LE MARE GOLD CORP.

Management Discussion & Analysis (“MD&A”)

Year Ended December 31, 2019

Date of Report: June 22, 2020

The following management's discussion and analysis should be read together with the audited consolidated financial statements and accompanying notes for the year ended December 31, 2019 and related notes hereto, which are prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts are stated in Canadian dollars unless otherwise indicated.

This management discussion and analysis includes certain statements that may be deemed "forward-looking statements". Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, continued availability of capital and financing and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements.

Overall Performance

Nature of Business and Overall Performance

Le Mare Gold Corp. (formerly known as Southern Lithium Corp.) (the “Company”) was incorporated in the province of British Columbia on March 9, 2010 as Signal Resources Inc. The Company is a resource exploration company that is acquiring and exploring mineral properties. After the name was changed to Southern Lithium Corp., on November 2, 2016, the Company commenced trading on the TSX Venture Exchange again under the symbol “SNL”. On December 11, 2017, the Company reverse split its shares on the basis of one new share for every 10 old shares. After the name was changed to Le Mare Gold Corp., on February 2, 2018 the Company commenced trading as “LMGC” on the TSX Venture Exchange. An update on the properties is as follows.

Background

On March 11, 2018, the Company entered into an option agreement to acquire an undivided 100% interest in a mining property comprised of 12 map-staked claims covering 2,677.24 hectares (6,615.60 acres) in the Nanaimo Mining Division in British Columbia named, “the Le Mare Property”.

Under the terms of the agreement, Le Mare Gold issued 5,000,000 common shares and has paid $50,000 to the Vendor. In addition, the Company agreed to pay an additional $200,000 and incur at least $100,000 in exploration expenditures on the property on or before March 11, 2022. The option or retains a 3% net smelter return (“NSR”) royalty on the property. The Company may purchase one-half other NSR royalty by paying the Optionor $1,500,000.

On October 7, 2019, the Company terminated the option agreement as it was determined the Le Mare Property no longer offered the best opportunity to shareholders.

Highlights

February 21, 2019. The Company announced the appointment of David Greenway as President and CEO of the Company replacing Yari Nieken who remains as a director; the appointment of Mr. Bryson Goodwin to the Board of Directors, the appointment of Kelly Pladson as Corporate Secretary; and the resignation of David Alexander as CFO of the Company.

March 21, 2019 Mr. Bryson Goodwin assumed the role of President and CEO from Mr. David Greenway who remains as a director.

April 4, 2019 Ms. Natasha Sever has agreed to assume the role of Chief Financial Officer for the Company.

August 16, 2019 The Company announced the appointment of Mr. Philip Kwong to its Board of Directors. The Company accepted the resignation of Mr. David Greenway as a Director.

September 26, 2019 The Company accepted the resignation of John Ryan as a Director.

October 7, 2019 The Company announced that the Le Mare option agreement previously announced March 12, 2018 and December 31, 2018 had been terminated.

November 5, 2019 The Company closed a non-brokered private placement where it allotted and issued 12,000,000 units (the "Units") at a price of $0.05 per Unit. Each Unit is comprised of one common share and one-half of one transferable share purchase warrant, with each whole warrant entitling the holder to purchase one additional common share of the Company for a period of up to 18 months at a price of $0.40, subject to accelerated expiry.

December 16, 2019 The Company announced a proposed reverse takeover transaction entering into a non-binding letter of intent with Discovery Seed Labs Ltd., and FutureWELL Industries Ltd. Pursuant to the LOI, Le Mare, Discovery and FutureWELL propose to effect an arm's length reverse takeover of Le Mare by the shareholders of Discovery and FutureWELL.

April 7, 2020 The Company has accepted the resignation of Mr. Bryson Goodwin as Chief Executive Officer of the Company. Mr. Goodwin shall remain President and a Director of the Company.

June 3, 2020 The Company announced that, further to its news release dated December 16, 2019, the letter of intent with Discovery Seed Labs Ltd. and FutureWELL Industries Ltd. has been mutually terminated. The Company is seeking other business ventures and will update shareholders in due time.

