



**P A S O F I N O   G O L D**

**INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS –  
QUARTERLY HIGHLIGHTS  
THREE AND SIX MONTHS ENDED OCTOBER 31, 2021  
(EXPRESSED IN CANADIAN DOLLARS)**

**Pasofino Gold Limited**  
**Management's Discussion & Analysis – Quarterly Highlights**  
**Three and Six Months Ended October 31, 2021**  
**Dated: December 30, 2021**

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The following interim Management's Discussion and Analysis ("Interim MD&A") of Pasofino Gold Limited (the "Company" or "Pasofino") for the three and six months ended October 31, 2021, has been prepared to provide material updates to the business operations, liquidity and capital resources of the Company since its last annual management discussion & analysis, being the Management's Discussion & Analysis ("Annual MD&A") for the year ended April 30, 2021. This Interim MD&A does not provide a general update to the Annual MD&A, or reflect any non-material events since the date of the Annual MD&A.

This Interim MD&A has been prepared in compliance with section 2.2.1 of Form 51-102F1, in accordance with National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the Annual MD&A, audited annual consolidated financial statements of the Company for the years ended April 30, 2021 and 2020, together with the notes thereto, and unaudited condensed interim consolidated financial statements of the Company for the three and six months ended October 31, 2021 and 2020, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The Company's unaudited condensed interim consolidated financial statements and the financial information contained in this Interim MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee. The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Standard 34, Interim Financial Reporting. Accordingly, information contained herein is presented as of December 30, 2021, unless otherwise indicated.

For the purposes of preparing this Interim MD&A, management, in conjunction with the Board of Directors (the "Board"), considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Further information about the Company and its operations is available on the Company's website at [www.pasofinogold.com](http://www.pasofinogold.com) or on SEDAR at [www.sedar.com](http://www.sedar.com).

This Interim MD&A contains forward-looking information as further described in the "Cautionary Note Regarding Forward-Looking Statements" at the end of this Interim MD&A. Please also make reference to those risk factors identified or otherwise indirectly referenced in the "Risks and Uncertainties" section below.

### **Description of Business and Nature of Operations**

Pasofino is a Canadian-based mineral exploration company and trades on the TSX-V Exchange ("TSXV") under the symbol VEIN, on the Frankfurt Exchange under the symbol N071 and on the OTCBQ Venture Market under the symbol EFRGF. Pasofino has an option to earn a 49% economic interest (prior to the issuance of the Government of Liberia's 10% carried interest) in the Dugbe Gold Project in Liberia.

The principal business of the Company is the acquisition, exploration and development of mineral properties. On September 17, 2020, the Company completed the acquisition of ARX Resources Limited ("ARX").

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**Financial and Operating Highlights**

**Corporate**

On May 6, 2021, the Company completed its previously announced marketed public offering (the "Offering") of common shares in the capital of the Company (the "Offered Shares"), raising aggregate gross proceeds of \$9,000,005. The Offering was conducted on a best-efforts agency basis by Stifel GMP as sole agent and book-runner (the "Agent"). Pursuant to the Offering, the Company issued 9,183,679 Offered Shares at a price of \$0.98 per Offered Share (the "Issue Price"). As consideration for its services in connection with the Offering, the Agent received (i) a cash commission equal to 7% of the gross proceeds from the sale of the Offered Shares, and (ii) non-transferable broker warrants as is equal to 7% of the aggregate number of Offered Shares sold pursuant to the Offering, with each broker warrant exercisable to purchase one common share in the capital of the Company at the Issue Price until November 6, 2022.

On May 27, 2021, the Company announced that it closed a transaction pursuant to an agreement with QC Copper & Gold Inc. ("QC Copper") whereby Pasofino sold its 50% interest in the Roger Property. Terms of the transaction:

- Pasofino transferred its 50% interest in the project to QC Copper.
- Pasofino received \$1,000,000 (received) in cash and 1,150,000 common shares of QC Copper (received and valued at \$241,500).
- The other 50% interest will remain with SOQUEM Inc. ("SOQUEM").

On June 24, 2021, the Company granted 2,664,278 stock options to directors and officers. The stock options have an exercise price of \$1.40 per share, are valid for a 5-year period from the date of grant and are subject to regulatory approval. The options vest at one quarter every three months with the first quarter vesting on date of grant date.

