

Management's Discussion and Analysis

For the quarter ended: September 30, 2021

Date of report: November 29, 2021

This management's discussion and analysis of the consolidated financial condition and results of operation ("MD&A") of GoldSpot Discoveries Corp. ("GoldSpot" or the "Company") should be read in conjunction with GoldSpot's unaudited interim condensed consolidated financial statements and notes thereto as at and for the three and nine months ended September 30, 2021 and the annual audited consolidated financial statements and notes thereto as at and for the year ended December 31, 2020. The same accounting policies and methods of computation were followed in the preparation of the interim condensed financial statements as were followed in the preparation and described in Note 3 of the annual financial statements as at and for the year ended December 31, 2020.

Unless indicated otherwise, all financial data in this MD&A has been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). All dollar amounts in this MD&A are reported in Canadian dollars unless otherwise indicated.

Caution Regarding Forward-Looking Information

Certain information contained in this MD&A constitutes forward-looking information, which is information relating to future events or the Company's future performance and which is inherently uncertain. All information other than statements of historical fact may be forward-looking information. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar words or phrases (including negative variations) suggesting future outcomes or statements regarding an outlook. Forward-looking information contained in this MD&A includes, but is not limited to the Company's anticipated investment activities and results and financing activities, the Company's future working capital requirements, the impact of changes in accounting policies and other factors on the Company's operating results, and the performance of global capital markets and interest rates, the exposure of its financial instruments to various risks and its ability to manage those risks, and the Company's ability to use tax resource pools and loss carry-forwards.

Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information. The Company believes the expectations reflected in the forward-looking information are reasonable but no assurance can be given that these expectations will prove to be correct and readers are cautioned not to place undue reliance on forward-looking information contained in this MD&A. Some of the risks and other factors which could cause results to differ materially from those expressed

in the forward-looking information contained in this MD&A include, but are not limited to: risks relating to the Company's ability to raise capital in order to fund obligations as they become due, the Company's ability to generate taxable income from operations, the strength of the Canadian, U.S. and other economies, foreign exchange fluctuations, political and economic conditions in the countries in which the Company's customers are located, and other risks included elsewhere in this MD&A under the heading "Other Risks".

Readers are cautioned that the foregoing lists of factors are not exhaustive. Although the Company has attempted to identify important factors that could cause actual events and results to differ materially from those described in the forward-looking information, there may be other factors that cause events or results to differ from those intended, anticipated or estimated. The forward-looking information contained in this MD&A are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as otherwise required by law. All of the forward-looking information contained in this MD&A is expressly qualified by this cautionary statement.

During Q1 of 2020, there was a global outbreak of the 2019 novel corona virus ("COVID-19") (coronavirus), which has had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the true extent of the impact the COVID-19 outbreak may have on the Company as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put in place by Canada and other countries to fight the virus. While the extent of the impact is unknown, the Company anticipates this outbreak may cause reduced sales/customer demand, supply chain disruptions, staff shortages, and increased government regulations, all of which will negatively impact the Company's business and financial condition. Any estimate of the length and severity of these developments is therefore subject to significant uncertainty, and accordingly estimates of the extent to which the COVID-19 pandemic may materially and adversely affect the Company's operations, financial results and condition in future periods are also subject to significant uncertainty. Therefore, uncertainty about judgments, estimates and assumptions made by management during the preparation of the Company's consolidated financial statements related to potential impacts of the COVID-19 pandemic on revenue, expenses, assets, liabilities, and note disclosures could result in a material adjustment to the carrying value of the asset or liability affected.

Overview of Business

Nature of the Business:

GoldSpot Discoveries Corp. was incorporated under the *Canada Business Corporations Act* on May 1, 2017. On February 8, 2019, the Company completed a transaction with GoldSpot Discoveries Inc. ("GDI"), a private company continued under the *Business Corporations Act* (Ontario), which constituted a reverse takeover by GDI and changed its name to "GoldSpot Discoveries Corp." Because GDI is considered the accounting acquirer, the audited financial statements as at and for the year ended December 31, 2019 are a continuation of the financial statements of GDI, adjusted to reflect the legal capital of the Company. On February 21, 2019, the Company commenced trading on the TSX Venture Exchange ("TSXV") under the symbol "SPOT" and on May 12, 2021, the Company's shares commenced trading on the OTCQX Best Market under the symbol "SPOFF". The Company's head office is at 69 Yonge Street, Suite 1010, Toronto, ON, M5E 1K3.

GoldSpot is a technology company using artificial intelligence to revolutionize the future of global mineral exploration with a full suite of data and knowledge-driven SaaS tools and services. GoldSpot works with industry leaders across all commodity and deposit types to identify new exploration targets, develop cutting-edge technologies and to strategically invest in mineral exploration companies. Our leading team of expert scientist's merge geoscience and data science to deliver bespoke solutions that save time, reduce costs and produce far more accurate results than ever before possible.

Technology developed by GoldSpot is actively being used by producers and junior explorers. With its global clients, GoldSpot develops and improves on current technology to make economical and more efficient discoveries.

Principal Business:

GoldSpot is a technology company that uses artificial intelligence ("AI") and traditional domain expertise alongside a portfolio of software tools to assist in discovering new mineral deposits for its clients. GoldSpot's consultancy remains an integral part of operations, working with producers provides revenue to offset general office expenses and research and development. However, GoldSpot's mandate has evolved to include explorers. The use of machine learning allows the Company to find attractive explorers and valuable royalties earlier in the exploration process. GoldSpot makes strategic investments in these junior companies and can acquire royalties, while giving the issuer access to its geology and data science team as well as its growing portfolio of technology applications. In addition, with the recent acquisitions of Geotic Inc. ("Geotic") and CEO.CA Technologies Ltd. ("CEO.CA"), the Company now has a large portfolio of SaaS tools that generate annual recurring revenue for GoldSpot.

GoldSpot operates four principal business verticals: Exploration Technology, Global Consulting Services, Technology & Media and a growing Investment Portfolio.

GoldSpot's Exploration Technology is a combination of acquired tools and services from third-party exploration software companies including Geotic as well as in-house developed tools such as LithoLens, a modular SaaS solution that uses AI for processing, optimizing, and extracting data from rock imagery and MinusOne, a software solution for creating 3-D models from geophysical data processed using deterministic and stochastic inversion methods.

While the resource markets have been especially challenging, the consulting revenue stream accompanied by investing revenue will allow investors to experience the upside of a resource market by AI-driven equity and royalty assets. Furthermore, GoldSpot's expertise in AI and machine learning allows it to enter exploration partnerships with both industry and academic institutions. In addition, the acquisition of Ridgeline Exploration and the creation of Applied Geophysics division to provide a full-service solution and integrate the ability to capture key data, including airborne geophysical survey mapping.

GoldSpot's Technology & Media business vertical includes CEO.CA, a large investor social network with online and mobile functionality. CEO.CA is visited by millions of people each year from over 164 countries with 18 million page views per month. CEO.CA offers a monthly premium service known as CEO PRO for real-time stock price monitoring and live market depth.

The Company Investment Portfolio is combination of its strategic investments in junior mineral exploration companies of which GoldSpot assists with exploration and discovery efforts as well as comprises certain royalties from these junior companies. GoldSpot is building a basket of equities and royalties, allowing investors that invest in GoldSpot to gain exposure to AI-driven mining assets.

Summary

- For the three months ended September 30, 2021, the Company has a net loss of \$9,566,630 (basic loss per share of \$0.08) as compared to net income \$2,962,300 (basic earnings per share of \$0.03) for the three months ended September 30, 2020; For the nine months ended September 30, 2021, the Company has net income of \$8,850,451 (basic earnings per share of \$0.08) as compared to \$5,861,941 (basic earnings per share of \$0.06) for the nine months ended September 30, 2020.
- The Company's consulting revenue continues to grow, increasing by 29% to \$2,051,683 for the three months ended September 30, 2021 as compared to \$1,586,121 for the three months ended September 30, 2020; consulting revenue increased 83% to \$6,342,225 for the nine months ended September 30, 2021 as compared to \$3,461,943 for the nine months ended September 30, 2020.
- As at September 30, 2021, the Company has cash and cash equivalents, investments and equity investments of \$52,194,990 as compared to \$22,288,150 as at December 31, 2020.
- In July 2021, the Company announced that its equity investment, Golden Planet Mining Corp. ("GPM"), completed a non-brokered financing by issuing 7,330,078 GPM common shares at a price of \$0.90 per share, raising gross proceeds of \$6,597,070. The Company participated in the financing and purchased 1,110,371 GPM common shares at a total cost of \$999,334. As a result, the Company now owns 28.3% of GPM with a fair market value of \$15,534,000.
- In July 2021, the Company and Canterra Minerals Corp. (TSXV: CTM) have released the results of a property-wide comprehensive data review, compilation and target generation on Canterra's Wilding gold project in Newfoundland using traditional geological and machine learning methods. The results of this exercise identified 54 prospective areas, ranked in order of priority with 10 identified as the highest-priority drill targets.
- In August 2021, the Company closed its acquisition of Ridgeline Exploration Services Inc. ("Ridgeline"), a geological and logistical field services firm, based in Kelowna, British Columbia. As consideration for the acquisition, GoldSpot issued an aggregate of 1,951,219 common shares with a fair value of \$1,929,047, made a cash payment of \$28,000 and accrued a working capital adjustment in the amount of \$118,407 for a total fair value consideration of \$2,427,999. The common shares issued in connection with the acquisition are subject to a statutory hold period expiring on December 4, 2021.
- In August 2021, the Company announced that its common shares are now eligible for electronic clearing and settlement through the Depository Trust Company ("DTC") in the United States. In addition to trading on the TSX Venture Exchange under the symbol "SPOT", the Company's common shares are traded on the OTCQX under the symbol "SPOFF". DTC is a subsidiary of the Depository Trust and Clearing Corporation, a United States company that manages electronic clearing and settlement of publicly traded companies across the United States and in 131 other countries.

