GOLD79 MINES LTD

(formerly Aura Resources Inc.)
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Three and Nine Month Periods Ended September 30, 2020
(Information as at November 26, 2020 unless otherwise noted)

INTRODUCTION

The following provides management's discussion and analysis of results of operations and financial condition for the three and nine month interim periods ended September 30, 2020 and 2019. Management's Discussion and Analysis ("MD&A") was prepared by Gold79 Mines Ltd. ("Gold79" or the "Company", formerly Aura Resources Inc.) management and approved by the Board of Directors on November 25, 2020.

The following discussion and analysis should be read in conjunction with the Company's condensed consolidated interim financial statements for the periods ended September 30, 2020 and 2019 which have been prepared in accordance with International Financial Reporting Standards ("IFRS") for interim financial statements. The following discussion and analysis should also be read in conjunction with the Company's consolidated financial statements for the years ended December 31, 2019 and 2018 which have been prepared in accordance with IFRS for annual financial statements. All figures are presented in United States dollars (unless otherwise indicated). The consolidated financial statements include all of the assets, liabilities and expenses of the Company and its wholly-owned subsidiaries, Gold79 Holding One Corp., Gold79 USA Corp., Territory Metals Ltd., Aura Resources Mexico S.A. de C.V. and Au Martinique Inc. (which is inactive). All intercompany balances and transactions have been eliminated upon consolidation.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This document may contain or refer to certain forward-looking statements relating but not limited to Gold79 Mines Ltd.'s expectations, intentions, plans and beliefs. Forward-looking information can often be identified by forward-looking words such as "anticipate", "believe", "expect", "goal", "plan", "intend", "estimate", "may" and "will" or similar words suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. Forward-looking information may include reserve and resource estimates, estimates of future production, unit costs, costs of capital projects and timing of commencement of operations, and is based on current expectations that involve a number of business risks and uncertainties. Factors that could cause actual results to differ materially from any forward-looking statement include, but are not limited to, failure to establish estimated resources and reserves, the grade and recovery of ore which is mined varying from estimates, capital and operating costs varying significantly from estimates, delays in obtaining or failures to obtain required governmental, environmental or other project approvals, inflation, changes in exchange rates, fluctuations in commodity prices, delays in the development of projects, the failure to obtain sufficient funding for operating, capital and exploration requirements and other factors. Forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from expected results. Potential shareholders and prospective investors should be aware that these statements are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. Shareholders are cautioned not to place undue reliance on forward-looking information. By its nature, forward-looking information involves numerous assumptions, inherent risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and various future events will not occur. Gold79 Mines Ltd. undertakes no obligation to update publicly or otherwise revise any forward-looking information whether as a result of new information, future events or other such factors which affect this information, except as required by law.

NATURE OF OPERATIONS AND DESCRIPTION OF BUSINESS

The Company is an exploration stage junior mining company which is publicly listed on the TSX Venture Exchange (TSX-V: AUU) and is engaged in the identification, acquisition, evaluation and exploration of mineral properties in North America. The Company has not determined if its properties contain mineral resources that are economically recoverable. The recoverability of amounts recorded for mineral exploration properties and deferred exploration expenditures is dependent upon the discovery of economically recoverable resources, the ability of the Company to obtain the necessary financing to complete the development of these resources and upon attaining future profitable production from the properties or sufficient proceeds from disposition of the properties.

Pursuant to a resolution passed by the directors of the Company on July 28, 2020, the Company changed its name to Gold79 Mines Ltd. which became effective August 5, 2020. On July 27, 2020, the Company continued from the laws of Canada under the *Canada Business Corporations Act* to the Province of British Columbia under the *Business Corporations Act (British Columbia).*

On July 24, 2020, the Company closed an amalgamation agreement for the acquisition of Territory Metals Corp. ("Territory") an unlisted private company located in British Columbia. Territory's key asset is the Tip Top Gold project in Esmeralda County, Nevada USA (see further information below).

As at September 30, 2020, the Company's mineral exploration property interests included: Gold Chain, Arizona; Jefferson Canyon, Nevada; Tip Top Gold, Nevada; Greyhound, Nunavut; and, Taviche, Mexico. Details regarding each mineral property interest are contained in the section entitled *Overall Performance and Results of Operations* in this MD&A.

ACTIVITY HIGHLIGHTS FOR 2020 TO DATE

Recent activity highlights are provided below. Additional details are provided in the following sections of this MD&A.

Private placement financing
Subsequent to quarter end, on November 26, 2020, the Company announced the closing of a private placement financing issuing 2,885,000 units at CDN$0.10 per unit for gross proceeds of CDN$288,500.

Soil geochemical survey at Jefferson Canyon, Nevada
During September 2020, an extensive soil geochemical survey of 3,000 samples over the entire Jefferson Canyon project ("JCP") area was completed. This survey will better define the emerging gold and silver systems at JCP. The soil survey conducted by Ethos Geological collected samples on 100-metre-spaced lines with 25-metre spaced samples. The analytical results are expected to be available in December. This survey will provide project-wide geochemical data not previously collected by past operators and will allow the Company to better define the surface distribution of metals related to the precious-metal system and the underlying structural and/or stratigraphic controls to the gold and silver mineralization defined both in surface and subsurface exploration.

Expansion of land position, geological mapping and rock-soil geochemical surveys at Tip Top Gold project, Nevada
On September 29, 2020, the Company announced it had significantly increased the size of the Tip Top Gold project in Nevada with the staking of 121 new claims. This new staking has expanded the land position at Tip Top from 22 claims (173 hectares) to a total of 143 claims covering approximately 1,062 hectares.

Geological mapping of the Tip Top mine area has identified a broad zone, up to 80 metres wide, of north- to northeast-trending quartz-chalcedony veining hosted by silicified volcanic rocks. The broad zone of veining can be traced for about 500 metres northeast from the mine, where it appears to pass below a diffuse zone of quartz veinlets hosted by clay-altered (quartz-illite) volcanic rocks and local silicification. This mineralized zone has been historically drill tested (including 26.9 g/t gold over 1.6 metres and 19.8 g/t gold over 2.4 metres; Hecla Mining, 2001) in close proximity to the Tip Top mine. Recent mapping has also identified additional zones of strong quartz veining and hydrothermal breccias in the footwall of the Tip Top mine, which have not been drill tested, and a broader zone of gold mineralization is suspected. The combination of high-level vein textures, alteration products and shallow gold intercepts in the historical drilling suggest that this epithermal gold system has suffered minimal erosion. This is also supported by the widespread presence of mercury workings throughout the district.

Mapping has also revealed likely extensions of the epithermal system both to the northeast and southwest, although they are widely concealed by talus (overburden) or high-level alteration (clay and opalite). The scale of the system extends well beyond the original 22 claims, which prompted the recently completed claim staking, which now envelops the broad (one kilometre), northeast-trending corridor of hydrothermal alteration and quartz veining.

To better define the emerging gold system at Tip Top, the Company commenced a soil geochemical survey in September 2020 conducted by Ethos Geological over the altered volcanic rocks and widespread quartz veining. This survey comprises approximately 2,350 soil samples on 100-metre-spaced lines with 50-metre-spaced samples. Within the central target area of the survey, 25-metre-spaced samples were taken. This survey was completed on September 30 with analytical results expected to be available during December.