On July 22, 2021, the Company completed a share consolidation of its share capital on the basis of fourteen (14) existing common shares for one (1) new common share consolidation. All common shares, per common share amounts, warrants and stock options in these consolidated financial statements have been retroactively restated to reflect the share consolidation.

On August 26, 2021, the Company agreed with the independent and non-executive directors to issue 36,195 common shares ("Debt Shares") to such directors in exchange for the cancellation of \$55,741 of director fees owing, after deduction of applicable withholding taxes. The Debt Shares were issued at a price of \$1.54.

On September 9, 2021, 85,952 warrants with an exercise price of \$1.68 expired unexercised.

On September 22, 2021, 1,467,214 warrants with an exercise price of \$5.60 expired unexercised.

On December 6, 2021, the Company announced a non-brokered private placement of common shares at \$0.70 (or US\$0.55) per share for gross proceeds of up to US\$5,500,000. Approximately US\$4,500,000 of the offering (being 8,225,092 common shares) has been subscribed for by Esan Eczacibasi Endustriyel Hammaddeler Sanayi ve Ticaret Anonim Sirketi ("ESAN"), a Turkish mining company. ESAN has been

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granted the right to nominate one director of the Board of the Company and a right to maintain its shareholding interest in the Company should the Company raise additional funds in the future by way of private placement or prospectus offering. The private placement is subject to certain closing conditions including, but not limited to, the receipt of all necessary approvals including the approval of the TSXV and applicable securities regulatory authorities. At the date of this report, the Company had received TSX approval for the first tranche of this placement and have received \$3,338,645 for issuance of 4,769,493 common shares. The remaining proceeds are expected to be received in the second tranche, pending approval of certain regulatory requirements for closing.

### **Trends and Economic Conditions**

Management regularly monitors economic conditions and estimates their impact on the Company's operations and incorporates these estimates in both short-term operating and longer-term strategic decisions.

Due to the worldwide COVID-19 pandemic, material uncertainties may arise that could influence management's going concern assumption. Management cannot accurately predict the future impact COVID-19 may have on:

- Global gold prices;
- Demand for gold and the ability to explore for gold;
- The severity and the length of potential measures taken by governments to manage the spread of the virus, and their effect on labour availability and supply lines;
- Availability of government supplies, such as water and electricity;
- Purchasing power of the Canadian dollar; and
- Ability to obtain funding.

At the date of this Interim MD&A, the Liberian government has not introduced measures that have directly impeded the operational activities of the Company. Although cash in the Company continues to be spent to further advance the project, and all cash inflows are a result of financing arrangements, management believes the business will continue and, accordingly, the current situation has not impacted management's going concern assumption. However, it is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company in future periods.

Apart from these and the risk factors noted under the heading "Risks and Uncertainties", management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's business, financial condition or results of operations.

See "Cautionary Note Regarding Forward-Looking Statements" below.

### **Outlook**

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The Company intends to continue exploration and development work at the Dugbe Gold Project in Liberia in connection with the earn-in arrangement with Hummingbird Resources PLC.

There is no assurance that equity capital will be available to the Company in the future in the amounts or at the times desired or on terms that are acceptable to the Company, if at all. See "Risks and Uncertainties" below.

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**Financial Highlights**

Three months ended October 31, 2021 compared with three months ended October 31, 2020

The Company's net loss totaled \$4,305,642 for the three months ended October 31, 2021, with basic and diluted loss per share of \$0.14. This compares with a net loss of \$34,900,710 with basic and diluted loss per share of \$2.37 for the three months ended October 31, 2020. The Company had no revenue in both periods presented. The decrease in net loss was principally due to:

- Exploration and Feasibility Study related expenses decreased to \$2,621,303 for the three months ended October 31, 2021, compared to \$34,125,389 for the three months ended October 31, 2020. The decrease of \$31,504,086 can be attributed to the acquisition of ARX and the associated costs of exploration activities on the Dugbe Gold Project during the previous quarter. Refer to the heading "Mineral Exploration Properties" below for a summary of the Company's exploration programs for Pasofino's property portfolio.
- Professional fees decreased in the three months ended October 31, 2021, to \$243,609 compared with \$282,475 for the same period in 2020, primarily due to lower corporate activity requiring external professional support services.
- Share-based payments increased in the three months ended October 31, 2021, to \$996,238 compared with \$nil for the three months ended October 31, 2020. The increase is due to 2,664,278 stock options granted to directors and officers during the on June 24, 2021. The Company expensed its stock options in accordance with the vesting terms of the stock options granted.
- All other expenses related to general working capital purposes.