- In September 2021, the Company announced that Critical Elements Lithium Corp (TSXV: CRE) has mandated Goldspot to conduct a remote targeting process for lithium and tantalum, as well as nickel-copper and gold, on their New Block 1-6 and New Block 1-7 claims within the prolific Nemiscau belt. In addition to the targeting, Goldspot provided a map of probable outcrop zones to support future field programs. Greater than 75% of the existing outcrops were found by the Company's machine learning model, highlighting the predictive accuracy of this approach. The machine-learning-assisted outcrop detection allows for time-efficient and cost-efficient field exploration.
- In September 2021, the Company announced that it has been engaged by Gold'n Futures Mineral Corp. (CSE: FUTR) to complete property wide, high-definition airborne geophysical surveys while conducting a comprehensive four-phase artificial-intelligence-based target generation program on its Hercules gold project in Northern Ontario.
- In September 2021, the Company announced that it has been engaged by Blue Star Gold Corp. (TSXV: BAU) to apply its proprietary machine learning technology and geoscience expertise on Blue Star's properties located in Nunavut. Blue Star is the largest titleholder in the Archean High Lake greenstone belt, controlling a 50-kilometre strike with over 40 high-grade gold occurrences. Goldspot will work closely with the geological team at Blue Star and apply its proprietary machine learning approach on the projects to provide smart targets.
- In September 2021, the Company announced that it has been engaged by Warrior Gold Inc. (TSXV: WAR) to acquire magnetics, LiDAR and radiometric data, and apply its proprietary machine learning technology and geoscience expertise on Warrior Gold's properties located in Kirkland Lake, Ont. Goldspot's technical team has a long history of working in the Abitibi and will work closely with the Warrior Gold's technical team to analyze the acquired geoscience data sets to develop and refine Smart Targets at the company's large (19,307-hectare) land package in the Kirkland Lake gold camp, which hosts regional mineralized structures and many gold and copper showings.
- In September 2021, the Company announced that it has been engaged by MacDonald Mines Exploration Ltd. (TSXV: BMK) to assist in the exploration of MacDonald Mines' 100% owned SPJ project in Northern Ontario. Goldspot will help delineate drill-ready targets for high-grade gold mineralization, as well as identify prospective areas regionally. Goldspot will homogenize, integrate, process and interpret exploration data sets such as geological maps, drill logs, geophysics, surface and downhole geochemistry, and structural data. The interpreted and derived products will be used as input layers to Goldspot's proprietary AI (machine learning) techniques, which will be validated by the company's team of expert geoscientists, in collaboration with MacDonald Mines' technical team.
- In October 2021, the Company announced that it has closed its previously announced acquisition of all of the shares of CEO.CA Technologies Ltd. ("CEO.CA"). CEO.CA owns and operates a leading and rapidly-growing investment social network used by over 8 million corporate executives, institutional and retail investors with deep roots in the mining industry among other sectors. Under the terms of the purchase agreement, the vendors of CEO.CA received an aggregate of 10,280,373 common shares of the Company at a deemed price of \$1.07 per common share, representing approximately \$11,000,000 with the majority of the common shares placed in a voluntary lock-up to be released pursuant to a three-year lock-up schedule, as well as an aggregate cash payment of \$5,205,000 (calculated based upon an originally agreed cash purchase price of \$6,000,000, less approximately \$795,000 in liabilities assumed by the Company in

connection with the acquisition). CEO.CA is a leading investor social network and one of the most popular financial websites and apps in Canada and for investors globally -- with industry leading audience engagement and mobile functionality. Millions of people visit CEO.CA each year to connect with investors from around the world, share knowledge and view impactful stories about stocks, commodities and emerging companies.

- In October 2021, the Company announced that it has closed its previously announced acquisition of Geotic Inc. ("Geotic"), an award-winning provider of mining industry software including applications for geological and geophysical modeling, based in Val-d'Or, Québec. Under the terms of the purchase agreement, the vendors of Geotic received \$1,000,000 in cash and 1,442,308 common shares at a deemed price of \$1.04 per common share, representing aggregate consideration of approximately \$2,500,000. According to the agreement, the common shares were placed in voluntary lock-up and will be released pursuant to a nine-month lock-up schedule. From drilling data collection to 3D modelling, Geotic offers an integrated software solution to hundreds of global junior mineral explorers and senior producers with cost effective data analytics and a focus on quality and ease of use over traditional manual data collection methods. Geotic's software includes GeoticLog, its customizable core-logging platform; GeoticMine, its 3-D geological modelling and visualization solution; GeoticGraph, its drill-hole visualizer, GeoticCAD, a cost-effective alternative to common industry tools with an integrated drawing motor; and GeoticField, its field-based survey data-entry platform.
- In October 2021, the Company announced that it has been engaged by Yorkton Ventures Inc. (TSXV: YVI) to utilize the Company's proprietary artificial intelligence technology to advance the exploration of Yorkton's projects in central Newfoundland. Goldspot was also granted an option to acquire a 0.5% net smelter return royalty on the following Yorkton licences in Newfoundland for \$2,000,000: the Parkview project (1,850 hectares); and the Knights-Melange project (950 hectares).
- In October 2021, the Company announced that it has been engaged by King Global Ventures Inc. (TSXV: KING) to utilize its proprietary artificial intelligence technology to advance the exploration of King's projects in central Newfoundland. GoldSpot was also granted an option to acquire a 0.5% net smelter return royalty on the following King licenses in Newfoundland for \$2,000,000: the Gold Nugget Property (1,850 ha.); the Miss Pickle (950 ha.); the Gold Boulder (100 ha.); and the Chapel Island (1,300 ha.).
- In October 2021, the Company announced that it has been engaged by Rancho Gold Corp. (TSXV: RNCH) to apply its proprietary machine-learning technology and geoscience expertise on Rancho's Santa Daniela project located in Mexico. Rancho's Santa Daniela project is situated within the Sierra Madre Occidental gold belt in Sonora, Mexico, with three large producing gold mines on trend: Mulatos (Alamos Gold) and La India and Pinos Altos (Agnico Eagle). Goldspot has been engaged to apply its machine-learning techniques and integrated geoscience approach to provide smart targets for Rancho's coming plus-3,000-kilometre drill program.
- In October 2021, the Company announced that Pretium Resources Inc. (TSX: PVG) released the results of the first phase of prospectivity analysis on the Brucejack property in Northern British Columbia. Integrated geoscience interpretations, including geochemistry, geophysics and hyperspectral remote sensing, were underpinned by Goldspot's machine-learning algorithms to identify 65 targets around the Brucejack mine, with Golden Marmot ranking as a high-priority drill target for quartz-vein-hosted gold mineralization. Assay results have been received from the first nine holes of drilling, eight of which intersected gold mineralization (see Pretium's news release dated Oct. 25, 2021) at the Golden Marmot zone, which was highlighted as a high-priority target

by Goldspot's geodatasience team. The targets were identified using an innovative integrated approach, combining traditional targeting and machine learning. The traditional geoscience targeting included structural analysis from geophysics, multivariate analysis from geochemistry and dimension reduction processing of hyperspectral images; derivative products created during the traditional interpretation were used as input variables for the supervised machine-learning workflow, which was undertaken using a series of carefully curated training points. Prospectivity scores were generated for four distinct mineralization styles (epithermal, porphyry gold, gold-quartz veins and polymetallic veins).

- In November 2021, the Company announced that it has been engaged by Canada Silver Cobalt Works Inc. (TSXV: CCW) to apply its proprietary machine learning technology and geoscience expertise across multiple properties and projects in Quebec and Ontario. Canada Silver Cobalt owns the Gowganda area property near Kirkland Lake, where the Castle mine produced 9.5 million ounces silver and 300,000 pounds of cobalt in the 1900s (D.R. Robinson and E.M. Basa, 1992, Temagami-Temiskaming mine compilation report (unpublished) for the Ministry of Northern Development and Mines). The Castle East project is located 1.5 kilometres east of the Castle mine. Canada Silver Cobalt discovered the Robinson zone with intersections of 50,583 grams per tonne silver over 0.6 metre in hole CS-19-08-W01 and 70,380 g/t Ag over 0.3 m in hole CS-19-08-W02. Canada Silver Cobalt also recently discovered high-grade gold of 24.95 g/t over 0.30 m in hole CS-20-31 (reference: M. Rachidi, 2021, National Instrument 43-101 technical report update for Castle East, Ontario, Canada, with an effective date of April 30, 2021, and a signature date of May 25, 2021). GoldSpot will be working in conjunction with the geotechnical team at Canada Silver Cobalt to assist in expanding current resources and identify additional targets in proximity to existing deposits, as well as working on a regional scale to identify smart targets for additional discovery.
- In November 2021, the Company announced that it has been engaged by Canstar Resources Inc. (TSXV: ROX) to apply its proprietary machine learning technology and geoscience expertise on its Golden Baie project, a large claim package (62,175 hectares) with recently discovered, multiple outcropping gold occurrences on a major structural trend in south Newfoundland.

Acquisition of Ridgeline Exploration Services Inc.

On August 3, 2021, GoldSpot acquired 100% of the issued and outstanding share capital and voting rights in Ridgeline Exploration Services Inc. ("Ridgeline"), a geological and logistical field services firm, based in Kelowna, British Columbia. As consideration for the acquisition, GoldSpot issued 1,951,219 common shares with a fair value of \$1,929,047 and made a cash payment of \$28,000. The common shares issued are subject to a statutory hold period expiring on December 4, 2021. Accordingly, the fair value of common shares was measured using the Company's closing share price on August 3, 2021, and further adjusted due to the statutory hold period. Additionally, the consideration payable by the Company was subject to a working capital adjustment, which has been accrued in the amount of \$118,407. The resulting total fair value of consideration has been measured as \$2,075,454. The Company began consolidating the operating results, cashflows, and net assets of Ridgeline from August 3, 2021, onwards.

The transaction was accounted for as a business combination using the acquisition method of accounting under the provision of IFRS 3- *Business Combination*, as the operations of Ridgeline meet the definition of a business. As the transaction was accounted for as a business combination, transaction costs were expensed. The goodwill resulting from the allocation of the purchase price to the total fair value of net assets will represent the sales and growth potential of Ridgeline.

