



**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**For The Nine Months Ended June 30, 2020**

**JUGGERNAUT EXPLORATION LTD.**  
**Management's Discussion and Analysis**  
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## **General**

The Management's Discussion and Analysis ("MD&A), prepared as of August 18, 2020, review and summarize the activities of Juggernaut Exploration Ltd. ("Juggernaut" or the "Company") and compare the financial results for the nine months ended June 30, 2020, with those of the nine months ended June 30, 2019. This information is intended to supplement the unaudited condensed interim financial statements for the nine months ended June 30, 2020 and the related notes thereto, which have been prepared by management in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. All dollar amounts included in this MD&A are stated in Canadian dollars unless otherwise indicated.

The Company's common shares trade on the TSX Venture Exchange ("TSXV") under the symbol "JUGR" and its most recent filings are available on the System for Electronic Document Analysis and Retrieval ("SEDAR") and can be accessed through the Internet at [www.sedar.com](http://www.sedar.com).

## **Company Overview**

The Company is in the business of acquiring, exploring and evaluating mineral resource properties.

In March of 2017, the Company entered into two separate letter agreements with J2 Syndicate Holdings Ltd. (the "Syndicate") and its members (the "Optionors") providing the Company with the right to acquire up to a 100% interest in the 13,445.09 (subsequently increased to 16,671) hectare Midas property situated in the Skeena Mining Division of British Columbia and the 9,740 (subsequently increased to 16,399) hectare Empire property situated in the Omineca Mining Division of British Columbia.

A major exploratory program was launched in early summer of 2017 and due to encouraging results; a comprehensive exploration program was prepared for the summer of 2018. By the end of the 2018 fiscal year, in excess of \$3,500,000 were expended on exploration and drilling activities on the Empire and Midas properties.

The 2018 summer campaign consisted of extensive surface exploration work and multiple drilling targets. The surface exploration included mapping, prospecting, rock and soil sampling and ground geophysics. More detailed structural and alteration mapping and studies were conducted for the purpose to assist in the understanding on the extent and controls on mineralization and to further define the geologic models. The drilling plan included multiple drill targets, both on Midas and Empire properties. All geochemical sample analyses were received and released in the fall and winter.

It was determined additional exploration work was still required on the properties. In October, 2018, the Syndicate and the Company amended the terms of the Company's option on each of the Empire and Midas properties by extending the obligations and payment terms to facilitate the Company to carry on with further exploration work in 2019.

Results obtained during the 2019 exploration work program indicated further geophysical and drilling activities to be planned for Midas in 2020 while those for Empire were not as encouraging. Management decided to suspend further exploration on Empire and all costs incurred to date on the property were written off in fiscal 2019.

In November, 2019, management and the J2 Syndicate amended the terms of the Midas option agreement to enable the Company to continue exploring the property in 2020.

In November, 2019, the Company entered into an agreement with the DSM Syndicate to earn a 100% in the Gold Standard property containing 3,961 hectares located in West Central BC. Preliminary sampling results appeared very encouraging and management had hoped to be in position to drill identified targets this summer. However, the advent of the Covid-19 pandemic delayed the issuance of the drilling permits and the prospects of drilling this summer are now unlikely.

To provide funding to continue the work on Midas and Gold Standard, management closed two non-brokered private placements consisting of both flow-through and non-flow-through units totaling \$944,920 during this fiscal period.

In July, 2020, the Company entered into an agreement to earn a 100% interest in DSM's Gold Star property consisting of 238 hectares located in West Central British Columbia, which is in close proximity to infrastructure and the Gold Standard property. The terms of the agreement provide a total cash payment from effective date to December 15, 2024 of \$750,000 and total exploration expenditures of \$3,000,000. In addition, 5,000,000 common shares of the Company and 1,500,000 warrants will also be issued. The agreement is subject to TSXV's approval and the issuance of an exploration permit by the BC Mining Ministry is also a required condition to finalize the agreement.

### **COVID-19 Estimation Uncertainty**

The outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. The Company may incur significant delays in planned exploration activity, impacting its ability to meet obligations under current regulations or its agreements and may reduce its ability to source financing for future activities. However, it is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and conditions of the Company in future periods at this time.

### **Qualified Person**

From September, 2017 to September 15, 2018, the "Qualified Person" under the guidelines of National Instrument 43-101 of the Canadian Securities Administrators ("NI 43-101") for the Company's projects was Stefan Kruse, Ph.D., P. Geo. Dr. Kruse is a structural geologist specializing in structural controls on mineralization, from prospect to belt scale. Dr. Kruse is a registered professional geologist with the Association of Professional Engineers and Geoscientists of New Brunswick (APEGNB), the Professional Engineers and Geoscientists of Newfoundland and Labrador (PEGNL) and the Engineers and Geoscientists of British Columbia (EGBC).

As at October 12, 2018, the "Qualified Person" under the guidelines of National Instrument 43-101 of the Canadian Securities Administrators ("NI 43-101") for the Company's projects is Stephen Roach, P. Geo, and B.Sc. Geologist. Mr. Roach is an exploration geologist with over 40 years in gold and base metal experience working with both junior explorers and senior miners on greenfield and brownfield projects.

As of August, 2019, the "Qualified Person" under the guidelines of National Instrument 43-101 of the Canadian Securities Administrators ("NI 43-101") for the Company's current exploration projects is Rein Turna. Mr. Turna is a consulting geologist with over 40 years of experience in mineral exploration in Canada. He is a registered professional geologist with the Association of Professional Engineers and Geoscientists of British Columbia since 1993. Mr. Turna has held staff and consulting positions with major and medium mining companies and has managed exploration programs for porphyry, volcanogenic massive sulphide, epithermal and other deposit types.

### **Mineral Properties**

On March 15, 2017, the Company entered into two separate letter agreements (the "Agreements") with J2 Syndicate Holdings Ltd. (the "J2 Syndicate") and its members (the "Optionors") providing the Company with the right to acquire a 100% interest in the Midas property situated in the Skeena Mining Division of British Columbia and the Empire property situated in the Omineca Mining Division of British Columbia (the "Options").

### Empire

Financial terms/commitments are as follows (as amended on April 30, 2018 and October 30, 2018):

Date	Cash \$		Securities		Date	Exploration Expenditures \$	
Effective Date	300,000	<i>paid</i>	820,000 shares 820,000 warrants	<i>issued</i> <i>issued</i>	Dec. 31, 2017	450,000	<i>incurred</i>
Feb. 1, 2019	300,000	<i>paid</i>	N/A		Dec. 31, 2018	500,000	<i>incurred</i>
Mar. 30, 2020	N/A		410,000 shares	<i>issued</i>	Dec. 31, 2019	1,200,000	<i>incurred</i>
Mar. 30, 2021	500,000		410,000 shares		Dec. 31, 2020	1,500,000	
Mar. 30, 2022	500,000		N/A		Dec. 31, 2021	2,000,000	
Mar. 30, 2023	500,000		N/A		Dec. 31, 2022	3,000,000	
Mar. 30, 2024	500,000		N/A		Dec. 31, 2023	5,000,000	
Mar. 30, 2025	500,000		410,000 shares		Dec. 15, 2024	Election/Feasibility Report	
Mar. 30, 2027	1,000,000		N/A		Mar. 30, 2027	Feasibility Report	
Total	4,100,000		2,050,000 shares 820,000 warrants				

During the year ended September 30, 2019, the Company determined it would not proceed with the exploration of the Empire property. Therefore, it recorded an impairment of \$5,659,477 reducing the carrying value to \$Nil.

On November 8, 2019, the Company and the J2 Syndicate entered in an agreement, to which the parties have agreed to further amend the terms of the Company's option on the Midas property.

#### Midas

Financial terms/commitments are as follows (as amended on April 30, 2018, October 30, 2018 and November 8, 2019):

Date	Cash \$		Securities		Date	Exploration Expenditures \$	
Effective Date	300,000	<i>paid</i>	820,000 shares 820,000 warrants	<i>issued</i> <i>issued</i>	Dec. 31, 2017	350,000	<i>incurred</i>
Feb. 1, 2019	300,000	<i>paid</i>	N/A		Dec. 31, 2018	500,000	<i>incurred</i>
Mar. 30, 2020	N/A		410,000 shares	<i>issued</i>	Dec. 31, 2019	1,200,000	<i>incurred</i>
					Sept. 20, 2020	90,000	
					Mar. 30, 2021	(a)	
					Oct. 1, 2021	(a)	
Mar. 30, 2022	-		410,000 shares		Dec. 31, 2022	1,500,000	
Mar. 30, 2023	500,000		410,000 shares		Dec. 31, 2023	2,000,000	
Mar. 30, 2024	500,000		-		Dec. 31, 2024	3,000,000	
Mar. 30, 2025	500,000		-		Dec. 31, 2025	5,000,000	
Mar. 30, 2026	500,000		-		Dec. 31, 2026	Election/Feasibility Report	
Mar. 30, 2027	500,000		410,000 shares		-		
Mar. 30, 2029	500,000		-		Mar. 30, 2029	Feasibility Report	
Total	3,600,000		2,460,000 shares 820,000 warrants				

(a) In consideration for this extension, the Company commits to spend a minimum of \$90,000 on geophysics and complete a minimum of 1,500 meters of drilling on the property by October 1, 2021. The Company has until March 30, 2021 to make an election to complete the drilling and if the Company elects not to proceed on or before March 30, 2021, it can terminate the Midas option without further obligations.

If the Company fails to make the required election within the time permitted, the Agreement will terminate immediately upon notice of termination given by the Optionor to the Company, but the Company will remain contractually obligated to issue 410,000 shares to the J2 Syndicate members by March 30, 2022.

If the Company elects to carry out the 2021 exploration program (the "2021 Program) and completes the 2021 Program by October 1, 2021, the Company will remain contractually obligated to issue 410,000 shares to the J2 Syndicate members by March 30, 2022 and the Agreement will upon such issuance be maintained until December 31, 2022.

If the Company elects to carry out the 2021 Program and fails to complete the 2021 Program by October 1, 2021, the Option will terminate immediately upon notice of termination given by the Optionor to the Company, but the Company will remain contractually obligated to issue 410,000 shares to the J2 Syndicate members by March 30, 2022.

