

**Management Discussion and Analysis**  
**For**  
**Golden Goliath Resources Ltd.**

**For the Fiscal Year Ending August 31, 2018**

**General**

The following management discussion and analysis has been prepared as of December 28, 2018. The selected financial information set out below and certain comments which follow are based on and derived from the audited consolidated financial statements of Golden Goliath Resources Ltd. (the “Company” or “Golden Goliath”) for the year ending August 31, 2018 and should be read in conjunction with them.

Golden Goliath is a Canadian listed public company with its shares traded on the TSX Venture Exchange under the symbol “GNG” as a Tier 2 company.

Golden Goliath is a junior exploration company with no revenues from mineral producing operations. The Company’s properties are all located in the State of Chihuahua, Mexico. Activities include acquiring mineral properties and conducting exploration programs. The mineral exploration business is risky and most exploration projects will not become mines. The Company may offer to a major mining company the opportunity to acquire an interest in a property in return for funding by the major mining company, of all or part of the exploration and development of the property. For the funding of property acquisitions and exploration that the Company conducts, the Company does not use long term debt. Rather, it depends on the issue of shares from the treasury to investors. Such stock issues in turn depend on numerous factors, important among which are a positive mineral exploration climate, positive stock market conditions, a company’s track record and the experience of management.

**Overall Performance**

During the fiscal year ending August 31, 2018 the Company continued to further its work on the San Timoteo property. This included both field work and office work to define drill targets for a planned drilling campaign anticipated for 2019, contingent upon Desarrollos Mineros El Aguila, S.A. de C.V. (“El Aguila”), a wholly owned subsidiary of Fresnillo plc, exercising the option agreement for 7 of the Company’s properties in the Uruachic district and making the \$2.3 million USD payment to Golden Goliath. The final payment of USD \$2,300,000 was made on November 5<sup>th</sup> 2018.

The target selection process included designing possible drill sections based on data compilation and evaluating what road work would be needed to drill the various targets and a site visit by drillers for bidding purposes. It was also necessary for the drilling company to inspect the No. 5 level tunnel, where several priority targets are located to see what size of underground drill rig would be required.

After the field crew arrived at the property in the summer of 2018 to complete the proposed sites ground check and road work estimates, Golden Goliath CEO Paul Sorbara received word that we would have to pay “protection” money to “narco traficantes” (drug cartels) for their safety. This had never happened before in the Company’s history of working in the Uruachic district. Upon the safe return of the crew and after the fiscal year end, the Board of Directors decided that the Company would have to postpone any further work on the property due to security reasons.

## Results of Operation

For the year ended August 31, 2018, the Company incurred a comprehensive loss of \$438,644 compared to comprehensive loss of \$333,675 in the prior year. The significant differences between these periods include:

- Share-based compensation of \$79,381 compared to nil in the prior year. This is a non-cash based expense related to fair value of incentive stock options granted during the period.
- Wages and benefits decreased to \$1,796 in the past year compared to \$16,000 in the prior year as the Company had fewer people working.
- Consulting fees were up to \$90,521 last year compared to \$77,000 the prior year as the Company conducted a small exploration program on its San Timoteo property.
- Professional fees were up to \$79,990 in 2018 compared to \$60,131 in 2017 due to legal fees in Mexico.
- Office and general fees were up to \$19,805 last year compared to \$12,849 the prior year as the Company conducted a small exploration program last year and required additional office resources.

As of August 31, 2018, deferred mineral property exploration costs totalled \$2,576,770 compared to \$2,753,687 at August 31, 2017. The reduction in deferred property costs relate mainly to option payments received from Fresnillo and certain mineral property write-downs.

## Summary of Quarterly Results

The following table sets forth selected quarterly financial information for each of the last eight (8) quarters prepared in accordance with IFRS.

Quarter Ending	Other Income	Comprehensive Loss (Gain)	Net Loss per Share (Gain)
August 31, 2018	Nil	103,391	0.001
May 31, 2018	Nil	168,564	0.002
February 28, 2018	Nil	97,068	0.001
November 30, 2017	Nil	69,621	0.000
August 31, 2017	2,018	52,919	0.001
May 31, 2017	Nil	97,721	0.001
February 28, 2017	Nil	105,482	0.001
November 30, 2016	Nil	77,553	0.015

**NOTE:** There were no discontinued operations or extraordinary items on the Company's financial statements during the above mentioned periods.

## Liquidity and Capital Resources

The Company has financed its operations almost exclusively through the sale of its common shares to investors and will be required to continue to do so for the foreseeable future.

The Company had working capital (deficit) of (\$702,031) at August 31, 2018 compared to (\$521,376) at August 31, 2017. The Company's cash position at August 31, 2018 was \$63,641.

## Capital Resources

Other than property taxes which are approximately \$240,000 per year, the Company does not have any capital resource commitments. Apart from approximately \$40,000 per year, the remaining taxes payable are required to be paid by Fresnillo pursuant to the option agreement.

