

HIGHWAY 50 GOLD CORP.

Management's Discussion and Analysis

For the nine months ended September 30, 2024

The following Management Discussion and Analysis (“MD&A”) of Highway 50 Gold Corp. (the “Company” or “Highway 50”) has been prepared by management, in accordance with the requirements of National Instrument 51-102 (“NI 51-102”) as of November 27, 2024 and should be read in conjunction with the condensed consolidated interim financial statements for the nine months ended September 30, 2024 and the consolidated financial statements for year ended December 31, 2023 and the related notes contained therein which have been prepared under IFRS Accounting Standards (“IFRS”). The information contained herein is not a substitute for detailed investigation or analysis on any particular issue. The information provided in this document is not intended to be a comprehensive review of all matters and developments concerning the Company. The Company is presently a “Venture Issuer” as defined in NI 51-102. Additional information relevant to the Company’s activities can be found on SEDAR+ at www.sedarplus.ca and the Company’s website at www.highway50gold.com.

All financial information in this MD&A has been prepared in accordance with International Accounting Standards (“IAS”) 34, Interim Financial Reporting, and all dollar amounts are quoted in Canadian dollars, the reporting and functional currency of the Company, unless specifically noted.

DESCRIPTION OF BUSINESS AND OVERVIEW

Highway 50 Gold Corp. is an exploration stage company engaged principally in the acquisition and exploration of exploration and evaluation assets. The Company’s activities are focused on exploration in Nevada, USA. The recovery of the Company’s investment in its exploration and evaluation assets is dependent upon the discovery of economically recoverable mineral reserves and the ability to raise sufficient capital to finance this operation. The ultimate outcome of these operations cannot presently be determined because they are contingent on future matters.

Significant Events from December 31, 2023 to the Date of this Report

- In April 2024, the Company staked the Quito North claims in central Nevada (see Company news release dated April 18, 2024 and below under Quito North Property, Nevada).
- In August 2024, the Company arranged an aggregate of \$639,788 in loans from companies controlled by two insiders. The loans are unsecured, bear no interest, are payable on a maturity date of August 31, 2026, and provide that the Company may prepay without penalty. A loan bonus totaling 3,998,676 warrants were issued to the lenders, with each warrant being exercisable to acquire one common share at an exercise price of \$0.16 for a period of two years. Funds from the loans will be used to pay for the Company’s property maintenance fees and for working capital purposes (see Company news release dated August 27, 2024).
- In August 2024, the Company granted stock options to certain directors and officers of the Company to purchase an aggregate of 370,000 common shares at an exercise price of \$0.16 for 5 years. The options were issued pursuant to the terms of the Company’s stock option plan and vest immediately upon the date of grant (see Company news release dated August 27, 2024).

MINERAL PROPERTY REVIEW

This review has been prepared by the Company’s geologic staff under the supervision of Gordon P. Leask, P.Eng., President, CEO and Director of the Company, and a Qualified Person (“QP”) as defined by National Instrument 43-101 (Standards of Disclosure for Mineral Projects).

The Company currently owns, or has the right to acquire an interest in, four primary projects; the Quito North property, the Gold Knob property, the Johnson Canyon property and the Golden Brew property, all located in Nevada.

Quito North Property, Nevada

The Company staked 28 unpatented claims located 10 kilometres south of Austin in central Nevada. The Quito North claims cover the northeast corner of the Quito lower-plate window and encompass 3,000 metres (m) of the northern projection of the Quito mine mineralized structure, up to its intersection with the eastern terminus of the Jurassic-aged Johnson Canyon laccolith.

The area immediately south of the laccolith is known as Bleach Cliffs. Highly elevated arsenic, antimony and low-grade gold are known at Bleached Cliffs and have been the impetus for limited exploration in the past. Shallow drilling at this target has intersected up to 0.04 ounce per ton (oz/t) gold (Au) in lower-plate limestones, immediately under the Roberts Mountain thrust. This may constitute leakage above a more substantial gold deposit. The target is outboard of a 200 m wide calc-silicate-hornfels-skarn thermal areole that surrounds the Johnson Canyon intrusive. The southern portion of the Quito North claim group covers part of the Section 25 target area, where trenching and shallow drilling have encountered low-grade gold mineralization. The southern claim boundary of the Quito North claim group is located one kilometre (km) north of the former Quito operating open-pit mine.

