

# WINSTON GOLD CORP.

## Management Discussion and Analysis

For the three months ended March 31, 2019 and 2018

Dated May 23, 2019  
(Form 51-102F1)

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### INTRODUCTION

*The following Management Discussion and Analysis (“MD&A”) of Winston Gold Corp. (the “Company” or “Winston”) has been prepared by management, in accordance with the requirements of National Instrument of 51-102 as of May 23, 2019 and should be read in conjunction with the unaudited condensed interim consolidated financial statements for the three months ended March 31, 2019 and 2018 and the related notes contained therein which have been prepared under International Financial Reporting Standards (“IFRS”). The following should also be read in conjunction with the audited consolidated financial statements and the related MD&A for the year ended December 31, 2018 and all other disclosure documents of the Company. The information contained herein is not a substitute for detailed investigation or analysis on any particular issue. The information provided in this document is not intended to be a comprehensive review of all matters and developments concerning the Company. The Company is a “Venture Issuer” as defined in NI 51-102. Additional information relevant to the Company’s activities can be found on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Canadian Securities Exchange at [thecse.com/en/listings/mining/winston-gold-mining-corp](http://thecse.com/en/listings/mining/winston-gold-mining-corp).*

*All financial information in this MD&A related to 2019 and 2018 has been prepared in accordance with IFRS. All monetary amounts are expressed in Canadian dollars, the presentation and functional currency of the Company, unless otherwise indicated.*

### FORWARD LOOKING STATEMENTS

Certain information in this MD&A, including all statements that are not historical facts, constitutes forward-looking information within the meaning of applicable Canadian securities laws. Such forward-looking information may include, but is not limited to, information which reflect management’s expectations regarding the Company’s future growth, results of operations (including, without limitation, future production and capital expenditures), performance (both operational and financial) and business prospects (including the timing and development of new deposits and the success of exploration activities) and opportunities. Often, this information includes words such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate” or “believes” or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved.

In making and providing the forward-looking information included in this MD&A the Company’s assumptions may include among other things: (i) assumptions about the price of base metals; (ii) that there are no material delays in the optimization of operations at the Winston and Holmes projects; (iii) assumptions about operating costs and expenditures; (iv) assumptions about future production and recovery; (v) that there is no unanticipated fluctuation in foreign exchange rates; and (vi) that there is no material deterioration in general economic conditions. Although management believes that the assumptions made and the expectations represented by such information are reasonable, there can be no assurance that the forward-looking information will prove to be accurate. By its nature, forward-looking information is based on assumptions and involves known and unknown risks, uncertainties and other factors that may cause the Company’s actual results, performance or achievements, or results, to be materially different from future results, performance or achievements expressed or implied by such forward-looking information. Such risks, uncertainties and other factors include among other things the following: (i) decreases in the price of base metals; (ii) the risk that the Company will continue to have negative operating cash flow; (iii) the risk that additional financing will not be obtained as and when required; (iv) material increases in operating costs; (v) adverse fluctuations in foreign exchange rates; and (vi) environmental risks and changes in environmental legislation.

This MD&A (See “Risks and Uncertainties”) contains information on risks, uncertainties and other factors relating to the forward-looking information. Although the Company has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in the forward-looking information, there may be other factors that cause actual results, performances, achievements or events not to be anticipated, estimated or intended. Also, many of the factors are beyond the Company’s control. Accordingly, readers should not place undue reliance on forward-looking information. The Company undertakes no obligation to reissue or update forward looking information as a result of new information or events after the date of this MD&A except as may be required by law. All forward-looking information disclosed in this document is qualified by this cautionary statement.

## **OVERVIEW**

### **Description of the business**

Winston Gold Corp. (the “Company”) was incorporated in the Province of Manitoba on January 31, 2013 under the name of 6649930 Manitoba Ltd. On September 19, 2014 the Company changed its name to Winston Gold Mining Corp. On September 25, 2014, Winston Gold Mining USA Corp. was incorporated in the State of Montana, USA. Winston Gold Mining USA Corp. is a wholly owned subsidiary of the Company. On March 23, 2016, the common shares of the Company were approved for listing on the Canadian Securities Exchange (CSE) under the symbol WGC. The shares are deemed to be listed on March 22, 2016 and trading commenced on March 29, 2016. On October 4, 2016, the Company acquired Goldridge Holdings Limited (“Goldridge”) and its subsidiary, Goldridge Holdings (USA) Limited (“Goldridge USA”). Both Goldridge and Goldridge USA are wholly-owned subsidiaries. Goldridge is incorporated in the Province of British Columbia, Canada, and Goldridge USA is incorporated in the State of Nevada, USA. On November 5, 2018, the Company sold all interest in the Goldridge property to MetalNRG, an arms-length third party. On October 18, 2016, the Company was approved for listing on the OTCQB Marketplace under the symbol WGMCF. Effective August 24, 2017 the Company continued out of the Province of Manitoba into the jurisdiction of the Province of British Columbia and changed its name to Winston Gold Corp. Effective September 1, 2017, the Common Shares of the Company commenced trading on the Canadian Securities Exchange under the same stock symbol of WGC. The Company is in the process of exploring mining claims which are under lease or owned and has not yet determined whether or not the owned and leased properties will contain economically recoverable reserves.

At March 31, 2019, the Company reported a working capital deficiency of \$1,455,479 (December 31, 2018 – deficiency of \$1,045,644) and will require financing from outside participation to continue exploration and subsequent development of its mining claims under lease agreements and to be able to make payments required under the mining lease agreements. At March 31, 2019 the Company had not yet achieved profitable operations, has accumulated losses of \$24,309,783 (December 31, 2018 - \$23,925,483) since its inception and expects to incur further losses in the development of its business, all of which casts substantial doubt about the Company’s ability to continue as a going concern. The Company’s ability to continue as a going concern is dependent on continued financial support from its shareholders, the ability of the Company to raise equity financing, the attainment of profitable operations and external financings.

### **SIGNIFICANT EVENTS**

On January 31, 2013, the Incorporation date of the Company, Max Polinsky was the sole Director. On September 29, 2014, Murray Nye and Ben Porterfield were elected as Directors of the Company, Max Polinsky was elected President and Chief Financial Officer, Murray Nye was elected as Chief Executive Officer, Megan Francis was elected as Corporate Secretary and Collins Barrow Toronto LLP, Licensed Public Accountants of Toronto, Ontario were appointed as Auditors of the Company. On September 29, 2014, Murray Nye, Max Polinsky and Ben Porterfield were appointed to the Audit Committee.

On October 23, 2015, Al Fabbro was elected as a Director of the Company and Chairman of the Audit Committee. On October 23, 2015, Max Polinsky resigned from the Audit Committee.

On October 4, 2016, the Company completed the acquisition of Goldridge Holdings Limited (“Goldridge”), a private company incorporated in the Province of British Columbia. Goldridge has become a wholly-owned subsidiary of the Company. In connection with the closing of the transaction, the Company issued 27,250,000 common shares in the capital of the Company, on a pro rata basis, to the Goldridge shareholders at a deemed price of \$0.50 per share and made cash payments of \$230,475 (USD 175,000).

Effective October 31, 2016, the Company terminated the September 29, 2015 Stock Option Plan, which was in accordance with the laws of Manitoba, and adopted a new Stock Option Plan, in accordance with the laws of British Columbia. The maximum number of shares that may be issued will be a rolling number not to exceed 10% of the issued and outstanding shares of the Company at the time of the option grant. The options granted shall be exercisable over a period not exceeding five years. Options granted to any one individual in any 12 month period shall not exceed 5% of the issued shares of the Company. Options granted to any one consultant or investor relations employee in any 12

month period shall not exceed 2% of the issued shares of the Company. The Board may amend or terminate the Stock Option Plan.

On December 12, 2016, Stanley Stewin was elected as a Director of the Company and a member of the Audit Committee. On the same day, Max Polinsky was replaced as the Company's CFO by Ronan Sabo-Walsh. Max retained his title as President and a Director of the Company.

On June 5, 2017, Ronan Sabo-Walsh resigned as the Company's Chief Financial Officer. On June 5, 2017, Max Polinsky was appointed as the Company's Chief Financial Officer.

On August 24, 2017, concurrent with the continuation to British Columbia, the Company reclassified its share structure by renaming its Class A Common Shares as "Common Shares", cancelling its Class B Common Shares along with its Class A, Class B and Class C Preference Shares and creating an unlimited number of Preferred Shares with special rights and restrictions. Holders of the Class A Common Shares are now holders of the newly named Common Shares.

On November 6, 2017, the Company appointed Davidson & Company LLP as the auditor of the Company and accepted the resignation of Collins Barrow Toronto LLP.

