SEGO RESOURCES INC.

MANAGEMENT DISCUSSION & ANALYSIS ("MD&A")

For the year ended June 30, 2020

INTRODUCTION

Sego Resources Inc. ("Sego" or "the Company") is an exploration stage company whose common shares are listed for trading on the TSX Venture Exchange under the symbol SGZ. The Company's business is the acquisition, exploration and evaluation of mineral properties located in the Province of British Columbia, Canada. The Company was incorporated under the British Columbia Corporations Act on July 11, 2005. The Company's head office is located as Suite 310 - 744 West Hastings Street, Vancouver, British Columbia, V6C 1A5.

In June 2007, Sego entered into an option agreement to acquire a 100% interest in the Miner Mountain copper-gold porphyry project immediately NNE of Princeton, B.C. in the prolific Nicola belt that runs from Copper Mountain (approximately 100 years of production) along the eastern belt of the Nicola group to Kamloops, B.C. The project is approximately 15 kms north of the producing Copper Mountain Mine and is within the Traditional Territory of the Upper Similkameen Indian Band with whom the Company has signed a comprehensive Memorandum of Understanding. The property consists of 15 mineral claims totaling 2056.54 hectares. The Company acquired the claims in an arms-length transaction and has fulfilled all of the option payments and terms with the exception of the issuance of 300,000 common shares due upon the preparation of a positive feasibility study on the property. The property is subject to a 3% NSR on 12 of the claims of which 1.5% can be purchased for $1,500,000.

This discussion and analysis of the financial position, results of operations and cash flows of Sego Resources Inc. for the year ended June 30, 2020 includes information up to and including October 16, 2020 and should be read in conjunction with the Company's audited annual financial statements for the years ended June 30, 2020 and 2019. All financial statements were prepared using International Financial Reporting Standards. All dollar figures are in Canadian dollars unless otherwise stated.

The reader is encouraged to review the Company's statutory filings on www.sedar.com and to review other information about the Company on its website at www.segoresources.com.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This MD&A includes certain forward-looking statements or information. All statements other than statements of historical fact included in this MD&A including statements relating to the potential mineralization or geological merits of the Company's mineral properties and the future plans, objectives or expectations of the Company are forward-looking statements that involve various risks and uncertainties. Such forward-looking statements include among other things, statements regarding future commodity pricing, estimation of mineral reserves and resources, timing and amounts of estimated exploration expenditures and capital expenditures, costs and timing of the exploration and development of new deposits, success of exploration activities, permitting time lines, future currency exchange rates, requirements for additional capital, government regulation of mining operations, environmental risks, anticipated reclamation expenses, timing and possible outcome of pending litigation, timing and expected completion of property acquisitions or dispositions, and title disputes. They may also include statements with respect to the Company's mineral discoveries, plans, out-look and business strategy. The words "may", "would", "could", "should", "will", "likely", "expect", "anticipate", "intend", "estimate", "plan", "forecast", "project" and "believe" or other similar words and phrases are intended to identify forward-looking information.

Forward-looking statements are predictions based upon current expectations and involve known and unknown risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements.

Important factors that could cause actual results to differ materially from the Company's plans or expectations include risks relating to the actual results of exploration programs, fluctuating commodity prices, the possibility of equipment breakdowns and delays, the availability of necessary exploration equipment including drill rigs, exploration cost overruns, general economic or business conditions, regulatory changes, and the timeliness of government or regulatory approvals to conduct planned exploration work, political events, fluctuations in mineralization grade, geological, technical, mining or processing problems, future profitability on production, the ability to raise sufficient capital to fund exploration or production, litigation, legislative, environmental and other judicial, regulatory, political and competitive developments, inability to obtain permits, environmental liability for work programs, general volatility in the equity and debt markets, accidents and labor disputes and the availability of qualified personnel.

Although the Company has attempted to identify all of the factors that may affect our forward-looking statements or information, this list of the factors is not exhaustive. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks and uncertainties detailed throughout this MD&A.

OVERALL PERFORMANCE

Miner Mountain Property

In June 2007, the Company entered into an option agreement to acquire a 100% interest in 38 mineral claims (which were subsequently consolidated into 12 mineral claims) situated in the Similkameen Mining Division of British Columbia for cash payments and common share issuances as follows:

(a) Cash payments to the optionors of $165,000 as follows:

- (a.i) $30,000 within five business days from the day the agreement between both parties is approved by the TSX Venture Exchange (the "TSX-V") (approved July 2007) (paid);
- (a.ii) $60,000 on or before June 13, 2008 (paid); and
- (a.iii) $75,000 on or before June 13, 2009 (paid).

(b) Issuance of 600,000 common shares to the optionors as follows:

- (b.i) 50,000 common shares within five business days of the approval date by the TSX-V (approved July 2007) (issued);
- (b.ii) 100,000 common shares on or before June 13, 2008 (issued);
- (b.iii) 150,000 common shares on or before June 13, 2009 (issued); and
- (b.iv) 300,000 common shares upon preparation of a positive feasibility study on the property.

As part of the agreement, the optionors retain a 3% net smelter return ("NSR") royalty on the claims. The Company has the right to buy back one-half of the NSR for the sum of $1,500,000 at any time.

In June 2011, the Company acquired a 100% interest in 3 additional mineral claims at Miner Mountain for $5,000 and the issuance of 50,000 common shares. There is no NSR on these claims.

The Miner Mountain property now consists of these 15 mineral claims which total 2056.54 hectares.

Miner Mountain Property (cont'd)

Memorandum of Understanding

The Company has a Memorandum of Understanding (MOU) with the Upper Similkameen Indian Band (USIB) in whose territory the Miner Mountain project is located. The term of the agreement commenced on September 27, 2007 and will end at such time as Sego or its successor permanently ceases operations in the territory or otherwise through mutual agreement. Sego and the USIB will meet annually to review and evaluate progress on objectives outlined in the agreement and will amend the agreement if warranted. The MOU objectives are as follows:

1) To establish a clear, certain, and timely process for communication, information sharing, meaningful consultation and any agreed upon accommodation measures with respect to USIB aboriginal interests.

2) To define commitments, roles and approaches for consultation, accommodation and information sharing with regard to the operational activities of Sego.

3) To develop and foster a positive cooperative working relationship between the parties through jointly implementing the process described in the agreement.

4) To develop opportunities for employment, contracting, and related business development for the USIB.

5) To assist the USIB to develop its capacity to effectively participate in and benefit from any development activities associated with Sego mineral tenures in the USIB's territory.

6) To develop workable strategies, through discussions with the Ministry of Energy, Mines and Petroleum Resources and the Ministry of Aboriginal Relations and Reconciliation to address the USIB's interests in revenue-sharing and mineral sector economic development, including exploration of options for developing an equity position within the company, in the event that SEGO's activities result in the generation of revenues from mineral development.

7) To provide information to Sego to assist in developing awareness of USIB interests, capacity and operations to assist in meeting the objectives described in this section.

8) To continuously revisit these items with the intention of ensuring that commitments are satisfactorily implemented and additional items are identified that meet the intent of the agreement or may add to its effectiveness.

Miner Mountain Property (cont'd)

2007 Reclamation Award

In 2007, the Company acquired the Miner Mountain Property and began preliminary mapping and sampling of exposed outcrops. One of the first orders of business was to fill-in, grade and re-vegetate trenches and other disturbed ground left by previous operators of the Property. For this, the Company was awarded a Citation "In Recognition of Outstanding Reclamation Achievement" by the Technical and Research Committee on Reclamation, Mining Association of British Columbia, and Ministry of Energy, Mines and Petroleum Resources.

2008 Soil Sampling

In April 2008, approximately 99-line kilometres of soil sampling was done by SabreX Contracting Ltd. 1973 samples of the B Horizon were collected at 50 m intervals along east-west lines spaced 100 m apart and covering most of the Property from a northerly line at UTM 5486700 to a southerly line at UTM 5482800. A north-south baseline for the grid was established at UTM 684300 east. Samples were sent to Acme Analytical Laboratories Ltd. for analysis. Soil anomalies coincide well with areas of known mineralization, particularly the Granby, South and Regal Zones.

2008 Trench Sampling and Reclamation

Excavator trenching proved to be a cost-effective method of exploration in the largely drift covered, open range land of the Property. In 2008, a total of 5,306 metres of trenches were excavated, mapped and 2,170 samples taken. The location of each trench and sample was determined by GPS. Trench mapping and sample results were entered in the geological database.

Because the trenches were in grazing land and posed a danger to livestock, the Company mapped and sampled trenches quickly after excavation, then closed and reclaimed the ground as soon as practicable. Zones of known mineralization determined by previous operators were confirmed, and in some cases extended, opened and re-sampled.

Miner Mountain Property (cont'd)

2008 Core Drilling

In August and September 2008, ten NQ drill holes totalling 1039.89 metres were completed.

DDH No.	Easting	Northing	Elevation	Depth(m)	Angle	Azimuth	Year	Zone
DDH-MM-08-01	5484275	683065	757	77.11	-45	172	2008	Regal
DDH-MM-08-02	5484231	683059	747	50.29	66.5	180	2008	Regal
DDH-MM-08-03	5484168	683031	748	38.1	-60	0	2008	Regal
DDH-MM-08-04	5484446	684011	943	88.7	-45	0	2008	Granby
DDH-MM-08-05	5484443	684011	941	132.59	-90	N/A	2008	Granby
DDH-MM-08-06	5484445	683970	939	100.3	-60	0	2008	Granby
DDH-MM-08-07	5484500	683980	947	184.5	-90	N/A	2008	Granby
DDH-MM-08-08	5484500	683980	947	153.9	-75	0	2008	Granby
DDH-MM-08-09	5484501	684010	944	78.5	-70	0	2008	Granby
DDH-MM-08-10	5484361	683969	951	135.9	-75	180	2008	Granby

The three holes on the Regal Zone all had very poor recovery being in either strongly oxidized landslide rubble or till. Hole 08-03 bottomed in carbonaceous mudstone of the Princeton Group. These three holes confirmed the result of the 1963 work by Climax Copper Co. Ltd. which indicated that the oxide layer at Regal is landslide material that rests either on till or directly on Tertiary sediments.