The Company must deliver a written election to the Optionors not later than December 15, 2026 to either have a Feasibility Report prepared or to terminate the Option. If the Company fails to make such an election by December 15, 2026, then the Option may be terminated by the Optionors by notice in writing given by the manager.

Pursuant to each of the Options the Company is required to pay the Optionors a resource bonus of US\$1,000,000 and 1,000,000 (post-consolidation) shares when a NI 43-101 Compliant Technical Report of mineral reserves and mineral resources collectively meet 2,000,000 equivalent ounces of gold on the respective properties and thereafter the Company is required to pay US\$1 per additional equivalent ounce of gold based on subsequent NI 43-101 Compliant Technical Reports.

A 3% royalty ("Royalty") on net smelter returns ("NSR") from all production from each property acquired by the Company will be payable in cash or in kind at the option of the Optionors, with a right of the Company until May 1, 2021 to buy down the Royalty by 1% to 2% for the payment to the Optionors of US\$2,000,000. If the price of gold increases to US\$2,000 per ounce, the Royalty will increase to 4% if it has not previously been bought down to 2% and it will increase to 3% if it has previously been bought down. If the Royalty is at 4% of the Company may reduce it to 2% by the payment of US\$4,000,000 to the Optionors by the date which is the later of the 7th anniversary of the Definitive Agreement or six months after the price of gold reaches the US\$2,000 threshold. If the Royalty is at 4% the Company may reduce it to 3% by the payment of US\$2,500,000 to the Optionors by the date which is the later of the 7th anniversary of the Definitive Agreement or six months after the price of gold reaches a price of US\$2,000.

#### Gold Standard Property

In November, 2019, the Company entered into an agreement with the DSM Syndicate ("Syndicate") to earn a 100% in the Gold Standard property containing 3,961 hectares located in West Central BC.

Financial terms/commitments are as follows (as amended on March 11, 2020):

Date	Cash \$	Securities	Exploration Expenditures \$	Interest Earned
Effective Date	200,000	2,000,000 shares 2,000,000 warrants		
				<i>paid</i>
				<i>issued</i>
Dec. 15, 2021	300,000	3,000,000 shares	500,000	40%
Dec. 15, 2022	400,000	N/A	1,500,000	
Dec. 15, 2023	500,000	2,000,000 shares	2,000,000	60%
Dec. 15, 2024	600,000	3,000,000 shares	2,500,000	100% Subject to NSR
Total	2,000,000	10,000,000 shares 2,000,000 warrants	6,500,000	

In the event that the Company earns a 40% interest but fails to earn a 60% interest, the Syndicate and the Company will form a standard joint venture (60% to the Syndicate and 40% to the Company) consistent with the Rocky Mountain form of joint venture including standard dilution provisions. In the event that the Company earns a 60% interest but fails to earn a 100% interest the Syndicate, the Company will form a standard joint venture with the Syndicate having a 51% interest and the Company having a 49% interest, such joint venture consistent with the Rocky Mountain form of joint venture including standard dilution provisions.

All cash, NSR royalty payments and shares and warrants issuable hereunder shall be allocated and issued or paid to the members of the Syndicate excluding the Company which is a member of the Syndicate. The December 15, 2021 cash Option payment and all cash Option payments made thereafter will, subject to exercise of the Option, be deemed to be Advance Royalties. An Advance Royalty of \$100,000 per year will be payable on December 15 of each year after exercise of the Option until the first royalty payment after commencement of commercial production.

A 3% royalty (“Royalty”) on net smelter returns (“NSR”) from all production from the property acquired by the Company will be payable in cash, with a right of the Company until December 15, 2024 to buy down the Royalty by 1% for the payment to the optionors (excluding the Company) of US\$2,000,000. Production from the property includes all minerals (as defined in the *Mineral Tenure Act* [B.C.]) and other marketable materials, in whatever form or state, produced from the property and includes, without limitation, gold, silver, platinum, platinum group elements and other precious metals, copper, lead and zinc and other base metals, and sand, gravel, graphite, barite and other industrial minerals and materials. The Royalty will be registered in the office of the Gold Commissioner for B.C. and a security interest in the mineral claims and any after-acquired mineral lease will be registered in the B.C. Personal Property Security Register. If and when NI 43-101 mineral reserves (proven and probable categories) and mineral resources (measured, indicated and inferred categories) on the Property collectively meet 2,000,000 equivalent ounces of gold with a minimum cut off grade of 0.05 grams per ton gold the Company will pay to the Syndicate US\$1 per equivalent ounce of gold based on each Resource Report produced (the “Resource Bonus”) including subsequent Resource Reports that report on additional equivalent ounces of gold as further exploration and development takes place. The resource bonus is to be applied as an advanced royalty payment.

### **Investment in DSM Syndicate**

During the year ended September 30, 2017, pursuant to the amendments to the Midas and Empire properties, the Company acquired a 20% interest in DSM Syndicate Holdings Ltd. (“DSM Syndicate”) at a cost of \$500,000. The DSM Syndicate was formed to pool geological and other knowledge and expertise relating to certain properties identified in an area in northwestern British Columbia, finance and carry out an acquisition and exploration program and market any resulting property interests with the intention to option or sell the property interests. Management has determined that the cost of its investment of \$500,000 is the most reliable measure of its fair value as there is a lack of observable date or other means to determine fair value. As of June 30, 2020, there are no indicators that amount invested is not recoverable.

### **Midas Property**

#### **Location and Infrastructure**

The Midas Property is located approximately 24 kilometers southeast of Terrace, British Columbia in the Skeena Mining Division and covers an area of 16,671.3 hectares (Fig 1). The property boundary is 14 kilometers east of a major highway and power line and is locally road accessible. The topography consists of rugged alpine to sub-alpine topography, with elevations up to 1,600 meters.

#### **Geology**

The Midas Property is underlain regionally by the Paleozoic Mount Attree (324 to 325 Ma) and Mesozoic Telkwa formations (204-205.5 Ma) and are part Stikine assemblage of Stikinia. The Uppermost Triassic-Lower Jurassic rocks of the Telkwa Formation (Hazelton Group) unconformably overlies the Mt. Attree Formation older rocks and are in turn overlain by upper Hazelton. Small Early Jurassic intrusions of the Kleanza Pluton have been recognized in the northern part of Midas. The Eocene Williams Creek Pluton (granodiorite) is located in the western part of the property and crosscuts the Telkwa and Mt. Attree Formations.

The King Solomon Trend (formerly the Solomon Trend) is located in the central part of the Midas Property within the Mt. Attree Formation. It is defined by a series of altered and gossanous metavolcanic dominated sequences, measuring 2.1 kilometers by 1.6 kilometers. Unaltered intermediate to mafic metavolcanic sequences are dominant, and range from fragmentals and volcanoclastics to massive, porphyritic, and pillow flows. Felsic metavolcanics are more prominent along the outer alteration boundaries and are generally fragmentals, ranging from tuff to tuff breccia. There are a series of thin, pre-deformational and younger felsic (felsite, quartz to quartz-feldspar porphyry) and intermediate to mafic (andesite to basaltic andesite) dykes and sills. Although younger, these dyke and sill-like bodies are interpreted to have formed with the emplacement of the volcanic sequences. The younger Williams Creek Pluton crosscuts both metavolcanics and metasediments, and in turn, are cross-cut by diabase and gabbroic dykes and biotite-rich lamprophyres. The geochemical nature of these volcanic assemblages, with the recognition of a volcanic center/synvolcanic dykes and sills, suggest these formed in an arc-related tectonic setting. The area was later subject to regional low to medium grade greenschist metamorphism as well locally higher-grade contact metamorphism by the emplacement of the Williams Creek Pluton.

Work by the British Columbia Geological Survey (McKeown et al., 2008) concluded that the alteration and mineralization observed on the Midas property is consistent with a Kuroko-style volcanogenic massive sulphide (VHMS) system. VHMS-related alteration and mineralization has been overprinted by both orogenic and regional deformation resulting in the emplacement of foliation-parallel veins and structurally controlled remobilization and enrichment of prior mineralization. The Tulsequah Chief deposit has similar characteristics to the King Solomon Trend with respect to host rock and age, alteration, and metallogeny of the deposit. However, structural controls vary.

### **Historical Exploration**

Placer gold was first recovered in the Terrace area as early as 1884 with the first mineral claims staked and recorded in 1893 (Kindle – 1937). At the turn of the century, minerals containing gold, silver, copper, located lead, zinc, molybdenum, and tungsten were found in deposits on Thornhill and Kleanza mountains a few miles east and southeast of Terrace (Kindle – 1937). The primary target was small and high-grade precious and base metal-quartz-sulphide veins in the Telkwa Formation, with Au, Ag, Mo, Cu, Zn, Pb and W being recovered from various small underground and placer operations (Kindle, 1937). A summary of the historical exploration completed on the Midas property and Terrace area is provided in Table 1.