On November 5, 2018, the Company sold all interest in Goldridge, its wholly-owned subsidiary to MetalNRG ("MNRG"), a company quoted on the NEX Exchange Growth Market in London, England. In connection with the closing of the transaction, the Company received cash consideration of \$261,920 (USD 200,000) and a commitment for 21,942,576 MNRG ordinary shares. Receipt of the 21,942,576 new MNRG Ordinary Shares is pending. The Company recognized a gain on disposal of \$324,126.

## **OVERALL PERFORMANCE**

In summary, the Company's financial performance decreased over the period ended March 31, 2019 compared to the year ended December 31, 2018. Working capital decreased by \$409,835 from a working capital deficit of 1,045,644 at December 31, 2018 to a working capital deficit of \$1,455,479 at March 31, 2019. The decrease over the year is mainly attributed to:

- Net proceeds from share issuances of \$388,842 (Jan-Mar, 2018 - \$315,977)
- Repayment of director loans of \$48,068 (Jan-Mar, 2018 - \$Nil)
- Expending \$69,837 on exploration and evaluation expenses (Jan-Mar, 2018 - \$101,805)
- Expending \$60,000 on management fees (Jan-Mar, 2018 - \$80,000)
- Expending \$37,233 on debenture interest (Jan-Mar, 2018 - \$35,965)
- Expending \$34,410 on legal, audit and accounting and professional fees (Jan-Mar, 2018 - \$102,607)
- Expending \$35,225 on administrative, office and travel expenses (Jan-Mar, 2018 - \$63,809)

## **EXPLORATION ACTIVITIES**

### **Area and Location**

The five (5) unpatented (Holmes Property) and 13 patented (Winston Property) claims cover an area of 205 acres in the historic Winston Mining District and are located within Township 8 North and Ranges 1 West and 1 East of the United States Public Land Survey System. The center of the Winston Gold Project is approximately located at coordinates 446470 meters East, 5143825 meters North; NAD1983, UTM Zone 12N in the northeastern Elkhorn Mountains, Broadwater County, Montana, USA. The Winston area is about 18 straight-line miles (30 kilometers) southeast of Helena, the capital city of Montana and about 2 miles (3 kilometers) southwest of the small community of Winston, Montana.

### **Claims and Title**

Winston Gold properties location monuments are located and properly marked for identification and all claim corners have been erected in accordance with applicable regulations. Certificates of Location are on file at the Broadwater County Recorder's Office in Townsend, Montana. Certificates of Location and claim maps are on file with the US Department of the Interior, Bureau of Land Management (BLM) Montana State Office (MSO) in Billings, Montana. The claim plat maps and Certificates of Location on file at the Townsend County Recorder's Office in Townsend Montana along with the Claim status with the BLM using the online LR2000 system were checked by Capps Geoscience, LLC. The claims are recorded properly.

## **Winston Property, Montana, USA**

On July 15, 2014, the Company entered into a five-year Mining Lease Agreement (“W Lease”) with Winston Realty L.L.C. (“Winston”, a limited liability company), an arm’s length party, whereby Winston leased sixteen (16) patented lode mining claims located in Broadwater County, Montana U.S.A. to the Company for exploration. Per the terms of the agreement, the Company will keep the minerals extracted except oil and gas. To explore the property the Company paid Winston an advance royalty payment of \$10,729 (USD 10,000) and issued 2,000,000 common shares in the Company valued at \$200,000.

In addition to assuming all underlying payment obligations including governmental taxes, levies and fees, the Company will pay additional advance royalty payments of USD 1,000 monthly from August to October 2014 [Paid \$3,300 (USD 3,000)] and USD 2,500 monthly from November 2014 to July 2019 [Paid \$178,610 (USD 135,000) to March 31, 2019] based on minimum quarterly expenditures on the property of USD 50,000 or USD 200,000 annually [Paid \$4,186,042 (USD 3,208,407) to March 31, 2019]. The minimum expenditures are paid up to 2030.

The W Lease is renewable for additional 5 year terms at USD 20,000 per renewal with an advanced royalty payment of USD 5,000 monthly.

On May 18, 2016, the Company amended the W Lease. The amendment extends the W Lease for an additional 10 years until July 15, 2034 with USD 20,000 due at the end of each 5 year period and the continuation of advanced royalty payments of USD 5,000 monthly. For consideration of 1,500,000 common shares in the Company valued at \$150,000, the amendment superseded the number of contiguous patented lode mining claims to thirteen (13) and the Company acquired the option to purchase the thirteen (13) Leased claims and the subsurface rights in the Leased property as well as 100 acres of the Company’s choice out of 400 acres of land held by Winston for a purchase price of USD 2,000,000. Winston has the right to buy back all rights and terminate the W Lease for USD 1 where there is a cessation of all mining, mineral exploration and mineral processing activities for a period of five (5) consecutive years.

The Company will pay Winston a production royalty of 3% NSR if the price of gold is USD 2,000 or less and 4% NSR if the price of gold exceeds USD 2,000. Advance royalty payments are credited towards the 3% or 4% NSR payable on production.

The Company has the option to terminate the W Lease at any time by providing 30 days written notice to Winston.

## **Holmes Property, Montana, USA**

On May 14, 2014, the Company entered into a five-year Mining Lease Agreement (“H Lease”) with Marcus P. Holmes (“Holmes”), an arm’s length party, whereby Holmes leased five (5) unpatented mining claims located in Broadwater County, Montana, USA to the Company for exploration. Per the terms of the agreement, the Company will keep the minerals extracted except oil and gas. To explore the property, the Company paid Holmes an advance royalty payment of \$11,191 (USD 10,000) and issued 1,000,000 common shares valued at \$100,000.

In addition to assuming all underlying payment obligations including governmental taxes, levies and fees, the Company will pay additional advance royalty payments of USD 1,000 monthly from June 2014 to May 2019 [Paid - \$76,210 (USD 59,000) to March 31, 2019]. The H Lease is renewable for additional 5 year terms at USD 20,000 per renewal with an advanced royalty payment of USD 2,000 monthly.

The Company will pay Holmes a production royalty of 2% of Net Smelter Returns (NSR). Advance royalty payments are credited towards the 2% NSR payable on production. The Company has the option to purchase the 2% NSR from Holmes for a payment of USD 2,500,000.

The Company has the option to terminate the H Lease at any time by providing 30 days written notice to Holmes.

In mid-December, 2016, the Company announced five additional assay results from its Phase-1 drilling campaign on its wholly owned Winston gold project near Helena, Montana.

Highlights Include:

- Hole W1633 intersected 44.57 g/t gold (1.3 ounces per ton) over 2.3 ft. (0.70 metres).
- Hole W1634 intersected 69.87 g/t gold (2.038 opt) over 1 ft. (0.30 metres).
- Hole W1635 intersected 23.93 g/t gold (0.698 opt) gold over 4.8 ft. (1.22 metres).

Three holes were collared on drill pad #10 located 100 ft. (30 metres) west of the old Edna Mine. All three holes were drilled due south (180 degrees) to intersect northerly dipping veins.

- Hole W1633 was drilled at a minus 45 degree angle and intersected 2.3 ft. (0.70 metres) averaging 44.57 g/t gold (1.3 opt) starting 196.7 ft. (59.95 metres) down-hole. This was followed by a 5 ft. (1.52 meter) interval averaging 4.22 g/t gold (0.123 opt) starting 351 ft. (106.98 metres) down-hole.
- Hole W1634 drilled under hole W1633 at a minus 60 degree angle and intersected 1 ft. (0.30 metre) averaging 69.87 g/t gold (2.038 opt) starting 188 ft. (57.30 metres) down-hole.
- Hole W1635 was drilled under hole W1634 at a minus 72 degree angle and intersected 1 ft. (0.30 metre) averaging 17.93 g/t gold (0.523 opt) starting 174 ft. (53.03 metres) down-hole. This was followed by a 2 ft. (0.61 metre) interval averaging 7.75 g/t gold (0.226 opt) starting at 272 ft. (82.90 metres) down-hole and a 4.8 ft. (1.46 metre) interval averaging 10.39 g/t gold (0.303 opt) starting at 307.2 ft. (93.63 metres) down-hole.

Two holes were collared on drill pad #9, located 100 ft. (30 metres) west of drill pad 10. Both holes were drilled due south (180 degrees).

- Hole W1645 was drilled at an angle of minus 50 degrees and intersected 4 ft. (1.22 metres) averaging 23.93 g/t gold (0.698 opt) starting at a down-hole depth of 68 ft. (20.72 metres). Additional assays are pending for this hole.
- Hole W1644 was drilled at a minus 72 degree angle and drilled under hole W1645. It intersected 1.5 ft. (0.46 metre) of 4.52 g/t gold (0.132 opt) starting at 165.5 ft. (50.44 metres) down-hole. This was followed by a 2 ft. (0.61 metre) interval averaging 5.42 g/t gold (0.158 opt) starting 382 ft. (116.43 metres) down-hole.

