Gold Springs Resource Corp.

(formerly TriMetals Mining Inc.)

Year ended December 31, 2019

Management’s Discussion & Analysis (“MD&A”)

INTRODUCTION

The following information, prepared as of March 27, 2020, should be read in conjunction with the audited consolidated financial statements of Gold Springs Resource Corp. ("GRC" or the "Company") for the year ended December 31, 2019 which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts are expressed in U.S. dollars unless otherwise indicated.

This MD&A contains forward looking statements (as such term is defined herein). For a description of the assumptions made in developing the forward-looking statements and the material factors that could cause the Company's actual results to differ materially from the forward-looking statements in this MD&A, please see the "Risks and uncertainties" sections below.

GENERAL

The Company is a growth focused mineral exploration company creating value through the exploration and development of the near-surface Gold Springs gold-silver project along the Nevada-Utah border. The Company's approach to business combines the team's track record of discovery and advancement of large projects, key operational and process expertise, and a focus on community relations and sustainable development. Management has extensive experience in the global exploration and mining industry.

On November 1, 2019, the Company changed its name from TriMetals Mining Inc. to Gold Springs Resource Corp. On November 5, 2019, the Company changed its stock symbol on the Toronto Stock Exchange ("TSX") to GRC and on November 12, 2019 changed its stock symbol on the OTCQB Venture Market ("OTCQB") in the U.S. to GRCAF.

PROJECTS

Gold Springs gold-silver project, USA

The Company holds a 100% interest in the 78 square kilometre Gold Springs gold-silver project located on the Nevada-Utah border. In addition to drilling, the Company has completed rock chip sampling, detailed target mapping, soil sampling, stream sediment sampling, a property-wide LIDAR, aero-magnetic, ZTEM and ground CSAMT geophysical surveys. The ZTEM and CSAMT geophysical surveys identified many structural features related to mineralization, and the Company has developed resources on the Jumbo (the North Jumbo and South Jumbo resources), Grey Eagle and Thor trends. Geological work identified 25 surface targets with outcropping gold mineralization, the majority of which correspond to the ZTEM and CSAMT resistivity features.

The gold-silver mineralization at North Jumbo, South Jumbo, Thor and Grey Eagle, remains open to expansion laterally and to depth as the drilling has typically only penetrated the top 150 metres vertically below the surface at Jumbo (maximum drilled depth of 280 metres) and 130 metres below the surface at Grey Eagle (maximum drilled depth of 262 metres).

Exploration Plan for 2020

The Company's vision is to identify a multimillion-ounce gold resource at its Gold Springs project. Aligned with that vision, the Company's plan for 2020 was to continue to add to the existing gold resources at Gold Springs. GRC had planned approximately 8,700 meters of drilling to start in early Q2 2020, mainly focused on stepping out and testing the extensions of the existing South Jumbo and North Jumbo resources, with the goal of increasing these resources which are open in multiple directions. The plan also included other exploration activities, metallurgical test work and the publishing of a new resource estimate by the end of 2020, capturing the results of the 2017, 2019 and 2020 drill programs.

As a result of the social and economic disruption that has emerged as a result of the COVID-19 outbreak, and the impact on the industry and capital markets, the Company has decided, for the present, to defer its 2020 Exploration Plan. The Company will continue to monitor the situation and reassess this decision in the near future, in light of the market conditions at that time.

2017 Resource Estimate

The Company contracted Global Resource Engineering, Ltd. who, on March 29, 2017, completed an updated pit-constrained resource estimate for the Jumbo North and Jumbo South (Etna) areas, the Grey Eagle area and the Thor area, at Gold Springs. The updated resource includes the assay information from the 2015 and 2016 drill programs.

Category	**Area**	**Tonnage**	**Gold**		**Silver**	
		Tonnes (000)	**Grade g/t**	**Troy oz (000)**	**Grade g/t**	**Troy oz (000)**
Gold Springs Property-Wide Resource – using a 0.25 g/t gold cutoff						
Measured		13,591	0.58	252	11.11	4,855
Indicated		16,245	0.53	276	9.08	4,741
M&I		29,836	0.55	528	10	9,596
Inferred		4,660	0.46	69	6.49	973
Jumbo Trend Resource - Jumbo North and Jumbo South (Etna), Utah						
Measured	Jumbo N	8,448	0.53	143	13.3	3,599
Indicated	Jumbo N	8,546	0.47	128	11.0	3,025
M&I	Jumbo N	16,994	0.5	271	12.12	6,623
Measured	Jumbo S (Etna)	2,098	0.64	43	6.9	466
Indicated	Jumbo S (Etna)	3,214	0.58	60	6.2	645
M&I	Jumbo S (Etna)	5,312	0.61	104	6.51	1,111
	Total	**22,306**	**0.52**	**375**	**10.79**	**7,735**
Inferred	Jumbo N	2,328	0.45	34	7.25	542
Inferred	Jumbo S (Etna)	1,435	0.5	23	5.27	243
	Total	**3,763**	**0.47**	**57**	**6.49**	**786**
Grey Eagle and Thor Resource, Nevada						
Measured	Grey Eagle	2,835	0.65	59	7.26	662
Indicated	Grey Eagle	4,340	0.59	83	7.11	992
M&I	Grey Eagle	7,175	0.62	142	7.17	1,654
Measured	Thor	210	0.99	7	19.0	128
Indicated	Thor	145	0.92	4	16.9	79
M&I	Thor	355	0.96	11	18.15	207
	Total	**7,531**	**0.63**	**153**	**7.69**	**1,861**
Inferred	Grey Eagle	875	0.43	12	6.37	179
Inferred	Thor	23	0.63	0	11.1	8
	Total	**898**	**0.43**	**13**	**6.49**	**187**

Numbers have been rounded, which may lead to some numbers not adding up exactly.

M&I: measured and indicated. The Inferred resource is in addition to the measured and indicated resource. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

Gold and silver ounces reflect gross metal content and have not been adjusted for metallurgical recoveries.

The 2017 Resource on the Gold Springs project was derived from the technical report "Amended Technical Report and 2017 Mineral Resource Gold Springs Project" authored by Global Resource Engineering, Ltd. (GRE) and Kurt Katsura, dated March 29, 2017 and filed on SEDAR on July 27, 2017.

2015 Preliminary Economic Assessment

On August 12, 2015, the Company filed on SEDAR an updated Preliminary Economic Assessment ("2015 PEA") of the Gold Springs project (NR 15-10, dated August 12, 2015). The 2015 PEA is supported by the 2015 resource estimate which includes the assay information from drill holes completed through 2014. The Company has not yet updated the PEA to include the current resource estimate and drill results from 2015 onwards.

The 2015 PEA base-case[1] assumes contractor mining, uses a price of gold of $1,300/oz and a price of silver of $21/oz, and projected metal recovery rates of 73% for gold at Jumbo, 72% of gold at Grey Eagle, 40% for silver at Jumbo and 20% for silver at Grey Eagle. The base-case includes a 15,000 tonne-per-day mine plan of 9 years with a 2:1 strip ratio; heap-leachable, open-pit operation using the Merrill-Crowe metal-recovery process. The 2015 PEA yields a pre-tax NPV5% of $137.4 million (after-tax $92.1 million), a pre-tax IRR of 49.9% (after-tax 35.8%), cash operating cost of $669/Au[2] oz and a fully-loaded (AISC) cost of $863/Au2 oz. The base-case requires a pre-production capital cost of $55 million (including a $6.4 million contingency) and on-going capital cost of $24.8 million (including a $3.7 million contingency).

Drilling

In October 2019, the Company conducted a drilling program at the Homestake patented claims (the "Homestake target") located on the Nevada side of the Gold Springs project, next to the Iris target, and 700 metres east of the Grey Eagle resource.

The Homestake target is highlighted by two main parallel 3-4-metre-thick gold-bearing veins which have returned high-grade results from surface samples collected by the Company. These two veins are separated by 20-30 metres of brecciated and silicified rocks which have returned intermediate gold grades and represent a priority target along with the enclosing veins. This package of veins and breccia is surrounded by a wide stockwork zone containing low-grade gold values. This entire system has a surface-exposed length and width of approximately 650 meters by 400 metres and is offset by faulting along the eastern margin.