The other seven holes were all drilled on the Granby Zone. They intersected variably altered and mineralized microdiorite and Nicola volcanic rocks. Two holes, MM-08-04 and MM-08-09, had to be abandoned prematurely due to drilling difficulties, although both bottomed in good grade mineralization. Significant intersections are as follows:

- DDH-MM-08-04: From 24.46 to 88.7m, 0.46% Cu, 0.14 g/t Au and 2.58 g/t Ag Including 18.07m of 0.65% Cu, 0.26 G/t Au, 3.33 g/t Ag and 15.25m of 0.63% Cu, 0.18 g/t Au, 3.19 g/t Ag Final two intervals (5m) 1.22% Cu and 0.5% Cu
- DDH-MM-08-05: From 16.46 to 34.14 0.12% Cu, 0.155 g/t Au, 0.58 g/t Ag
- DDH-MM-08-09: From 26.17 to 78.64m 0.41% Cu, 0.12 g/t Au and 2.11 g/t Ag Final two intervals (4.42m) 1.39% Cu and 0.38% Cu

The other holes drilled to the south and west did not encounter significant mineralization. Field mapping, sampling and core logging were done by the Company's geologists with consulting services provided by Chris Sampson, P.Eng.

Miner Mountain Property (cont'd)

2009 Titan 24 IP Geophysical Survey

A Titan 24 IP survey was performed by Quantec Geoscience in April and May 2009. The survey grid includes 13 DC/IP parallel lines along a total of 31.2 km (38.7 km with extension). Each line was surveyed with dipole spacing of 100 m and line separation of 200 m. Survey line length was approximately 2.4 km plus additional current injections up to 500 m beyond the end of the line. The data were inverted using the 2D inversion algorithms to produce maps of resistivity and chargeability of the subsurface.

The resistivity distribution is in agreement with the known geology of the area. In the northwest part of the survey grid and associated with the Princeton Group is a resistive low of less than 50Ωm. Elsewhere over the survey grid and associated with the Nicola Group, the ground shows much higher resistivity of several hundreds of Ωm.

The chargeability maps show a relatively heterogeneous distribution of the anomalies over the survey area. The chargeability varies between 0 mrad to 20 mrad with a background chargeability of ~6 mrad. Chargeable anomalies, as high as 20 mrad, are mainly located in the western and eastern parts of the survey grid. A moderate elongated chargeable anomaly is resolved at a depth of ~400 m. The elongated anomaly has a SW-NE orientation and traverses the grid in the south part of the survey area.

2009 Field Mapping

Mapping was carried out in July and August 2009 to look for zones of alteration and mineralization associated with the geophysical anomalies outlined by the Titan 24 survey, and also to locate new zones outside of the areas of known mineralization. The mapping was concentrated to the Southeast and Northeast of the claim blocks away from the known areas of mineralization.

The results were successful in locating three new zones of alteration and mineralization in the Southeast co-incident with the MT 1 anomaly and to the Northeast where previous trenching had located scattered lead-zinc-copper mineralization. The new zones include the Schissler and Miner Zones in the South East of the Property and the North Zone in the centre north of the Property.

2009 Trenching

In September and October 2009, trenching was focused on the South Zone to test the potential for precious metal mineralization indicated by the 2008 exploration and in the Schissler Zone to test near surface chargeability anomalies. Details of the trenching program are given in B.C. Assessment Report 31730.

Miner Mountain Property (cont'd)

2009 Core Drilling

Three HQ diamond drill holes totalling 496.45 metres were completed in 2009, two in the South Zone and one in the Granby Zone. Thin section work by K. Dunne, P.Geo was done in October 2009 on trench and drill core samples from the South and Granby Zones respectively. Results from these core holes are discussed in the section 2010 Core Drilling (below).

2010 Terrain Study

A geomorphological study of the Property by Dr. Selina Tribe P.Geo provided an overview of the surficial geology and post-glacial history of the Property. The study identified landslide areas interpreted as possible source areas of the high-grade Regal slide block. Several potential slide routes identified in the study were tested when the Company trenched the slopes above the Regal Zone, and in the southwest corner of the Granby Zone.

2010 Trenching

Of these trenches, trenches 95, 96 and 97 were also excavated to test for surface expression of the mineralization located by diamond drill hole MM-10-19. Trench 96 successfully located excellent grade mineralization above the drill hole, while trenches 97 and 98 located a zone leached gossanous rock that could not be penetrated by the excavator and extended at least 150 metres to the east of trench 96.

2010 Core Drilling

The Company drilled 6 HQ diamond drill holes totalling 758.6 m in March-April 2010 to test targets identified by the trenching programs. Including the three holes completed in late 2009, the core drilling program focused on targets of the Granby Zone and the South Zone.

DDH No.	Easting	Northing	Elevation	Depth(m)	Angle	Azimuth	Year	Zone
DDH-MM-09-11	5484501	684010	944	241.46	-90	180	2009	Granby
DDH-MM-09-12	5483194	682886	791	103.2	-90	180	2009	South
DDH-MM-09-13	5483194	682886	791	151.79	-73	65	2009	South
DDH-MM-10-14	5484551	684010	941	200.25	-90	N/A	2010	Granby
DDH-MM-10-15	5484600	684009	937	125.72	-90	N/A	2010	Granby
DDH-MM-10-16	5484500	684060	945	133.2	-90	N/A	2010	Granby
DDH-MM-10-17	5484500	684110	947	108.81	-90	N/A	2010	Granby
DDH-MM-10-18	5484454	684061	948	90.53	-90	N/A	2011	Granby
DDH-MM-10-19	5484230	683895	956	127.1	-50	0	2011	Granby

Miner Mountain Property (cont'd)

2010 Core Drilling (cont'd)

The two holes in the South Zone MM-09-12 and MM-09-13 did not intercept appreciable mineralization except for one spot of high 4 ppm gold over 3 metres which could not be reproduced.

Highlights of the drilling in the Granby Zone include:

- DDH-MM-09-11: from 15.85m to 78.64m, 0.355% Cu, 0.165 g/t Au, 2.52 g/t Ag, including
  - from 35.97m to 46.73m, 10.76m of 0.48% Cu, 0.24 g/t Au, and 3.38 g/t Ag,
  - from 51.2m to 78.64m, 27.44m of 0.49% Cu, 0.26 g/t Au, and 3.38 g/t Ag, and
  - from 72.54m to 78.64m, 6.1m of 0.91% Cu, 0.54 g/t Au.

- Also, in DDH-MM-09-11: A second zone from 137.55m to 172.64m (35.09m) was mineralized with up to 2688 ppm copper.

- DDH-MM-10-16: from 12.19m to 108.81m, 0.31% Cu, 0.08 g/t Au, 1.76 g/t Ag, including
  - from 23.47m to 44.81m, 21.34m of 0.33% Cu, 0.1 g/t Au, 2.73 g/t Ag, and
  - from 69.19m to 108.81m, 39.62m of 0.5% Cu, 0.1 g/t Au, 2.27 g/t Ag, which includes
    - from 72.24m to 75.29m, 3.05m of 1.45% Cu, 0.15 g/t Au, 5.7 g/t Ag.

- DDH-MM-10-18: from 13.72m to 32.61m, 0.24% Cu, 0.26 g/t Au, 1.23 g/t Ag.

- DDH-MM-10-19: from 66.69m to 127.1m of 0.27% Cu, 0.16 g/t Au, 0.72 g/t Ag, including
  - from 87.48m to 114.91m, 27.43m of 0.42% Cu, 0.3 g/t Au, 1.45 g/t Ag, which includes
    - from 102.72m to 105.77m, 3.05m of 1.67% Cu, 1.16 g/t Au, 3.9 g/t Ag.

- DDH-MM-10-20: from 26.52m to 93.57m of 0.13% Cu, 0.16 g/t Au, 0.68 g/t Ag, including
  - from 26.52m to 50.90m, 24.38m of 0.16% Cu, 0.33 g/t Au, 0.96 g/t Ag, which includes
    - 32.61m to 35.66m, 3.05m of 0.15% Cu ,0.89 g/t Au, 1.3 g/t Ag.

With the exception of Hole MM-10-19, all of the 2009 and 2010 Granby Zone drilling was collared in the Northern Granby to test extensions of mineralization encountered in the 2008 core drilling program.

MM-10-14, did not intercept appreciable mineralization even through it was in close proximity to MM-09-11, which had significant mineralization. To the north of MM-10-14, MM-10-15 was more mineralized (up to 1000 ppm Cu and 0.1 g/t Au) than MM-10-14 but still did not contain significant widths or grades. Likewise, MM-10-17 encountered heavily altered rock enriched with copper-gold but no significant grades were found.

Miner Mountain Property (cont'd)

2010 Core Drilling (cont'd)

All holes intercepted substantial alteration hosted in either Nicola Group volcanic or intrusive rocks. Of note is a large area of gypsum-pyrite-albite ± clay brecciation/veining which occurs at depth in holes 11, 14, 16 and in holes 8 and 10 of the 2008 drilling, and in the extant 2000 and 1997 drill core. This alteration assemblage appears to mark the lower or outer boundary of better metal grades. It dips to the northwest and comes to surface in the south and east of the Granby Zone.

The dominant alteration is propylitic (chlorite-epidote ± actinolite ± hematite ± albite± pyrite), but large areas of albitization (Na-feldspar), sericite/illite ± rutile, carbonate and potassic alteration (K-Feldspar ±Magnetite) were encountered as well.

Sulphide minerals are principally Bornite and Chalcopyrite with rims of Chalcocite and Covellite. Pyrite is ubiquitous outside the copper-gold zones, but subordinate to Bornite and Chalcopyrite within.