True width of the vein intersections has been difficult to determine since there are numerous sets of veins in close proximity to one another. Many of these veins are associated with fault breccia and fault gouge and it is not possible to determine a proper core angle. Based on what our Geologists have seen underground in the historic Edna adit, there are possibly three sets of mineralized vein structures in the Edna Trend. All of them seem to dip to the north; one at minus 20 degrees, one at minus 60 degrees and the last at minus 80 degrees. More extensive underground exploration will be required to determine which veins will be the most productive.

The Company's Phase 1 program is designed to drill about 4800 ft. (1,463 metres) over 15-to-20 holes using two drill rigs. These holes will target potential high-grade mineralization in the historic past-producing Custer Vein as well as along the Edna Vein Trend. The Company has released results for seven holes to date. Assays are still pending for additional holes. Refer to Press Release dated November 15th 2016 for previously announced results.

Refer to chart below for details of the drill holes discussed above.

Hole	UTM North (m)	UTM East (m)	Elevation (m)	Azimuth degrees	Dip degrees	From (ft.)	To (ft.)	Interval (ft.)/(m)		Gold (OPT)	Gold (g/t)
W1633	5143831	448497	1502	180	-45	196.7	199	2.3	0.70	1.3	44.57
						351	356	5	1.52	0.123	4.22
W1634	5143831	448497	1502	180	-60	188	189	1	0.30	2.038	69.87
						174	175	1	0.30	0.523	17.93
W1635	5143831	448497	1502	180	-72	220	221	1	0.30	0.138	4.73
						272	274	2	0.61	0.226	7.75
						307.2	312	4.8	1.46	0.303	10.39
W1644	5143819	448470	1505	180	-72	165.5	167	1.5	0.46	0.132	4.52
						382	384	2	0.61	0.158	5.42
W1645	5143819	448470	1505	180	-50	68	72	4	1.22	0.698	23.93

In mid-January, 2017, the Company outlined a high-grade gold vein which could be amenable to underground mining.

The key drill intercepts that outline the vein include:

- W1633 intersected 2.3 ft. averaging 1.3 ounces per ton (opt) or (44.57 grams/tonne) gold.
- W1635 cut 4.8 ft. averaging 0.303 opt (10.39 g/t) gold. (Press Release Dec 13, 2016)
- W1647 hit 4 ft. averaging 0.226 opt (7.75 g/t) gold.
- W1650 intersected 1 ft. averaging 0.427 opt (14.64 g/t) gold.

The Historic Edna mine produced ore from North-East oriented flat veins (dipping minus 20 degrees to the Northwest) and steep veins (dipping minus 60 degrees to the Northwest). The new Edna-West Vein is oriented in an East-West direction and dips steeply to the North at an angle of about minus 75 degrees.

Holes W1646, W1647 and W1648 were drilled from Pad 8, located 300 feet (91.4 metres) west of the historic Edna Mine. Hole W1649 was drilled from Pad 7, a 100 ft. (30 metres) step-out to the west of Pad 8 and hole W1650 was drilled from Pad 6, another 100 ft. (30 metres) step-out west of Pad 7.

The width of the Edna-West Vein appears to vary from 1 ft. to over 5 ft. over its currently known strike length. The phase-1 drill program has intersected many narrow veins within the Edna Trend and true width has been difficult to determine since many of these veins are associated with fault breccia and fault gouge and it is not possible to determine a proper core angle.

Refer to chart below for details of the drill holes discussed above.

Hole	UTM North (m)	UTM East (m)	Elevation (m)	Azimuth degrees	Dip degrees	From (ft.)	To (ft.)	Interval (ft.)/(m)	Gold (OPT)	Gold (g/t)
W1646	448434	5143803	1506	184	-90				NSI	NSI
W1647	448434	5143803	1506	180	-72	86	88	2 0.6 1	0.155	5.31
						306	308	2 0.6 1	0.278	9.53
						356	360	4 1.2 2	0.226	7.75
W1648	448434	5143803	1506	180	-52				NSI	NSI
W1649	448404	5143795	1508	180	-60				NSI	NSI
W1650	448371	5143792	1510	180	-76	125	126	1 0.3 0	0.521	17.86
						382	383	1 0.3 0	0.427	14.64

\*NSI = No Significant Intercepts

The company expects to receive final assay results from the remaining few holes of the Phase-1 drill program shortly. A total of 33 holes were drilled totaling 12,428 ft. (3,788 metres). A Phase-2 drill program is now underway. It is designed to further define the Edna-West vein and will ultimately aid in the placement of an exploration adit.

In early February, 2017, the Company announced drill results from the historic high-grade Custer Vein, on the Company's wholly-owned Winston Gold Property, near Helena Montana.

Ten holes were drilled from two pads located north of the Custer Mine shaft. Highlights of the results include:

- Hole W1720 intersected 4.4 ft. averaging 0.55 ounces per ton (opt) gold, (18.86 gram/tonne gold).
- Hole W1721 hit 6.5 ft. averaging 0.19 opt gold, (6.51 g/t gold).
- Hole W1757 cut 4.5 feet of 0.47 opt gold, (16.11 g/t gold).

The intercepts indicate that the strike and dip of the Custer Vein is changing in the area of drilling, so true widths cannot be calculated. Two of the holes hit stopes in the old mine.

Historic reports indicate that the old Custer mine was worked over a strike of 2,400 feet (731 metres). Based on the drilling to date, Winston Gold Mining has demonstrated a potentially mineralized strike length of 530 ft. (161.5 metres) along the Custer Vein from hole W1724 to hole W1721 with a potential vertical extent of as much as 180 ft. (54.8 metres).

Additional details of the drill intercepts:

- Starting from drill Pad 16, holes W1724 and W1725 roughly intersected the 336 ft. level of the old mine workings. W1724 intersected 2 ft. averaging 0.09 opt (3.09 g/t) gold and hole W1725 cut 2 ft averaging 0.20 opt (6.86 g/t) gold.
- Moving to southwest to drill Pad 14, hole W1760 broke into a 15 ft. (4.6 metre) void with no mineralization in the hanging wall.
- Hole W1758, on the same drill pad, intersected the vein 75 ft. (22.8 metres) southwest of W1760. It hit 4 ft. averaging 0.08 opt (2.74 g/t) gold.
- Hole W1757, also on drill pad 14, intersected the vein 62 ft. (18.9 metres) farther southwest of hole W1758. It hit 4.5 ft. averaging 0.47 opt (16.11 g/t) gold. These last three holes pierced the vein between the 300-and 400 ft. levels of the mine. Further to the southwest, the intercepts pierce the vein below the 400 ft. level.
- On Pad 15, hole W1720 pieced the vein 141 ft. (43 metres) southwest of W1757 and 90 ft. (27.4 metres) lower. It intersected 4.4 ft. averaging 0.55 opt (18.86 g/t) gold.
- Hole W1721 pierced the vein 62 ft. (18.9 metres), southwest of W1720. It hit 6.5 ft. averaging 0.19 opt (6.51 g/t) gold.
- Hole W1722 pierced the vein 80 ft. (24.4 metres) southwest of W1721. It hit a large structure but assays were low grade averaging 0.03 opt (1.02 g/t) gold over 11 ft.
- W1723 pierced the vein 56 ft. (17 metres) southwest of W1722. It also hit a structure with assays averaging 0.027 opt (0.94 g/t) gold over 11 ft.

A Phase-2 drill program is now underway and has been designed to continue to test and expand the Custer Vein under the historic workings.

Refer to chart below for details of the drill holes discussed above.

Hole	Drill Pad	UTM North (m)	UTM East (m)	Elevation (m)	Azimuth degrees	Dip degrees	From (ft.)	To (ft.)	Interval (ft.)/(m)	Gold (OPT)	Gold (g/t)	
W1720	15	448779	5144440	1408.2	125	-62	586.9	591	4.4	1.34	0.55	18.86
W1721	15	448779	5144440	1408.2	137	-64	612.5	619	6.5	1.98	0.19	6.51
W1722	15	448779	5144440	1408.2	150	-62	610	621	11.0	3.04	0.03	1.02
W1723	15	448779	5144440	1408.2	159	-64	624	635	11.0	3.04	0.027	0.93
							678	685	7.0	2.13	0.038	1.30
W1724	16	448779	5144527	1386.9	122	-59	241	244	2.0	0.61	0.09	3.09
W1725	16	448779	5144527	1386.9	122	-70	348	350	2.0	0.61	0.20	6.86
W1757	14	448833	5144463	1401.7	135	-65	442.5	447	4.5	1.37	0.47	16.11
W1758	14	448833	5144463	1401.7	117	-62	426	430	4.0	1.22	0.08	2.74
W1759	14	448833	5144463	1401.7	117	-52					Stope	
W1760	14	448833	5144463	1401.7	97	-59					Stope	

\*Stope = Intersected mined out historic workings – no results

In early March, 2017, the Company announced the first set of drill results from its Phase-2 drill program on the Company's wholly-owned Winston Gold Property near Helena Montana.