Selected Annual Information

The following financial data are selected information for the Company for the three most recently completed financial years:

	December 31, 2019	December 31, 2018	December 31, 2017
	$	$	$
Total revenue	-	-	-
Net loss for the year	(1,404,287)	(1,091,765)	(5,816,069)
Net loss per share, basic and diluted	(0.07)	(0.18)	(1.19)
Total assets	135,460	1,209,810	242,424

Summary of Quarterly Results

The following table sets out selected quarterly information for each of the Company's most recent eight completed quarters.

	Revenues $	Net income (loss) $	Net income (loss) per share (basic and diluted) $
March 31, 2018	-	(219,250)	(0.04)
June 30, 2018	-	(383,491)	(0.06)
September 30, 2018	-	(299,163)	(0.05)
December 31, 2018	-	(189,861)	(0.01)
March 31, 2019	-	(128,558)	(0.01)
June 30, 2019	-	(120,780)	(0.01)
September 30, 2019	-	181,586	0.01
December 31, 2019	-	(1,336,535)	(0.05)

The net loss for the quarter ended December 31, 2019 includes the $1,098,643 impairment of the Le Mare mineral property The net income for the quarter ended September 30, 2019 included a gain on settlement of debt of $257,290.

Results of Operations

Comparison of results of operations of the years ended December 31, 2019 and 2018.

	Year ended December 31, 2019 $	Year ended December 31, 2018 $
Expenses		
Consulting fees	12,001	204,684
Cost incurred related to potential acquisition	62,430	–
General and administrative	69,349	49,070
Impairment of exploration and evaluation assets	1,098,643	–
Investor relations	4,109	37,428
Management fees	62,097	302,597
Professional fees	39,743	76,880
Rent	–	89,000
Share-based compensation (Note 8)	–	65,093
Transfer agent and filing fees	24,168	23,430
Travel	130,689	179,466
Total expenses	1,503,229	1,027,648

During the year ended December 31, 2019, the Company had expenses of $1,503,229 compared to $1,027,6488 for the year ended December 31, 2018. The impairment of the Le Mare Gold property accounts for a large portion of the expenses in 2019. Management fees, consulting fees, investor relations, rent, were reduced significantly in 2019 compared with 2018 as the Company cut back on costs due to lack of cash. The Company did not grant any stock options in 2019 so there was no share-based compensation.

Liquidity and Capital Resources

As at December 31, 2019, the Company had a working capital deficit of $22,870 (2018 $302,226).

The Company has not pledged any of its assets as security for loans, or otherwise and is not subject to any debt covenants. The Company requires additional working capital to meet its primary business objectives over the next 12 months.

Since the Company will not be able to generate cash from its operations in the foreseeable future, the Company will have to rely on the funding through future equity issuances and through short term borrowing in order to fund ongoing operations and to meet its obligations. The ability of the Company to raise capital will depend on market conditions and it may not be possible for the Company to issue shares on acceptable terms or at all.

Off Balance Sheet Arrangements

There are no off-balance sheet arrangements to which the Company is committed.

Transactions with Related Parties

(a) As at December 31, 2019, the amount of $5,956 (2018 - $nil) is owed to the President of the Company.

(b) As at December 31, 2019, the amount of $2,625 (2018 - $nil) is owed to a company controlled by the CFO of the Company. During the year ended December 31, 2019, the Company incurred management fees of $32,024 (2018 - $nil) to a company controlled by the CFO of the Company.

(c) As at December 31, 2019, the amount of $5,250 (2018 - $nil) is owed to a company controlled by the Corporate Secretary of the Company. During the year ended December 31, 2019, the Company incurred management fees of $30,071 (2018 - $nil) to the Company controlled by the corporate secretary of the Company.

(d) As at December 31, 2019, the amount of $2,664 (2018 - $21,094) is owed to the CEO of the Company. During the year ended December 31, 2019, the Company incurred management fees of $1 (2018 - $180,000) to the Company controlled by the CEO of the Company.