Drill hole MM-10-19, was collared approximately 300 metres to the southwest of the above-mentioned zone of mineralization to test at depth the mineralization previously encountered in Trench 95, and to determine the extent of a unit of barren maroon volcanics found at the southern end of the trench. This hole was successful in determining the extent at depth of the barren volcanics and their contact relationship, a fault, with mineralized microdiorite to the north. Most significantly this hole continued in microdiorite hosted mineralization to its bottom at 127.1 metres and thus was the reason for the excavation of trenches 96, 97, and 98. The hole was stopped at 127.1 metres due to drilling difficulties.

A second petrographic study was completed by K. Dunne, P. Geo in May 2010 using 28 samples taken during the 2009 and 2010 core drilling and trenching programs. The petrographic work confirmed the presence of multiple intrusives and intrusive phases from microdiorite and quartz monzonite to syenite, and elucidated the variety of volcanic rocks from crystal tuffs to amygdaloidal basalts. In many cases the work revealed previously unsuspected phases of alteration, and defined multiple stages of veining.

Miner Mountain Property (cont'd)

2011 Percussion Drill Program in 3 Phases

On July 22, 2011, the Company received a Multi-Year Area Based Permit valid for 5 years from the Ministry of Energy and Mines. The permit approves percussion drilling, diamond core drilling and trenching on the Miner Mountain Property.

Exploration work completed in 2011 consisted of a 3-phase program of 102 percussion drill holes totalling 7,260 metres. The program was designed to test a broad east-west zone across the southern part of the Granby Zone that is underlain by an arcuate chargeability anomaly, and to penetrate underneath the leach cap encountered in trenches 97 and 98 in 2010 overlying the anomaly. The Company started on July 25, 2011 with an initial percussion drill program recommended by consultant Vic Preto, PhD, P.Eng. in his report of June 17, 2011. This report is available on SEGO's website.

In Phase 1, the assay results show that 19 of the 34 percussion holes intersected significant widths of copper-gold mineralization, defined as greater than 0.1% Cu and 0.1 g/t Au, with several intersections of exceptional copper grades including PDH 9 which intersected 4m of 3.99% Cu, 6.925 g/t Au and 23.45 g/t Ag. Of note is that many of the holes bottomed in copper mineralization, leaving wide areas open at depth. Highlights of Phase 1 include:

- PDH 2 from 60m to 70m, 0.355% Cu, 0.446 g/t Au, 1.2 g/t Ag.
- PDH 9 from 12m to 64m, 1.264% Cu, 1.061 g/t Au with 3.79 g/t Ag, including 12m to 44m, 1.845% Cu, 1.628 g/t Au with 5.569 g/t Ag, including from 16m to 24m, 3.681% Cu, 5.256 g/t Au with 15.975 g/t Ag, which includes from 18m to 22m, 3.999% Cu, 6.925 g/t Au with 23.450 g/t Ag.
- PDH 16 from 14m to 20m, 6 m of 0.237% Cu with 0.16 g/t Au, and from 28m to 40m, 12 m of 0.141% Cu with 0.096 g/t Au.
- PDH 18 from 34m to 38m, 0.216% Cu with 0.030 g/t Au, and from 40m to 56m, 16 m of 0.186% Cu with 0.046 g/t Au, and from 68m to 74m, 0.112% Cu with 0.021 g/t Au.
- PDH 21 from 16m to 28m, 0.8 % Cu, 0.647 g/t Au with 1.367 g/t Ag, including 18m to 24m, 1.342% Cu, 1.064 g/t Au with 2.067 g/t Ag, and from 44m to 50m, 0.295% Cu with 0.173 g/t Au.
- PDH 31 from 32m to 42m, 10 m of 0.21% Cu with 0.121 g/t Au.
- PDH 34 from 24m to 48m, 24 m of 0.22% Cu with 0.144 g/t Au, including from 30m to 36m, 0.38% Cu with 0.234 g/t Au, and from 30m to 32m, 0.52% Cu with 0.238 g/t Au.

The Phase 2 program was designed to test for northern and eastern extensions of the mineralization found in the spring of 2011. During this program 43 percussion drill holes were drilled for a total of 3,394 metres on the same arcuate chargeability high targeted in Phase 1 but now called the Cuba Zone.

Miner Mountain Property (cont'd)

2011 Percussion Drill Program in 3 Phases (cont'd)

On November 28, 2011, Sego announced it had received all fire assays from its September 2011 percussion drilling program. In Phase 2 the assay results show that 24 of the 53 holes intersected significant widths of copper gold mineralization (greater than 0.1% Cu and 0.1 g/t Au), with several intersecting exceptional grades of copper mineralization including PDH 77 with 54m of 0.342% Cu and 0.473 g/t Au. Also, of note is than many of the holes bottomed in copper mineralization, leaving wide areas open at depth. Highlights of Phase 2 include:

- PDH 35 from 36m to 52m, 16m of 0.367% Cu with 0.595 g/t Au.
- PDH 55 from 72m to 101m, 29m of 0.154% Cu with 0.251 g/t Au.
- PDH 57 from 28m to 34m, 6m of 0.134% Cu with 0.039 g/t Au, and from 54m to 89m, 35m of 0.217% Cu with 0.325 g/t Au.
- PDH 58 from 44m to 54m, 12m of 0.171% Cu with 0.085 g/t Au, and from 58m to 78m, 20m of 0.153% Cu with 0.117 g/t Au, and from 83m to 98m, 15m of 0.278% Cu with 0.227 g/t Au and 0.58 g/t Ag, including 2m of 0.411% Cu, 0.226 g/t Au with 1 g/t Ag.
- PDH 60 from 10m to 28m, 18m of 0.23% Cu with 0.157 g/t Au, and from 30m to 38m, 8m of 0.162% Cu with 0.127 g/t Au, and from 68m to 83m, 15m of 0.34% Cu with 0.374 g/t Au, including 2m 0.633% Cu with 0.359 g/t Au, and from 95m to 101m, 6m of 0.21 g/t Au.
- PDH 61 from 10m to 22m, 12m of 0.185% Cu with 0.272 g/t Au, and from 24m to 56m, 32m of 0.224% Cu with 0.326 g/t Au, including 2m of 0.932% Cu with 0.783 g/t Au, and from 80m to-94m, 14m of 0.337% Cu with 0.289 g/t Au.
- PDH 64 from 36m to 44m, 8m of 0.492% Cu with 0.101 g/t Au.
- PDH 65 from 8m to 16m, 8m of 0.187% Cu with 0.24 g/t Au, and from 18m to 32m, 14m of 0.242% Cu with 0.333 g/t Au.
- PDH 66 from 0m to 6m, 6m of 0.217% Cu with 0.267 g/t Au, and from 8m to 54m, *46m of 0.509% Cu with 0.5 g/t Au, including 12m of 1.13% Cu with 0.806 g/t Au, and from 98 to 110m, 12m 0.142% Cu with 0.02 g/t Au (*two ICP samples inserted to make a composite intersection).
- PDH 67 from 6m to 26m, *20m of 0.529% Cu with 0.325 g/t Au, including 2m of 1.67% Cu with 0.93 g/t Au (*one ICP sample inserted to make a composite intersection).
- PDH 68 from 22m to 48m, 26m of 0.842% Cu with 0.834 g/t Au, including 4m of 2.53% Cu with 2.47 g/t Au, and from 66m to 68m, 2m of 1.113% Cu 0.312g/t Au.
- PDH 70 from 16m to 46m, 30m of 0.255% Cu with 0.028 g/t Au, and from 52m to 58m, 6m of 0.244% Cu with 0.034 g/t Au, and from 60m to 66m, 6m of 0.165% with 0.987 g/t Au.
- PDH 71 from 18m to 30m, 12m of 0.242% Cu with 0.211 g/t Au.
- PDH 72 from 6m to 14m, 8m of 0.142% Cu 0.136 g/t Au, and from 26m to 36m, 10m of 0.284% Cu with 0.722 g/t Au, and from 46m to 52m, 6m of 0.246% Cu with 0.501 g/t Au.
- PDH 74 from 10m to 16m, 6m of 0.19% Cu with 0.307 g/t Au, and from 28m to 30m, 2m of 0.51% Cu with 1.765 g/t Au, and from 32m to 34m, 2m of 0.599% Cu with 0.445 g/t Au.

Miner Mountain Property (cont'd)

2011 Percussion Drill Program in 3 Phases (cont'd)

- PDH 77 from 4m to 14m, 10m of 0.215% Cu with 0.148 g/t Au, and from 20m to 26m, 6m of 0.218% Cu with 0.185 g/t Au, and from 38m to 93m, 54m of 0.342% Cu with 0.473 g/t Au, including 7m of 0.76% Cu with 1.508 g/t Au.

On November 22, 2011, Sego reported that it had begun a 2,000 metre Phase 3 percussion drill program targeting the eastern extensions of the new zone outlined in the Phase 2 program. In Phase 3 the assay results show that 13 of the 25 holes intersected significant widths of copper-gold mineralization (greater than 0.1% Cu and 0.1 g/t Au), with several intersecting exceptional grades of copper mineralization including PDH 94 which intersected 26m of 1.72% with 0.921 g/t Au. Highlights of Phase 3 include:

- PDH 85 from 38 to 60m, 22m of 0.136% Cu with 0.147 g/t Au.
- PDH 87 from 12m to 54m, 42m of 0.128% Cu with 0.088 g/t Au, including2 26 m to 28m, 2m of 0.433% Cu with 0.337 g/t Au.
- PDH 91 from 24m to 52m, 28m of 0.146% Cu with 0.037 g/t Au, and from 62m to 78m, 16m of 0.127% Cu with 0.024 g/t Au.
- PDH 94 from 18m to 100m, 82m of 1.006% Cu, 0.576 g/t Au with 1.69 g/t Ag, including from 20m to 46 m, 26m of 1.72% Cu with 0.921 g/t Au.
- PDH 96 from 44m to 52m, 8m 0.127% Cu with 0.142 g/t Au, and from 62m to 102m, 40m of 0.23% Cu with 0.053 g/t Au.
- PDH 97 from 70m to 80m, 10m of 0.348% Cu with 0.095 g/t Au.
- PDH 101 from 18m to 58m, 40m of 0.134% Cu with 0.071 g/t Au, including from 44m to 46m, 2m of 0.39% Cu with 0.139 g/t Au.
- PDH 102 from 36m to 66m, 30m of 0.145% Cu with 0.027 g/t Au.