A total of 14 holes for 1,856 metres were drilled, testing 600 metres of strike length on the Homestake system. Holes were designed to test the down-dip extension of the two parallel Homestake veins and the enclosed breccia and surrounding stockwork zones between and around the veins, exposed on surface. In addition, one hole was drilled to the west testing for mineralization in the hanging wall of the Iris vein which dips east and projects to intersect the west dipping Homestake veins. The holes were sampled on 1.5-metre intervals.

In January 2020, the Company announced drill results from the 2019 Homestake drill program. The best hole was HS-19-007 which included 6.1 metres @ 21.88 g/t Au and 69.25 g/t Ag and 71.6 metres @ 0.712 g/t Au and 1.91 g/t Ag. Hole HS-19-007 was drilled in the area of historic mining and is believed to have intersected one of the productive mineralized shoots within the Homestake system.

Hole HS-19-012, located 380 metres south of HS-19-007, intersected three stacked vein systems returning values of 4.23 g/t Au and 2.5 g/t Ag over 3 metres in the upper vein and 1.12 g/t Au and 4.0 g/t Ag over 3 metres in the middle vein and 1.31 g/t Au and 8.5 g/t Ag in the lower vein. The mineralized interval across

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[1] *This information was derived from the Technical Report Preliminary Economic Assessment Update on the Gold Springs Property, Utah/Nevada, USA dated and filed on SEDAR on August 12, 2015, authored by Global Resource Engineering Ltd. ("GRE") and Kurt Katsura.*

[2] *Cash Operating cost per gold ounce is net of silver credit and includes mining, processing, general and administrative and operating cost contingency; Fully-loaded cost per gold ounce includes Cash Operating cost per gold ounce plus sustaining capital, federal, state and local taxes and does not include initial capital. The portion of the project subject to the updated PEA does not have overriding royalties.*

the three veins totaled 38.1 metres @ 0.63 g/t Au and 2.6 g/t Ag. Other holes returned spotty, lower-grade intercepts or failed to intersect significant mineralization.

Of the 14 holes drilled, 11 hit vein and breccia zones as predicted, and the holes intersected the veins at very shallow depths. GRC will look to test the depth extension of Homestake, both in areas down-dip from the significant gold intercepts and in the intervening areas. In addition to the possible depth extension of the system there are additional strike extensions to be tested to the north and south with future drilling.

Metallurgical Testing

Six mini-column (2 feet high) tests were completed in 2015 on six different types of mineralized materials from Grey Eagle and Jumbo. These tests included reagent variations to enhance silver extraction. The metallurgical report received from these tests indicated that, using a simple average, gold recoveries for the Grey Eagle and Jumbo areas were 77% and 68%, respectively. This does not take into account weighting of the recovery by proportion of type of mineralized material. Globally the recovery averaged 73% for gold at Jumbo and 72% at Grey Eagle. Silver recovery averaged 16% and 47% for Grey Eagle and Jumbo, respectively, which after adjusting for weighting by type of mineralized material equates to a 20% recovery at Grey Eagle and 40% at Jumbo. Additional metallurgical tests were completed to determine the grain size selection for large-column tests. These additional tests known as "bucket" tests were completed on nine types of mineralized materials at four different grain sizes with the largest being one inch. A summary of the results was reported in the PEA in August 2015. These results were used to choose the ¾-inch grain size for the large, full size (2-metre high and 4-inch diameter) cyanide column tests, similar sized material to that which would be used in a "heap leach" mine. Three full size column-tests were completed in 2016 on three different types of mineralized materials from Jumbo using ¾-inch material and covered a wide range of gold grades. Each material type was crushed to a P80 of ¾ inches, and loaded into the columns. These 3 types of mineralized materials used in the columns, of the 5 Jumbo mineralization types used in the 2015 PEA, represent approximately 73% of the Jumbo resource as presented in the 2015 PEA. The tests were conducted over a long period of time to look at extraction rates over the short term and long term after a "rest period" in which no additional cyanide solution was applied. The results suggest that higher recoveries than those used in the 2015 PEA may be possible both in gold and silver.

Permitting

The Company submitted a Plan of Operations ("PoO") to the US Bureau of Land Management ("BLM") Caliente Office of the State of Nevada on May 23, 2013 and to the BLM Cedar City Office of the State of Utah on April 7, 2014. At the time it was submitted, the PoO was the Company's proposal of exploration and resource expansion activities to be conducted in certain target areas of the Gold Springs project. The submission of the PoOs to the BLM offices triggered an Environmental Assessment ("EA") in each State. On March 27, 2014, the BLM Caliente Office of the State of Nevada issued a Finding Of No Significant Impact document ("FONSI") accepting GRC's EA covering the Nevada portion of the Gold Springs project (NR 14-07, April 3, 2014). On September 22, 2015, the BLM Cedar City Office of the State of Utah issued a FONSI accepting GRC's EA covering the Utah portion of the Gold Springs project (NR 15-11, September 29, 2015). The acceptance of the EAs by the BLM offices of both States, along with concurrence by each State's Environmental Departments, means that the Company's exploration and resource expansion activities included in the PoO are authorized to proceed in Nevada and Utah. Archeological studies and mitigation are still required in certain geographical areas covered by each State's respective EA before exploration activities start in these areas. During 2017, the Company completed the cultural mitigation work on most areas within the Jumbo Trend. In 2018 the Company negotiated a programmatic agreement covering the cultural mitigation activities in Utah which will streamline this work in the future. If the proposed exploration and resource expansion activities substantially change from the PoO, or if new areas not covered by the EA are to be disturbed by the activities, additional permitting from the BLM and State offices will be required. The Company submitted an amended PoO on April 13, 2017 to the BLM Cedar City Office of the State of Utah in order to substantially increase the exploration area within Utah. The amended PoO has been accepted and the FONSI was issued on September 20, 2017 by the BLM office in Cedar City. The

Company envisions staged exploration and resource expansion activities in the 25 outcropping gold targets that are located in the Gold Springs project. Some of these future activities are included in the PoOs, both current and amended, but others would require further permitting.

Sale of the Escalones copper-gold project, Chile

The Escalones copper-gold project (the "Escalones Project") is located in the central Chilean mining district which includes the nearby El Teniente deposit – the world's largest underground copper mine. The project is approximately 100 kilometres south-east of Santiago.

On May 31, 2019, the Company and its wholly-owned subsidiary, Escalones Resource Corp. ("ERC"), entered into a definitive share purchase agreement, as amended (the "Share Purchase Agreement"), with Wealth Minerals Ltd. ("Wealth") and its then wholly-owned subsidiary, Wealth Copper Ltd. ("Wealth Copper") pursuant to which, Wealth Copper agreed to acquire from ERC all of its issued and outstanding shares of the Company's subsidiaries SASC Metallurgy Corp. and Escalones Copper Corp. (the "Purchased Shares"), and thereby 100% of the Company's interests in the Escalones Project (the "Escalones Transaction"). The Escalones Transaction closed on September 26, 2019.

As consideration for the Escalones Project, Wealth Copper

(i) issued 25,000,000 common shares in its capital (each, a "Wealth Copper Share") to ERC,

(ii) will pay the Company \$754,638 (Cdn\$1,000,000) in cash, of which \$112,790 (Cdn\$150,000) was paid in 2018 and credited against cash consideration, and will pay the Company Cdn\$350,000 due upon closing of the Concurrent Financing (as defined below, still to occur) and Cdn\$500,000 due on the 12-month anniversary of the closing of the Concurrent Financing (still to occur), and

(iii) granted the Company a 2% net smelter returns royalty payable on production from those mining rights or exploitation concessions that supersede or shall derive from the Escalones Exploration Concessions if the price of copper is greater than US\$0.75 per pound or a 1% net smelter returns royalty if the copper price is equal to or less than US\$0.75 per pound (the "Royalty"). The Royalty shall be subject to a buyback right pursuant to which the Royalty may be purchased for US\$3 million at any time during the 5 years following the first sale of minerals produced from such mining rights or exploitation concessions, and US\$5 million after such 5 year period.

