalty on a portion of the Clarence Stream property, on which there is no buyback option. In addition, a portion of the Clarence Stream property is subjected to a 2% NSR royalty, of which half (1%) is subject to a buyback option at any time in two 0.5% increments for CDN$500,000 each.

The Company's exploration activities are principally at a resource definition stage at its Clarence Stream project, and it is also exploring for additional deposits on both properties. It has not yet been determined whether its properties contain an economic mineral reserve. See "Risk Factors" below.

Apart from these and the risk factors noted under the heading "Risk Factors", management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's business, financial condition or results of operations.

Estrades Project

On August 18, 2016, the Company announced that it acquired an undivided 100% ownership interest in the former producing, high grade Estrades mine, related Newiska concessions, and adjacent Casa Berardi claims in the northern Abitibi of western Quebec, Canada, located approximately 95 km north of the town of La Sarre. The claims are largely contiguous and comprise 20,915 hectares, or 51,682 acres. In September, 2018, and amended in March, 2019, Galway reported an updated Mineral Resource estimate prepared by RPA Inc. The resource at Estrades grew substantially and now contains 1.497 million tonnes of Indicated Mineral Resources grading 11.3 g/t AuEq, representing 543,051 gold equivalent ounces (AuEq oz), plus 2.199 million tonnes of Inferred Mineral Resources grading 7.4 g/t AuEq, representing 520,430 AuEq oz.-From a zinc equivalent perspective, the Estrades deposit now contains 685 million ZnEq lb of Indicated Mineral Resources grading 20.8% ZnEq, plus 656 million ZnEq lb of Inferred Mineral Resources grading 13.5% ZnEq. The Estrades deposit was previously mined via a 200-metre deep ramp, with production in 1990-91 totaling 174,946 tonnes grading 12.9% Zn, 6.4 g/t Au, 1.1% Cu and 172.3 g/t Ag.

Updated Mineral Resource Estimate for the Estrades Polymetallic VMS Deposit, Quebec, Canada, by RPA Inc., November 5, 2018 with an amended date of March 15, 2019

Category	Tonnes	Au Eq (g/t)	Zn Eq (%)	Au (g/t)	Ag (g/t)	Zn (%)	Cu (%)	Pb (%)
Total, Indicated	1,497,000	11.28	20.75	3.55	122.9	7.20	1.06	0.60
Total, Inferred	2,199,000	7.36	13.54	1.93	72.9	4.72	1.01	0.29
Category		**Au Eq (oz)**	**Zn Eq (000lb)**	**Au (oz)**	**Ag (oz)**	**Zn (000lb)**	**Cu (000lb)**	**Pb (000lb)**
Total, Indicated		543,051	684,717	170,863	5,912,820	237,623	34,983	19,802
Total, Inferred		520,430	656,194	136,452	5,151,951	228,824	48,964	14,059

Notes to accompany the Mineral Resource tables:
1) CIM (2014) Definition Standards were followed for Mineral Resources.
2) No Mineral Reserves are present.
3) All metal prices, the US$/CDN$ exchange rate and cut-off grade were provided by RPA Inc.
4) Mineral Resources are estimated at long-term metal prices (USD) as follows: Au $1,450/oz, Ag $21.00/oz, Zn $1.15/lb, Cu $3.50/lb and Pb $1.00/lb.
5) Mineral Resources are estimated using an average long-term foreign exchange rate of US$0.80 per CDN$1.00.
6) Mineral Resources are estimated at a cut-off grade of CDN$140/tonne NSR, which included provisions for metallurgical recoveries, freight, mining, milling, refining and G&A costs, smelter payables for each metal and applicable royalty payments.
7) Metallurgical recoveries for resource estimation are: Zn 92%, Cu 90%, Pb 85%, Au 80% and Ag 70%.
8) A minimum mining width of approximately 1.5 m was used.
9) Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.
10) Au Eq (g/t) and Zn Eq (%) represent the in-situ metal content expressed as Au and Zn equivalents and do not provide for metal recoveries or other economic considerations.
11) Preliminary analysis indicates that no metal is dominant; however, Au and Zn are the largest contributors.
12) Numbers may not add due to rounding.

The Mineral Resource update represents significant increases in tonnes and metal content, with Indicated and Inferred tonnes rising by 15% and 80%, respectively, and respective Indicated and Inferred contained metals growing by 5% and 79%, compared with the previous Estrades Mineral Resource estimate. The much larger increase of Inferred versus Indicated Mineral Resources was in-line with Company expectations because Galway's exploration program focused on step-out drilling designed to increase the Mineral Resource rather than on infill definition drilling. Average Indicated Mineral Resource grades remain very high as measured by AuEq or ZnEq grades of 11.3 g/t or 20.8%, respectively. Inferred Mineral Resource grades are also strong at 7.4 g/t AuEq or 13.5% ZnEq.

For complete details, refer to: "NI 43-101 Technical Report on the Mineral Resource Estimate for the Estrades Project, Northwestern Quebec, Canada" dated November 5, 2018 with an amended date of March 15, 2019, available on the Company's website at www.galwaymetalsinc.com or SEDAR profile at www.sedar.com.

Galway has reported drill results from 24,120 metres in 34 holes plus three wedges at Estrades to date. A total of approximately 200,000 metres have been drilled on Galway's Estrades property since discovery in the 1970's.

