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The following management's discussion and analysis ("MD&A") of the financial condition and results of operations of Northstar Gold Corp. ("Northstar" or the "Company") constitutes management's review of the factors that affected the Company's financial and operating performance for the three months ended July 31, 2020. This MD&A has been prepared in compliance with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the audited annual financial statements of the Company for the year ended April 30, 2020, as well as the unaudited interim financial statements for the three months ended July 31, 2020, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. Information contained herein is presented as at September 23, 2020 unless otherwise indicated.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company's common shares; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) if it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

On December 31, 2019, the Company completed its Initial Public offering, issuing 9,985,498 common shares for gross proceeds of \$2,995,649, at \$0.30 per common share. In connection with this financing, 998,549 broker warrants were issued with a term of 2 years at \$0.30, commencing on the date of listing. For additional details, please see the Final Prospectus filed on [www.sedar.com](http://www.sedar.com) ("Sedar") on November 14, 2019.

The Company's shares commenced trading on the Canadian Securities Exchange on January 2, 2020 under the symbol "NSG".

#### Highlights and updates

Received assay results from Phase 1A diamond drilling program (2,211 metres in 13 holes) completed on April 4<sup>th</sup>, 2020 on the 100%-owned Miller Gold Property, situated 18 km southwest of Kirkland Lake, Ontario. Drill results highlights include:

- Hole MG20-34 intersected **18.01 grams per tonne (g/t) Au over 3.9 metres (m)**, including **100.0 g/t Au over 0.6m (VG)**; this confirms the high- grade nature of Vein 1 Zone, that it thickens and remains open at depth.
- Hole MG20-37 intersected **2.31 g/t Au over 10.5m** including 3.94 g/t Au over 2.48m and **14.5 g/t Au over 1.0m (VG)** with visible gold in a broad intercept of Vein 1 along the Allied Syenite contact.
- Hole MG20-38 intersected **2.14 g/t Au over 11.6m**, including **11.8 g/t Au over 1.0m**, and **19.0 g/t Au over 0.5m (VG)**; this intercept is 50m above a previous intersection in drill hole MG15-20 of 14.1 g/t Au over 3.05m (including 40.5 g/t Au over 1.0m), strongly suggesting a subvertical orientation for this new intrusion-centred "**Allied Zone**" discovery.
- See News Releases dated February 25, 2020 and June 3<sup>rd</sup>, 2020
- Commenced Phase 1B drilling program and an integrated geophysics program that comprised 5 km<sup>2</sup> of 3D IP, magnetic and gravity geophysical surveys in mid June, 2020. The results of this program are currently being evaluated by GoldSpot Discoveries Corp. and will augment information to defining other near-surface and deeper gold exploration targets for the next drilling program. Raw preliminary data from the Allied and Planet Syenite areas shows a distinct gravity, magnetic and IP anomaly surrounding the syenite intrusions in a 'halo' effect, extending as much as 500m away from the center with chargeability peaks along the northeast side of the Allied Syenite. This

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provides further evidence that the Miller Gold Property hosts an alkaline magmatic intrusion centred hydrothermal gold system.

- Completed Phase 1B drilling program of 2,586 metres in 15 holes on August 4<sup>th</sup>, 2020.
- The assays results of Phase 1B drill program were received subsequent to the quarter end and are highlighted by:
  - Hole MG20-49 intersected **8.0 g/t Au over 15m, including 19.4 g/t Au over 4.4m, within a larger zone of 1.4 g/t Au over 118.5m between 54m and 172.5m**; this intercept highlights the grade potential of the mafic volcanics adjacent to the Allied Syenite contact and demonstrates that bulk tonnage potential extends beyond the boundary of the syenite intrusion.
  - Hole MG20-47 intersected **4.6 g/t Au over 8.0m including 10.2 g/t Au over 3.0m within a larger zone of 1.2 g/t Au over 107.3m between 4.7m and 112m along the western flank of the Allied Syenite**; this first hole in the western half of the syenite indicates potential for near surface bulk tonnage 43-101 compliant resources in this area.
  - Hole MG20-45 intersected **4.1 g/t Au over 4.1m** and MG20-46 intersected **15.5 g/t Au over 2.0m** in the Vein 1 Zone south of the Allied Syenite; this confirms the high-grade nature of Vein 1 Zone, which remains open in all directions.
  - New Vein 2 and 3 have been discovered.
  - See press release dated September 2, 2020.
- A surface stripping program is scheduled to commence in early October, 2020. A 4,000 metre Phase II diamond drill program, scheduled to commence in October 2020, will further test Phase 1A and 1B gold discoveries and new exploration targets defined by the 2020 geophysics program and geological and geophysical modeling and interpretation by GoldSpot Discoveries Corp.