Miner Mountain Property (cont'd)

2012 Core Drilling

Eight HQ core holes totaling 1621.97 metres were drilled along the surface trace of the Cuba zone, which had been the focus of Sego's 2011 exploration program. The hole locations were chosen to twin percussion drill holes to confirm the grade of, and test for extensions at depth, of copper-gold mineralization reported from the 2011 percussion drilling program.

The drilling consisted of 6 vertical holes (DDH 21-26), and 2 angled holes (DDH 27 -28) collared at 120° to test for extensions of mineralization between the vertical holes. On March 12, 2012, the Company announced the results of its January 2012 diamond drilling program at Miner Mountain. The results from west to east include:

- DDH 21 (Twin of PDH 9) from 10.06m to 110.45m, 100.39m of 0.946% Cu, 0.55 g/t Au with 3.473 g/t Ag, including from 10.06m to 45.11m, 35.05m of 2.457% Cu, 1.35 g/t Au with 8.896 g/t Ag.
- DDH 23 (Twin of PDH 02) from 43.5m to 74.98m, 31.48m of 0.172% Cu, 0.228 g/t Au with 0.619 g/t Ag, including from 62.79m to 74.98m, 12.19m of 0.3 % Cu, 0.469 g/t Au with 0.951 g/t Ag.
- DDH 24 (Twin of PDH 77) from 11.58m to 139.6m, 128.02m of 0.344% Cu, 0.296 g/t Au with 0.975 g/t Ag, including from 42.06m to 84.73m, 42.67m of 0.737% Cu, 0.751 g/t Au with 1.57g/t Ag.
- DDH 25 (Twin of PDH 94) from 11.28m to 17.37m, 5.99m of 1.372% Cu, 0.677 g/t Au.
- DDH 26 (Twin of PDH 94) from 17.37m to 29.57m, 12.2m of 1.163% Cu, 0.759 g/t Au.
- DDH 27 from 8.23m to 96.62m, 88.39m of 0.222% Cu, 0.192 g/t Au with 0.428 g/t Ag, including from 60.05m to 78.33m, 18.28m of 0.546% Cu, 0.339 g/t Au with 0.733 g/t Ag.
- DDH 28 from 7.62m to 77.12m, 69.5m of 0.257% Cu, 0.193 g/t Au with 0.644 g/t Ag, including from 38.1m to 62.48m, 24.38m of 0.451% Cu, 0.32 g/t Au with 0.9 g/t Ag. The final two intervals of DDH 28 from 199.64m to 205.74m are 3m of 4233 ppm Cu with 117.9 ppb Au, and 3m of 5890 ppm Cu with 259 ppb Au, respectively.

Miner Mountain Property (cont'd)

2013 Geophysical Surveys and IP Interpretation

On May 8, 2013, Sego announced it has contracted Precision GeoSurveys Inc. to fly a helicopter-borne high resolution aeromagnetic and radiometric survey over its Miner Mountain Property. The survey consisted of 230 kilometres of 100m spacing covering the entire area of the project, and 63 kilometres of 50m spacing co-incident with the area of the 2009 Titan 24 IP survey and the 2008-2012 drilling.

On June 28, 2013, Sego announced a contract with Dr. Jules J. Lajoie PhD, P.Eng., former Chief Geophysicist of Cominco, Teck-Cominco and Teck Resources, to re-analyse and integrate the 2009 Titan 24 IP survey and the 2013 Precision Geosciences Airborne Geophysical Survey conducted over SEGO's Miner Mountain Property, near Princeton, BC. The final report entitled "Titan 24 Re Processing, Heli Magnetics and Radiometrics Interpretation", presents 8 separate target zones on the property worthy of further investigation through drilling and/or further geophysics.

- Targets #1 & #2 respectively are the Cuba Zone for which IP strongly suggests extension to the WNW and ESE, and the yet untested Quintana Zone, located about 700 m NE of the Cuba Zone and consisting of a 500 m diameter IP response that coincides with a Mag low, as occurs over the Cuba Zone mineralization (100.39m of 0.946% Cu 0.55 g/t Au 3.473 g/t Ag in DDH 21, and 128.02m of 0.344% Cu 0.296 g/t Au 0.975 g/t Ag in DDH 24 in the Cuba Zone-NR March 12, 2012).
- Target #3 is immediately south and upslope of the Regal Zone which contains attractive copper grades and has been interpreted to be a post-glacial landslide deposit.
- Target #4 is in the approximately 1.5 km, and open, E-W IP high in the SW part of the survey area and is "located immediately north of strong magnetic anomalies, a situation not unlike that at Copper Mountain". As a start three holes are recommended for this target.
- Targets #5 & #6 are in the south-eastern part of the Titan 24 IP survey. Target #6 shows increasing chargeability at depth and to the east, with depth to the top of the deep chargeability indicated to be in the 100-200 m range on the easternmost line.
- Targets #7 & #8 are both in the northern part of the property, in excess of 1 km north of the Quintana Zone (Target #2) in an area not covered by the Titan 24 IP survey. Target #7 is a strong mag low. Target #8 is a sub-circular area about 1 km in diameter "...displaying unusually quiet mag with the center showing somewhat elevated mag and K/Th ratio, as one might expect for the central core of a porphyry system." IP coverage is recommended for both areas.

Sego has located mineralization and/or alteration in Target areas 1 through 7, with surface exploration including trenching, soil geochemistry and surface geological mapping. The report was reviewed by Sego's exploration team.

Miner Mountain Property (cont'd)

2013 Percussion Drill Program

On September 8, 2013, Sego announced the completion of 1,743 metres of percussion drilling in 32 holes. All drill cuttings were analyzed by a Niton XL2 Goldd portable x-ray fluorescent analyzer for copper grade and mineralized cuttings were sent to Acme Labs for analysis. The focus of the program was to test new zones identified by a recent airborne survey and subsequent data re-analysis of the Titan 24 Survey data. Priority was given to targets with coincidental magnetic, IP chargeability, and soil geochemical anomalies.

The Company has received analytical results from the most significant hole completed in the Upper Regal Zone, the first area tested in the 2013 drilling program. This zone is topographically above the large Regal slide block (~500, 000 tonnes at 0.5% Copper) in an area where soil geochemistry results and geomorphologic studies suggested that the block had moved only a short distance downslope. The zone was tested with ten short percussion drill holes for a total of 474 metres along a north-south road that transects the target area which is southwest of the known mineralization in the Cuba Zone. Based on the Niton XL2 results only hole PDH 109 was submitted for assay. Logging of the drill cuttings revealed broad zones of chlorite-albite-pyrite alteration containing copper mineralization similar to the Cuba Zone, plus indications of skarn type mineralization. The alteration and mineralization patterns suggest that drilling to date may have intercepted the upper levels of an alkalic porphyry system.

The most significant results from this zone were encountered in PDH-13-109 which was drilled on the flank of a large magnetic anomaly. Results for PDH-13-109 are as follows:

- From 32m to 62m, 30 m of 0.31% Cu with 0.15 g/t Au, including from 46m to 56m, 10m of 0.55% Cu with 0.36 g/t Au, and from 48m to 50m, 2m of 1.026% Cu with 0.4 g/t Au.

The mineralization consists of bornite and chalcopyrite in potassium feldspar veins within a large magnetite-rich zone, bounded by a halo of epidote-magnetite alteration containing lower copper grades. This alteration halo extends at least 50 metres north and south from PDH 109, and a least 120 metres to the southeast. The main magnetic anomaly extends 170 metres northwest and will be further tested by subsequent exploration.

Miner Mountain Property (cont'd)

2014/2015/2016

The Company's geologic understanding of the project area benefited from a two-year study completed by the British Columbia Geological Survey. Results and geologic maps of the Miner Mountain and Princeton areas were published in 2014 by the British Columbia Geological Survey and are available under GeoFile 2015-2 on the British Columbia Geological Survey website.

The Company completed an evaluation of new geological information in the area known as the Granby-Cuba-Regal zone. Sego engaged two geologists to re-log several drill holes in this zone, utilizing the information published by the British Columbia Geological Survey study on the Miner Mountain and the Princeton area.

2017 Core Drilling

In June 2017, Sego received a new five-year area-based exploration permit with the support of local first nations and the landholder. The new permit will allow the Company to drill and trench at the Miner Mountain for the next five years without permitting delays.

Sego engaged More Core Drilling for a 2017 diamond drilling program. An initial two drill holes were planned totalling 600 metres. The drill sites were selected to extend the area of significant alteration and copper-gold mineralization outlined in 2012 in the Cuba zone, where hole DDH-12-21 encountered 100 metres of 0.95% copper and 0.55 g/t gold, and hole DDH-12-28 bottomed in three metres of 0.6% copper and 0.3 g/t gold. The drill program was designed to extend the above intersections laterally and at depth.

The 2017 drilling program on Miner Mountain was delayed due to a nearby wildfire and extreme fire conditions. On October 17, 2017, the Company commenced drilling on the Cuba zone at Miner Mountain. Sego's geologists use hand-held XRF devices to gain real-time estimates of mineralization in the freshly returned drill core. Based on the XRF results, Sego extends the depths of any holes that continue to show mineralization down-hole.

On November 6, 2017, the Company announced the completion of the initial 600-metre, two-hole diamond drill program on the Cuba zone at Miner Mountain. Sego's exploration team confirmed both diamond drill holes intersected copper mineralization.