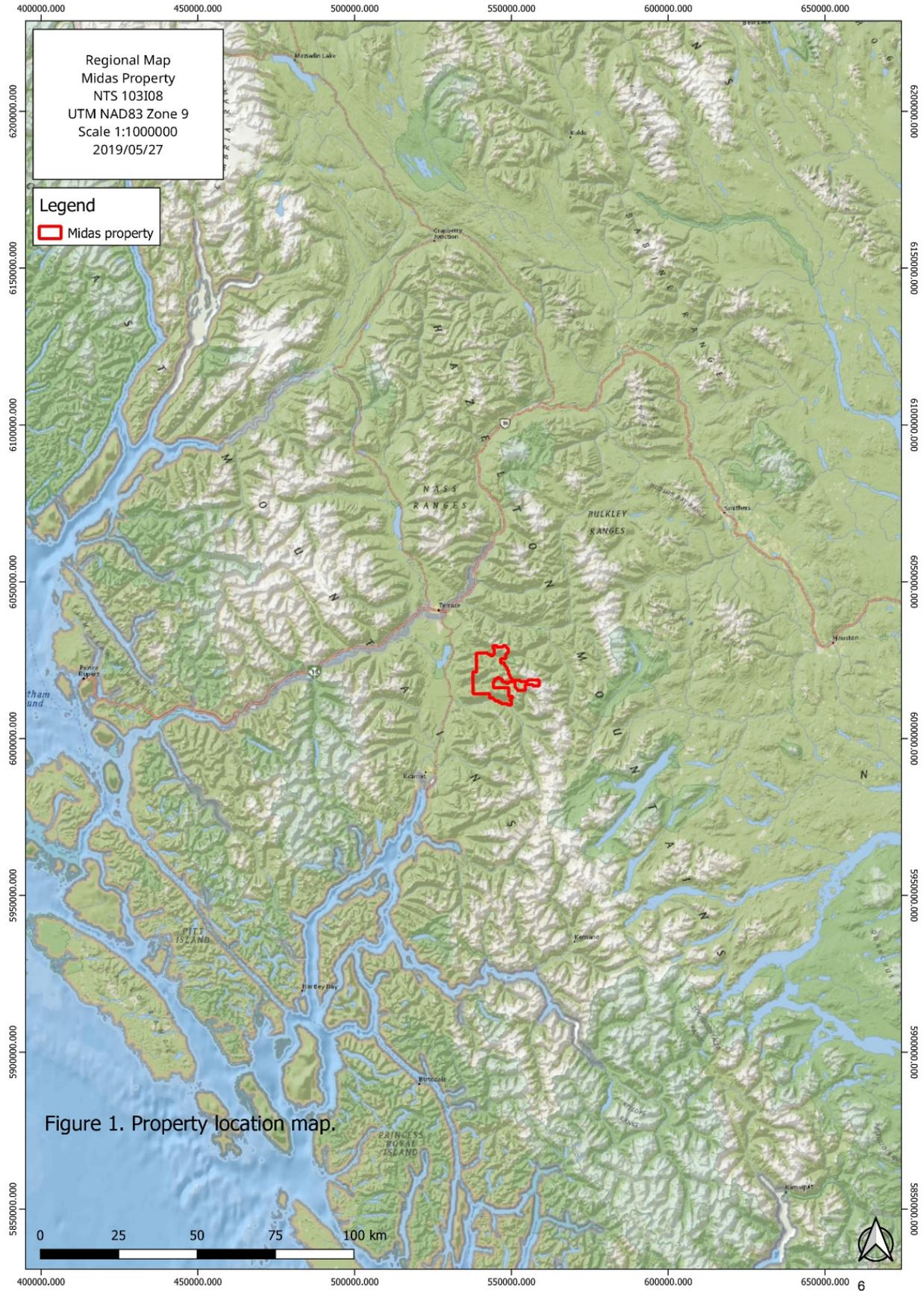


Figure 1. Property location map.

Table 1 – Summary of Historical Exploration Work of Midas

<i>Company/Individual</i>	<i>Year</i>	<i>ARIS MINFIL E</i>	<i>Area</i>	<i>Description</i>
<b>Juggernaut Exploration</b>	2017	37538, 36907	King Solomon Trend	A SkyTEM 312M aerial electromagnetic (EM) and magnetics survey totaling 733-line kilometers, delineated several EM and MAG anomalies throughout the Midas property. Surficial exploration work consisted of mapping and alteration studies, as well as prospecting and a wide range of rock and soil sampling. A total of 1000 rock samples were collected, with 472 grabs/chip samples and 528 channel / channel grab samples. A total of 1004 soil samples and 214 talus fines were collected. Gold results from the grab, chip, and channel sampling returned values up to 88.9 g/t Au, 315 g/t Ag, 8.19% Cu, 7.74% Pb, and 11.05% Zn. Mean gold value of the soil and talus fine samples is 27 ppb (median value of 10 ppb and an SD of 265). Background Au in soil in this area is less than 10 ppb. Additional work included acquisition and interpretation of high-resolution satellite imagery and completion alteration/petrographic study.
<b>J2 Syndicate/Juggernaut Exploration</b>	2016	36876	King Solomon Trend	272 rocks were collected that identified and confirmed four zones within the King Solomon Trend; VG Zone (former Barresi Showing), Sheba Zone, Tut Zone and the Sleeping Giant Zone. Samples from the VG, Sheba and Tut Zones had values up to 19.55 g/t Au, 140 g/t Ag, and up to 1.24% Cu, with anomalous Zn-Pb values (up to 4.34% and 1.95%, respectively). Outlying areas in proximity of the VG Zone returned values up to 9.15 g/t Au, 140 g/t Ag, 3.02% Cu, 0.49% Pb, and 3.30% Zn. Mineralization is associated with thin quartz-sulphide veinlets/stringers, stockwork, and breccia zones in altered metavolcanics. The sleeping giant zone had grab samples of up to 2.52 g/t Au, 128 g/t Ag, 8.11% Cu, and 0.3% Zn. This area is described as an extensive skarn and calc-silicate hosting Cu-Ag-(Au) mineralization adjacent to the Williams Creek Pluton.
<b>Paget Minerals</b>	2011	32563	King Solomon Trend	Mapping and sampling; collected 26 rock samples; highlights include up to 7.8 g/t Au on the Barresi Zone (VG Zone) and 2.86 g/t Au (South Sub-Zone); follow-up of 729.4 meters of diamond drilling in four drill holes with the most significant Au assay returned from CH11-04 grading 4.35 g/t Au / 1.4 meters.
<b>Paget Minerals</b>	2010	Press Release	King Solomon Trend	Mapping & sampling; collected 84 rock samples; results and documentation known from September 29, 2010 press release; highlights from the Barresi Zone (VG Zone) returned grabs up to 687 g/t Au, 735 g/t Ag, and 1.05% Cu.
<b>Paget Minerals</b>	2010	32031	King Solomon Trend – VG Zone	14.4 km magnetometer survey and 7.0 km of fixed loop TDEM survey; magnetic highlights include strong magnetics in the western part of the survey area and magnetic breaks in the eastern part; strong TDEM conductors south of VG South Zone and along the Mabel Flt
<b>Pembroke Mining Corp.</b>	2007	30634	Midas Property – Sub-Oc Area	Sampling and geological evaluation of skarn with Nelson; collected 10 samples; confirmed skarn & calc-silicate hosted high-grade Cu-Zn-Ag mineralization with chip samples returning 93.4 g/t Ag, 6.76% Cu, 0.09% Zn / 20m; grab samples up to 0.13 g/t Au, 9.97% Cu & >1.00% Zn;
<b>Paget Resources</b>	2007	29595	VG Area	Sampling & geological evaluation of mineral occurrences; collected 12 samples; highlights include up to 0.70 g/t Au, 44 g/t Ag, 2.02% Cu, 0.13% Pb, & 0.45% Zn...grab sample on massive sulphide pods in the Mabel Flt returned 0.09 g/t Au, 44 g/t Ag, 2.02% Cu, 0.13% Pb, & 0.26% Zn
<b>Inukshuk Capital Ltd.</b>	1996	25112	South of Chist Creek	Sampling with 41 soil and 1 rock sample; no significant results
<b>Teck Exploration</b>	1996	24509	King Solomon Trend	Mapping and prospecting, collected 35 rock samples and 5 soils; grab highlights from rock samples include up to 0.10 g/t Au, 88.2 g/t Ag, & 4.7% Cu
<b>Pacific Gold Corp.</b>	1990	20678	Gazelle – East & West Creek	Mapping, prospecting/sampling, and evaluation; highlights include 14.0 g/t Au and 38.0 g/t Ag north of VG Zone and 168.8 g/t Ag, 32.25% Pb, and 12.58% Zn from boulder in East Creek; other polymetallic values from grabs up to 4.25 g/t Au, 47.6 g/t Ag, 1.59% Cu, 10.80% Zn, & 2.29% Pb
<b>Ryan Exploration Co</b>	1985	14076	Gazelle – East Creek	Geological mapping at 1:5000 scale covering 2.5 sq km;
<b>Ryan Exploration Co.</b>	1984	12717	Gazelle – East & West Creek	Reconnaissance mapping, prospecting, and 316 rock/soil/stream samples; highlights include grabs up to 7.11 g/t Au in East Creek of Gazelle and a quartz float in West Creek area returned 60.55 g/t Au and 17.0 g/t Ag (2.9 g/t Au) duplicate, anomalous Au, Ag, Cu, Pb, Zn from rock, soil, and stream sampling
<b>Ryan Exploration Co.</b>	1981-83	N/A.	Gazelle	Reconnaissance prospecting and sampling with results not reported over open ground

## Recent Activities

### 2018 Exploration Work

An option agreement was reached between J2-Syndicate Holdings Ltd and Juggernaut Exploration Ltd in 2018. Extensive exploration was conducted in 2018 with detailed geological mapping, prospecting, grab/chip sampling, channel sampling, and soil sampling. A 10.6-line kilometer, ground TITAN-24 DCIP and Spartan MT IP survey was commissioned to by Quantec Geoscience Ltd. During the surface exploration work which led to multiple drill targets was followed-up with diamond drilling. A total of 1977 meters of drilling was completed in 16 diamond drill holes which intersected several polymetallic mineralized zones.

Detailed mapping on the VG Zone revealed the host rocks are brecciated and silicified-(sericitic) andesitic to basaltic andesite (intermediate) tuffs. The VG Zone consists of a simple north-north-east trending quartz-sulphide vein, which has been outlined for approximately 23 meters. Thickness varies from 0.10 meters to 1.4 meters thickness and dips vary from shallow to vertical to the southeast.