## **Business Objectives**

The Company is focused on the exploration, development and acquisition of quality exploration properties in the prolific Abitibi Greenstone Belt.

The Company continues to explore its flagship property, the 100% owned Miller Gold Property, situated 18 km southeast of Kirkland Lake and Kirkland Lake Gold's Macassa SMC gold mine. The Miller Gold Property is situated on a major 1<sup>st</sup> order fault structure (Catharine Fault) off the Kirkland /Cadillac-Larder Breaks. Northstar also has two additional 100%-owned exploration projects in Northern Ontario. The 5,090 hectare Bryce Property is an intrusive-gold / PME VMS project and the Temagami-Milestone Cu-Ni-Co Property is located in Strathcona Township. Northstar intends to advance both projects through joint venture partnerships or otherwise.

After having completed its Phase I drill program on the Miller Gold Property, the Company intends to raise additional capital to carry out Phase II of its exploration program as described in the Technical Report (filed on Sedar on June 28, 2019) with an estimated to cost \$1,100,000.

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## **Exploration Activities**

Immediately upon closing a \$3M IPO and listing on the CSE on January 2, 2020, Northstar commenced what turned out to be a 5,023 metre, 28 drill hole program on the Miller Gold Property. A total of 16 holes tested portions and extensions of an Historic Estimate that partially occurs on the Property, 6 holes targeted near-surface high-grade and bulk-tonnage style gold on the Allied Syenite and 4 holes targeted a similar style of gold mineralization at the Planet Syenite. Drill results have not been received for the Planet Syenite at the time of this Quarterly and are expected to be available by late September.

Northstar also completed a \$350,000 integrated 3D IP, gravity and magnetic geophysical survey over the Miller Property to further define near-surface and deeper gold exploration targets. GoldSpot Discoveries Corp. is currently processing this data and will provide a detailed assessment and Phase II exploration plan for the Miller Property by October 31st, 2020. Northstar is positioning to commence a \$1.1M Phase II diamond drill program on the Miller Gold Property in late October, 2020.

Exploration results to date confirm the Miller Gold Property represents a high-quality gold exploration bet with compelling similarities with nearby "Kirkland-style" and "Sigma-Lamaque Intrusion-Hosted" gold deposits.

## **Results of Operations**

### Three Months Ended July 31, 2020 vs Three Months Ended July 31, 2019

The Company incurred a loss of \$1,112,295 for the three months ended July 31, 2020 compared with a loss of \$113,033 for the comparative three months ended July 31, 2019. The \$999,262 increase over the comparative period was primarily driven by a \$29,000 increase in consulting fees, a \$52,500 increase in investor relations, reflective of the post IPO campaigns undertaken as the Company became a reporting issuer, and \$13,940 in stock based compensation related to the graded vesting of a previous grant where the comparative period saw no such grant. Furthermore, exploration and evaluation expenses increased by \$906,536 to \$910,417 during the three months ended July 31, 2020, reflective of completion of first phase of the drilling program undertaken during the fourth quarter of the prior fiscal year.

## **Liquidity and Capital Resources**

The Corporation manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Corporation consists of cash and cash equivalents and equity comprised of issued share capital and deficit.

The Corporation manages its capital structure and makes adjustments to it in light of economic conditions and financial needs. The Corporation, upon approval from its Board, will balance its overall capital structure through new share issues or by undertaking other activities as deemed appropriate under the specific circumstances.

The Corporation is not subject to externally imposed capital requirements as at July 31, 2020, aside from \$14,511 held in trust restricted to drilling costs.

As of July 31, 2020 the Corporation had working capital of \$445,877 (April 30, 2020 – \$1,526,880).