New director appointment

Effective September 23, 2020 the Company made changes to its board of directors with the appointment of Derek Macpherson as an independent director. In order to create a vacancy on the board of directors for this appointment, Robert Johansing has stepped down as a director but remains a member of management in his role as vice-president of exploration.

Mr. Macpherson brings technical and capital markets experience to Gold79's team. He has a Bachelor of Engineering and Management in Materials Science (metallurgy) from McMaster University, and a Master of Business Administration from the Schulich School of Business. He is currently Vice-President, Mining Analyst, at Red Cloud Securities Inc. Prior to completing his MBA, he worked for six years as a metallurgist. For the last 10 years, he has worked in capital markets, primarily in mining equity research and for the most part covering junior mining companies. For the last five years, his primary role at Red Cloud has been building the mining research practice; however, during the early days of Red Cloud, while helping to build the business, he gained experience in banking, sales and marketing.

Name change and rebranding

During August 2020, the Company changed its name to Gold79 Mines Ltd. There is no consolidation of capital associated with the name change. Effective on Wednesday, August 5, 2020, the common shares of Gold79 Mines Ltd. commenced trading on the TSX Venture Exchange and the common shares of Aura Resources Inc. were delisted. The trading symbol "AUU" remains unchanged.

In connection with the name change and rebranding to Gold79, the Company has launched a new website. Shareholders, investors and other interested parties are invited to visit the website at www.gold79mines.com for further information on Gold79 and its gold projects.

Private placement financing raising CDN$1,538,000

On July 24, 2020, the Company closed a private placement financing, raising gross proceeds of CDN$1,538,000 with the issuance of a total of 25,633,333 units, at CDN$0.06 per unit. Funds from this placement are being utilized to for high priority exploration programs at each of the Tip Top Gold, Jefferson Canyon and Gold Chain projects.

Amalgamation with Territory Metals Corp. / Tip Top Gold project, Nevada

On July 24, 2020, the Company closed the amalgamation agreement for the acquisition of Territory Metals Corp. an unlisted private company located in British Columbia. Territory's key asset is the Tip Top Gold project comprised of 22 unpatented mining claims (at the time of acquisition) covering approximately 173 hectares located in Esmeralda County, Nevada USA. The Tip Top Gold project is subject to an agreement of purchase and sale whereby the Company has a right to acquire a 100% interest in the project. To complete the acquisition of a 100% interest, the Company is required to issue the vendor its publicly traded shares equal to a value of $175,000 on or before May 12, 2021, and pay an amount of $25,000 in cash on each of the first, second and third anniversaries of May 12, 2021. The vendor retains a 1% net smelter return royalty on the property and the Company is obligated to pay the vendor a cash payment of $200,000 within 30 days of completion of a bankable feasibility study on the Tip Top Gold project. The Company may purchase the NSR royalty by paying the vendor $1 million.

In accordance with the amalgamation agreement, the Company's newly formed wholly-owned subsidiary 1251498 B.C. Ltd. and Territory amalgamated to become a wholly-owned subsidiary of the Company, named Territory Metals Ltd. Under the terms of the amalgamation agreement the Company acquired all the outstanding common shares of Territory, with each Territory share exchanged for two common shares of the Company, resulting in the issuance of 26,581,400 common shares. In addition, Territory's 160,000 warrants outstanding at closing of the transaction were exchanged for 320,000 warrants of the Company with equivalent terms.

The Tip Top Gold project is located at the north end of the White Mountains, five miles south of Montgomery Pass, which is on United States Highway 6 between Bishop, California, and Tonopah, Nevada. The project contains several low-sulphidation oxide gold-silver epithermal veins with low base-metal contents, which are peripheral to an altered rhyodacite intrusion emplaced into Jurassic-Cretaceous intrusive and a bimodal package of volcanic rocks. Two of the veins historically produced a total of 6,900 ounces of gold and some silver. Since 1980, the property has been drilled by five companies, with 143 drill holes totalling over 24,000 feet.

Selected historical high-grade drill hole intercepts from the Tip Top Gold project include the following:

- Hole TTD-02 returned 2.44 metres of 19.82 grams per tonne Au from 20.20 m depth (Hecla 2001, core drilling);
- Hole TTD-04 returned 2.59 m of 7.89 g/t Au from 32 m depth (Hecla 2001, core drilling);
- Hole T98-12 returned 4.57 m of 16.31 g/t Au from 28.97 m depth (Dos Amigos 1998, reverse circulation drilling);
- Hole T98-14 returned 9.14 m of 14.42 g/t Au from 21.34 m depth (Dos Amigos 1998, reverse circulation drilling).

Historical drilling along the Tip Top vein, and particularly around the Tip Top adit, has identified gold-bearing veins, and there is a good possibility of expanding the known mineralization along strike and to depth. The selected gold-bearing intercepts above are drilled intervals and true width cannot be determined at this time. Currently, there is not enough confidence in the historical data to support resource modelling. Regardless, there is significant exploration potential along the Tip Top vein system as well as other parallel veins.

New Chairman and Director

Upon closing of the amalgamation with Territory, Mr. Gary Thompson was appointed as a director and Chairman of the board of directors of the Company. On August 28, 2020, Mr. Thompson was appointed to the position of Chief Executive Officer in addition to his role as Chairman.

Mr. Thompson is a co-founder of Brixton Metals Corp. He has 27 years of experience in resource exploration including precious and base metals, renewable power, and unconventional oil and gas, and is a qualified person as defined in *National Instrument 43-101 - Standards of Disclosure for Mineral Projects*. Mr. Thompson was the president and CEO of Sierra Geothermal Power Corp. until 2010 when it was acquired by Ram Power Corp. Mr. Thompson founded Cayley Geothermal Corp., which was acquired by Sierra Geothermal Power Corp. in 2006. Mr. Thompson has previously held positions with EnCana Corp., Newmont Alaska Ltd. and Novagold Resources Inc. Mr. Thompson is credited with the 1988 discovery of the TAG gold-silver prospect, which he sold to Taku Gold Corp. He was the vendor of Kodiak Copper's diamond assets and Solstice Gold's assets located near Agnico Eagle's Meliadine mine in Nunavut. Mr. Thompson is a professional geologist and an active member in good standing of both the Engineers and Geoscientists British Columbia and The Association of Professional Geoscientists of Ontario. Mr. Thompson holds a BSc (honours) in geology from the University of British Columbia.

Amendments to Gold Chain and Jefferson Canyon option agreements

On May 29, 2020, the Company announced it had entered into amending agreements with respect to its option agreements for both the Gold Chain, Arizona, and Jefferson Canyon, Nevada, projects. The Company retains a right to earn a 100% interest in both projects while the future payment schedules for certain cash and share payments have been amended. The amendments to these two property option agreements are an important step to allow the Company to move forward with exploration programs on these highly prospective gold projects. The amendments have provided the Company with additional flexibility by reducing and deferring future cash payments and adjusting share payments under these agreements. See *Overall Performance and Results of Operations* for details of these amendments.