Six months ended October 31, 2021 compared with six months ended October 31, 2020

The Company's net loss totaled \$8,783,415 for the six months ended October 31, 2021, with basic and diluted loss per share of \$0.28. This compares with a net loss of \$35,322,525 with basic and diluted loss per share of \$3.19 for the six months ended October 31, 2020. The Company had no revenue in both periods presented. The decrease in net loss was principally due to:

- Exploration and Feasibility Study related expenses decreased to \$6,458,683 for the six months ended October 31, 2021, compared to \$34,295,476 for the six months ended October 31, 2020. The decrease of \$27,836,793 can be attributed to the acquisition of ARX and the associated costs of exploration activities on the Dugbe Gold Project. Refer to the heading "Mineral Exploration Properties" below for a summary of the Company's exploration programs for Pasofino's property portfolio.
- Professional fees increased in the six months ended October 31, 2021, to \$399,684 compared with \$337,474 for the same period in 2020, primarily due to higher corporate activity requiring external professional support services.

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- Share-based payments increased in the six months ended October 31, 2021, to \$2,186,704 compared with \$nil for the six months ended October 31, 2020. The increase is due to 2,664,278 stock options granted to directors and officers during the six months ended July 31, 2021 compared to nil for the same period in 2020. The Company expenses its stock options in accordance with the vesting terms of the stock options granted.
- All other expenses related to general working capital purposes.

The Company's total assets on October 31, 2021 were \$872,129 (April 30, 2021 - \$2,834,658) against total liabilities of \$1,345,788 (April 30, 2021 - \$5,051,952). The decrease in total assets of \$1,962,529 resulted from share issue costs of \$684,715 and exploration expenses and operating costs which was offset by 1,150,000 common shares of QC Copper received and valued at \$241,500 from the sale of 50% interest in the Roger Property and cash proceeds of \$7,098,978 from the shares issued for cash. The Company does not have sufficient current assets to pay its existing liabilities of \$1,345,788 at October 31, 2021. However, as of the date of filing this report, the Company has secured financing of approximately \$7,000,000 to fully fund its operations, including completion of the feasibility study.

### **Cash Flows**

At October 31, 2021, the Company had cash of \$645,958. The decrease in cash of \$1,279,998 from the April 30, 2021 cash balance of \$1,925,956 was a result of cash outflows in operating activities of \$8,091,930, cash inflows in investing activities of \$397,669 and cash inflows in financing activities of \$6,414,263. Operating activities were affected by adjustments of depreciation of \$10,106, share-based payments of \$2,186,704, unrealized gain on marketable securities of \$15,064, realized gain on marketable securities of \$186,366, shares received in connection with sale of property interest of \$241,500 and net change in non-cash working capital balances of \$1,062,395 because of an increase in sales tax receivables of \$11,036, a decrease in prepaid expenses of \$66,011, a decrease in advance of \$460,186 and a decrease in accounts payable and accrued liabilities of \$1,577,556.

Cash provided by investing activities was \$397,669 for the six months ended October 31, 2021. Investing activities were affected by proceeds from sale of marketable securities of \$498,314 which was offset by share issue costs of \$100,645.

Cash provided by financing activities was \$6,414,263 for the six months ended October 31, 2021. Financing activities were affected by proceeds from shares issued for cash of \$7,098,978 which was offset by share issue costs of \$684,715.

### **Liquidity and Capital Resources**

The Company's cash position as at October 31, 2021 was \$645,958 (April 30, 2021 - \$1,925,956).

At October 31, 2021, the Company had an accumulated deficit of \$67,349,328 (April 30, 2021 - \$58,565,913), expects to incur further losses in the development of its business, and had a net working capital deficit of \$519,142 (April 30, 2021 – deficiency of \$2,272,883).