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On July 31, 2020, the Corporation had cash and funds held in trust of \$157,263 (April 30, 2020 - \$1,408,220). Management of cash balances is conducted in-house based on internal investment guidelines. Cash is deposited with major Canadian financial institutions. Cash required for immediate operations is held in a checking account. Excess funds may be invested in conservative money market instruments that bear interest and carry a low degree of risk. Some examples of instruments in which we may invest its cash are treasury bills, money market funds, bank guaranteed investment certificates and bankers' acceptance notes. The objective of these investments is to preserve funds for the use in and advancement of the Corporation's business. Should we mention here the tax receivable

Total cash used in operating activities during the three months ended July 31, 2020 was \$1,267,797 (three months ended July 31, 2019 - \$82,566). Cash was primarily spent on legal fees, accounting fees, rent, consulting fees, exploration and general and administrative costs.

Total net cash generated by financing activities during the three months ended July 31, 2020 was \$16,840 (three months ended July 31, 2019 - \$nil), which consisted of proceeds received from the exercise of 56,132 warrants.

#### Requirement of Additional Equity Financing

The Corporation has relied primarily on equity financing for operational funding. The Company requires additional liquidity to explore and develop the property in the future. Until the Company starts generating profitable operations from exploration, development and sale of minerals, it intends to continue relying upon the issuance of securities to finance operations.

During the last financing on March 30, 2020, the Company closed a non-brokered private placement of units ("Units") for gross proceeds of \$989,509.

### **Description of Business**

Northstar is an exploration-stage company holding a 100% interest in Miller Gold Property. To date, equity financings have provided the main source of financing for the Company.

The Company is engaged in the identification, evaluation and exploration of mineral properties in Ontario, Canada. The Company has not yet determined whether any of its properties contain mineral resources that are economically recoverable. This is dependent upon the recoverability of any amounts recorded for mineral exploration properties is dependent upon the discovery of economically recoverable resources, the ability of the Company to obtain necessary financing to complete the development of these resources and upon attaining future profitable production from the properties or sufficient proceeds from disposition of the properties.

### **Overall Performance**

The Company was incorporated in 2008 and from 2008 to 2013 substantial work was undertaken on the Bryce Project. In 2012, the Miller Gold Property was acquired and became the main focus of the Company. Drilling commenced on the property in 2014. Northstar's business is to operate as a mineral resource exploration and development company initially focused on the acquisition, funding and exploration of the Miller Gold Property Northstar closed an Initial Public Offering in December 2019 and obtained a listing on the Canadian Securities Exchange in January 2020. The Company has now completed its Phase 1 drilling program on the Miller Gold Property with plans to complete a financing sufficient to initiate the Phase 2

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exploration plans on the Miller Gold Property, outlined in the Technical Report on the Miller Gold Property (filed on Sedar on June 28, 2019) in the fall of 2020.

#### Significant Acquisitions and Dispositions

The only significant acquisition to date has been acquisition of the Miller Gold Property, which was acquired by the Corporation in 2013 and 2014 by issuing, on a post-consolidated basis, 500,000 Common Shares at a price of \$0.30 for a total of \$150,000 and cash payments of \$19,831.

#### **Mineral Properties**

The Corporation's primary property is the 100% owned, 1,114 ha Miller Gold Property located 18km southeast of Kirkland Lake, Ontario within the Abitibi Greenstone Belt which is one of the most prolific gold- and base-metal-producing greenstone belts in the world. The Kirkland Lake and Timmins mining camps have produced >119 million ounces of gold from >100 mines between 1901 and 2017.

Northstar's flagship property is the 100% owned, 1,100 ha. Miller Gold Property, situated 18 km southeast of Kirkland Lake and Kirkland Lake Gold's Macassa SMC gold mine. The Miller Gold Property overlays the historic Boston Creek Mining Camp and was actively explored in the early 1900's for high-grade gold and tellurides in quartz veins by a number of shallow shafts and 1,000 metres of near-surface underground development on the D Vein and No. 1 Vein structures.