Management notes the marked similarity between the geology of the Cortez and Quito windows, in particular the north end of the Goldrush deposit (Dorothy), where Barrick Gold has announced the discovery of a new high-grade gold zone, and the Bleached Cliffs target.

Quito hosted significant high-grade mineralization (plus one oz/t gold) with the pit bottoming in 0.5 oz/t gold mineralization. The bottom of the high grade has not been found. Numerous occurrences of ore-grade gold mineralization are present throughout the district, in both lower- and upper-plate lithologies. As such, Quito has pedigree and represents a strong Carlin system of district scale. To date, drilling within the district has been mostly shallow and limited to the Quito mine area. Since the discovery of high-grade gold in 1980, the entire Quito district has been held by FMC Gold and successor companies. The latest company, Yamana Gold, was permitting a substantial exploration program prior to its takeover by Pan American Silver Corp. Subsequent to closing of that acquisition, the claims were allowed to lapse.

The Company is currently digitizing and collating relevant data in its possession prior to permitting a drill program.

Gold Knob Property

The Gold Knob project comprises 589 unpatented claims located 80 km southwest of Winnemucca, Nevada near Lyle Hot Springs in Pershing County. These claims cover the projected southern 80% of the Gold Knob lower-plate window where a shallow bedrock bench extends for more than 2 km outboard from the western flank of the East Range. The Gold Knob lower-plate window hosts numerous occurrences of Carlin-type gold mineralization in both upper- and lower-plate rocks with grab assays up to 100 g/t (3 oz/ton) gold. Structurally, the window sits at the projected intersection of the Northern Nevada Rift central, the northern flank of the Caetano Trough and the southernmost projection of the Getchell Trend.

Previous drilling in the vicinity of Lyle Hot Springs established shallow bedrock and highly anomalous gold in a recent hot springs sinter deposit (0.014 oz/ton Au over 29 feet) with the highest assay being 0.082 oz/ton Au over 3 feet. Gravity and magnetic surveys have been executed over most of the property. Several interesting geophysical features resulted from this work and CSAMT surveys are recommended.

Various drill programs in the immediate vicinity of the Gold Knob showing intersected erratic gold values with the best being 17 m at 0.583 g/t Au in lower-plate marble in GK-2. Another drill hole assayed 12 m of 0.725 g/t Au just under the Roberts Mountains Thrust in BV-3. This intersection occurs on the northeast corner of the Gold Knob showing. Mineralization in the drill hole is described as weak silicification/ decalcification starting at a depth of 50 m. A prominent gravity-low / magnetic-low is located to the immediate east of this drill hole under Upper-plate cover. As such, this area is established as a Priority 1 drill target. This demonstrates that the Upper-plate is forming an effective cap on the gold system at Gold Knob. Large areas of prospective geology remain undrilled under shallow pediment cover outboard of the Gold Knob exposure. The depth to bedrock over large parts of the Gold Knob window has been established by extensive geothermal testwork drilling. Given the shallow alluvium, the potential exists of the discovery of shallow oxide gold resources. Oxide gold targets are rare in Nevada at this point in time given the mature nature of exploration in the region.

In November 2020, the Company entered into an agreement to purchase a 100% interest in the initial 278 Gold Knob claims (the “Gold Knob Agreement”) by paying US\$100,000 and the issuance of 200,000 common shares of the Company. There is a 3% net smelter return reserved to the vendor, of which up to 2% can be purchased by the Company for US\$1,000,000 per percentage point.

