

EXPLOITS DISCOVERY CORP. (formerly MARINER RESOURCES CORP.)
(the “Company” or “Exploits”)

Form 51-102F1
MANAGEMENT’S DISCUSSION and ANALYSIS
FOR THE THREE AND NINE MONTHS ENDED JULY 31, 2020

The following Management’s Discussion and Analysis (“MD&A”) supplements, but does not form part of, the audited financial statements of the Company and the notes thereto for the three and nine months ended July 31, 2020 (the “Financial Statements”). Consequently, the following discussion and analysis of the results of operations and financial condition of Exploits should be read in conjunction with the Financial Statements which have been prepared in accordance with International Financial Reporting Standards (“IFRS”). All amounts are stated in Canadian dollars unless otherwise indicated. The reader should be aware that historical results are not necessarily indicative of future performance. This MD&A has been prepared based on information known to management as of September 29, 2020.

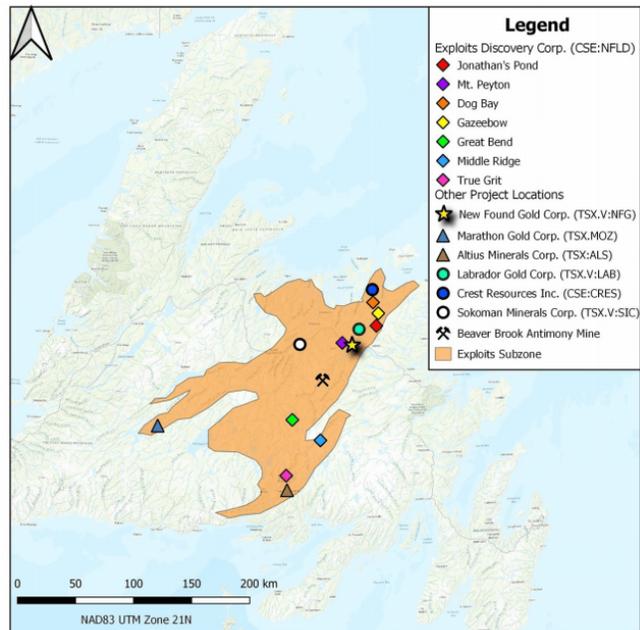
Forward-Looking Statements

Certain statements contained in the following MD&A and elsewhere constitute forward-looking statements. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks set forth below. The Company assumes no obligation to update or revise forward looking statements to reflect new events or circumstances except as required by law.

Description of Business

Exploits Discovery Corp. (formerly Mariner Resources Corp.) was incorporated under the Business Corporations Act (British Columbia) on May 28, 2018. The Company’s head office is at 250 Southridge, Suite 300, Edmonton AB T6H 4M9. The Company is focused on evaluating, acquiring, and exploring mineral properties with significant potential for advancement from discovery through to production, in Canada and abroad. On May 30, 2019, the common shares of the Company were listed on the Canadian Securities Exchange (the “Exchange” or “CSE”) and trade under the trading symbol “NFLD”.

The Company’s principal property interests are its seven gold exploration properties in the Exploits Subzone in Newfoundland and Labrador, as pictured here.



Acquisition of Exploits Gold Corp.

On September 18, 2020, the Company acquired a 100% interest in Exploits Gold Corp., a private company focused on gold exploration in the Exploits Subzone of central Newfoundland and Labrador. Under the terms of the agreement, the Company issued an aggregate of 18,910,752 common shares to the shareholders of Exploits Gold Corp. via a share exchange agreement. Exploits Gold Corp. held the Jonathan's Pond property and additional claims surrounding the Company's Mount Peyton property, and as a result of this acquisition both of these properties were added to the Company's portfolio.

Property Acquisitions

(more information on these properties can be found on page 8 under the heading "Mineral Properties")

Middle Ridge Property

On July 8, 2020, the Company entered into an Option agreement to acquire a 100% interest in the Middle Ridge Property by making a cash payment of \$240,000 and issuing 1,800,000 common shares of the Company (recorded at a fair value of \$229,500, or \$0.1275 per share). The Property is comprised of 558 mineral claims and is located in Central Newfoundland and is subject to a 2.0% Net Smelter Royalty ("NSR").

On July 31, 2020, the Company acquired a 100% interest in an additional 1,024 mineral claims, expanding its Middle Ridge Property, by issuing 6,850,000 common shares of the Company (recorded at a fair value of \$1,900,875, or \$0.2775 per share).

Great Bend Property

On July 29, 2020, the Company staked 1,536 claims in central Newfoundland and Labrador for a total cost of \$105,000, which the Company collectively now refers to as the Great Bend Property.

On August 14, 2020, the Company acquired a 100% interest in an additional 277 mineral claims, expanding its Great Bend Property, by issuing 1,000,000 common shares of the Company (recorded at a fair value of \$600,000, or \$0.60 per share), and an obligation to issue another 1,000,000 common shares upon completion of a pre-feasibility study. These mineral claims are subject to a 2.0% NSR.

On August 14, 2020, the Company acquired a 100% interest in an additional 136 mineral claims, expanding its Great Bend Property, by issuing 95,371 common shares of the Company (recorded at a fair value of \$57,223, or \$0.60 per share).

True Grit Property

On July 31, 2020, the Company acquired a 100% interest in the True Grit Property by issuing 150,000 common shares of the Company (recorded at a fair value of \$41,625, or \$0.2775 per share). The Property is comprised of 614 mineral claims and is located in Central Newfoundland. Certain mineral claims are subject to a 2.0% NSR.

On August 14, 2020, the Company acquired a 100% interest in an additional 370 mineral claims, expanding its True Grit Property, by issuing 259,467 common shares of the Company (recorded at a fair value of \$155,680, or \$0.60 per share).