Northstar acquired the Miller Gold Property by staking in 2012 and between 2014-2020 Northstar has drilled 10,868m (55 holes) returning multiple high-grade and broad, low-grade intersections with abundant coarse visible gold and tellurides. The Property shares many important geological features with the Kirkland Lake Gold Camp, including similar rock types, high-grade gold-telluride mineralogy, timing of mineralization and large-scale hydrothermal gold systems featuring multi-stage and long-lived alkalic magmatic gold deposition. This strongly suggests the gold mineralization in both regions is derived from a common gold enriched alkaline magmatic-hydrothermal reservoir at depth and channeled to surface by deep seated, interconnected structures such as the first order Catharine Fault zone. An important difference is the Miller Gold Property has at least 2 near-surface broad, low-grade gold, potential bulk-tonnage exploration targets (Planet and Allied Syenites) similar in style and geometry to the nearby Sigma-Lamaque gold deposits in Val Dor, Quebec. The Miller Gold Property remains un-explored at depth.

In early August, 2020 Northstar completed a 28 hole, 5,023 metre diamond drill program and a \$350,000 integrated 3D IP, Gravity and Magnetic Survey on the Miller Gold Property. The primary objective of the Phase I drill program was to confirm and expand known near surface, Kirkland-style high grade gold/telluride mineralization and portions of a historic estimate within the Vein 1 Zone. The Phase I program not only succeeded in expanding the near surface, high-grade gold mineralized zone but it also discovered several additional near surface gold zones (Veins 2, 3 and 4 in the hanging wall of Vein 1, now collectively referred to as the Allied Syenite Gold Zone), highlighting the potential for the delineation of 43-101 compliant near surface bulk tonnage gold mineralization.

GoldSpot Discoveries Corp. is currently processing the Miller Gold Property geophysical data and will provide updated and integrated 3D geological and geophysical models that will provide basis for continued exploration and drilling. Northstar is positioning to conduct a \$1.1 million, 4,000 metre Phase II drill program at the Miller Gold Property in October, 2020.

For more detail on the Miller Gold Property please visit the Company's website at [www.northstargoldmining.com](http://www.northstargoldmining.com).

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Other Mining Properties

The Corporation also holds interests in two additional junior exploration projects, the Bryce Project and Temagami-Milestone Project.

The Bryce Project is located in Bryce and Tudhope Township in the Larder Lake mining division of Northeastern Ontario. The property consists of 260 contiguous, unpatented cell claims covering 5,090 hectares. Numerous geophysical surveys and 68 holes totaling 22,500 metres of diamond drilling representing \$4M Cdn in previous expenditures were completed on the Bryce Property between 2009 and 2013. The drilling programs resulted in the discovery of an intrusion-hosted gold system and gold-enriched volcanogenic massive sulphides in the Pike Lake area. Other discoveries on the Bryce property include the Morris East zone in DDH BG09-04 (2.3 g/t Au over 16.8m including 18.4 g/t Au over 1.2m), which may represent a southeasterly extension of the deformation zone hosting the Sunday Creek Porphyry, the Honeymoon Creek zone with a 2011 grab sample of 62 g/t Au within a ENE striking shear hosted quartz vein near an inclined shaft, the Karp Main zone with a grab sample collected in 2010 grading 57 g/t Au from a WNW striking shear hosted quartz vein near the historic Harry Oakes shaft, the Taylor South zone with 2009 grab samples of 22.6 and 83.3 g/t Au from within a ENE trending brittle-ductile fault zone with pyrite and chalcopyrite mineralization and the Taylor zone with a 17.1 g/t Au grab sample collected in 2010.

The Temagami-Milestone Copper-Nickle-Cobalt Project is an Historic Teck Corporation property located in Strathcona Township in Northeastern Ontario and is currently in the early stages of exploration. The property consists of 11 contiguous, unpatented boundary cell claim units covering 155 hectares. All claims are 100% owned by the Company. No royalties exist on the property. These claims were acquired in 2012 for staking costs of \$4,000.

For more detail on the Bryce and Temagami Milestone Project please visit the Company's website at [www.northstargoldmining.com](http://www.northstargoldmining.com).

**Additional Disclosure for Venture Issuers Without Significant Revenue**

As the Corporation has had no revenue from operations since incorporation, the following is a breakdown of the material costs incurred for the three months ended July 31, 2020: General and Administrative Expenses: Insurance - \$3,567 (three months ended July 31, 2019 - \$2,489), Accounting - \$6,194 (three months ended July 31, 2019 - \$6,653), Corporate secretarial fees - \$4,476 (three months ended July 31, 2019 - \$3,347); Rent - \$6,116 (three months ended July 31, 2019 - \$9,453); Filing fee - \$1,970 (three months ended July 31, 2019 - \$110); Salaries - \$28,865 (three months ended July 31, 2019 - \$29,459) Bank Charges - \$482 (three months ended July 31, 2019 - \$1,425; Utilities - \$506 (three months ended July 31, 2019 - \$540).