The fair value of the consideration transferred has been determined on a preliminary basis. The consideration has been allocated to the assets acquired and liabilities assumed on a preliminary basis based on their estimated fair values at the date of acquisition. Due to the timing of the acquisition, the Company will require additional information to allocate the fair values to the net assets acquired, particularly to any intangibles acquired. The determination of the fair value of the net assets will be revised by the Company as additional information is received. At acquisition date on August 3, 2021, the Company has preliminary allocated the purchase price as follows:

Consideration	
Equity consideration (1,951,219 common shares)	\$ 1,929,047
Cash consideration	28,000
Working capital adjustment	118,407
Total consideration	\$ 2,075,454
Net assets acquired	
Cash	\$ 34,267
Accounts receivable, net of ECL	135,824
Tax credits receivable	369,997
Property and equipment	133,018
Accounts payable and accrued liabilities	(289,473)
Sales tax payable	(11,064)
Corporate tax payable	(71,144)
Lease liabilities	(24,543)
Deferred tax liability	(191,700)
Intangible assets	710,000
Net assets at fair value, as at August 3, 2021	\$ 795,182
Goodwill	\$ 1,280,272

The goodwill generated as a result of this acquisition relates to other intangible assets such as workforce and synergies that do not qualify for separate recognition.

The intangible assets are comprised of the trade name/brand with a fair value of \$190,000 and non-compete agreements with a fair value of \$520,000. The fair values were determined using a discounted cash flow analysis with the following assumptions:

Assumptions	Intangible assets	
	Trade name/Brand	Non-compete agreements
Discount rate	33.0%	31.0%
% revenue associated with trade name	100%	n/a
Pre-tax royalty rate	2.0%	n/a
Life of the intangible asset	20 years	4 years
Probability to compete	n/a	37.5%
Revenue impact % rate	n/a	75.0%
Income tax rate	27.0%	27.0%

A continuity of intangible assets are as follows for the nine months ended September 30, 2021 and year ended December 31, 2020:

Cost	Trade name/Brand	Non-compete agreements	Total
Balance – December 31, 2020	\$ -	\$ -	\$ -
Acquisition of Ridgeline	190,000	520,000	710,000
Balance – September 30, 2021	\$ 190,000	\$ 520,000	\$ 710,000

Accumulated Amortization	Trade name/Brand	Non-compete agreements	Total
Balance – December 31, 2020	\$ -	\$ -	\$ -
Amortization	-	21,667	21,667
Balance – September 30, 2021	\$ -	\$ 21,667	\$ 21,667

Carrying Value	Trade name/Brand	Non-compete agreements	Total
Balance – December 31, 2020	\$ -	\$ -	\$ -
Balance – September 30, 2021	\$ 190,000	\$ 498,333	\$ 688,333

From the date of the acquisition to September 30, 2021, Ridgeline contributed \$331,146 to the Company's revenues. Had the acquisition occurred on January 1, 2021, the Company's revenue for the nine months ended September 30, 2021 would have been \$522,032 higher.

Equity investment in Golden Planet Mining Corp. ("GPM")

On August 14, 2020, the Company incorporated a wholly-owned subsidiary, XCorp AI Ltd. ("XCorp") to acquire certain exploration and evaluation assets. XCorp was formed as an initiative between the Company and Hanging Wall Metals Inc. ("Hanging Wall"), a private exploration company, and it holds an option to acquire a 100% interest in the Rider Block Project (located in central British Columbia, Canada) pursuant to an option agreement dated October 9, 2020 with Hanging Wall.

GoldSpot had invested an aggregate of \$475,001 in XCorp, and as at December 31, 2020 held approximately 80.7% of the outstanding shares of XCorp. During the year ended December 31, 2020, XCorp also completed a private placement in the amount of \$25,000 for 500,000 common shares. In

addition, XCorp issued 1,765,000 common shares to acquire the Rider Block Project. Such shares issued were measured at \$88,250 based on the fair value of common shares of XCorp issued. As at December 31, 2020, Hanging Wall and Envision Geoscience Inc. ("Envision") held approximately 15.0% and 4.3%, respectively, of the outstanding shares of XCorp. Envision is a private company controlled by Shawn Hood, who is the Chief Technology Officer of the Company.

In order to earn its interest in the Rider Block project, XCorp is required to (i) make cash payments aggregating \$240,000 over two years, (ii) incur aggregate exploration expenditures of \$3,000,000 on the property over three years, (iii) issue shares aggregating 15% of the issued and outstanding shares of XCorp (which have been issued) and (iv) issue stock options to acquire such number of shares of XCorp as are equal to 3% of the outstanding shares of XCorp after giving effect to an initial minimum financing of \$2,500,000.

On December 14, 2020, the Company entered into a definitive agreement ("Definitive Agreement") with Golden Planet Mining Corp., a private mining exploration company. Pursuant to the Definitive Agreement (i) GoldSpot and each of the other shareholders of XCorp will exchange their common shares of XCorp ("XCorp Shares") on the basis of 1.6999431 common shares of GPM ("GPM Shares") for each one XCorp Share held; and (ii) XCorp will become a wholly-owned subsidiary of GPM. GPM holds 146,000 ha of prospective property located south-east of La Ronge, Saskatchewan. As a result, the results for XCorp for the year ended December 31, 2020 were reclassified as a loss from discontinued operations in the consolidated statements of income and comprehensive income. The assets and liabilities have been classified as assets held for sale and liabilities of assets held for sale, respectively, in the consolidated statement of financial position as at December 31, 2020.

On January 1, 2021, the Company completed a transaction of its majority owned subsidiary, XCorp with GPM (the "Transaction"). Pursuant to the Transaction, (i) GoldSpot and each of the other shareholders of XCorp. exchanged their common shares of XCorp ("XCorp Shares") on the basis of 1.6999431 common shares of GPM ("GPM Shares") for each one (1) XCorp Share held; and (ii) XCorp became a wholly-owned subsidiary of GPM.

Pursuant to the Transaction, an aggregate of 1,547,850 stock options of GPM were issued to Hanging Wall in full satisfaction of the option requirement, each exercisable to acquire one GPM Share at an exercise price of \$0.50 for a period of 5 years (the "GPM Options"). Contemporaneously with the closing of the Transaction, GPM closed a concurrent non-brokered private placement financing pursuant to which it issued an aggregate of 8,095,000 GPM Shares at \$0.50 per share and 3,500,000 "flow-through" GPM Shares at \$0.68 per share to raise aggregate gross proceeds of \$6,427,500. Immediately following the Transaction, GoldSpot holds an aggregate of 16,149,629 GPM Shares representing 31.3% of all issued and outstanding GPM Shares on a non-diluted basis (or 30.4% on a fully diluted basis assuming exercise of the GPM Options). For the nine months ended September 30, 2021, included in the interim condensed consolidated statement of income and comprehensive income is realized gains from disposition of subsidiary of \$7,659,798, relating to the Transaction.

An associate is an entity over which the Company has significant influence and is not a subsidiary or joint venture. Significant influence is presumed to exist when the Company has the power to be actively involved and influential in financial and operating policy decisions of the associate. The Company accounts for its investment in an associate using the equity method. Under the equity method, the Company's investment in an associate is initially recognized at cost and subsequently increased or decreased to recognize the Company's share of profit and loss of the associate and for impairment losses after the initial recognition date.

The Company's share of comprehensive earnings or losses of associates are recognized in net income and comprehensive income during the period. Distributions received from an associate are accounted for as a reduction in the carrying amount of the Company's investment.

The Company is considered to have significant influence over GPM due to the percentage of its equity interest in GPM.

In July 2021, GPM completed a non-brokered financing by issuing 7,330,078 GPM common shares at a price of \$0.90 per share, raising gross proceeds of \$6,597,070. The Company participated in the financing and purchased 1,110,371 GPM common shares at a total cost of \$999,334. As a result, as at September 30, 2021, the Company now owns 28.3% of GPM with a fair market value of \$15,534,000. Such fair value is categorized as level 3 within the fair value hierarchy.

The following is a summary of the Company's investment in GPM:

	GPM
Equity investment as at December 31, 2020	\$ -
Share exchange of XCorp for GPM (at fair value)	8,074,815
Purchased during the period	999,334
GoldSpot's share of loss	(1,225,429)
Equity investment as at September 30, 2021	\$ 7,848,720

Investments

The fair value and cost of investments are as at September 30, 2021 and December 31, 2020 as follows:

	Fair Value⁽¹⁾	Cost
September 30, 2021	\$ 26,911,860	\$ 13,707,452
December 31, 2020	\$ 17,820,973	\$ 6,696,813

- (1) As at September 30, 2021, included in the fair value is warrants with a fair value of \$1,791,587 (December 31, 2020 - \$2,788,842), valued in accordance with the Company's accounting policy for warrants.

As at September 30, 2021, the fair value of investments exceeded original cost by \$13,204,408 as compared to \$11,124,160 as at December 31, 2020. The increase for the nine months end September 30, 2021 was primarily due to the net change in unrealized gains on investment of \$2,080,248 for the current period.

The fair value of the Company's investments as reflected in its interim condensed consolidated financial statements and calculated in accordance with IFRS and its accounting policies may differ from the actual proceeds of disposition that would be realized by the Company. For example, the amounts at which the Company's publicly-traded investments could be disposed of currently may differ from fair values based on market quotes, as the value at which significant ownership positions are sold is often different than the quoted market price due to a variety of factors such as premiums paid for large blocks or discounts due to illiquidity.

During the nine months ended September 30, 2021, two of the Company's private investees were listed on a public exchange. As at September 30, 2021, total investments included securities of 6 private

companies with a fair value totalling \$1,741,601 (6.5% of total fair value of the Company's investments; cost of \$1,551,601). As at December 31, 2020, total investments included securities of 3 private companies with a fair value totalling \$1,150,625 (6.5% of total fair value of the Company's investments; cost of \$976,756). The fair value was determined in accordance with the Company's accounting policy for private company investments. The amounts at which the Company's private company investments could be disposed of currently may differ significantly from their carrying values since there is no active market to dispose of these investments.

In addition, as at September 30, 2021, the Company has an equity investment in GPM totalling \$7,848,720 (fair value of \$15,534,000), as previously discussed.