On January 23, 2018, Sego released the results of the 2017 drill program: Sego's Chief Executive Officer, Paul Stevenson, commented: "Sego's recent drilling at the Cuba zone of Miner Mountain has returned copper, gold and silver grades that indicate the continuation of mineralization in this project area. We are excited by the new drill results because they show strong copper and gold mineralization was intersected in multiple zones at depth. The results also indicate a new area of alteration, including potassic alteration, which we will explore further in 2018."

Miner Mountain Property (cont'd)

2017 Core Drilling – (cont'd)

The assay results from the two diamond drill holes at Miner Mountain's Cuba Zone returned copper and gold grades comparable with grades encountered in prior drill testing.

The first diamond drill hole logged as DD hole 17-29 (azimuth 333, dip negative 45, UTM 5484281N, 683909E) successfully intersected:

- 21 m of 1.17% copper, 0.30 g/t gold and four g/t silver from 14 m depth to 35 m depth;
- 21 m of 0.16% copper, 0.51 g/t gold and 1.71 g/t silver from 77 m depth to 98 m depth.

DD hole 17-29 was specifically drilled to establish width with respect to the prior successful vertical diamond drill hole 21-12 which intersected 100.4 m of 0.95% copper, 0.55 g/t gold and 3.48 g/t silver, and to explore to the northwest.

The second diamond drill hole logged as DD hole 17-30 (azimuth 180, dip negative 65, UTM 5484309N, 683996E) successfully intersected:

- 18 m of 0.29% copper, 0.36 g/t gold, 3.0 g/t silver from 113 m depth to 131 m depth;
- 105 m of 0.31% copper, 0.08 g/t gold and 2.29 g/t silver from 164 m depth to 269 m depth, including:
    - 18 m of 0.50% copper, 0.28 g/t gold, 3.17 g/t silver from 167 m to 185 m;
    - 21 m of 0.60% copper, 0.03 g/t gold, 1.6 g/t silver from 248 m to 269 m.

DD hole 17-30 was positioned 150 m to the east of DDH-17-29 and targeted to the south of previous drilling in order to test for copper-gold porphyry mineralization in this new area.

Miner Mountain Property (cont'd)

2018 Exploration Program

On September 17, 2018, Sego released diamond drill results from the 2018 Phase 1 diamond drilling program completed in the summer of 2018 at Miner Mountain.

The purpose of the 2018 program was to determine the continuity, extent and direction of previously understood mineralized fault systems, which are assumed to run in an east-west direction. An east-west line of diamond drill holes was drilled to determine mineralized fault directions and to locate the south edge of the Cuba zone induced polarization chargeability anomaly. A hand-held X-ray fluorescence gun was used to guide the drilling team. Samples were assayed and double-checked by fire assay.

Summer 2018 drill results showed the presence of copper mineralization continuing all the way to the south edge of the induced polarization chargeability high. Of particular and significant interest is the presence of meaningfully elevated gold values within the induced polarization chargeability zone. In addition, copper and gold mineralization was confirmed to be controlled by numerous geological faults. Of great interest, gold mineralization occurred right near surface, which was positive, but also occurred deeper within the chargeability zone in DDH-MM-18-32.

For example, DDH-MM-18-32 revealed 0.53 g/t gold from zero to 26 m, and also revealed 0.45 g/t gold from 35 to 50 m. There were also copper and silver values associated with these intervals. In addition, at and below a core depth of 107 m (approximately 60 m below surface), copper assays yielded six m of 0.40% copper with gold and silver, and also three m of 0.865% copper with gold and silver values.

DDH-MM-18-34 also showed the extension of the mineralized faults. Pointing to this, at a core depth of 206 m to 263 m, (approximately 100 m to 140 m below surface), copper grades of 0.26%, including 21 m of 0.38%, were discovered along with gold and silver values. Also, at a core depth of 278 m to 296 m, (approximately 150 m to 200 m below surface), copper grades of 0.56%, including three m of 0.77%, were discovered along with gold and silver values.

Miner Mountain Property (cont'd)

2018 Exploration Program – (cont'd)

Results of the 2018 Phase 1 Drilling Program are shown in the table below:

DDH #	From (m)	To (m)	Length (m)	Cu %	Au g/t	Ag g/t
DDH-MM-18-31	69	81	12 metres	N/A	0.21	N/A
And	144	159	15 metres	0.14	0.09	0.50
And	195	204	9 metres	0.31	0.08	1.67
DDH-MM-18-32	0	26	26 metres	0.15	0.53	0.67
And	35	50	15 metres	0.15	0.45	0.60
And	56	71	15 metres	0.18	0.14	0.90
And	107	113	6 metres	0.40	0.13	1.00
And	125	134	9 metres	0.27	0.16	0.50
And	170	200	30 metres	0.19	0.06	1.25
Including	194	197	3 metres	0.865	0.198	3.00
DDH-MM-18-33	125	170	45 metres	0.23	0.05	1.33
Including	125	140	15 metres	0.32	0.05	1.90
DDH-MM-18-34	71	95	24 metres	0.16	0.18	0.81
And	206	263	57 metres	0.26	0.03	0.79
Including	224	245	21 metres	0.38	0.03	0.71
And	278	317	39 metres	0.29	0.05	0.85
Including	278	296	18 metres	0.56	0.06	1.30
Including	284	287	3 metres	0.77	0.03	2.00

Paul Stevenson, Chief Executive Officer of Sego commented: "The drilling in 2018 Phase 1, combined with previous exploration and drilling data, has unquestionably shown a very large and extensive mineralized volcanic, volcaniclastic and sedimentary package, which is typical of the Nicola belt copper-gold porphyries where the Miner Mountain project is situated. The alteration found in the 2018 drill holes, as well as in the Cuba zone's previous drilling, consisting of feldspar, albite, calcite and anhydrite, is typical of that of Nicola belt copper-gold porphyries in British Columbia. The intensity of the alteration indicates we are within the system, but still distal from the all-important mineralizing intrusive, which would be expected to yield much higher grades of copper and gold, and much better economic values."

With the knowledge gained from the Phase 1 2018 drilling program, Sego completed a detailed mapping program to better understand the opportunities of the Miner Mountain system within the Nicola volcanic environment. This detailed mapping program consisted of new mapping by Dr. Ron Britten, PhD, PEng, who collected over 150 rock samples, which he slabbed and personally examined in the field.

In addition to the fieldwork, 11 samples were further examined utilizing a potassium feldspar staining method and a microscopic thin section study, which revealed local strong albite and potassium feldspar pervasive alteration, microdiorite intrusive rock and quartz feldspar porphyry intrusive rock on the property. The recognized albite-chalcopyrite-bornite and potassium feldspar-chalcopyrite-bornite samples were taken from 2018 Phase 1 diamond hole No. 34 at 234.8 and 285.6 metres depth, respectively. The new mapping and laboratory work show that the Cuba zone mineralization previously encountered at Miner Mountain may be interpreted as an apophysis of a larger alkalic porphyry system.

Miner Mountain Property (cont'd)

2018 Exploration Program – (cont'd)

The results from these studies identified both: (i) a microdiorite intrusive rock; and (ii) a quartz feldspar porphyry intrusive in the area of Sego's 2018 Phase 2 drilling program.

The mineralization in the Cuba zone extends southeast toward the new 2018 Phase 2 target area. The 2018 Phase 2 target area encloses the shoulder of a broad chargeability high and the porphyritic intrusions on the edges of that target area which is approximately 750 metres by 300 metres. The extrapolation of structures from the 2018 Phase 1 program to the 2018 Phase 2 target area, along with the indications of intrusions, could be interpreted to be the peripheral signature of a porphyry system that is covered by overburden.

Sego began the Phase 2 2018 diamond drilling and trenching program on November 10, 2018 and completed it on December 4, 2018.

In the Phase 2 2018 exploration program, Sego completed 1,100 metres of diamond drilling over five drill holes. Split core samples have been sent to the laboratory for analysis. The drilling portion of the program was designed to extend and define the Cuba Zone.

In addition to the diamond drilling, Sego excavated 100 metres of trenching during the program and exposed a new important zone approximately 500 metres west of the known Cuba Zone. This new zone was originally defined by combined soil and geophysical anomalies. The trenches exposed approximately 40 metres of copper mineralization, including malachite, azurite, and chalcopyrite, with 26 metres of particularly elevated grade.

The elevated grades including the two above-detection level were fire assayed and the results were received from MSA Labs of Langley, BC. The two highest assays were 1.63% copper and 0.24 g/t gold and 2.28% copper and 0.8 g/t gold.

The Phase 2 2018 drilling and trenching program was developed as the beginning of a much larger scale exploration program designed to expand and enhance mineralization at the Miner Mountain Project. The results of the trenching are being utilized by comparing geochemical and geophysical anomalies and alteration strengths on the newly discovered zone to determine future targets property-wide. As a result of this data, several of Sego's known targets have been upgraded to a much higher priority.

A mapping study by Ron Britten, PhD., P.Eng., has indicated that all of Sego's target areas are a confluence of multiple overlapping features consistent with copper-gold alkaline porphyry in British Columbia.

Miner Mountain Property (cont'd)

2018 Exploration Program – (cont'd)

Assays results for Trench 103 - Contiguous Samples Taken Over Two-Metre Intervals are shown below:

Sample #	Cu %	Au g/t	Ag g/t
A0024089	0.69%	0.18	3.07
A0024090	0.95%	0.20	4.21
A0024091	1.63%	0.24	7.93
A0024092	0.70%	0.21	3.04
A0024093	0.59%	0.28	1.64
A0024094	0.03%	0.02	0.15
A0024095	0.99%	0.54	4.04
A0024098	2.28%	0.80	9.19
A0024099	0.80%	0.30	3.19
A0024100	0.18%	0.08	0.72
A0024351	0.02%	0.01	0.19
A0024352	0.22%	0.02	0.48
A0024353	0.12%	0.03	0.56

On February 28, 2019, Sego released assay results from its Phase 2 2018 drilling program:

In DDH-37, Sego drilled 11.2 metres of 0.60% copper with 0.12 g/t gold, including 4.4 metres of 1.20% copper with 0.24 g/t gold. This interval's grades range from 0.30% to 1.73% copper.