Exploration expenditures on the Company's Miller property during the three months ended July 31, 2020 consisted primarily of drilling - \$432,152 (three months ended July 31, 2019 - \$nil); line cutting - \$44,463 (three months ended July 31, 2019 - \$nil); geological - \$23,200 (three months ended July 31, 2019 - \$300); assays - \$62,611 (three months ended July 31, 2019 - \$nil); support costs - \$11,326 (three months ended July 31, 2019 - \$581);

### Selected Quarterly Information

A summary of selected information for each of the quarters presented below is as follows:

For the Period Ended	Revenue (\$)	Net Loss		Total assets (\$)
		Total (\$)	Basic and diluted earnings per share (\$)	
2020 – July 31	Nil	(\$1,112,295)	(0.03)	5,190,985
2020 – April 30	Nil	(1,036,064)	(0.04)	6,319,816
2020 – January 31	Nil	(538,640)	(0.02)	6,383,642
2019 – October 31	Nil	(272,970)	(0.01)	4,637,530
2019 – July 31	Nil	(113,033)	(0.01)	4,576,450

### Outstanding Share Data

The authorized share capital of the Corporation consists of unlimited class "A" common shares (or "Common Shares"), class "B" shares, class "A" special shares, class "B" special shares and class "C" special shares.

As of the date hereof, there are 38,844,103 Common Shares outstanding, 4,838,913 Warrants outstanding with exercise prices between \$0.30 and \$0.54, expiring between January 28, 2021 and January 2, 2022, and 3,360,000 stock options outstanding exercisable at \$0.30 and expiring between February 9, 2024 and January 27, 2025.

### Critical Accounting Estimates

The significant accounting policies are presented in Note 4 of the audited financial statements for the period ended April 30, 2020. Note 4 provides that the preparation of the Corporation's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Information about significant areas of estimation uncertainty in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are noted below.

## **Covid 19**

The outbreak of the novel strain of corona virus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results, ability to finance, carrying value of assets and condition of the Corporation and its operating subsidiaries in future periods. On April 6, 2020, the Company temporarily suspended its drilling program as it no longer felt that these activities could be carried out in a way that was safe to the Company's employees and contractors. Operations re-commenced on June 15, 2020.

## **Events Occurring After the Reporting Period**

There are no reportable events occurring after the reporting period which have not been otherwise disclosed in this document.

## **Management's Responsibility for Financial Information**

The Company's financial statements are the responsibility of the Company's management and have been approved by the Board of Directors. The consolidated financial statements were prepared by the Company's management in accordance with International Financial Reporting Standards. The financial statements include certain amounts based on the use of estimates and assumptions. Management has established these amounts in a reasonable manner, in order to ensure that the financial statements are presented fairly in all material respects.

## **Current Global Financial Conditions and Trends**

Securities of mining and mineral exploration companies, including the common shares of the Company, have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include macroeconomic developments in Canada and globally, and market perceptions of the attractiveness of particular industries. The price of the securities of the Company is also significantly affected by short-term changes in commodity prices, base metal prices or other mineral prices, currency exchange fluctuation and the political environment in the countries in which the Company does business. As of July 31, 2020, the global economy continues to be in a period of significant volatility, in large part due to the Covid19 pandemic, and Asian, European, and American political and economic concerns that have impacted global economic growth.

## **Potential Dilution**

The issue of common shares of the Company upon the exercise of stock options and/or the warrants will dilute the ownership interest of the Company's current shareholders. The Company may also issue additional options and warrants or additional common shares from time to time in the future. If it does so, the ownership interest of the Company's then current shareholders could also be diluted.



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### **Dependence on Key Personnel**

The Company's business and operations are dependent on retaining the services of a small number of key personnel. The success of the Company is, and will continue to be, to a significant extent, dependent on the expertise and experience of these people. The loss of one or more of these key people could have a materially adverse effect on the Company. The Company does not maintain insurance on any of its key people.