Highlights include*:
- **72.5 grams per tonne (g/t) Au and 40.1 g/t Ag over 1.55 metres (m)** (true width (TW) 1.0 m), starting at a vertical depth of 92 meters in hole GWM-17E-01
- **5.1% Cu and 62.0g/t Ag over 1.65m** (TW 1.2 m), including **12.9% Cu and 159.0 g/t Ag over 0.55m** (TW 0.4 m), starting at a vertical depth of 243 meters in hole GWM-17E-04
- **7.4% Cu and 89.9 g/t Ag over 1.90m** (TW 1.2 m), starting at a vertical depth of 309 meters in hole GWM-17E-05
- **1.1 g/t Au, 95.2 g/t Ag and 4.2% Zn over 17.7m**, including 1.7 g/t Au, 190.9 g/t Ag, 9.7% Zn and 1.3% Cu over 4.5m, and 1.0 g/t Au, 147.6 g/t Ag and 8.3% Zn over 2.0m (unknown TW), starting at a vertical depth of 804 meters in hole GWM-17E-08

- **10.9% Zn, 1.9 g/t Au and 92.4 g/t Ag over 0.85m** (TW 0.4m), starting at a vertical depth of 120 meters in hole GWM-17E-13
- **22.4 g/t Au, 199.3 g/t Ag, 10.4% Zn and 2.0% Pb over 1.6m** (TW 0.8m), starting at a vertical depth of 279 meters in hole GWM-17E-16
- **5.2 g/t Au, 198.7 g/t Ag, 15.7% Zn and 1.3% Pb over 1.5m** (TW 0.8m), plus 2.3 g/t Au, 65.7 g/t Ag and 12.6% Zn over 2.1m (1.2m TW), starting at a vertical depth of 71 meters in hole GWM-17E-24
- **2.2 g/t Au, 181.0 g/t Ag and 28.5% Zn over 3.3m** (TW 2.1m), plus **190.7 g/t Ag and 18.6% Zn over 2.6m** (1.7m TW), plus 5.7 g/t Au and 43.2 g/t Ag over 2.6m (unknown TW), plus 4.7 g/t Au, 67.5 g/t Ag, 4.9% Zn, 2.1% Cu and 1.0% Pb over 1.8m (TW 1.1m), with the two best bolded highlight intersects starting at vertical depths of 435 meters and 453 meters, respectively, with the two upper-most intersects starting at vertical depths of 69 and 257 meters, respectively, in hole GWM-17E-27
- **10.6 g/t Au, 60.4 g/t Ag, 1.3% Cu and 10.1% Zn** over 2.3m (TW 1.2m), plus 3.6 g/t Au, 41.5 g/t Ag, 3.0% Cu and 0.5% Zn over 1.2m (0.6m TW), starting at a vertical depth of 97 metres in hole GWM-17E-28C
- **21.9 g/t Au, 113.1g/t Ag and 5.6% Zn** over 1.6m (TW 1.1m), including 33.1 g/t Au, 152.1g/t Ag and 8.3% Zn over 0.9m, plus 4.3 g/t Au, 154.8 g/t Ag and 0.9% Zn over 2.1m (TW 1.4m), including 8.3 g/t Au over 0.8m; **together: 6.9 g/t Au, 78.5 g/t Ag and 1.7% Zn over 6.4 m** (TW 4.4m), starting at a vertical depth of 468 meters in GWM-18E-31
- **3.0 g/t Au, 176.0 g/t Ag, 17.9% Zn**, 0.3% Cu and 0.9% Pb **over 5.4m** (TW 3.4m), starting at a vertical depth of 456 meters in GWM-18E-32
- **4.3 g/t Au, 115.2 g/t Ag, 11.0% Zn**, 0.8% Cu and 0.9% Pb **over 7.1m** (TW 5.2m), including 6.0 g/t Au, 212.5 g/t Ag, 16.2% Zn, 0.6% Cu and 1.8% Pb over 2.85m, starting at a vertical depth of 288 meters in GWM-18E-48

*All drill results released by Galway to date can be found on Galway's website at www.galwaymetalsinc.com.

In 2018, Galway completed 9,854 metres of drilling at Estrades, and in the first nine months of 2019 completed 3,568.5 metres on the Estrades and adjacent Newiska horizons. Newiska assay results are pending. The 2018 Estrades drill program targeted extensions to the Estrades resource, deep drilling below the resource and drilling at Newiska, located 8,000m southeast of Estrades. Holes GWM-18E-31, GWM-18E-32 and GWM-18E-48 in the bullets above were drilled at Estrades during the Company's 2018 program. Galway drilled 2,493 meters in 5 holes south of the Estrades resource horizon in early 2019 to follow up on geophysical anomalies, one of which had to be left unfinished due to an early winter meltdown. Assays are pending.

Drilling resumed in July 2019, which extended 3 drill holes from earlier programs that did not previously reach targeted depth. Wedging and downhole geophysics of the deepest hole followed. Several PQ (big core) holes were drilled through shallow copper-rich areas in the eastern part of the deposit; these will be used for ore-sort tests and metallurgical tests (by themselves and to test the results of potential mixing with zinc rich areas).

Galway has also released results from 2,961.5m in seven holes at Newiska.