Outlook

The Company holds title to four claim areas in Nevada, Quito North, Gold Knob, Johnson Canyon/Porter Canyon and Golden Brew, that were chosen because of their proximity to deep seated geologic architectures which management believes may host large quantities of gold. Past exploration drilling on Johnson Canyon/Porter Canyon claims identified a probable “lag” gold occurrence which may be similar in character to the Cortez Pediment deposit which was shed off the adjacent Cortez Hills Tier 1 gold mine. The Johnson Canyon project is located along the western edge of the Quito Mine lower-plate window. The northwest corner of this window exhibits geologic elements that are markedly similar to the northwest corner of the Cortez window where the former producing Cortez Mine and currently producing Cortez Hills Mine are located. Initial focus of the upcoming exploration work will be on the Johnson Canyon/Porter Canyon claims where the Company has permitted a pattern of six drill holes at the northwest corner of the Quito Mine window. Impetus for this drilling is previously executed geophysical surveys over the target area including magnetic, gravity and controlled source audio-frequency magnetotellurics. A key geologic element to this northwest corner is the presence of a Jurassic aged laccolithic intrusive with marked similarities to the Mill Canyon intrusion at Cortez where recent drilling by Nevada Gold Mines has intersected high-grade gold mineralization near the intrusion. The Goldstrike intrusion at Carlin is a similar feature and has a massive gold resource proximal to it (64 M oz/Au). The Company plans to complete geological and geophysical surveys at Gold Knob prior to drilling.

OPERATIONS AND FINANCIAL CONDITION

Summary of Quarterly Results

The following is a summary of certain selected financial information for the most recent eight fiscal quarters comprising the Company's preceding two fiscal years:

	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023
All in \$1,000's except loss per share				
Net income (loss)	\$(694)	\$(72)	\$(72)	\$(3,939)
Income (loss) per share	\$(0.02)	\$(0.00)	\$(0.00)	\$(0.09)
Total assets	\$1,429	\$1,175	\$1,175	\$1,246
Total liabilities	\$719	\$403	\$403	\$402
	September 30, 2023	June 30, 2023	March 31, 2023	December 31, 2022
All in \$1,000's except loss per share				
Net income (loss)	\$(59)	\$(282)	\$(44)	\$1,544
Income (loss) per share	(0.00)	(0.01)	(0.00)	\$0.04
Total assets	\$5,209	\$5,468	\$4,798	\$4,851
Total liabilities	\$428	\$632	\$429	\$441

Results of Operations – For the Nine Months Ended September 30, 2024 Compared to the Nine Months Ended September 30, 2023

During the nine months ended September 30, 2024, loss from operating activities was \$812,671 compared to loss of \$382,736 for the nine months ended September 30, 2023.

- Stock-based compensation was \$637,690 for the nine months ended September 30, 2024 compared to \$195,240 for the nine months ended September 30, 2023. The difference is due to options and warrants vested and granted in the comparable periods.

Results of Operations – For the Three Months Ended September 30, 2024 Compared to the Three Months Ended September 30, 2023

During the three months ended September 30, 2024, loss from operating activities was \$695,485 compared to loss of \$51,894 for the three months ended September 30, 2023.

- Stock-based compensation was \$637,690 for the three months ended September 30, 2024 compared to \$3,154 for the three months ended September 30, 2023. The difference is due to options and warrants vested and granted in the comparable periods.

Cash Flow

Operating Activities

Cash outflow from operating activities was \$147,672 for the nine months ended September 30, 2024 compared to \$164,786 for nine months ended September 30, 2023. The variances are mainly the cumulative result of several variations in the items affecting cash flow from operations discussed above and the change in working capital items.

Investing Activities

Cash outflow from investing activities was \$236,057 for the nine months ended September 30, 2024 compared to \$460,774 for the nine months ended September 30, 2023. The outflows in the current and previous periods are mainly the result of expenditures on the Company's exploration and evaluation assets.

Financing Activities

Cash inflow from financing activities was \$281,872 for the nine months ended September 30, 2024 compared to \$538,840 for the nine months ended September 30, 2023. The inflows are mainly due to proceeds from loans and shares issuances in the periods.

