FREMONT
GOLD LTD

Fremont Gold Ltd.

An Exploration Stage Company

MANAGEMENT DISCUSSION AND ANALYSIS

YEAR ENDED MARCH 31, 2021

Dated: July 28, 2021

Management Discussion and Analysis

The following Management Discussion and Analysis ("**MD&A**") of Fremont Gold Ltd. ("**Fremont**" or the "**Company**") has been prepared as at July 28, 2021. It is intended to be read in conjunction with the audited consolidated financial statements of the Company as at and for the year ended March 31, 2021.

All of the financial information presented in this MD&A has been prepared in accordance with International Financial Reporting Standards ("**IFRS**") unless otherwise noted.

All monetary amounts, including comparatives, are expressed in Canadian dollars unless otherwise noted.

The Company's year-end is March 31. Accordingly, references to Q4 2021 herein refer to the three months ended March 31, 2021.

Dennis Moore, P.G., President and CEO of the Company and a Qualified Person as defined by National Instrument 43-101, approved the technical information presented in this MD&A.

Overview

Fremont has assembled a portfolio of gold projects located in Nevada's most prolific gold trends. The Company's property portfolio includes Cobb Creek, which hosts a historic mineral resource estimate, Griffon, a past producing gold mine, North Carlin, a new discovery opportunity, and Hurricane, which has returned significant gold intercepts from surface in past drilling.

The Company holds its mineral property interests through its wholly owned subsidiaries, 1027344 B.C. Ltd. and Intermont Exploration Corp.

Highlights

The year ended March 31, 2021 and the period ended July 28, 2021 were highlighted by the following activities and initiatives:

Finance

- The balance of cash and cash equivalents as at March 31, 2021 was $213,870 (March 31, 2020: $1,130,028) and the net working capital balance as at this date was $145,188 (March 31, 2020: $1,017,574)
- In July 2021, the Company closed a $621,985 private placement (see 'Liquidity and going concern')
- In November 2020, the Company closed a $2,000,000 private placement (see 'Liquidity and going concern')
- In April 2020, Fremont announced that its common shares had begun trading on the OTCQB Venture Market under the trading symbol 'FRERF'.

Exploration and evaluation

- In May 2021, the Company announced partial drill results from the three-hole, 1,910 metre reverse circulation drill program at North Carlin (see 'North Carlin')
- In October 2020, the Company announced final drill results from the nine-hole, 2,275 metre reverse circulation drill program at Griffon (see 'Griffon')

Portfolio development

- In September 2020, the Company announced that it had amended the terms of its option agreement relating to the Cobb Creek property resulting in a reduction in and deferral of the payment otherwise due to the optionor on or before September 27, 2020 from US$ 30,000 to US$ 15,000 (see 'Cobb Creek')
- In January 2021, the Company announced that it had amended the terms of its option agreement relating to the Griffon property resulting in a reduction in and deferral of the payment otherwise due to the optionor on or before December 16, 2020 from US$ 50,000 to US$ 25,000, and a reduction in and deferral of the issuance of common shares to the optionor (see 'Griffon')

Appointments

- In May 2021, the Company announced that Blaine Monaghan had left the Company. The Company's President, Dennis Moore, has been appointed CEO on an interim basis
- In December 2020, the Company announced that Mac Jackson had accepted a position as a member of the Company's Advisory Board
- In April 2020, Fremont announced the appointment of Randall Chatwin to the Board of Directors

2021 overview of operations

Exploration in fiscal 2021 was directed to reverse circulation drill programs at each of Griffon in Q2 2021 and North Carlin in Q4 2021. At Griffon, nine reverse circulation drill holes were completed for a total of 2,275 metres. Several holes had anomalous gold, including hole GF20-3 which intersected 50.3 metres @ 1.05 g/t gold. At North Carlin, three reverse circulation holes were completed for a total of 1,910 metres. Anomalous gold and pathfinder elements were encountered in two of the holes.

The rationalization of the Company's property portfolio which had commenced in fiscal 2020 continued in fiscal 2021 with the sale of the Goldrun property for nominal proceeds in Q2 2021 and the dropping of the Roberts Creek property in Q1 2021.

Griffon

Griffon is a past-producing gold mine located at the southern end of the Cortez Trend, approximately 75 kilometers southwest of Ely, Nevada.

In December 2019, the Company entered into an option agreement with Pilot Gold (USA) Inc. ("**Pilot**"), a wholly owned subsidiary of Liberty Gold Corp. ("**Liberty**"), to acquire a 100% interest in Griffon.

The original terms of the option agreement included a requirement that on December 16, 2020, Fremont would pay US$ 50,000 to Pilot and issue that number of common shares of the Company to Liberty that would bring the total ownership of Liberty and its affiliates to 9.9% of the issued and outstanding shares of Fremont.

In January 2021, the Company announced it had agreed with Pilot to amend the terms of the option agreement as follows:

- Reduce the amount due on December 16, 2020 from US$ 50,000 to US$ 25,000 and defer payment until the revised terms of the option agreement had been approved by the TSXV, and
- Replace the requirement to issue to Liberty the number of common shares of the Company as described above with the following share issuances:
  - 2,500,000 common shares to Liberty upon approval of the revised terms of the option agreement by the TSXV
  - 2,500,000 common shares to Liberty on or before December 16, 2022, and
  - 2,500,000 common shares to Liberty on or before December 16, 2023.

The US$ 25,000 was paid to Pilot and the 2,500,000 common shares issued to Liberty following the receipt of TSXV approval in January 2021.

All other terms of the option agreement remained unchanged.