Mount Peyton Property

On August 5, 2020, the Company acquired a 100% interest in the Mt Peyton Property by issuing a cash payment of \$2,000 and issuing 500,000 common shares of the Company (recorded at a fair value of \$168,750, or \$0.3375 per share). In addition, the Company must issue a further 2,500 common shares on the 6th through 20th anniversary of signing the agreement. The Property is comprised of 51 mineral claims and is located in Central Newfoundland.

On August 14, 2020, the Company acquired a 100% interest in an additional 920 mineral claims, expanding its Mt Peyton Property, by issuing 645,162 common shares of the Company (recorded at a fair value of \$387,097, or \$0.60 per share).

On September 18, 2020, the Company expanded its Mt Peyton Property with 811 additional claims through its acquisition of Exploits Gold Corp. (*more information on this transaction can be found on page 2 under the heading "Acquisition of Exploits Gold Corp"*).

Gazeebow Property

On August 10, 2020, the Company acquired a 100% interest in the Gazeebow Property by issuing a cash payment of \$7,000 and issuing 600,000 common shares of the Company (recorded at a fair value of \$360,000, or \$0.60 per share). The Property is comprised of 98 mineral claims and is located in Central Newfoundland. These mineral claims are subject to a 2.0% NSR.

Dog Bay Property

On August 10, 2020, the Company entered into an Option agreement to acquire a 100% interest in the Dog Bay Property by making a cash payment of \$30,000 and issuing 1,000,000 common shares of the Company (recorded at a fair value of \$600,000, or \$0.60 per share). In addition, the Company must issue further payments as follows:

- \$40,000 cash and 400,000 common shares on the 1st anniversary; and
- \$50,000 cash and 500,000 common shares on the 2nd anniversary; and
- \$60,000 cash and 600,000 common shares on the 3rd anniversary; and
- \$70,000 cash and 1,000,000 common shares on the 4th anniversary; and
- \$10,000 in cash or common shares on the 5th to 10th anniversary; and
- \$50,000 in cash or common shares on the 11th to 20th anniversary.

The Property is comprised of 485 mineral claims and is located in Central Newfoundland and is subject to a 2.0% Net Smelter Royalty ("NSR").

Jonathan's Pond Property

On September 18, 2020, the Company acquired Jonathan's Pond Property through its acquisition of Exploits Gold Corp. (*more information on this transaction can be found on page 2 under the heading "Acquisition of Exploits Gold Corp"*). The property is comprised of 127 claims.

Overall Performance

As a junior mining issuer, the Company is highly subject to the cycles of the mineral resource sector and the financial markets as they relate to junior companies. The Company's financial performance is dependent upon many external factors. Both prices and markets for metals are volatile, difficult to predict, and subject to changes in domestic and international, political, social and economic environments. Circumstances and events beyond its control could materially affect the financial performance of the Company.

Summary of Quarterly Results

The following table summarizes financial data for the most recently completed quarters:

Quarter ended	Jul 31, 2020	Apr 30, 2020	Jan 31 2020	Oct 31 2019	Jul 31, 2019	Apr 30, 2019	Jan 31, 2019	Oct 31, 2018
Total Revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net loss (\$)	(80,896)	(29,302)	(15,443)	(11,568)	(67,728)	(44,527)	(9,209)	(7,520)
Basic and diluted net loss per common share	(0.01)	(0.00)	(0.00)	(0.00)	(0.01)	(0.01)	(0.00)	(0.00)

Selected Annual Information

The following table summarizes audited financial data for operations reported by the Company For the year ended October 31, 2019 and the period from May 28, 2018 to October 31, 2018:

Fiscal period ended	Oct 31, 2019	Oct 31, 2018
Total Revenue (\$)	Nil	Nil
Total assets (\$)	309,864	64,967
Current liabilities (\$)	52,450	12,075
Non-current liabilities (\$)		
Net loss (\$)	(133,032)	(27,733)
Basic and diluted loss per common share (\$)	(0.03)	(0.01)
Weighted average number of common shares outstanding	4,910,273	3,009,804

Results of Operations

The three months ended July 31, 2020

During the three months ended July 31, 2020 (“the current quarter”), the Company incurred a net loss of \$80,896 compared to a net loss of \$67,728 during the three months ended July 31, 2019 (“2019” or “the comparative quarter”), detailed as follows:

- Investor relations expenses of \$13,154 (2019 - \$7,360) include news releases, on-line shareholder communication and promotion expenses;
- Management fees of \$11,000 (2019 - \$2,000) include management services rendered in connection with corporate activity and project evaluation;
- Office and administrative expenses of \$10,326 (2019 - \$3,336) include rent, office and sundry fees incurred in the current period;
- Professional fees of \$11,065 (2019 – \$2,916), including accounting, legal and audit fees;
- Regulatory and filing fees of \$8,355 (2019 - \$1,398) were incurred for transfer agent fees and expenses related to maintaining the Company’s listing on the CSE.

The nine months ended July 31, 2020

During the nine months ended July 31, 2020 (“the current period”), the Company incurred a net loss of \$125,640 compared to a net loss of \$121,464 during the nine months ended July 31, 2019 (“2019” or “the comparative period”), detailed as follows:

- Investor relations expenses of \$14,934 (2019 - \$7,360) include news releases, on-line shareholder communication and promotion expenses;
- Management fees of \$23,000 (2019 - \$2,000) include management services rendered in connection with corporate activity and project evaluation;
- Office and administrative expenses of \$16,806 (2019 - \$3,797) include rent, office and sundry fees incurred in the current period;
- Professional fees of \$28,565 (2019 – \$17,482), including accounting, legal and audit fees;
- Regulatory and filing fees of \$16,555 (2019 - \$2,499) were incurred for transfer agent fees and expenses related to maintaining the Company’s listing on the CSE.

Financial instruments and risk management

Fair value of financial instruments

IFRS requires disclosures about the inputs to fair value measurements for financial assets and liabilities recorded at fair value, including their classification within a hierarchy that prioritizes the inputs to fair value measurement.