Liquidity and Capital Resources

Cash at September 30, 2024 totaled \$41,063 compared to \$142,920 at December 31, 2023. Working capital deficiency at September 30, 2024 was \$621,821 compared to \$250,251 at December 31, 2023. The ability of the Company to continue as a going-concern depends upon its ability to develop profitable operations and to continue to raise adequate financing.

During the nine months ended September 30, 2024, the Company issued 367,000 shares in relation to the exercise of stock options for proceeds of \$55,050.

During the nine months ended September 30, 2024, the Company received total loan proceeds of \$250,000 from related parties.

Subsequent to the nine months ended September 30, 2024, the Company issued 200,000 shares in relation to the exercise of warrants for proceeds of \$32,000.

As at the date of this report, the Company has not been able to identify a known body of commercial grade ore on any of its exploration and evaluation assets. The ability of the Company to realize the costs it has incurred to date on these exploration and evaluation assets is dependent upon the Company being able to lever its property interests and cash, by way of exploration activities and option/joint ventures, into assets of greater value.

Related Party Transactions

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors.

All transactions with related parties are in the normal course of operations and are measured at their fair value as determined by management.

During the period ended September 30, 2024, the Company entered into the following transactions with related parties:

- a) Eagle Putt Ventures Inc. ("Eagle Putt") is a private company controlled by Mr. Gordon P. Leask, a director and officer of the Company. As at September 30, 2024, the Company has loans outstanding of \$200,000 and US\$116,753 from Eagle Putt for total carry value of \$357,791 (December 31, 2023 - \$229,662).
- b) Rangefront Exploration Corp. ("Rangefront") is a private company controlled by Mr. John M. Leask, a director to the Company. As at September 30, 2024, the Company has a loan outstanding of \$125,000 and US\$116,752 from Rangefront for total carry value of \$282,791 (December 31, 2023 - \$154,662).
- c) Cross Davis & Co. LLP ("Cross Davis") is an accounting firm of which Scott Davis, an officer of the Company, is a partner. For the period ended September 30, 2024, Cross Davis charged \$27,000 (2023 - \$27,000) which is classified as accounting fees in the condensed consolidated interim statements of profit or loss. At September 30, 2024, the Company recorded a prepaid expense of \$3,150 (December 31, 2023 - \$3,150) to Cross Davis.
- d) Issued 3,998,676 bonus warrants at a fair value of \$595,084, in consideration of loans described above. Each bonus warrant entitles the holder to acquire one common share at an exercise price of \$0.16 for a two-year period.
- e) Granted stock options at a fair value of \$42,606 (2023 - \$188,757).

Outstanding Shares, Stock Options and Warrants

As at the date of this report, the Company had the following outstanding:

- 46,341,214 common shares.
- Warrants:

Number of Warrants Outstanding	Exercise Price (\$)	Expiry Date
2,748,133	0.20	May 16, 2025
3,798,676	0.16	September 25, 2026
6,546,809		

• Stock options:

Number of Options Outstanding	Exercise Price (\$)	Expiry Date	Number of Options Exercisable
1,525,000	0.37	November 17, 2025	1,525,000
200,000	0.38	January 4, 2026	200,000
460,000	0.35	April 30, 2026	460,000
200,000	0.25	December 2, 2027	200,000
1,783,000	0.15	June 6, 2028	1,783,000
370,000	0.16	August 26, 2029	370,000
4,538,000			4,538,000

Proposed Transactions

The Company is not contemplating any other transactions which have not already been disclosed. The Company continues to look at other property acquisitions and to seek joint venture partners on its properties on a regular basis.

Investor Relations

Investor relations activities are performed by directors and officers of the Company.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangement.

Critical Accounting Estimates

The preparation of financial statements in accordance 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 reports could differ from management’s estimates.

Contingencies

There are no contingent liabilities.