The amended option payment (cash) schedule is as follows:

- US$ 25,000 on December 16, 2019 (the "**Execution Date**") (paid)
- US$ 25,000 following the TSXV's approval of the transaction (paid)
- US$ 25,000 following the TSXV's approval of the revised terms (paid)
- US$ 50,000 on the second anniversary of the Execution Date
- US$ 75,000 on the third anniversary of the Execution Date
- US$ 100,000 on the fourth anniversary of the Execution Date.

2021 exploration activity and outlook

In June 2020, the Company announced that it had initiated a 2,000m phase 1 drill program at Griffon. The program was subsequently increased to 2,275 metres in nine holes. The program was completed in August 2020 and final drill results were announced in October 2020.

Primary drill results were announced in July 2020, including drill hole GF20-3, which intersected a significant interval of near-surface oxide gold mineralization and returned 50.3 metres @ 1.05 g/t gold starting at 29 metres.

Drill hole GF20-2, located 200m NW of the Discovery Ridge pit, intersected two zones of anomalous gold. The higher interval, from 10.67 to 62.48 metres, ran 52 metres @ 0.194 g/t gold, including 8 metres @ 0.71 g/t gold. The lower interval, from 79.25 to 160.02 metres, ran 88.8 metres @ 0.072 g/t gold.

In the southern part of the project area, hole GF20-7 intersected zones of strong argillic alteration and silicification with low gold values. Management believes that both of these intercepts are encouraging and could indicate proximity to ore grade mineralization.

Future exploration initiatives at Griffon will likely include several holes planned north of the anomalous hole GF20-2 and one hole planned in the southern part of the area, in the vicinity of hole GF20-7. Trace element analyses for gold pathfinder elements may also be performed on selected drill samples from the 2020 drill program.

A total of $492,134 was incurred on exploration expenditures on the Griffon property in the year ended March 31, 2021 and a further $308,518 was incurred on option payments (including share issuances) claim acquisition and claim maintenance charges during the year.

North Carlin

North Carlin is located at the northern end of the Carlin Trend and is comprised of three claim blocks: Alkali, Coyote and Rossi. The Coyote claim block is immediately adjacent to the former Rossi mine (the last exploited mine on the trend) and 12 kilometers directly on strike of Nevada Gold Mine's Goldstrike Complex. The North Carlin property originally included both an optioned property and staked ground.

Optioned property

In February 2018, the Company announced that it had entered into an option agreement with Ely Gold Royalties Inc. ("**Ely Gold Royalties**") and Nevada Select Royalty, Inc. ("**Nevada Select**"), to acquire a property consisting of 12 unpatented lode mining claims situated in Elko County, Nevada (the "**Ely North Carlin Property**"). Option payments totalled US$ 267,500 to be paid over five years plus the issuance of 200,000 common shares to Ely Gold Royalties.

The parties agreed to terminate the option agreement in January 2019. In April 2019, Intermont and Nevada Select entered into the following two agreements:

- A mineral deed pursuant to which Nevada Select quitclaimed its interest in the Ely North Carlin Property to Intermont in return for nominal consideration
- A royalty deed pursuant to which Intermont granted Nevada Select a 2% net smelter royalty ("**NSR**") in respect of products produced on the Ely North Carlin Property in return for nominal consideration. The agreement includes a right of first refusal allowing Nevada Select to acquire any or all of the Company's staked mineral claims included in the North Carlin Property (as described below)

Option payments paid by the Company to the optionor through the date of termination of the option agreement totalled US$ 17,500. In addition, 200,000 common shares of the Company were issued to the optionor prior to termination pursuant to the option agreement.

Staked claims

In October 2017, the Company announced that it had staked land positions in the northern part of the Carlin Trend referred to as the Alkali property and the Coyote property.

As at March 31, 2021:

- The Alkali property holdings consisted of 383 mining claims owned by Intermont, 185 of which were recorded with the BLM
- The Coyote property holdings consisted of 151 mining claims owned by Intermont, 111 of which were recorded with the BLM.

The mining claims were acquired by staking in the field with posts and location notices.

2021 exploration activity and outlook

Based on the exploration work completed by the Company in fiscal 2020 and early fiscal 2021, the Company sought and received the required permits from the Bureau of Land Management ("**BLM**") relating to 14 drill sites at North Carlin. In October 2020, the Company announced plans to drill a minimum of three reverse circulation holes totaling a minimum of 1,500 meters to commence in December 2020. Due to drill rig availability and staffing, the program did not commence until the first week of January 2021.

The Company ultimately completed three holes – two at Coyote and one at Alkali - totaling 1,910 metres. The drill holes tested several high-priority targets based on soil geochemistry, gravity and magnetic surveys, as well as the projection of key faults that control gold mineralization in the Carlin Trend.

The two drill holes at Coyote yielded statistically anomalous values of gold (with a high of 35 ppb gold), arsenic, antimony, copper, tungsten, cobalt, mercury and other pathfinder elements for Carlin-type gold deposits.

Results are still pending on the one hole drilled at Alkali.

A total of $1,010,147 was incurred on exploration expenditures on the North Carlin property in the year ended March 31, 2021 and a further $85,854 was incurred on claim acquisition and claim maintenance charges during the year.

Cobb Creek

Cobb Creek is an advanced-stage exploration project comprised of 167 unpatented mining claims located in Elko County, Nevada.

In September 2019, the Company entered into an option agreement with Clover Nevada II, LLC ("**Clover**"), a wholly owned subsidiary of Contact Gold Corp., to acquire a 100% interest in the Cobb Creek property.

In September 2020, the Company announced that it had amended the terms of its option agreement relating to the Cobb Creek gold project.