The three levels of hierarchy are:

- Level 1 - Quoted prices in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - Inputs for the asset or liability that are not based on observable market data.

The Company’s cash and cash equivalents are classified as Level 1, whereas accounts receivable and prepayments, and accounts payable and accrued liabilities are classified as Level 2. As at July 31, 2020, the Company believes that the carrying values of cash, accounts payable and accrued liabilities approximate their fair values because of their nature and relatively short maturity dates or durations.

Financial instruments risk

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counter party limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk

Credit risk is defined as the risk of loss associated with counterparty’s inability to fulfill its payment obligations. The maximum exposure to credit risk is the carrying amount of the Company’s financial assets.

Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle its obligations as they come due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds available to meet its short-term business requirements by taking into account the anticipated cash expenditures for its exploration and other operating activities, and its holding of cash and cash equivalents. The Company will pursue further equity or debt financing as required to meet its commitments. There is no assurance that such financing will be available or that it will be available on favourable terms.

As at July 31, 2020, the Company's financial liabilities consist of its accounts payable and accrued liabilities, which are all current obligations.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to foreign exchange risk is minimal.

Classification of financial instruments

Financial assets included in the statement of financial position are as follows:

	<u>July 31 2020</u>	<u>October 31 2019</u>
Financial asset at amortized cost		
Cash and cash equivalents	\$ 285,492	\$ 219,889
	<u>\$ 285,492</u>	<u>\$ 219,889</u>

Financial liabilities included in the statement of financial position are as follows:

	<u>July 31 2020</u>	<u>October 31 2019</u>
Non-derivative financial liabilities		
Accounts payable and accrued liabilities	\$ 15,672	\$ 52,450
	<u>\$ 15,672</u>	<u>\$ 52,450</u>

Fair value

The fair value of the Company's financial assets and liabilities approximates their carrying amount due to their short term to maturity.

Capital management

The Company monitors its equity as capital.

The Company's objectives in managing its capital are to maintain a sufficient capital base to support its operations and to meet its short-term obligations and at the same time preserve investor's confidence and retain the ability to seek out and acquire new projects of merit. The Company is not exposed to any externally imposed capital requirements.

Related party transactions

Unless otherwise noted, related party transactions were incurred in the normal course of operations and are measured at the amount established and agreed upon by the related parties. The Company incurred and paid fees to directors and officers for management and professional services as follows:

For the nine months ended	July 31 2020	July 31 2019
Management fees paid to key management and directors	\$ 23,000	\$ 2,000
Professional fees paid to a corporation controlled by key management	16,000	6,382
Investor relations paid to corporation controlled by key management	2,700	-
Rent fees paid to corporation controlled by key management	9,000	-
	<u>\$ 50,700</u>	<u>\$ 8,382</u>

Liquidity and Capital Resources

The financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to obtain adequate financing in the future.

On July 27, 2020, the Company completed a non-brokered private placement of 5,000,000 shares at \$0.12 per share to raise \$600,000 in gross proceeds. There were no finders' fees paid or warrants issued.

On September 25, 2020, the Company completed a non-brokered private placement of 5,828,572 units at \$0.35 per unit to raise \$2,040,000 in gross proceeds. Each unit consisted of one common share and one-half non-transferable share purchase warrant of the Company. Each whole warrant is exercisable to acquire one additional common share at \$0.70 per share until two years from issuance. The Company also paid finders' fees of \$70,350 and issued 201,000 agent warrants to certain arm's length finders. Each whole agent warrant is exercisable to acquire one additional common share at \$0.70 per share until two years from issuance.

Working capital at July 31, 2020 was \$289,424. As of the date of this MD&A, the Company has working capital of approximately \$2,100,000.

The Company's cash resources are expected to be sufficient to meet its working capital and mineral property requirements for the pursuing year, however, the Company has no source of revenue and therefore management will continue to seek new sources of capital to maintain its operations and to further the development and acquisition of its mineral properties.

Outstanding Share Data

The following table summarizes the Company's outstanding share capital as of the date hereof:

Common shares outstanding:	49,339,874
Warrants, @ \$0.70 until Sep 2022	2,914,286
Agent warrants, @ \$0.15 until May 2021	75,250
Agent warrants, @ \$0.70 until Sep 2022	201,000
Stock options, @ \$0.59 until Jul 6, 2022	1,000,000
Fully diluted	53,53,410

Securities held in escrow

Pursuant to escrow agreements, 2,765,000 common shares issued and outstanding were escrowed and are scheduled for release at 10% on May 30, 2019 and a further 15% every six months thereafter. As of the date of this MD&A, 1,659,000 common shares remained in escrow.

Mineral Properties

Middle Ridge Property

The Middle Ridge property is located in central Newfoundland and consists of 1,582 mineral claims covering approximately 396 km² (39,550 Ha). The property is accessible by traveling south from the town of Bishop's Falls on the Bay d'Espoir Highway for 75 km where the property can be accessed by a network of forest service roads.

The property encompasses 40 kilometers of the Gander River Ultra Mafic Belt (GRUB) offset regional structure, which is thought to be very important in the mobilization and concentration of gold mineralization in the area. The property is 82 km south of the late 2019 New Found Gold Corp. gold discovery, which returned a diamond drill hole with 92.86 g/t Au over 19.0 meters near surface (See New Found Gold Corp. news dated January 28, 2020), and lies within similar geological and structural domains.

Property Highlights

- The Middle Ridge project encompasses 40 km of the GRUB line offset, which is the easternmost bounding structure of the Exploits Subzone (a geological subzone formed as a result of the closing of the Iapetus Ocean).
- The GRUB regional thrust fault offset structure, is a conduit and a focus of deep mantle fluids which is believed to be spatially associated with significant gold mineralization in the region.
- Gold deposition in the Exploits Subzone is found in secondary and tertiary structures crosscutting siliciclastic sediments bounded by the GRUB line.
- A combined airborne magnetic and electromagnetic survey in 1969 completed by McPhar Geophysics Ltd, on behalf of Noranda Exploration Ltd. defined discrete conductive zones, (Noranda Exploration, 1971) within these secondary and tertiary structures that warrant further exploration.
- The project is located in a mining and exploration friendly jurisdiction, with government mineral incentives allowing rebates on new exploration projects of up to \$150,000 per year.