Wealth Copper is to pay the remaining Cdn\$850,000 of the cash portion of the purchase price as follows: (a) Cdn\$350,000 upon the closing of the Concurrent Financing (as defined below, still to occur); and (b) Cdn\$500,000 on the 12-month anniversary of closing of the Concurrent Financing (still to occur).

Wealth Copper also agreed to reimburse the Company for the 2019 land payments of the Escalones Project of \$54,000 upon closing of the Concurrent Financing (as defined below, still to occur).

At closing of the Escalones transaction, the Company held 25,000,000 Wealth Copper Shares and 25,000,000 Wealth Copper Shares were held by Wealth, which collectively represented 85.2% of the issued and outstanding Wealth Copper Shares, excluding any Wealth Copper Shares to be issued in connection with the Concurrent Financing (as defined below).

Wealth Copper has entered into a letter of intent with Allante Resources Ltd. (TSXV: ALL.H) ("Allante") dated June 7, 2019 in respect of a reverse take-over transaction (the "Going-Public Transaction"), whereby Allante (which, after the closing of the Going-Public Transaction, shall be the "Resulting Issuer") is to acquire all of the issued and outstanding Wealth Copper Shares from Wealth and ERC and continue the business of Wealth Copper in exchange for the issuance of common shares in the capital of Allante to the Wealth Copper shareholders on a one (1) for one (1) basis. The Share Purchase Agreement contemplates that in connection with the Going-Public Transaction, Wealth Copper and/or Allante shall have completed private placement financings to raise an aggregate of at least Cdn$5,000,000 (the "Concurrent Financing") of which, at closing of the Escalones Transaction, Wealth Copper has already raised approximately Cdn$814,000 with the issuance of 8,140,000 Wealth Copper Shares at a price of Cdn$0.10 per Wealth Copper Share. Wealth Copper is to complete by itself (or in conjunction with Allante), private placement financing(s) in the aggregate amount of at least Cdn$2,000,000 prior to the closing of the Going-Public Transaction, with the outstanding amount of the Concurrent Financing to be raised on our before August 31, 2020.

As at December 31, 2019 the Company owns 42.6% of issued and outstanding common shares of Wealth Copper. Pursuant to the Share Purchase Agreement, the Company's ownership interest in the Resulting Issuer is not to be less than 30% immediately after giving effect to the Going-Public Transaction and the Concurrent Financing and the Company is to be granted the right to participate in future equity financings of the Resulting Issuer to allow the Company to maintain up to its pro rata ownership interest in the equity capital of the Resulting Issuer. In addition, following closing of the Going-Public Transaction, the Company and Wealth will each be granted the right to nominate one director to the board of directors of the Resulting Issuer for so long as each holds at least 20% of the issued and outstanding shares of the Resulting Issuer.

If the Going-Public Transaction has not closed by June 30, 2020, ERC shall have the right to demand, on or before July 15, 2020, that Wealth Copper return and transfer the Purchased Shares (including the shares of TMI Chile) to ERC. In the event that the Purchased Shares are returned by Wealth Copper to ERC, then ERC would be required to return its Wealth Copper Shares to Wealth Minerals.

Arbitration claim against the Bolivian government for the expropriation of the Malku Khota project
On October 23, 2012, the Company's wholly-owned Bermudian subsidiary, South American Silver Limited ("SASL"), notified the Plurinational State of Bolivia ("Bolivia") of an investment dispute as a result of acts and omissions of the Government of Bolivia including the issuance of Supreme Decree No.1308 on August 1, 2012. The Decree revoked mining concessions held by the Company's Bolivian subsidiary, Compañia Minera Malku Khota S.A. ("CMMK"), a wholly-owned subsidiary of SASL.

On April 30, 2013, SASL commenced international arbitration proceedings against the Government of Bolivia under the Arbitration Rules of the United Nations Commission on International Trade Law (UNCITRAL) pursuant to the UK-Bolivia Treaty seeking compensation.

On May 23, 2013, the Company entered into a privileged arbitration funding agreement (the "Arbitration Funding Agreement") with a third-party funder (the "Fund") pursuant to which the Fund would cover most of the Company's future costs and expenses related to its international arbitration proceedings against Bolivia.

On November 22, 2018, an Arbitration Tribunal of the Permanent Court of Arbitration issued an award to SASL for $18,700,000 in respect of amounts invested and interest thereon (the "Award").

On April 4, 2019 the Company executed an addendum to its 2013 Arbitration Funding Agreement with the Fund whereby the Company could elect to receive up to $2 million for working capital purposes. The Fund made such working capital funding facility available to the Company in four semi-annual installments of $500,000 each. The first $500,000 installment was received in June 2019 and repaid in September 2019.

On August 29, 2019, the Company and its wholly-owned subsidiaries SASL and CMMK, entered into an agreement (the "Arbitration Settlement") with Bolivia for $25,798,000 to settle SASL's international arbitration against Bolivia, and to transfer to Bolivia the exploration data of the Malku Khota project owned by the Company (the "Data").

On September 5, 2019 the Company received $25,588,525, being net of $209,475 for the Tribunal's cost order included in the Award, from the Government of Bolivia as a final settlement amount for (i) SASL's

Award against Bolivia and (ii) the transfer of the Data by the Company to Bolivia. During the year ended December 31, 2019, the Company paid $8,408,603 of arbitration award liabilities.

An aggregate 116,375,152 Class B shares were issued and outstanding at the time the Award was issued. The Class B shares carried redemption and retraction rights and rights on liquidation which entitled the holders collectively to 85% of the net cash, (after deducting all costs, taxes and expenses and the Funds' recovery portion thereof) received by GRC from an award or settlement in relation to the arbitration proceedings against Bolivia. On November 4, 2019 the Class B shares were redeemed for $0.09827 per Class B share for an aggregate redemption amount of $11,436,186. On November 5, 2019 the Class B shares were delisted from the TSX and the OTCQB. As at December 31, 2019 there was $450,408 (2018 - $nil) of redemption funds remaining held in trust with Company's Transfer Agent, and representing amounts not yet claimed for redemption by prior Class B shareholders.

SELECTED ANNUAL INFORMATION

The table below provides selected financial information derived from the audited consolidated financial statements of the Company for each of the past three years ended December 31.

	2019 **$**	**2018** **$**	**2017** **$**
Total Revenues	nil	nil	nil
Net Earnings (Loss)	(11,803,798)	2,591,479	(1,976,574)
Net Earnings (Loss) Per Share (basic and diluted)	(0.05)	0.01	(0.01)
Total Assets	24,828,815	44,798,033	51,124,502
Total Non-Current Liabilities	-	9,463,383	20,466,235
Deferred Exploration Expenditures	790,740	1,195,060	2,588,928
Dividends Declared	nil	nil	nil

The lower total assets as at December 31, 2019 is due to (i) the sale of the Escalones Project, with a carrying value at December 31, 2018 of $15,692,632, which resulted in a loss on sale of $13,471,723 and (ii) realization of the arbitration award asset, with a carrying value at December 31, 2018 of $11,874,819, which, when combined with the settlement of the related arbitration obligations, resulted in a fair value change for the year ended December 31, 2019 of $3,312,037. The decrease in total assets was offset by the following balances at December 31, 2019: (i) cash and cash equivalents of $3,831,570, (ii) restricted cash of $450,408, (iii) reclamation deposits of $470,131, (iv) other receivables of $295,487 and (v) investment in associate of $1,819,796, which increased compared with (i) $11,678, (ii) $nil, (iii) $234,800, (iv) $nil and (v) $nil, respectively, at December 31, 2018. The lower total assets as at December 31, 2018 is due to the change in accounting requirements for the Malku Khota project upon being issued the arbitration award, necessitating the derecognition of the Malku Khota project and recognition of an arbitration award asset at fair value. Accordingly, the Company recorded a loss of $1,147,249 on the derecognition of the Malku Khota project asset and a fair value loss on the arbitration award asset of $5,711,931 from the date of recognition to December 31, 2018.

