

Interim Management's Discussion and Analysis – Quarterly Highlights
For the Period Ended September 30, 2020
(Expressed in Canadian Dollars - Unaudited)

Introduction

Newcore Gold Ltd. (formerly Pinecrest Resources Ltd.) and its subsidiary engage principally in the acquisition, advancement, and development of precious mineral properties particularly its Enchi Gold Project in Ghana. Newcore Gold Ltd., the parent, was incorporated by a Certificate of Incorporation issued pursuant to the provisions of the *Business Corporations Act* (British Columbia) on January 18, 2010. Newcore is a public company listed on the TSX Venture Exchange (the “Exchange”) (TSX-V: NCAU) and its head office is located at Suite 413 – 595 Burrard Street, Vancouver, British Columbia, V7X 1J1.

This interim Management Discussion and Analysis (“MD&A”) should be read in conjunction with the condensed interim consolidated financial statements of Newcore Gold Ltd. (“Newcore” or the “Company”) for the period ended September 30, 2020. The Company reports its financial position, results of operations and cash flows in accordance with International Financial Reporting Standards (“IFRS”). Additional information relating to the Company including the most recent Company filings can be located on SEDAR at www.sedar.com.

This MD&A is prepared as of November 16, 2020. All dollar figures stated herein are expressed in Canadian dollars, unless otherwise specified.

Forward Looking Statements and Risk Factors

This interim MD&A includes certain statements that may be deemed “forward-looking statements.” All statements in this discussion, other than statements of historical facts, that address events or developments that the Company expects are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include continued availability of capital and financing and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and that actual results or developments may differ materially from those projected in the forward-looking statements.

For a detailed listing of the risk factors, please refer to the Company’s annual MD&A for the year ended December 31, 2019.

Results of Operations

As at September 30, 2020, the Company had total assets of \$18,170,218 (December 31, 2019 - \$14,652,641) consisting primarily of cash, short-term investment, and exploration and evaluation assets.

Exploration and evaluation assets as at September 30, 2020 was \$15,540,670 compared to \$13,997,180 as at December 31, 2019. The increase during the period is primarily due to the ongoing drilling program on the Enchi Gold Project.

During the period ended September 30, 2020, the Company completed a non-brokered private placement for gross proceeds of \$3,000,000 through the issuance of 15,000,000 common shares (“Shares”) of the Company at a price of \$0.20 per share (the “Private Placement”). Insiders of the Company subscribed for a total of 5,300,000 Shares in the Private Placement.

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During the period ended September 30, 2020, 2,250,001 stock options with an exercise price ranging from \$0.10 to \$0.53 per common share were exercised by directors, officers, and consultants of the Company for gross proceeds of \$225,000.

Subsequent to September 30, 2020, the Company completed a bought deal prospectus offering (the "Offering") led by Haywood Securities Inc. and Stifel GMP (acted as co-lead underwriters) and joint book-runners, on behalf of a syndicate of underwriters that included Cormark Securities Inc., Raymond James Ltd., and Sprott Capital Partners LP (collectively, the "Underwriters"). Pursuant to the Offering, the Company issued a total of 18,750,000 common shares of the Company (the "Common Shares") at a price of \$0.80 per Common Share for gross proceeds to the Company of \$15,000,000. The Common Shares were offered by way of a short form prospectus in British Columbia, Alberta, and Ontario. In connection with the Offering, the Underwriters received a cash commission of 5% of the gross proceeds of the Offering up to \$8 million and 6% of the gross proceeds of the Offering above \$8 million (reduced to 2% in respect of sales to purchasers on the president's list which accounted for gross proceeds of \$1 million). Certain directors and management of the Company purchased an aggregate of 525,000 Common Shares pursuant to the Offering.

3 months ended September 30, 2020 vs. 3 months ended September 30, 2019

For the three months ended September 30, 2020, the Company recorded a net loss of \$694,020 or \$0.01 loss per share compared to a net loss of \$49,366 or \$0.00 loss per share during the same period in the prior year.

Consulting expense was \$27,687 during the three months ended September 30, 2020 (2019 - \$4,701). The increase in expense during the period was due to the Company engaging a firm to assist with its DTC eligibility application.

Foreign exchange loss was \$49,439 during the three months ended September 30, 2020 (2019 - \$1,090). The increase in loss was due to the higher volume of US dollar transactions the Company transacted during the period.

Legal expense was \$41,748 during the three months ended September 30, 2020 (2019 - \$nil). The increase in legal expense during the period was due to the Company's new long-term incentive plan, annual general meeting ("AGM"), and annual information form.