- Drill Hole GWM18-NK-01 intersected **4.2% copper** over 0.7 metres in a 22.0 metre interval that returned 0.5% copper, hitting the high grade stringer vein some 93 metres from an historic hole that returned 2.0% copper and 37.4 g/t silver over 1.5m **in a 9.4 metre interval that returned 1.1% copper** and 41.5 g/t silver.
- The high-grade stringer vein intervals in both holes contained chalcopyrite. In hole GWM18-NK-01, high-grade mineralization is **part of an extensive 132-metre stringer zone** that is present from 328-460 metres. A second stringer zone is present from 141-194 metres. The significance of such stringer zones is that they are commonly found peripheral to VMS (Volcanogenic Massive Sulfide) deposits, which are a major source of metals such as copper, zinc and lead.
- Highlights of other drill results at Newiska from Galway's 2018 drill program include **2.1% copper, 6.7% zinc, and 145 g/t silver** over 0.6 metres, plus **1.6% copper and 1.9 g/t gold** over 1.0 metre in hole GWM18-NK-02, and **4.1% copper** over 0.6 metres in a **7.1 metre interval that returned 1.2% copper** in hole GWM18-NK-03.

Importantly, these drill results are located on the edge of a new geophysical target outlined by Galway's Titan geophysical survey, conducted by Quantec Geoscience, which may indicate the presence of a previously unrecognized massive sulfide body at Newiska. Of note is that Galway's drill program at Newiska occurred prior to the receipt of Titan geophysical results.

The Titan geophysical survey outlined another strong TITAN IP chargeability target, "Estrades South," some 8,200m west of the Newiska anomaly discussed above, along the same Newiska rhyolite horizon, and 2,200m south of the Estrades deposit. This new

TITAN conductive zone also coincides with magnetic and VLF-EM (Very Low Frequency Electro-Magnetic) anomalies, making yet another highly prospective drill target for VMS mineralizations in the Estrades Camp.

Galway commissioned three geophysical programs for 2018, two TITAN programs and one gravity survey that were completed in 2018 and early 2019. Results from these three programs will be used, in conjunction with the approximately 200,000 metres of historic drilling, to assist Galway in prioritizing its drill program in the Company's search for new mineralized intrusives throughout the property. The TITAN geophysics surveys have enabled Galway to identify several high chargeability anomalies to depths of up to 2,000 metres in the Company's search for sulphidic-rich source vents below the existing Estrades resource and elsewhere on the 20,000+ hectare property.

On February 5, 2018, Galway announced the purchase of 14 additional claims from Radisson Mining Resources for 150,000 Galway Metals shares plus 75,000 share purchase warrants exercisable during a two-year period from February 5, 2018 at $0.50 per warrant. The acquired claims are located immediately south of the Estrades mine and existing resource and includes a portion of the Newiska horizon and a regional cross fault that may be an important mineralized feature in the camp. Galway's claims surround the new claims to the north, east and west. As such, the acquisition allowed for a full, uninterrupted gravity geophysical survey, as well as other exploration activities over time, along the full 16km extent of the Company's Newiska horizon. In addition, the acquisition of this property allowed Galway to extend TITAN Line 2200W south from Estrades, along the cross fault, which resulted in the discovery of the Estrades South geophysical anomaly discussed above.

Historic operators drilled in excess of 90,000 metres to define the Estrades resource and along the nearby Newiska property, plus over 90,000 metres more along Galway's 31 kilometres of strike length along the Casa Berardi break, which encountered numerous gold-bearing intersects. In addition to the capital spent to complete the drilling noted above, Breakwater Resources Ltd. spent $20 million in 1990 developing Estrades into an operating mine, including the installation of a 200-metre deep by 150-metre along strike decline, a ventilation raise and associated infrastructure. Production in 1990-91 totaled 174,946 tonnes grading 12.9% Zn, 6.4 g/t Au, 1.1% Cu and 172.3 g/t Ag. Breakwater closed the mine amid weak metal prices.

In order to consolidate the Estrades, Newiska and Casa Berardi claim blocks, Galway completed deals with Mistango River Resources Inc., CR Capital Corporation, First Quantum Minerals Ltd., Globex Mining Enterprises Inc., Greg Exploration, Radisson Mining Resources Inc., and a private company, plus the Company staked additional claims.

The Casa Berardi Break is a major but underexplored gold-bearing fault system immediately adjacent to the north of Estrades. This property is located 24 km along strike from the Casa Berardi mine (owned by Hecla Mining), which has produced approximately 2.0 million ounces (mm oz) of gold grading 6.9 grams per tonne (g/t), and has Proven and Probable Reserves of 23.7 million tons grading 2.75 g/t Au, representing 1.9 mm oz, Measured and Indicated Resources of another 12.7 million tons grading 3.1 g/t Au, representing 1.2 mm oz, and Inferred Resources adding a further 6.2 million tons grading 3.4 g/t Au, representing 0.7 mm oz. For complete details, refer to: "NI 43-101 Technical Report for the Casa Berardi Mine, Northwestern Quebec, Canada" dated December 31, 2018, and filed April 1, 2019, and Hecla company reports available on the Company's website at www.hecla-mining.com or SEDAR profile at www.sedar.com.

Current and Future Plans Related to the Estrades Project

The following table summarizes the Company's current plans at the Estrades property, the estimated costs on major initiatives, and expenditures incurred.

Summary of Completed Activities (Nine Months Ended September 30, 2019)	(A) Spent [(1)] (rounded)	Plans for the Project	(B) Planned Expenditures (rounded)
Drilled 2,493 metres along the Newiska horizon to follow up on geophycal targets identified in 2018 Drilled 1075.5 metres for deep drilling below the resource and also to obtain core for future metallurgical testing	$683,608	Drill 2,000 metres through the end of 2019 at the Estrades deposit, principally to expand the known deposit and also to obtain core for future metallurgical testing.	$260,000
Subtotals	**$683,608**		**$ 260,000**
Total (A+B)			**$943,608**

[(1)] Total exploration activities incurred on the Estrades Project for the nine months ended September 30, 2019 amounted to $993,813, before government grants and mining tax refunds of $525,994 (nine months ended September 30, 2018 - $1,880,634, with no grants or tax refunds received). The details of these expenditures are provided in note 8 of the Company's September 30, 2019 condensed interim consolidated financial statements.