## Transactions with Related Parties

### Key Management Compensation

	YEAR ENDED AUGUST 31	
	2018	2017
<i>Golden Goliath Resources Ltd.</i>		
Management fees	\$ 120,000	\$ 120,000
Consulting fees	96,000	72,000
Share-based compensation	62,260	
<i>Minera Delta S.A. de C.V.</i>		
Wages and benefits	-	24,000
Total	<u>\$ 278,260</u>	<u>\$ 216,000</u>

Payments to key management personnel including the President, Chief Financial Officer, directors and companies directly controlled by key management personnel, and a former director, are directly related to their position in the organization.

### Other Related Party Transactions

The Company entered into the following transactions and had the following balances payable with related parties. The transactions were recorded at the exchange amount agreed to by the related parties. Balances outstanding are non-interest bearing, unsecured and had no specific terms for collection or repayment.

- Due from related parties consists of \$3,911 (2017 - \$3,911) due from companies controlled by common directors.
- Due to related parties consists of \$671,957 (2017 - \$542,390) due to directors and a company controlled by a common director.

### Critical Accounting Estimates

#### *Exploration and Evaluation Assets*

Exploration and evaluation expenditures include the costs associated with exploration and evaluation activity. Exploration and evaluation expenditures are capitalized as incurred. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in profit or loss.

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, which management has determined to be indicated by a feasibility study, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets.

Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

It is management's judgment that none of the Company's exploration and evaluation assets have reached the development stage and as a result are all considered to be exploration and evaluation assets.

Although the Company has taken steps to verify title to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property may be subject to unregistered prior agreements and non-compliance with regulatory requirements. The Company is not aware of any disputed claims of title.

#### **Fourth Quarter**

During the fourth quarter the Company received the final payment of USD\$2,300,000 from Fresnillo for the acquisition of the Company's 7 Uruachic properties. The Company retains a small royalty on production from these properties, if the properties go into production.

During the fourth quarter, the Company signed option agreements to acquire a 100% interest in two properties in the Red Lake District of Ontario, some 42 kilometers south of Goldcorp's Red Lake Mine in the Dixie Lake area currently being explored by Great Bear Resources and BTU Metals. The Company's new Kwai property is about 13 km south of GBR's Dixie Zone and is contiguous with BTU's Dixie South property and the new SLF property is about 7 km south of Kwai.

The terms for the new Ontario acquisitions are as follows:

#### **Kwai**

Upon signing	\$10,000.00 (plus 200,000 shares upon TSX approval)
After 1 year	\$10,000.00 plus 200,000 shares
After 2 years	\$12,000.00
After 3 years	\$16,000.00
After 4 years	\$20,000
For 100% with a 1.5% NSR with a buyback of 0.75% for \$500,000	

#### **SLF**

Upon signing	\$9,200 (plus 200,000 shares upon TSX approval)
After 1 year	\$10,000.00 plus 200,000 shares
After 2 years	\$12,000.00
After 3 years	\$16,000.00
After 4 years	\$20,000
For 100% with a 1.5% NSR with a buyback of 0.75% for \$500,000	

#### **Changes in Accounting Policy**

There were no changes in accounting policy in the past year.

## **Financial Instruments and Other Instruments**

The Company has not entered into any specialized financial agreements to minimize its investment risk, currency risk or commodity risk. As of the date hereof, the Company's investment in resource properties has full exposure to commodity risk, both upside and downside. As the metal prices move so too does the underlying value of the Company's metal projects.

## **Outstanding Share Data**

The authorized share capital consists of an unlimited number of common shares. As of August 31, 2018 and the date hereof, an aggregate of 106,660,889 common shares were issued and outstanding.

The Company has nil share purchase warrants outstanding as of August 31, 2018 and the date hereof.

As of August 31, 2018, the Company had 5,950,000 incentive stock options outstanding at a price of \$0.091.

## **Disclosure Controls and Procedures**

Disclosure controls and procedures ("DC&P") are intended to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized and reported within the time periods specified by securities regulations and that information required to be disclosed is accumulated and communicated to management. Internal controls over financial reporting ("ICFR") are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose in accordance with Canadian generally accepted accounting principles.

TSX Venture listed companies are not required to provide representations in the annual filings relating to the establishment and maintenance of DC&P and ICFR, as defined in Multinational Instrument 52-109. In particular, the CEO and CFO certifying officers do not make any representations relating to the establishment and maintenance of (a) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation, and (b) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP. The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in their certificates regarding the absence of misrepresentations and fair disclosure of financial information. Investors should be aware that inherent limitation on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in Multinational Instrument 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Additional information relating to the Company can be found on SEDAR at [www.sedar.com](http://www.sedar.com) and also on the Company's website at [www.goldengoliath.com](http://www.goldengoliath.com)