DDH-37 was collared to the southwest of the Cuba zone to test an approximately 200-metre interval between holes DDH-33 and DDH-34. Relatively weakly altered red-maroon volcaniclastics and minor sediments were intersected at the top of the hole and were intercalated with green volcaniclastics and massive andesites to 212-metre depth. At this point, the drill hole penetrated a narrow fault and entered a strong variable pervasive, patchy to brecciated potassium-feldspar-chlorite-calcite alteration of andesitic volcaniclastic and associated disseminated pyrite and chalcopyrite and local fillings of magnetite-chalcopyrite-pyrite to the end of the hole at 233 metres.

DDH-37 bottomed in 0.26% copper. The end of DDH-37 appears to have intersected the southwest margin of the Cuba zone. Petrographic examination of several samples from DDH-37 will aid future trench and deep drilling in this portion of the Cuba zone.

DDH-38 and DDH-39 were drilled to the south to check the western edge of the Shisler IP (induced polarization) target but did not pierce the overlying maroon volcanics.

DDH-40 drilled near the eastern end of the Cuba zone encountered anomalous copper (0.1% to 0.24% copper) over 27 metres.

Miner Mountain Property (cont'd)

2019 Data Review

After a comprehensive review of all existing data on the Miner Mountain project, Sego identified several new drill-ready zones/targets.

Empress Zone

Drilling by Sego in recent years has defined mineralization at the Cuba and Granby Zones, hosted in volcanic rocks, but a porphyry source has not been identified. The area contains potassic and argillic alteration with locally high-grade, structurally controlled mineralization, including the following previously reported holes:

- Cuba Zone - DDH 12-21: 100 metres grading 0.95% copper and 0.55 g/t gold from 10 m;
- Granby Zone - DDH 08-4: 52.5 metres grading 0.41% copper and 0.12 g/t gold from 18 m.

Immediately to the northwest is an approximately 500-metre-by-600-metre copper and gold soil anomaly with supporting elevated molybdenum, silver, zinc, manganese and iron. This signature is typical of alkalic porphyries in Southern British Columbia. Further, the zone has a complex magnetic signature with a central magnetic low and two bull's-eye magnetic highs, and occurs on the margin of a chargeability high. The relationship of magnetite alteration with copper mineralization at Granby makes the proximal magnetic high an attractive target.

Southern Gold Zone

Toward the south of the property, another large zone with a gold-rich footprint is evident in the soil sampling. This area has been the focus of trenching in the past, with gold and copper mineralization returning:

- Trench 42 -- 10 metres grading 1.18% copper;
- Trench 32 -- 32 metres grading 0.29% copper and one g/t gold;
- Trench 88 -- one metre grading 31.47 g/t gold and 27.2 g/t silver.

Six drill holes (four completed in 1969 and two by Sego) are drilled in the vicinity, but not into the consistent gold, copper and molybdenum soil anomaly. These holes do not explain the source of the anomaly, and the target remains to be effectively tested.

"Compiling the extensive dataset that Sego has collected over the last few years has revealed compelling new drill targets. The Empress zone is a large copper-gold anomaly that could be the source of the high-grade mineralization at the adjacent Granby and Cuba Zones. Trenching on the edge of the anomaly in 2018 sampled 18 metres grading 0.96% copper and 0.31 g/t gold," commented Chief Executive Officer J. Paul Stevenson. "Drilling this target along with the gold-rich porphyry target to the south will be a priority of the Company in the coming year."

Miner Mountain Property (cont'd)

2020 Exploration Program

Spring 2020

On July 7, 2020, Sego announced that it had discovered a large zone of gold mineralization during its 2020 trenching program completed in May at the Southern Gold Zone at Miner Mountain.

Highlights included:

- 62 metres grading 0.65 g/t gold from 60.5 m in trench MM20TR105, including:
    - 30 m grading 1.02 g/t gold from 84.5 m;
    - 2 m grading 8.76 g/t gold from 112.5 m;
- 40 m grading 0.31 g/t gold from 31.6 m in trench MM20TR109; the interval included 8.7 m of unsampled overburden that was assigned a grade of zero g/t for compositing. The interval is open to the south.

Chief Executive Officer J. Paul Stevenson commented: "The Southern Gold Zone expansion is an exciting development at Miner Mountain where mechanical trenching has defined a 150 by 200 m zone of mineralization that remains wide open to the northeast and southwest. The Company will complete additional trenching to define the full extent of the Southern gold zone prior to drilling."

The Southern Gold Zone is a significant geochemical anomaly identified in soil sampling and historical trench results that indicated potential for a broader zone of gold mineralization. The zone is almost entirely covered by a thin veneer of till cover and recent mechanical trenching was designed to cross the apparent northeast trend of the mineralization evident in sparse mapping and sampling. The results of five trenches are summarized below.

Trenches in 2020 have exposed a 150 by 200 m zone of mineralization that contains multiple 10-to-125.5-metre-long intervals of 0.19 to 1.02 g/t gold. The zone is open to the northeast and southwest.

Gold mineralization is associated with a broad band of pervasive chlorite-calcite-sericite assemblages, lesser potassium feldspar, epidote and albite alteration with finely disseminated pyrite and traces of chalcopyrite with rare oxidized intervals. The mineralization is mainly hosted in fine-grained diorite and andesitic volcaniclastic rocks in fault contact with sediments to the south. This fault truncates mineralization to the southeast.

Miner Mountain Property (cont'd)

2020 Exploration Program – (cont'd)

Summer 2020

On August 26, 2020, Sego announced that it had completed four diamond drill holes totalling 1,213 metres in June and July, testing targets in the Granby-Cuba area (diamond drill hole 42), Empress Zone (43 and 44) and the Upper Regal (45).

Hole 42, collared in the Granby-Cuba areas, intersected variable microdiorite, volcaniclastics and lesser monzonite to penetrate a major fault zone at 438 metres where it encountered unmineralized steeply dipping hematitic volcaniclastics to the end of the hole at 664 m. Assay results indicate two intervals, one of 20.88 m and the other of 24.51 m in hole 42 that average 0.15% copper and between 0.043 to 0.205 g/t gold. These intervals are likely related to the Granby mineralized system located 80 m to the east and are associated with fine-grained disseminated chalcopyrite, chlorite and K-feldspar alteration. The anticipated Cuba mineralization was not intersected in the deeper portion of the drill hole and postmineral faults have offset the mineralization, from the north, of uncertain distance. Structural history of Miner Mountain is complex and further interpretation of recent drill results is required to facilitate future deep drilling.

Hole 45 was drilled below percussion drill hole 109, which intersected 0.33% copper and 0.16 g/t gold over 26 m in the Upper Regal Zone. Results of 0.16% and 0.4% copper and 0.054 and 0.421 g/t gold were recorded in hole 45 over two intervals of 7.55 m and 2.85 m, respectively. The higher-grade values are associated with fault breccia fragments of mineralized monzonite in the lower intersection indicating a nearby mineralized intrusion. Future drilling of this target is planned.

Holes 43 (ended at approximately 310 m) and 44 (91 m) were targeted on results of percussion hole 136 that returned 0.23% copper and 0.1 g/t gold over a 56 m interval as well as trench results of 0.63% copper and 0.3 g/t gold over a 13 m length in the Empress Zone. These holes did not intersect significant results, although sporadic 0.1% copper values were noted at various depths. The near-surface mineralization occurs in a slump block, the source of which has not been located, and does not extend to depth.

Fall 2020

Sego Resources has completed its fall exploration program at the southern gold zone at Miner Mountain. The program involved mapping and sampling, followed by trenching with the goal of enhancing drill targets in the southern gold zone. Results are expected in late October.

Selina Tribe, PhD, PGeo., is the Company's qualified person within the meaning of NI 43-101 and has reviewed and approved the technical information contained in this MD&A for the Miner Mountain Property.

SELECTED ANNUAL INFORMATION

The following table sets out selected annual financial information for the Company for the years ended:

	June 30 2020 $	June 30 2019 $	June 30 2018 $
Revenues	Nil	Nil	Nil
Net and comprehensive loss	(369,249)	(559,595)	(441,524)
Basic and diluted loss per share	(0.003)	(0.005)	(0.006)
Total assets	5,743,442	4,750,556	4,500,838
Non-current financial liabilities	43,028	Nil	Nil
Dividends	Nil	Nil	Nil

DISCUSSION OF OPERATIONS

The Company recorded a net and comprehensive loss of $369,249 for the year ended June 30, 2020 compared to $559,595 for the year ended June 30, 2019.

Consulting fees for the year ended June 30, 2020 decreased to $17,200 compared to $132,700 for the year ended June 30, 2019. The Company engaged Jean-Pierre Colin, a director of the Company, to act as a corporate strategy consultant beginning in March 2018 at a rate of $7,500 per month. The contract terminated in April 2019.

Investor relations for the year ended June 30, 2020 decreased to $24,000 compared to $35,000 for the year ended June 30, 2019. Sego retained MarketSmart Communications Inc. (“MarketSmart”) for investor relations services. MarketSmart is working to develop and implement a strategic corporate communications program to increase visibility and exposure for Sego amongst industry stakeholders and investors. MarketSmart was awarded an investor relations contract beginning November 2017 at a rate of $3,500 per month. The contract terminated in April 2019. A new one-year contract was awarded beginning March 2020 at a rate of $6,000 per month.

Marketing for the year ended June 30, 2020 was $24,325 compared to $Nil for the year ended June 30, 2019. The Company presented at the Vancouver Resource Investment Conference and the Toronto Metals Investor Forum in 2020.

Share-based payments for the year ended June 30, 2020 decreased to $134,011 compared to $210,646 for the year ended June 30, 2019. On April 16, 2018, the Company granted 8,335,000 stock options to directors and consultants. The options vest 25% on grant and 25% every six months thereafter. On October 1, 2019, the Company granted 1,500,000 stock options to a consultant. The options vest 25% on grant and 25% every six months thereafter. On May 28, 2020, the Company granted 4,150,000 stock options to directors and consultants. The options vest 25% on grant and 25% every six months thereafter. The Company accrues share-based payments over the vesting term of the options.