Geology & Structure

The Property straddles a significant regional structure of the Dunnage Zone called the Gander River Ultra Mafic Belt, (GRUB), a regional scale trans-compressional thrust fault marked by a discontinuous belt of ophiolitic rocks (O'Neil and Blackwood, 1989) that forms the south easternmost boundary of the Exploits Subzone. The GRUB Line is believed to be a potential conduit for deep seated fluid flow and a pathway for the transportation of gold bearing fluids. This structure is spatially associated with significant gold deposition across the belt focused in secondary and tertiary structural splays from the GRUB Line, which is hosted in the Silurian siliciclastic sediments of the Exploits Subzone. The southern end of the GRUB line offset, trends NE-SW and is mapped by the Newfoundland Geological Survey as being Cambrian to Ordovician submarine mafic to felsic volcanics. Local gabbroic sills are known to intrude all units in the area and may prove as an additional target model as some sills are locally associated with gold occurrences in the region (Evans, 1996). Northwest of the Middle Ridge Property is the Mount Peyton Intrusive Suite which is a large Siluro-Devonian batholith, a potential heat source that has intruded the Botwood, Indian Islands and Davidsville groups. There are numerous fine to medium grained intrusive gabbroic bodies related to the Mount

Peyton Intrusive Suite, that intrude adjacent to the Dog Bay Line (the north westernmost extent of the Exploits Subzone).

Great Bend Property

The Great Bend Property consists of 1,813 mineral claims encompassing a land area of 453 km². The property is located 75 km southwest of the late 2019 New Found Gold Corp. gold discovery, which returned a diamond drill hole with 92.86 g/t Au over 19.0 meters near surface (See New Found Gold Corp. news dated January 28, 2020). The heart of the property can be accessed by traveling 76 km south from Bishops Falls on the Bay d'Espoir Highway.

Property Highlights

- Located within the Dunnage zone on the southwest extension of magnetic anomalies that are associated with gold mineralization on New Found Gold claims.
- Limited historical drilling on the property consisted of only 2,124m and included 0.22m at 0.6% Zn, 1.0% Pb, 0.24% Cu, and 110 g/t Au (Rio Algom Exploration Inc., 1988).
- Drilling on mineral claims surrounded by the property display different deposit styles and include drill intercepts of up to 103.5m at 0.67 g/t Au and 35.0m at 2.21 g/t Au, as well as a Non 43-101 compliant Indicated and Inferred resource estimate of 564,400 ounces Au at a 0.30 g/t Au cut-off (Paragon Minerals, 2007 & 2010).
- New structural model focusing on epizonal orogenic gold provides a pathway to discovery of new gold deposits.
- Exploit's inhouse desktop studies on historical geologic and geophysical data in the area has identified secondary and tertiary structures that could potentially host higher gold mineralization than previously discovered on the property.

Geology & Structure

The Great Bend property is situated within the Dunnage Zone and encompasses (from west to east), the Newfoundland Geological Survey mapped Coy Pond Complex (CPC), Baie d'Espoir Group (BDG), and the Davidsville Group. Lithological units are diverse across the property and consist of Cambrian to Ordovician ophiolitic ultramafics (CPC), Ordovician felsic to intermediate island-arc volcanics and siliciclastic sediments (BDG), as well as Dasvidsville Group Ordovician marine siliciclastic sediments. The southwest property margin contains the northeast edge of the Early Ordovician Partridgeberry Hills granite which truncates the ophiolite and siliciclastic packages.

Structurally, the property is bound to the west by the NE-SW trending Dog Bay Line, a significant suture formed by the closing of the Iapetus Ocean, and to the east by the Gander River Ultramafic Group (GRUB) line, a major thrust fault consisting of discontinuous ophiolites. Both structures are remnants of major tectonic events and have deep seated mantle tapping potential. Within this structural domain, the parallel trending Appleton and Jonathans Pond linears, highlighted by New Found Gold to host significant mineralization (NFG, 2020), could potentially continue onto the property.

Geological and structural complexity convene on the property, increasing the opportunity for gold mineralization on the property, although the property remains underexplored. Historic drilling on the property is limited and constrained to two drilling campaigns with 14 holes in the BDG area and 5 holes in the CPC region of the property. Best results to date were in felsic volcanics of the BDG which includes 0.22m at 0.6% Zn, 1.0% Pb, 0.24% Cu, and 110 g/t Au (Rio Algom Exploration Inc., 1988). Nearby drilling on mineral claims surrounded by the property has proven the area has significant mineralization hosting up to 0.67 g/t Au over 103.35m and 2.21 g/t Au over 35.0m within an Indicated and Inferred resource estimation of 75,600 and 488,800 ounces respectively at a cut-off of 0.30 g/t Au (Paragon Minerals, 2007 & 2010). Across the drill programs, several deposit types have been highlighted to occur in the area, including VMS (Gallery Resources, 2003) and porphyry gold (Paragon Minerals, 2009). The Davidsville group

portion of the property has not been drilled and has the potential to contain structurally hosted, orogenic gold, similar to New Found Gold's discovery.

True Grit Property

The True Grit property consists of 614 mineral claims covering approximately 153.5 km² (15,350 Ha). The property is accessible by traveling north from the town of Bay d'Espoir on the Bay d'Espoir Highway for 12 km where the highway transects the property. A 3-phase powerline runs 350 meters to the south of the property.