Acquisition Cost

Initial cash payment for all the properties Galway acquired, including the Estrades, Newiska and Casa Berardi claims, was $1.35 million. In addition, Galway issued 800,000 units with each unit comprised of a share valued at $0.25 and a three-year warrant exercisable at $0.52 (deal terms were established when Galway's shares were at $0.14). The Company has also agreed to issue three royalties on portions of the properties (see below).

Mistango River Resources: Original terms included a cash payment of $700,000, plus a 1% NSR royalty on portions of three claims with a buyout option at any time for $1.0 mm. These three claims host the majority of the Estrades resources. Galway purchased the 1% royalty from Mistango in May, 2019 for $75,000.

CR Capital: Cash payment of $150,000 on CR Capital's property in which it held an approximate 64.6% interest.

First Quantum Minerals: No cash or share payment. First Quantum exchanged its approximate 35.4% minority interest in CR Capital's property for a 2% NSR royalty. There is no buyout option on this royalty. First Quantum's share of the CR Capital property hosts a portion of the East Zone and the Newiska Block.

Private Company: $300,000 cash and 800,000 units as described above. The private company held rights to all historic data on the Estrades property.

Globex Mining Enterprises: $200,000 cash and a 1% Gross Metal Royalty (similar to an NSR royalty). There is no buyout option on this royalty.

Greg Exploration: Subsequent to the original acquisition on August 18, 2016, Galway acquired 34 claims adjacent to its Estrades, Newiska and Casa Berardi concessions from GREG Exploration, Inc. for $34,000.

Radisson Mining: Subsequent to the original acquisition on August 18, 2016, Galway acquired 14 additional claims adjacent to its Estrades and Newiska concessions from Radisson Mining Resources Inc. for 150,000 shares (ascribed a fair value of $42,000) plus 75,000 share purchase warrants exercisable during a two-year period from February 5, 2018 at $0.50 per warrant.

There are pre-existing NSR royalties of 2.0% on portions of Mistango's and Globex's Casa Berardi claims. On Globex's claims, 1.5% of the 2.0% royalty can be purchased at any time for $1.5 mm.

The Company's exploration activities are principally at a resource definition stage at its Estrades project, and it is also exploring for additional deposits on both properties. It has not yet been determined whether its properties contain an economic mineral reserve. See "Risk Factors" below.

Apart from these and the risk factors noted under the heading "Risk Factors", management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's business, financial condition or results of operations.

Review by Qualified Person, Quality Control and Reports

In compliance with National Instrument 43-101, Michael Sutton, P.Geo., Vice President of Exploration and a director of Galway, is the Qualified Person who supervised the preparation of the scientific and technical disclosure on behalf of Galway Metals Inc. for the Clarence Stream project. J. B. Pennington, C.P.G. and Justin L. Smith, P. E., of SRK Consulting (U.S.), Inc., both Qualified Persons for the purposes of NI 43-101, have approved the scientific and technical content of the updated resource statement for Clarence Stream, are independent of Galway. All core, chip/boulder samples, and soil samples from the Clarence Stream project are assayed by Activation Laboratories, 41 Bittern Street, Ancaster, Ontario, Canada, who have ISO/IEC 17025 accreditation. All core is under watch from the drill site to the core processing facility. All samples are assayed for gold by Fire Assay, with gravimetric finish, and other elements assayed using ICP. The Company's QA/QC program includes the regular insertion of blanks and standards into the sample shipments, as well as instructions for duplication. Standards, blanks and duplicates are inserted at one per 20 samples. Approximately five percent (5%) of the pulps and rejects are sent for check assaying at a second lab with the results averaged and intersections updated when received. Core recovery in the mineralized zones has averaged 99%.

In compliance with National Instrument 43-101, Kamil Khobzi, P. Eng., is the Qualified Person who supervised the preparation of the scientific and technical disclosure on behalf of Galway Metals Inc. for the Estrades project and is independent of Galway. Mr. Reno Pressacco, P. Geo., is the Qualified Person responsible for preparation and disclosure of the Estrades Mineral Resource estimate, and is independent of Galway. The Estrades drill core is sawn in half with one half of the core sample shipped to Swastika Laboratories situated in Swastika, ON, which has accreditation of ISO/IEC 17025. The other half of the core is retained for future assay verification. Other QA/QC measures includes the insertion of certified reference standards (gold and polymetallics) and blanks into the sample stream, and the regular re-assaying of pulps and rejects at alternate certified labs.

The gold content of all samples was determined using Atomic Absorption Spectroscopy. The laboratory was instructed that any samples found to contain greater than 10 g/t Au were to be subjected to a re-assay, whereby the gold content was determined using a gravimetric fire assay method. The silver and base metal contents (Ag, Cu, Ni, Zn, and Pb) of the samples were determined by a full acid digestion followed by flame atomic absorption spectroscopy. Samples with over limit base metal values (> 5,000 ppm) were re-assayed by atomic absorption spectroscopy (AAS) using method dilutions. Samples with over limit values for silver (> 200 ppm) were re-assayed by fire assay and gravimetric finish. The silver concentrations were reported in parts per million (ppm) while the copper, lead, and zinc concentrations were reported as percent. The laboratory re-assays at least 10% of all samples and additional checks may be run on anomalous values. Core recovery in the mineralized zones has averaged 99%.