The original terms of the option agreement included a requirement for the Company to pay US$ 30,000 to Clover on September 27, 2020 (the "**First Anniversary Payment**"). The Company and Clover agreed to amend the terms of the option agreement as follows:

- Extend the date of payment of the First Anniversary Payment to December 31, 2020, and
- Reduce the amount due under the First Anniversary Payment from US$ 30,000 to US$ 15,000.

As consideration for this change in the terms of the option agreement, Fremont issued 500,000 common shares to Clover in October 2020.

All other terms of the option agreement remained unchanged including a requirement to issue 750,000 common shares to Clover on the one-year anniversary of the agreement. The Company issued these shares in September 2020.

The amended option payment (cash) schedule is as follows:

- US$ 30,000 to Underlying Owner by November 7, 2019 (paid)
- US$ 15,000 on December 31, 2020 (paid in February 2021)
- US$ 30,000 to Underlying Owner by November 7, 2020 (paid)
- US$ 20,000 to Clover on September 27, 2021
- US$ 30,000 to Underlying Owner by November 7, 2021
- US$ 20,000 to Clover on September 27, 2022
- US$ 30,000 to Underlying Owner by November 7, 2022
- US$ 25,000 to Clover on September 27, 2023
- US$ 35,000 to Clover on September 27, 2024
- US$ 45,000 to Clover on September 27, 2025
- US$ 55,000 to Clover on September 27, 2026
- US$ 65,000 to Clover on September 27, 2027
- US$ 75,000 to Clover on September 27, 2028.

2021 exploration activity and outlook

No exploration activity was undertaken at Cobb Creek in fiscal 2021.

The Company plans to launch an exploration program at Cobb Creek in the summer of 2021, which will include geologic mapping and rock sampling, soil sampling, a ground magnetic survey and additional claim staking. The exploration results will enable Fremont management to develop drill targets and better understand the geological environment. It is expected that the results will be incorporated into a Plan of Operations which will be submitted to the US Forest Service as part of the drill permitting process for this property.

Exploration expenditures on the Cobb Creek property in the year ended March 31, 2021 were negligible. A total of $263,413 was incurred on option payments (including share issuances) claim acquisition and claim maintenance charges during the year.

Hurricane

The Hurricane property consists of six unpatented mineral claims located in the Shoshone Range of Northern Lander County in Nevada, USA. The property is located in Sections 30 and 19, Township 30 N, Range 46 E in Lander County. 1027344 B.C. has a right to lease the claims comprising the Hurricane property pursuant to a lease agreement with Nevada Eagle LLC, a Nevada Corporation ("**Nevada Eagle**"), dated February 13, 2015, as amended on February 13, 2016, March 14, 2017 and April 27, 2017 (the "**Lease Agreement**"). Nevada Eagle subsequently assigned its interest in the property, including the lease, to Nevada Select.

1027344 B.C. entered into an agreement dated February 13, 2015 with Nevada Eagle, a third party, pursuant to which 1027344 B.C. leases six unpatented mining claims in Nevada which are collectively known as 'Hurricane'. The claims total approximately 50.2 hectares. Subject to various conditions, the lease agreement provides 1027344 B.C. with the exclusive right to prospect, explore and mine on the property for a period of twenty years with a right to renew thereafter.

Nevada Eagle's rights and responsibilities associated with the lease agreement were assigned to Nevada Select pursuant to an assignment and assumption agreement dated May 4, 2016. Nevada Select is not related to 1027344 B.C. Nevada Eagle's ownership interest in the property was transferred to Nevada Select on May 5, 2016.

The lease agreement was amended on each of February 13, 2016, March 14, 2017, April 27, 2017 and July 23, 2018 whereby the terms of certain of the lease payments, common share issuances and work obligations as specified in the original February 2015 lease agreement were amended.

The lease agreement (as amended) specifies payments by 1027344 B.C. to the lessor as follows:
- Upon execution of the agreement: US$ 5,000 (paid)
- On or before the first anniversary of the date of execution (February 13, 2016): US$ 3,750 (paid)
- On or before May 16, 2016: US$ 3,750 (paid)
- On or before July 31, 2017: US$ 10,000 (paid)
- On or before the third anniversary of the date of execution (February 13, 2018): US$ 15,000 (paid)
- On or before the fourth anniversary of the date of execution (February 13, 2019): US$ 20,000 (paid)
- On or before the fifth anniversary of the date of execution (February 13, 2020): US$ 20,000 (paid)
- On or before the sixth anniversary of the date of execution (February 13, 2021): US$ 25,000 (paid)
- On or before the seventh anniversary of the date of execution (February 13, 2022): US$ 25,000
- Thereafter on or before the annual anniversary of the date of execution: US$ 25,000 increased by the consumer price index.

1027344 B.C. is responsible for maintaining the property in good standing including the payment of all applicable government filings, fees and taxes.

The lessor will retain a 3.0% NSR on mineral production from the Hurricane property and any staked ground situated adjacent thereto. 1027344 B.C. may purchase one third of the NSR (1.0%) for US$ 1,000,000.

2021 exploration activity and outlook

No exploration activity was undertaken at Hurricane in fiscal 2021.

Exploration expenditures on the Hurricane property in the year ended March 31, 2021 were negligible. A total of $34,464 was incurred on claim maintenance charges during the year.

Goldrun

In September 2020, the Company entered into an agreement to sell its rights to the Goldrun project to Cortus Metals Inc. ("**Cortus**"). Under the terms of the agreement, Cortus was required to pay US$ 20,000 and issue 250,000 common shares of Cortus to Fremont for a 100% interest in Goldrun. Cortus was responsible for the payment of BLM fees in respect of 2020/2021 that were due in August 2020.