Historic drill data from the 1980's indicated the presence of a parallel vein located just 100 ft. (30.48 metres) southeast of the historic past producing Custer Vein. Records also indicated there was a minor amount of historic mining from this "Parallel Vein" from the 0 level of the Custer Mine.

Three holes were collared on the same drill pad and were designed to test the Parallel Vein over a strike length of 168 ft. (51.2 metres). Results include:

- Hole W1727 intersected three separate veins:  
3 ft. averaging 0.1 opt (3.43 g/t) gold and 0.6 opt (20.57 g/t) silver starting 105 ft. down-hole.

3.5 ft averaging 0.31 opt (10.63 g/t) gold and 4.8 opt (164.57 g/t) silver starting 357.5 ft down-hole.  
2 ft averaging 0.13 opt (4.46 g/t) gold and 0.9 opt (30.86 g/t) silver starting 475 ft. down-hole.

- Hole W1728 intersected a vein and a void west of the intersection of hole W1727:  
3.5 ft. averaging 0.23 opt (7.89 g/t) gold and 0.8 opt (27.43 g/t) silver at 126 ft. down-hole.  
5 ft. of a void was encountered at 346 ft. down-hole and is believed to be an old working of the Parallel Vein.
- Hole W1729 intersected three veins northeast of the intersections made in hole W1727:  
4 ft. averaging 0.33 opt (11.31 g/t) gold and 0.4 opt (13.71 g/t) silver starting 99 ft. down-hole.  
1.5 ft. averaging 0.30 opt (10.23 g/t) gold and 0.2 opt (6.86 g/t) silver at 321 ft. down-hole.  
4 ft. averaging 0.60 opt (20.57 g/t) gold and 1.3 opt (44.57 g/t) silver at 449 ft. down-hole.

The Parallel Vein strikes northeast, parallel to the Custer Vein, and dips 60 degrees to the northwest. It is projected to intersect the Edna West Vein about 290 ft. southwest of the intercept in hole W1729.

The historic drill data suggests that the Parallel Vein could have a strike length of about 500 ft. Additional drilling will be required to prove this. Assay results from a few of the vertically drilled rotary holes from the 1980's include:

- Hole RC76 intersected 20 ft. averaging 0.37 opt (12.68 g/t) starting at 305 ft. down hole.
- Hole 88-2 intersected 10 ft. averaging 0.21 opt (7.2 g/t) gold starting 390 ft down hole.
- Hole PC92 intersected 10 ft. averaging 0.89 opt (30.51 g/t) gold and 1.8 opt (61.71 g/t) silver starting 375 ft. down hole.
- Hole PC-111 intersected 10 ft. averaging 0.80 opt (27.43g/t) gold starting at 385 ft. down hole.

These intervals were reported as composites and most likely were averaged over longer intervals. Original assay receipts are no longer available. In addition, since these holes were drilled vertically into steeply dipping vein systems the intervals are not true widths.

Refer to chart below for details of the drill holes discussed above.

Hole	Vein	UTM North (m)	UTM East (m)	Elevation (m)	Azimuth	Dip	From (ft.)	To (ft.)	Interval (ft.)/(m)		True Width (ft.)**	Gold (opt)/(g/t)		Silver (opt)/(g/t)	
W1727	Block 93	448,833	5,144,463	1401.7	318°	-45°	105	108	3	0.91	--	0.1	3.43	0.6	20.57
	Parallel						357.5	361	3.5	1.06	2.51	0.31	10.63	4.8	164.57
	unknown						475	477	2	0.61	--	0.13	4.46	0.9	30.86
W1728	Block 93	448,833	5,144,463	1401.7	304°	-45°	126	129.5	3.5	1.06	--	0.23	7.89	0.8	27.43
	Parallel						346	351	5	1.52	3.35	*Stope		*Stope	
W1729	Block 93	448,833	5,144,463	1401.7	335°	-45°	99	103	4	1.22	--	0.33	11.31	0.4	13.71
	unknown						321	322.5	1.5	0.46	--	0.30	10.23	0.2	6.86
	Parallel						449	453	4	1.22	2.30	0.60	20.57	1.3	44.57

\*Stope = Intersected mined out historic workings – no results

\*\* Dip of Block 93 Vein unknown at this time so true width cannot be determined

In late March, 2017, the Company announced that drilling had extended the strike length of the Block 93 vein structure farther to the west. The vein now has been traced over a strike length of about 246 ft. (75 metres), and to a vertical extent of 192 ft. (58.5 metres) on the Company's wholly-owned Winston Gold Property near Helena Montana.



Previously announced drill results (March 1st, 2017) confirmed the existence of two high grade veins dubbed the Parallel and Block 93 veins. These veins were identified from historic drill data from the 1980's.

A total of six new holes were collared on a drill pad, located about 80 ft. (24.4 metres) southeast from the spot where holes W1727, W1728 and W1729 were collared. These new holes were drilled in a fan configuration and were designed to extend the strike length of the Block 93 vein structure.

The holes tested an additional 198 ft. (60.3 metres) strike length of the Block 93 Vein. Refer to attached drill plan map. Highlights of the Results include:

- Hole W65 intersected three veins in the footwall (beneath) the Block 93 vein. The first intersection cut 1 ft. (0.3 metres) averaging 0.121 opt (4.15 g/t) gold and 0.46 opt (15.77 g/t) silver starting 77 ft. (23.5metres) down-hole. No previously known vein is associated with it. The hole also intersected 0.5 ft. (0.15 metre) averaging 0.235 opt (8.06 g/t) gold and 0.23 opt (7.89 g/t) silver 164.5 ft. (50.1 metres) down-hole. This too is still in the footwall of Block 93. Unfortunately there were no significant intercepts in the Block 93 vein. This may be a result of the nugget effect in the vein system.
- Hole W66 hit another previously unknown vein in the hanging wall (above) the Block 93 vein. At a depth of 311 ft (94.8 metres) the hole cut a 4 ft. (1.22 metres) interval averaging 0.223 opt (7.65 g/t) gold. This included a 1 ft (0.3 metre) section that averaged 0.773 opt (26.5 g/t) gold and 2.85 opt (97.71 g/t) silver. The actual Block 93 intercept was at a depth of 277.5 ft (84.58 metres) down-hole and averaged 0.368 opt (12.62 g/t) gold and 0.95 opt (32.57 g/t) silver over a 1 ft (0.3 metre) interval.
- Hole W67 intersected 2 ft (0.61 metres) averaging 0.116 opt (3.98 g/t gold) and 0.14 opt (4.80 g/t) silver starting 300 ft (91.4 metres) down hole. This is believed to be part of the Block 93 vein.
- Hole W68 intersected 3 ft (0.91 metres) averaging 0.164 opt (5.62 g/t) gold starting 91 ft. (27.7 metres) down-hole. This included a 1.3 ft. (0.4 metre) interval averaging 0.312 opt (10.70 g/t) gold and 0.53 opt (18.17 g/t) silver. This is a vein in the footwall of Block 93 and is possibly associated with the intercept in W65. Further down-hole at a depth of 310.5 ft. (94.6 metres) the drill cut a 3.5 ft. (1.07 metre) interval averaging 0.284 opt (9.74 g/t) gold. This included a 1.5 ft (0.46 metre) section that averaged 0.436 opt (14.95 g/t) gold and 0.53 opt (18.17 g/t) silver. This is believed to be the Block 93 vein.
- Hole W70 intersected a 1.5 ft (0.46 metre) interval averaging 0.674 opt (23.11 g/t) gold and 0.55 opt (18.86 g/t) silver starting 325.5 ft down-hole. This is believed to be the Block 93 vein. Assays results are still pending in this hole for samples taken on either side of this vein.

Refer to chart below for details of the drill holes discussed above. The dips of the veins are currently unknown at this time so true width cannot be accurately determined.