Selected Quarterly Information

A summary of selected information for each of the quarters presented below is as follows:

For the Period Ended	Revenue ($)	Net Earnings (Loss)		Total assets ($)
		Total ($)	Basic and diluted earnings per share ($)	
2019 – September 30	Nil	(1,443,476)	(0.01)	$12,713,872
2019 – June 30	Nil	(1,112,374)	(0.01)	12,832,559
2019 – March 31	Nil	(1,246,671)	(0.01)	11,149,453
2018 – December 31	Nil	(691,436)	(0.00)	12,394,645
2018 – September	Nil	(933,302)	(0.01)	10,298,984
2018 – June 30	Nil	(1,679,704)	(0.02)	11,311,207
2018 – March 31	Nil	(2,072,424)	(0.03)	9,828,702
2017 – December 31	Nil	(1,458,850)	(0.02)	11,560,147

Three Months Ended September 30, 2019 vs Three Months Ended September 30, 2018

The Company reported a net loss of $1,443,476 (three months ended September 30, 2018 – $933,601). The variance over the comparative period is primarily driven by foreign exchange variances, and a comparative increase in exploration expenditures.

<u>Exploration Expenses</u>

The three months ended September 30, 2019 saw exploration expenditures of $1,027,109 (three months ended September 30, 2018 – expenditures of $598,887), consisting primarily of:

Estrades Project
- Drilling costs of $325,751 (three months ended September 30, 2018 – $nil).
- Geological expenses of $56,070 (three months ended September 30, 2018 – $104,703).
- Assay costs of $19,624 (three months ended September 30, 2018 – $12,593).
- Geophysics and Survey and other costs of $15,308 (three months ended September 30, 2018 – $13,660).

Clarence Stream Project
- Drilling costs of $583,359 (three months ended September 30, 2018 – $182,339).
- Geological expenses and other of $253,807 (three months ended September 30, 2018 – $102,998).
- Assay costs of $233,639 (three months ended September 30, 2018 – $36,565).
- Travel costs of $41,736 (three months ended September 30, 2018 – $25,112).
- Grants received of $16,000 (three months ended September 30, 2018 – $54,285).

Administrative Expenses

The three months ended September 30, 2019 saw administrative expenses of $390,550 (three months ended September 30, 2018 - $293,963), consisting primarily of:

- salaries and benefits of $56,090 (three months ended September 30, 2018 – $84,133), comprised of senior management and administration remuneration.
- general office and consumable expenses of $69,972, (three months ended September 30, 2018 – $68,380).
- executive travel costs of $45,959 (three months ended September 30, 2018 – $10,160).
- professional fees of $93,901 (three months ended September 30, 2018 – $63,892) consisting of general legal expenses.
- public company costs - $112,312 (three months ended September 30, 2018 – $56,212) consisting of filing fees, transfer agent fees, investor relations costs, and shareholder information expenses.
- insurance expense of $12,316 (three months ended September 30, 2018 – $11,186), representing the Company's directors and officer's insurance and health insurance for certain key employees.

(Loss) Gain on Foreign Exchange

Gain on foreign exchange of $13,556 (three months ended September 30, 2018 –a loss of $16,858). During the three months ended September 30, 2019, most of the Company's cash was held in Canadian and US dollar denominated accounts. The movement in the relative US/CAD exchange rates over the comparative three months ended September 30, 2018 is the primary driver for the period over period variance.

Stock-based Compensation

During the three months ended September 30, 2019, the Company recorded a charge of $44,726 pertaining to the incremental vesting of incentive stock options granted previously to officers, directors, employees and consultants of the Company. The comparative three months ended September 30, 2018 period saw vesting charges of $29,594.

Nine Months Ended September 30, 2019 vs Nine Months Ended September 30, 2018

The Company reported a net loss of $3,802,521 (nine months ended September 30, 2018 – $4,685,729). The variance over the comparative period is primarily driven by foreign exchange variances, a comparative decline in exploration expenditures, and a premium on flow-through shares further reducing the net loss by $346,491.

Exploration Expenses

The nine months ended September 30, 2019 saw exploration expenses of $2,853,326 (nine months ended September 30, 2018 - $3,311,532), consisting primarily of:

Estrades Project

- Drilling costs of $683,608 (nine months ended September 30, 2018 – $1,038,533).
- Geological expenses of $195,395 (nine months ended September 30, 2018 – $269,053).
- Assay costs of $21,124 (nine months ended September 30, 2018 – $77,529).
- Geophysics and Survey and other costs of $29,809 (nine months ended September 30, 2018 – $308,720).

Clarence Stream Project

- Drilling costs of $1,354,778 (nine months ended September 30, 2018 – $469,761).
- Geological expenses and other of $493,185 (nine months ended September 30, 2018 – $370,600).
- Assay costs of $353,496 (nine months ended September 30, 2018 – $265,042).
- Travel costs of $96,126 (nine months ended September 30, 2018 – $42,686).
- Grants received of $49,000 (nine months ended September 30, 2018 – $78,285).