The lower non-current liabilities balance as at December 31, 2019 is due to the Arbitration Settlement and the redemption of the Class B shares. The lower non-current liabilities balance as at December 31, 2018 is due to the conversion of the convertible debenture and the lower value recorded with respect to the Class B shares and other arbitration award liabilities.

The net loss for 2019 includes net income of $3,312,037 on the final settlement of the arbitration and a loss on sale of the Escalones Project of $13,471,723. During the previous fiscal year the net earnings included net income for the net fair value change of arbitration award asset, Class B shares and other arbitration award liabilities of $5,232,464, compared with fiscal 2017, when the Company recorded only changes in fair value of the Class B shares – being income of $394,512.

RESULTS OF OPERATIONS

During the year ended December 31, 2019, the Company reported net loss of $11,803,798 ($0.05 loss per share) compared to net earnings of $2,591,479 ($0.01 earnings per share) reported during the year ended December 31, 2018. Key components of the 2019 and 2018 results are as follows:

	2019 $	**2018 $**
General and administrative expenses (excluding share-based payments)	(1,258,700)	(1,239,016)
Loss on sale of the Escalones property	(13,471,723)	-
Accretion, interest and gain on modification of convertible notes	-	(256,731)
Derecognition of Malku Khota project	-	(1,147,249)
Change in fair value of arbitration award assets, Class B shares and other arbitration award liabilities	3,312,037	5,232,464
Change in fair value of stock options exercisable into Class B shares	-	58,456
Share of loss of equity accounted investee	(103,264)	-
Other	37,146	51,214
Share-based payments	(319,294)	(107,659)
Net (loss) earnings for the year	**(11,803,798)**	**2,591,479**

The general and administrative expenses remained consistent as the Company continued to operate at reduced costs.

The Company completed the sale of the Escalones Project on September 26, 2019.

During the 2018 fiscal year, the convertible note holders converted 100% of the outstanding balance of the convertible notes plus accrued interest. The convertible notes and the security interests provided to secure payment of the convertible notes, were thereby extinguished. Prior to the conversion, the maturity date of the convertible note was extended to July 23, 2020, resulting in a non-cash gain of $221,443 being recorded in connection with the extension. The conversion prior to the July 23, 2020 maturity date accelerated the accretion charge during the year ended December 31, 2018.

The settlement with Bolivia resulted in a net change in fair value of arbitration award assets, Class B shares and other arbitration award liabilities of $3,312,037 for the year ended December 31, 2019 (2018 - $5,232,464) in respect to the change in the recorded fair value of arbitration award assets, Class B shares and other arbitration award liabilities. As from November 20, 2018, the date of the issuance of the award, the arbitration award asset related to the Malku Khota project was considered to be a financial instrument. IFRS required the Company to fair value the arbitration award asset, which had previously been carried at cost. The Malku Khota project was derecognized and the arbitration award asset was recorded resulting in a loss on derecognition of $1,147,249.

During the year ended December 31, 2019, the Company granted 13,450,000 (2018 – 3,650,000) stock options to its directors, officers and consultants at an average fair value of $0.025 (2018 - $0.05). During the year ended December 31, 2019, the Company recorded share-based payments of $337,537 (2018 - $139,621) in respect of the vesting of previously granted stock options and newly granted options. Of this amount, $319,294 (2018 - $107,659) was recorded as a charge to operations and $18,243 (2018 - $31,962) was included in deferred exploration costs.

CAPITAL EXPENDITURES AND INVESTING ACTIVITIES

Total exploration spending for the year ended December 31, 2019 decreased to $790,740 from $1,195,060 incurred in 2018. The current year costs included $703,310 incurred at Gold Springs which included costs associated with land payments, drilling, supervision and analysis of exploration data. At Escalones, the Company incurred costs of $87,430 prior to the sale, which mainly included land payments and supervision.

The comparative 2018 costs included $988,309 incurred at Gold Springs which included costs associated with land payments, supervision and environmental studies for permitting. At Escalones, the Company incurred costs of $206,751 which mainly included land payments and supervision.

FINANCING ACTIVITIES

On August 16, 2019 the Company closed, in two tranches, a private placement, issuing 8,548,181 common shares at a price of Cdn $0.055 per share, raising gross proceeds of $356,442 (Cdn $470,150). The Company incurred share issuance costs of $11,265.

On March 20, 2019 the Company completed a private placement for gross proceeds of $345,414 (Cdn $460,000) through the issuance of 9,200,000 common shares at a price of Cdn $0.05 per share. The Company incurred share issuance costs of $28,563.

In addition, during the year ended December 31, 2019, the Company issued 400,000 common shares at a price of Cdn $0.05 per share to settle trade debts payable and a total of 1,071,428 warrants were exercised for gross proceeds of $89,401.

On October 25, 2018, the Company completed a private placement in two tranches of 6,428,571 units for total gross proceeds of $343,900 (Cdn $450,000). Each unit consists of one common share of the Company and one-half of one common share purchase warrant of the Company. The Company incurred share issuance costs of $26,531.

On April 5, 2018 the Company completed a private placement in three tranches for gross proceeds of $1,490,011 (Cdn. $1,904,250) through the issuance of 12,694,999 units at a price of Cdn. $0.15 per unit. Each unit is comprised of one common share and one half of one common share purchase warrant. Each whole warrant entitles the holder to purchase one additional common share of the Company at an exercise price of Cdn. $0.25 per share for a period of 24 months from the closing date of the private placement. The warrants are subject to an acceleration clause should the Company's common shares trade at a price of $0.35 or greater for 10 consecutive trading days. The Company incurred share issuance costs of $71,313.

SUMMARY OF QUARTERLY RESULTS

The following is selected financial data for the last eight quarters ending with the most recently completed quarter, being the three months ended December 31, 2019:

Three months ended				
	December 31, 2019 $	**September 30, 2019 $**	**June 30, 2019 $**	**March 31, 2019 $**
Total revenues	Nil	Nil	Nil	Nil
Net earnings (loss)	(433,087)	(49,628)	(11,420,827)	99,744
Net earnings (loss) per share - Basic and diluted	-	-	(0.05)	-
Deferred exploration costs	284,171	270,498	112,968	123,103

Three months ended				
	December 31, 2018 $	**September 30, 2018 $**	**June 30, 2018 $**	**March 31 2018 $**
Total revenues	Nil	Nil	Nil	Nil
Net earnings (loss)	2,794,321	(2,527,533)	1,303,959	1,020,732
Net earnings (loss) per share - Basic and diluted	0.01	(0.01)	0.01	-
Deferred exploration costs	24,511	303,088	459,482	407,979

During the quarter ended June 30, 2019 the Escalones Project met the criteria as an asset held for sale under IFRS 5 which resulted in a charge of $11,388,588 being taken for a write-down of carrying value on transfer, from mining claims and deferred exploration costs, to assets held for sale upon reclassification. The sale of the Escalones Project closed on September 26, 2019, with additional transaction costs of $87,909 being charged during the three months ended September 30, 2019 and a further loss of $1,887,000 recognized during the same three-month period arising from a change in estimate of the cost of the Wealth Copper shares which are being recorded at value of $0.10 per share. A further loss of $108,226 was recorded during the three months ended December 31, 2019.

The Company recorded their share of the loss ($103,264) on the equity accounted investee, Wealth Copper, during the quarter ended December 31, 2019.

The Arbitration Settlement was paid out to the Company on September 5, 2019. The settlement with Bolivia resulted in a net change in fair value of arbitration award assets, Class B shares and other arbitration award liabilities of $2,145,910 for the 3 months ended September 30, 2019.

During the quarter ended December 31, 2018, due to the arbitration award being granted, the Company derecognized the Malku Khota project and recognized an arbitration award asset, resulting in a $1,147,249 loss on derecognition. The Company also reported income of $4,602,641 in relation to the fair value changes in the Class B shares and the arbitration award assets and liabilities.

Net earnings (loss) has been volatile for the quarters ended September 30, 2018 and prior due to the change in fair value of the Class B shares. In this regard, the Company recognized a loss of $2,544,395 during Q3 2018 (Q2 2018 - income of $1,720,046, Q1 2018 – income of $1,454,172, Q4 2017 – income of $1,506,302).