The funds were received from Cortus in September 2020. The common shares of Cortus were received in January 2021 following Cortus' receipt of TSXV approval. The shares were subject to a four month hold period and were sold for net proceeds of $33,338 in May 2021 shortly after the statutory hold period had been lifted.

A loss on disposal of the property of $829,610 equivalent to the total fair value of proceeds received of $60,214 less the carrying value of the Company's interest in the property of $889,824 was recognized in 2021. The significant size of this loss was attributable to the majority of the purchase price consideration associated with the 2017 reverse take-over transaction being allocated to the Goldrun property (considerable purchase price consideration was also allocated to the Hurricane property). The aforementioned carrying value included total cumulative cash costs incurred on Goldrun claim acquisition and maintenance costs of $274,635.

Rock Creek and Roberts Creek

In December 2019, the Company dropped its Rock Creek property which consisted of both recorded and unrecorded claims. A provision equivalent to the carrying value of the Company's interest in the property of $134,946 was recognised in fiscal 2020.

In June 2020, the Company dropped the Roberts Creek property. A provision equivalent to the carrying value of the Company's interest in the property of $40,803 was recognised.

In September 2020, the Company entered into an agreement with Cortus for the sale of exploration data relating to both the Roberts Creek and Rock Creek properties. Pursuant to the terms of the agreement, Cortus paid Fremont US$ 8,000 for the exploration data.

A gain on disposal of the Roberts Creek and Rock Creek data equivalent to the proceeds received of $10,574 was recognised in 2021.

Proposed transactions

As at March 31, 2021 and July 28, 2021, there were no announced asset or business acquisitions or dispositions other than as described herein.

Selected financial information

A summary of annual results in respect of the years ended March 31, 2021, March 31, 2020 and March 31, 2019 is as follows. This summary information has been derived from the audited consolidated financial statements of the Company.

Consolidated statements of loss

	Year ended 31-Mar-2021	Year ended 31-Mar-2020	Year ended 31-Mar-2019
Exploration and evaluation	1,642,929	202,336	763,034
Marketing	332,710	142,284	280,150
Management	257,063	313,943	264,838
General and administration	113,728	159,481	199,369
Listing and transfer agent	57,574	19,997	26,769
Reclamation provision	46,263	-	-
Professional fees	34,722	77,599	78,827
Travel	144	49,482	138,125
	2,485,133	965,122	1,751,112
Stock-based compensation	247,027	95,671	197,748
Depreciation	9,199	6,339	4,369
	256,226	102,010	202,117
Loss (gain) on sale of mineral property	819,036	(605,806)	-
Write-off of mineral property	40,803	452,069	498,128
Loss on sale of marketable securities	-	329,175	-
Other net expense (income) items	3,852	(800)	(10,467)
Net loss	**3,605,050**	**1,241,770**	**2,440,890**
Net loss per share	$ 0.04	$ 0.02	$ 0.05
Weighted average shares outstanding	*98,977,611*	*57,477,377*	*46,564,930*

- Exploration and evaluation: The significant exploration spend in fiscal 2021 and fiscal 2019 relates to reverse circulation drill programs: Griffon and North Carlin in fiscal 2021 (see above discussion) and Gold Bar and Gold Canyon in fiscal 2019. Limited exploration spend was incurred in fiscal 2020 with management's attention being directed to the identification, assessment and acquisition of new gold projects; approximately 60% of exploration costs in fiscal 2020 related to the cost of the Company's VP Exploration
- Marketing spend includes costs of conferences, road shows and various advisory fees. Management significantly reduced such expenditures in Q1 2022. A return to the historical level of marketing spend is not expected
- Management costs comprise remuneration of the Company's President, CEO and CFO; remuneration of the Company's VP Exploration is included in exploration and evaluation spend. The reduction in 2021 relative to 2020 was attributable to the following: the remuneration of the President was eliminated effective November 1, 2020; the remuneration of the CEO was reduced by 32% effective January 1, 2021 when the position transitioned from full-time to part-time; and a one-time bonus of $20,000 paid to the CEO in 2020. The increase in 2020 relative to 2019 was attributable in part to the one-off bonus paid to the CEO

- General and administration expense comprises the cost of maintaining corporate offices in each of Vancouver and Winnemucca, Nevada including non-management payroll The reduction in 2021 resulted from general cost reduction and cost sharing initiatives in both offices as well as the deterioration in the US$ relative to the $
- Listing and transfer agent fees increased in 2021 relative to 2020 due to recurring costs associated with the Company's listing on the OTCQB exchange
- The increase in the reclamation provision in 2021 relates to the drilling programs undertaken at Griffon and North Carlin during the year. Established provisions amounted to US$ 20,000 and US$ 15,000, respectively
- Professional fees include recurring audit and legal fees. The reduction in 2021 relative to 2020 was due to legal costs associated with the property transactions in 2020 as well as non-recurring fees relating to the Company's listing on the OTCQB exchange in 2020
- Historical travel charges relate primarily to road shows, conferences, etc. and travel by Canadian management to the Company's properties in Nevada. There was no such travel in 2021 due to COVID-19