<u>Administrative Expenses</u>

The nine months ended September 30, 2019 saw administrative expenses of $1,164,012 (nine months ended September 30, 2018 - $981,416), consisting primarily of:

- salaries and benefits of $194,060 (nine months ended September 30, 2018 – $250,800), comprised of senior management and administration remuneration.
- general office and consumable expenses of $194,720, (nine months ended September 30, 2018 – $229,031).
- executive travel costs of $84,296 (nine months ended September 30, 2018 – $53,162).
- professional fees of $300,341 (nine months ended September 30, 2018 – $215,965) consisting of general legal expenses.
- public company costs - $342,684 (nine months ended September 30, 2018 – $183,288) consisting of filing fees, transfer agent fees, investor relations costs, and shareholder information expenses.
- insurance expense of $47,911 (nine months ended September 30, 2018 – $49,170), representing the Company's directors and officer's insurance and health insurance for certain key employees.

<u>(Loss) Gain on Foreign Exchange</u>

Loss on foreign exchange of $16,314 (nine months ended September 30, 2018 – a loss of $106,994). During the nine months ended September 30, 2019, most of the Company's cash was held in Canadian and US dollar denominated accounts. The movement in the relative US/CAD exchange rates over the comparative nine months ended September 30, 2018 is the primary driver for the period over period variance.

<u>Stock-based Compensation</u>

During the nine months ended September 30, 2019, the Company recorded a charge of $134,127 pertaining to the incremental vesting of incentive stock options granted previously to officers, directors, employees and consultants of the Company. The comparative nine months ended September 30, 2018 period saw vesting charges of $302,892.

Liquidity and Capital Resources

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The Company's liquidity and operating results may be adversely affected if the Company's access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or as a result of conditions specific to the Company. As at September 30, 2019, the Company had a cash balance of $6,442,255 (December 31, 2018 - $7,058,093) to settle current liabilities of $1,004,417 (December 31, 2018 - $614,155). The Company regularly evaluates its cash position to ensure preservation and security of capital as well as maintenance of liquidity. As the Company does not generate revenue, managing liquidity risk is dependent upon the ability to secure additional financing.

On June 8, 2018, the Company completed a non-brokered private placement financing (the "Offering") consisting of the sale of 11,263,891 Hard Dollar Units ("HD Units") at a price of $0.23 per HD Unit and 2,624,998 Flow Through Shares ("FT Shares") at a price of $0.28 per FT Unit for total gross proceeds of $3,325,694. Cash costs of issue were $142,224.

Each HD Unit consists of one (1) common share in the capital stock of Galway Metals (each a "Share") and one-half (1/2) of one Share purchase warrant (a "Warrant"). Each whole Warrant entitles the holder to purchase one Share for a period of 24 months after closing at a price of $0.35. Each FT Unit consists of one Share issued on a flow-through basis within the meaning of the Income Tax Act (Canada) ("Tax Act").

On December 21, 2018, the Company completed a non-brokered private placement (the "**Offering**") consisting of the sale of: (i) 2,826,086 Québec flow-through shares ("**QCFT Shares**") at a price of $0.23 per QC FT Share; (ii) 5,600,000 federal flow-through shares ("**FT Shares**") at a price of $0.20 per FT Share; and (iii) 9,394,636 hard-dollar common shares ("**HD Shares**") at a price of $0.17 per HD Share, for aggregate gross proceeds of $3,367,090. Cash costs of issue were $117,393.

On May 9, 2019, the Company completed the first tranche of a non-brokered private placement financing consisting of the sale of 4,333,334 Hard Dollar common shares ("HD Shares") at a price of $0.30 per HD Share and 4,594,593 Flow Through Shares ("FT Shares") at a price of $0.37 per FT share for total gross proceeds of $3,000,000. On June 21, 2019, the Company completed the second tranche of this private placement, issuing a further 270,270 FT Shares for gross proceeds of $100,000. Cash costs of issue amounted to $144,057.

On July 22, 2019, the Company completed a non-brokered private placement financing consisting of the sale of 4,060,000 FT Shares at a price of $0.37 per FT share for total gross proceeds of $1,502,200. Cash costs of issue amounted to $103,619.

Off-Balance Sheet Arrangements

As of the date of this filing, the Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company including, without limitation, such considerations as liquidity and capital resources that have not previously been discussed.

Proposed Transactions

As of the date of this document, there are no reportable proposed transactions.

Related Party Transactions

Remuneration of directors and officers included in administrative expenses are as follows:

	Three Months Ended September 30, 2018 $	Three Months Ended September 30, 2018 $	Nine Months Ended September 30, 2019 $	Nine Months Ended September 30, 2018 $
Remuneration paid for CEO services	66,680	62,495	200,040	194,175
Remuneration paid for CFO services	4,500	4,500	13,500	13,500
Management fees paid to two directors	96,045	116,246	270,850	143,065

During the three and nine months ended September 30, 2019, the Company expensed $17,313 and $57,288, respectively (three and nine months ended September 30, 2018 - $15,795 and $47,984, respectively) to Marrelli Support Services Inc. ("Marrelli Support") and DSA Corporate Services Inc. ("DSA"), together known as the "Marrelli Group" for:

- Robert D.B. Suttie, president of Marrelli Support, to act as Chief Financial Officer ("CFO") of the Company;
- Bookkeeping and office support services;
- Regulatory filing services; and
- Corporate secretarial services.

The Marrelli Group is also reimbursed for out of pocket expenses.

As of September 30, 2019, the Marrelli Group was owed $4,087 (December 31, 2018 - $14,302). These amounts are included in accounts payable and accrued liabilities.

During the three and nine months ended September 30, 2019, the Company incurred $96,045 and $270,850 (three and nine months ended September 30, 2018 - $116,246 and $259,311, respectively) pertaining to consulting services provided by two directors. As at September 30, 2019, $60,000 (December 31, 2018 - $47,420) was included in accounts payable and accrued liabilities pertaining to these fees and ancillary expense reimbursements.