Shares for debt transactions

During July 2020, the Company issued 1,791,667 common shares to settle outstanding payables of $79,908 (CDN$107,500) with Company officers.

Additionally, on July 7, 2020, the Company issued 612,755 common shares in satisfaction of the $25,000 anniversary payment under the terms of the Jefferson Canyon option agreement; and, on August 11, 2020, the Company issued 1,060,422 common shares in satisfaction of the $60,000 anniversary payment under the terms of the Gold Chain option agreement.

SELECTED INTERIM INFORMATION

The following table contains selected interim financial information for the three and nine month periods ended September 30, 2020 and 2019.

	Three month period ended September 30, 2020 $ (unaudited)	Three month period ended September 30, 2019 $ (unaudited)	Nine month period ended September 30, 2020 $ (unaudited)	Nine month period ended September 30, 2019 $ (unaudited)
Revenue	Nil	Nil	Nil	Nil
Total expenses	(578,471)	(43,233)	(710,997)	(235,458)
Other income (loss)	Nil	(4,276)	Nil	26,957
Net loss for the period	(578,471)	(47,509)	(710,997)	(208,501)
Currency translation differences	191	117	9,661	(904)
Total comprehensive loss for the period	(578,280)	(47,392)	(701,336)	(209,405)
Net loss per common share: - Basic and diluted	(0.01)	(0.00)	(0.02)	(0.01)

	As at September 30, 2020 (unaudited)	As at December 31, 2019
Total assets	1,852,103	234,869
Cash dividends per common share	Nil	Nil

Total expenses before other income (loss) were $535,238 higher during the third quarter of 2020 when compared to the third quarter in 2019. Promotion and annual meeting costs were $53,232 higher primarily related to new promotional marketing contracts and due to costs associated with the Company’s rebranding including website design and related. Regulatory and transfer agent fees were higher by $9,909. Higher transfer agent fees were incurred with respect to shares issued for the Territory acquisition and regulatory fees related to various TSX-V filing fees for transactions undertaken during the quarter. Professional fees were higher by $15,431 primarily due to legal fees in Canada relating to the amalgamation with Territory, continuance to British Columbia and Company name change and also due to incorporation of the Company’s new US subsidiary. General and administrative costs were $43,366 higher and related to increased Chief Executive Officer and Chief Financial Officer management fees primarily relating to the amalgamation with Territory, Company financing activity, and other corporate transactions. Non-cash stock based compensation expense related to new stock options granted during the quarter was $413,300. No stock based compensation expense was recorded in the quarter ended September 30, 2019.

For the nine month period ended September 30, 2020, total expenses before other income were $475,539 higher when compared to the same period during 2019. Significant variations in expenses included higher promotion expense of $22,601 related to marketing contracts initiated during the third quarter of 2020 and rebranding and website costs. Regulatory and transfer agent costs were higher by $8,624 primarily related to the Territory acquisition. Professional fees were higher by $28,751 related to legal fees in Canada for the corporate transactions noted above. Stock based compensation expense related to stock options of $413,300 was recorded during the third quarter of 2020 versus $36,150 during the nine month period ended September 30, 2019.

During the nine month period ended September 2019 other income included a gain of $25,071 on the sale of the 80% interest in the Taviche, Mexico property to Minaurum Gold as the cash and initial common share proceeds received exceeded the net book value of project assets by this amount. Also, during 2019, a gain of $1,886 related to the initial 100,000 Minaurum common shares was recorded as the fair value of the shares increased from the time of receipt in April to the quarter end date on September 30, 2019.

OVERALL PERFORMANCE AND RESULTS OF OPERATIONS

Mineral Exploration Properties and Deferred Exploration Expenditures

During the nine-month period ended September 30, 2020, the Company capitalized a total of $922,512 of costs relating to mineral exploration properties. This includes a value of $662,552 related to the value of the Tip Top Gold project interest acquired in the acquisition of Territory. Additionally, the Company capitalized annual cash option payments related to the Gold Chain and Jefferson Canyon projects totaling $61,624. Annual common share payments related to Gold Chain and Jefferson Canyon totaled a value of $85,449. Annual claim renewal costs for Gold Chain, Jefferson Canyon and Tip Top totaled $33,670. New claim staking costs relating to the Tip Top Gold project totaled $79,217.

During the nine-month period ended September 30, 2020, the Company incurred at total of $161,115 in exploration expenditures relating to geologic and geochemical studies along with drill permitting. Geology costs related primarily to compilation and analysis of historical exploration data for Gold Chain and Tip Top and a geological mapping and rock sampling campaign conducted at Tip Top. Soil geochemical survey costs for Jefferson Canyon and Tip Top were $68,475 and $53,361, respectively.

Since June 2014, property maintenance and direct field exploration programs at Greyhound have been funded by Agnico Eagle under the terms of the option and joint operating agreements with Agnico Eagle.

Jefferson Canyon Project – Nevada, USA

During March of 2019, the Company entered into a non-binding letter agreement with Thorsen-Fordyce Merchant Capital Inc. and TF Minerals (USA) Inc. (together, the “TF parties”) relating to the Jefferson Canyon gold-silver project (“JCP”) in southern Nevada, Nye County. The agreement covers 57 unpatented claims located about 7.5 kilometres northeast of Kinross's Round Mountain gold mine.

A site visit was conducted in May 2019 and was focused on confirmation of historical data and the collection of rock samples to confirm historical results. The rock sampling conducted during due diligence consisted of just seven samples from the A Zone and B Zone. All samples returned anomalous gold and silver values with significant high-grade results taken from the B Zone with one sample grading up to 26.1 g/t gold and 2,975 g/t silver. These results are viewed as confirmation of historical surface sampling results.

On May 31, 2019, the Company entered into a definitive option agreement with Thorsen-Fordyce Merchant Capital Inc. ("Thorsen") and TF Minerals (USA) Inc. (together, the "TF parties") relating to the Jefferson Canyon gold-silver project located in Nye County, Nevada. The agreement covers 57 unpatented claims located approximately nine kilometres northeast of Kinross's Round Mountain gold mine. On May 29, 2020, the Company and the TF parties entered into an amended option agreement which extended the timeframe for certain cash payments and exploration expenditures.

Under the terms of the amended option agreement the Company can earn a 100% interest in 28 claims forming part of the Jefferson Canyon property held directly by the TF parties by making: (i) an initial common share payment to the TF parties valued at $25,000 upon receipt of TSX Venture Exchange approval (670,000 common shares and cash of $275 paid during June 2019); (ii) seven additional annual payments valued at $25,000 each on May 31, 2020, through 2026, which may be paid in common shares and/or cash at the option of the Company; and, (iii) a cash payment by May 31, 2027, of $200,000. During July 2020, the Company issued 612,755 common shares valued at $25,449 related to the 2020 anniversary payment.