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Pasofino's financial instruments consists of cash, marketable securities and amounts payable and other liabilities. Pasofino estimates that the fair value of its financial instruments approximate its carrying values.

Subsequent to October 31, 2021, the Company secured financing of approximately \$7,000,000 to fully fund its operations, including completion of the feasibility study and its ability to earn-in 49% of the Dugbe project. At this time, the Company will rely on its ability to obtain additional equity or debt financing for the foreseeable future. Although the Company was successful during the year in obtaining financing, there is no guarantee that it will be able to obtain adequate financing in the future or that such financing will be advantageous to the Company. See also the discussion under the heading "Risks and Uncertainties" in the Interim MD&A.

The Company's working capital deficit of \$519,142 at October 31, 2021 is not adequate for it to continue operations for the twelve-month period ending October 31, 2022. However, the subsequent financing raise of approximately \$7,000,000 provides sufficient cash flow to meet the company's short-term needs.

### **Mineral Exploration Properties**

#### **Property Description**

##### *Roger Gold-Copper Project*

Pasofino had a 50% interest in the 987-hectare Roger Gold-Copper Project pursuant to a joint venture agreement with SOQUEM. Roger is located 5 km north of Chibougamau, Quebec.

On March 15, 2021, the Company completed all conditions to earn its 50% ownership interest in the Roger Property.

On May 27, 2021, the Company closed a transaction pursuant to an agreement with QC Copper, whereby Pasofino sold its 50% interest in the Roger Property. Terms of the transaction:

- Pasofino transferred its 50% interest in the project to QC Copper.
- Pasofino received \$1,000,000 in cash (received) and 1,150,000 common shares of QC Copper (received and valued at \$241,500).
- The other 50% interest will remain with SOQUEM.

##### *Dugbe Gold Project*

On September 17, 2020, the Company completed the acquisition of ARX. ARX is party to an earn-in agreement with Hummingbird Resources PLC ("Hummingbird PLC") in respect of the Dugbe Gold Project in Liberia (the "Dugbe Gold Project") whereby, in accordance with the earn-in agreement, as amended (the "Option Agreement"), ARX has an earn-in option for a 49% economic interest into the Dugbe Gold Project (prior to the issuance of the Government of Liberia's 10% carried interest) subject to the satisfaction of earn-in conditions. When the 10% carried interest is issued by Hummingbird Resources (Liberia) Inc. ("Hummingbird Liberia") to the Government of Liberia, the interest earned or held by ARX will be a 44.1% economic interest (consisting of a 39% shareholding interest in Hummingbird Liberia and economic rights in 5.1% of the equity securities of Hummingbird Liberia held by Hummingbird PLC). In addition,

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Hummingbird PLC will transfer to ARX 49% of the intercompany loans owing by Hummingbird Liberia to Hummingbird PLC.

In order to earn its interest under the Option Agreement, ARX is required to complete a Feasibility Study, under joint management committee oversight, on the Dugbe Gold Project and cover the overhead and operating costs associated with the Dugbe Gold Project during the two year earn-in period. This work is estimated to be US\$10,000,000 (\$12,462,000) over the earn in period. In addition, ARX is required to fund during the term of the Option Agreement approximately US\$700,000 of the payment obligations of Hummingbird Liberia under the Mineral Development Agreement with the Government of Liberia.

The two-year period may be extended for up to twelve additional one month periods upon the payment of \$1,000,000 before the expiry of each previous period.

The Project is subject to a net smelter return royalty of 5% - 5.5%.

On November 10, 2020, the Company announced that Hummingbird Liberia has exercised its option to acquire the "Central License" located and encompassed centrally within the Dugbe Gold Project.

**Operational update**

The table below summarizes the Company's exploration and Feasibility Study work between May 1 and October 31, 2021, on all of its properties and total expenditures incurred to date. Exploration work between May 1 and October 31, 2021, has focussed on drilling and Mineral Resource Estimates at the Dugbe F and Tuzon deposits for which updated Mineral Resource Estimates were reported on November 21, 2021. A limited amount of surface exploration was also carried out to identify new drill targets. A considerable amount of field work and testwork for the Feasibility Study was completed.