A total of 557 rock samples (including standards/blank samples) were analyzed, with 293 grabs/chip samples and 264 channel samples. Both an expansion and in-fill soil sampling program (146 soil samples) was completed over the southeastern part of the King Solomon Trend. Gold results from the grab, chip, and channel sampling returned values ranging up to 71.7 g/t Au, 1385 g/t Ag, 6.19% Cu, 1.9% Pb, and 16.05% Zn. Results from the soil sampling confirm the extension and continuity of anomalous Au, Ag, Cu, Pb, and Zn dispersion anomalies. Channel sampling concentrated in two areas of the Solomon Trend:

1) **Hydrothermal Breccia Area** - A total of 6 extensive channels were completed in a north-south trending silicified-sericitic-pyritic crackle breccia which has been outlined for approximately 200 meters, thickness up to 30 to 50 meters, close to true thickness. There are numerous deformed quartz-sphalerite veinlets comprising of thin quartz-sulphide stockwork within this breccia. Highlight grades from channel sampling include 0.15 g/t Au over 21.86 meters with surface grabs/chip samples returning up to 71.7 g/t Au, 1385 g/t Ag, 0.54% Cu, 0.09% Pb, and 2.52% Zn.

2) **VG North Zone** – An estimated 7 channel cuts were completed in this area. The channels were designed to both in-fill and verify and confirm gold-bearing galena mineralization in both quartz-sulphides veinlets and silicified zones. The host rock is massive to pillow basaltic to basaltic andesite metavolcanics. Highlights include 16.9 g/t Au, 15.5 g/t Ag from grab and chip samples with no significant gold values from the channel sampling.

A ground TITAN-24 DCIP and Spartan MT IP survey was completed by Quantec Geoscience Ltd over the King Solomon Trend. A total of six (6) conductive zones and five (5) chargeable anomalous zones were outlined and described by Quantec.

An inaugural drill program was completed on multiple targets along the King Solomon Trend. It is highlighted by diamond drill hole MD-18-08, which intersected 6.85 g/t Au over 9.0 m between 35.0 and 44.0 meters down-hole (Table 2). This shallow gold mineralization is believed to be peripheral and marginal to a deeper and strong IP chargeability source, located ~125 meters below the surface. This buried chargeability source underlies an area under drill hole MD-18-16, which is situated 150 meters north of hole MD-18-08. Drill hole MD-18-16 intersected 0.21 g/t Au (0.55 g/t AuEq) from 1.5 to 36.85 meters down-hole. The 2018 drilling targeted eight surface targets identified within the extensive King Solomon Trend. All 16 drill holes on Midas intersected gold and polymetallic mineralization, and 25% of the drill holes returned significant intercepts of gold and polymetallic mineralization. A summary of the drill highlights are provided in Table 2.

Table 2 – 2018 Drill Hole Assay Highlights

Drill Hole ID	From (m)	To (m)	Interval (m)	Au (g/t)	Ag (g/t)	Cu (%)	Pb (%)	Zn (%)	AuEq (g/t)*
<b>MD-18-011</b>	<b>2.80</b>	<b>7.60</b>	<b>4.80</b>	<b>2.24</b>	<b>6.83</b>	<b>0.18</b>	<b>0.08</b>	<b>1.04</b>	<b>3.27</b>
<b>Including<sup>1</sup></b>	<b>2.80</b>	<b>3.60</b>	<b>0.80</b>	<b>12.80</b>	<b>37.20</b>	<b>0.80</b>	<b>0.49</b>	<b>5.54</b>	<b>18.11</b>
<b>MD-18-08</b>	<b>35.0</b>	<b>44.0</b>	<b>9.0</b>	<b>6.85</b>	<b>1.52</b>	<b>0.07</b>	<b>0.03</b>	<b>0.09</b>	<b>7.04</b>
<b>Including</b>	<b>35.0</b>	<b>40.15</b>	<b>5.15</b>	<b>11.85</b>	<b>1.35</b>	<b>0.04</b>	<b>0.00</b>	<b>0.06</b>	<b>11.96</b>
<b>Including</b>	<b>36.0</b>	<b>37.0</b>	<b>1.0</b>	<b>60.4</b>	<b>5.30</b>	<b>0.06</b>	<b>0.00</b>	<b>0.14</b>	<b>60.64</b>
<b>MD-18-11</b>	<b>69.20</b>	<b>70.27</b>	<b>1.07</b>	<b>5.21</b>	<b>15.62</b>	<b>3.49</b>	<b>0.00</b>	<b>0.06</b>	<b>10.53</b>
<b>MD-18-16</b>	<b>1.50</b>	<b>36.85</b>	<b>35.35</b>	<b>0.21</b>	<b>0.18</b>	<b>0.08</b>	<b>0.02</b>	<b>0.32</b>	<b>0.55</b>

\*AuEq metal values were calculated using: Au \$126.51/oz, Ag \$14.675/oz, Cu \$2.6903/lb, Pb \$0.8963/lb, Zn \$1.1499/lb

<sup>1</sup>Drill hole was reported in [October 9<sup>th</sup> Press Release](#)

## 2019 Exploration

After the success of the 2018 field program, a 2,548m, 9-hole diamond drill program was completed within the King Solomon Zone to test geological and geophysical drill targets generated from the 2018 field season. EarthEx geophysics carried out a historical compilation of the geophysical data collected on the Midas property and provided new inversion models and interpretation of the IP, EM and Mag survey data. Several IP and EM targets were generated and three of these targets were tested. Highlights of the drilling results from this program are provided in Table 3.

Table 3 – 2019 Drill Hole Assay Highlights

Hole ID	From (m)	To (m)	Interval (m)	Au (g/t)	Ag (g/t)	Cu (%)	Pb (%)	Zn (%)
<b>MD-19-17</b>	78.0	78.8	0.8	<b>0.915</b>	6.2	<b>1.130</b>	0.000	0.393
<b>MD-19-18</b>	8.53	14.75	<b>6.22</b>	<b>0.313</b>	2.26	0.000	0.128	0.227
<i>Includes</i>	12.5	13.0	0.5	<b>0.813</b>	1.94	0.000	0.000	0.000
<b>MD-19-18</b>	35.8	36.75	0.95	<b>1.495</b>	<b>7.18</b>	<b>1.940</b>	0.000	0.000
<b>MD-19-18</b>	53.0	54.0	1	<b>0.432</b>	2.97	0.644	0.000	0.000
<b>MD-19-19</b>	180.7	181.2	0.5	<b>2.68</b>	1.7	0.000	0.000	0.000
<b>MD-19-19</b>	187.7	189.5	1.8	<b>1.87</b>	1.47	0.000	0.000	0.000
<b>MD-19-21</b>	73.6	74.15	0.55	<b>0.415</b>	<b>13.35</b>	<b>1.325</b>	0.000	0.000
<b>MD-19-21</b>	162.5	163.5	1	<b>0.909</b>	<b>11.1</b>	0.000	0.000	<b>1.445</b>
<b>MD-19-21</b>	206.0	207.0	1	<b>3.03</b>	2.73	0.000	0.000	0.000
<b>MD-19-23</b>	80.0	80.5	0.5	0.103	8.22	0.000	1.105	2.36
<b>MD-19-23</b>	94.1	94.6	0.5	0.201	<b>11.15</b>	0.000	0.653	0.979

## Midas Summary

Management feels exploration results to date indicate there remains good potential for VMHS mineralization to be discovered within the underexplored King Solomon trend on the Midas property. The fully funded 2020 exploration program in compilation with 2019 and 2018 results are aiding in planning for future drilling as we continue to gain a better understanding of the property. Juggernaut has a 100% option providing the shareholders with the potential of significant up-side for very little additional financial expenditure. Midas is located in a world class geologic setting in close proximity to both roads and extensive infrastructure. We look forward to reporting the 2020 summer exploration results.

## Empire Property

### Location and Infrastructure

The Empire Property is located approximately 40 kilometers northeast of Terrace, British Columbia in the Skeena Mining Division (Fig 1). The property boundary is 8 kilometers from a major highway and power line and is locally road accessible. The Empire property covers an area of 14,141 hectares in mountainous terrain with elevations ranging from 700m to 2,400 m.

### Geology

The Empire Property is predominantly underlain by the Telkwa Formation (part of the Hazelton Group), as part of the Paleozoic to Mesozoic Stikine assemblage of Stikinia. It is characterized by felsic to intermediate metavolcanics, dominated by fragmentals with minor flows that have undergone sub-greenschist metamorphism. The northern portion of the property is underlain by sedimentary rock of the Lower Jurassic Nimitkwa, Smithers, and Quock Formations. They overlie the Telkwa Formation and represent the waning stages of volcanism and deeper water erosion. The Empire property is characterized as an extensive system of polymetallic veins, hosted primarily within intermediate volcanic rocks of the Lower Jurassic Telkwa Formation.

### Historical Exploration

Very little historical exploration work was conducted on the Empire property prior to 2016 (Table 1). Regional geochemical reconnaissance work by the British Columbia Geological Survey identified a stream sediment sample with anomalous gold (201 ppb Au) on the property. A summary of the historical exploration within the Empire property is provided in Table 1.



Figure 1. Property location map.

Table 1 - Historical Exploration in the Empire Property Area

<i>Company /Individual</i>	<i>Year</i>	<i>ARIS MINFILE</i>	<i>Area</i>	<i>Description</i>
<b>J2 Syndicate /Juggernaut</b>	2017	37539	Little Oliver Creek	A SKYTEM EM and Magnetic 530-line kilometer survey was completed Follow-up prospecting and mapping from 2016 resulted in collecting 890 grab/channel/talus and silt with photographic documentation. Assays revealed that silver tends to be associated with copper, as well as Pb-Zn-Cd and As-Sb-Hg
<b>J2 Syndicate</b>	2016	36894	Little Oliver Creek	Prospecting and sampling collected 139 rock samples that produced two areas of interest Inca and Babylon Trends. The Inca Trend contains three zones Metallica, Metalworks and Olympus which resulted in samples with up to 16.4 g/t Au, 36785 ppm Ag, 27.6% Cu, 33.95% Pb and 29.98% Zn.
<b>Casa Minerals</b>	2010	38153	Skeena River Area	Reconnaissance mapping and prospecting/sampling; collected 88 rock samples and 3 talus fine samples; ; highlights include a number of samples that returned 3.71 g/t Au, >1.0% Cu, 3.93 g/t Au & >1.0% Cu, and 18.7 g/t Au, >1.0% Cu, Pb, and Zn
<b>Ronald Bilquist</b>	2008	30463	Little Oliver Creek area	Prospecting and sampling; collected 14 rock samples; grab highlights include 3.62 g/t Au, 1.56 g/t Au, 1.235% Cu, and 51 g/t Ag, 0.36% Cu associated with intersecting quartz-(magnetite) structures
<b>Ronald Heard</b>	1996	24544	Red Canyon Creek	Prospecting and sampling (2 grabs) and panning two stream samples; no significant assays and one of the concentrates from the panned stream samples returned 8.6 g/t Au

## Recent Activities

### 2018 Exploration

In 2018, an option agreement was reached between J2-Syndicate Holdings Ltd and Juggernaut Exploration Ltd. Extensive exploration was conducted in 2018 with detailed and regional geological mapping, prospecting and grab/chip sampling, and channel sampling. A ground TITAN-24 DCIP and Spartan MT IP 10.85-line kilometer survey was commissioned to by Quantec Geoscience Ltd over multiple target areas. A follow-up diamond drill program was commenced during field exploration and a total of 3209 meters of drilling was completed in 18 drill holes. A total of 651 rock samples were collected, with 590 grabs/chip samples and 59 channel samples, including standards/blank samples. A total of 42.09 meters of channel sampling in 23 channel cuts were completed and channel grabs were also collected.