FOURTH QUARTER

During the fourth quarter of 2019, the Company reported net loss of $433,087 ($nil per share) compared to net earnings of $2,794,321 ($0.01 per share) reported in the fourth quarter of 2018. The 2019 fourth quarter included a further loss of $108,226 recorded on the sale of the Escalones Project and the Company recorded their share of the loss ($103,264) on the equity accounted investee, Wealth Copper. The 2018 fourth quarter included the Company derecognizing the Malku Khota project and recognized an arbitration award asset, resulting in a $1,147,249 loss offset with reporting income of $4,602,641 in relation to the fair value changes in the Class B shares and the arbitration award assets and liabilities.

LIQUIDITY AND CAPITAL RESOURCES

The Company's aggregate operating, investing and financing activities during the year ended December 31, 2019 resulted in a net cash inflow of $3,809,448. The Company had a working capital of $4,093,733 at December 31, 2019 (working capital deficit of $293,028 as at December 31, 2018). During the year ended December 31, 2019, the Company received the $25,588,525 settlement of the arbitration award and paid $19,844,789 on account of the redemption of the Class B shares and the payment of other arbitration award liabilities.

The Company is dependent upon share issuances to provide the funding necessary to meet its general operating expenses and will require additional financing to continue to explore its mineral properties. The recoverability of amounts shown as mining claims and deferred exploration costs is dependent upon the discovery of economically recoverable reserves, the Company's ability to obtain financing to develop its mineral properties, and the ultimate realization of profits through future production from, or sale of, the properties.

CONTINGENCIES

The Company may be subject to various contingent liabilities that occur in the normal course of operations. The Company is not aware of any pending or threatened proceedings that would have a material adverse effect on the consolidated financial condition or future results of the Company.

RELATED PARTY TRANSACTIONS

Key management includes all the Officers and Directors of the Company. The compensation paid or payable to key management for services during the years ended December 31, 2019 and 2018 is as follows:

	2019 **$**	**2018** **$**
Directors' fees	52,848	59,775
Professional fees	81,776	69,413
Wages and benefits	180,781	326,000
Share-based payments	294,218	74,262
TOTAL	**609,623**	**529,450**

The Company's related parties consist of the Company's officers or companies associated with them and Gowling WLG (Canada) LLP which is a legal firm in which Tina Woodside-Shaw, the Chair and a director of the Company, is a partner. The Company incurred the following additional expenditures with related parties during the years ended December 31, 2019 and 2018 that were charged by related parties. All transactions with related parties have occurred in the normal course of the Company's operations and have been measured at the amounts agreed to by the Company and the related parties.

	2019 $	2018 $
Consulting fees [(1)]	52,582	18,357
Consulting fees - mineral property costs [(2)]	21,326	89,867
Professional fees [(3)]	236,432	113,222
Share issue costs [(4)]	22,351	41,224
TOTAL	**332,691**	**262,670**

(1) *paid to Felipe Malbran, and in 2018 also to a company owned by David Dreisinger (a former officer of the Company), as compensation to serve as officers of the Company.*
(2) *paid to Felipe Malbran as consulting costs for the Escalones Project.*
(3) *paid primarily to Gowling WLG (Canada) LLP, and Malaspina Consultants Inc. (a company in which Killian Ruby, the CFO of the Company, is President & CEO)*
(4) *paid primarily to Gowling WLG (Canada) LLP for professional services regarding financing transactions.*

Included in accounts payable at December 31, 2019 is an amount of $38,670 (December 31, 2018 - $281,499) due to related parties comprising Gowling WLG (Canada) LLP, Malaspina Consultants Inc. and the Directors of the Company. These amounts are non-interest bearing and have no specific terms of repayment.

FINANCIAL INSTRUMENTS

The Company's financial instruments as at December 31, 2019 and 2018 consist of cash and cash equivalents, receivables, reclamation deposits, arbitration award asset, accounts payable, redemption obligations and Class B shares and other arbitration award liabilities. Cash and cash equivalents, receivables, reclamation deposits, accounts payable and redemption obligations are classified as amortized cost. The arbitration award assets, Class B shares and other arbitration award liabilities are designated as FVTPL.

Fair Value of Financial Instruments

The Company classified the fair value of the financial instruments according to the following fair value hierarchy based on the amount of observable inputs used to value the instruments:

- Level 1 – Values based on unadjusted quoted prices available in active markets for identical assets or liabilities as of the reporting date.

- Level 2 – Values based on inputs, including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace. Prices in Level 2 are either directly or indirectly observable as of the reporting date.

- Level 3 – Values based on prices or valuation techniques that are not based on observable market data.

The Class B shares are Level 1 fair values. The arbitration award asset and the other arbitration award liabilities are Level 2 fair values, which are derived from the valuation of the Class B shares.

Discussions of risks associated with financial assets and liabilities are detailed below:

Currency risk
Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. A portion of the Company's financial assets and liabilities is denominated in foreign currencies giving rise to risks from changes in foreign exchange rates. The Company is exposed to currency exchange rate risks to the extent of its activities in the U.S., Bolivia and, up to the time of disposal of its subsidiaries on September 26, 2019, Chile. Based on this exposure as at December 31, 2019 a 5% change in exchange rates could give rise to a change in the net loss by approximately $225,000, which is primarily driven by the parent Company's USD cash balance of $3.6 million at December 31, 2019 (because the parent Company has a Canadian Dollar functional currency). The Company does not use derivative financial instruments to reduce its foreign exchange exposure.

Credit risk
Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The majority of the Company's credit risk exposure arises from its cash balances which are held with a Canadian chartered bank and from reclamation deposits held directly with governmental authorities in the United States. Accordingly, the Company's exposure to credit risk is considered to be limited. Cash equivalents consist of term deposits which have an original maturity of three months or less from the date of purchase and which are readily convertible into a known amount of cash. The Company also maintains deposits for ongoing working capital at major banks in the jurisdictions in which its foreign subsidiaries operate.

Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company manages its cash according to its operational needs and to maximize interest revenue. The Company is not significantly exposed to interest rate risk.

Liquidity risk
Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company manages liquidity risk by maintaining sufficient cash and cash equivalents balances to enable settlement of transactions on the due date. The Company's investment policy is to invest its cash in term deposits, with maturities of three months or less from the original date of acquisition. The Company's accounts payable are due on normal commercial terms. The Company's redemption obligations are due on demand and are supported by cash balances held directly with the Company's Transfer Agent to facilitate, as Redemption Agent, the redemption of such obligations as they arise.

OUTLOOK
The Company's focus is on the exploration and expansion of the mineral resources at its Gold Springs project in Nevada and Utah, USA.

OFF-BALANCE SHEET ARRANGEMENTS
The Company has not entered into any material off-balance sheet arrangements such as guarantee contracts, contingent interests in assets transferred to unconsolidated entities, derivative financial obligations, or with respect to any obligations under a variable interest equity arrangement.

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROLS OVER FINANCIAL REPORTING
The Company's management, with the participation of the Chief Executive Officer and the Chief Financial Officer, engaged external consultants to evaluate the effectiveness of the Company's disclosure controls and procedures (as defined in the rules of the Canadian Securities Administrators ("CSA")) as at December 31, 2019, and have concluded that such disclosure controls and procedures are effective to ensure that information required to be disclosed by the Company in reports that it files or submits under Canadian securities laws is (i) recorded, processed, summarized and reported within the time periods specified in

Canadian securities laws and (ii) accumulated and communicated to the Company's management to allow timely decisions regarding required disclosure.

Management is also responsible for establishing and maintaining adequate internal control over financial reporting for the Company. Management has engaged external consultants, who used the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") control framework (2013) to evaluate the effectiveness of the Company's internal control over financial reporting. As of December 31, 2019, management assessed the effectiveness of the Company's internal control over financial reporting and concluded that such internal control over financial reporting is effective and that there are no material weaknesses in the Company's internal control over financial reporting that have been identified by management.

As of the date of this report, management is not aware of any change in the Company's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting since the date of last year's MD&A.

