LE MARE GOLD CORP.

Management Discussion & Analysis ("MD&A")

Year Ended December 31, 2020

Date of Report: April 30, 2021

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, 2020 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.

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 Le Mare Gold Corp., on February 2, 2018 the Company commenced trading as “LMGC” on the TSX Venture Exchange.

Background

On February 3, 2021, the Company entered into a mineral option assignment agreement whereby the Company has been assigned the right to acquire up to a 100% interest in the Brussels Creek property located in the Kamloops Mining District, British Columbia. The assignor assigned all its right, title, and interest in and to the option agreement dated February 25, 2020 that it is a party to for $157,500 (paid) and 800,000 common shares of the Company (issued). The Company agreed to assume the obligations of the assignor under the option agreement subject to the optionor agreeing to accept 2,000,000 common shares of the Company in substitution for shares of the assignor otherwise due to be issued to the optionor under the option agreement as follows:

If a 60% interest in the property is acquired, the Company must issue 1,000,000 common shares on or before April 15, 2021 (issued), pay $100,000 on or before April 15, 2021 (paid), and incur $200,000 in exploration expenditures on the property on or before February 25, 2022 ($75,000 was advanced to the assignor during the year ended December 31, 2020 which will be applied to the required exploration expenditures).

If the remaining 40% interest in the property is acquired, the Company must issue 1,000,000 common shares on or before February 25, 2023, pay $125,000 on or before February 25, 2023, and incur an additional $275,000 in exploration expenditures on the property on or before February 25, 2023.

The interest earned is subject to a 2% Net Smelter Royalty payable to the optionor. One half of the royalty may be purchased for $1,500,000, exercisable anytime on or before the expiration of one year from the commencement of commercial production.

The Property is an early-stage exploration property, located approximately 24 km west of Kamloops, BC, and is immediately adjacent to New Gold’s New Afton mine. The Property comprises 17 claims (66 cells) covering 1350.43 ha. The geological setting of the Property is very similar to New Afton, a silica-saturated copper-gold alkalic porphyry-style deposit, as well as the Highland Valley, Mount Polly, Kemess and Galore Creek deposits. Recent field observations noted the presence of a substantial mineralized quartz-feldspar porphyry body intruding the overlying Nicola Group volcanics. Historic sampling and mapping on the property, in 1983 and 1984, located a broad anomalous zone (200 m by 400 m) with gold values up to 3.5 g/t. Grab samples taken from the property in 2019 include values of 10.1 g/t Au (with 0.7 g/t Pd) and 11.5 g/t Au. In 2020, Syber commenced exploration work on the property and has completed an airborne magnetometer survey over the entire property, a LiDAR and orthophotography survey, and also one week of prospecting and mapping. Interpretation of the geophysical survey identified six areas of interest, showing potential for the structural complexities and potassic alteration that are common features of this style of porphyry copper-gold deposit.

Le Mare commissioned Healex Consulting of Nanaimo, BC, to complete a National Instrument 43-101 Technical Report on the Property. This report will be made available at www.sedar.com.

Highlights

On April 7, 2020, the Company announced the appointment of Mr. Yari Nieken as Chief Executive Officer and Chairman of the Company. Mr. Nieken has been a member of the Board of Directors since October, 2017. The Company 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.

On 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.

On August 19, 2020, the Company announced the appointment of Mr. Andreas Schleich to the Company's Board of Directors. The Company accepted the resignation of Mr. Philip Kwong from the Board.

On August 26, 2020, the Company announced the appointment of Mr. Joel Warawa to the Company's Board of Directors.

On February 3, 2021, the Company entered into a mineral option assignment agreement whereby the Company has been assigned the right to acquire up to a 100% interest in the Brussels Creek property located in the Kamloops Mining District, British Columbia.

On April 23, 2021, the Company issued 64,087,500 units at a price of $0.05 per unit for proceeds of $3,204,375. Each unit consisted of one common share and one transferable share purchase warrant.

On April 23, 2021, the Company issued 5,800,000 flow-through common shares at a price of $0.05 per share for proceeds of $290,000.