Results of Operations

The Company's selected quarterly results for the most recently completed interim financial periods are as follows:

	Quarter ended			
	September 30, 2021	June 30, 2021	March 31, 2021	December 31, 2020
Consulting income	\$ 2,051,683	\$ 2,490,739	\$ 1,799,803	\$ 1,708,101
Net investment gains (losses)	(10,363,074)	16,003,092	(2,082,455)	5,786,078
Operating, general and administrative	(2,645,750)	(3,440,487)	(1,568,092)	(1,511,712)
Loss from equity investment	(273,304)	(660,880)	(291,245)	-
Net income (loss) from operations	(9,566,630)	12,713,894	(1,956,611)	4,577,723
Realized gains from disposition of subsidiary	-	-	7,659,798	-
Net income (loss) and comprehensive income (loss) for the period	(9,566,630)	12,713,894	5,703,187	4,503,438
Earnings (loss) per common share based on net income (loss) for the period – basic	(0.08)	0.13	0.06	0.05
Earnings (loss) per common share based on net income (loss) for the period – diluted	(0.08)	0.13	0.06	0.05
	Quarter ended			
	September 30, 2020	June 30, 2020	March 31, 2020	December 31, 2019
Consulting income	\$ 1,586,121	\$ 937,202	\$ 938,620	\$ 646,594
Net investment gains	2,924,514	3,193,711	368,763	158,524
Operating, general and administrative	(1,542,105)	(1,284,230)	(1,250,799)	(1,341,207)
Net income (loss) and comprehensive income (loss) for the period	2,962,300	2,840,204	59,437	(543,370)
Earnings (loss) per common share based on net income (loss) for the period – basic and diluted	0.03	0.03	0.00	(0.01)

Three months ended September 30, 2021 and 2020

For the three months ended September 30, 2021, the Company recorded consulting income of \$2,051,683 as compared to \$1,586,121 for the three months ended September 30, 2020, an increase

of 29%. The Company's consulting income are primarily from junior mining exploration issuers. The average length of a service contract is typically between 6 to 18 months. The contracts are typically on a project-to-project basis, thus junior mining exploration contracts are generally non-reoccurring. However, the Company has been reengaged several times by the same junior mining exploration company when more data is collected and GoldSpot's services are required. For senior mining companies, the Company has a track record of being reengaged by the same company for different mines. Thus, senior mining companies with more assets provide longer-term relationships and thus longer revenue streams. For the three months ended September 30, 2021, 28% (\$566,548) of the total consulting income was from reoccurring customers (three months ended September 30, 2020 – \$nil). While this operating metric is appealing, the Company plans on investing significantly in accelerating the development of key technologies to eventually monetize it as a software. The Company believes this will contribute greatly to its revenue and sustainability in the longer-term.

For the three months ended September 30, 2021, the Company reported net investment losses of \$10,363,074 as compared to net investment gains of \$2,924,514 for the three months ended September 30, 2020, primarily related to the unrealized losses on investments. For the three months ended September 30, 2021, the Company's net investment losses included a net change in unrealized losses on investments of \$10,699,712 offset by realized gains on disposition of investments of \$336,638. In the prior year quarter, the net investment gains was a result of the net change in unrealized gains on investments of \$2,188,621 and by realized gains on investments of \$735,893. The write-down on investments in the current quarter was due to the down turn in the capital markets in the quarter and primarily attributable to the Company's investment in New Found Gold Corp totaling \$7,265,710 (see Related party transaction section).

The Company has investments in some of its customers. The Company does not have a firm policy regarding (i) the extent of its investments in its customers; (ii) the percentage of issued and outstanding shares that it may acquire in any given customer; or (iii) the timing of disposition of any of its investments. The Company does not seek to acquire any particular level of ownership in order to exert influence over any of its investees, and treats such holdings as passive investments. The Company may opt to hold, decrease or increase its position in any investee company at any time based upon market forces, management's assessment of the investment in question and the funding needs of the Company. The value of any particular investee company will be effected by its operations and general market fluctuations, each of which are beyond the control of the Company. Accordingly, the value of the Company's investments could increase or decrease at any time, and the Company may not realize upon any unrealized gains which it has reported, depending upon the nature and timing of its disposal of any such investments. See also the Investments section and Investment Risks section elsewhere in this MD&A.

For the three months ended September 30, 2021, the Company reported other income of \$10,306 as compared to \$1,496 for the three months ended September 30, 2020. Other income consisted of interest income earned on the Company's cash and money market deposits. In the current year quarter, the money market deposits was higher earning greater interest income.

Included in operating, general, and administrative expenses for the three months ended September 30 are the following:

	2021	2020
Salaries and consulting fees	\$ 1,878,226	\$ 967,383
Stock-based compensation expense	225,420	185,964
Professional fees	96,956	113,989
Other employee benefits	86,654	51,096
Software licensing fees	81,349	42,340
Directors' fees	64,500	30,000
Amortization/depreciation	59,522	23,095
Other office and general	46,086	29,618
Travel and promotion	45,070	1,123
Shareholder relations and filing fees	31,981	15,132
Operating lease payments	20,038	32,191
Transaction costs	10,868	36,261
Foreign exchange expense (gain)	(920)	13,913
	\$ 2,645,750	\$ 1,542,105

For the three months ended September 30, 2021, the Company had operating, general and administrative expenses of \$2,645,750 as compared to \$1,542,105 for the three months ended September 30, 2020 primarily due to an increase in salaries and consulting fees, stock-based compensation expense and other employee benefits. The Company continues to recruit additional employees and consultants for its consulting services and research and development divisions. The Company expects a continued increase in salaries and consulting fees due to an increase in hiring to support the increase in number of clients (revenue) and increase the activities of its recently acquired subsidiaries, Ridgeline, CEO.CA and Geotic. Stock-based compensation expense will vary from period to period depending upon the number of options granted and vested during a period and the fair value of the options calculated as at the grant date. The Company has an increase in depreciation expense primarily due to the amortization of intangible assets of \$21,667. The Company has an increase in in travel and promotion due to its increase in marketing activities (attending conferences and meeting clients) as the government gradually lifts remaining public health and workplace safety measures.

For the three months ended September 30, 2021, the Company had recorded finance expenses of \$8,699 as compared to \$7,726 for the three months ended September 30, 2020. The finance expenses relate to lease liabilities and the amount is the difference between lease payments and the net present value that has been accrued in accordance with the new accounting policy for leases.

For the three months ended September 30, 2021, the Company recorded a loss from its equity investment of \$273,304 (\$nil for the prior year quarter since the Company did not own any equity investments). See Equity investment in Golden Planet Mining Corp. ("GPM") Section elsewhere in this MD&A.

For the three months ended September 30, 2021, the Company had recorded an income tax recovery of \$1,666,208 as compared to \$nil for the three months ended September 30, 2020. The income tax recovery was primarily due to the deferred tax recovery for the current period related to the reversal of deferred tax liabilities primary due to the Company's unrealized losses on its investments and equity investments for the three months ended September 30, 2021.

Net loss and comprehensive loss for the three months ended September 30, 2021, was \$9,566,630 (\$0.08 per basic share) as compared to net income and comprehensive income of \$2,962,300 (\$0.03 per basic share) for the three months September 30, 2020.

Nine months ended September 30, 2021 and 2020

For the nine months ended September 30, 2021, the Company recorded consulting income of \$6,342,225 as compared to \$3,461,943 for the nine months ended September 30, 2020, an increase of 83%. The Company continues to attract new customers with 16 new consulting income customers during the nine months ended September 30, 2021 (nine months ended September 30, 2020 – 20 new consulting income customers). As previously discussed, the average length of a service contract is typically between 6 to 18 months, and the Company's customers are generally from junior mining exploration issuers. The contracts are typically on a project-to-project basis, thus junior mining exploration contracts are generally non-reoccurring. However, the Company has been reengaged several times by the same junior mining exploration company when more data is collected and GoldSpot's services are required. For senior mining companies, the Company has a track record of being reengaged by the same company for different mines. Thus, senior mining companies with more assets provide longer-term relationships and thus longer revenue streams. For the nine months ended September 30, 2021, 33% (\$2,066,535) of the total consulting income was from reoccurring customers (nine months ended September 30, 2020 – \$nil). While this operating metric is appealing, the Company plans on investing significantly in accelerating the development of key technologies to eventually monetize it as a software. The Company believes this will contribute greatly to its revenue and sustainability in the longer-term.

For the nine months ended September 30, 2021, the Company reported net investment gains of \$3,557,563 as compared to \$6,486,988 for the nine months ended September 30, 2020, primarily related to the unrealized gains on investments. For the nine months ended September 30, 2021, the Company's net investment gains included a net change in unrealized gains on investments of \$2,080,248 and by realized gains on disposition of investments of \$1,477,315. In the prior year period, the net investment gains were a result of the net change in unrealized gains on investments of \$5,567,804 and by realized gains on the disposition of investments of \$919,184. The net write-up on investments in the current period was on a majority of the Company's junior mining public investees, specifically, for the nine months ended September 30, 2021, the net unrealized gains was primarily from \$6,150,508 on the Company's investment in New Found Gold Corp (see Related party transaction section) offset by a majority of its junior exploration investees.

The Company has investments in some of its customers. The Company does not have a firm policy regarding (i) the extent of its investments in its customers; or (ii) the percentage of issued and outstanding shares that it may acquire in any given customer. In September 2021, the Company has contracted a portfolio manager to help manage its growing portfolio and with the acquisitions and disposition of any of its investments. The Company does not seek to acquire any particular level of ownership in order to exert influence over any of its investees and treats such holdings as passive investments. The Company may opt to hold, decrease or increase its position in any investee company at any time based upon market forces, management's assessment of the investment in question and the funding needs of the Company. The value of any particular investee company will be affected by its operations and general market fluctuations, each of which are beyond the control of the Company. Accordingly, the value of the Company's investments could increase or decrease at any time, and the Company may not realize upon any unrealized gains which it has reported, depending upon the nature and timing of its disposal of any such investments. See also the Investments section and Investment Risks section elsewhere in this MD&A.

For the nine months ended September 30, 2021, the Company reported other income of \$14,889 as compared to \$14,905 for the nine months ended September 30, 2020. Other income consisted of interest income earned on the Company's cash and money market deposits.