It should be noted that all internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ significantly from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Significant accounting judgements are made in particular with regard to the Company's ability to continue as a going concern and the assessment of impairment to the carrying value of mineral properties.

Going concern

The Company's management has made an assessment of the Company's ability to continue as a going concern and is satisfied that the Company has the resources to continue in business for the foreseeable future. The factors considered by management are disclosed in Note 1 to the consolidated financial statements.

Mining claims and deferred exploration costs

The recoverability of amounts shown as mining claims and deferred exploration costs is dependent upon the discovery of economically recoverable reserves, the Company's ability to obtain financing to develop the properties, and the ultimate realization of profits through future production or sale of the properties.

Management reviews the carrying values of its mining claims on at least an annual basis, or when an impairment indicator exists, to determine whether an impairment should be recognized. In making its assessment, management considers, among other things, exploration results to date and future exploration plans for a particular property. In addition, capitalized costs related to relinquished property rights are written off in the period of relinquishment. Capitalized costs in respect of the Company's mining claims may not be recoverable and there is a risk that these costs may be written down in future periods.

Other critical estimates and assumptions are made in particular with regard to the assumptions used in calculating the fair value of the arbitration award assets and other arbitration award liabilities and the Class B share options and warrants and share-based payments.

Share-based payments
The Company uses the fair-value method of accounting for share-based payments related to incentive stock options and compensation warrants granted, modified or settled. Under this method, compensation cost attributable to options granted is measured at fair value at the grant date and expensed over the vesting period. In determining the fair value, the Company makes estimates of the expected volatility of the stock, the expected life of the options, and an estimated risk-free interest rate.

Arbitration award asset and other arbitration award liabilities
The fair value of the arbitration award assets and other arbitration award liabilities was estimated based on the quoted price of the Class B shares on the TSX. Changes to these estimates in previous years could have resulted in the fair value of the Class B shares being less than or greater than the amount recorded.

Warrants
In determining the fair value of warrants included in unit placements, the Company makes estimates of the expected volatility of the stock, the expected life of the warrants, and an estimated risk-free interest rate.

Investment in associate
The carrying value of the investment in associate is included in the consolidated statements of financial position. Management has estimated the cost of the initial investment is based on the shares received from Wealth Copper Ltd. and applying the expected pricing of the Concurrent Financing, as discussed in Note 8 to the consolidation financial statements. At every reporting period, management assesses the potential for impairment which involves assessing whether or not facts or circumstances exist that suggests the carrying amount exceeds the recoverable amount. Any change in the assumptions used could impact the carrying value of the investment on the consolidated statement of financial position with a corresponding adjustment to the consolidated statement of earnings (loss) and comprehensive income (loss).

OUTSTANDING SHARE DATA
The Company has an unlimited number of common shares without par value.

Type of Security	**Common shares**
As of March 27, 2020	(number)
Issued and outstanding	248,789,073
Stock options	20,657,500
Share purchase warrants	2,976,191
TOTAL DILUTION	**272,422,764**

NEW ACCOUNTING STANDARDS

IFRS 16, Leases
IFRS 16, Leases ("IFRS 16") eliminates the classification of leases as either operating or finance leases for a lessee. Instead all leases are capitalized by recognizing the present value of lease payments and recognizing an asset and a financial liability representing an obligation to make future lease payments. The principles in IFRS 16 provide a more consistent approach to acquiring the use of an asset whether by leasing or purchasing an asset. The new leasing standard results in lease assets previously recorded as operating leases now being recognized as "right of use" assets on the statement of financial position. IFRS 16 is applicable to all entities and will supersede current lease accounting standards under IFRS. IFRS 16 became effective for the Company on January 1, 2019. There was no material impact to the Company's consolidated financial statements upon adoption.

RISKS AND UNCERTAINTIES

Exploration for and the development of mineral resources involves a high degree of risk. The cost of conducting programs may be substantial and the likelihood of success is difficult to assess. The following risks are listed in the order of most to least significant:

Additional Funding

The Company currently has no revenues from operations. The Company is dependent upon share issuances to provide the funding necessary to meet its general operating expenses and will require additional financing to continue to explore its mineral properties. In order to further fund the Company's business plans, additional funds will be required. The only sources of future funds presently available to the Company are the sale of additional equity capital, the sale of a future metal stream from a property, the sale of a production royalty, the entering into of a metal or concentrate off-take type agreement, the entering into a loan agreement, the sale or leasing of the Company's interest in a property, or the entering into of a joint venture arrangement or other strategic alliance in which the funding source could become entitled to an interest in one of the assets of the Company. The Company's capital resources are largely determined by the strength of the junior resource market and by the status of the Company's projects in relation to these markets, and its ability to compete for investor support of its projects. There is no assurance that the Company will be successful in raising additional funds in the future. If the Company does not have the necessary capital to meet its obligations under its contractual obligations, the Company may have to forfeit its interest in properties or prospects earned or assumed under such contracts. In addition, if the Company does not have sufficient funds to pursue its exploration and development programs and other plans, the viability of the Company could be jeopardized.

Commodity Price Risk

The profitability of the Company's operations, if ever established, will be dependent upon the market price of mineral commodities. Mineral prices fluctuate widely and are affected by numerous factors beyond the control of the Company. The level of interest rates, the rate of inflation, world supply of mineral commodities, consumption patterns, sales of copper, gold and silver by central banks, forward sales by producers, production, industrial and jewellery demand, speculative activities and stability of exchange rates can all cause significant fluctuations in prices. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and political developments. The prices of mineral commodities have fluctuated widely in recent years. Current and future price declines could cause commercial production to be impracticable. The Company's revenues and earnings also could be affected by the prices of other commodities such as fuel and other consumable items, although to a lesser extent than by the price of gold and silver. The prices of these commodities are affected by numerous factors beyond the Company's control.

Dilution

The Company is dependent upon share issuances to provide the funding necessary to meet its general operating expenses and will require additional financing to continue to explore its mineral properties. Issuances of additional securities will result in dilution of the equity interests of the Company's shareholders. The Company may issue additional Common Shares in the future as further capital is required and on the exercise of outstanding options or other convertible securities issued from time to time. Sales or issuances of substantial amounts of additional securities, or the availability of such securities for sale, could adversely affect the market prices for the Company's securities. A decline in the market prices of securities of the Company could impair the Company's ability to raise additional capital through the sale of new Common Shares should it desire to do so. In addition, if additional Common Shares or securities convertible into Common Shares are sold or issued, such sales or issuances may substantially dilute the equity interests of the Company's holders of Common Shares.

Uncertainty of Resource Estimates

The Company announced resource estimates on the Gold Springs project and the results of its preliminary economic study (the "PEA") on such project. The statements of mineral resources disclosed are estimates only and no assurance can be given that the anticipated tonnages and grades will be achieved or that the indicated level of recovery will be realized. Mineral resources are not mineral reserves and do not have demonstrated economic viability. Until they are categorized as "mineral reserves", the known mineralization of the Gold Springs projects is not determined to be economic ore. The mining and exploration business relies upon the accuracy of determinations as to whether a given deposit has significant mineral reserves and resources. Mineral reserve and resource estimates are based on limited sampling, and inherently carry the uncertainty that samples may not be representative. Such estimates necessarily include presumptions of continuity of mineralization which may not actually be present. Mineral reserve and resource estimates may require revision (either upward or downward) based on actual production experience. Market fluctuations in the price of metals, as well as increased production costs or reduced recovery rates, may render certain mineral resources uneconomic. Inaccurate estimates may result in a misallocation of resources such that an excess amount could be allocated to a less than economic deposit or, conversely, failure to develop a significant deposit. Greater assurance will require completion of final comprehensive feasibility studies that conclude a potential mine at the Gold Springs project is likely to be economic, but such studies remain subject to the same risks and uncertainties.

Exploration Stage Operations
The Company's operations are subject to all of the risks normally associated with the exploration for and the development of mineral properties. The Gold Springs projects are still in the advanced exploration stage. Mineral exploration and exploitation involves a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to avoid. Few properties that are explored are ultimately developed into producing mines. Unusual or unexpected formations, formation pressures, fires, power outages, labour disruptions, flooding, explosions, tailings impoundment failures, cave-ins, landslides and the inability to obtain necessary permits, adequate machinery, equipment or labour are some of the risks involved in mineral exploration and exploitation activities. The Company has relied on and may continue to rely on consultants and others for mineral exploration and exploitation expertise.