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*Table A – Mineral Exploration Properties*

Property/Project	Activities Completed (Six Months Ended October 31, 2021)	Plans for the Project in 2022	Spent
Dugbe Gold Project	<p>All resource drilling was completed in June 2021. At the Tuzon deposit 18 holes for 4248.68 m were completed during the period. At the Dugbe F deposit 2 holes for 82.55 m were completed.</p> <p>At undrilled targets in the Dugbe F, Tuzon and Sackor areas the following was completed: 12 trenches with 1887 lateral metres of sampling. 42 auger holes totaling 291.5 metres.</p> <p>6582 drill core samples and 1073 trench and auger samples (including QAQC samples) were submitted to the laboratory for gold analysis.</p> <p>During November 2021 the updated Mineral Resource Estimates for the Dugbe F and Tuzon deposits were completed and reported to the market on the 22 November 2021.</p> <p>Feasibility Study work was ongoing including process design, infrastructure geotechnical investigation, tailings storage facility field work investigation, electrical power generation studies and geoscience studies.</p>	<p>Drill-test the priority targets from the regional exploration work</p> <p>Complete DFS by end June 2022</p>	\$6,456,936

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	This included drilling of 21 shallow geotechnical drillholes and excavation of 79 geotechnical pits at various sites within the plant, tailings and infrastructure layout.		
	The ESIA study progressed with baseline field work investigations ongoing.	ESIA to be submitted in Q1 2021	
<b>Total exploration expenditures</b>			<b>\$6,456,936</b>

**Technical Information**

Andrew Pedley, Pr.Sci.Nat., is the “qualified person”, within the meaning of NI-43,101, who has approved all scientific and technical information disclosed in this Interim MD&A relating to *Table A – Mineral Exploration Properties* under the heading “Mineral Exploration Properties”. Mr. Pedley is a full-time consultant of the Company. He is also a member in good standing with the South African Council for Natural Scientific Professions (SACNASP).

**Related Party Transactions**

During the three and six months ended October 31, 2021 and 2020, the Company entered into the following transactions with related parties:

Summary compensation of key management:

<b>Names</b>	<b>Three Months Ended October 31, 2021 (\$)</b>	<b>Three Months Ended October 31, 2020 (\$)</b>	<b>Six Months Ended October 31, 2021 (\$)</b>	<b>Six Months Ended October 31, 2020 (\$)</b>
Legal fees <sup>(1)</sup>	52,410	253,421	134,587	253,421
Management fees	304,874	37,000	616,892	52,000
Director fees	52,500	nil	105,000	nil
Salaries included in exploration and evaluation expenditures	44,299	77,604	87,632	77,604
Share-based payments	741,368	nil	1,620,839	nil
<b>Total</b>	<b>1,195,451</b>	<b>368,025</b>	<b>2,564,950</b>	<b>368,025</b>

<sup>(1)</sup> A firm provides to the Company legal services of which a member of the Board of Director of the Company is also a partner of the firm. During the three and six months ended October 31, 2021, \$52,410 and

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\$101,418, respectively (three and six months ended October 31, 2020 - \$18,011) of fees paid to this firm are included as professional fees and \$nil and \$33,169, respectively (three and six months ended October 31, 2020 - \$235,410) as share issue costs. As at October 31, 2021, the Company has a balance payable for \$50,808 (April 30, 2021 - \$144,985) to this firm. The amounts payable are unsecured, non-interest bearing and have no fixed terms of repayment.

Related parties include the Board and management, close family and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

As at October 31, 2021, the Company has a balance payable of \$32,000 to certain directors (April 30, 2021 - \$115,507) which is due on demand, unsecured and non-interest bearing.

On May 6, 2021, the Company completed a marketed public offering of common shares in the capital of the Company, raising aggregate gross proceeds of \$9,000,005 comprised of the sale of 9,183,679 common shares at a price of \$0.98 per common share. Directors and officers of the Company have subscribed for 377,566 shares through payment of proceeds in the amount of \$370,015.