Additionally, under the terms of the definitive option agreement, the Company has assumed responsibility for an underlying option agreement, initiated in September, 2015, between Thorsen and an individual claim holder whereby Thorsen has the right to earn a 100% interest in 29 claims comprising the balance of the Jefferson Canyon project. The underlying agreement requires annual advance royalty payments by the September 14 anniversary through to 2030 or until exercise of the option to purchase. Annual advance royalty payments total $425,000 ($5,000 was paid by Thorsen with a balance of $420,000 due at initiation of the option agreement). The annual advance royalty payment schedule comprises $10,000 due September, 2019 (paid), $15,000 in 2020 (paid), after which the annual payment increases by $5,000 per year until 2026 and is followed by four annual payments of $50,000 for 2027 to 2030. The option to acquire a 100% interest in the 29 claims is exercisable at any time during its term, up until March 14, 2032, by paying a purchase price of $500,000. Any advance royalty payments paid and the purchase price are creditable against future net smelter return royalties payable.

The Company is responsible for annual claim maintenance fees and has committed to minimum exploration work expenditures of $100,000 by May 31, 2021. Additionally, the 28 claims held by the TF parties are subject to a 3% net smelter return royalty and the 29 underlying claims are also subject to a 3% NSR. Each of these NSR obligations are subject to separate buyback provisions whereby up to 2% of each NSR can be purchased by the company for $1 million for each 1%.

The JCP contains a large volcanic-hosted epithermal Au-Ag system that is essentially the same age as the nearby Round Mountain deposit, a world-class low-sulfidation (LS) epithermal deposit. Both are hosted in felsic ash-flow tuffs along the margins of calderas and both contain a strong northwest-trending and north-south structural control to veins. Both areas contain low-grade disseminated and high-grade vein or replacement type mineralization.

The Ag:Au ratio at the JCP is highly variable with a Ag- and base-metal rich core and outer ring hosting strong Au-As-Sb-Hg values. This outer ring is more akin to classic LS systems, like Round Mountain. The core area is more typical of intermediate sulfidation (IS) epithermal vein systems in which Au is coincident with high Ag, Cu, Pb, Zn and Mn. Extensive areas of gold and silver values were identified in historical drilling but have not been confirmed: Central Ag-rich Zone: 47.2m @ 78.8 g/t Ag; 42.7m @ 54.5 g/t Ag; 48.8m @ 80.7 g/t Ag; and, 27.4m @ 0.88 g/t Au. Results from the peripheral Au-rich Zone include: 19.8m @ 0.99 g/t Au; 25.9m @ 8.63 g/t Au; 44.2m @ 1.13 g/t Au; 32m @ 0.85 g/t Au; and, 56.4m @ 0.63 g/t Au.

Modern exploration in the JCP area began in the late 1960's when drilling of at least 134 holes comprising 17,979 m (58,985 ft) was completed in several campaigns between 1969 and 1986; nearly all of this drilling was reverse circulation. Since that time, geophysical studies were conducted over the extensive Au-Ag anomaly revealing strong alteration within the intra-volcanic package. Technological advances in mineral identification found in altered rocks, i.e. multi-spectral analysis, will provide Gold79 with the ability to 'fine-tune' the existing alteration model and, possibly, expansion of an emerging resource.

During June 2019, Company geologists returned to JCP to conduct a more extensive rock sampling campaign comprising 47 new rock samples. Results from this campaign and their integration with 836 historical samples from the JCP database were announced during September 2019. The gold results support the aerial expansion of the B Zone, located several hundred metres to the north. Additionally, significant gold and silver mineralization was identified in a broad area in the northwestern part of the project (Northwest Gold Zone), measuring hundreds of metres across. The five samples collected here are anomalous, with values of up to 15.2 g/t gold and 421 g/t silver.

The Company is currently compiling and modelling historical data for the JCP. A significant soil geochemistry survey was completed during October 2020 for which analytical results are expected during December 2020. Drill permitting activity was initiated during July 2020.

Mr. Robert Johansing, MSc, P.Geo., Vice-President Exploration of the Company, is Gold79's qualified person (as defined by National Instrument 43-101) for the Jefferson Canyon project and has reviewed and approved the scientific and technical information contained in this MD&A.

Gold Chain Project – Arizona, USA

Property Background

On July 30, 2018, the Company entered into a binding letter agreement for an option to acquire a 100% interest in the Gold Chain project located in Mohave County, Arizona. The initial project comprised 86 Bureau of Land Management lode mining claims in western Arizona, where work conducted by prior operators has indicated the property is prospective for gold. On February 4, 2019, the Company completed a definitive legal agreement with the vendors of the Gold Chain project incorporating all of the terms of the letter agreement and other standard industry terms. On May 29, 2020, the Company and the vendors entered into an amended option agreement which adjusted future cash and share payments and extended the timing of future payments. Consideration payable to earn a 100% interest in the project is payable in annual instalments over a seven-year period from inception and consists of a total of $560,000 in cash; 300,000 common shares; and, a value of $300,000 payable in common shares.

The initial 150,000 share payment was completed during March 2019 and the first anniversary cash and share payment during July 2019. During August 2020, the Company paid the second anniversary payment comprised of $40,000 cash and 1,060,422 common shares. The vendors of the property hold a 2% net smelter return royalty (NSR) on gold and silver. The Company has the right to buy down the NSR in increments of 1% by paying the vendors the sum of $1 million for each 1% of the NSR at any time prior to completion of the first year of commercial production. Additionally, the vendors will be entitled to a bonus cash payment equivalent to $1.00 per ounce of gold estimated in any resource category determined in a Preliminary Economic Assessment compliant with National Instrument 43-101. Any cash bonus payment that becomes payable will be creditable toward amounts due under the NSR agreement.

Following initial evaluation of the historical technical data base for the Gold Chain project and a field visit during the fall of 2018, an additional 14 claims were staked to cover newly interpreted structural projections, bringing the total project claims to 100. These additional claims fall into an area of interest defined in the letter agreement.

The Gold Chain project consists of several mineralized exposures, over five kilometres, composed of epithermal-style gold mineralization. Some of these exposures were mined on a limited scale prior to 1940 and were explored by several companies during the 1980s. Mineralization occurs along a low-angle unconformity or detachment fault where mid-Tertiary volcanics rest directly on Precambrian rocks. The gold-bearing rock is characterized by quartz-calcite veinlets or stockwork in silicified and hematized volcanics in the hanging wall of the detachment fault. Several analogous deposits have been productive in the region. Historical records reveal that drilling identified oxidized conditions extending to at least 100 metres below the surface, a condition favourable for gold recovery by leaching.

The Company has analyzed and compiled historical data to support next steps in exploration. During November 2020, the Company submitted an application for drilling to the Arizona Bureau of Land Management. The Company is currently completing design and contracting for its initial drill program at Gold Chain.

Mr. Robert Johansing, MSc, P.Geo., Vice-President Exploration of the Company, is Gold79's qualified person (as defined by National Instrument 43-101) for the Gold Chain project and has reviewed and approved the scientific and technical information contained in this MD&A.

Tip Top Gold Project – Nevada, USA

On July 24, 2020, the Company closed an amalgamation agreement for the acquisition of Territory Metals Corp., Territory's key asset is the Tip Top Gold project which was comprised of 22 unpatented mining claims (at the time of acquisition) covering approximately 173 hectares located in Esmeralda County, Nevada USA. During September 2020, the Company staked 121 additional claims at the Tip Top Gold project. This new staking increased the land position from 22 claims to a total of 143 claims covering approximately 1,062 hectares in total area.