Gold results from the grab and chip sampling returned values up to 350 g/t Au, 8090 g/t Ag, 20.9% Cu, 10.25% Pb, 26.10% Zn. Channel sampling concentrated on Rockstar, Metalback, J-Bear, and Breccia zones. Although significant copper (up to 3.53% Cu) and silver (up to 41.4 g/t Ag) values were attained, only anomalous gold (up to 0.75 g/t Au), lead (up to 0.01% Pb), and zinc (0.04% Zn) were attained.

An inaugural drill program was completed on multiple targets at Rockstar, Big One. Drill results at Rockstar are highlighted by diamond drill hole EM-18-08, which intersected 1.37 g/t Au, 3.25 g/t Ag, and 0.51 % Cu (2.18 g/t AuEq) over 15.4 meters from 5.00 to 20.40 metres. The zone and IP related anomalies remain open in both directions. Widespread exploratory drilling at Rockstar did not explain the source of the extensive gold and polymetallic mineralization on surface, except for a gold-copper intercept in drill hole EM-18-08. This intercept, in conjunction with mineralization in drill-hole EM-18-06 and EM-18-09, correlates well with the IP chargeability anomaly at this location. The highlights from the 2018 drill program are presented in Table 2.

Table 2 –2018 Empire Drill Hole Highlights

Drill Hole ID	From (m)	To (m)	Interval (m)	Au (g/t)	Ag (g/t)	Cu (%)	Pb (%)	Zn (%)	AuEq (g/t)*
EM-18-01	7.50	10.00	2.50	0.51	0.48	0.00	0.00	0.00	0.52
EM-18-06	17.20	18.35	1.15	5.73	16.17	1.66	0.00	0.02	8.35
EM-18-08	5.00	20.40	15.40	1.37	3.25	0.51	0.04	0.01	2.18
<i>Including</i>	12.05	16.25	4.20	3.85	4.99	0.64	0.11	0.01	4.91
EM-18-13	16.50	17.15	0.65	2.22	10.90	0.29	0.38	0.58	3.32
EM-18-14	147.08	148.00	0.92	2.11	0.40	0.01	0.00	0.02	2.14
EM-18-15	89.48	90.28	0.80	3.36	0.10	0.01	0.00	0.01	3.39
EM-18-16	48.00	48.50	0.50	1.20	22.80	0.03	0.00	0.01	1.51
EM-18-16	56.70	57.20	0.70	1.08	23.30	0.01	0.00	0.02	1.38

Widths reported are drilled core lengths and the true widths are not known.

\*AuEq metal values were calculated using: Au \$126.51/oz, Ag \$14.675/oz, Cu \$2.6903/lb, Pb \$0.8963/lb, Zn \$1.1499/lb

## 2019 Exploration

A historical compilation and re-interpretation of the geophysical work completed on the Empire property by Earth Ex Geophysics. Their work also included generating a 3D-inversion of the 2018 IP to define potential drill targets on the Rockstar Zone. Three IP targets were delineated and ground truthed prior to diamond drilling. The 2019 drilling program on Empire focused on testing two targets within the Rockstar zone generated from the 2018 surficial grab samples and IP survey. EM-19-19 tested a near surface IP anomaly and did not intersect any significant mineralization, the anomaly remains to be unexplained. The final hole (EM-19-20) intersected 4.7m of 1.173% Cu with 0.114 g/t Au from the top of the hole but it did not continue at depth. This hole tested the extent of mineralization within a Quartz-Chalcopyrite breccia.

## Empire Summary

The 2019 drill program on Empire focused on testing two targets within the upper Rockstar zone generated from the 2018 surficial grab samples and IP survey. Hole EM-19-19 tested a near surface IP anomaly and did not intersect any significant mineralization or lithology, therefore the anomaly remains unexplained. Management and the technical team are reviewing data on a desk based study for further targets that could explain a feeder source at depth. The Company has not planned any major exploration activities for 2020 but the Empire option agreement remains in good standing and management is considering other potential alternatives.

## DSM PROPERTIES

The DSM Syndicate is a private precious metals project generator in British Columbia which holds six mineral exploration properties. Juggernaut Exploration Ltd. owns a 20% interest in all six DSM Syndicate's properties including; Gold Standard, Goldcrest, Goldstar, Skyhigh, Newstrike, and Money (Fig 1).

### Gold Standard Property

The Gold Standard Property is situated approximately four kilometers north of Bella Coola, British Columbia with close access to infrastructure. The property is in an alpine area with abundant bedrock exposure due to recent glacial and snowpack abatement and is located only 4 km from major infrastructure and 1 km to tidewater and logging roads, providing excellent cost-effective exploration. The property covers 3961 hectares in four (4) mineral claim tenures. The property was generated and staked by the DSM Syndicate in 2017 following positive results from a brief reconnaissance exploration program.

Gold Standard is situated in the Monarch Assemblage (metavolcanic/metasedimentary) within a regional corridor of brittle and ductile deformation that is proximal to the Coastal Shear Zone, which bounds the Intermontane and Insular super-terrane. The property underlies an area close to the Pootlass High Strain Zone, a corridor of brittle and ductile deformation, which extends approximately for 30 kilometers and is up to 2 kilometers wide.

## Recent Exploration

Little is known on the Gold Standard property as it has received little to no exploration. A limited reconnaissance prospecting program in 2017 yielded samples with up to 1.565 g/t Au. Fifty meters away, a two-meter chip sample assayed 0.529 g/t Au. Five other samples collected on the property did not contain any significant mineralization. A limited follow-up prospecting and sampling program was initiated in 2018 to expand on the 2017 mineralized zones and systematically prospect the other unexplored regions of the claim block. A total of 135 grab and chip samples and 27 channel samples were collected (totaling 22.55 meter).

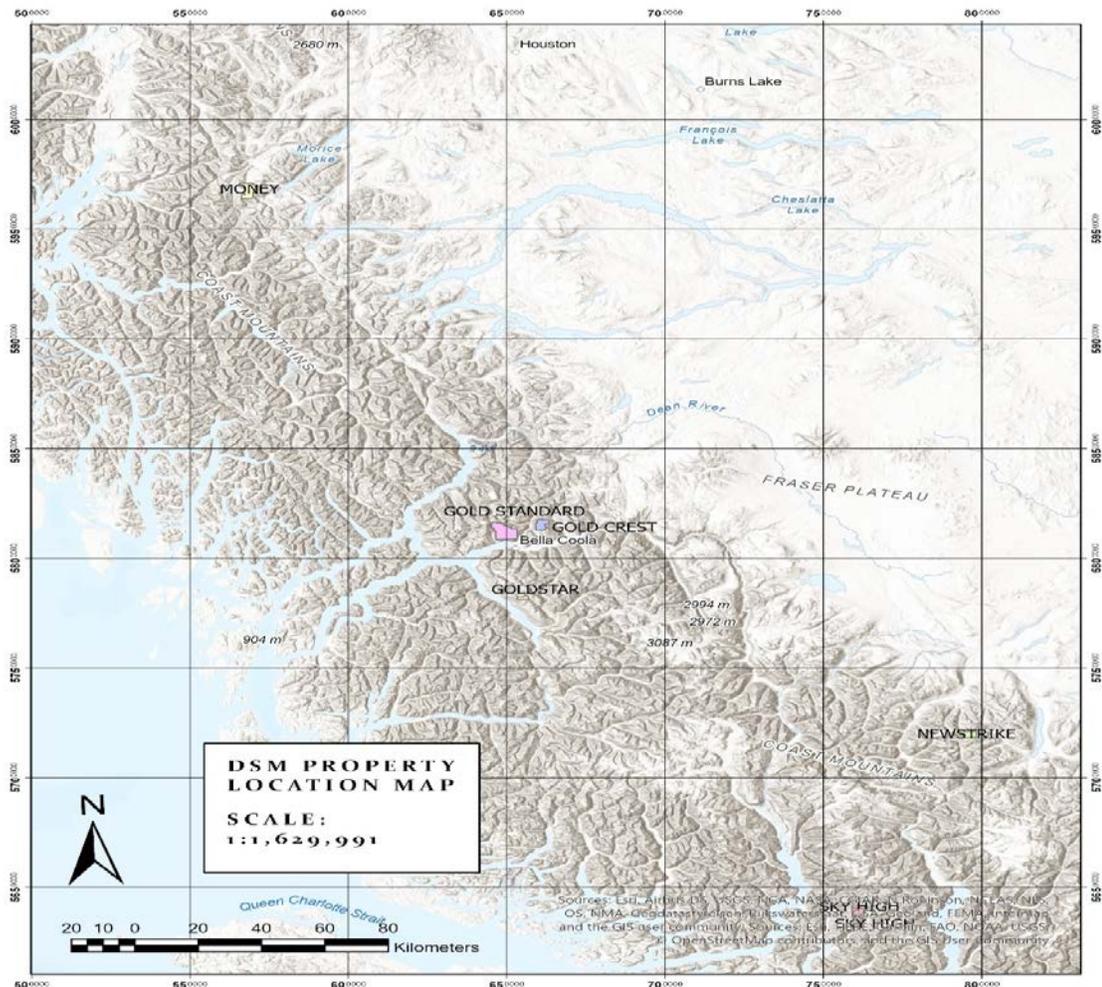
This led to the discovery of seven (7) new shear zones within the Big Show Zone, which is a large area that contains multiple large en-echelon quartz veins. Localization of high strain zones within the system are associated with sheeted, oxidized, sulphide-bearing quartz veins and shear zones that have been identified in outcrop with a strike length of 4.6 km and 1.5 km wide, which remains open in all directions. Discrete gold bearing quartz veins and shears trend up to ~1 km in strike with 500 m of vertical extent and are up to 15 m in width. They host variable amounts of gold mineralization, oxidized pyrite and disseminated pyrite with chalcopyrite.