Internal Controls Over Financial Reporting

Changes in Internal Control over Financial Reporting (“ICFR”)

In connection with National Instrument 52-109, Certification of Disclosure in Issuer’s Annual and Interim Filings (“NI 52-109”) adopted in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to financial information contained in the unaudited interim financial statements and the audited annual financial statements and respective accompanying Management’s Discussion and Analysis. The Venture Issue Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI52-109.

Other MD&A Requirements

Additional disclosure of the Company’s technical reports, material change reports, news releases and other information can be obtained on SEDAR+ at www.sedarplus.ca.

Disclosure for Venture Issuers without Significant Revenue

A breakdown of the components of the Company’s general and administrative expenses is disclosed in the condensed consolidated interim financial statements for the period ended September 30, 2024 to which this MD&A relates. A breakdown of the material components of the exploration and evaluation assets of the Company is disclosed in the condensed consolidated interim financial statements for the period ended September 30, 2024 to which this MD&A relates.

Management's Responsibility for Financial Statements

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls and to ensure that information used internally or disclosed externally, including the financial statements and MD&A, is complete and reliable. The Company's board of directors follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The board's audit committee meets with management quarterly to review the financial statements including the MD&A and to discuss other financial, operating and internal control matters.

Financial and Capital Risk Management

Please refer to the September 30, 2024 condensed consolidated interim financial statements on www.sedarplus.ca.

Adoption of New Standards and Interpretations, and Recent Accounting Pronouncements

There were no new standards and recent accounting pronouncements adopted during the period ended September 30, 2024.

Risks and Uncertainties

Annual losses are expected to continue until the Company has an interest in an exploration and evaluation asset that produces revenues. The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon the continued support of its shareholders, obtaining additional financing and generating revenues sufficient to cover its operating costs. The Company's accompanying condensed consolidated interim financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying condensed consolidated interim financial statements.

Any forward-looking information in this MD&A is based on the conclusions of management. The Company cautions that due to risks and uncertainties, actual events may differ materially from current expectations. With respect to the Company's operations, actual events may differ from current expectations due to economic conditions, new opportunities, changing budget priorities of the Company and other factors. The operations of the Company are speculative due to the high-risk nature of its business which includes the acquisition, financing, exploration, development and operation of mining properties. There are a number of factors that could negatively affect the Company's business and the value of its common shares, including the factors listed below. The following information pertains to the outlook and conditions currently known to the Company that could have a material impact on the financial condition of the Company. Other factors may arise that are not currently foreseen by management of the Company that may present additional risks in the future. Current and prospective security holders of the Company should carefully consider these risk factors, as they could materially affect the Company's future operations and could cause actual events to differ materially from those described in forward-looking statements relating to the Company.

The more significant risks include:

Exploration and Development Risk

The Company's properties are in the exploration stage and are without a known body of commercial ore. Exploration for mineral resources involves a high degree of risk and few properties that are explored are ultimately developed into producing mines. The risks and uncertainties inherent in exploration activities include but are not limited to: general economic, market and business conditions, the regulatory process and actions, failure to obtain necessary permits and approvals, technical issues, new legislation, competitive and general economic factors and conditions, the uncertainties resulting from potential delays or changes in plans, the occurrence of unexpected events and management's capacity to execute and implement its future plans. Discovery of mineral deposits is dependent upon a number of factors, not the least of which are the technical skills of the exploration personnel involved and the capital required for the programs. The cost of conducting programs may be substantial and the likelihood of success is difficult to assess. There is no assurance that the Company's mineral exploration activities will result in any discoveries of new bodies of commercial ore. There is also no assurance that even if commercial quantities of ore are discovered that a new ore body would be developed and brought into commercial production. The commercial viability of a mineral deposit once discovered is also dependent upon a number of factors, some of which are the particular attributes of the deposit (such as size, grade, metallurgy and proximity to infrastructure and labour), the interpretation of geological data obtained from drilling and sampling, feasibility studies, the cost of water and power; anticipated climatic conditions; cyclical metal prices; fluctuations in inflation and currency exchange rates; higher input commodity and labour costs, commodity prices, government regulations, including regulations relating to prices, taxes, royalties, land tenure and use, allowable production, importing and exporting of minerals, and environmental protection. Most of the above factors are beyond the control of the Company. Development projects will also be subject to the successful completion of final feasibility studies, issuance of necessary permits and other governmental approvals and receipt of adequate financing. The exact effect of these factors cannot be accurately predicted, but the combination of any of these factors may adversely affect the Company's business.