Included in operating, general, and administrative expenses for the nine months ended September 30 are the following:

	2021	2020
Salaries and consulting fees	\$ 5,829,509	\$ 2,367,627
Stock-based compensation expense	561,493	295,856
Other employee benefits	286,318	166,929
Professional fees	236,407	440,566
Software licensing fees	204,310	201,470
Directors' fees	170,500	129,730
Other office and general	135,931	92,136
Amortization/depreciation	122,911	68,803
Shareholder relations and filing fees	90,864	92,487
Provision for ECLs	65,625	4,140
Travel and promotion	62,461	79,814
Transaction costs	58,184	63,827
Operating lease payments	49,635	79,921
Foreign exchange expense (gain)	3,913	(6,172)
Research and development tax credits	(223,732)	-
	\$ 7,654,329	\$ 4,077,134

For the nine months ended September 30, 2021, the Company had operating, general and administrative expenses of \$7,654,329 as compared to \$4,077,134 for the nine months ended September 30, 2020 primarily due to an increase in operating activities resulting in an increase in salaries and consulting fees, stock-based compensation expense and other employee benefits. For the nine months ended September 30, 2021, included in salaries and consulting fees were cash bonuses paid to key management personnel totaling \$1,175,000. The Company continues to recruit additional employees and consultants for its consulting services and research and development divisions. The Company expects a continued increase in salaries and consulting fees due to an increase in hiring to support its wholly owned subsidiaries and the increase in number of clients and revenue. Stock-based compensation expense will vary from period to period depending upon the number of options granted and vested during a period and the fair value of the options calculated as at the grant date. During the nine months ended September 30, 2021, the Company also recorded a provision for expected credit losses of \$65,625 on receivables that were over 90 days due. In the prior year period, professional fees were primarily due to multiple revisions of the management information circular for the annual and special shareholder's meeting held on September 25, 2020, and finalizing contracts for officers and employees, and other general corporate activities, totaling \$393,735 were non-recurring.

The increases in expenses were offset by the recording of research and development tax credits. The Company undertakes research and development activities, the costs of which are eligible for investment tax credits which may be refunded or applied to reduce income tax payable in the current year and future years. During the nine months ended September 30, 2021, the Company recognized \$223,732 of Ontario and Quebec Investment Tax Credits for claims relating to fiscal 2019 and 2020, which has been deducted from operating, general and administrative expenses. Investment tax credits for the fiscal year are dependent upon qualification of each individual project under stringent technical criteria and amounts may vary upon further review by the Canada Revenue Agency and Revenue Quebec. Historically, the Company has not claimed any investment tax credits and fiscal 2019 and 2020 are the

first years of these filings. Adjustments to the claim, if any, will be accounted for in the year of assessment. As at September 30, 2021, the Company has received the Ontario portion of the investment tax credits totaling \$72,386.

For the nine months ended September 30, 2021, the Company had recorded finance expenses of \$28,516 as compared to \$24,761 for the nine months ended September 30, 2020. The finance expenses relate to lease liabilities and the amount is the difference between lease payments and the net present value that has been accrued in accordance with the new accounting policy for leases.

For the nine months ended September 30, 2021, the Company recorded a loss from its equity investment of \$1,225,429 (\$nil for the prior year quarter since the Company did not own any equity investments). See Equity investment in Golden Planet Mining Corp. ("GPM") Section elsewhere in this MD&A.

For the nine months ended September 30, 2021, the Company had recorded an income tax recovery of \$184,250 as compared to \$nil for the nine months ended September 30, 2020. The income tax recovery was primarily due to deferred tax recovery for the current period related to the Company's unrealized losses on its investments and equity investment for the nine months ended September 30, 2021.

As previously discussed, the Company recorded realized gains on disposition of subsidiary of \$7,659,798 for the nine months ended September 30, 2021. The Company recorded the realized gains upon the share exchange of XCorp shares for GPM shares.

Net income and comprehensive income for the nine months ended September 30, 2021, was \$8,850,451 (\$0.08 per basic share) as compared to \$5,861,941 (\$0.06 per basic share) for the nine months September 30, 2020.

Cash Flows

Nine months ended September 30, 2021 and 2020

During the nine months ended September 30, 2021, the Company used net cash totaling \$88,403 in operating activities as compared to generating cash of \$142,801 for the nine months ended September 30, 2020. For the nine months ended September 30, 2021, the Company had significant non-cash items relating to net investment gains, loss from equity investment, stock-based compensation expenses, depreciation, provision for expected credit losses and deferred tax expense.

During the nine months ended September 30, 2021, the Company generated cash of \$19,936,223 in financing activities as compared to using cash of \$66,830 during the nine months ended September 30, 2020. During the nine months ended September 30, 2021, the Company received net cash of \$19,373,941 from two private placement financings of which one was a bought deal public offering for gross proceeds of \$11,500,000. The Company also received proceeds of \$596,355 and \$87,571 from the exercise of broker warrants and stock options, respectively. During the nine months September 30, 2021, the Company used cash of \$108,924 (nine months ended September 30, 2020 - \$66,830) for principal payments of lease liabilities.

During the nine months ended September 30, 2021, net cash used in investing activities was \$6,880,587 as compared to generating cash of \$215,619 during the nine months ended September 30, 2020. During the nine months ended September 30, 2021, the Company purchased investments totalling \$9,352,263 (nine months ended September 30, 2020 - \$3,750,184) and received proceeds on

disposition of investments totalling \$3,818,939 (nine months ended September 30, 2020 - \$3,972,806). The Company's investment activities, specifically the purchases of gold mining producers, are expected to increase with its significant current cash position and as its consulting business grows. The Company also participated and invested an additional \$999,334 in the GPM financing. During the nine months ended September 30, 2021, the Company also purchased property and equipment (primarily geological equipment) totalling \$354,196 as compared to \$6,974 during the nine months ended September 30, 2020.

For the nine months ended September 30, 2021, the Company had a net increase in cash and cash equivalents of \$12,967,233 as compared to \$291,619 for the nine months ended September 30, 2020. As a result, the Company had a cash and cash equivalents balance of \$17,434,410 as at September 30, 2021 as compared to \$5,053,832 as at September 30, 2020.

Segmented information

Reportable segments are defined as components of an enterprise about which separate financial information is available, that are evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance.

The Company has a single reportable geographic segment, Canada, and all of the Company's property and equipment are located in Canada.

The internal reporting provided to the management of the Company's assets, liabilities, and performance is consistently with the measurement and recognition principles of IFRS. There were no changes in the reportable segments during the three months ended September 30, 2021.

Liquidity and Capital Resources

Interim Condensed Consolidated statements of financial position highlights	September 30, 2021	December 31, 2020
Cash and cash equivalents	\$ 17,434,410	\$ 4,467,177
Accounts receivable	888,631	486,320
Investments, at fair value	26,911,860	17,820,973
Equity investment	7,848,720	-
Intangible assets	688,333	-
Goodwill	1,280,272	-
Total assets	56,944,560	23,727,167
Deferred revenue	4,527,433	3,119,439
Deferred tax liabilities	1,366,762	1,399,246
Total liabilities	7,267,250	5,337,046
Equity	49,677,310	18,390,121

During the nine months ended September 30, 2021, the Company completed two private placements raising net proceeds of \$19,373,941 and as a result, as at September 30, 2021, the Company's cash position has significantly increased to \$17,434,410 as compared to \$4,467,177 as at December 31, 2020. As at September 30, 2021, total liabilities increased by \$1,930,204 to \$7,267,250 as compared to \$5,337,046 as at December 31, 2020, primarily due to an increase in deferred revenue and from the acquisition of Ridgeline. The Company has accrued liabilities of \$186,359 owing to former shareholders

of Ridgeline for net working capital adjustment and cash advances made by them. The deferred tax liabilities as at September 30, 2021 and December 31, 2020 relates to the potential tax payable on the Company's unrealized gains on its investments, equity investment and other temporary tax differences.

The Company's cash and cash equivalents and investments as at September 30, 2021 is sufficient to meet the Company's current liabilities. The Company continues to have no long-term debt (other than non-current lease liabilities) and is well positioned to meet its operating expenditure obligations as they become due and to fund its investing division.

In February 2018, the Company signed a lease for new premises in Montreal, Quebec, which started on March 1, 2018 for annual payments of approximately \$96,000 in the first year; \$98,400 in the second year; \$100,860 in the third year; \$103,380 in the fourth year; and \$105,960 in the fifth year, plus applicable taxes until February 28, 2023. In November 2020, the Company signed a lease for premises in Toronto, Ontario which started December 1, 2020 for annual payments of \$42,900 plus operating costs and applicable taxes until April 30, 2024. In addition, Ridgeline has leased two vehicles with payments of \$783 and \$683 per month plus applicable taxes expiring on May 30, 2024 and August 23, 2025, respectively.

Related Party transactions:

All transactions with related parties have occurred in the normal course of operations.

- (a) During the three and six months ended June 30, 2021 and 2020, key management personnel are defined as those individuals having authority and responsibility for planning, directing, and controlling the activities of the Company. GoldSpot considers Denis Laviolette, its Executive Chairman and President ("EC&P"), Vincent Dube-Bourgeois, its Chief Executive Officer ("CEO"), Binh Quach, its Chief Financial Officer and Corporate Secretary ("CFO"), Cejay Kim, its Chief Business Officer, and Shawn Hood, its Chief Technology Officer (who was appointed on July 15, 2020) to be its key management personnel, in addition to its board of directors.

Compensation of key management is included in the interim condensed consolidated statements of income and comprehensive income:

Type of expense	Three months ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020
Salaries and consulting fees	\$ 187,500	\$ 212,500	\$ 1,737,500	\$ 611,500
Directors' fees	64,500	30,000	170,500	129,730
Stock-based compensation expense	23,288	168,549	117,020	227,911
Employee benefits	3,583	3,583	10,748	9,403
	\$ 278,871	\$ 414,632	\$ 2,035,768	\$ 978,544

For the nine months ended September 30, 2021, included in salaries and consulting fees are cash bonuses paid to key management personnel totaling \$1,175,000 (September 30, 2020 - \$nil).