Property Highlights

- The True Grit Gold property hosts diamond drilling intercepts of up to 117 m of 0.60 g/t Au, incl 26 m of 0.83 g/t Au from surface (Moydow Mines, 2002), channel samples of 15.6 g/t Au over 1.0 m (Teck, 1990) and grab samples of 30.2 g/t Au (Teck, 1990). The property hosts a coincident Au-Sb-As soil anomaly to the northeast which measures over 2.6 Km by 0.80 Km that is untested.
- The True Grit project encompasses a portion of the southernmost and northernmost Gander River Ultramafic Belt (GRUB) line offset, which is the easternmost bounding structure of the Exploits Subzone (a geological subzone formed as a result of the closing of the Iapetus Ocean).
- The GRUB regional thrust fault offset structure is a conduit, and a focus of deep mantle fluids which is believed to be spatially associated with significant gold mineralization in the region.
- New structural model focusing on epizonal orogenic gold within the secondary and tertiary structures stemming along the GRUB line provides a pathway to discovery for new gold deposits and reinterpretations of historically conducted work.

Geology & Structure

The project lies within the Exploits Sub Zone which is underlain by siliciclastic rocks of the St. Joseph's Cove Group. The St. Joseph's Cove Formation is comprised of siltstone, pelite, sandstone and conglomerate with minor quartz sericite schists thought to represent altered felsic tuffs. Historical till surveys resulted in numerous high gold grain counts (Pickett, 1990) which led to the discovery by Teck Resources of the two True Grit mineralized zones.

The True Grit #1 showing is a 2 m wide zone of quartz-chlorite veining in rusty sericitic and chloritic siltstone with up to 5% disseminated arsenopyrite and minor pyrite. The mineralization appears to exploit brittle fractures in the centre of a small antiformal fold within siltstone. The average grade of channel sampling within the zone is 7.3 g/t Au over 0.69 m over a strike length of approximately 8 m. The highest-grade channel sample was 15.6 g/t Au over 1 m from the northern portion of the zone. Grab samples up to 30.2 g/t Au were reported (Pickett, 1990). The showing also lies within a 2.6 km long by 0.8 km wide coincident Au-As-Sb- in-soil anomaly.

The True Grit #2 showing occurs 1.2 km to the south of the True Grit #1 showing. Trenching by Teck Resources in 1990 exposed a 50 m wide by 175 m long zone of gold mineralization grading up to 0.48 g/t Au over 47 m in altered pelites/metaturbidites, with 1-3% disseminated pyrite-pyrrhotite-arsenopyrite and, locally, numerous narrow quartz veinlets. Assay results include 9.8 g/t Au over 1 m, 18 g/t Au over 0.5 m and 6.5 g/t Au over 0.5 m. A grab sample of the arsenopyrite bearing quartz vein assayed 9.6 g/t Au. In 2002, Cornerstone joint ventured the property to Moydow Mines International who carried out several phases of drilling in 2003/2004. The best intersection was obtained in hole TG4, which returned 0.60 g/t Au over 117 m including a 26 m wide section grading 0.83 g/t Au. Intersections ranging from 16 to 46 m wide with grades of 0.45 to 0.75 g/t Au were encountered in holes TG3, 11, 12, 22 and 23. An area of approximately 700 m by 200 m, was drill tested to depths of between 120 and 35 m vertically. Portions of the drilled area have steep isoclinal folding accompanied by arsenopyrite mineralization. True Grit #2 also occurs within the same 2.6 km by 0.8 km gold-arsenic-antimony soil geochemical anomaly which hosts True Grit #1.

Results of the drilling were interpreted to show that there are broad swathes of 0.5 g/t Au material in essentially stratabound packets with a predominantly east or southerly dip. Recommendations by Cornerstone for future work in the area included geochemical and ground/airborne geophysical programs to better define drill targets. The mineralization in the True Grit area is known to be associated with coincident gold-arsenic-antimony in soil anomalies and geophysics may help identify any structural features that may host or control mineralization. Follow-up work also needs to be done in order to source the highly anomalous concentrations of gold.

Mount Peyton Property

The Mount Peyton property consists of 51 mineral claims and encompass a land area of 12.75 km². The properties are located along the northwest trending Mt. Peyton structural lineament within the Mt. Peyton Intrusive Suite and are accessible by traveling west on the Trans Canada Highway for 15 km from Glenwood where the Mt. Peyton property is transected by the highway.

Property Highlights

- Rock samples on the property from angular quartz arsenopyrite breccia bearing float boulders returned values of up to 44.0 g/t Au.
- Base metal bearing quartz vein float from the eastern shore of Shirley Lake Assayed 25.0 g/t Au.
- Altered gabbro float from the southern shore of Shirley Lake assayed 1.88 g/t Au.
- Shirley lake hosts a highly elevated lake sediment sample of 1,010 ppm As.
- An IP/Resistivity survey conducted in 2005 outlined a zone of high resistivity that trends in an east-west direction, coincident with the magnetic high. The geophysical survey provides evidence that the source of the highly altered, auriferous gabbro boulders may be on the property.
- The Company is compiling historic data and has applied for sampling and trenching permits to test historical defined conductors where we see the opportunity to quickly advance to drill testing.
- The project contains high priority exploration targets and is fully permitted for mechanical trenching, geochemical sampling, and geophysical surveys.

The Company believes that the Exploits Subzone, which runs 200 km from Dog Bay southwest to Bay d'Espoir has been neglected since the last major exploration campaigns in the 1980's. The last 40 years have seen incremental advancements in the understanding of gold mineralization in the camp. The sum of this knowledge is now coming together in discrete and effective exploration models the Company believes will drive major discovery. The Company intends to leverage this shift in understanding and to become one of the largest claim holders in the Exploits Subzone.

Geology & Structure

The property is located within the Exploits Subzone of the Dunnage zone, which is dominantly underlain by Newfoundland Geological Survey mapped Silurian to Devonian Mt. Peyton Intrusive Suite rocks, and lesser Late Ordovician to Silurian siliciclastic sediments of the Badger and Botwood groups localized to the northern extent of the properties. The Mount Peyton Suite is predominantly gabbro, crosscut by granitic, aplitic, and tonalitic dykes.