Title Risk

The Company has investigated its right to explore and exploit its properties and, to the best of its knowledge, those rights are in good standing. The results of the Company's investigations should not be construed as a guarantee of title. Other parties may dispute the title to a property, or the property may be subject to prior unregistered agreements or liens and transfers or land claims by aboriginal, native, or indigenous peoples. The title may be affected by undetected encumbrances or defects or governmental actions. The Company has not conducted surveys of all of its properties, and the precise area and location of claims or the properties may be challenged and no assurances can be given that there are no title defects affecting such properties. Any defects in the title to the Company's properties could have a material and adverse effect on the Company.

No assurance can be given that applicable governments will not revoke or significantly alter the conditions of the applicable exploration and mining authorizations nor that such exploration and mining authorizations will not be challenged or impugned by third parties. Although the Company has not had any problem renewing its licenses in the past there is no guarantee that it will always be able to do so. Inability to renew a license could result in the loss of any project located within that license. The Company is earning an interest in the Monroe property through an option agreement requiring exploration expenditures and acquisition of title to the properties is completed only when the option conditions have been met. If the Company does not satisfactorily complete these option conditions in the period laid out in the option agreements, the Company's title to the related property will not vest and the Company will have to write down its previously capitalized costs related to that property.

Foreign Operations Risk

The Company conducts exploration activities in foreign countries, including the U.S. This exposes the Company to risks that may not otherwise be experienced if all operations were located in Canada. The risks can include, but are not limited to, civil unrest or war, terrorism, changing political conditions, fluctuations in currency exchange rates, and changes to royalty and tax regimes. Changes in mining or investment policies or shifts in political attitudes may also adversely affect Company's existing assets and operations. Real and perceived political risk may also affect the Company's ability to finance exploration programs and attract joint venture or option partners, and future mine development opportunities.

Numerous countries have introduced changes to mining regimes that reflect increased government control or participation in the mining sector, including, but not limited to, changes of law affecting foreign ownership, mandatory government participation, taxation and royalties, exploration licensing, export duties, and repatriation of income or return of capital. There can be no assurance that industries, which are deemed of national or strategic importance in countries in which the Company has assets, including mineral exploration, will not be nationalized. There is a risk that further government limitations, restrictions or requirements, not presently foreseen, will be implemented. Changes in policy that alter laws regulating the mining industry could have a material adverse effect on the Company. There can be no assurance that the Company's assets in these countries will not be subject to nationalization, requisition or confiscation, whether legitimate or not, by an authority or body.

In addition, in the event of a dispute arising from foreign operations, the Company may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdiction of courts in Canada. The Company also may be hindered or prevented from enforcing its rights with respect to a governmental instrumentality because of the doctrine of sovereign immunity. It is not possible for the Company to accurately predict such developments or changes in laws or policy or to what extent any such developments or changes may have a material adverse effect on the Company.

Metal Price Risk

The Company's portfolios of properties and investments have exposure to predominantly copper, gold, silver and molybdenum. Commodity prices fluctuate widely and are affected by numerous factors beyond the Company's control, such as the sale or purchase of metals by various central banks and financial institutions, interest rates, exchange rates, inflation or deflation, fluctuation in the value of the United States dollar, global and regional supply and demand, and the political and economic conditions of major metals-producing and metals-consuming countries throughout the world. The prices of these metals greatly affect the value of the Company, the price of the common shares of the Company and the potential value of its properties and investments. This, in turn, greatly affects its ability to form joint ventures, option agreements and the structure of any joint ventures formed. This is due, at least in part, to the underlying value of the Company's assets at different metals prices.