- (b) On July 15, 2020, the Company granted 2,250,000 options to directors and officers of the Company, exercisable at \$0.18 per share and expiring on July 15, 2025.
- (c) In October 2020, Envision acquired 500,000 shares of XCorp at a cost of \$25,000. Envision is a private company controlled by the Chief Technology Officer of the Company.

- (d) During the nine months ended September 30, 2021, the Company recorded consulting revenue of \$1,019,659 (nine months ended September 30, 2020 - \$112,575) from New Found Gold Corp ("NFGC"), a mineral exploration company trading on the TSX Venture Exchange under the symbol "NFG". As at September 30, 2021, the Company had an accounts receivable of \$147,237 due from NFGC. As at September 30, 2021, the Company also has an investment in NFGC with a fair value of \$13,027,587 (December 31, 2020 - \$6,877,079). The Company's EC&P is also a director and President of NFGC.
- (e) During the nine months ended September 30, 2021, the Company recorded consulting revenue of \$407,116 (nine months ended September 30, 2020 - \$nil) from Golden Planet Mining Corp. As at September 30, 2021, the Company had a deferred revenue of \$18,753 due to GPM. As at September 30, 2021, the Company also has an equity investment in GPM with a fair value of \$15,534,000 (December 31, 2020 - \$nil). The Company's EC&P is also a director and CEO of GPM. Also, the Company CTO is the Chief Operations Officer of GPM.
- (f) As at September 30, 2021, included in accounts payable and accrued liabilities is \$nil (December 31, 2020 - \$3,874) due to the Chief Business Officer, relating to reimbursement of expenses.
- (g) As at September 30, 2021, included in accounts payable and accrued liabilities is \$16,097 (December 31, 2020 - \$nil) due to a company controlled by the Chief Technology Officer, relating to reimbursement of expenses.

Off-Balance Sheet Arrangements

In January 2019, the Company entered into a Mineral Interest Purchase Agreement (the "Agreement") with a wholly-owned subsidiary of Triple Flag Mining Finance Bermuda Ltd. ("Triple Flag"), a company that focuses on financing and investing in the mining sector. In connection with the Agreement, Triple Flag has acquired 50% of certain mineral interests held or to be acquired by GoldSpot, and certain rights with respect to future mineral interests that are acquired by GoldSpot, for cash consideration of \$100,000, which was included in other income in the statement of loss and comprehensive loss for the year ended December 31, 2019. The Company also has net smelter royalties agreements with various junior mining companies in connection with service contracts with them.

As at September 30, 2021, there were no other off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of GoldSpot.

Management of Capital

There were no changes in the Company's approach to capital management during the three months ended September 30, 2021. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may borrow from its shareholders or raise additional funds. The Company considers its capital to include total equity which amounts to \$49,677,310 on September 30, 2021 (December 31, 2020 - \$18,291,172). The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, so that it can provide returns for shareholders.

Since inception, the Company has not declared any cash dividends to its shareholders as part of its capital management program. The Company's current capital resources are sufficient to discharge its current liabilities as at September 30, 2021.

Financial Instruments and Financial Risk Management

Financial instruments

The carrying amounts of accounts receivable, net of ECL, accounts payable and accrued liabilities, and current lease liabilities approximate their fair value due to their short periods to maturity.

Financial risk management

The Company has exposure to credit risk, market risk, liquidity risk, and currency risk associated with its financial assets and liabilities.

There were no significant or material changes to the Company's risk management during the three months ended September 30, 2021. A discussion of the Company's use of financial instruments and other associated risks is as follows:

(a) Credit risk:

Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company. Financial instruments, which potentially subject the Company to concentrations of credit risk, consist of cash and cash equivalents, due from brokers and accounts receivable. All funds in cash are held in financial institutions that have a credit rating above AA and the Company believes the risk of loss to be remote.

The Company has accounts receivable from mining and exploration companies. The Company's credit risk arises from the possibility that a counterparty, which owes the Company money, is unable or unwilling to meet its obligations in accordance with the terms and conditions in the contracts with the Company, which would result in a financial loss to the Company. These specific mining and exploration companies may be affected by economic factors and government factors, which may impact accounts receivable. Management does not believe that a single industry or geographic region represents significant credit risk. This risk is mitigated through established credit management techniques, including monitoring counterparty creditworthiness, setting exposure limits and monitoring exposure against these customer credit limits.

The maximum exposure to credit risk is the carrying amount of the Company's cash and cash equivalents and accounts receivable, net of ECLs which total \$18,323,041 as at September 30, 2021 (December 31, 2020 - \$4,953,497).

An aging of accounts receivable, net of expected credit losses are as follows as at September 30, 2021 and December 31, 2020:

	September 30, 2021	December 31, 2020
Accounts receivable aging:		
0-30 days	\$ 878,111	\$ 325,890
31-60 days	-	144,716
61-90 days	10,520	-
Greater than 90 days	121,153	71,242
	\$ 1,009,784	\$ 541,848
Expected credit loss provision	(121,153)	(55,528)
Accounts receivable, net of expected credit losses	\$ 888,631	\$ 486,320

The movement in the expected credit loss provision can be reconciled as follows as at September 30, 2021 and December 31, 2020:

	September 30, 2021	December 31, 2020
Expected credit loss provision:		
Expected credit loss provision, beginning balance	\$ (55,528)	\$ (50,850)
Net provision recorded during the period	(65,625)	(4,678)
Expected credit loss provision, ending balance	\$ (121,153)	\$ (55,528)

The following default rates are used to calculate the expected credit loss provision on accounts receivable as at September 30, 2021:

	Total	0-30 days	31-60 days	61-90 days	Greater than 90 days
Default rates		-%	-%	-%	100%
Accounts receivable	\$ 1,009,784	\$ 878,111	\$ -	\$ 10,520	\$ 121,153
Expected credit loss provisions	\$ 121,153	\$ -	\$ -	\$ -	\$ 121,153

The following default rates are used to calculate the expected credit loss provision on accounts receivable as at December 31, 2020:

	Total	0-30 days	31-60 days	61-90 days	Greater than 90 days
Default rates		-%	-%	-%	78%
Accounts receivable	\$ 541,848	\$ 325,890	\$ 144,716	\$ -	\$ 71,242
Expected credit loss provisions	\$ 55,528	\$ -	\$ -	\$ -	\$ 55,528

The Company does not have collateral to any of its receivable balances.

During the year ended December 31, 2020, the Canadian federal government made certain government support programs available to eligible entities as part of its COVID-19 economic response plan. During the nine months ended September 30, 2021, the Company did not apply for support under CEWS. During the year ended December 31, 2020, the Company had applied and received support under the CEWS. Each applicant's eligibility for these programs is subject to validation and detailed verification by the federal government. Due to nature of the eligibility requirements and related calculations, it is possible that the eligibility requirements may not be

considered to be met upon validation, and as such the benefits received may be repayable. During the nine months ended September 30, 2021, the Company did not receive any wage subsidies (nine months ended September 30, 2020 - \$189,959).

(b) Market risk:

Market risk is the risk that the fair value of future cash flows from the Company's financial instruments will significantly fluctuate because of changes in market prices. The value of the financial instruments can be affected by changes in interest rates, foreign exchange rates, and equity and commodity prices. The Company is exposed to market risk in trading its investments and unfavourable market conditions could result in dispositions of investments at less than favourable prices.

Additionally, the Company adjusts its investments to fair value at the end of each reporting period. This process could result in significant write-downs of the Company's investments over one or more reporting periods, particularly during periods of overall market instability, which would have a significant unfavourable effect on the Company's financial position.

There were no changes in the way the Company manages market risk during the three months ended September 30, 2021.

The following table shows the estimated sensitivity of the Company's after-tax net income (loss) for the three and nine months ended September 30, 2021 from a change in the fair value price of the Company's investments with all other variables held constant as at September 30, 2021:

Percentage of change in closing trade price	Increase in after-tax net income from % increase in closing trade price	Decrease in after-tax net income from % decrease in closing trade price
2%	\$ 466,921	\$ (466,921)
4%	933,842	(933,842)
6%	1,400,762	(1,400,762)
8%	1,867,683	(1,867,683)
10%	2,334,604	(2,334,604)

The following table shows the estimated sensitivity of the Company's after-tax net income for the three and nine months ended September 30, 2020 from a change in the fair value price of the Company's investments with all other variables held constant as at September 30, 2020:

Percentage of change in closing trade price	Increase in after-tax net income from % increase in closing trade price	Decrease in after-tax net income from % decrease in closing trade price
2%	\$ 193,218	\$ (193,218)
4%	386,436	(386,436)
6%	579,653	(579,653)
8%	772,871	(772,871)
10%	966,089	(966,089)

(c) Liquidity risk:

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they become due. The Company's management is responsible for reviewing liquidity resources to ensure funds are available to meet financial obligations as they become due, as well as ensuring funds exist to support business strategies and operating growth.

There were no changes to the way that the Company manages liquidity risk during the nine months ended September 30, 2021. The Company's accounts payable and accrued liabilities are due within less than 1 year as at September 30, 2021 and December 31, 2020. The Company's cash and cash equivalents balance is sufficient to meet the Company's current liabilities.