Consolidated statements of financial position

	31-Mar-2021	31-Mar-2020	31-Mar-2019
Cash and cash equivalents	213,870	1,130,028	491,933
Other current assets	113,507	98,594	106,929
Mineral properties	2,052,671	2,571,659	2,535,426
Fixed assets	17,794	17,709	19,542
Reclamation bonds	115,533	93,961	125,970
Total assets	***2,513,375***	***3,911,951***	***3,279,800***
Accounts payable and accrued liabilities	158,600	106,390	108,496
Due to related parties	23,589	104,658	79,780
Total liabilities	***182,189***	***211,048***	***188,276***
Equity:			
Share capital	15,888,325	13,688,913	12,138,638
Subscription receipts	-	-	-
Reserves	1,791,567	1,509,232	1,367,592
Other comprehensive income	(6,796)	239,618	80,384
Accumulated deficit	(15,341,910)	(11,736,860)	(10,495,090)
Total equity	***2,331,186***	***3,700,903***	***3,091,524***

- Other current assets relate to various receivables (primarily GST and BLM charges due from partners on shared claims within the Goldrun property), prepaid marketing expenditures and marketable securities relating to the sale of Goldrun in 2021
- The carrying value of mineral properties includes claim acquisition (option payments, value of common shares issued to optionors in connection with property transactions, costs of staking, etc.) and the costs of maintaining property claims in good standing. Costs of both exploration and indirect costs associated with claim acquisition (such as legal expenses) are expensed as incurred. The cost of claim acquisition and maintenance undertaken in the year ended March 31, 2021 is discussed above by individual property
- Reclamation bonds totalling US$ 91,875 ($115,533) were held in connection with the following:
  - North Carlin drill program: US$ 25,645 (December 2020)
  - Gold Bar drill program: US$ 10,164 (January 2019)
  - Hurricane trenching program: US$ 56,066 (October 2017)
- Accounts payable and accrued liabilities comprise amounts due to third parties including accrued audit fees and recurring liabilities relating to ongoing operations in both Nevada and Vancouver. The 2019

and 2020 balances include a reclamation provision of US$ 10,000 relating to drilling activity and trenching work performed at the Hurricane property; the reclamation provision was increased by US$ 35,000 in fiscal 2021 in connection with the Griffon and North Carlin drill programs

- See 'Transactions with related parties' for discussion regarding the balances due to related parties
- Changes in equity during the year ended March 31, 2021 include the November 2020 private placement (40,000,000 units at $0.05 per unit for gross proceeds of $2,000,000), issuance of shares for mineral properties (Cobb Creek and Griffon) and the issuance of 3,250,000 stock options in April 2020 and 3,000,000 stock options in January 2021. See 'Liquidity and going concern'.

Summary of quarterly results

A summary of results in respect of the two years ended March 31, 2021 is as follows. This summary information has been derived from the audited consolidated financial statements and condensed interim consolidated financial statements (unaudited) of the Company.

	Q1 2021 *June 30, 2020*	Q2 2021 *Sept. 30, 2020*	Q3 2021 *Dec. 31, 2020*	Q4 2021 *March 31, 2021*
Revenues	-	-	-	-
Exploration	(115,920)	(434,814)	(77,855)	(1,014,340)
Operating costs	(274,985)	(244,185)	(261,197)	(318,063)
Write-off of mineral property	(40,803)	-	-	-
Gain (loss) on sale of mineral properties	-	(852,786)	-	33,750
Gain on marketable securities	-	-	-	8,750
Net income (loss)	(438,236)	(1,556,154)	(330,561)	(1,280,109)
Net working capital (deficiency)	650,454	(57,229)	1,378,724	145,188
Claim acquisition and maintenance	54,659	195,543	165,322	276,725
Total assets	3,464,947	2,040,489	3,495,746	2,513,375
Total liabilities	(225,002)	(261,230)	(173,437)	(182,189)

	Q1 2020 *June 30, 2019*	Q2 2020 *Sept. 30, 2019*	Q3 2020 *Dec. 31, 2019*	Q4 2020 *March 31, 2020*
Revenues	-	-	-	-
Exploration	(77,592)	(52,935)	(41,960)	(29,849)
Operating costs	(219,843)	(205,539)	(184,822)	(254,592)
Write-off of mineral property	-	-	-	(452,069)
Gain on sale of Gold Canyon	-	604,436	593	777
Loss on marketable securities	-	(162,000)	(123,000)	(44,175)
Net income (loss)	(301,451)	191,044	(355,933)	(775,430)
Net working capital	138,015	426,028	17,927	1,017,574
Claim acquisition and maintenance	-	102,548	170,836	243,231
Total assets	2,923,161	3,311,490	3,214,287	3,911,951
Total liabilities	(153,563)	(298,768)	(536,699)	(211,048)

In general, fluctuations in the Company's quarterly results over the two years ended March 31, 2021 related primarily to the drill programs undertaken at Griffon (Q1 2021 and Q2 2021) and at North Carlin (Q3 2021 and Q4 2021) and the acquisition, disposal and write-off of mineral properties.

Specific fluctuations in the Company's quarterly results were attributable to the following factors:

- The Company did not realise any revenues in the two years ended March 31, 2021
- Exploration:
  - The most individually significant exploration expenditures incurred during the period under consideration were in respect of the reverse circulation drill programs undertaken at Griffon in Q1 2021 and Q2 2021 and at North Carlin in Q3 2021 and Q4 2021
  - The Griffon program commenced in late June and ended in August 2021. Costs incurred during the period were in respect of road building, advisory fees and bond agency fees as well as drill contractor and assay costs (see 'Griffon')
  - The North Carlin program commenced in Q4 2021. Q3 2021 exploration costs relate primarily to planning for the program while Q4 2021 costs relate primarily to road building and advisory fees as well as drill contractor and assay costs (see 'North Carlin')
  - Exploration initiatives (and related spend) were very limited in fiscal 2020
- Operating costs:
  - The volatility in Q3 2020 and Q4 2020 operating costs was attributable to general cost savings initiatives introduced in Q3 2020 followed by significant increases in travel and marketing in Q4 2020 related in part to the February 2020 financing
  - The increase in Q1 2021 operating costs related primarily to an increase in stock-based compensation (a non-cash item) relating to the April 2020 stock option grant
  - The decrease in Q2 2021 operating costs related primarily to a reduction in stock-based compensation
  - The increase in Q3 2021 operating costs related primarily to a significant increase in marketing spend offset by continued reductions in stock-based compensation (a non-cash item) and reduced management costs due to the termination of the President's remuneration effective November 1, 2020
  - The increase in Q4 2021 operating costs related primarily to an the increase in the reclamation provision relating to Griffon and North Carlin, an increase in stock-based compensation (relating to the January 2021 stock option grant), an increase in listing and filing fees relating to annual fees for both the TSXV and the OTCQB listings offset by a reduction in management costs due to the reduction in the CEO's remuneration effective January 1, 2021
- The Q1 2021 write-off of mineral property relates to the dropping of the Roberts Creek property (see 'Rock Creek and Roberts Creek')
- The 2021 net loss on the sale of mineral properties relates to the sale of the Goldrun property and the sale of the Rock Creek and Roberts Creek data (see 'Goldrun' and 'Rock Creek and Roberts Creek')
- The increases in net working capital in Q4 2020 and Q3 2021 were due to the closing of private placements with gross proceeds of $1,482,020 in February 2020 and $2,000,000 in November 2021
- Claim acquisition and maintenance expenditures relate to option and lease payments paid to third parties, claim maintenance charges paid to the BLM and costs of staking ground.

Fourth quarter

	31-Mar-20 (Q4 2020)	30-Jun-20 (Q1 2021)	30-Sep-20 (Q2 2021)	31-Dec-20 (Q3 2021)	31-Mar-21 (Q4 2021)
Cash and cash equivalents	1,130,028	733,250	107,123	1,432,358	213,870
Marketable securities	-	-	-	-	42,500
Other current assets	98,594	142,206	96,878	119,803	71,007
Mineral properties	2,571,659	2,482,008	1,724,411	1,806,249	2,052,671
Fixed assets	17,709	17,225	23,733	20,361	17,794
Reclamation bonds	93,961	90,258	88,344	116,975	115,533
Total assets	***3,911,951***	***3,464,947***	***2,040,489***	***3,495,746***	***2,513,375***
Accounts payable and accrued liabilities	106,390	110,741	145,759	120,624	158,600
Due to related parties	104,658	114,261	115,471	52,813	23,589
Total liabilities	***211,048***	***225,002***	***261,230***	***173,437***	*182,189*
Net working capital	***1,017,574***	***650,454***	***(57,229)***	***1,378,724***	***145,188***
Share capital	13,688,913	13,688,794	13,773,627	15,689,610	15,888,325
Reserves	1,509,232	1,591,002	1,636,988	1,703,228	1,791,567
Other comprehensive income	239,618	135,245	99,884	(8,728)	(6,796)
Accumulated deficit	(11,736,860)	(12,175,096)	(13,731,240)	(14,061,801)	(15,341,910)
Total equity	***3,700,903***	***3,239,945***	***1,779,259***	***3,322,309***	***2,331,186***
	-	-	-	-	-

- Marketable securities relate entirely to 250,000 Cortus shares (see 'Goldrun')
- Other current assets relate to prepaid marketing expenditures and various receivables (primarily GST). The reduction in Q4 2021 was due to the amortization of prepaid marketing spend during the quarter
- The carrying value of mineral properties includes claim acquisition (option payments, value of common shares issued to optionors in connection with property transactions, costs of staking, etc.) and the costs of maintaining the claims in good standing (annual BLM and county charges). The increase in the balance in Q4 2021 was due to the following:
  - Hurricane: US$ 25,000 option payment (see 'Hurricane')
  - Griffon: US $25,000 option payment and issuance of 2,500,000 common shares to the optionor (see 'Griffon')
  - Offset by the foreign exchange impact of the appreciation of the CAD relative to the US$
- Accounts payable and accrued liabilities comprise amounts due to third parties including accrued audit fees and recurring liabilities relating to ongoing operations in both Nevada and Vancouver. The increase in Q4 2021 relates to liabilities associated with the North Carlin drill program and an increase of US$ 25,000 in the reclamation provision relating to Griffon and North Carlin
- The reduction in the balance due to related parties in Q4 2021 relates to the bonus of US$ 20,000 to the VP Exploration that was accrued as at December 31, 2020 and paid in Q4 2021

Liquidity and going concern

As at March 31, 2021, the Company had a cash balance of $213,870 (March 31, 2020: $1,130,028), and a net working capital balance of $145,188 (March 31, 2020: $1,017,574).

Going concern

The nature of the Company's operations results in significant expenditures for the acquisition, maintenance and exploration of mineral properties. To date, the Company has not generated any revenue from mining or other operations as it is considered to be in the exploration stage.

Following the closing of the July 2021 non-brokered private placement described below, the Company does not have sufficient working capital to meet its corporate development, administrative and property objectives and obligations for the fiscal year through March 31, 2022. Given the Company's current liquidity situation, management has taken the following steps to preserve cash:

- Property claims deemed to be non-essential will be dropped prior to BLM and county fees falling due in August 2021
- Significant reduction in all marketing spend
- The President and CEO has been working without remuneration since starting in this combined role in May 2021, but recognition of a salary will commence August 1, 2021. Payment of the salary is to be deferred
- The CFO's remuneration was reduced by 50% effective May 1, 2021 and payment of the remaining 50% is to be deferred
- Payment of the VP Exploration's remuneration is to be deferred effective May 1, 2021.