Vein Highlights include:

- Vein system 1 (Kraken) assays up to 71.8 g/t Au (2.1 oz/t), 64.4 g/t Ag, 72.6 g/t AuEq
- Vein system 2 (Goldzilla) assays up to 110 g/t Au (3.21 oz/t), 934 g/t Ag, 121.84 g/t AuEq
- Vein system 3 (Leviathan) assays up to 96.8 g/t Au (2.8 oz/t), 429 g/t Ag, 106.7 g/t

These mesothermal/orogenic characteristics are consistent with gold-bearing mineralized veins and shear zones. Deposits of this nature are found at the Bralorne Pioneer Mining Camp in British Columbia (4.15 Moz) and many regions within the Canadian Shield including the Timmins, Val d'Or/Noranda and Red Lake gold camps.

Figure 1 – DSM Property Location Map



## **2019 Exploration**

The 2019 program, which included detailed mapping, whole rock geochemistry, channel cutting, drone surveys and prospecting, was designed to expand on the positive results of previous years and to delineate drill targets. This exploration program has further confirmed the extent of gold mineralization within multiple quartz veins and shear zones, within the Big Show High Strain confirming an extensive orogenic gold system within the property.

Highlights from the 2019 field program included:

- Leviathan Vein returned grades of up to 3.65 g/t AuEq over 3m including 10.55 AuEq over 1m true width
- Kraken Vein extends to 1km in strike length with 520m of vertical relief and channel sampling from 2019 yielded grades of 29.48 AuEq over 0.7m and up to 6.52 g/t Au over 1m.
- Newly discovered East Vein consists of grades up to 7.22 g/t Au
- Channel Sampling of the Goldzilla vein yielded 12m of 5.81 g/t Au

## **2020 Exploration Plans - Moving Forward**

Based on very positive results on the Gold Standard property, a follow-up exploration drilling program is fully funded for the summer of 2021. The planned inaugural drill program will be designed to test the Goldzilla Hinge Zone both along strike and to depth. The Gold Standard property is an original discovery area located in a world class geological setting that remains largely unexplored, providing tremendous untapped gold potential.

Juggernaut Exploration Ltd. has entered into an agreement to earn a 100% interest in the Gold Standard property containing 3961 hectares located in West Central BC in close proximity to infrastructure (See Section DSM Properties – Gold Standard).

## **Goldcrest Property**

The Goldcrest property is located 10 kilometers northeast from Bella Coola, British Columbia and covers 1596 hectares in two (2) mineral claim tenures. The property was staked in 2017 based on positive results from a brief reconnaissance prospecting program that discovered surface breccia and mineralization.

## **Geology**

The Goldcrest claims are underlain by a sequence of altered andesitic and basaltic metavolcanic rocks of the Monarch Assemblage. The metavolcanics consist of fragmental breccias and tuffaceous horizons intercalated with thinly bedded siltstone, black argillite, and pebble conglomerate that unconformably overlies by Jurassic and Cretaceous plutons. Mineralization on the property is associated with extensive quartz-sericite-pyrite (QSP) alteration and silicification.

## **Recent Exploration**

In 2017, Bedrock grab samples returned significant gold-silver values up to 3.16 g/t Au, and 69.3 g/t Ag from 55 samples (channels and grab/chip). A limited follow-up prospecting and sampling program was initiated in 2018 to expand on the 2017 mineralized zones and systematically prospect the other unexplored regions of the claim block. A total of 82 grab / channel grab and chip samples and 21 channel samples were collected. A total of 16.19 meters of channel samples was completed. Prospecting and sampling focused on the Cadillac Trend, which is a large gossanous zone measuring 850 meters by 190 meters. The highlight from the sampling returned a chip sample which assayed up to 56.10 g/t Au, 124.00 g/t Ag, and 57.58 g/t AuEq from 1.0 meter chip sample (Table 2). A brief reconnaissance prospecting program surrounding the Cadillac Trend discovered numerous quartz veins 500 m north and up to 1500 m south that are up to 1.5 metres wide and >100 meters long. These veins assayed up to 7.97 g/t Au and 252 g/t Ag. Other samples were collected from the southern part of the property form an extensive quartz vein system and returned 5.98 g/t Au, 226 g/t Ag and 1.21 g/t Au, 78.6 g/t Ag. Further exploration in the summer of 2020 to generate drill targets is fully funded; Juggernaut looks forward to reporting those results as they become available.

## **Goldstar Property**

The Goldstar Property is located approximately 23 kilometers south of Bella Coola, British Columbia and covers 238 hectares in three (3) mineral claim tenures. Logging access roads are within three (3) kilometers and boat access is within 2.5 kilometers of South Bentick Arm and tidewater. The prospect was generated and staked by the DSM Syndicate following positive results from a reconnaissance prospecting program in 2017.

### **Geology**

The underlying Mesozoic rock assemblage belongs to the Hazelton Group, with a general northwest strike and steep to vertical northeasterly dips. Also represented are local areas of lower to middle Jurassic Hazelton Group slate, argillite, and conglomerate. These rocks are intruded by a granodiorite stock of late Cretaceous or Tertiary age. Mineralization appears to be associated with its contact zones and those of small satellite plugs. Host rock on the property is variably altered with zones of pervasive chloritization, oxidized pyritization, and local clay alteration.

### **Recent Exploration:**

Goldilocks Zone Drill Ready is demarcated by multiple outcrops that daylight in glacial talus containing high-grade gold and polymetallic mineralization with grab samples assaying up to 40 g/t AuEq. The zone is defined by veining and altered host rock over an area of 190m by 20m and 160m vertical relief that remains open. To date 84% of samples taken assayed greater than 1.0 g/t gold confirming the continuity of the widespread gold mineralization. A Channel Cut taken in 2019 within the Goldilocks zone consisted of a 3.75m cut to partially test a 10.5m wide section of exposed outcrop. Assays returned 7.86 g/t AuEq over 3.75m true width. This channel started in 9.01 g/t AuEq and ended in 10.79 g/t AuEq leaving the zone open. This zone also contains gold mineralization confirmed in the host rock (pyritic chlorite schist) that assayed 1.13 g/t AuEq over a 1-meter interval within the 3.75-meter channel.

Yellow Brick Road Zone Drill Ready Located 500 meters south of Goldilocks, the Yellow Brick Road Zone has been traced for 170 meters, and remains open. Channel samples over 0.3 metre assay up to 28.7 g/t Au, 410 g/t Ag, 1.4 % Cu, and 6 % Pb. The Yellow Brick Road Zone contains pyrite-chalcopyrite-galena bearing, vuggy quartz veins that are up to 1 meter wide with chip samples up to 24.55 AuEq over 1 meter (20.6 g/t Au, 329 g/t Ag, 0.02 % Pb) and with grab samples assaying up to 55.80 g/t Au and 2340 g/t Ag. The veins are encompassed by a pyritic and quartz-sericite-pyrite alteration envelope that is up to 30 cm wide. The high-grade gold and silver mineralization confirmed on surface.

### **2020 Exploration Plans - Moving Forward**

Based on very positive results on the Goldstar property, a follow-up exploration drilling program is fully funded for the summer of 2021. The planned inaugural drill program will be designed to test the Goldilocks Zone both along strike and to depth. The Goldstar property is an original discovery area located in a world class geological setting that remains largely unexplored, providing tremendous untapped gold potential.

Juggernaut Exploration Ltd. has entered into an agreement subject to TSX approval, to earn a 100% interest in the Goldstar property containing 535 hectares located in West Central BC in close proximity to infrastructure (See Section DSM Properties – Goldstar).

## **Skyhigh Property**

The Skyhigh Property is located approximately 95 kilometers north of Campbell River, British Columbia. The property consists of one (1) mineral claim tenure covering 816 hectares. Logging trails extend onto the property from Loughborough Inlet, located 15 kilometers west. A logging camp with an airstrip is located 30 kilometers to the east.

## Geology

There is limited mapping information on this area, and it has been described as an area underlain dominantly by rocks of Coast Plutonic Complex. The rocks in mapped areas of the property compositionally vary from granodiorite to diorite and locally are foliated. They occur together with migmatite, gneiss, schist and amphibolite. An intrusive breccia occurs locally. The supracrustal rocks are cross-cut by a variety of feldspar porphyritic dykes, felsic to intermediate dykes, mafic dykes, and pegmatite dykes are locally abundant in the mapped areas of the property.

## Historical Exploration

A summary of historical exploration completed on the Skyhigh property is outlined in Table 1.

Table 1 - Historical Exploration in the Skyhigh Property Area

<i>Company/Individual</i>	<i>Year</i>	<i>Area</i>	<i>Description</i>
<b>DSM Syndicate</b>	2017	White Mantle	Two Day limited reconnaissance prospecting grab samples yielded gold values up to 92.8 g/t, 13,644 g/t Ag, 13.85% Pb, 18.65% Cu, 0.5% Zn and 0.48% Mo.
<b>St. Elias Mines</b>	2010	White Mantle	Geologic Review of the area with follow up surface exploration program that collected 61 till samples and 4 rock samples.
<b>Tiberon Minerals</b>	1996	White Mantle	36 rock samples were collected and had gold values that ranged from trace to 36.4 g/t Au.
<b>Placer Dome</b>	1989	White Mantle	Reconnaissance prospecting collecting 177 samples yielding Au values up to 14 g/t Au. Molybdenum ranged from trace to 0.92% Mo in some samples.