Risk Factors

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position.

Financial Risk

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk, market risk (including interest rate, foreign exchange rate, and commodity and equity price risk). Risk management is carried out by the Company's management team with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

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 cash. The Company has no significant concentration of credit risk arising from operations. Cash consists of cash at banks and on hand. The cash has been invested and held with reputable financial institutions, from which management believes the risk of loss to be remote.

Liquidity Risk

Liquidity risk refers to the risk that the Company will not be able to meet its financial obligations as they become due, or can only do so at excessive cost. The Company's liquidity and operating results may be adversely affected if the Company's access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or as a result of conditions specific to the Company. As at September 30, 2019, the Company had a cash balance of $6,442,255 (December 31, 2018 - $7,058,093) to settle current liabilities of $1,004,417 (December 31, 2018 - $614,155). The Company regularly evaluates its cash position to ensure preservation and security of capital as well as maintenance of liquidity. As the Company does not generate revenue, managing liquidity risk is dependent upon the ability to secure additional financing, controlling expenses and preserving cash.

Most of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

Market Risks

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

(i) Interest Rate Risk

The Company has cash balances and no interest-bearing debt. The Company regularly monitors its cash management policy. As a result, Galway Metals is not subject to significant interest rate risk.

(ii) Foreign Exchange Risk

The Company's functional currency is the Canadian dollar and it transacts major purchases in United States dollars and Canadian dollars. To fund exploration expenses, it maintains US and Canadian dollar denominated bank accounts containing sufficient funds to support monthly forecasted cash outflows. Management believes the foreign exchange risk derived from currency conversions does not require a foreign exchange hedge.

(iii) Price Risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Sensitivity Analysis

Based on management's knowledge and experience of the financial markets, the Company believes the following movements are reasonably possible for the nine months ended September 30, 2019:

(i) The Company is exposed to foreign currency risk on fluctuations of financial instruments related to cash, prepaid expenses and deposits and accounts payable denominated in Canadian dollars. Sensitivity to a plus or minus one percentage point change in exchange rates would not have a material impact on the reported loss for the nine months ended September 30, 2019.

(ii) Commodity price risk could adversely affect the Company. In particular, the Company's future profitability and viability of development depends upon the world market price of precious and base metals. These metal prices have fluctuated significantly in recent months and years. There is no assurance that, even if commercial quantities of these metals may be produced from the Company's properties in the future, a profitable market will exist for them.

As of September 30, 2019, the Company was in the exploration and development stage and did not have any production at any of its mineral properties. As a result, commodity price risk may affect the completion of future equity transactions such as equity offerings and the exercise of stock options and warrants. This may also affect the Company's liquidity and its ability to meet its ongoing obligations.

Litigation Risk

Litigation risk refers to the risk that the Company may become involved in litigation or administrative proceedings from time to time, the outcomes of which may be uncertain. An unfavorable judgement, ruling or order may adversely affect the Company's business and financial condition.

Current Global Financial Conditions and Trends

Securities of mining and mineral exploration companies have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include macroeconomic developments globally, and market perceptions of the attractiveness of particular industries. The price of the securities of companies is also significantly affected by short-term changes in commodity prices, base and precious metal prices or other mineral prices, currency exchange fluctuation and the political environment in the countries in which the Company does business. As of September 30, 2019, the global economy continues to be in a period of significant economic and political volatility, in large part due to US, European and Asian economic concerns, and political volatility which have impacted global economic growth.

Dependence on Key Employees

The Company's business and operations are dependent on retaining the services of a small number of key employees. The success of the Company is, and will continue to be, to a significant extent, dependent on the expertise and experience of these employees. The loss of one or more of these employees could have a materially adverse effect on the Company. The Company does not maintain insurance on any of its key employees.

Accounting Pronouncements Adopted During the Period

In January 2016, the IASB issued IFRS 16, Leases (IFRS 16). IFRS 16 is effective for periods beginning on or after January 1, 2019, with early adoption permitted. IFRS 16 eliminates the current dual 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. The Company adopted this standard on January 1, 2019, with no impact on its condensed interim consolidated financial statements.

There are no other relevant IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

Critical Accounting Estimates

Significant assumptions about the future that management has made that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Stock-Based Compensation

Management is required to make certain estimates when determining the fair value of stock options awards, and the number of awards that are expected to vest. These estimates affect the amount recognized as stock-based compensation in the statements of loss based on estimates of forfeiture and expected lives of the underlying stock options.

Critical Accounting Estimates and Judgments

The preparation of these consolidated 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 reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future that management has made that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Impairment of Resource Property Costs

Management reviews the carrying values of exploration and evaluation assets whenever events or changes in circumstances indicate that their carrying values may not be recoverable. The recoverable amount of cash-generating units for an exploration stage company requires various subjective assumptions. These assumptions may change significantly over time when new information becomes available and may cause original estimates to change.

Income Taxes and Recovery of Deferred Tax Assets

The measurement of income taxes payable and deferred income tax assets and liabilities requires management to make judgments in the interpretation and application of the relevant tax laws. The actual amount of income taxes only becomes final upon filing and acceptance of the tax return by the relevant authorities, which occurs subsequent to the issuance of the financial statements. Judgment exists in relation to the eligibility of qualifying exploration and evaluation expenditures on properties in relation to flow-through share financing. Deferred tax assets require management to assess the likelihood that the Company will generate taxable income in future periods in order to utilize recognized deferred tax assets. As at September 30, 2019 and September 30, 2018, no deferred tax assets were recognized, as the Company is still in the exploration stage, and management is uncertain when sufficient taxable income will be available to realize the deferred tax assets.