On August 26, 2021, the Company agreed with the independent and non-executive directors to issue 36,195 common shares ("Debt Shares") to such directors in exchange for the cancellation of \$55,741 of director fees owing, after deduction of applicable withholding taxes. The Debt Shares were issued at a deemed price of \$1.54, in accordance with the policies of the TSXV.

On May 25, 2020, the Company completed a non-brokered private placement for aggregate gross proceeds of \$6,000,000 comprised of the sale of 8,571,429 common shares at a price of \$0.70 per common share. Directors and officers of the Company have subscribed for 492,857 shares through payment of proceeds in the amount of \$345,000.

### **Adoption of New Accounting Policies**

#### **Marketable securities**

The Company's short-term investments are measured at fair value through profit or loss ("FVPL"). Financial assets measured at FVPL are carried at fair value in the unaudited condensed interim statements of financial position with changes in fair value recognized in the unaudited condensed interim consolidated statements of loss and comprehensive loss. The marketable securities are classified as Level 1 in the fair value hierarchy.

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**Amendments to Prior Period**

Amendments were made to certain financial statement line items for the comparative period ending October 31, 2020 to correct the exploration expenses in that period. Those changes were as follows:

<b>Condensed Interim Consolidated Statements of Loss and Comprehensive Loss – Six Months Ended October 31, 2020</b>	<b>Original figure (\$)</b>	<b>Amended figure (\$)</b>
Exploration expenses	34,120,096	34,295,476
Depreciation	23,837	nil
Net loss and comprehensive loss for the period	(35,170,982)	(35,322,525)
Basic and diluted loss per share	(3.17)	(3.19)

<b>Condensed Interim Consolidated Statements of Loss and Comprehensive Loss – Three Months Ended October 31, 2020</b>	<b>Original figure (\$)</b>	<b>Amended figure (\$)</b>
Exploration expenses	33,950,009	34,125,389
Depreciation	23,837	nil
Net loss and comprehensive loss for the period	(34,749,167)	(34,900,710)
Basic and diluted loss per share	(2.36)	(2.37)

<b>Condensed Interim Consolidated Statements of Cash Flows – Six Months Ended October 31, 2020</b>	<b>Original figure (\$)</b>	<b>Amended figure (\$)</b>
Net loss for the period	(35,170,982)	(35,322,525)
Depreciation	23,837	nil
Advance	nil	(752,437)
Accounts payable and accrued liabilities	674,534	1,125,640
Purchase of property and equipment	(476,711)	nil

<b>Condensed Interim Consolidated Statements of Changes in Shareholders' Equity (Deficiency) – Six Months Ended October 31, 2020</b>	<b>Original figure (\$)</b>	<b>Amended figure (\$)</b>
Deficit	(47,880,034)	(48,031,577)

**Disclosure of Internal Controls**

Management has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence to ensure that the unaudited condensed interim consolidated financial statements (i) do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, and (ii) fairly present in all material respects the financial

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condition, results of operations and cash flow of the Company, in each case as of the date of and for the periods presented by such statements.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 - Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate filed by the Chief Executive Officer and Chief Financial Officer of the Company does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as such terms are defined in NI 52-109. In particular, the certifying officers filing such certificate are not making any representations relating to the establishment and maintenance of:

- (i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the Company 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
- (ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of unaudited condensed interim consolidated financial statements for external purposes in accordance with IFRS.

The Company'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 such certificate. Investors should be aware that inherent limitations on the ability of the Company's certifying officers of a venture issuer to design and implement, on a cost effective basis, DC&P and ICFR may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports required to be provided under securities legislation.

### **Risks and Uncertainties**

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position. Please refer to the section entitled "Risks and Uncertainties" in the Company's Annual MD&A for the year ended April 30, 2021, available on SEDAR at [www.sedar.com](http://www.sedar.com).