(e) As at December 31, 2019, the amount of $nil (2018 - $87,060) is owed to a former director of the Company, which is unsecured, non-interest bearing, and due on demand. The amount is included in accounts payable and accrued liabilities.

(f) As at December 31, 2019, the amount of $nil (2018 - $51,005) is owed to a company controlled by the former CFO of the Company, which is unsecured, non-interest bearing, and due on demand. The amount is included in accounts payable and accrued liabilities. During the year ended December 31, 2019, the Company incurred management fees of $nil (2018 - $120,000) to a company controlled by the former CFO of the Company.

(g) During the year ended December 31, 2019, the Company incurred consulting fees of $nil (2018 - $90,000) to a company controlled by the spouse of the former CFO of the Company.

(h) On February 16, 2018, the Company granted 100,000 stock options with a fair value of $15,595 to a company controlled by the spouse of the Chief Financial Officer of the Company. The stock options were exercised for proceeds of $22,000.

Changes in Accounting Policies

A number of new standards, and amendments to standards and interpretations, are not yet effective for the year ended December 31, 2019, and have not been early adopted in preparing these financial statements. These new standards, and amendments to standards and interpretations are either not applicable or are not expected to have a significant impact on the Company's consolidated financial statements.

Financial Instruments and Risks

(a) Fair Values

Fair value measurements are classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - valuation techniques based on 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 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair values of financial instruments, which include cash, GST receivable, and accounts payable and accrued liabilities, and loans payable, approximate their carrying values due to the relatively short-term maturity of these instruments.

(b) Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is in its cash and GST receivable. The risk in cash is managed through the use of a major financial institution which has a high credit quality as determined by rating agencies. GST receivable consists of GST refunds due from the Government of Canada.

(c) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to interest rate risk as it does not have any assets or liabilities that are affected by changes in interest rates.

(d) Foreign Exchange Rate Risk

Foreign exchange risk is the risk that the Company's financial instruments will fluctuate in value as a result of movements in foreign exchange rates. The Company is not exposed to any significant foreign exchange rate risk.

(e) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company requires funds to finance its business development activities. In addition, the Company needs to raise equity financing to carry out its exploration programs. There is no assurance that financing will be available or, if available, that such financing will be on terms acceptable to the Company.

(f) Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

Fourth Quarter

See Summary of Quarterly Results.

Additional Disclosure for Venture Issuers without Significant Revenue

An analysis of material components of the Company's general and administrative expenses is disclosed in the audited consolidated financial statements for the year ended December 31, 2019 to which this MD&A relates. An analysis of material components of the Company's exploration and evaluation assets is disclosed in the audited consolidated financial statements for the year ended December 31, 2019 to which this MD&A relates.

Outstanding Share Data

As at June 22, 2020, the Company had 29,643,616 common shares issued and outstanding.

As at June 22, 2020, the Company had 12,380,216 share purchase warrants outstanding.

Number of warrants outstanding	Exercise price $	Expiry date
6,380,216	0.20	December 31, 2020
6,000,000	0.40	May 5, 2021
12,380,216		

As at June 22, 2020, the Company had no stock options outstanding.

Coronavirus Pandemic

The current outbreak of COVID-19 and any future emergence and spread of similar pathogens could have an adverse impact on global economic conditions, which may adversely impact the Company's operations, and the operations of its suppliers, contractors and service providers, the ability to obtain financing and maintain necessary liquidity. The outbreak of COVID-19 and political upheavals in various countries have caused significant volatility in commodity prices. While these effects are expected to be temporary, the duration of the business disruptions internationally and related financial impact cannot be reasonably estimated at this time.

Similarly, the Company cannot estimate whether or to what extent this outbreak and the potential financial impact may extend to countries outside of those currently impacted. Travel bans and other government restrictions may also adversely impact the Company's operations.

OTHER REQUIREMENTS

Additional disclosure of the Company's technical reports, material change reports, news release and other information can be obtained on SEDAR at *www.sedar.com.*