The Company's ability to continue as a going concern is dependent upon its ability to obtain additional funding from equity financings provided by the Company's existing shareholders and/or new shareholders or through other arrangements. There is no assurance that the Company will be successful in this regard.

The recoverability of the carrying value of mineral properties and deferred expenditures is dependent upon a number of factors including the existence of recoverable reserves, the ability of the Company to obtain financing to maintain properties in good standing and continue exploration and the discovery of economically recoverable reserves.

The Company's financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption deemed to be inappropriate. These adjustments could be material.

In the event the Company is unable to arrange appropriate financing, the carrying value of its assets and liabilities could be subject to material adjustment and the Company may not be able to meet its obligations as they become due in the normal course of business. Furthermore, these conditions indicate the existence of a material uncertainty that raises significant doubt as to the Company's ability to continue as a going concern.

July 2021 non-brokered private placement

In June 2021, the Company announced a non-brokered private placement of up to 16,666,667 units at a price of $0.03 per unit for gross proceeds of up to $500,000. The Company subsequently increased the size of the private placement to up to 21,000,000 units for gross proceeds of up to $630,000.

On July 27, 2021, the Company closed the private placement financing pursuant to which a total of 20,732,833 units were issued at a price of $0.03 per unit for gross proceeds of $621,985. Each unit is comprised of one common share of the Company and one share purchase warrant. Each warrant entitles the holder to acquire one common share at a purchase price of $0.05 for a period of 24 months following closing of the private placement.

Finder's fees paid to third parties in connection with the financing took the form of finder's warrants equivalent to 7% of the number of applicable units sold. Each such finder's warrant entitles the holder to purchase one common share of the Company at a purchase price of $0.05 for a period of 24 months following closing of the private placement. A total of 280,000 finder's warrants were issued.

All securities issued in connection with the private placement are subject to a statutory hold period of four months plus one day following issuance.

November 2020 non-brokered private placement

In October 2020, the Company announced a non-brokered private placement of up to 20,000,000 units at a price of $0.05 per unit for gross proceeds of up to $1,000,000. The Company subsequently increased the size of the private placement to 40,000,000 Units for gross proceeds of up to $2,000,000.

On November 2, 2020, the Company closed the private placement financing pursuant to which a total of 40,000,000 units were issued at a price of $0.05 per unit for gross proceeds of $2,000,000. Each unit was comprised of one common share of the Company and one share purchase warrant. Each warrant entitles the holder to acquire one common share at a purchase price of $0.10 for a period of 36 months following closing of the private placement.

Total finder's fees paid to third parties in connection with the financing amounted to $55,650, equivalent to 6% of the applicable proceeds raised. In addition, 1,051,200 share purchase warrants were issued to finders, equivalent to 6% of the number of applicable units. Each such finder's warrant entitles the holder to purchase one common share of the Company at a purchase price of $0.10 for a period of 36 months following closing of the private placement.

All securities issued in connection with the private placement were subject to a statutory hold period of four months plus a day following issuance.

Exercise of share purchase warrants

In fiscal 2021, 176,825 share purchase warrants were exercised at an exercise price of $0.10 for total proceeds of $17,683. All warrants exercised had been issued in connection with the February 2020 non-brokered private placement.

Dividends

The Company has neither declared nor paid any dividends on its common shares to date. The Company does not anticipate paying any dividends on its common shares in the foreseeable future.

Contractual commitments

The Company is responsible for remediating ground on its Hurricane property on which it undertook trenching activity in Q3 2018. In this regard, the Company was required to post a reclamation bond of US$ 56,066 with the BLM. The Company has estimated the cost of reclamation of the Hurricane property to be approximately US$ 10,000.

The Company is responsible for remediating ground on its Gold Bar property on which it undertook drilling activity in Q1 2019. In this regard, the Company was required to post reclamation bonds totalling US$25,404 with the BLM. In November 2019, the Company received a partial refund of the Gold Bar bond amounting to US$15,240 leaving a remaining balance of US$ 10,164. The Company has estimated that there are no further costs of reclamation to be incurred in connection with the Gold Bar property.

The Company is responsible for remediating ground on its Griffon property on which it undertook drilling activity in Q3 2021. In this regard, the Company chose to address its reclamation commitment through a bond agency; the bond amount is US$ 72,700. The Company has estimated the cost of reclamation of the North Carlin property to be approximately US$ 20,000.

The Company is responsible for remediating ground on its North Carlin property on which it undertook drilling activity in Q4 2021. In this regard, the Company was required to post a reclamation bond of US$ 25,645 with the BLM. The Company has estimated the cost of reclamation of the North Carlin property to be approximately US$ 15,000.

The three bonds totaling US$ 91,875 ($115,533) as at March 31, 2021 will be refunded in full once the BLM has concluded that the reclamation work completed is satisfactory. Management is actively seeking to recover the outstanding balances relating to pre-2020 activity with particular attention being directed to the Hurricane bond.

The Company is required to make certain option and lease payments to third parties in order to maintain its mineral properties and agreements in good standing. Such expenditures to be incurred in the year ended March 31, 2022 total US$ 125,000 ($157,188) and comprise the following:

- Cobb Creek: US$ 20,000 (September 2021)
- Cobb Creek: US$ 30,000 (November 2021)
- Griffon: US$ 50,000 (December 2021)
- Hurricane: US$ 25,000 (February 2022).

In addition to the cash payments referred to above, in December 2021, the Company is required to issue 2,500,000 common shares to the optionor of the Griffon property.