Management fees were \$122,716 during the three months ended September 30, 2020 (2019 - \$21,125). The increase in fees during the period was primarily due to the Company's recent hiring of a new CEO and President as well as VP Corporate Development and Investor Relations. The Company's VP Exploration also commenced on a full-time basis during the quarter.

Share-based compensation was \$298,708 during the three months ended September 30, 2020 (2019 - nil). During Q3 2020, the Company granted 2,250,000 stock options, 900,000 restricted share units and 400,000 performance share units to eligible directors, officers, consultants, and employees of the Company. There were no stock options or any other equity awards that vested in 2019.

Shareholder relations, marketing and conferences was \$109,827 during the three months ended September 30, 2020 (2019 - \$928). The higher expense during the current period is due to increased marketing and rebranding efforts of the Company.

Transfer agent and regulatory fees was \$14,774 during the three months ended September 30, 2020 (2019 - \$1,422). The higher expense during the current period is primarily due to the long-term incentive plan filing fee with the Exchange and costs associated with the AGM.

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9 months ended September 30, 2020 vs. 9 months ended September 30, 2019

For the nine months ended September 30, 2020, the Company recorded a net loss of \$936,870 or \$0.01 loss per share compared to a net loss of \$222,355 or \$0.00 loss per share during the same period in the prior year.

Consulting expense was \$27,687 during the nine months ended September 30, 2020 (2019 - \$13,941). The increase in expense during the period was due to the Company engaging a firm to assist with its DTC eligibility application.

Foreign exchange loss was \$68,406 during the nine months ended September 30, 2020 (2019 - \$18,440). The increase in loss was due to the higher volume of US dollar transactions the Company transacted during the period.

Legal expense was \$51,886 during the nine months ended September 30, 2020 (2019 - \$4,251). The increase in legal expense during the period was primarily due to the Company's new long-term incentive plan, AGM, and annual information form.

Management fees were \$172,844 during the nine months ended September 30, 2020 (2019 - \$94,625). The increase in fees during the period was primarily due to the Company's recent hiring of a new CEO and President as well as VP Corporate Development and Investor Relations. The Company's VP Exploration also commenced on a full-time basis beginning August.

Share-based compensation was \$370,757 during the nine months ended September 30, 2020 (2019 - nil). During 2020, the Company granted 6,700,000 stock options, 900,000 restricted share units and 400,000 performance share units to eligible directors, officers, consultants, and employees of the Company. There were no stock options or any other equity awards that vested in 2019.

Shareholder relations, marketing and conferences was \$141,726 during the nine months ended September 30, 2020 (2019 - \$21,262). The higher expense during the current period is due to increased marketing and rebranding efforts of the Company.

Transfer agent and regulatory fees was \$25,055 during the nine months ended September 30, 2020 (2019 - \$11,976). The higher expense during the current period is primarily due to the long-term incentive plan filing fee with the Exchange and costs associated with the AGM.

Enchi Gold Project

The Enchi Gold Project ("Enchi Project") hosts a pit constrained National Instrument 43-101 ("NI 43-101") Inferred Mineral Resource of 52.9 million tonnes grading 0.72 g/t Au containing 1.22 million ounces gold. The Company filed a NI 43-101 compliant technical report in support of the updated mineral resource estimate on October 28, 2020.

The Inferred Mineral Resource is based on exploration and drilling completed on the Enchi Project prior to 2020. It includes three deposits (Boin, Sewum and Nyam), each of which is open along strike and down dip. The Mineral Resource Estimate incorporates assay results from 180 diamond drill holes totaling 22,703 metres, 226 RC holes totaling 26,794 metres, 319 RAB holes totaling 12,443 metres and 169 trenches totaling 15,578 metres.

Notes for Inferred Mineral Resource Estimate:

1. CIM definition standards were followed for the resource estimate.
2. The 2020 resource models used ordinary kriging (OK) grade estimation within a three-dimensional block model with mineralized zones defined by wireframed solids and constrained by whittle pits shell.
3. A base cut-off grade of 0.3 g/t Au was used with a capping of gold grades at 18 g/t.

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4. A US\$1,500/ounce gold price, open pit with heap leach operation was used to determine the cut-off grade of 0.3 g/t Au. Mining costs of US\$2.27/mined tonne and G&A and Milling costs of US\$9.84/milled tonne. The Inferred Mineral Resource Estimate is pit constrained.
5. A density of 2.45 g/cm³ was applied. Numbers may not add due to rounding.
6. Mineral Resources that are not mineral reserves do not have economic viability.
7. These numbers are from the technical report titled "Enchi Gold Project, Resource Update, Enchi, Ghana", with an effective date of October 21, 2020, prepared by Todd McCracken, P. Geo. and Greg Smith, P. Geo. in accordance with National Instrument 43-101 *Standards of Disclosure for Mineral Projects* and is available under Newcore's SEDAR profile at www.sedar.com.