DISCUSSION OF OPERATIONS (cont'd)

The Company adopted IFRS 16 effective July 1, 2019. The comparatives for 2019 were not restated and are accounted for under IAS 17 – Leases, as permitted under the transitional provisions in the new standard. The Company entered into a three-year lease for its head office on February 1, 2020. Rent expense was no longer recorded after February 1, 2020 and the lease costs were then categorized as amortization of right of use asset and lease interest.

The Company received flow through premiums on its private placements of $24,960 for the year ended June 30, 2020 compared to $Nil for the year ended June 30, 2019.

Exploration and evaluation expenditures incurred on Miner Mountain were $377,708 for the year ended June 30, 2020 compared to $693,043 for the year ended June 30, 2019.

At June 30, 2020, the Company recorded a BC Mining Exploration Tax Credit receivable of $133,916 compared to $29,329 at June 30, 2019.

SUMMARY OF QUARTERLY RESULTS

The figures for the quarters ended June 30, 2020 and 2019 are derived from the Company's audited annual financial statements. All other quarterly figures are derived from the Company's unaudited condensed interim financial statements.

	June 30 2020 $	March 31 2020 $	December 31 2019 $	September 30 2019 $
Revenues	Nil	Nil	Nil	Nil
Net loss and comprehensive loss	(164,275)	(52,432)	(93,287)	(59,255)
Basic and diluted loss per share	(0.00)	(0.00)	(0.00)	(0.00)

	June 30 2019 $	March 31 2019 $	December 31 2018 $	September 30 2018 $
Revenues	Nil	Nil	Nil	Nil
Net loss and comprehensive loss	(81,291)	(124,852)	(165,279)	(188,173)
Basic and diluted loss per share	(0.00)	(0.00)	(0.00)	(0.00)

FOURTH QUARTER

On May 28, 2020, the Company granted 4,150,000 stock options to directors and consultants. The options vest 25% on grant and 25% every six months thereafter. The Company recorded share-based payments expense of $65,963.

On June 30, 2020, the Company recorded a BC Mining Exploration Tax Credit receivable of $133,916.

LIQUIDITY AND CAPITAL RESOURCES

The Company has financed its operations and mineral property exploration and evaluation programs to date primarily through the issuance of common shares. The Company continues to seek capital through various means including the issuance of equity, joint venture arrangements and loans from its directors.

The Company's financial statements are prepared on a going concern basis which assumes that it will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company has not generated revenue from operations and has not determined whether its mineral properties contain economically recoverable reserves. The continuing operations of the Company are dependent upon its ability to obtain the necessary financing to meet its ongoing commitments and further its exploration programs. Uncertainty in the capital markets, especially as it relates to the speculative junior mining industry may make it difficult to raise capital through the private placement of shares. The Company will have to raise funds to continue operations and although the Company is using its best efforts to achieve its business plans by examining various financing alternatives, there is no assurance that the Company will be successful with any financing ventures.

At June 30, 2020, the Company had a working capital deficiency of $117,126.

The Company estimates that its administrative expenses will cost in the order of $240,000 for the year ended June 30, 2021.

Financing Activities – During the Year Ended June 30, 2020

On February 5, 2020, the Company issued 13,388,500 units pursuant to a private placement at $0.05 per unit for gross proceeds of $669,425. Each unit consisted of one common share and one share purchase warrant. Each warrant entitled the holder to purchase an additional common share at $0.10 until February 5, 2022.

Finder's fees of $17,670 and 353,395 agent options were paid with respect to the above private placement. Each agent option entitled the holder to purchase one non-flow-through unit with the same terms as the units to which the options relate at $0.05 until February 5, 2022.

On February 5, 2020, the Company issued 533,000 flow-through units pursuant to a private placement at $0.06 per unit for gross proceeds of $31,980. Each unit consisted of one flow-through common share and one share purchase warrant. Each warrant entitled the holder to purchase an additional common share at $0.15 until February 5, 2022. There was a flow-through premium received of $0.01 per unit or $5,330.

Finder's fees of $1,399 and 23,310 agent options were paid with respect to the above private placement. Each agent option entitled the holder to purchase one non-flow-through unit with the same terms as the units to which the options relate at $0.06 until February 5, 2022.

LIQUIDITY AND CAPITAL RESOURCES (cont'd)

Financing Activities – During the Year Ended June 30, 2020 – (cont'd)

On December 30, 2019, the Company issued 1,004,000 units pursuant to a private placement at $0.05 per unit for gross proceeds of $50,200. Each unit consisted of one common share and one share purchase warrant. Each warrant entitled the holder to purchase an additional common share at $0.10 until December 30, 2021.

Finder's fees of $350 and 7,000 agent options were paid with respect to the above private placement. Each agent option entitled the holder to purchase one non-flow-through unit with the same terms as the units to which the options relate at $0.05 until December 30, 2021.

On December 30, 2019, the Company issued 1,963,000 flow-through units pursuant to a private placement at $0.06 per unit for gross proceeds of $117,780. Each unit consisted of one flow-through common share and one share purchase warrant. Each warrant entitled the holder to purchase an additional common share at $0.15 until December 30, 2021. There was a flow-through premium received of $0.01 per unit or $19,630.

Finder's fees of $5,515 and 91,910 agent options were paid with respect to the above private placement. Each agent option entitled the holder to purchase one non-flow-through unit with the same terms as the units to which the options relate at $0.06 until December 30, 2021.

Financing Activities – During the Year Ended June 30, 2019

On August 31, 2018, the Company issued 4,239,800 units pursuant to a private placement at $0.05 per unit for gross proceeds of $211,990. Each unit consisted of one common share and one share purchase warrant. Each warrant entitled the holder to purchase an additional common share at $0.10 until August 31, 2022.

On August 31, 2018, the Company issued 1,420,000 flow-through units pursuant to a private placement at $0.05 per unit for gross proceeds of $71,000. Each unit consisted of one flow-through common share and one half of one share purchase warrant. Each full warrant entitled the holder to purchase an additional common share at $0.10 until August 31, 2020.

Finder's fees of $4,568 and 91,350 agent options were paid with respect to the above private placement. Each agent option entitled the holder to purchase one non-flow-through unit with the same terms as the units to which the options relate at $0.05 until August 31, 2020. The Company paid filing fees of $1,415.

On August 15, 2018, the Company issued 3,050,000 units pursuant to a private placement at $0.05 per unit for gross proceeds of $152,500. Each unit consisted of one common share and one share purchase warrant. Each warrant entitled the holder to purchase an additional common share at $0.10 until August 15, 2022.

LIQUIDITY AND CAPITAL RESOURCES (cont'd)

Financing Activities – During the Year Ended June 30, 2019 – (cont'd)

On August 15, 2018, the Company issued 7,000,000 flow-through units pursuant to a private placement at $0.05 per unit for gross proceeds of $350,000. Each unit consisted of one flow-through common share and one half of one share purchase warrant. Each full warrant entitled the holder to purchase an additional common share at $0.10 until August 15, 2020.

At June 30, 2018, the Company had received share subscriptions of $64,000 with respect to the above private placement.

Finder's fees of $13,475 and 193,900 agent options were paid with respect to the above private placement. Each agent option entitled the holder to purchase one non-flow-through unit with the same terms as the units to which the options relate at $0.05 until August 15, 2020. The Company paid filing fees of $2,512.

COMMITMENTS

J Paul Stevenson and Associates

The Company has entered into a year to year agreement with a company controlled by the Chief Executive Officer of the Company. The agreement provides for management fees at $3,000 per month and telephone services at $660 per month. The agreement also provides for additional geological consulting services on an as-needed basis.

Core Shack Rental

The Company has entered into a month to month rental agreement for its core shack storage space at Miner Mountain at a rate of $927 per month.

Office Premises Rental

The Company has entered into a lease agreement for office premises that commenced February 1, 2020 and expires January 31, 2023. The Company's remaining lease payments for office premises (including operating expenses) are as follows:

Year ended June 30, 2021	$	28,729
Year ended June 30, 2022		29,463
Year ended June 30, 2023		17,573
Total	$	75,765

OFF BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements to report.

TRANSACTIONS BETWEEN RELATED PARTIES

Directors and Officers

At October 16, 2020, the directors of the Company are J Paul Stevenson, Allan Hilton, Shelley Hallock, Kenneth Willington, Selina Tribe, Brent Petterson, Jean-Pierre Colin and David Speck. The officers of the Company are J. Paul Stevenson, Chief Executive Officer and Brent Petterson, Chief Financial Officer.

Allan Hilton charges fees for geological services and consulting fees on an as needed basis.

Brent Petterson charges accounting fees of $3,000 per month through his controlled private company, MBP Management Ltd.

Selina Tribe charges for geological services and consulting fees on an as needed basis through her private company, Carta Exploration Ltd.

Jean-Pierre Colin charged consulting fees of $7,500 per month until April 2019.

The Company incurred the following charges by directors of the Company or by companies with directors in common with the Company during the years ended June 30, 2020 and 2019:

	2020	2019
Deferred exploration costs – engineering & geological (JPS/Tribe)	$ 26,400	$ 32,550
Deferred exploration costs – equipment rental (JPS)	2,100	2,700
Accounting (Petterson)	36,000	33,000
Consulting fees (Hilton/Colin)	7,200	83,400
Management fees (JPS)	36,000	36,000
Telephone (JPS)	7,920	7,860
	$ 115,620	$ 195,510

At June 30, 2020, due to related parties includes $331,406 for cash advances, fees and expenses (2019: $247,460) due to directors of the Company and to companies with directors in common with the Company. The amounts due to related parties are unsecured, non-interest bearing and have no fixed terms of repayment.