### **Transactions with Related Parties**

The Company has contracts for management and geological services plus costs incurred in providing these services with its key management, namely officers, administrators and directors and companies controlled by management. Transactions are recorded at their fair value, which is the agreed upon amount between the parties to provide the services.

During the three months ended July 31, 2020, the Company paid \$26,813 (three months ended July 31, 2019 - \$29,324) in fees to the Company's VP, exploration. Included in accounts payable is \$nil (April 30, 2020 - \$2,080) in relation to these fees and reimbursable expenses.

During the three months ended July 31, 2020, the Company paid \$34,500 (three months ended July 31, 2019 - \$10,000) to the Company's Chief Executive Officer. Included accounts payable and accrued liabilities is \$nil (April 30, 2020 - \$nil) in relation to these fees and reimbursable expenses.

As at July 31, 2020, \$35,000 (April 30, 2020 - \$35,000) was owed to a director pertaining to working capital advances received in a prior period. These advances are unsecured, non-interest bearing and have no fixed terms for repayment.

During the three months ended July 31, 2020, the Company expensed \$8,976, (three months ended July 31, 2019 - \$14,500) to Marrelli Support Services Inc. ("Marrelli Support") and DSA Corporate Services Inc. (the "DSA"), together known as the "Marrelli Group" for:

- (i) Robert D.B. Suttie to act as Chief Financial Officer ("CFO") of the Company;
- (ii) Bookkeeping and office support services;
- (iii) Corporate filing services
- (iv) Corporate secretarial services

The Marrelli Group is also reimbursed for out of pocket expenses.

Both Marrelli Support and DSA are private companies. Robert Suttie is the President of Marrelli Support.

As of July 31, 2020 the Marrelli Group was owed \$11,391 (April 30, 2020 - \$12,175) and these amounts were included in accounts payable and accrued liabilities.

### **New Standards and Interpretations**

There were new accounting standards adopted during the period.

### **Off-Balance Sheet Arrangements**

There are no off-balance sheet arrangements pertaining to the Corporation.

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## **Forward Looking Statements**

This MD&A contains forward-looking statements within the meaning of Canadian securities legislation. Forward-looking statements include, but are not limited to, statements with respect to the closing of the Transaction, the future price of metals, the estimation of Mineral Reserves and Resources, the realization of Mineral Reserve and Resource estimates, the timing and amount of estimated future production, costs of production and capital expenditures, costs and timing of the development of deposits, success of exploration activities, permitting time lines, currency fluctuations, requirements for additional capital, government regulation of mining operations, environmental risks, reclamation expenses, the possibility of title disputes or claims, limitations on insurance coverage, and the timing and possible outcome of pending litigation. In certain cases, forward-looking statements can be identified by the use of 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.”

Forward-looking statements and other information contained in this MD&A concerning the mining industry and our general expectations concerning the mining industry are based on estimates prepared by us using data from publicly available industry sources as well as from market research and industry analysis and on assumptions based on data and knowledge of this industry which we believe to be reasonable. However, this data is inherently imprecise, although generally indicative of relative market positions, market shares and performance characteristics. While we are not aware of any misstatements regarding any industry data presented in this MD&A, the mining industry involves risks and uncertainties and is subject to change based on various factors. Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. We believe that the assumptions and expectations reflected in such forward-looking information are reasonable. Assumptions have been made regarding, among other things, our ability to carry on exploration and development activities, the timely receipt of required approvals, the price of zinc, lead and other metals, our ability to operate in a safe, efficient and effective manner and our ability to obtain financing as and when required and on reasonable terms. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions that may have been used.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such risks and other factors include, among others, risks related to operations; risks associated with current exploration and development activities; uncertainties associated with conclusions of economic evaluations; changes in project parameters as plans continue to be refined; assumptions related to the future prices of metals; possible variations in Mineral Reserves or Mineral Resources, the grade of contained metals or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; and risks related to joint venture operations. Although we have attempted to identify important factors that could affect us and may cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A. We do not undertake any obligation to release publicly any revisions to these forward-looking statements to reflect events or

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circumstances after the date of this MD&A to reflect the occurrence of unanticipated events save and except as required by applicable securities laws.