The Company commenced an 8,000 metre (subsequently expanded to 58,000 metre) drilling program at the Enchi Project in August 2020. The drilling program is expected to continue into 2021 and will follow-up on previously drilled zones, first pass drilling on defined targets and test extensions of existing deposits. The drilling program will include both Reverse Circulation ("RC") and diamond drilling and will include the first deep drilling planned on Enchi.

In addition to drilling, work programs will also include metallurgical testing and geotechnical assessments in support of future engineering studies. A detailed topographic survey will also be completed to aid in drill targeting. Further exploration including geochemical sampling and trenching will be directed at advancing existing anomalies and targets.

On September 28, 2020, results were announced for 13 holes which targeted the Boin Gold Deposit ("Boin") including seven holes at Boin North stepping out along strike and down dip from previous positive drilling results, five holes at Boin Central primarily targeting down dip extensions to the gold mineralization, and one hole at Boin South designed to explore if Boin can be extended laterally and to depth.

Drilling at Boin successfully intersected shallow oxide gold mineralization outside of the currently defined resource area. Boin remains open for expansion along strike and to depth. Results included Hole KBRC141 intersected 1.67 grams per tonne gold ("g/t Au") over 47.0 metres ("m") from 48 m to 95 m, including 3.63 g/t Au over 10.0 m from 75 m to 85 m, Hole KBRC151 intersected 2.30 g/t Au over 11.0 m from 9 m to 20 m, and Hole KBRC146 intersected 0.92 g/t Au over 32.0 m from 30 m to 62 m, including 1.78 g/t Au over 12.0 m from 42 m to 54 m.

On October 21, 2020, additional results were announced from drilling at Boin again intersecting both shallow oxide gold mineralization and sulphide gold mineralization outside of the currently defined mineral resource. Results include Hole KBRC159 intersected 0.73 g/t Au over 62.0 m from 178 m to 240 m (open), including 3.18 g/t Au over 7.0 m from 199 m to 206 m, Hole KBRC153 intersected 1.21 g/t Au over 18.0 m from 42 m to 60 m, and Hole KBRC158 intersected 1.41 g/t Au over 14.0 m from 77 m to 91 m.

On November 10, 2020, results were released for drilling at the Sewum Gold Deposit ("Sewum") which intersected both shallow oxide and deeper sulphide gold mineralization outside of the currently defined mineral resource. Results included Hole SWRC073 intersected 1.52 g/t Au over 28.0 m from surface, including 3.58 g/t Au over 10.0 m from 15 m to 28 m (oxide zone), and Hole SWRC076 intersected 0.91 g/t Au over 49.0 m from 39 m to 88 m (oxide zone), as well as 3.04 g/t Au over 16.0 m from 104 m to 120 m (sulphide zone) and remains open at depth.

The 10 holes highlighted in the November 10th news release intersected gold bearing intervals within the upper portions of the unoxidized primary gold mineralization as well as near surface oxide mineralization. The oxidized gold mineralized zone intersected in drill hole SWRC073 (28 m grading 1.52 g/t Au from surface to 28 m, including 10 m grading 3.58 g/t Au from 15 m to 25 m) is in the southern portion of the Sewum Deposit and remains open at depth. Drill hole SWRC076 located in the central portion of the Sewum Zone, and on the edge of the current resource, intersected an upper oxidized zone with 49 m grading 0.91 g/t Au and a lower sulphide zone with 16 m grading 3.04 g/t Au which was mineralized to the end of the hole.

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To date, a total of 9,054 metres in 60 holes has been completed as part of the on-going drill program, with results received and announced for 36 holes representing 5,644 metres. Newcore's 58,000 metre discovery and resource expansion drilling program at Enchi will focus on three main objectives: 1) drilling extensions to the Boin, Nyam and Sewum resource zones; 2) drilling previously drilled zones that are outside of current resources including Kojina Hill, Kwakyekrom and Eradi; and 3) first pass discovery drilling to test a series of kilometre-scale gold-in-soil and geophysical anomalous zones with no prior drilling.

Newcore is committed to best practice standards for all exploration, sampling and drilling activities. Drilling was completed by independent drilling firm using industry standard RC and diamond drill equipment. Analytical quality assurance and quality control procedures include the systematic insertion of blanks, standards and duplicates into the sample strings. Samples are placed in sealed bags and shipped directly to Intertek Labs located in Tarkwa, Ghana for 50 gram gold fire assay.