The Tip Top Gold project is subject to an agreement of purchase and sale whereby the Company has a right to acquire a 100% interest in the project. To complete the acquisition of a 100% interest, the Company is required to issue the vendor its publicly traded shares equal to a value of $175,000 on or before May 12, 2021, and pay an amount of $25,000 in cash on each of the first, second and third anniversaries of May 12, 2021. The vendor retains a 1% net smelter return royalty on the property and the Company is obligated to pay the vendor a cash payment of $200,000 within 30 days of completion of a bankable feasibility study on the Tip Top Gold project. The Company may purchase the NSR royalty by paying the vendor $1 million.

The Tip Top Gold project is located at the north end of the White Mountains, five miles south of Montgomery Pass, which is on United States Highway 6 between Bishop, California, and Tonopah, Nevada. The project contains several low-sulphidation oxide gold-silver epithermal veins with low base-metal contents, which are peripheral to an altered rhyodacite intrusion emplaced into Jurassic-Cretaceous intrusive and a bimodal package of volcanic rocks. Two of the veins historically produced a total of 6,900 ounces of gold and some silver. Since 1980, the property has been drilled by five companies, with 143 drill holes totalling over 24,000 feet.

Selected historical high-grade drill hole intercepts from the Tip Top Gold project include the following:

- Hole TTD-02 returned 2.44 metres of 19.82 grams per tonne Au from 20.20 m depth (Hecla 2001, core drilling);
- Hole TTD-04 returned 2.59 m of 7.89 g/t Au from 32 m depth (Hecla 2001, core drilling);
- Hole T98-12 returned 4.57 m of 16.31 g/t Au from 28.97 m depth (Dos Amigos 1998, reverse circulation drilling);
- Hole T98-14 returned 9.14 m of 14.42 g/t Au from 21.34 m depth (Dos Amigos 1998, reverse circulation drilling).

Historical drilling along the Tip Top vein, and particularly around the Tip Top adit, has identified gold-bearing veins, and there is a good possibility of expanding the known mineralization along strike and to depth. The selected gold-bearing intercepts above are drilled intervals and true width cannot be determined at this time. Currently, there is not enough confidence in the historical data to support resource modelling.

Regardless, there is significant exploration potential along the Tip Top vein system as well as other parallel veins.

Geological mapping of the Tip Top mine area has identified a broad zone, up to 80 metres wide, of northeast-trending quartz-chalcedony veining hosted by silicified volcanic rocks. The broad zone of veining can be traced for about 500 metres northeast from the mine, where it appears to pass below a diffuse zone of quartz veinlets hosted by clay-altered (quartz-illite) volcanic rocks and local silicification. This mineralized zone has been historically drill tested (including 26.9 g/t gold over 1.6 metres and 19.8 g/t gold over 2.4 metres; Hecla Mining, 2001) in close proximity to the Tip Top mine. Recent mapping has also identified additional zones of strong quartz veining and hydrothermal breccias in the footwall of the Tip Top mine, which have not been drill tested, and a broader zone of gold mineralization is suspected. The combination of high-level vein textures, alteration products and shallow gold intercepts in the historical drilling suggest that this epithermal gold system has suffered minimal erosion. This is also supported by the widespread presence of mercury workings throughout the district.

Mapping has also revealed likely extensions of the epithermal system both to the northeast and southwest, although they are widely concealed by talus (overburden) or high-level alteration (clay and opalite). The scale of the system extends well beyond the original 22 claims, which prompted the recently completed claim staking, which now envelops the broad (one kilometre), northeast-trending corridor of hydrothermal alteration and quartz veining.

To better define the emerging gold system at Tip Top, the Company commenced a soil geochemical survey in September 2020 conducted by Ethos Geological over the altered volcanic rocks and widespread quartz veining. This survey comprises approximately 2,350 soil samples on 100-metre-spaced lines with 50-metre-spaced samples. Within the central target area of the survey, 25-metre-spaced samples were taken. This survey was completed on September 30 with analytical results expected to be available during December.

Mr. Robert Johansing, MSc, P.Geo., Vice-President Exploration of the Company, is Gold79's qualified person (as defined by National Instrument 43-101) for the Gold Chain project and has reviewed and approved the scientific and technical information contained in this MD&A.

Greyhound Project – Nunavut, Canada

Property Background
During June 2006, the Company initiated its Greyhound project in the central Churchill region of Nunavut, Canada, staking 10 claims for a total of 10,451 hectares. From 2008 to 2011, the Company increased its land holdings in the Whitehills area to a total of 57 claims comprising over 55,000 hectares. Since that time, a total of 42 claims have lapsed. Currently, the Greyhound project comprises a total of 15 claims covering approximately 15,123 hectares. Of these claims, 13 are subject to a joint operating agreement with Agnico Eagle Mines Ltd. ("Agnico Eagle") (see below). These 13 claims have been converted to mining leases under Nunavut Mining Regulations.

During June 2014, the Company entered into a definitive option agreement with Agnico Eagle which allowed Agnico Eagle to earn an interest in the 13 claims comprising the Greyhound project. Under the terms of the option agreement, over the first three years of the agreement, Agnico Eagle had the exclusive right to earn an undivided 51% ownership interest by meeting annual commitments that totaled CDN$210,000 in cash payments to the Company and incurring CDN$1,750,000 in exploration work expenditures on the project.

Agnico Eagle completed all requirements to earn a 51% interest effective June 1, 2017. From June 1, 2017 forward, the 13 claims became subject of a joint operating agreement between the Company and Agnico

Eagle. Work programs are to be established by a management committee comprised of one representative from each of the Company and Agnico Eagle. If either party to the joint operating agreement fails to fund its pro-rata share of approved exploration programs its interest in the project will be diluted on a pro-rata basis. As at September 30, 2020, the Company's ownership interest in the Greyhound project was 37.1% (December 31, 2019 – 37.6%). If any party's interest in the project falls below 10% then that party will forfeit their 10% interest and in return will receive a 2% NSR. The other party may at any time purchase one-half of the NSR, namely a 1% NSR, for an amount of CDN$2,000,000. Agnico Eagle is the operator of the project.

The Company originally staked the Greyhound precious and base metals prospect based on historical assays from prospecting with samples assaying 1,480 and 3,080 g/t Ag from other exploration companies that were supervised by Company geologists at that time.

The Greyhound property is located north of the community of Baker Lake, Nunavut and south of Agnico Eagle's Meadowbank Gold Mine which has been in commercial operation since 2010. An all-weather road to the Meadowbank Mine from Baker Lake crosses portions of the Greyhound property enhancing the project's infrastructure and setting the project apart from many exploration projects in the north.

Greyhound project expenditures and interest

As at September 30, 2020, the Company's interest in the Greyhound project was 37.1% (December 31, 2019 – 37.6%). Total cumulative expenditures of $2,845,780 were incurred by Agnico Eagle up to September 30, 2020. If the Company elects not to fund, or is unable to fund current or future expenditures, its interest in the Greyhound project would be further diluted.