From 1988 to 1991, Noranda, as a result of the 1988 Government Lake sediment sample release, initiated a reconnaissance prospecting and regional till and lake/stream sampling program in the Mt. Peyton area. Initial discoveries of auriferous frost-heaved bedrock showings were made, with assays of up to 25.8 g/t Au, 15.7 g/t Au and 7.6 oz/ton Ag (Tallman, 1990). Detailed exploration (geophysics, trenching and diamond drilling) in 1990 led to the discovery of the Hurricane prospect (drilling of 2m near surface of 6.0 g/t Au, grab samples of 15.6 g/t and 7.6 Oz/t Ag) and Corsair prospect (drilling of 1m near surface of 3.6 g/t Au), along with the initial recognition of the Peyton Trend. Other showings discovered at this time include the Apache/Comanche (1.3 g/t Au in outcrop grab sample) and Sabre showings (2.1 g/t Au, 47.0 Oz/t Ag in outcrop grab sample) (Tallman, 1991).

From 2002-2003, Rubicon Minerals completed a limited prospecting and reconnaissance soil sampling program, as well as an IP/resistivity and magnetic/VLF-EM survey over the Shirley lake area. As a result, grab sampling returned values of 17.0 g/t and 18.9 g/t Au from angular float boulders. The "SS" showing was located 2.5 km north of Shirley Lake returning values of 1.0 g/t Au and 1.26 g/t Au. The IP/resistivity survey outlined a prominent east-west conductor and the magnetic/VLF-EM survey identified an area of higher relief in the northwestern portion of the property (MacVeigh, 2005). These geophysical signatures were overlain by angular gold bearing float samples and provides potential evidence that the bedrock source is proximal. These targets remain untested by drilling.

During the summer of 2020, the Company's Qualified Person visited the property taking three samples on historically known anomalies, which yielded values of up to 4.10 g/t Au. The property hosts limited bedrock exposure and the sampling represents only a small portion of the interpreted 15 km long Mt. Peyton Linear.

The only drilling done on the Mt. Peyton property area to date was in the southernmost area (Hurricane and Corsair prospects). The Mt. Peyton property hosts one of the highest recorded lake sediment samples on the island and consists of 15 km of undrilled exploration targets. Follow-up work in the form of bedrock trenching is recommended in order to properly delineate the mineralization in the Shirley Lake area.

Gazeebow Property

The Gazeebow Property consists of 98 mineral claims encompassing a land area of 24.5 km², which contains a significant but untested gold occurrence as well as prominent secondary structures trending sub-parallel to the Gander River Ultramafic Belt (GRUB). The Property is 35 km northeast of the late 2019 New Found Gold Corp. gold discovery, which returned a diamond drill hole with 92.86 g/t Au over 19.0 meters near surface (See New Found Gold Corp. news dated January 28, 2020), and is underlain by the same package of siliciclastic rocks as the discovery host.

Property Highlights

- The Property hosts the Georges Point gold showing which is a 3 meter wide quartz vein that was traced for 250 meters with values of 0.96 g/t Au (Mineral Inventory # 002E/01/Au 003).
- The Property is bounded to the east by the Gander River Ultramafic ophiolite sequence, which is believed to be a major conduit for mobilization of metals in the area, and contains several sub-parallel secondary structures providing void spaces for gold mineralization to occur.
- Compilation of historic data has provided the company with priority targets for further sampling and trenching on the significantly underexplored property.

Geology & Structure

The Gazeebow Property is located within the Exploits Subzone of the Dunnage Zone, laying 1.5 kilometers west of the Gander River Ultramafic Belt (GRUB) fault, which is the tectonic boundary between the Dunnage and Gander zones, and east of the Dog Bay Line fault (DBL). Both the GRUB and the DBL are major thrust faults formed during the closing of the Iapetus ocean, signifying both are deep seated, mantle tapping structures with potential to facilitate gold bearing fluid flow into proximal secondary and tertiary structures on the property.

The property's regional geology was mapped by the Geological Survey of Newfoundland as being early to late Ordovician siliciclastic marine sediments of the Davidsville Group. Conglomerate, siltstone, shale, and sandstone make up the local lithologies on the property (Newfoundland Resources and Mining Company Ltd., 1988) which are found to be isoclinally folded. Regional airborne magnetic surveys indicate a NE-SW trend to the stratigraphy, illustrated by prominent low magnetic signatures, and indicate a potential continuation of the lithology and structures found at New Found Gold Corp.'s Queensway's discovery up into the Gazeebow property.

The spatial relationship between the Davidsville sediments, the GRUB line, and secondary faults and folding on the property display a resemblance to the geologic makeup to the New Found Gold's discovery, which makes the underexplored Gazeebow property a prospective area for orogenic style gold mineralization.

Dog Bay Property

The Dog Bay property consists of 485 mineral claims totaling 121.25 km² located on the Port Albert Peninsula, Dog Bay, Newfoundland.

Property Highlights

- Located within the Exploits Subzone in prospective siliciclastic sediments and along the northern extent of the Dog Bay Line and Appleton Linear Fault zones, which are associated with gold mineralization in the area.
- Shallow historical drilling on the property consisted of only 1,559m and returned values of up to 3.35m at 10.22 g/t Au, targeting surficial channel sampling intercepts of up to 48.22 g/t Au over 0.80m, 15.25 g/t Au over 3.00m and 9.41 g/t Au over 4.25m (Crosshair Exploration and Mining Corp., 2002-2005).
- Recent prospecting by property vendors has indicated up to 4 km of undrilled potential strike length, highlighted by assays of up to 233 g/t Au in subcrop and soil samples up to 624 ppb Au.
- New structural model focusing on structurally hosted, epizonal orogenic gold provides a pathway to discovery for new gold deposits on the properties.
- The exploration completed by the vendors of the Dog Bay property has delivered results pegging the project as what Exploits considers to be an "advanced early stage prospect" with trenching and targets that are considered "drill ready".
- Exploits will work to verify existing data and expand on these known gold showings to develop a clear exploration plan immediately.