### **Cautionary Note Regarding Forward-Looking Statements**

This Interim MD&A contains certain "forward-looking information" as defined in applicable securities laws (collectively referred to herein as "**forward-looking statements**"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "budgeted", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results "may", "could", "would", "should", "might" or

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**Three and Six Months Ended October 31, 2021**  
**Dated: December 30, 2021**

“will” be taken, occur or be achieved. The forward-looking statements in this Interim MD&A speak only as of the date of this Interim MD&A or as of the date specified in such statements. The following table outlines certain significant forward-looking statements contained in this Interim MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

<b>Forward-looking statements</b>	<b>Assumptions</b>	<b>Risk factors</b>
The Company's working capital deficit of \$519,142 at October 31, 2021 is anticipated to be adequate for it to continue operations for the twelve-month period ending October 31, 2022	The operating and exploration activities of the Company for the twelve-month period ending October 31, 2022, and the costs associated therewith, will be consistent with the Company's current expectations; and equity markets, exchange and interest rates and other applicable economic conditions will be favourable to the Company	Unforeseen costs to the Company will arise; ongoing uncertainties relating to the COVID-19 pandemic; any particular operating cost increase or decrease from the date of the estimation; changes in operating and exploration activities; changes in economic conditions; timing of expenditures
The Company's properties may contain economic deposits of minerals	The actual results of the Company's exploration and development activities will be favourable; operating, exploration and development costs will not exceed the Company's expectations; all requisite regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to the Company, and applicable political and economic conditions are favourable to the Company; the price of applicable commodities and applicable interest and exchange rates will be favourable to the Company; no title disputes exist or will arise with respect to the Company's properties; and the Company has or will obtain adequate property rights to support its exploration and development activities	Commodity price volatility; ongoing uncertainties relating to the COVID-19 pandemic; uncertainties involved in interpreting geological data and confirming title to acquired properties; inability to secure necessary property rights; the possibility that future exploration results will not be consistent with the Company's expectations; increases in costs; environmental compliance and changes in environmental and other applicable legislation and regulation; interest rate and exchange rate fluctuations; changes in economic and political conditions
The Company's anticipated business plans, including costs	The exploration activities of the Company and the costs	Commodity price volatility; ongoing uncertainties relating

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<p>and timing for future exploration on its property interests and acquisitions of additional mineral resource properties or interests therein</p>	<p>associated therewith, will be consistent with the Company's current expectations; and equity markets, exchange and interest rates and other applicable economic conditions will be favourable to the Company; financing will be available for the Company's exploration and development activities on favourable terms; the Company will be able to retain and attract skilled staff; all applicable regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to the Company; the Company will not be adversely affected by market competition; the price of applicable commodities will be favourable to the Company; no title disputes exist or will arise with respect to the Company's properties; the Company has or will obtain adequate property rights to support its exploration and development activities; and the Company will be able to successfully identify and negotiate new acquisition opportunities</p>	<p>to the COVID-19 pandemic; changes in the condition of debt and equity markets; timing and availability of external financing on acceptable terms may not be as anticipated; the uncertainties involved in interpreting geological data and confirming title to acquired properties; inability to secure necessary property rights; the possibility that future exploration results will not be consistent with the Company's expectations; increases in costs; environmental compliance and changes in environmental and other applicable legislation and regulation; interest rate and exchange rate fluctuations; changes in economic and political conditions; the Company may be unable to retain and attract skilled staff; receipt of applicable permits is subject to governmental and/or regulatory approvals; the Company does not have control over the actions of its joint venture partners and/or other counterparties</p>
<p>Management's outlook regarding future trends and exploration programs</p>	<p>Financing will be available for the Company's exploration and operating activities; the price of applicable commodities will be favourable to the Company; the actual results of the Company's exploration and development activities will be favourable; management is aware of all</p>	<p>Commodity price volatility; ongoing uncertainties relating to the COVID-19 pandemic; changes in the condition of debt and equity markets; interest rate and exchange rate fluctuations; changes in economic and political conditions; the possibility that future exploration results will</p>

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Forward-looking statements	Assumptions	Risk factors
	applicable environmental obligations	not be consistent with the Company's expectations; changes in environmental and other applicable legislation and regulation

Inherent in forward-looking statements are risks, uncertainties and other factors beyond the Company's ability to predict or control. Please also make reference to those risk factors identified or otherwise indirectly referenced in the "Risks and Uncertainties" section above. Readers are cautioned that the above chart does not contain an exhaustive list of the factors or assumptions that may affect the forward-looking statements contained in this Interim MD&A, and that the assumptions underlying such statements may prove to be incorrect. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this Interim MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary note. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.