Events occurring After the Reporting Period

There are no events occurring after the reporting period which have not been addressed in this document.

Capital Management

The Company manages its capital with the following objectives:

- to ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future growth opportunities, and pursuit of accretive acquisitions; and
- to maximize shareholder return through enhancing the share value.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by management and the Board of Directors on an ongoing basis.

The Company considers its capital to be equity, comprising share capital, contributed surplus, accumulated other comprehensive income (loss), and deficit, which at September 30, 2019 totaled $11,709,455 (December 31, 2018 - $11,780,490). The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. The forecast is updated based on activities related to its mineral properties. Information is provided to the Board of Directors of the Company. The Company's capital management objectives, policies and processes have remained unchanged during the nine months ended September 30, 2019. The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than Policy 2.5 of the TSXV Venture Exchange ("TSXV") which requires adequate working capital or financial resources of the greater of (i) $50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months. As of September 30, 2019, the Company is compliant with Policy 2.5.

Additional Disclosure for Venture Issuers without Significant Revenue

Administrative expenses for the three and nine months ended September 30, 2019 and 2018 are comprised of the following:

Nine Months Ended September 30,	2019	2018
	($)	($)
Salaries and benefits	194,060	250,800
Travel expense	84,296	53,162
Office and general	194,720	229,031
Public company costs	342,684	183,288
Insurance	47,911	49,170
Professional fees	300,341	215,965
	1,164,012	**981,416**

Disclosure of Outstanding Share Data

As at the date of this document, the Company had 119,883,716 issued and outstanding shares, 9,125,000 stock options exercisable between $0.10 and $0.51, expiring between December 4, 2023 and September 27, 2029 and 12,706,949 warrants exercisable between $0.35 and $0.50, expiring between November 14, 2019 and June 8, 2020.

Cautionary Note Regarding Forward-Looking Statements

Certain statements contained in this MD&A constitute forward-looking statements. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the

Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements.

Selected forward looking statements, assumptions, and risk factors are as follows:

Forward-looking statements	Assumptions	Risk factors
Potential of the Company's properties to contain economic deposits of gold, silver, zinc and/or copper	The actual results of the Company's exploration and development activities will be favourable; operating, exploration and development costs will not exceed the Company's expectations; the Company will be able to retain and attract skilled staff; all requisite regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to the Company, and applicable political and economic conditions are favourable to the Company; the price of minerals and applicable interest and exchange rates will be favourable to the Company; no title disputes exist with respect to the Company's properties	Precious and base metals price volatility; uncertainties involved in interpreting geological data and confirming title to acquired properties; the possibility that future exploration results will not be consistent with the Company's expectations; actual results of the Company's exploration and development activities; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic and political conditions; the Company's ability to retain and attract skilled staff
The Company's ability to meet its working capital needs at the current level for the twelve-month period ending September 30, 2020. The Company expects to incur further losses in the development of its business	The operating and exploration activities of the Company for the twelve-month period ending September 30, 2020, and the costs associated therewith, will be consistent with the Company's current expectations; debt and equity markets, exchange and interest rates and other applicable economic conditions are favourable to The Company	Changes in debt and equity markets; timing and availability of external financing on acceptable terms; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic conditions
Plans, costs, timing and capital for future exploration and development of the Company's property interests, including the costs and potential impact of complying with existing and proposed laws and regulations	Financing will be available for the Company's exploration and development activities and the results thereof will be favourable; actual operating and exploration costs will be consistent with the Company's current expectations; the Company will be able to retain and attract skilled staff; all applicable regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to the Company; the	Precious and base metals price volatility; changes in debt and equity markets; timing and availability of external financing on acceptable terms; the uncertainties involved in interpreting geological data and confirming title to acquired properties; the possibility that future exploration results will not be consistent with the Company's expectations; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation;

	Company will not be adversely affected by market competition; debt and equity markets, exchange and interest rates and other applicable economic and political conditions are favourable to the Company; the price of precious and/or base metals; no title disputes exist with respect to the Company's properties	interest rate and exchange rate fluctuations; changes in economic and political conditions; the Company's ability to retain and attract skilled staff
Management's outlook regarding future trends	Financing will be available for the Company's exploration and operating activities; the price of precious and/or base metals will be favourable to the Company	Precious and/or base metals price volatility; changes in debt and equity markets; interest rate and exchange rate fluctuations; changes in economic and political conditions
Sensitivity analysis of financial instruments	Interest rates will not be subject to change in excess of plus or minus 1% The Company's investment portfolio will not be subject to change in excess of plus or minus 100% There could be material changes to the Company's results for the three months ended September 30, 2019, as a result of changes in foreign exchange rates	Changes in debt and equity markets; interest rate and exchange rate fluctuations
Timing and possible outcome of pending litigation commenced by Vic Alboini and Jaguar Financial	The Company will be able to successfully settle or defend these actions	The Company may be found liable in the Alboini and Jaguar Claims and damages claimed under such litigation may be material and the outcome of such litigation may impact the Company's business, results of operations or financial condition. The Company may be required to incur significant expenses or devote significant financial resources in defending itself against the Alboini and Jaguar Claims. The adverse publicity surrounding such claims may have an adverse effect on the Company's business

The Company undertakes no obligation to update or revise the forward-looking statements contained herein except as may be required by applicable securities laws.