Hole	Vein	UTM North (m)	UTM East (m)	Elevation (m)	Azimuth	Dip	From (ft.)	To (ft.)	Interval (ft.)/(m)	Gold (opt)/(g/t)		Silver (opt)/(g/t)							
W65	Unknown	448,640	5,143,768	1461.2	335	-45	77	78	1	0.3	0.121	4.15	0.46	15.77					
	Unknown										164.5	165	0.5	0.15	0.235	8.06	0.23	7.89	
	Unknown											229	230	1	0.30	0.129	4.42	0.27	9.26
W66	Unknown	448,640	5,143,768	1461.2	355	-45	222	223	1	0.30	0.261	8.95	0.40	13.71					
	Unknown											227	228	1	0.30	0.514	17.62	0.81	27.77
	Block 93											277.5	278.5	1	0.30	0.368	12.62	0.95	32.57
	Unknown											311	315	4	1.22	0.223	7.65	--	
Including						314	315	1	0.30	0.773	26.50	2.85	97.71						
W67	Block 93	448,640	5,143,768	1461.2	320	-45	300	302	2	0.61	0.116	3.98	0.14	4.80					
W68	Unknown	448,640	5,143,768	1461.2	305	-45	91	94	3	0.91	0.164	5.62							

including							91	92.3	1.3	0.40	0.312	10.70	0.65	22.29
	Block 93						310.5	314	3.5	1.07	0.284	9.74		
including							310.5	312	1.5	0.46	0.436	14.95	0.53	18.17
W69	Unknown	448,640	5,143,768	1461.2	305	-55	61.5	63	1.5	0.46	0.04	1.37	0.06	2.06
	Unknown						82.5	83.5	1	0.30	0.041	1.41	0.08	2.74
W70	Unknown	448,640	5,143,768	1461.2	285	-45	108	109	1	0.30	0.113	3.87	0.34	11.66
	Block 93*						325.5	327	1.5	0.46	0.674	23.11	0.55	18.86

In late October, 2017, the Company announced results from its 10-hole drilling campaign commenced in August, 2017 that have more than doubled the strike of the Parallel Vein to 385 ft. and the vertical extent has increased from 65 ft. to 277 ft.

- Hole W78 was recently completed and assays are pending. It was collared on the same drill pad as hole W77 and tested the southwestern extension of the Parallel Vein. Hole W79 has just been collared on a new drill pad to the west and drilling is now underway. The last two holes of the drill program should be completed within the next month.
- Hole W75 was drilled to test the northeastern extension of the Parallel Vein intersected high-grade gold mineralization in the structure and effectively doubled its strike length from 150 ft. to almost 330 ft. Refer to attached drill plan map. The vertical extent of the vein was also increased from 65 ft. to 277 ft.
- Hole W75 intersected 1 ft. averaging 1.756 ounces per ton (60.2 g/t) gold within a 4-ft. section of the Parallel vein. This intersection occurred 114 ft. down hole. Two other holes (W74 and W76) were drilled from the same pad to test the northeastern extension of the Parallel vein but intersected previously unknown workings at 47 ft. down-hole and were abandoned. Due to the variable nature of vein orientation, the true width of mineralization is not known at this time.
- Hole W75 also intersected a vein at 53 ft. down-hole located just above the workings where holes W74 and W76 were lost. It averaged 0.281 oz./ton (9.63 g/t) gold over 3 ft. including a 1 ft. interval averaging 0.656 oz./ton (22.5 g/t) gold over 1 ft.
- Hole W77 was drilled to test both the Parallel Vein and the Block 93 vein west of previously reported hole W1728 (March 1<sup>st</sup> 2017 press release). It intersected a 6-ft. interval of the Parallel Vein at a down-hole depth of 344 ft. that averaged 0.338 oz./ton (11.59 g/t) gold. This intercept increased the strike length of the Parallel Vein by about 55 ft. to the west bringing the total strike length to about 385 ft.
- In the footwall zone of the Parallel vein, hole W77 intersected a previously unknown vein averaging 0.124 oz./ton (4.25 g/t) over 7 ft. This included a 2-ft. interval averaging 0.385 oz./ton (13.2 g/t) gold.
- Hole W77 also intersected three separate mineralized zones in the Block 93 vein system stretching across 16 ft. of core from 121 to 137 ft. down hole. These three zones together averaged 0.214 oz./ton (7.34 g/t) gold over 16 ft. The true width of this zone is estimate at about 6.5 ft. Highlights within this zone included a 1 ft. section averaging 0.568 oz./ton (19.47 g/t) gold.
- A new vein was discovered in the hanging wall between the Block 93 and Parallel veins at a down-hole depth of 183 ft. It averaged 0.199 oz./ton (6.82 g/t) gold over 1 ft.

Highlights of significant results are outlined in the table below:

Hole	Vein	UTM East (m)	UTM North (m)	Elevation (m)	Azimuth	Dip	From (ft.)	To (ft.)	Interval (ft.)/(m)	Gold (opt)/(g/t)	Silver (opt)/(g/t)
W75	Unknown	448,677	5,143,865	1482.2	306	-45	52	53	1 0.30	0.093 3.18	0.21 7.20
	Unknown						53	54	1 0.30	0.656 22.49	0.65 22.29
	Unknown						54	55	1 0.30	0.095 3.26	1.15 39.43
	Unknown						68	69	1 0.30	0.107 3.67	0.54 18.51

	Parallel						113	114	1	0.30	<b>0.014</b>	<b>0.48</b>	<b>0.14</b>	<b>4.80</b>
	Parallel						114	115	1	0.30	<b>1.756</b>	<b>60.21</b>	<b>4.31</b>	<b>147.8</b>
	Parallel						115	116	1	0.30	<b>0.009</b>	<b>0.31</b>	<b>0.20</b>	<b>6.86</b>
<b>W77</b>	Block 93	448,537	5,143,749	1472.8	291	-45	121	124	3	0.91	<b>0.220</b>	<b>7.54</b>	<b>0.30</b>	<b>10.29</b>
<b>including</b>	Block 93						121	122	1	0.30	<b>0.568</b>	<b>19.47</b>	<b>0.34</b>	<b>11.66</b>
	Block 93						127	129	2	0.61	<b>0.117</b>	<b>4.01</b>	<b>0.16</b>	<b>5.49</b>
	Block 93						132	137	5	1.52	<b>0.454</b>	<b>15.56</b>	<b>0.5</b>	<b>17.14</b>
	Unknown						183	184	1	0.30	<b>0.199</b>	<b>6.82</b>	<b>0.30</b>	<b>10.29</b>
	Unknown						326	333	7	2.13	<b>0.124</b>	<b>4.25</b>	<b>0.29</b>	<b>9.94</b>
<b>including</b>	Unknown						327.5	329.5	2	0.61	<b>0.385</b>	<b>13.20</b>	<b>0.67</b>	<b>22.97</b>
	Parallel						344	350	6	1.83	<b>0.338</b>	<b>11.59</b>	<b>0.48</b>	<b>16.46</b>

\*Due to the variable nature of vein orientation, the true width of mineralization is not known at this time unless specifically stated.

In late January 2018, the Company announced the remaining results from its 10-hole drilling campaign commenced in August, 2017. Due to the variable nature of vein orientations, the true width of mineralization in the following drill intercepts is not known at this time.

Hole W78 was drilled from the Edna drill pad and was designed to intercept the Block 93 and Parallel veins. It was successful on both counts. A 5.5 ft. interval of the Parallel vein was intersected at a down-hole depth of 275 ft. and averaged 0.467 oz./ton gold (16.01 grams per tonne (g/t) gold). This intercept added 21 ft. of strike length to the Parallel vein for a total distance of 406 ft.

Hole W78 also cut a 5-ft. interval of the Block 93 vein averaging 0.180 oz./ton gold (6.17 g/t gold) at a down-hole depth of 140 ft. This intercept verified the continuity of the Block 93 vein but due to the drill's orientation, it did not increase its overall dimensions.

Hole W79 was drilled from the Open Pit drill pad and targeted the Block 93 vein. The vein structure was intersected but it yielded no significant assays. Another unknown vein was intersected in the footwall of the Block 93 vein at a down-hole depth of 331 ft. It averaged 0.132 oz./ton gold (4.53 g/t gold) over 6 ft.

Hole W80 was also drilled from the Open pit drill pad. It intersected a 3-ft. interval of mineralization in the Parallel vein averaging 0.131 oz./ton gold (4.49 g/t gold) starting at down-hole depth of 299 ft. Three more intercepts were cut between 403-to-427 ft. down-hole. These represent unknown veins that lie between the Parallel and Block 93 veins.

Hole W83 was collared on the Open pit drill pad and targeted both Parallel and Block 93 from the hanging wall side. The Parallel vein was intersected at 299 ft. down-hole and averaged 0.326 oz./ton gold (11.18 g/t gold) over 3 ft. This added another 42 ft. of strike length to the Parallel vein bringing the total to 448 ft., or 136.5 metres. The Block 93 was intersected at a down-hole depth of 311.5' ft. and averaged 0.111 oz./ton gold (3.81 g/t gold) over 5.5 ft. This added 5 ft. of vertical extent to the Block 93 vein bringing its total vertical dimension to 197 ft., or 60.0 metres.