Geology & Structure

The property is situated within the Exploits Subzone and encompass (from east to west) the Newfoundland Geological Survey mapped Main Point Formation, Indian Islands Group, Duder Group, and Badger Group. Lithological units and age ranges are consistent across the formation and groups and includes Ordovician to Silurian, marine and non-marine siliciclastic sediments, striking in a general NE-SW direction. Within the Duder Group, a unit of melange was mapped, striking parallel to the overall stratigraphy.

Structurally, the property straddles the northern extent of the NE-SW trending Dog Bay Line and Appleton Linear fault zones. The Dog Bay Line is a significant suture formed by the closing of the Iapetus Ocean and has implications of deep-seated mantle tapping potential. The Appleton Linear is interpreted to be a sub-parallel, secondary structure to the Dog Bay Line, formed by the aforementioned major tectonic thrusting. The Appleton Linear was highlighted by New Found Gold Corp. to host significant mineralization (NFGC, 2020) and has been interpreted to continue onto the property along strike to the northeast.

Major structural domains coupled with brittle siliciclastic sedimentary rocks, which are covered by the property, increase the opportunity for epizonal, orogenic gold mineralization to occur. Historic drilling on the property is limited and constrained to 20 shallow (maximum length of 115m) diamond drilled holes totaling 1,559m. Results were positive with intercepts up to 10.22 g/t Au over 3.35m. The drill holes followed up on channel sampling within trenches that returned assays up to 48.22 g/t Au over 0.80m and including 15.25 g/t over 3.00m and 9.41 g/t Au over 4.25m (Crosshair Exploration and Mining Corp., 2002-2005). Recent prospecting and soil sampling in the area, following up on work done by Noranda in the late 1980's, led to discovery of a 233 g/t Au in quartz veined sediment subcrop as well as soils up to 624 ppb Au, indicating up to 4km of untested potential strike length of gold

mineralization trending in the NE-SW direction displayed by the regional structures. Samples have also returned anomalous arsenic and antimony, which are indicative of epizonal, orogenic style mineralization.

Jonathan's Pond Property

The Jonathan's Pond property is located 25 kilometers west and northeast respectively of New Found Gold's Queensway Discovery. The project is easily accessible via the Trans Canada Highway and consists of 127 mineral claims encompassing a land area totalling 234.75 km² in the Exploits Subzone Camp.

Property Highlights

- The Jonathan's Pond project hosts visible gold bearing quartz veins up to 3m wide, with a current strike length of 450 m, open in all directions with grab samples from outcrop of up to **28.82 g/t Au**.
- The project contains high priority exploration targets and is fully permitted for mechanical trenching, geochemical sampling, and geophysical surveys.

Geology & Structure

The Jonathan's Pond project is situated around the Gander River Ultramafic Belt (GRUB) fault zone, a regional scale trans-compressional thrust fault marked by a discontinuous belt of ophiolitic rocks that forms the easternmost boundary of the Exploits Subzone (O'Neil and Blackwood, 1989). The fault zone was created by extensive, crustal scale thrusting during the closing of the Iapetus Ocean, signifying a potential deep seated, mantle tapping conduit for gold bearing fluid to migrate up and into proximal secondary and tertiary structures on the property.

The property geology was mapped by the Newfoundland Geological Survey as being Late Cambrian to Middle Ordovician ophiolites associated with the GRUB on the eastern half of the property, and Ordovician siliciclastic marine rocks of the Davidsville Group in the Exploits Subzone to the west. The contact between the two groups trending north-northeast through the center of the property, which is highlighted by airborne magnetics (Fugro, 2003).

A major structural domain coupled with contrasting brittle siliciclastic sedimentary rocks and ductile mafic to ultramafic plutonic rocks of an ophiolite sequence on the property create an increased opportunity for structurally hosted, epizonal, orogenic gold mineralization to occur.

Historical trenching by local prospectors in 2004 has uncovered northeast trending visible gold bearing quartz veins up to 3m wide. Work by the Company's geologists have expanded the strike length of this quartz veining system to over 450m to date and remains open along trend. Grab samples from outcrop taken by the Company in 2020 within the trench assayed up to 27.96 g/t Au. Additional outcropping quartz veins, striking parallel to the aforementioned veining 1.2 km away on the claims, returned assays of up to 28.82 g/t Au. The Company is focused on identifying and quantifying additional gold mineralization in the hanging wall and footwall of this gold bearing structure.

From 2003 to 2005, Rubicon conducted a sparse soil sampling and grab sample program. Results displayed anomalous gold and arsenic in soils that trace the veins and provides evidence for multiple vein sets, with potential to continue in strike for greater than an additional 350m. Additionally, Rubicon assayed a float grab sample that returned 50 g/t Au, and three trenches exposed quartz veins in altered gabbro which returned grab sample values of up to 2.8 g/t Au.

Silver Dollar Property

Work Performed

In October and November of 2019, the Company completed a 621 line-kilometre helicopter-borne high resolution magnetic and radiometric survey over the entire Silver Dollar property with the goal of providing a foundation for a modern dataset to better visualize and target zones of gold and polymetallic mineralization. This was the first such survey ever completed on the property. The survey was flown by Precision GeoSurveys Inc. of Langley, British Columbia, a Canadian and global leader in airborne geophysics. The 621 line-kilometre survey encompassed the entire 3344-hectare property and was flown at a line spacing of 100 metres, with an average flight height of 40 metres above ground.

Overview

The Property is an early stage exploration project located in the Revelstoke Mining Division in southeastern British Columbia, Canada and is located 45 kilometers southeast of the city of Revelstoke and 15 kilometers north-northeast of the community of Trout Lake, British Columbia.