## Recent Exploration

In 2018, prospecting and sampling was carried out, with the collection of 45 grab and chip samples as well as 4 channel samples. The Cloud 9 Zone covers a large area, characterized by a series of gold-bearing, polymetallic quartz veins, which have been expanded to 1.75 kilometer by 0.4 kilometer. The zone is defined by samples containing gold and silver mineralization in multiple, relatively flat lying quartz veins. Highlights include 15.75 g/t Au, 1845 g/t Ag, 0.11% Cu, 1.24% Pb, and 0.16% Zn (Table 4).

## Newstrike Property

The Newstrike Property is located 37 kilometers from Tatla Lake, and 160 km west of Williams Lake, British Columbia. Access is by helicopter from Campbell River. The property comprises of three mineral claim tenures covering 1688 hectares.

## Recent Exploration

Positive results from 2017 were followed up in 2018 with a small prospecting field program. Gold values ranged from 0.01 g/t Au to 6.64 g/t Au with the highest gold value associated with quartz veins cross-cutting mudstone clastic metasediments. Other high gold values of 5.51 g/t Au and 4.29 g/t are associated with Zn mineralization with values of 0.43% Zn and 0.72% Zn, respectively. Base metal rich samples with precious metals returned 0.10 g/t Au, 196 g/t Ag, 0.305 Cu, 2.99% Pb, and 5.41% Zn and 0.095 g/t Au, 196 g/t Ag, 0.31% Cu, 1.80% Pb, and 0.75% Zn.

## Money Property

The Money Property is located approximately 50 kilometers southeast of Kitimat, British Columbia and approximately 30 kilometers north of the community of Kemano. The Money Property covers 11,657 hectares in four (4) mineral claim tenures

## Recent Exploration

The property was similarly staked in 2017 and a single day prospecting and sampling program was initiated in 2018. A total of 18 rock samples were collected, including 16 grab and chip samples and 2 channel samples. Mineralized samples were collected over an area of 175 meters x 50 meters, called the "Goldzilla Zone". The most significant gold mineralization is from a quartz vein that returned up to 81.5 g/t Au and 0.54% Cu from the 2017 exploration program. A 0.30 meter-wide quartz vein containing disseminated and fracture-fill chalcopyrite and pyrite was channel cut in two separate areas. The channel cuts returned significant gold mineralization with 48.2 g/t Au, 22.7 g/t Ag, 2.21% Cu / over 0.36 meters, and the second channel cut attained values of 22.7 g/t Au, 10.5 g/t Ag, 0.94% Cu over 0.85 meters.

## Selected Annual Information

	Year Ended September 30, 2019 \$	Year Ended September 30, 2018 \$	Year Ended September 30 2017 \$
Net loss and comprehensive loss	(6,437,092)	(770,132)	(394,471)
Basic loss per share	(0.68)	(0.11)	(0.15)
Total assets	7,150,371	11,064,864	6,411,780
Current liabilities	158,291	349,863	187,441
Working capital	540,195	767,170	430,423
Dividends	Nil	Nil	Nil

The Company's accounting policy is to record its mineral properties at cost. Exploration and development expenditures are deferred until properties are brought into production, at which time they will be amortized on a unit of production basis. In the event that properties are sold, impaired or abandoned, the deferred cost will be written off.

In fiscal 2017, the Company closed a non-brokered private placement for gross proceeds of \$3,000,000, secured options on two major mineral properties and decreased its liabilities through the issuance of shares for debt and forgiving approximately \$95,000 in related party payables. As a result of its cash position and the acquisition of two mineral properties along with the expenditures of an extensive exploration program, the Company's asset base was increased from fiscal 2016, while its liabilities were lowered from 2016. This also had the effect of reversing a working capital deficiency in prior years to a positive working capital position in 2017.

Due to significant costs incurred with legal and regulatory filing fees to complete the acquisition of the mineral properties and the acceptance of the transaction by the TSX Venture Exchange ("Exchange"), net loss increased considerably in 2017 from 2016. Furthermore, \$159,360 in share-based compensation was recorded due to the granting of options to management personnel and consultants. No options were granted in 2016.

During fiscal 2018, net loss increased substantially despite recognizing a credit of \$337,930 in flow-through premium liability as \$706,888 in share-based compensation expense was recorded in 2018. Share-based compensation is a non-cash item and is based on the fair value of share options granted to management and consultants engaged by the Company.

Total assets increased during 2018 as the Company capitalized in excess of \$4 million in exploration and acquisition expenditures. Current liabilities will be higher at some points during the year due to the increased exploration activities in 2018. Working capital also increased as the Company closed more than \$4.2 million in non-brokered private placements.

During fiscal 2019, net loss increased to \$6,437,092 as \$5,659,477 in accumulated exploration costs relating to the Empire property was written off and a further \$248,113 in project investigation costs were expensed. Total assets decreased significantly due to the write-off of the Empire property from the balance sheet.

## Resources Property Expenditures

As at June 30, 2020, exploration and evaluation assets on the balance sheet amounted to \$6,911,286 (2019: \$10,822,432).

Total exploration expenditures (including expensed project investigation costs) and acquisition costs for the period ended June 30, 2020, totaled \$1,072,244 (2019: \$885,272). Included in the \$1,072,244 figure is \$833,400 in acquisition costs (cash and fair value of securities issued).

For a detailed breakdown, see the mineral property schedule in Note 6 of the June 30, 2020, interim financial statements.

## Results of Operations:

### For The Three Months Ended June 30, 2020 and 2019

For the three months ended June 30, 2020, the Company recorded a net loss of \$169,370 as compared to a net loss of \$96,111 for the three months ended June 30, 2019. Noted major differences involved the following accounts:

	2020 \$	2019 \$	Change \$	
Expenses:				
Interest	-	10,500	(10,500)	a.
Management fees	45,000	30,000	15,000	b.
Share-based compensation	100,450	34,000	66,450	c.
	<u>(145,450)</u>	<u>(64,000)</u>	<u>(81,450)</u>	
Other items:				
Interest income	-	10,027	(10,027)	d.
All other accounts	(23,920)	(42,138)	18,218	
	<u>(169,370)</u>	<u>(96,111)</u>	<u>(73,259)</u>	

- a. Interest expense accrued in 2019 based on unspent flow-through share financing renounced for calendar 2018. Nil for 2020.
- b. An adjustment was made to the CEO's management fees in 2020.
- c. This is a non-cash expense based on stock options granted to insiders and consultants. Amounts will vary based on granting and vesting of the stock options.
- d. A GIC on deposit earning interest in 2019. Nil GIC was on deposit in 2020.

### For The Nine Months Ended June 30, 2020 and 2019

For the nine months ended June 30, 2020, the Company recorded a net loss of \$817,435 as compared to a net loss of \$520,526 for the nine months ended June 30, 2019. Noted major differences involved the following accounts:

	2020 \$	2019 \$	Change \$	
Expenses:				
Corporate development	47,849	20,782	27,067	1.
Interest	-	10,500	(10,500)	2.
Management fees	115,000	90,000	25,000	3.
Office and sundry	84,982	73,121	11,861	4.
Project investigation costs	100,941	-	100,941	5.
Travel and promotion	118,172	32,777	85,395	6.
	<u>(466,944)</u>	<u>(227,180)</u>	<u>(239,764)</u>	
Other items:				

Interest income	1,506	23,642	(22,136)	7.
Reversal of flow-through premium liability	38,206	65,451	(27,245)	8.
All other accounts	(390,203)	(382,439)	(7,764)	
	<u>(817,435)</u>	<u>(520,526)</u>	<u>(296,909)</u>	

1. A substantial corporate development campaign was implemented as management attended two major convention events in 2020 as well as enlisting financing advice in the Company's fund raising efforts.
2. Interest expense accrued in 2019 based on unspent flow-through share financing renounced for calendar 2018. Nil for 2020.
3. An adjustment was made to the CEO's management fees in 2020.
4. Higher office rent and increase in payments to office personnel.
5. Project investigation costs incurred in accordance to amended property option agreement signed in 2020.
6. Travel costs were substantially higher as management, geologists and consultants attended two major convention events in 2020 with one being in London, England.
7. A GIC was on deposit earning interest in 2019. Nil GIC was on deposit 2020.
8. A non-cash item based on reversing a liability recorded due to the premium pricing of placing flow-through financing units.

### Summary of Selected Highlights for the Last Eight Quarters

Description	Jun. 30, 2020 \$	Mar. 31, 2020 \$	Dec. 31, 2019 \$	Sept. 30, 2019 \$
<b>Operations</b>				
Office and administration expenses	(89,780)	(121,764)	(114,268)	(82,842)
Professional fees	(5,000)	(17,879)	(14,091)	(7,050)
Share-based compensation	(100,450)	(169,800)	-	(36,959)
Travel and promotion	(2,616)	(29,510)	(86,046)	(9,464)
Interest income	-	-	1,504	5,091
Reversal of flow-through premium liability	30,015	3,191	-	122,248
Project investigation costs	(1,539)	(46,044)	(53,358)	(248,113)
Write-off of mineral property	-	-	-	(5,659,477)
Net loss	(169,370)	(381,806)	(266,259)	(5,916,566)
Basic and diluted loss per share	(0.01)	(0.03)	(0.02)	(0.62)

Description	Jun. 30, 2019 \$	Mar. 31, 2019 \$	Dec. 31, 2018 \$	Sept. 30, 2018 \$
<b>Operations</b>				
Office and administration expenses	(87,577)	(87,440)	(91,838)	(90,846)
Professional fees	(9,140)	(7,795)	(25,150)	(8,898)
Share-based compensation	(34,000)	(99,001)	(134,901)	(170,841)
Travel and promotion	(6,560)	(21,117)	(5,100)	(14,985)
Interest income	10,027	11,178	2,437	7,123
Reversal of flow-through premium liability	31,139	11,525	22,787	266,930
Net loss	(96,111)	(192,650)	(231,765)	(11,517)
Basic and diluted loss per share	(0.01)	(0.02)	(0.03)	0.00

For the three months ended June 30, 2020

Significant lower net loss in the quarter from last quarter due mainly to lower costs re: share-based compensation; project investigation; corporate development and travel & promotion.