Hole W81 and W82 were drilled from the core shed drill pad towards the historic CharTam vein. Hole W81 intersected a narrow, 1 ft. interval of vein material that assayed 0.177 oz./ton gold (6.07 g/t gold). Unfortunately, without additional data, Winston geologists could not confirm this was the continuation of the CharTam vein. Further testing of the vein may happen later if more historic data can be found to define better targets.

Highlights of significant results are outlined in the table below.

Hole	Vein	UTM East (m)	UTM North (m)	Elevation (m)	Azimuth	Dip	From (ft.)	To (ft.)	Interval** (ft.)/(m)	Gold (opt)/(g/t)		
<b>W78</b>	Unknown	448,633	5,143,791	1,472	280	-45	126	127	2	0.61	<b>0.190</b>	<b>6.51</b>
and	Unknown						127	128	1	0.30	<b>0.359</b>	<b>12.31</b>
	Block 93						140	145	5	1.52	<b>0.180</b>	<b>6.17</b>
Including	Block 93						140	142	2	0.61	<b>0.312</b>	<b>10.70</b>
and	Parallel						275	280.5	5.5	1.68	<b>0.467</b>	<b>16.01</b>
<b>W79</b>	Unknown	448,541	5,143,742	1,472	041	-59	331	337	6	1.83	<b>0.132</b>	<b>4.53</b>
including	Unknown						336	337	1	0.30	<b>0.572</b>	<b>19.61</b>
<b>W80</b>	Parallel	448,541	5,143,742	1,472	019	-53	299	302	3	0.91	<b>0.131</b>	<b>4.49</b>
including	Parallel						299	300	1	0.30	<b>0.251</b>	<b>8.61</b>
and	Unknown						403	404	1	0.30	<b>0.155</b>	<b>5.31</b>
and	Unknown						407	409	2	0.61	<b>0.132</b>	<b>4.53</b>

and	Unknown						424	427	3	0.91	<b>0.107</b>	<b>3.67</b>
<b>W81</b>	CharTam	448,607	5,143,672	1462	138	-45	91.5	92.5	1	0.30	<b>0.177</b>	<b>6.07</b>
<b>W82</b>	CharTam	448,607	5,143,672	1,462	160	-45	--	--	--	--	NSA*	NSA*
<b>W83</b>	Unknown	448,541	5,143,745	1,473	019	-60	276	278	2	0.61	<b>0.130</b>	<b>4.46</b>
and	Parallel						299	302	3	0.91	<b>0.326</b>	<b>11.18</b>
including	Parallel						300	301	1	0.30	<b>0.953</b>	<b>32.67</b>
and	Block 93						311.5	317	5.5	1.68	<b>0.111</b>	<b>3.81</b>
including	Block 93						316	317	1	0.30	<b>0.441</b>	<b>15.12</b>

All Samples that assay in excess of 0.100 ounce per ton gold (3.43 g/t gold) are sent to Bureau Veritas Minerals and accredited assay lab, in Reno Nevada for check assay. The average variance between check assays and on-site lab results reported in this press release was 0.003 oz. per ton gold (0.103 g/t).

\*\*Due to the variable nature of vein orientation, the true width of mineralization is not known at this time unless specifically stated.

\* NSA – No Significant Assays

In late September 2018, the Company announced results from a 7-hole drill program (700 metres) which further extended the Block 93 and Parallel veins. Due to the variable nature of vein orientations, the true width of mineralization in the following drill intercepts is not known at this time.

The recent drill program collared seven holes on the hanging wall side of both the Parallel and Block 93 veins with the goal of defining the Southwest extension of these veins. Previously reported hole, *W79, (January 24<sup>th</sup> 2018 news release)*, intersected a barren structure where the Parallel vein was expected to be. Another 40 ft. (12.2 metres) further down-hole, the drill intersected mineralization over 6 ft. (1.83 m) averaging 0.132 ounce per ton (opt) gold (4.53 grams/tonne) including 1 ft. (0.30 m) that averaged 0.572 opt gold (19.61 g/t). This was listed as an unknown vein and is now re-interpreted to be the Block 93 vein.

Hole W89 was collared west of hole W79 and also intersected gold mineralization 40 ft. (12.2 m) further down-hole than expected. It cut 3 ft. (0.91 m) averaging 0.189 opt gold (6.48 g/t) at a down-hole depth of 291 ft. (88.7 m).

Since both intercepts intersected a mineralized vein 40 ft. (12.2 m) deeper than expected, Winston geologists assumed that a fault had offset both the Parallel and Block 93 veins. This was confirmed when hole W90 intersected both veins. Please refer to attached drill plan map.

Hole W90 intersected 3 ft. (0.91 m) averaging 0.524 opt gold (17.97 g/t) representing the Parallel vein and 1 ft. (0.30 m) averaging 0.252 opt gold (8.64 g/t), representing the Block 93 vein. Interestingly, W90 also intersected two previously unknown closely spaced veins in the hanging wall of the Parallel vein (above the Parallel vein). Including wall rock dilution these two veins averaged 0.503 opt gold (17.25 g/t) over 6 ft. (1.83 m).

Hole W91 intersected an unknown vein at a depth of 62 ft. (18.9 m) down-hole which averaged 0.363 opt gold (12.45 g/t) over 1 ft. (0.30 m).

Hole W92 intersected the Parallel vein which averaged 0.56 opt gold (19.20 g/t) over 1 ft. (0.30 m) Another unknown vein was intersected in between the Parallel and Block 93 veins that averaged 0.789 opt gold (27.05 g/t) over 1.2 ft. (0.36 m). The Block 93 vein was cut at a depth of 332.5 ft. (101.3 m) down-hole and averaged 0.227 opt gold (7.78 g/t) and 7.40 opt (253.71 g/t) silver over 1 ft. (0.30 m).

Hole W93 intersected an unknown vein in the hanging wall of the Parallel vein averaging 0.196 opt gold (6.72 g/t) over 1 ft. (0.30 m). Hole W93 also intersected both target veins. The Parallel vein averaged 0.222 opt gold (7.61 g/t) over 1 ft. (0.30 m) and the block 93 vein averaged 0.503 opt gold (17.25 g/t) over 1 ft. (0.30 m).

Hole W94 returned no significant assays and assays are still pending for hole W95.

Highlights of significant results are outlined in the table below.

Hole	Vein	UTM East (m)	UTM North (m)	Elevation (m)	Azimuth	Dip	From (ft.)	To (ft.)	Interval** (ft.)/(m)	Gold (opt)/(g/t)

<b>W89</b>	Block 93	448,541	5,143,741	1,472	052	-47	291	294	3	0.91	<b>0.189</b>	<b>6.48</b>
including							291	292	1	0.30	<b>0.019</b>	<b>0.65</b>
including							292	293	1	0.30	<b>0.52</b>	<b>17.83</b>
including							293	294	1	0.30	<b>0.027</b>	<b>0.93</b>
<b>W90</b>	Unknown	448,541	5,143,741	1,472	052	-63	88	94	6	1.83	<b>0.503</b>	<b>17.25</b>
including							90	94	4	1.22	<b>0.754</b>	<b>25.85</b>
and	Parallel						297	300	3	0.91	<b>0.524</b>	<b>17.97</b>
and	Block 93						331	334	1	0.30	<b>0.252</b>	<b>8.64</b>
<b>W91</b>	Unknown	448,541	5,143,741	1,472	061	-46	61	63	3	0.91	<b>0.121</b>	<b>4.15</b>
including							62	63	1	0.30	<b>0.363</b>	<b>12.45</b>
<b>W92</b>	Parallel	448,541	5,143,741	1,472	065	-69	300	303	3	0.91	<b>0.198</b>	<b>6.79</b>
including							300	301	1	0.30	<b>0.560</b>	<b>19.20</b>
and	Unknown						324.8	328	3.2	0.97	<b>0.296</b>	<b>10.15</b>
including							324.8	326	1.2	0.36	<b>0.789</b>	<b>27.05</b>
and	Block 93						331.5	334.5	3	0.91	<b>0.076</b>	<b>2.61</b>
including							332.5	333.5	1	0.30	<b>0.227</b>	<b>7.78</b>
<b>W93</b>	Unknown	448,541	5,143,741	1,472	084	-60	159	162	3	0.91	<b>0.079</b>	<b>2.71</b>
including							161	162	1	0.30	<b>0.196</b>	<b>6.72</b>
and	Parallel						231.5	234.5	3	0.91	<b>0.105</b>	<b>3.60</b>
including							232.5	233.5	1	0.30	<b>0.222</b>	<b>7.61</b>
and	Block 93						250	253	3	0.91	<b>0.168</b>	<b>5.76</b>
including							251	252	1	0.30	<b>0.503</b>	<b>17.25</b>
<b>W94</b>		448,541	5,143,741	1,472	080	-74					<b>NSA</b>	<b>NSA</b>

Previously Released January 24, 2018												
<b>W79</b>	Parallel	448,541	5,143,742	1,472	041	-59	331	337	6	1.83	<b>0.132</b>	<b>4.53</b>
including							336	337	1	0.30	<b>0.572</b>	<b>19.61</b>

\*\*Due to the variable nature of vein orientation, the true width of mineralization is not known at this time unless specifically stated.