Uncertainty of Funding

The exploration and development of mineral properties requires a substantial amount of capital and may depend on the Company's ability to obtain financing through joint ventures, debt financing, equity financing or other means. General market conditions, volatile metals prices, a claim against the Company, a significant disruption to the Company's business, or other factors may make it difficult to secure the necessary financing. There is no assurance that the Company will be successful in obtaining required financing as and when needed on acceptable terms. Failure to obtain any necessary additional financing may result in delaying or indefinite postponement of exploration or development

or even a loss of property interest. If the Company needs to raise additional funds, such financing may substantially dilute the interests of shareholders of the Company and reduce the value of their investment.

Recent economic events including US-China trade disputes and the COVID-19 global pandemic have created further uncertainty in global financial and equity markets and may adversely impact the Company's share price and ability to raise capital.

Future Offerings of Debt or Equity Securities

The Company may require additional funds to finance further exploration, development and production activities, or to take advantage of unanticipated opportunities. If the Company raises additional funds by issuing additional equity securities, such financing would dilute the economic and voting rights of the Company's shareholders. Since the Company's capital needs depend on market conditions and other factors beyond its control, it cannot predict or estimate the amount, timing or nature of any such future offering of securities. Thus, holders of common shares of the Company bear the risk of any future offerings reducing the market price of the common shares and diluting their shareholdings in the Company.

Currency Risk

The Company will transact business in a number of currencies including but not limited to the Canadian Dollar and the US Dollar. Fluctuations in exchange rates may have a significant effect on the cash flows of the Company. Future changes in exchange rates could materially affect the Company's results in either a positive or a negative direction. The Company does not currently engage in foreign currency hedging activities.

Internal Controls

Internal controls over financial reporting are procedures designed to provide reasonable assurance that transactions are properly authorized, assets are safeguarded against unauthorized or improper use, and transactions are properly recorded and reported. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance with respect to the reliability of financial reporting and financial statement preparation.

Information Systems and Cyber Security

The Company's operations depend on information technology ("IT") systems. These IT systems could be subject to network disruptions caused by a variety of sources, including computer viruses, security breaches and cyberattacks, as well as disruptions resulting from incidents such as cable cuts, damage to physical plants, natural disasters, terrorism, fire, power loss, vandalism and theft. The Company's operations also depend on the timely maintenance, upgrade and replacement of networks, equipment, IT systems and software, as well as pre-emptive expenses to mitigate the risks of failures. Any of these and other events could result in information system failures, delays and/or increase in capital expenses. The failure of information systems or a component of information systems could, depending on the nature of any such failure, adversely impact the Company's reputation and results of operations. Although to date the Company has not experienced any material losses relating to cyber attacks or other information security breaches, there can be no assurance that the Company will not incur such losses in the future. The Company's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage or unauthorized access remain a priority. As cyber threats continue to evolve, the Company may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

Negative Operating Cash Flow

The Company is an exploration stage company and has not generated cash flow from operations. The Company is devoting significant resources to the development and acquisition of its properties; however there can be no assurance that it will generate positive cash flow from operations in the future. The Company expects to continue to incur negative consolidated operating cash flow and losses until such time as it achieves commercial production at a particular project. The Company currently has negative cash flow from operating activities.

Competition

There is aggressive competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential, as well as the necessary labour and supplies required to develop such properties. The Company competes with other exploration and mining companies, many of which have greater financial resources, operational experience and technical capabilities than the Company, for the acquisition of mineral claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel. The Company may not be able to maintain or acquire attractive mining properties on terms it considers acceptable, or at all. Consequently, its financial condition could be materially adversely affected.

Uninsurable Risks

Exploration, development and production operations on mineral properties involve numerous risks, including unexpected or unusual geological operating conditions, rock bursts, cave-ins, fires, floods, earthquakes and other environmental occurrences, as well as political and social instability. It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks because of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any further profitability and result in increasing costs and a decline in the value of the securities of the Company. The Company does not maintain insurance against political risks.