The following table shows the Company's liabilities and potential due dates related to liquidity risk as at September 30, 2021:

Liabilities and obligations	Payments due by period				
	Total	Less than 1 year	1 – 3 years	4 – 5 years	Non-cash payable
Accounts payable and accrued liabilities	\$ 932,098	\$ 932,098	\$ -	\$ -	\$ -
Sales tax payable	70,126	70,126	-	-	-
Deferred revenue	4,527,433	-	-	-	4,527,433
Income tax payable	111,078	111,078	-	-	-
Deferred tax liabilities	1,366,762	-	-	-	1,366,762
Office lease payments	293,936	198,156	93,049	2,731	-
	\$ 7,301,433	\$ 1,311,458	\$ 93,049	\$ 2,731	\$ 5,894,195

The following table shows the Company's liabilities and potential due dates related to liquidity risk as at December 31, 2020:

Liabilities and obligations	Payments due by period				
	Total	Less than 1 year	1 – 3 years	4 – 5 years	Non-cash payable
Accounts payable and accrued liabilities	\$ 302,299	\$ 302,299	\$ -	\$ -	\$ -
Sales tax payable	223,022	223,022	-	-	-
Deferred revenue	3,119,439	-	-	-	3,119,439
Liabilities held for sale	11,463	11,463	-	-	-
Deferred tax liabilities	1,399,246	-	-	-	1,399,246
Office lease payments	340,980	137,245	203,735	-	-
	\$ 5,396,449	\$ 674,029	\$ 203,735	\$ -	\$ 4,518,685

The following table shows the Company's source of liquidity by assets as at September 30, 2021:

Assets	Liquidity by period				
	Total	Less than 1 year	1 – 3 years	After 4 years	Non-liquid assets
Cash and cash equivalents	\$ 17,434,410	\$ 17,434,410	\$ -	\$ -	\$ -
Accounts receivable, net of ECLs	888,631	888,631	-	-	-
Investments, at fair value	26,911,860	26,911,860	-	-	-
Equity investments	7,848,720	-	-	-	7,848,720
Tax credits receivable	521,343	521,343	-	-	-
Prepays	610,620	-	-	-	610,620
Property and equipment	760,371	-	-	-	760,371
Intangible assets	688,333	-	-	-	688,333
Goodwill	1,280,272	-	-	-	1,280,272
	\$ 56,944,560	\$ 45,756,244	\$ -	\$ -	\$11,188,316

The following table shows the Company's source of liquidity by assets as at December 31, 2020:

Assets	Liquidity by period				
	Total	Less than 1 year	1 – 3 years	After 4 years	Non-liquid assets
Cash and cash equivalents	\$ 4,467,177	\$ 4,467,177	\$ -	\$ -	\$ -
Accounts receivable, net of ECLs	486,320	486,320	-	-	-
Investments, at fair value	17,820,973	17,820,973	-	-	-
Prepays	86,908	-	-	-	86,908
Assets held for sale	525,429	525,429	-	-	-
Property and equipment	340,360	-	-	-	340,360
	\$ 23,727,167	\$ 23,299,899	\$ -	\$ -	\$ 427,268

(d) Currency risk:

Currency risk is the risk of loss from the Canadian dollar depreciating when it fluctuates against other foreign currencies. The Company presently holds funds in Canadian dollars but some of its receivables are denominated in U.S. dollars. The Company does not engage in any hedging activities to mitigate its foreign exchange risk. A change in the foreign exchange rate of the Canadian dollar versus another currency may increase or decrease the value of the Company's financial instruments.

As at September 30, 2021, the Company had \$337,424 (US\$264,833) in cash (September 30, 2020 - \$10,151 (US\$7,610) and had the Canadian dollar strengthened or declined by 5% in relation to the U.S. dollar, with all other variables held constant, net income (loss) and comprehensive income (loss) for the three and nine months ended September 30, 2021 would have decreased or increased, respectively, by approximately \$13,242 (three and nine months ended September 30, 2020 - \$381). In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

Other Risks

The Company's financial condition, results of operation and business are subject to certain risks, which may negatively affect them. Certain of these risks are described below in addition to elsewhere in this MD&A.

(a) Cash flows from consulting income:

The Company currently generates revenue and cash flows from its consulting services. The availability of these sources of funds and the Company's ability to maintain a network and attract additional customers will depend on a number of factors, many of which are outside of the Company's control. The Company's contracts are generally short-term and the Company is actively seeking to diversify its customer base with longer-term contracts, the inability to attract additional customers will result in a material adverse effect on the business and may adversely affect revenues going forward.

(b) Dependence on management and key personnel:

GoldSpot's future growth and its ability to develop, depend, to a significant extent, on its ability to attract and retain highly qualified staff. GoldSpot relies on a limited number of key employees, consultants and members of senior management, and there is no assurance that the Company will be able to retain such personnel. The loss of one or more key employees, consultants or members of senior management, if such persons are not replaced, could have a material adverse effect on GoldSpot's business, financial condition and prospects. To operate successfully and manage its potential future growth, GoldSpot must attract and retain highly qualified engineering, managerial and financial staff. Competition for its personnel can be intense, and the Company cannot ensure that it will be able to bring in and retain highly skilled technical, financial and management staff in the future. In addition, the Company may be obligated to increase the compensation paid to current or new staff, which could substantially increase operating expenses.

(c) Technological changes:

The Company's consulting services and investing divisions operate in business segments that are entirely dependent on technology and the internet. As such, technological change will impact the ability of the Company to expand and grow its business and will affect the costs and expenses incurred by the Company, including capital requirements. The Company's products and services rely heavily on third-party software. There is a risk that new technologies and standards may render the Company's software applications obsolete. The Company may be required to invest significant capital in new technology and software development to remain competitive.

(d) Investment risks:

Through its investing division, the Company will acquire securities of public and private companies from time to time, which are primarily junior or small-cap companies. Poor investment performance could impair revenues and growth. The market values of the securities can experience significant fluctuations in the short and long term due to factors beyond the Company's control. Market value can be reflective of the actual or anticipated operating results of the companies and/or the general market conditions in a specific sector as a whole, such as fluctuations in commodity prices and global political and economic conditions. The Company's investments will be carried at fair value, and unrealized gains/losses on the securities and realized losses on the securities sold could have a material adverse impact on the Company's operating

results. There is no assurance that GoldSpot will be able to achieve or maintain any particular level investment return, which may have a material adverse impact on its ability to attract investors. Furthermore, the junior mining space tends to be more volatile than the general market indices. This volatility combined with negative or poor performance could combine to lead to a reduction in investor interest.

(e) Private issuers and illiquid securities:

The Company invests in securities of private issuers. Investments in private issuers cannot be resold without a prospectus, an available exemption or an appropriate ruling under relevant securities legislation and there may not be any market for such securities. These limitations may impair the Company's ability to react quickly to market conditions or negotiate the most favourable terms for exiting such investments. Investments in private issuers may offer relatively high potential returns, but will also be subject to a relatively high degree of risk. There can be no assurance that a public market will develop for any of the Company's private company investments or that the Company will otherwise be able to realize a return on such investments. The Company also invests in illiquid securities of public issuers. A considerable period of time may elapse between the time a decision is made to sell such securities and the time the Company is able to do so, and the value of such securities could decline during such period. Illiquid investments are subject to various risks, particularly the risk that the Company will be unable to realize the Company's investment objectives by sale or other disposition at attractive prices or otherwise be unable to complete any exit strategy. In some cases, the Company may be prohibited by contract or by law from selling such securities for a period of time or otherwise be restricted from disposing of such securities. Furthermore, the types of investments made may require a substantial length of time to liquidate.

(f) COVID-19 (coronavirus):

GoldSpot's employees, contractors and suppliers could be affected by contagious diseases, including COVID-19, that could result in a reduction in our workforce due to illness or quarantine, transportation and travel restrictions, and other factors beyond our control specifically, the restrictions put in place by the Canadian, provincial and municipal governments regarding isolation/quarantine orders. While the extent of the impact is unknown and cannot be predicted with confidence, these and other factors could negatively affect the Company's business and financial condition. In March 2020, the Company implemented certain procedures and actions, including social distancing as mandated by government authorities and cost cutting measures by laying off a minimal number of staff but maintaining sufficient staff to continue normal operations and sales. In May 2020, as a result of additional sales and the sales in the Company's pipeline, the Company has recalled all of the staff which were temporarily laid off in March 2020.

Significant Accounting Policies

Refer to Note 2 of the Notes to the consolidated financial statements as at and for year ended December 31, 2020, for details of the Company's basis of preparation of the interim condensed consolidated financial statements.

Refer to Note 3 of the Notes to the consolidated financial statements as at and for the year ended December 31, 2020, for details of the Company's accounting policies.

In addition, the Company's equity investment accounting policy is as follows:

The Company holds an equity investment in an associate. An associate is an entity over which the Company has significant influence and is neither a controlled subsidiary nor a jointly controlled entity. The Company has significant influence when it has the power to participate in the financial and operating policy decisions of the associate but does not have control or joint control over those policies.

The Company accounts for equity investments using the equity method. Under the equity method, the Company's investment in an associate is initially recognized at cost and is subsequently increased or decreased to recognize the Company's share of earnings or losses of the associate, and for impairment losses after the initial recognition date. The Company's share of an associate's losses that are in excess of its investment in the associate are recognized only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate. The Company's share of earnings or losses of associates are recognized through net income or loss during the period. Cash distributions received from an associate are accounted for as a reduction in the carrying amount of the Company's investment in the associate.

At the end of each reporting period, the Company assesses whether there is any objective evidence that an investment in an associate is impaired. Objective evidence includes observable data indicating that there is a measurable decrease in the estimated future cash flows of the associate's operations. When there is objective evidence that an investment in an associate is impaired, the carrying amount of such investment is compared to its recoverable amount, being the greater of its fair value less costs of disposal and value in use (i.e, present value of its future cash flows). If the recoverable amount of an investment in an associate is less than its carrying amount, then an impairment loss is recognized in that period. When an impairment loss reverses in a subsequent period, the carrying amount of the investment in an associate is increased to the revised estimate of the recoverable amount to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had an impairment loss not been previously recognized. A reversal of an impairment loss is recognized through net income or loss in the period in which the reversal occurs.

As at September 30, 2021, the Company holds a 28.3% interest in Golden Planet Mining Corp, has representation on its board and has shared management. Golden Planet Mining Corp has a December 31 year end, which is the same year end as the Company.

Critical Accounting Estimates

The preparation of the interim condensed consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Critical accounting estimates used in the preparation of the Company's interim condensed consolidated financial statements include the Company's provision for expected credit losses, valuation of privately-held companies, the valuation related to the Company's deferred tax assets ("DTA"), the valuation of stock-based compensation expense, the valuation of unlisted warrants of investees, the valuation of the Company's broker warrants, and the valuation of the Company's intangible assets and goodwill.

Provision for expected credit losses:

The Company performs impairment testing annually for accounts receivable in accordance with IFRS 9. The ECL model requires considerable judgement, including consideration of how changes in economic factors affect ECLs, which are determined on a probability-weighted basis. IFRS 9 outlines a three-stage approach to recognizing ECLs which is intended to reflect the increase in credit risks of a financial instrument based on i) 12-month expected credit losses or ii) lifetime expected credit losses. The Company measures provision for ECLs at an amount equal to lifetime ECLs.