For the three months ended March 31, 2020

The increase in net loss during the quarter from last quarter is strictly due to the recognition of \$169,800 in share-based compensation whereas it was nil in December 31, 2019 quarter.

For the three months ended December 31, 2019

Substantial loss during the previous quarter due to the write-off of deferred exploration costs for the Empire property. Higher travel and promotion costs in the current quarter as management and advisory consultants attended two major conventions in London. Project investigation costs decreased in the current quarter and no recognition of stock-based compensation was recorded. Also in the current quarter there was no reversal of flow-through premium liability while \$122,248 credit was recorded in the prior quarter.

For the three months ended September 30, 2019

Substantial loss from last quarter as a significant amount was written off due to an impairment of a mineral property and the expensing of project investigation costs.

For the three months ended June 30, 2019

No significance occurrences between the current and previous quarter. Net loss was lower in the current quarter due to less recognition of share-based compensation and increase in reversal of flow-through premium liability.

For the three months ended March 31, 2019

Nothing significant occurred between the current quarter and the previous quarter. Net loss was higher in the previous quarter due mainly to a larger share-based compensation being recorded.

For the three months ended December 31, 2018

Net loss increased substantially in the current quarter from the previous quarter as the reversal of the flow-through share premium liabilities were approximately \$244,000 lower than the last quarter. Reversal of flow-through share liabilities has the effect of lowering overall expenses.

For the three months ended September 30, 2018

Net loss decreased significantly during the 4<sup>th</sup> quarter of 2018 from the previous quarter due mainly to the recording of a non-cash credit of \$266,930 to income as a result of recognizing the settlement of flow-through share premium liabilities. During the 3<sup>rd</sup> quarter only \$71,000 of the same non-cash credit was recorded to income.

**Liquidity and Solvency**

At this time, the Company has no operating revenues and does not anticipate revenues of any kind until the Company is able to find, acquire, or place in production and operate a mining property. Historically, the Company has raised funds through private placements, loans, shares for debt settlements, and the exercise of options and warrants.

Effective October 17, 2019, the Company consolidated its issued and outstanding common shares on a 10 to 1 basis, which resulted in 10,522,557 shares outstanding post-consolidation. All references to common shares, stock options and warrants in the financial statements have been adjusted to reflect the change.

- 2020:

In March, 2020, the Company issued 120,000 flow-through units at a price of \$0.28 each for gross proceeds of \$33,600. The Company also issued 957,000 non flow-through units at a price of \$0.20 per unit for gross proceeds of \$191,400 for a combined total of \$225,000.

In February, 2020, the Company closed a non-brokered private placement by issuing a total of 3,099,000 units for gross proceeds of \$619,800.

In December, 2019, the Company closed a non-brokered private placement by issuing a total of 357,571 flow-through units for gross proceeds of \$100,120.

- 2019:

In December, 2018, the Company closed a non-brokered private placement by issuing a total of 1,306,432 units for gross proceeds of \$2,277,989.

As at June 30, 2020, the Company had cash and cash equivalents of \$439,723 and working capital of \$529,576.

The Company is presently sufficiently funded to cover overhead expenses and to finance the exploration work committed for the remainder of fiscal 2020. However, more capital is needed to fund the cash and exploration commitments pertaining to the mineral option agreements under contract beyond 2020. Management believes the Company can raise new funds and the Company will be able to fulfill its financial commitments, but, there are no assurances that this will be achieved.

As at June 30, 2020, the Company has the following operating lease commitments:

Fiscal	
2020	\$ 27,540
2021	27,540
Total	\$ 55,080

**Standards, Amendments and Interpretations Adopted or Expected to be Adopted:**

- The following revised standard is effective for annual periods beginning on or after January 1, 2018 and has been adopted by the Company:

*IFRS 9, Financial Instruments (January 1, 2018)*

This is the first part of a new standard on classification and measurement of financial assets that will replace IAS 39, 'Financial Instruments: Recognition and Measurement'. IFRS 9 has two measurement categories: amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is recorded at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is measured at fair value with changes in fair value through profit or loss. In addition, this new standard has been updated to include guidance on financial liabilities and de-recognition of financial instruments and to include guidance on hedge accounting and allowing entities to early adopt the requirement to recognize changes in fair value attributable to changes in an entity's own credit risk, from financial liabilities designated under the fair value option, in other comprehensive income.

Effective October 1, 2018, the Company adopted IFRS 9 retrospectively without restatement.

The Company also completed an assessment of its financial instruments as at October 1, 2018 and has not changed the classification of any financial instruments.

- The following standard will impact the Company's financial statements in the fiscal 2020 year:

*IFRS 16, Leases (January 1, 2019)*

This new standard replaces IAS 17 "Leases" and the related interpretative guidance. IFRS 16 applies a control model to the identification of leases, distinguishing between a lease and a service contract on the basis of whether the customer controls the asset being leased. For those assets determined to meet the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on-balance sheet accounting model that is similar to current finance lease accounting, with limited exceptions for short-term leases or leases of low value assets. Lessor accounting is not substantially changed. The standard is effective for annual periods beginning on or after January 1, 2019, with early adoption permitted for entities that have adopted IFRS 15. The impact of IFRS 16 will be that the present value of the lease payments disclosed in Note 16 will be reflected as a right-of-use asset and a corresponding liability.

There are other changes to IFRS or IFRIC interpretations that are not yet effective that are expected to have a material impact on the Company.

### **Critical Accounting Estimates**

The Company's significant accounting policies are summarized in Note 3 of its audited consolidated financial statements for the year ended September 30, 2019. The preparation of the consolidated financial statements in accordance with IFRS requires management to select accounting policies and make estimates and judgments that may have a significant impact on the financial statements.

The Company regularly reviews its judgements and estimates; however, actual amounts could differ and, accordingly, materially affect the results of operations.

### **Off-Balance Sheet Arrangements**

The Company does not have any off-balance sheet arrangements.

### **Outstanding Share Capital**

The following securities were outstanding as at August 18, 2020:

Securities	Number	Weighted-Average Exercised Price	Expiry Date
Common shares issued and outstanding	17,056,128	-	-
Share purchase warrants	10,327,660	\$1.32	Dec. 6, 2020 - Mar. 10, 2025
Share purchase options	1,700,000	\$0.22	Jan. 9, 2025 - Apr. 21, 2025
Fully diluted share capital	29,083,788	-	-

For a breakdown of the securities as at June 30, 2020, refer to Note 10 of the June 30, 2020 interim financial statements.

### **Related Party Transactions**

Key management personnel are persons responsible for the planning, directing and controlling activities of the entity. The Company's key management personnel are the CEO and CFO and their compensations are included in the following:

	For the Three Months Ended June 30,		For the Nine Months Ended June 30,	
	2020	2019	2020	2019
Management fees	\$ 45,000	\$ 30,000	\$ 115,000	\$ 90,000
Administrative fees	15,000	15,000	45,000	45,000
Share-based compensation	7,175	43,938	176,975	125,388
<b>Total</b>	<b>\$ 67,175</b>	<b>\$ 88,938</b>	<b>\$ 336,975</b>	<b>\$ 260,388</b>

Share-based compensation is a non-cash item that pertains to all officers and directors of the Company.

Related party liabilities consist of unpaid management, administration and other fees owing to an officer and director of the Company. These amounts are unsecured, non-interest bearing and have no fixed terms of repayment. As at June 30, 2020, \$21,000 (June 30, 2019 - \$43,104) is owing to related parties. These amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

### **Subsequent Event**

The following events occurred subsequent to June 30, 2020:

In July, 2020, the Company entered into an agreement to earn a 100% interest in DSM's Gold Star property consisting of 238 hectares located in West Central British Columbia.

The terms of the agreement provide a total cash payment from effective date to December 15, 2024 of \$750,000 and total exploration expenditures of \$3,000,000. In addition, 5,000,000 common shares of the Company and 1,500,000 warrants will also be issued.

The agreement is subject to TSX-V's approval and the issuance of an exploration permit by the BC Mining Ministry is a condition required to finalize the agreement.

### **Disclosure Controls and Procedures**

Management has assessed the effectiveness of the Company's disclosure controls and procedures used for the financial statements and MD&A as at June 30, 2020. Although certain weaknesses such as lack of segregation of duties are inherent with small office operations, management has implemented certain controls such as frequent reviews and regular preparations of reconciliations of transactions and budgets to ensure absence of material irregularities. Management has concluded that the disclosure controls are effective in ensuring that all material information required to be filed has been made known to it in a timely manner. The required information was effectively recorded, processed, summarized and reported within the time period necessary to prepare the annual filings. The disclosure controls and procedures are designed to ensure effective information required to be disclosed pursuant to applicable securities laws are accumulated and communicated to management as appropriate to allow timely decisions regarding required disclosure.

### **Risk Factors**

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

The discovery, development and acquisition of mineral properties are in many respects unpredictable events. Future metal prices, capital equity markets, the success of exploration programs and other property transactions can have a significant impact on capital requirements.

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

The Company has no significant source of operating cash flow and no revenues from operations. The Company's ability to meet its obligations and maintain its current operations through the ensuing twelve month period and thereafter is contingent upon successful completion of additional financing agreements and ultimately upon the discovery of proven reserves and generating profitable operations.

The Company's properties are in the exploration stages only and are without known bodies of commercial mineralization and have no ongoing mining operations. Mineral exploration involves a high degree of risk and few properties which are explored are ultimately developed into producing mines. Exploration of properties may not result in any discoveries of commercial bodies of mineralization. If the Company's efforts do not result in any discovery of commercial mineralization, the Company could be forced to look for other exploration projects or cease operations.

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

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

Annual losses are expected to continue until the Company has an interest in a mineral property or project 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 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 financial statements.

The Company's operations are within Canada with all of its expenses being incurred in Canadian dollars. Therefore, currency risk is minimal.

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.