Substantial expenditures are required to establish mineral reserves and resources through drilling, to develop metallurgical processes to extract the metal from the material processed and to develop the mining and processing facilities and infrastructure at any site chosen for mining. There can be no assurance that commercial quantities of ore will be discovered. There is also no assurance that even if commercial quantities of ore are discovered, that the properties will be brought into commercial production or that the funds required to exploit mineral reserves and resources discovered by the Company will be obtained on a timely basis or at all. The commercial viability of a mineral deposit once discovered is also dependent on a number of factors, some of which are the particular attributes of the deposit, such as size, grade and proximity to infrastructure, as well as metal prices. Most of the above factors are beyond the control of the Company. There can be no assurance that the Company's mineral exploration activities will be successful. In the event that such commercial viability is never attained, the Company may seek to transfer its property interests or otherwise realize value or may even be required to abandon its business and fail as a "going concern". The recoverability of the carrying value of its mineral properties and the Company's continued existence is dependent, in part, upon the preservation of its interest in its properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to obtain financing or, alternatively, upon the Company's ability to dispose of its interests on an advantageous basis.

Portions of the Company's interest in the Gold Springs Project are subject to option or lease agreements which require the Company to make periodic payments over a varying number of years to maintain its interest in those portions of the Project. The Company can cancel these agreements at any time without completing the remaining payments and without further obligation.

Exploration and Operation Risks
In common with other enterprises undertaking business in the mining sector, the Company's mineral exploration and project development activities are subject to conditions beyond its control. The success of

the Company will be dependent on many factors including: the discovery and/or acquisition of mineral reserves and mineral resources; the successful conclusions to feasibility and other mining studies; access to adequate capital for project development and sustaining capital; design and construction of efficient mining and processing facilities within capital expenditure budgets; the securing and maintaining of title to properties; obtaining permits, consents and approvals necessary for the conduct of exploration and potential mining operations; complying with the terms and conditions of all permits, consents and approvals during the course of exploration and mining activities; access to competent operational management and prudent financial administration, including the availability and reliability of appropriately qualified employees, contractors and consultants; the ability to procure major equipment items and key consumables in a timely and cost-effective manner; the ability to access full power supply; and the ability to access appropriate road and port networks for shipment of any mineral production. There can be no assurance that the Company will ever be able to develop any of its mineral properties at all or on time or on budget. Should any of these events occur, it would have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

Although the Company has implemented comprehensive safety and environmental measures designed to comply with or exceed government regulations and ensure safe, reliable and efficient operations in all phases of its operations, accidents, environmental hazards or degradation, unusual and unexpected geological formations, seismic activity, cave-ins, pit-wall failures, flooding, rock bursts and other acts of God or unfavorable operating conditions and losses may still occur.

Permits and Government Regulation
The Company requires licenses and permits from various governmental authorities in Nevada and Utah to carry out exploration and development at Gold Springs. Obtaining permits can be a complex, time-consuming process. There can be no assurance that the Company will be able to obtain the necessary licences and permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining permits and complying with these permits and applicable laws and regulations could stop or materially delay or restrict the Company from continuing or proceeding with existing or future operations or projects. Any failure to comply with permits and applicable laws and regulations, even if inadvertent, could result in the interruption or closure of operations or material fines, penalties or other liabilities. In addition, the requirements applicable to sustain existing permits and licenses may change or become more stringent over time and there is no assurance that the Company will have the resources or expertise to meet its obligations under such licenses and permits.

The mineral exploration activities of the Company are also subject to various laws governing prospecting, development, production, taxes, labour standards, occupational health, mine safety, waste disposal, toxic substances and other matters. Mining and exploration activities are also subject to various laws and regulations relating to the protection of the environment, historical and archaeological sites and endangered and protected species of plants and animals. Although the exploration activities of the Company are currently carried out substantially in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration or development. Amendments to current laws and regulations governing the operations and activities of the Company or more stringent implementation thereof could have a substantial adverse impact on the Company.

Environmental Regulations
The Company's activities are subject to foreign environmental laws and regulations which may materially adversely affect its future operations. These laws and regulations control the exploration and development of mineral properties and their effects on the environment, including air and water quality, mine reclamation, waste handling and disposal, the protection of different species of plant and animal life, and the preservation of lands and glaciers. These laws and regulations will require the Company to acquire permits and other authorizations for certain activities. There can be no assurance that the Company will be able to acquire such necessary permits or authorizations on a timely basis, if at all.

The Company cannot predict what environmental legislation or regulations will be enacted or adopted in the future or how future laws and regulations will be administered or interpreted. Compliance with more stringent laws and regulations, as well as potentially more vigorous enforcement policies or regulatory agencies or stricter interpretation of existing laws, may materially adversely affect the Company's future operations.

Mineral exploration and development in the United States are subject to various U.S. federal and state and local laws and regulations relating to the protection of the environment. These laws impose high standards on the mining industry to monitor the discharge of waste water and report the results of such monitoring to regulatory authorities, to reduce or eliminate certain effects on or into land, water or air, to progressively rehabilitate mine properties, to manage hazardous wastes and materials and to reduce the risk of worker accidents. A violation of these laws may result in the imposition of substantial fines and other penalties. There can be no assurance that the Company will be able to meet all the regulatory requirements in a timely manner or without significant expense or that the regulatory requirements will not change to prohibit the Company from proceeding with certain exploration and development.

Infrastructure
Development and exploration activities depend on adequate infrastructure, including reliable roads, power sources and water supply. The Company's inability to secure adequate water and power resources, as well as other events outside of its control, such as unusual weather, sabotage, government or other interference in the maintenance or provision of such infrastructure, could adversely affect the Company's operations and financial condition.

Title to Properties
Acquisition of rights to the mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed. Although the Company has investigated the title to all of the properties for which it holds concessions or in respect of which it has a right to earn an interest, the Company cannot give an assurance that title to such properties will not be challenged or impugned. The Company's properties may be subject to prior unregistered agreements or transfers and title may be affected by undetected defects or governmental actions. The Company can never be certain that it or its option partners will have valid title to its mineral properties. Mineral properties sometimes contain claims or transfer histories that examiners cannot verify, and transfers under foreign law are often complex. The Company does not carry title insurance on its properties. A successful claim that the Company or its option partner does not have title to a property could cause the Company to lose its rights to that property, perhaps without compensation for its prior expenditures relating to the property. The occurrence of any such event could have a material adverse effect on the Company and its prospects.

Portions of the Gold Springs Project, including the Jumbo target where the Company has a resource estimate, are subject to option or lease agreements requiring cash payments. If the Company fails to make these payments, the Company may lose its right to the applicable portion of the property and forfeit any funds previously expended to acquire such interest.

Conflicts of Interest
Certain directors and officers of the Company are or may become associated with other natural resource companies which may give rise to conflicts of interest. In accordance with the Business Corporations Act (British Columbia), a director or senior officer who has a material interest in a contract or transaction or a proposed contract or transaction that is material to the Company, or a director or senior officer who is a director or senior officer of, or has a material interest in, a person who has a material interest in the contract or transaction, is required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve the contract or transaction. In addition, the directors and the officers are required to act honestly and in good faith with a view to the best interests of the Company. However, circumstances (including with respect to future corporate opportunities) may arise which are resolved in a manner that is unfavourable to the Company.

Further, the non-management directors of the Company have either other full-time employment or other business or time restrictions placed on them and accordingly, the Company will not be the only business enterprise of these persons and these persons will not devote all of their time to the business and affairs of the Company.

Uninsurable Risks
The Company maintains liability, property and other insurance, where reasonably available, in such amounts it considers prudent. The Company may become subject to liability for hazards against which it is not insured or which it may have elected not to insure against because of high premium costs or other reasons.

In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions, including rock bursts, cave-ins, fires, flooding, earthquakes and other environmental occurrences, may occur. It is not always possible to fully insure against such risks and the Company may decide not take out insurance against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of the Company.