Environmental Risks

It is possible that future regulatory developments, such as increasingly strict environmental protection laws, climate change policies, regulations and enforcement policies, and claims for damages to property and persons resulting from the Issuer's operations, could result in additional costs and liabilities, restrictions on or suspension of the Issuer's activities and delays in the exploration of and development of its properties.

The physical effects of climate change, which may include extreme weather events, resource shortages, changes in rainfall and storm patterns, water shortages and extreme weather events, may have an adverse effect on our operations. Events or conditions such as flooding or inadequate water supplies could disrupt exploration activities and rehabilitation efforts, could create resource shortages and could damage our property or equipment and increase health and safety risks on our properties. Such events or conditions could also have other adverse effects on our operations, our workforce and on the local communities surrounding our properties, such as an increased risk of food, water scarcity and civil unrest.

Tax

The Company runs its business in different countries and strives to run its business in as tax efficient a manner as possible. The tax systems in certain of these countries are complicated and subject to changes. For this reason, future negative effects on the result of the Company due to changes in tax regulations cannot be excluded. Repatriation of earnings to Canada from other countries may be subject to withholding taxes. The Company has no control over withholding tax rates.

Forward Looking Statements

Cautionary Note – Forward Looking Statements

Certain statements made and information contained herein in the MD&A constitutes "forward-looking information" and forward-looking statements" within the meaning of applicable securities legislation (collectively, "forward-looking information" or "forward-looking statements") concerning the business, operations, financial performance and condition of Highway 50 Gold Corp. The forward-looking information contained in this MD&A is based on information available to the Company as of the date of this MD&A. Except as required under applicable securities legislation, the Company does not intend, and does not assume any obligation, to update this forward-looking information. Generally, any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance, (often, but not always, identified by words or phrases such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "projects", "estimates", "budgets", "scheduled", "forecasts", "assumes", "intends", "strategy", "goals", "objectives", "potential", "possible", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events, conditions or results "will", "may", "could", "would", "should", "might" or "will be taken", "will occur" or "will be achieved" or the negative connotations thereof and similar expressions) are not statements of historical fact and may be forward-looking statements.

All statements other than statements of historical fact may be forward-looking statements. Forward-looking information is necessarily based on estimates and assumptions that are inherently subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to: risks and uncertainties relating to, among other things, the inherent uncertainties regarding mineral resource estimates, cost estimates, changes in commodity prices, currency fluctuation, financings, unanticipated resource grades, infrastructure, results of exploration activities, cost overruns, availability of materials and equipment, timeliness of government approvals, taxation, political risk and related economic risk and unanticipated environmental impact on operations, personnel, ability to finance and outlook, as well as other risks, and uncertainties and other factors, including, without limitation, those referred to in the "Risks and Uncertainties" section of the MD&A, and elsewhere, which may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information.

Forward-looking information is based on certain assumptions that the Company believes are reasonable, including that the current price of and demand for commodities will be sustained or will improve, the supply of commodities will remain stable, that the general business and economic conditions will not change in a material adverse manner, that financing will be available if and when needed on reasonable terms

and that the Company will not experience any material labour dispute, accident, or failure of plant or equipment. These factors are not, and should not be construed as being, exhaustive. Although the Company has attempted to identify important factors that would cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated, or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. All of the forward-looking information contained in this document is qualified by these cautionary statements. Readers are cautioned not to place undue reliance on forward-looking information due to the inherent uncertainty thereof. Statements relating to “mineral resources” are deemed to be forward looking information, as they involve the implied assessment, based on certain estimates and assumptions, that the mineral resources described can be profitably produced in the future.

The users of this information, including but not limited to investors and prospective investors, should read it in conjunction with all other disclosure documents provided including but not limited to all documents filed on SEDAR+ (www.sedarplus.ca).