Selected Annual Information

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

	December 31, 2020	December 31, 2019	December 31, 2018
	$	$	$
Total revenue	–	–	–
Net loss for the year	(382,039)	(1,404,287)	(1,091,765)
Net loss per share, basic and diluted	(0.01)	(0.07)	(0.18)
Total assets	79,182	135,460	1,209,810

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, 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)
March 31, 2020	–	(252,343)	(0.01)
June 30, 2020	–	(48,888)	–
September 30, 2020	–	(20,252)	–
December 31, 2020	–	(60,556)	–

The net loss for the quarter ended December 31, 2019 includes the $1,098,643 impairment of exploration and evaluation assets. The net income for the quarter ended September 30, 2019 included a gain on settlement of debt of $257,290.

Results of Operations

The net loss for the year ended December 31, 2020 was $1,022,248 less than the year ended December 31, 2019 mainly because the Company recognized a $1,098,643 impairment of exploration and evaluation assets in fiscal 2019.

Liquidity and Capital Resources

As at December 31, 2020, the Company had a working capital deficit of $378,909 (2019 - $22,870).

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.

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.

Fourth Quarter

See Summary of Quarterly Results.

Loans Payable

(a) As at December 31, 2019, the Company owed $19,819 (2019 - $18,000) to a company controlled by the Chief Executive Officer ("CEO") and a significant shareholder of the Company, which is unsecured, non-interest bearing, and due on demand.

(b) As at December 31, 2020, the Company owed $29,750 (2019 - $29,750) to the father of the CEO of the Company, which is unsecured, bears interest at 15% per annum, and is due on demand. As at December 31, 2020, accrued interest of $27,165 (2019 - $22,703) is included in accounts payable and accrued liabilities.

(c) As at December 31, 2020, the Company owed the following amounts to the CEO of the Company: $145,000 (2019 - $nil) which is unsecured, bears interest at 10% per annum, and is due on demand and $5,000 (2019 - $nil) which is unsecured, bears interest at 15% per annum, and is due on demand. As at December 31, 2020, accrued interest of $13,036 (2019 - $nil) is included in accounts payable and accrued liabilities.

(d) As at December 31, 2020, the Company owed $8,800 (2019 - $nil) to a significant shareholder of the Company, which is unsecured, bears interest at 10% per annum, and is due on demand. As at December 31, 2020, accrued interest of $762 (2019 - $nil) is included in accounts payable and accrued liabilities.

(e) As at December 31, 2020, the Company owed $21,000 (2019 - $nil) to a company with common officers and directors, which is unsecured, non-interest bearing, and due on demand.

Transactions with Related Parties

(a) As at December 31, 2020, the amount of $63,063 (2019 - $2,625) is owed to the CFO of the Company and a company controlled by the Chief Financial Officer ("CFO") of the Company which is included in accounts payable and accrued liabilities. The amount owed is non-interest bearing, unsecured, and due on demand. During the year ended December 31, 2020, the Company incurred management fees of $64,762 (2019 - $32,024) to a company controlled by the CFO of the Company.

(b) As at December 31, 2020, the amount of $28,875 (2019 - $5,250) is owed to a company controlled by the Corporate Secretary of the Company which is included in accounts payable and accrued liabilities. The amount owed is non-interest bearing, unsecured, and due on demand. During the year ended December 31, 2020, the Company incurred management fees of $30,000 (2019 - $30,071) to a company controlled by the Corporate Secretary of the Company.

(c) As at December 31, 2020, the amount of $13,340 (2019 - $2,664) is owed to the CEO of the Company which is included in accounts payable and accrued liabilities. The amount owed is non-interest bearing, unsecured, and due on demand.

Changes in Accounting Standards Including Initial Adoption

A number of new standards, and amendments to standards and interpretations, are not yet effective for the year ended December 31, 2020, and have not been early adopted in preparing these consolidated 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 Risk Management

(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, 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. 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. The carrying amount of financial assets represents the maximum credit exposure.

(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.

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 financial statements for the year ended December 31, 2020 to which this MD&A relates.

Outstanding Share Data

As at April 30, 2021, the Company had 101,331,116 common shares issued and outstanding.

As at April 30, 2021, the Company had 70,847,500 share purchase warrants outstanding.

Number of warrants outstanding	Exercise price $	Expiry date
6,000,000	0.40	May 5, 2021
64,847,500	0.075	April 22, 2022
70,847,500		

As at April 30, 2021, 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.*