Expected Continued Operating Losses
The Company has experienced losses from operations in previous financial years and had an accumulated deficit of $87,633,339 as of December 31, 2019. The Company expects to incur losses for the foreseeable future.

No History of Dividends
The Company has never paid a dividend on its Common Shares and does not expect to do so in the foreseeable future. The Company intends to retain earnings and other cash resources for its business. Any future determination to pay dividends will be at the discretion of the board of directors and will depend upon the capital requirements of the Company, results of operations and such other factors as the board of directors considers relevant. Accordingly, it is likely that for the foreseeable future holders of Common Shares will not receive any return on their investment in the Common Shares other than possible capital gains.

Political Risk
Real and perceived political risk in some countries may also affect the Company’s ability to finance exploration programs and future mine development opportunities.

The Company’s operations and investments may be adversely affected by political instability and legal and economic uncertainty that might exist. The risks associated with the Company’s foreign operations may include political unrest, labour disputes, invalidation of governmental orders, permits or agreements, war, civil disturbances, criminal and terrorist actions, arbitrary changes in laws, regulations and policies, taxation, price controls, exchange controls, delays in obtaining or the inability to obtain necessary permits, import or export restrictions, opposition to mining from local, environmental or other non-governmental organizations, limitations on foreign ownership, limitations on the repatriation of earnings, limitations on mineral exports, government participation, royalties, duties, rates of exchange, high rates of inflation and increased financing costs, currency fluctuations, and changes in laws, regulations or policies as well as by laws and policies of Canada and the U.S. affecting foreign trade, investment and taxation. These risks may limit or disrupt the Company’s projects or operations, restrict the movement of funds or result in the deprivation of contractual rights or the taking of property by nationalization, expropriation or other means without fair compensation.

Litigation Risk
Companies in all industries, including the mining industry, are subject to legal claims from time to time, some of which have merit and others of which do not. Defence and settlement costs of legal claims can be

substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, the resolution of any particular legal proceeding to which the Company may become subject could have a material effect on the Company's financial position, results of operations or the Company's property development.

PFIC Status
The Company believes that it was classified as a "passive foreign investment company" under Section 1297(a) of the U.S. Internal Revenue Code (a "PFIC") during the tax year ended December 31, 2019 and may be a PFIC in future tax years. If the Company is a PFIC for any year during a U.S. shareholder's holding period, then such U.S. shareholder generally will be required to treat any gain realized upon a disposition of shares, or any so-called "excess distribution" received on its shares, as ordinary income, and to pay an interest charge on a portion of such gain or distributions, unless the shareholder makes a timely and effective "qualified electing fund" election ("**QEF Election**") or a "mark-to-market" election with respect to the shares. A U.S. shareholder who makes a QEF Election generally must report on a current basis its share of the Company's net capital gain and ordinary earnings for any year in which the Company is a PFIC, whether or not the Company distributes any amounts to its shareholders. U.S. taxpayers should be aware that there can be no assurance that the Company will satisfy record-keeping requirements or that it will supply U.S. taxpayers with required information under the QEF rules, in event that the Company is a PFIC and a U.S. taxpayer wishes to make a QEF election. This shall not be construed as tax advice given by the Company and U.S. taxpayers are encouraged to consult with their tax advisor regarding the tax consequences of holding shares in the Company.

COVID-19
The COVID-19 outbreak has resulted in social and economic disruption and had a resultant impact on the mining and exploration industries and capital markets. The impacts to the Company are not determinable at this date, however, could have a material impact on the Company's forecasted exploration work and the Company's financial position, results of operation and cash flows. The Company's liquidity and ability to continue as a going concern may also be impacted.

Cautionary note regarding forward-looking statements
Certain statements contained herein constitute "forward-looking information" or "forward-looking statements" under applicable securities laws ("forward-looking statements"). Forward-looking statements look into the future and provide an opinion as to the effect of certain events and trends on the business. Forward-looking statements may include words such as "will", "may", "expand", "continue", "estimated", "potential", "contingent", "develop", "plan", "future", "indications", "further", "could", "would', "expected", "nearing", "believes", "envisions", "ongoing", "possible", "creating", "advancing", "realization" and "pursuing" and similar expressions. This MD&A contains forward-looking statements. These forward-looking statements are based on current expectations and various estimates, factors and assumptions and involve known and unknown risks, uncertainties and other factors. Information concerning mineral resource estimates, the PEA, and the interpretation of exploration programs, drill results and metallurgical testing may also be considered as a forward-looking statement, as such information constitutes a prediction of what mineralization might be found to be present and economically mineable if and when a project is actually developed.

Readers are cautioned not to place undue reliance on these statements as the Company's actual results, performance or achievements may differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements if known or unknown risks, uncertainties or other factors affect the Company's business, or if the Company's estimates or assumptions prove inaccurate. Therefore, the Company cannot provide any assurance that forward-looking statements will materialize. Factors that could cause results or events to differ materially from current expectations expressed or implied by the forward-looking statements, include, but are not limited to, risks of the mineral exploration industry which may affect the advancement of the Gold Springs project, including possible variations in mineral resources or grade, recovery rates, metal prices, capital and operating costs, and the application of taxes, *availability of sufficient financing to fund further required work in a timely manner and on acceptable terms, availability of equipment and qualified personnel, failure of equipment or processes to operate as anticipated, changes in project parameters as plans continue to be refined; and other risks more fully described in the Company's Annual Information Form filed and publicly available on SEDAR at www.sedar.com. The assumptions made in developing the forward-looking statements include: the accuracy of current resource estimates and the interpretation of drill, metallurgical testing and other exploration results; the continuing support for mining by local governments in Nevada and Utah, the availability of equipment and qualified personnel to advance exploration projects; and execution of the Company's existing plans and further exploration and development programs for its projects, which may change due to changes in the views of the Company or if new information arises which makes it prudent to change such plans or programs.*

Subject to applicable laws, the Company assumes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or any other reason. Unless otherwise indicated, forward-looking statements in this MD&A describe the Company's expectations as of March 27, 2020.

Readers are also cautioned that the preliminary economic assessments in this MD&A are preliminary in nature and include inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves and there is no certainty that the results indicated in the preliminary economic assessments will or could be realized. Mineral resources that are not mineral reserves do not have economic viability.

Cautionary note regarding reserve and resource estimates

The material in this MD&A has been prepared in accordance with the requirements of the securities laws in effect in Canada, which differ from the requirements of U.S. securities laws. Unless otherwise indicated, all resource and reserve estimates included in this MD&A have been prepared in accordance with National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") and the Canadian Institute of Mining and Metallurgy Classification System. NI 43-101 is a rule developed by the Canadian Securities Administrators which establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. Canadian standards, including NI 43-101, differ significantly from the requirements of the United States Securities and Exchange Commission ("SEC"), and resource and reserve information contained herein may not be comparable to similar information disclosed by U.S. companies. In particular, and without limiting the generality of the foregoing, the term "resource" does not equate to the term "reserves". Investors should also understand that "inferred mineral resources" have a great amount of uncertainty as to their existence and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an "inferred mineral resource" will ever be upgraded to a higher category. The estimation of quantities of resources and reserves is complex, based on significant subjective assumptions and forward-looking information, including assumptions that arise from the evaluation of geological, geophysical, engineering and economic data for a given ore body. This data could change over time as a result of numerous factors, including new information gained from development activities, evolving production history and a reassessment of the viability of production under different economic conditions. Changes in data and/or assumptions could cause reserve estimates to substantially change from period to period. No assurance can be given that the indicated level of mineral will be produced. Actual production could differ from expected production and an adverse change in mineral prices could make a reserve uneconomic to mine. Variations could also occur in actual ore grades and recovery rates from estimates.

Other information

Additional information related to the Company, including the Company's Annual Information Form and press releases, are available for viewing on SEDAR at www.sedar.com and at the Company's website at www.goldspringsresource.com.

Randall Moore, Executive Vice President for the Company, is the Company's internal Qualified Person for the Gold Springs Project and he has approved of the written disclosure of scientific and technical information contained herein.