Annual statutory claim maintenance expenditures (BLM and county charges) are due in August of each year.

Other than as described above, the Company had no significant medium- or long-term contractual commitments as at March 31, 2021 or July 28, 2021 beyond its stated liabilities and other commitments associated with its mineral properties and related lease and option agreements.

Legal proceedings

The Company was not involved in any legal proceedings as at either March 31, 2021 or July 28, 2021.

Off-balance sheet arrangements

As at March 31, 2021 and July 28, 2021, the Company was utilising the services of a bond agent in connection with the provision of a bond to the applicable authorities relating to the Griffon drill program. The bond amount is US$ 72,700.

Otherwise, the Company is not a party to any off-balance sheet arrangements.

Transactions with related parties

The Company incurred the following expenses resulting from transactions with related parties including officers and directors and companies that are controlled by officers and directors of the Company:

		Year ended March 31, 2021		Year ended March 31, 2020
Remuneration of officers of the Company	$	377,168	$	432,656
Stock-based compensation relating to stock options issued to officers and directors of the Company		186,676		40,118
Recharge of exploration, claim and local administrative expenditures		64,589		56,296
	$	**628,433**	**$**	**529,070**

Officers of the Company include its President, CEO, CFO and VP Exploration. The President was remunerated through October 31, 2020 following which all remuneration was terminated. Effective May 1, 2021, the President was appointed as CEO following the departure of Blaine Monaghan. See discussion in 'Liquidity and going concern' regarding the reductions in and deferral of management remuneration that were introduced effective May 1, 2021.

Certain exploration, local administrative and claim acquisition expenditures are charged to the Company by Tectonex LLC, a company owned by the Company's VP Exploration. Such charges totalled US$ 48,865 ($64,589) in the year ended March 31, 2021 (year ended March 31, 2020: US$ 42,309 ($56,296)). All such expenditures are recharged to the Company without margin or discount at the actual cost incurred by Tectonex.

Certain directors and officers of the Company participated in the July 2021 private placement subscribing for an aggregate of 3,133,334 units at a cost of $94,000.

Certain directors and officers of the Company participated in the November 2020 private placement subscribing for an aggregate of 1,200,000 units at a cost of $60,000.

The Company owed the following amounts to related parties including officers and directors or companies that are controlled by officers and directors of the Company:

		March 31, 2021		March 31, 2020
Amount owing to Tectonex relating to the recharge of exploration, claim and local administrative expenditures		14,158		5,629
Amounts owing to directors and officers relating to deferred remuneration and the reimbursement of expenses		9,431		9,631
Deferred amount due to the President		-		64,398
Other advances		-		25,000
	$	**23,589**	**$**	**104,658**

As at July 28, 2021, the amount owing to Tectonex had been partially repaid and none of the amounts owing to directors and officers relating to deferred remuneration and the reimbursement of expenses had been repaid.

Outstanding share data

The Company has authorized capital of an unlimited number of common shares without nominal or par value and an unlimited number of preferred shares without nominal or par value.

The Company had the following common shares, warrants and stock options outstanding as at March 31, 2021 and July 28, 2021:

	July 28, 2021	March 31, 2021
Issued and outstanding common shares	146,114,292	125,381,459
Fully diluted	218,003,325	176,507,659
Share purchase warrants:		
Nov. 2, 2023 ($0.10)	40,000,000	40,000,000
Nov. 2, 2023, finder warrants ($0.10)	1,051,200	1,051,200
July 28, 2023 ($0.05)	20,732,833	-
July 28, 2023, finder warrants ($0.05)	280,000	-
	62,064,033	41,051,200
Stock options	9,825,000	10,075,000

Cautionary Statement on Forward-Looking Information

This MD&A document contains 'forward-looking information' and 'forward-looking statements' (together, the "forward-looking statements") within the meaning of applicable securities laws. Such forward-looking statements concern the Company's anticipated operations in future periods, planned exploration and evaluation of its properties, and plans related to its business and other matters that may occur in the future. This information relates to analyses and other information that is based on expectations of future performance and planned work programs. These forward-looking statements are made as of July 28, 2021.

Users of forward-looking statements are cautioned that actual results may vary from the forward-looking statements contained herein. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to:

- Risks related to the exploration and evaluation of natural resource properties
- Risks related to the uncertainty of mineral resource calculations and the inclusion of inferred mineral resources in economic estimations
- Risks related to fluctuations in future metal prices (particularly gold prices)
- Risks related to market events and conditions
- Risks related to governmental regulations, including without limitation, environmental laws and regulations
- Risks related to delays in obtaining governmental or regulatory approvals, licenses or permits
- Risks related to the Company's mineral properties being subject to prior unregistered agreements, transfers or claims and other defects in title
- Risks related to uncertainty associated with the Company's ability to obtain funding in the future
- Risks related to the Company's inability to meet its financial obligations under agreements to which it is a party (see 'Liquidity and going concern')
- Risks related to competition from larger companies with greater financial and technical resources, and

- Risks related to the Company's directors and officers becoming associated with other natural resource companies which may give rise to conflicts of interest.

Other risk factors associated with the Company are identified in the document entitled 'Filing Statement of Palisades Ventures Inc.' dated as at May 29, 2017 which is available on www.sedar.com.

Although the forward-looking statements contained in this document are based upon what management of the Company believes are reasonable assumptions, the Company cannot assure investors that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this document, and the Company assumes no obligation to update or revise them to reflect new events or circumstances except as may be required under applicable securities laws. There can be no assurance that forward-looking statements, or the material factors or assumptions used to develop such forward-looking statements, will prove to be accurate. Accordingly, readers should not place undue reliance on forward-looking statements.