The Property consists of 28 contiguous Mineral Titles-Online claims covering 3,344.68 hectares of land. The claims are located in the historic Beaton-Camborne mining camp and lies within the Kootenay Arc, a 400 kilometer long curving belt of early Paleozoic and Mesozoic sedimentary, volcanic and metamorphic rocks. Metasedimentary rocks of the Lardeau Group underlie the majority of the Silver Dollar claims. The Lardeau group consists of 6 conformable Lower Paleozoic units named the Index, Triune, Ajax, Sharon Creek, Jowett and Broadview formations. The Jowett Formation is a greenstone unit intercalated with the Broadview Formation and consists of volcanic breccias and pillow lavas altered locally to chlorite schist. The dominant lithology of the Broadview Formation is grey-green, gritty quartz wacke or subarkosic wacke with grey to black or green slate or phyllite interbeds. The mineral claims are currently in good standing until November 1, 2020.

The Property covers geologically prospective ground along a 10km section of the 40km long Camborne Fault. This regional scale structure bisects the property from north to south. The main Camborne Fault is at the core of a broad shear zone; numerous quartz veins are associated with graphite-chlorite schists or contain graphite-chlorite partings. Several the quartz veins host significant concentrations of precious and base metals.

Risks and Uncertainties

Mining Risks

The Company is subject to the risks typical in the mining business including uncertainty of success in exploration and development; operational risks including unusual and unexpected geological formations, rock bursts, particularly as mining moves into deeper levels, cave-ins, flooding and other conditions involved in the drilling and removal of material as well as environmental damage and other hazards; risks that intended drilling schedules or estimated costs will not be achieved; and risks of fluctuations in the price of commodities and currency exchange rates. Metal prices are subject to volatile price movements over short periods of time and are affected by numerous factors, all of which are beyond the Company's control, including expectations of inflation, levels of interest rates, sale of gold by central banks, the demand for commodities, global or regional political, economic and banking crises and production rates in major producing regions. The aggregate effect of these factors is impossible to predict with any degree of certainty.

Business Risks

Natural resources exploration, development, production and processing involve a number of business risks, some of which are beyond the Company's control. These can be categorized as operational, financial and regulatory risks.

Operational risks include finding and developing reserves economically, marketing production and services, product deliverability uncertainties, changing governmental law and regulation, hiring and retaining skilled employees and contractors and conducting operations in a cost effective and safe manner. The Company continuously monitors and responds to changes in these factors and adheres to all regulations governing its operations. Financial risks include commodity prices, interest rates and foreign exchange rates, all of which are beyond the Company's control.

Regulatory risks include possible delays in getting regulatory approval to the transactions that the Board of Directors believe to be in the best interest of the Company, and include increased fees for filings as well as the introduction of ever more complex reporting requirements, the cost of which the Company must meet in order to maintain its exchange listing.

Competition

The mineral exploration and mining business is competitive in all of its phases. The Company will compete with numerous other companies and individuals, including competitors with greater financial, technical and other resources, in the search for and the acquisition of attractive exploration and evaluation properties. The Company's ability to acquire properties in the future will depend not only on its ability to develop its present Property, but also on its ability to select and acquire suitable prospects for mineral exploration or development. There is no assurance that the Company will be able to compete successfully with others in acquiring such prospects.

Price Volatility and Lack of Active Market

In recent years, the securities markets in Canada and elsewhere have experienced a high level of price and volume volatility, and the market prices of securities of many public companies have experienced significant fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. It may be anticipated that any quoted market for the Company's securities will be subject to such market trends and that the value of such securities may be affected accordingly.

Key Executives

The Company is dependent on the services of key executives and a small number of highly skilled and experienced consultants and personnel, whose contributions to the immediate future operations of the Company are likely to be of importance. Locating mineral deposits depends on a number of factors, not the least of which is the technical skill of the exploration personnel involved. Due to the relatively small size of the Company, the loss of these persons or the Company's inability to attract and retain additional highly skilled employees or consultants may adversely affect its business and future operations. The Company does not currently carry any key man life insurance on any of its executives.

Potential Conflicts of Interest

Certain directors and officers of the Company are, and may continue to be, involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of the Company. Situations may arise in connection with potential acquisitions in investments where the other interests of these directors and officers may conflict with the interests of the Company. Directors and officers of the Company with conflicts of interest will be subject to and will follow the procedures set out in applicable corporate and securities legislation, regulation, rules and policies.

Dividends

The Company has no earnings or dividend record and is unlikely to pay any dividends in the foreseeable future as it intends to employ available funds for mineral exploration and development. Any future determination to pay dividends will be at the discretion of the Board of Directors of the Company and will depend on the Company's financial condition, results of operations, capital requirements and such other factors as the Board of Directors of the Company deem relevant.

Nature of the Securities

The purchase of the Company's securities involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks. The Company's securities should not be purchased by persons who cannot afford the possibility of the loss of their entire investment. Furthermore, an investment in the Company's securities should not constitute a major portion of an investor's portfolio.

Off-Balance Sheet Transactions

The Company has not entered into any significant off-balance sheet arrangements or commitments.

Proposed Transactions

None.

Outlook

The Company is presently in the planning stages of exploring its Newfoundland properties in the Exploits Subzone, specifically planning exploration programs utilizing soil sampling, rock sampling, trenching and channel sampling, airborne and ground geophysics, and regional anomaly identification.

Qualified Person

The disclosures contained in this MD&A regarding the Company's exploration & evaluation activities have been prepared by, or under the supervision of, Ian Herbranson, P.Geol., a Qualified Person for the purposes of National Instrument 43-101.

Approval

The Audit Committee on behalf of the Board of Directors of the Company approved the disclosures contained in this MD&A.

Other Information

Additional information related to the Company and risk factors is available for viewing on SEDAR at www.sedar.com.