Mr. Gregory Smith, P.Geo, Vice President of Exploration of Newcore, is a Qualified Person as defined by NI 43-101, and has reviewed and approved the technical data and information contained in this MD&A. Mr. Smith has verified the technical and scientific data disclosed herein and has conducted appropriate verification on the underlying data including confirmation of the drillhole data files against the original drillhole logs and assay certificates.

Summary of Quarterly Results

The following information is derived from the Company's unaudited quarterly financial statements for the preceding eight quarters.

	Revenue		Net loss		Loss per share	
September 30, 2020 ⁽¹⁾	\$	Nil	\$	694,020	\$	0.01
June 30, 2020	\$	Nil	\$	195,691	\$	0.00
March 31, 2020	\$	Nil	\$	47,159	\$	0.00
December 31, 2019	\$	Nil	\$	48,300	\$	0.00
September 30, 2019	\$	Nil	\$	49,366	\$	0.00
June 30, 2019	\$	Nil	\$	113,305	\$	0.00
March 31, 2019	\$	Nil	\$	59,683	\$	0.00
December 31, 2018	\$	Nil	\$	63,692	\$	0.00

⁽¹⁾See discussion under "Results of Operations" above.

Liquidity

The Company currently has no operating revenues and relies primarily on equity financing. The Company has sufficient working capital for the next 12 months. The Company's cash which is held as cash deposits and short-term investment are available on demand to fund the Company's short-term financial obligations. As at September 30, 2020, the Company had a working capital of \$1,524,729. For the period ended September 30, 2020, cash outflows from operating activities totalled \$954,302 (2019: outflows of \$245,517).

Subsequent to September 30, 2020, the Company issued a total of 18,750,000 Common Shares at a price of \$0.80 per Common Share for gross proceeds to the Company of \$15,000,000 pursuant to the Offering.

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Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Transactions with Related Parties

Trading transactions

During the period ended September 30, 2020, Park Road Capital Corp. (the “Borrower”), a corporation controlled by the Company’s CEO and President, and the Company executed a loan agreement whereby the Company agreed to lend \$150,000 to the Borrower (the “Loan”). The Loan is part of the total compensation package of the Company’s CEO and President. The interest free Loan is to be repaid in full by the Borrower before May 19, 2022. During the period ended September 30, 2020, the Borrower repaid \$25,000 of the Loan.

During the period ending September 30, 2020, the Company paid or accrued nil (2019 - \$7,653) for office rent to a related company.

Compensation of key management personnel

Key management personnel include directors and officers that provide management and consulting services to the Company. Remuneration of key management personnel during the period ended September 30 was as follows:

	2020	2019
Short-term salaries and benefits	\$ 13,716	\$ -
Share-based compensation	378,804	-
Consulting fees paid to key management	159,128	94,625
	<u>\$ 551,648</u>	<u>\$ 94,625</u>

Proposed Transactions

None.

Critical Accounting Estimates and Change in Accounting Policies including Initial Adoption

The significant accounting policies applied in the preparation of the financial statements are consistent with those applied and disclosed in the Note 2 of the Company’s 2019 audited consolidated financial statements. Critical accounting estimates remain the same as disclosed in the 2019 audited annual consolidated financial statements.

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Financial Instruments and Other Instruments

The Company's financial instruments consist of cash, receivables, short-term investment, loan receivable, and trade and other payables. The Company determines the classification of financial assets at initial recognition. Financial liabilities are measured at amortized cost unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL. All of the Company's financial instruments are held at amortized cost. Financial instruments held at amortized cost are initially recognized at fair value plus any direct attributable transaction costs. Subsequent to initial recognition such financial instruments are measured at amortized cost using the effective interest method.

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to twelve-month expected credit losses. Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognized.

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the consolidated statements of loss and comprehensive loss. The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the consolidated statements of loss and comprehensive loss.

The Company does not use derivative instruments or hedges to manage various risks because the Company's exposure to credit risk, liquidity risk, and market risks is relatively low. Cash and short-term investment are held through a large national financial institution. Note 7 of the Company's condensed interim consolidated financial statements contain additional disclosures on the Company's financial instruments.

Outstanding Share Capital

The following describes the outstanding share data of the Company as at November 16, 2020.

	Number Outstanding
Common shares	98,695,048
Options to purchase common shares	9,599,999
Restricted share units	900,000
Performance share units	400,000

Outlook

The Company commenced its 58,000-metre drilling program at the Enchi Gold Project in August 2020. The drilling program is expected to continue into 2021 and will follow-up on previously drilled zones, first pass drilling on defined targets and test extensions of existing deposits.