The Company applies the simplified approach to determine ECLs on trade receivables by using a provision matrix based on historical credit loss experiences. The historical results are used to calculate the run rates of default which are then applied over the expected life of the trade receivables, adjusted for forward looking estimates. Management is required to make the judgment whether a receivable balance is collectible based on their relationship with the client and knowledge of the client's financial position. These judgments will affect the reported amounts of accounts receivable and provision for expected credit losses. If the economic conditions of the debtors of the Company were to deteriorate, resulting in an impairment of their ability to make payments, additional provisions might be required.

Accounts receivable, net of expected credit losses consist of the following as at September 30, 2021 and December 31, 2020:

	September 30, 2021	December 31, 2020
Accounts receivable	\$ 1,009,784	\$ 541,848
Expected credit loss provision	(121,153)	(55,528)
	\$ 888,631	\$ 486,320

Valuation of privately-held investments:

The valuation of these investments ("private investments") requires management to assess the current financial status and prospects of private investments based upon potentially incomplete or unaudited financial information provided by the investee company, on management's general knowledge of the private investment's activities, and on any political or economic events that may impact upon the private investment specifically, and to attempt to quantify the impact of such events on the fair value of the investment. In addition to any events or circumstances that may affect the fair value of a particular private investment, management can consider general market conditions that may affect the fair value either of a specific private investment or of a group, segment, or complete portfolio of private investments.

As at September 30, 2021, the Company had six private investees (December 31, 2020 – three private investees), with the following changes in its private investment categorized as level 3 in the financial instrument hierarchy:

	Opening balance at January 1,	Purchases	Transfer to Level 1 or 2	Net unrealized gains	Ending balance
September 30, 2021	\$ 1,150,625	\$ 1,475,001	\$ (900,156)	\$ 16,131	\$ 1,741,601
December 31, 2020	\$ 905,000	\$ 1,420,516	\$ (1,270,360)	\$ 95,469	\$ 1,150,625

During the nine months ended September 30, 2021, two of the Company's investees (year ended December 31, 2020 – two investees) was transferred from Level 3 to Level 1 when the investee became

a reporting issuer and started trading on a recognizable Exchange. The net unrealized gains primarily reflect recent transaction prices.

Deferred tax assets (“DTA”) and Deferred tax liabilities (“DTL”):

Deferred tax is provided using the statement of financial position method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

DTL are recognized for all taxable temporary differences and DTA are recognized for all temporary deductible differences, carry forward of unused tax credits and unused tax losses. The Company does not record DTA to the extent that it considers it is not more likely than not that temporary deductible differences, the carry forward of unused tax credits and unused tax losses can be utilized.

As at September 30, 2021, the Company recorded a DTL of \$1,366,762 (December 31, 2020 - \$1,399,246) relating to taxable temporary differences associated with the unrealized gains on investments, equity investment and other temporary differences.

Stock-based Compensation Expense:

The Company uses the Black-Scholes option pricing model to calculate stock-based compensation expense and the fair value of the warrants and broker warrants issued under the Company’s private placements. The model requires six key inputs: i) exercise price; ii) the market price at the date of issue; iii) risk-free interest rate; iv) expected dividend yield; v) expected life; and vi) expected volatility. The first two inputs are facts rather than estimates, while the risk-free interest rate, expected life, expected volatility and expected dividend yield (estimated at 0% based on the Company’s history of not paying any dividends) are based on the Company’s estimates. A shorter expected life of the option, lower volatility number or higher dividend yield used would result in a decrease in stock-based compensation expense. A longer expected life of the option or a higher volatility number used would result in an increase in stock-based compensation expense. The Company is also required to estimate the future forfeiture rate of options based on historical information in its calculation of stock-based compensation expense. These estimates involve considerable judgment and are, or could be, affected by significant factors that are out of the Company’s control.

On April 27, 2021, the Company granted 1,170,000 stock options to employees and consultants of the Company, exercisable at \$0.68 per share expiring on April 27, 2026. The stock options granted vest at the rate of 1/6 of the grant every three months over an 18-month period. Options granted are accounted for by the fair value method of accounting for stock-based compensation. The Company records compensation expense and credits contributed surplus for all options granted.

The fair value of the options granted on April 27, 2021 was estimated at the date of grant using the Black-Scholes option valuation model with the following assumptions:

Black-Scholes option valuation model assumptions used (weighted average)	
Expected volatility	119.2%
Expected dividend yield	0%
Risk-free interest rate	0.96%
Expected option life in years	5 years
Expected forfeiture rate	0%
Fair value per stock option granted on April 27, 2021	\$ 0.559

On July 15, 2020, the Company granted 2,920,000 stock options to directors, officers, and employees of the Company, exercisable at \$0.18 per share expiring on July 15, 2025. The stock options granted to directors vest as: (i) 25% immediately; (ii) 25% on October 15, 2020; 25% on January 15, 2021; and 25% on April 15, 2021. The stock options granted to officers and employees vest as: (i) 33.3% immediately; (ii) 33.3% on the first anniversary of the date of grant; and (iii) 33.3% on the second anniversary of the date of grant.

The fair value of the options granted on July 15, 2020 was estimated at the date of grant using the Black-Scholes option valuation model with the following assumptions:

Black-Scholes option valuation model assumptions used (weighted average)	
Expected volatility	131%
Expected dividend yield	0%
Risk-free interest rate	0.35%
Expected option life in years	5 years
Expected forfeiture rate	0%
Fair value per stock option granted on July 15, 2020	\$ 0.154

The expected volatility is based on the historical volatility of comparable companies over the life of the options. The Company has not paid any cash dividends historically and has no plans to pay cash dividends in the foreseeable future. The risk-free interest rate is based on the yield of Canadian Benchmark Bonds with equivalent terms. The expected option life in years represents the period of time that options granted are expected to be outstanding based on the vesting dates.

Valuation of unlisted warrants of investees:

The Company uses the Black-Scholes option pricing model to calculate the fair value of unlisted warrants of public companies if there are sufficient and reliable observable market inputs; if no such market inputs are available, the warrants are valued at intrinsic value. The model requires six key inputs: i) risk free interest rate; ii) exercise price; iii) market price at date of issue; iv) expected dividend yield; v) expected life; and vi) expected volatility. The first four inputs are facts rather than estimates, while the expected life, expected volatility and expected dividend yield (estimated at 0% based on the Company's history of not paying any dividends) are based on the Company's estimates. A shorter expected life of the warrant, lower volatility number or higher dividend yield used would result in a decrease in the fair value of the warrant. A longer expected life of the warrant or a higher volatility number used would result in an increase in the fair value of the warrant. These estimates involve considerable judgment and are, or could be, affected by significant factors that are out of the Company's control. As at September 30, 2021, the fair value of unlisted warrants were \$1,791,587 (December 31, 2020 – \$2,788,842).

Valuation of the Company's broker warrants:

On June 2, 2021, the Company completed a bought deal public offering to which GoldSpot issued 14,375,000 common shares at a price of \$0.80 per share, for aggregate gross proceeds of \$11,500,000, which included the full exercise of the over-allotment option. In connection with this offering, the Company paid a cash commission to the Underwriter in the amount of \$660,000, together with an aggregate of 825,000 broker warrants (the "Broker Warrants"). Each Broker Warrant entitles the Underwriter to purchase one common share at an exercise price of \$0.80 expiring on June 2, 2024.

The Broker Warrants were valued using the Black-Scholes option pricing model with the following assumptions: expected volatility of 114.9%; dividend yield of 0%; risk-free interest rate of 0.32%; and

an expected life of 2.0 years. The expected volatility is based on the average historical volatility over the life of the Broker Warrant at GoldSpot's closing share trade price. The Company has not paid any cash dividends historically and has no plans to pay cash dividends in the foreseeable future. The risk-free interest rate is based on the yield of Canadian Benchmark Bonds with equivalent terms. The expected option life in years represents the period of time that the Broker Warrants are expected to be outstanding. The value assigned to the compensation options was \$425,700.

Valuation of the Company's intangible assets and Goodwill:

The acquisition of Ridgeline resulted in a purchase price allocation with intangible assets of \$710,000 and goodwill of \$1,280,272.

The intangible assets are comprised of the Trade name/brand with a fair value of \$190,000 and non-compete agreements with a fair value of \$520,000. The fair values was determined using a discounted cash flow analysis with the following assumptions:

Assumptions	Intangible assets	
	Trade name/Brand	Non-compete agreements
Discount rate	33.0%	31.0%
% revenue associated with trade name	100%	n/a
Pre-tax royalty rate	2.0%	n/a
Life of the intangible asset	indefinite	4 years
Probability to compete	n/a	37.5%
Revenue impact % rate	n/a	75.0%
Income tax rate	27.0%	27.0%

The Company performs goodwill impairment analysis annually by comparing the fair value, based on the discounted future estimated cash flows related to goodwill to the carrying value of the goodwill. As required under IFRS, the Company assessed goodwill for impairment as at September 30, 2021 and concluded that the recoverable value of Ridgeline was greater than its carrying value and no impairment loss was recorded.

Outstanding Share Data

Subsequent to September 30, 2021, 153,500 options were exercised at \$0.40 per share for total gross proceeds of \$61,400.

As at the date of this MD&A, the number of common shares of the Company outstanding and the number of common shares issuable pursuant to other outstanding securities of GoldSpot are as follows:

	Number of securities outstanding	Number of securities exercisable
Common shares		
Outstanding	133,404,960	133,404,960
Issuable under the exercise of options	7,685,826	4,134,779
Issuable under the exercise of broker warrants	79,556	79,556
Total diluted common shares	141,170,342	137,619,295

Refer to Note 10 of the Notes to the interim condensed consolidated financial statements as at and for the three and nine months ended September 30, 2021, for details of the Company's share capital as at September 30, 2021.

Additional Information:

Additional information relating to GoldSpot may be found on the Company's website at www.goldspot.ca and the Company's profile on Sedar at www.sedar.com.