Details of amounts due to related parties are as follows:

	2020	2019
J Paul Stevenson – advances	$ 42,425	$ 21,273
J Paul Stevenson & Associates – fees and expenses	262,529	198,277
Brent Petterson - fees	-	6,300
Selina Tribe – fees	2,757	7,087
Allan Hilton – fees and expenses	23,695	14,523
	$ 331,406	$ 247,460

PROPOSED TRANSACTIONS

The Company has no proposed transactions to report.

USE OF ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

Preparation of the Company's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities as at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates. Key judgments and estimates made by management with respect to those areas noted previously have been disclosed in the notes to the financial statements, as appropriate.

Significant accounting judgments

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in these financial statements are discussed below:

- The recoverability of the carrying value of exploration and evaluation assets.

  The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits will flow to the Company. If, after exploration and evaluation expenditures are capitalized, information becomes available suggesting that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount the Company carries out an impairment test at the cash-generating unit ("CGU"), or group of CGUs, level in the year the new information becomes available. If indicators of impairment exist, the recoverable amount of the asset is estimated in order to determine the extent of the impairment.

- Recoverability of deferred tax assets.

  In assessing the probability of realizing income tax assets, management makes judgment related to expectations of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities.

USE OF ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS (cont'd)

Significant accounting judgments – (cont'd)

- The going concern assumption.

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures, meet its liabilities for the ensuing year, and to fund planned and contractual exploration programs, involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

Significant accounting estimates and assumptions

- Right of use asset

The Company applies judgement in determining whether the contract contains an identified asset, whether they have the right to control the asset, and the lease term. The lease term is based on considering facts and circumstances, both qualitative and quantitative that can create an economic incentive to exercise renewal options. Management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option

The key estimates applied in the preparation of these financial statements that could result in a material adjustment to the carrying amounts of assets and liabilities are as follows:

- Assumptions used in the calculation of the fair value assigned to share-based payments.

The Company uses the Black-Scholes option pricing model for valuation of share-based payments. Option pricing models require the input of subjective assumptions, including expected price volatility, interest rate and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's equity reserves.

- Amount of mining exploration tax credit receivable.

The Company is entitled to refundable tax credits on qualified resource expenditures incurred in British Columbia. Management's judgment and estimates are applied in determining whether the resource expenditures are eligible for claiming such credits.

CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

The Company's significant accounting policies are disclosed in Note 3 to its audited annual financial statements for the years ended June 30, 2020 and 2019.

There were no changes in the Company's significant accounting policies during the year ended June 30, 2020 that had a material effect on the Company's financial statements other than the adoption of ***IFRS 16 Leases*** as discussed below:

The Company adopted IFRS 16 effective July 1, 2019. In accordance with the transition provisions in IFRS 16, the new rules were adopted retrospectively. The comparatives for the 2018 reporting period have not been restated and are accounted for under IAS 17 - Leases and IFRIC 4 as permitted under the specific transitional provisions in the new standard.

The Company has also elected to apply the practical expedient whereby leases whose term ends within 12 months of the date of initial application would be accounted for in the same way as short-term lease. The Company recognized lease liabilities in relation to a lease for office space upon renewal. Under IFRS 16, the lease liability was measured at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate. The incremental borrowing rate applied to the lease liability was 10%. The associated lease liability recognized was $75,327.

An associated right-of-use asset for the lease was measured at the amount equal to the lease liability. Right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. Lease liabilities are subsequently measured at amortized cost using the effective interest rate method.

The following tables summarize the difference between operating lease commitment disclosed immediately preceding the date of initial application and lease liability recognized in the balance sheet:

Right of Use Asset

Value of right of use asset as at July 1, 2019	$	-
Additions		75,327
Amortization		(10,462)
Balance as at June 30, 2020	$	64,865

Lease liability

Lease liability recognized as at July 1, 2019	$	-
Additions		75,327
Lease payments		(11,226)
Lease interest		3,454
Balance as at June 30, 2020	$	67,555

Current portion	$	24,527
Long-term portion		43,028
Balance as at June 30, 2020	$	67,555

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Company adopted all of the requirements of IFRS 9 Financial Instruments ("IFRS 9") on a modified-retroactive basis in accordance with the transitional provisions. IFRS 9 replaced IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). The standard promulgates a revised model for recognition and measurement of financial instruments and a single, forward-looking "expected loss" impairment model. The adoption of IFRS 9 did not result in any change in the carrying values of any of the Company's financial assets on the transition date.

The fair values of the Company's accounts payable and amounts due to related parties approximate their carrying values due to the short-term nature of these instruments. The carrying amount of the reclamation deposits approximates its fair value. The Company's cash is classified at Level 1 of the fair value hierarchy. The Company has no financial instruments at Levels 2 or 3.

The Company has exposure to the following risks from its use of financial instruments:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash is held in a Canadian financial institution. The Company has minimal credit risk.

Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquid funds to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The contractual financial liabilities of the Company as of June 30, 2020 are $635,845 (2019 - $270,241). All of the contractual financial liabilities are current liabilities due in less than 90 days, and there are insufficient current assets to meet current obligations. Management will be required to raise funds to meet its financial obligations.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, commodity price risk and interest rates, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on capital.

Reclamation deposits are subject to floating interest rates whose fluctuation would not have a material effect on the value of these financial assets.

At June 30, 2020 and 2019, the Company is not exposed to any significant market risk.

RISKS AND UNCERTAINTIES

In addition to the risks and uncertainties outlined earlier in this management discussion, the Company is also subject to other risks and uncertainties including the following:

COVID-19

In March 2020, the World Health Organization declared COVID-19 a global pandemic. This contagious disease outbreak and the related adverse public health developments have adversely affected workforces, economies, and financial markets, leading to a global economic downturn. The impact on the Company is not currently determinable. Management continues to monitor the situation.

General Risk Associated with the Mining Industry

The business of mineral deposit exploration and extraction involves a high degree of risk. Few properties that are explored ultimately become producing mines. At present, none of the Company's properties has a known commercial ore deposit. There can be no assurance that current exploration programs will result in the discovery of economically viable quantities of ore. The main operating risks include: securing adequate funding to maintain and advance exploration properties; ensuring ownership of and access to mineral properties by confirmation that claims and are in good standing and obtaining permits for drilling and other exploration activities. The market prices for gold and other metals can be volatile and there is no assurance that a profitable market will exist for a production decision to be made or for the ultimate sale of the metals even if commercial quantities of precious and other metals are discovered.

Exploration and development activities involve risks which careful evaluation, experience and knowledge may not, in some cases eliminate. The commercial viability of any mineral deposit depends on many factors not all of which are within the control of management. Some of the factors that affect the financial viability of a given mineral deposit include its size, grade and proximity to infrastructure, government regulation, taxes, royalties, land tenure, land use, environmental protection and reclamation and closure obligations, have an impact on the economic viability of a mineral deposit.

Title to Mineral Properties

Although the Company has taken steps to verify the title to the mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

The Company has entered into agreements to acquire and explore certain mineral properties located in British Columbia, Canada. Several Aboriginal groups are claiming inextinguishable Aboriginal title to the lands and resources in various regions of British Columbia, Canada, which may include one or more of the mineral claims beneficially owned by the Company. The extent to which any successful Aboriginal claim would materially affect the ability of the Company to exploit the mineral properties is not determinable at this time.

RISKS AND UNCERTAINTIES (cont'd)

Realization of Assets

The investment in and expenditures on mineral properties comprise a significant portion of the Company's assets. Realization of the Company's investment in these assets is dependent upon the establishment of legal ownership, the attainment of successful production from the properties or from the proceeds of their disposal.

The amounts shown for exploration and evaluation assets (property acquisition costs and deferred exploration costs) represent costs incurred to date and do not necessarily reflect present or future values. These costs will be depleted over the useful lives of the properties upon commencement of commercial production or written off if the properties are abandoned or the claims allowed to lapse.

Dependence on Key Personnel

Loss of certain members of the executive team or key operational leaders of the Company could have a disruptive effect on the implementation of the Company's business strategy and the efficient running of day-to-day operations until their replacement is found. Recruiting personnel is time consuming and expensive and the competition is intense. The Company may be unable to retain its key employees or attract, assimilate, retain or train other necessary qualified employees, which may restrict its growth potential.

Environmental

The Company is subject to the laws and regulations relating to environmental matters in the jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest. The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Company.

Environmental legislation is becoming increasingly stringent and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions. If the restrictions adversely affect the scope of exploration and evaluation on its mineral properties, the potential for production on the property may be diminished or negated.

The Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Company.

OUTSTANDING SHARE DATA

Common Shares

Number of issued and outstanding common shares at October 16, 2020	123,198,827

Options

At October 16, 2020, there were 8,185,000 stock options outstanding entitling the holders thereof the right to purchase one common share for each option held as follows:

Number of Options Outstanding	Exercise Price	Expiry Date
7,535,000	$0.10	April 16, 2023
650,000	$0.08	May 28, 2025
8,185,000		

Warrants

At October 16, 2020, there were 39,753,500 share purchase warrants outstanding entitling the holders thereof the right to purchase one common share for each warrant held as follows:

Number of Warrants Outstanding	Exercise Price	Expiry Date
2,925,000	$0.10	June 15, 2021
8,440,200	$0.10	June 15, 2022
3,500,000	$0.10	August 15, 2021
3,050,000	$0.10	August 15, 2022
710,000	$0.10	August 31, 2021
4,239,800	$0.10	August 31, 2022
1,004,000	$0.10	December 30, 2021
1,963,000	$0.15	December 30, 2021
13,388,500	$0.10	February 5, 2022
533,000	$0.15	February 5, 2022
39,753,500		

Agent's Options

At October 16, 2020, there were 475,615 agent options outstanding entitling the holders thereof the right to purchase one unit for each agent's option held as follows:

Number of Agent's Options Outstanding	Exercise Price	Expiry Date
7,000	$0.05	December 30, 2021
91,910	$0.06	December 30, 2021
353,395	$0.05	February 5, 2022
23,310	$0.06	February 5, 2022
475,615		