Proposed Exploration Drilling

During 2020, the Company has re-examined the soil geochemical and geophysical data along with a review of the surface sample results (whole rock and 4-acid assays) for the entire Greyhound project area. Several target areas for drilling have been defined and will be priorities for the next exploration drilling campaign and are undergoing evaluation by the joint venture management committee. The next drill campaign is expected to commence early in the spring 2021 field season. The timing of future exploration drilling remains subject to Agnico Eagle management and local community approvals which are dependant on modifications in COVID-19 restrictions that would allow for a safe resumption of exploration activity.

Agnico Eagle Exploration Programs 2018 and 2019

During the 2018 field season, Agnico Eagle undertook surface mapping, induced polarization ("IP") geophysical surveys, till sampling and drilling on two newly defined targets. This work was focused primarily on gold targets at two distinct areas around Aura Lake. These two target areas, the northwest fold area and South Aura Lake, were selected for additional work, including diamond drilling.

The 2018 fieldwork has led to the discovery of a base and precious metal target at Greyhound. Agnico Eagle completed an extensive set of induced polarization geophysical surveys, including a previously untested area in the central part of the property. These new data, combined with the Company's earlier discovery of zinc-copper-silver-rich boulders, a gold-rich vein system, field mapping and lithogeochemical sampling, enabled the identification of a priority exploration target which was drill tested with 3 holes during the 2019 field season.

The 2019 drill holes, GHD19-30, 31 and 32A, tested a series of sub-parallel IP anomalies interpreted as a potential source of the volcanogenic massive sulfide (VMS) -style mineralized boulders that occur about 1 km to the west. These boulders contained up to 9.2% Cu and 18.4% Zn and are were glacially transported from east to west. The 2019 holes intersected subequal amounts of graphitic mudstone and intermediate volcaniclastic strata. The maximum gold value from this drilling was 1.09 g/t Au over 0.9 meters.

Dr. James Franklin has reviewed the 2019 results and concludes that the sequence intersected in these holes probably represents a hiatus in volcanism, possibly related to the hanging wall of a VMS system. Hole GHD11 – 31 contains both base metal contents and alteration characteristics of a VMS footwall. Thus, the most prospective area for VMS mineralization may correspond to the untested Max-Min EM survey that is largely under the small lake to the north of the three 2019 drill holes. Based on the data from GHD11-31 drilled previously in 2011 and very limited outcrop data, this prospective area lies immediately to the west of the extensive felsic unit north of the 2019 drill holes. Hence, the revised target is at the base of the sediment-dominated sequence intersected in the 2019 drilling.

During the initial phase of exploration in 2006, the Company discovered a series of massive sulphide boulders, ranging from 50 centimetres to one metre in diameter, in a dry stream channel immediately adjacent to the all-weather road to the Meadowbank mine. Analytical data for these boulders illustrates their high base metal contents. Field examination determined that these were glacially transported from the east, based on the measurement of glacial striae and key soil geochemical indicators. Given the fragility of these boulders, the transport distance is most probably approximately two kilometres. The recent IP survey in this area has identified three en echlon distinctly conductive areas. The footwall strata beneath these geophysical targets are strongly sodium (Na) and europium (Eu) depleted, excellent indicators of a volcanogenic massive sulphide-type hydrothermal discharge system. One outcrop to the west is Eu enriched, a possible indicator of hangingwall alteration. Outcrop in this area of the Archean Meadowbank formation is sparse. A sample from a distinctive quartz vein system immediately to the south of these conductors contains 14.6 grams per tonne gold, another excellent target area for additional drilling.

Dr. James M. Franklin, PhD, FRSC, P. Geo., a director of the Company, is Gold79's qualified person (as defined by National Instrument 43-101) for the Greyhound, Nunavut property and has reviewed and approved the scientific and technical information contained in this MD&A.

Taviche Project – Oaxaca, Mexico

Property Background

The Taviche project is comprised of the Higo Blanco concession covering 986 hectares and is subject to a 1.5% NSR held by Maverix Metals Inc.

On January 29, 2019, the Company announced it had entered into a definitive agreement with Minaurum Gold Inc. and its Mexican subsidiary whereby Minaurum acquired an initial 80% interest in the Taviche project for the following consideration: (i) the issuance of 100,000 common shares of Minaurum; (ii) the reimbursement of all Taviche project concession fees paid by the Company during 2018 and payment of the remaining concession fees to bring the property into good standing until January 31, 2019, to a maximum of $80,000; and, (iii) the issuance of an additional 100,000 common shares of Minaurum upon receiving all relevant approvals and consents required to be obtained for the commencement of exploration and drilling activities at the Taviche project. Upon acquiring the initial 80% interest, Minaurum has acted as operator of the Taviche project having exclusive authority and control over the direction and management of the business and operations of the project.

Additionally, the Company has granted Minaurum an exclusive option to acquire the remaining 20% of the Taviche project for a purchase price of CDN$1,000,000. Until exercise of this option, the Company's 20% interest shall be free carried with no obligation to co-finance project costs and will not be subject to dilution. On April 17, 2019, the Company announced the closing of this agreement with Minaurum. The Company received the initial 100,000 common shares of Minaurum and a cash payment of $39,452 on closing.

Higo Blanco Prospect / Early Exploration

Reconnaissance activities in the East Taviche and Alma Delia concessions during 2007 and 2008 delineated a corridor of northwest-trending gold- and silver-bearing quartz-sulfide-carbonate veins, vein breccia and stockwork lenses. In proximity to where these vein systems intersect the underlying Cretaceous limestone, a zone of extensive silicification includes areas of silver- and gold-bearing jasperoid (a siliceous replacement of the carbonate sedimentary strata). The Higo Blanco prospect is a series of jasperoid occurrences over a strike length of approximately 7 kilometres. Follow-up mapping and sampling in 2008 enabled the Taviche JV to define several drill targets, initially within a small portion (~2 kilometres) of the overall strike length of the vein/jasperoid complex.

Further sampling at Higo Blanco revealed a very large Au-Ag-Sb (gold, silver, antimony) anomaly associated with a major NW-trending zone referred to as the Mezcal structure.

During the period from mid-2009 to 2011, the Company completed four phases of drilling comprising a total of approximately 7,925 metres of diamond drilling in 35 holes with some silver contents in excess of 300 grams/tonne (g/t) encountered in 9 of the 22 holes, and gold contents in excess of 0.5 g/t encountered in 14 of the holes. During March 2010, the Company initiated a Phase III drilling program to follow up on the encouraging initial results obtained in 2009 drilling. This drilling extended the silver and gold targets.

Higo Blanco National Instrument 43-101 Technical Report

During September 2011, a National Instrument 43-101 ("43-101") technical report entitled "*Taviche Project, Resource Estimate and Preliminary Economic Assessment for the Higo Blanco Projec*t" was finalized. The 43-101 Report included an initial resource estimate and a mineral potential estimate for Higo Blanco as follows.