\* NSA – No Significant Assays

The following chart details exploration and evaluation expenses for the three months ended March 31, 2019 compared to the three months ended March 31, 2018:

Categories	2019 \$	2018 \$	Change \$
<u>Holmes, Montana, USA</u>			
Advance Royalties	3,988	3,795	193
<u>Winston, Montana, USA</u>			
Mapping , surveys	-	4,140	(4,140)
Supplies	-	1,760	(1,760)
Geological	19,943	35,575	(15,632)
Assays & Sampling	3,107	4,725	(1,618)
Camp and field costs	43	2,929	(2,886)
Drilling	1,024	287	737
Mine operations	8,688	10,771	(2,083)
Advance Royalties	9,971	9,488	483
Consulting	23,073	22,139	934
Totals Winston	65,849	91,814	(25,965)
<u>Goldridge, Nevada USA</u>			
	-	6,196	(6,196)
<b>Total Expenditures</b>	<b>69,837</b>	<b>101,805</b>	<b>(31,968)</b>

## SELECTED ANNUAL INFORMATION

The following table represents selected financial information of the Company for the years ended December 31, 2016, 2017 and 2018 and should be read in conjunction with the Company's financial statements:

	<b>December 31, 2018</b>	<b>December 31, 2017</b>	<b>December 31, 2016</b>
	\$	\$	\$
Revenue	Nil	Nil	Nil
Income (loss) for the year	(1,783,596)	(3,554,406)	(17,488,183)
Net income (loss) for the year	(1,775,961)	(3,498,428)	(17,546,023)
Net income (loss) per share	\$(0.02)	\$(0.04)	\$(0.46)
Total assets	277,476	707,896	1,914,233
Long-term debt	(533,312)	(1,034,514)	Nil
Dividends per share	Nil	Nil	Nil

## RESULTS OF OPERATIONS

### For the three months ended March 31, 2019 and 2018

#### Revenues

The Company did not earn revenues during the three months ended March 31, 2019 (2018 - \$Nil).

#### General and administrative expenses

During the three months ended March 31, 2019 the Company recorded a loss and comprehensive loss of \$386,712 (\$0.004 per share) compared to a loss and comprehensive loss of \$486,451 (\$0.006 per share) for the three months ended March 31, 2018.

Operating expenses were \$384,300 (including \$69,837 in exploration and evaluation expenses and \$108,337 in share-based payments) for the three months ended March 31, 2019 compared to \$489,697 (including \$101,805 in exploration and evaluation expenses and Nil in share based payments) for the three months ended March 31, 2018.

The following chart details the operating expenses comparatives for the three months ended March 31, 2019 and March 31, 2018:

Expenses	2019 \$	2018 \$	Change \$
Office and administration	33,313	41,156	(7,843)
Professional and consulting fees	34,410	102,607	(68,197)
Travel	1,912	22,653	(20,741)
Management fees	60,000	80,000	(20,000)
Depreciation expense	9,797	9,351	446
Interest and accretion expense	86,621	77,870	8,751
Loss(Gain) on embedded derivative	8,084	20,718	(12,634)
Foreign exchange loss	(28,011)	33,537	(61,548)
Total operating expenses	206,126	387,892	(181,766)
Share based payments	108,337	-	108,337
Exploration and evaluation	69,837	101,805	(31,968)
<b>Total Operating Loss</b>	<b>384,300</b>	<b>489,697</b>	<b>(105,397)</b>

## SUMMARY OF QUARTERLY RESULTS

	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018
Revenue	\$ Nil	\$ Nil	\$ Nil	\$ Nil
Earnings (loss) for the period	( 386,712)	( 146,305)	( 718,285)	( 424,920)
EPS (Basic & Diluted)	(0.004)	(0.001)	(0.007)	(0.004)
Fixed assets	141,594	154,604	157,199	169,640
Total assets	430,653	277,476	386,520	776,069

  

	March 31, 2018	December 31, 2017	September 30, 2017	June 30, 2017
Revenue	\$ Nil	\$ Nil	\$ Nil	\$ Nil
Earnings (loss) for the period	( 486,451)	( 697,208)	( 836,934)	( 510,081)
EPS (Basic & Diluted)	(0.006)	(0.008)	(0.010)	(0.006)
Fixed assets	175,832	186,160	194,654	212,230
Total assets	663,588	707,896	580,671	431,380

As at March 31, 2019 the Company had 125,886,123 shares (\$20,361,561) issued and outstanding.

## LIQUIDITY AND CAPITAL RESOURCES

As at March 31, 2019, the Company had working capital deficiency of \$1,455,479 (December 31, 2018 – deficiency of \$1,045,644) and an accumulated deficit of \$24,309,783 (December 31, 2018 - \$23,925,483). The unaudited interim condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) on an ongoing basis, which contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business. The continuation of the Company is dependent upon the financial support of creditors and stockholders, refinancing debts payable, obtaining additional long term debt or equity financing, as well as achieving and maintaining a profitable level of operations. The Company will require additional working capital to meet operating and exploration costs for the upcoming year.

Subsequent to the period ended March 31, 2019, the Company completed the following transactions:

- a) Repaid director loans in the amount of \$13,793

## RELATED PARTY TRANSACTIONS

Transactions with related parties are incurred in the normal course of business. Related party transactions have been listed below, unless they have been disclosed elsewhere in the consolidated financial statements. During the three months ended March 31, 2019, the Company incurred the following charges with related parties that include officers, directors or companies with common directors of the Company:

Included in due to directors is \$4,009 [USD 3,000] (December 31, 2018 - \$4,092 [USD 3,000]) due to director B. Porterfield, \$55,716 (December 31, 2018 - \$49,750) due to director, CFO and President, and \$50,716 (December 31, 2018 - \$44,750) due to director and CEO.

During the three months ended March 31, 2019, management fees to directors were \$30,000 (2018 - \$30,000) to director, CFO and President and \$30,000 (2018 - \$30,000) to director and CEO.



During the three months ended March 31, 2019 the Company granted stock options as follows: to director and CFO, 500,000 options with a fair value of \$18,679; to director, CEO and president, 500,000 options with a fair value of \$18,679; to director Ben Porterfield, 100,000 options with a fair value of \$3,736; to director Stan Stewin, 100,000 options with a fair value of \$3,736; to director Al Fabbro, 100,000 options with a fair value of \$3,736, to major shareholder Joseph Carrabba, 1,000,000 options with a fair value of \$37,358.

During the three months ended March 31, 2018, the Company did not grant stock options to officers, directors and major shareholders.

## DUE TO DIRECTORS

As at March 31, 2019, the amounts due to directors was \$110,440 (\$55,716 to CFO and President, \$50,716 to CEO, \$4,009 [USD 3,000] to B. Porterfield) (December 31, 2018 - \$98,592 (49,750 to CFO and President, \$44,750 to CEO and \$4,092 [USD 3,000] to B. Porterfield)). These loans are unsecured, non-interest bearing and have no fixed terms of repayment.

During the three months ended March 31, 2019, the Company repaid \$48,069 in director loans. During the year ended December 31, 2018, the Company repaid \$350,500 in director loans of which \$200,000 was applied as share subscriptions received in advance.

## FINANCIAL INSTRUMENTS AND RISKS

### Capital risk management

The Company's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

The Company includes items in shareholders' equity in the definition of capital.

The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to further exploration on its properties. To secure the additional capital necessary to pursue these plans, the Company will attempt to raise additional funds through the issuance of equity, debt or by securing strategic partners.

The Company is not subject to externally imposed capital requirements and there has been no change with respect to the overall capital risk management strategy during the period ended March 31, 2019.

The Company's financial instruments and risk exposures are summarized below.

### Currency risk

Foreign exchange risk arises from purchase transactions as well as recognized financial assets and liabilities denominated in foreign currencies.