Inferred Resource Estimate

The 43-101 report provides estimates of an Inferred silver resource of 865,000 tonnes at a grade of 119 g/t for 3.3 million ounces of contained silver and an Inferred gold resource of 3.3 million tonnes at a grade of 0.51 g/t for 54,000 ounces of contained gold. The resource estimate is based on intercepts from 14 drill holes undertaken by the Company with core lengths ranging from 63.5 metres to 161.6 metres. The intercept values for gold and silver provided have been weighted and summed as a global estimation of grade within a geometric envelope referred to as the 'deposit'.

Mineral Potential Estimate

Additionally, the 43-101 Report includes an estimation of "Mineral Potential" located near or within its seven kilometre-long by 300 metre-wide Higo Blanco jasperoid-altered area on the East Taviche and the former Alma Delia concession which the Company has since dropped This exploration target mineral inventory is estimated to be between 6.0 million and up to 29.0 million ounces of silver (2 to 6 million tonnes at a grade of 100 to 150 g/t) and between 108,000 and up to 450,000 ounces of gold (10 to 20 million tonnes at a grade of 0.4 to 0.7 g/t).*

* ***Note that the potential quantity and grade is conceptual in nature, there has been insufficient exploration to date to define this as a mineral resource and it is uncertain if further exploration will result in the target being delineated as a mineral resource.***

Mr. Robert Johansing, MSc, P.Geo., Vice President Exploration of the Company, is Gold79's qualified person (as defined by National Instrument 43-101) for the Taviche project and has reviewed and approved the scientific and technical information contained in this MD&A.

Expenses

Total expenses before other income (loss) for the three month period ended September 30, 2020 were $578,471 (Q3 2019 – $43,233). Total expenses before other income (loss) were $535,238 higher during the third quarter of 2020 when compared to the third quarter in 2019. Promotion and annual meeting costs were $53,232 higher primarily related to new promotional marketing contracts and due to costs associated with the Company's rebranding including website design and related. Regulatory and transfer agent fees were higher by $9,909. Higher transfer agent fees were incurred with respect to shares issued for the Territory acquisition and regulatory fees related to various TSX-V filing fees for transactions undertaken during the quarter. Professional fees were higher by $15,431 primarily due to legal fees in Canada relating to the amalgamation with Territory, continuance to British Columbia and Company name change and also due to incorporation of the Company's new US subsidiary. General and administrative costs were $43,366 higher and related to increased Chief Executive Officer and Chief Financial Officer management fees primarily relating to the amalgamation with Territory, Company financing activity, and other corporate transactions. Non-cash stock based compensation expense related to new stock options granted during the quarter was $413,300. No stock based compensation expense was recorded in the quarter ended September 30, 2019.

Total expenses before other income for the nine month period ended September 30, 2020 were $710,997 (2019 – $235,458). For the nine month period ended September 30, 2020, total expenses before other income were $475,539 higher when compared to the same period during 2019. Significant variations in expenses included higher promotion expense of $22,601 related to marketing contracts initiated during the third quarter of 2020 and rebranding and website costs. Regulatory and transfer agent costs were higher by $8,624 primarily related to the Territory acquisition. Professional fees were higher by $28,751 related to legal fees in Canada for the corporate transactions noted above. Stock based compensation expense related to stock options of $413,300 was recorded during the third quarter of 2020 versus $36,150 during the nine month period ended September 30, 2019.

Other income

During the nine month period ended September 2019 other income included a gain of $25,071 on the sale of the 80% interest in the Taviche, Mexico property to Minaurum Gold as the cash and initial common share proceeds received exceeded the net book value of project assets by this amount. Also, during 2019, a gain of $1,886 related to the initial 100,000 Minaurum common shares was recorded as the fair value of the shares increased from the time of receipt in April to the quarter end date on September 30, 2019.

Net Loss and Net Loss per Common Share

Net loss for the three month period ended September 30, 2020 was $578,471 (Q3 2019 – $47,392) and basic and diluted loss per common share was $0.01 (Q3 2019 – $0.00). Net loss for the nine month period ended September 30, 2020 was $710,997 (2019 – $208,501) and basic and diluted loss per common share was $0.02 (2019 – $0.01).

LIQUIDITY AND CAPITAL RESOURCES

As at September 30, 2020, the Company held cash of $388,840 (December 31, 2019 – $47,168) and had working capital of $322,797. Existing funds on hand at September 30, 2020 are not sufficient to retain certain of the Company's property interests, to conduct or co-fund exploration on the Company's projects or to continue operations during the coming year. The Company will require additional funding to be able to advance and retain mineral exploration property interests and to meet ongoing requirements for general operations.

Subsequent to quarter end, on November 25, 2020, the Company closed a private placement financing raising gross proceeds of $288,500 with the issuance of 2,885,000 units at CDN$0.10 per unit. On July 24, 2020, the Company closed a private placement financing raising gross proceeds of CDN$1,538,000 with the issuance of 25,633,333 units at CDN$0.06 per unit. On July 24, 2020, a total of 1,791,667 common shares were issued to settle outstanding payables of $79,908 (CDN$107,500) with Company officers.

The Company continually evaluates prospective new projects in the southwestern United States for addition to its project portfolio as part of its strategy to enhance shareholder value. There is no assurance that the Company will be successful in negotiating additional project agreements or joint ventures or other transactions or that the terms would be acceptable.

Private placement financings

Subsequent to quarter end, on November 26, 2020, the Company announced the closing of a private placement financing issuing 2,885,000 units at CDN$0.10 per unit for gross proceeds of CDN$288,500. Each unit consists of one common share of the Company and one-half common share purchase warrant. A total of 1,442,500 warrants were issued entitling the holders to purchase one common share of the Company at a price of CDN$0.15 per share until November 25, 2022. In connection with the private placement, the Company paid eligible finders cash commissions of CDN$1,410 and an aggregate of 14,100 compensation warrants. Each compensation warrant entitles the finder to acquire one common share at an exercise price of CDN$0.15 and is exercisable until November 25, 2022.

On July 24, 2020, the Company closed a private placement financing, raising gross proceeds of $1,144,741 (CDN$1,538,000) with the issuance of a total of 25,633,333 units at CDN$0.06 per unit. Each unit consists of one common share of the Company and one-half common share purchase warrant. A total of 12,816,666 warrants were issued entitling the holders to purchase one common share of the Company at a price of CDN$0.10 per share until July 24, 2022. In connection with the private placement, the Company paid eligible finders cash commissions in the amount of $19,420 and an aggregate of 322,000 compensation warrants. Each compensation warrant entitles the finder to acquire one common share at an exercise price of CDN$0.10 and is exercisable until July 24, 2022.

On May 29, 2019, the Company closed a private placement financing issuing 4,400,000 units for gross proceeds of $163,687 (CDN$220,000). Each unit consisted of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder to purchase one common share of the Company at a price of CDN$0.07 until their expiry date on May 29, 2022. In connection with this private placement, the Company paid finders' fees of $3,554 (CDN$4,800) and issued 96,000 compensation options valued at $2,120. Each compensation option entitles the finder to acquire a unit (having the same features as described above) at an exercise price of CDN$0.05 per unit and is exercisable until May 29, 2022.

The Company has financed its operations from inception to date primarily through the issuance of equity securities. The Company is dependent on raising additional funds in order to finance future exploration programs; property claim and option payments; and, to meet requirements for administrative and other operating costs. The Company's operations do not generate cash flows. The Company's financial success is dependent on its ability to discover economically viable mineral deposits on its properties. The mineral exploration process can take many years and is subject to a number of factors many of which are beyond the Company's control (see *Risks and Uncertainties*).

Contractual Obligations

The Company does not currently have any fixed contractual obligations or commitments for capital or operating leases, purchase obligations or other long-term commitments. Any commitments under option earn-in agreements for exploration property interests are cancellable at the Company's discretion but would result in forfeiture of rights under such agreements.

OUTSTANDING SHARE DATA

Information with respect to outstanding common shares, warrants, compensation options and stock options as at November 26, 2020, September 30, 2020 and December 31, 2019 is as follows:

	November 26, 2020	September 30, 2020	December 31, 2019
Common shares	91,424,705	88,539,705	32,860,128
Warrants	21,182,065	19,725,465	9,823,943
Compensation options	160,000	160,000	223,262
Compensation option warrants	160,000	160,000	223,262
Stock options	8,210,000	8,210,000	1,660,000
Fully diluted shares outstanding	121,136,770	116,795,170	44,790,595

Subsequent to quarter end, the Company closed a private placement financing issuing 2,885,000 common shares; 1,442,500 warrants; and, 14,100 compensation warrants. During August 2020, the Company issued 1,060,422 common shares for the second anniversary share payment for the Gold Chain project. On July 24, 2020, the Company closed a private placement financing issuing 25,633,333 common shares; 12,816,666 warrants; and, 322,000 finder warrants. On July 24, 2020, in connection with the amalgamation with Territory the Company issued 26,581,400 common shares and 320,000 warrants. On July 24, 2020, the Company issued 1,791,667 common shares for debt settlements. On July 7, 2020, the Company issued 612,755 common shares for the first anniversary payment for the Jefferson Canyon project.

During January and July 2020, a total of 3,557,143 warrants, 63,262 compensation options, and 63,262 compensation option warrants expired.

OFF-BALANCE SHEET ARRANGEMENTS

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.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments consist of cash, accounts payable and accrued liabilities. Details relating to financial instruments and risk management associated with credit risk, liquidity risk, currency risk and interest rate risk are disclosed in note 12 to the Company’s consolidated annual financial statements for the years ended December 31, 2019 and 2018.

PROPOSED TRANSACTIONS

As is typical of the mineral exploration and development industry, the Company periodically reviews potential merger, acquisition, investment and joint venture transactions and opportunities that could enhance shareholder value. Timely disclosure of such transactions is made as soon as reportable events arise. During the quarter ended September 30, 2020, the Company closed the amalgamation with Territory.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in accordance with International Financial Reporting Standards ("IFRS") requires management to make estimates and assumptions that affect the amounts reported in the financial statements and disclosures in the notes thereto. These estimates and assumptions are based on management's best knowledge of current events and actions that the Company may undertake in the future. Actual results may differ from those estimates. The most significant items requiring the use of management estimates and valuation assumptions are related to the recoverable value of mineral exploration properties and deferred exploration expenditures; the valuation of all liability and equity instruments including flow-through share premiums, warrants, compensation options and stock options; and, the ability of the Company to continue as a going concern.

Details with respect to critical accounting estimates, judgments and estimation uncertainties are disclosed in note 2 to the condensed consolidated interim financial statements for the three and nine month periods ended September 30, 2020 and 2019.

NEW ACCOUNTING STANDARDS

New and revised accounting standards

IFRS 16, Leases ("IFRS 16")

IFRS 16, Leases, was issued by the IASB in January 2016. For lessee accounting the new standard brings most leases on to the statement of financial position under a single model, eliminating the distinction between operating and finance leases. Lessor accounting however remains largely unchanged and the distinction between operating and finance leases is retained. This standard was effective for annual reporting periods beginning on or after January 1, 2019. The Company has applied IFRS 16 with an initial application date of January 1, 2020 using a modified retrospective approach with the cumulative effect of initially applying the standard recognized at the date of initial application, without restating prior periods, in accordance with the transitional provisions specified in IFRS 16. The adoption of IFRS 16 had no impact on the Company's results of operations, financial position, and disclosures.

IFRIC 23 – Uncertainty over Income Tax Treatments

IFRIC 23, Uncertainty over Income Tax Treatments, was issued by the IASB in June 2017. IFRIC 23 clarifies the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12 and requires an entity to consider whether it is probable that the relevant authority will accept each tax treatment, or group of tax treatments, that it uses or plans to use in its income tax filing. IFRIC 23 is effective for annual periods beginning on or after January 1, 2019 and permits early adoption. The adoption of IFRIC 23 had no impact on the Company's results of operations, financial position, and disclosures.

RISKS AND UNCERTAINTIES

The Company is subject to a number of risks and uncertainties due to the nature of its business and the present stage of development of its business. Investment in the natural resource industry in general, and the exploration and development sector in particular, involves a great deal of risk and uncertainty. Current and potential investors should give special consideration to the risk factors involved. These factors are discussed more fully in the annual Management's Discussion and Analysis dated April 28, 2020 which is filed on SEDAR.

Global COVID-19 pandemic
During March of 2020, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses through the restrictions put in place by most governments internationally, including the Canadian, provincial and municipal governments, regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown to what extent the impact of the COVID-19 outbreak may have on the Company as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the extensive geographic spread of the disease, and the inability to predict the duration of the outbreak or reoccurrence of outbreaks, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. While the full extent of the impact is unknown, COVID-19 may hinder both the Company's ability to conduct exploration activities in the jurisdictions that it operates in and its ability to raise financing for exploration or operating costs due to uncertain capital markets, supply chain disruptions, increased government regulations and other unanticipated factors, all of which may also negatively impact the Company's business and financial condition.

OTHER INFORMATION

Other information relating to the Company may be found on the SEDAR website at www.SEDAR.com.

CORPORATE INFORMATION

Directors and Officers
Gary Thompson, BSc., P. Geo. – Chairman, Director and Chief Executive Officer
W. William Boberg, MSc., P. Geo. – Independent Director
James M. Franklin, PhD, FRSC, P. Geo. – Independent Director
Derek Macpherson, B.Eng., MBA – Independent Director
Robert Johansing, BSc., MSc., P. Geo. – Vice-President Exploration
John McNeice, B.Comm., CPA, CA – Chief Financial Officer and Corporate Secretary

Corporate Offices
Corporate Administrative Office
PO Box 279
Manotick (Ottawa), ON K4M 1A3
Phone: (613) 692-7704

Vancouver Office
Suite 551 – 409 Granville St.
Vancouver, BC V6C 1T2
Phone: (403) 870-1166

Web Site: www.gold79mines.com

Independent Auditor
PricewaterhouseCoopers LLP, Ottawa, Canada

Corporate Legal Counsel
Fasken LLP, Ottawa, Canada

Corporate Banker
Royal Bank of Canada, Ottawa, Canada

Transfer Agent
TSX Trust Company, Toronto, Canada