As at March 31, 2019 the Company is exposed to currency risk through the following financial assets and liabilities denoted in United States dollars:

	<b>March 31,</b>	December 31,
	<b>2019</b>	2018
	<b>\$</b>	<b>\$</b>
Cash	<b>162,326</b>	43,191
Deposits	<b>7,500</b>	7,500
Accounts payable and accrued liabilities	<b>44,769</b>	46,763
Debenture interest	<b>37,460</b>	9,597
Embedded derivative liability	<b>12,266</b>	697
Debenture principal	<b>1,130,000</b>	1,130,000
Due to directors	<b>3,000</b>	3,000

The above balances were translated into US dollars at the period-end rate of \$1.3363 (December 31, 2018 - \$1.3642) Canadian dollars to every US dollar.

Based on the above net exposures as at March 31, 2019, assuming that all other variables remain constant, a +/- 5% change in the Canadian dollar against the United States dollar would result in an increase/decrease in net loss of approximately \$70,668 (2018 - \$77,720).

#### *Credit risk*

Credit risk is the risk of an unexpected loss if a third party to a financial instrument fails to meet its contractual obligations. The Company is exposed to credit risk with respect to its cash and reclamation bonds. The Company reduces its credit risk by maintaining its primary bank accounts at large financial institutions and its reclamation bonds with government agencies.

#### *Liquidity risk*

Liquidity risk is the risk that the Company will not be able to meet its obligations as they fall due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. Senior management is also actively involved in the review and approval of planned expenditures.

As at March 31, 2019, the Company had working capital deficiency of \$1,455,479 (December 31, 2018 – deficiency of \$1,045,644). As at March 31, 2019, the Company had cash of \$231,177 (December 31, 2018 - \$63,970) to settle current liabilities of \$1,705,678 (December 31, 2018 - \$1,128,845) that are considered short term and are expected to be settled within 30 to 90 days.

As a result, the Company has liquidity risk at this time and is dependent on raising funds from external sources. Since the Company does not yet earn revenue, it will be required to raise additional capital to fund exploration and operations.

#### *Fair Value risk*

Fair value represents the amounts at which a financial instrument could be exchanged between willing parties, based on current markets for instruments with the same risk, principal and remaining maturity. Fair value estimates are based on quoted market values and other valuation methods.

The carrying values of cash, reclamation bonds, and accounts payable, accrued liabilities and due to directors approximate fair values due to the relatively short term maturities of these instruments. The fair value of the Company's debenture embedded derivative liability is indexed to the gold spot price at the end of each reporting period.

#### *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company currently has no interest-bearing financial instruments other than cash and debentures payable, so its exposure to interest rate risks is insignificant. The Company's debentures payable bear a fixed interest rate.

### **Fair value hierarchy**

The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly;  
and

Level 3 – Inputs that are not based on observable market data.

The fair values of cash are measured based on level 1 inputs of the fair value hierarchy.

## RISKS AND UNCERTAINTIES

The Company is engaged in the acquisition and exploration of mining claims. These activities involve significant risks which careful evaluation, experience and knowledge may not, in some cases eliminate the risk involved. The commercial viability of any material deposit depends on many factors not all of which are within the control of management. Some of the factors that affect the financial viability of a given mineral deposit include its size, grade and proximity to infrastructure. Government regulation, taxes, royalties, land tenure, land use, environmental protection and reclamation and closure obligations, have an impact on the economic viability of a mineral deposit.

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Annual losses are expected to continue until the Company has an interest in a mineral property that produces revenues. The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon the continued support of its shareholders, obtaining additional financing and generating revenues sufficient to cover its operating costs. The Company's accompanying financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the consolidated financial statements.

Any forward-looking information in this MD&A is based on the conclusions of management. The Company cautions that due to risks and uncertainties, actual events may differ materially from current expectations. With respect to the Company's operations, actual events may differ from current expectations due to economic conditions, new opportunities, changing budget priorities of the Company and other factors.

## OUTSTANDING SHARES, STOCK OPTIONS, AND WARRANTS

### Common Shares:

Issued and outstanding:	March 31, 2019	125,886,123
Issued and outstanding:	May 23, 2019	125,886,123

### Warrants:

Issued and outstanding:	March 31, 2019	46,575,375
Issued and outstanding:	May 23, 2019	46,575,375

### Stock Options:

Outstanding:	March 31, 2019	9,530,000
Outstanding:	May 23, 2019	9,530,000

## OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

## PROPOSED TRANSACTIONS

The Company has no proposed transactions.

## SIGNIFICANT ACCOUNTING POLICIES

Except as described below, the accounting policies and recent accounting pronouncements in the condensed interim consolidated financial statements are the same as those applied in the Company's consolidated financial statements as at and for the year ended December 31, 2018.

The changes in accounting policies are also expected to be reflected in the Company's consolidated financial statements as at and for the year ending December 31, 2019.

A number of new standards, amendments to standards and interpretations applicable to the Company are effective for the period ended March 31, 2019 and have been applied in preparing the condensed interim consolidated financial statements. The new and revised standards are as follows:

- IFRS 16 – Leases: On January 13, 2016, the IASB issued the final version of IFRS 16 Leases. The new standard will replace IAS 17 Leases and is effective for annual periods beginning on or after January 1, 2019. IFRS 16 eliminates the classification of leases as either operating leases or finance leases for a lessee. Instead, all leases are treated in a similar way to finance leases applying IAS 17. IFRS 16 does not require a lessee to recognize assets and liabilities for short-term leases (i.e. leases of 12 months or less) and leases of low-value assets. The adoption of this standard did not have a material effect on the Company's condensed interim consolidated financial statements.
- IFRIC 23 – Uncertainty Over Income Tax Treatments: clarifies how to apply the recognition and measurement requirements in IAS 12 when there is uncertainty over income tax treatments. It is effective for annual periods beginning on or after January 1, 2019 with early adoption permitted. The adoption of this standard did not have a material effect on the Company's condensed interim consolidated financial statements.

## **SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES**

The Company makes estimates, judgments and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual results may differ from these estimates and assumptions.

### *Judgments*

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements within the next financial year are discussed below:

- i) Title to mineral property interests  
Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.
- ii) Going Concern  
The Company applies judgment in assessing whether material uncertainties exist that would cause doubt as to whether the Company could continue as a going concern.

### *Estimates*

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive loss in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both.

Estimates and judgements are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information regarding significant areas of estimation and uncertainty made in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are the following:

### Share-based payments

Management uses the Black-Scholes Pricing Model for valuation of share based compensation and warrants, which requires the input of subjective assumptions including expected price volatility, interest rate and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's results and equity reserves.

### Recovery of deferred tax assets

Judgment is required in determining whether deferred tax assets are recognized in the statement of financial position. Deferred tax assets, including those arising from unutilized tax losses, require management to assess the probability that the Company will generate taxable earnings in future periods, in order to utilize recognized deferred tax assets. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction.

Additionally, future changes in tax laws in the jurisdictions in which the Company operates could limit the ability of the Company to obtain tax deductions in future periods.

### Determination of functional currency

In accordance with IAS 21 *The Effects of Changes in Foreign Exchange Rates*, management determined that the functional currency of the Company is the Canadian dollar. Management also determined that the functional currency of Winston USA is the US dollar. Prior to the sale of Goldridge Holdings and its subsidiary, the Company determined that the functional currency of Goldridge is the Canadian dollar.

## **INTERNAL CONTROLS OVER FINANCIAL REPORTING**

### Changes in Internal Control over Financial Reporting ("ICFR")

In connection with National Instrument 52-109, Certification of Disclosure in Issuer's Annual and Interim Filings ("NI 52-109") adopted in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to financial information contained in the unaudited interim financial statements and the audited annual financial statements and respective accompanying Management's Discussion and Analysis. The Venture Issue Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI52-109.

## **MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS**

The information provided in this report, including the consolidated financial statements, is the responsibility of management. In the preparation of consolidated financial statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the consolidated financial statements.

## **OTHER MD&A REQUIREMENTS**

Additional disclosure of the Company's technical reports, material change reports, news releases and other information can be obtained on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Canadian Securities Exchange at [thecse.com/en/listings/mining/winston-gold-mining-corp](http://thecse.com/en/listings/mining/winston-gold-mining-corp).

## **AUDITOR, TRANSFER AGENT AND REGISTRAR**

The auditors of the Corporation are Davidson & Company LLP Chartered Professional Accounts of Vancouver, British Columbia. The Transfer Agent and Registrar for the Common Shares of the Company is Computershare Trust Company of Canada of Vancouver, British Columbia.

## **DIRECTORS AND OFFICERS**

Max Polinsky, *Chief Financial Officer, President and Director*  
Murray Nye, *Chief Executive Officer and Director*  
Ben Porterfield, *Director*  
Al Fabbro, *Director*  
Stanley Stewin, *Director*  
Megan Francis, *Corporate Secretary*