

# **GOLDHAVEN RESOURCES CORP. (formerly Altum Resource Corp.)**

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **FOR THE PERIOD ENDED OCTOBER 31, 2020**

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This Management's Discussion and Analysis ("MDA") supplements, but does not form part of, the unaudited condensed consolidated interim financial statements of Goldhaven Resources Corp. ("GoldHaven" or "the Company") and the notes thereto for the periods ended October 31, 2020 and 2019 (collectively referred to hereafter as the "Financial Statements").

All monetary amounts in this MDA and in the financial statements are expressed in Canadian dollars, unless otherwise stated. Financial results are being reported in accordance with International Financial Reporting Standards ("IFRS").

The Company's certifying officers, based on their knowledge, having exercised reasonable diligence, are also responsible to ensure that these filings do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by these filings, and the condensed interim financial statements together with other financial information included in these filings. The Board of Directors approves the condensed interim financial statements and MDA and ensures that management has discharged its financial responsibilities.

**The effective date of this MDA is December 16, 2020** (the "MDA Date").

For a complete understanding of the Company's business environment, risks and uncertainties and the effect of accounting estimates on its results of operations and financial condition, this MDA should be read together with the Company's Financial Statements. Each of the foregoing, along with additional GoldHaven/Altum Resource Corp. filings, can be found at [www.sedar.com](http://www.sedar.com) under the Company's name.

All currency amounts are expressed in Canadian Dollars unless otherwise indicated.

The Financial Statements and the MDA were approved by the Board of Directors on November 25, 2020.

#### **Forward-Looking Statements**

Statements contained in this MDA that are not historical facts are "forward-looking statements" or "forward-looking information" (collectively, "**Forward-Looking Information**") (within the meaning of applicable Canadian securities legislation) that involve risks and uncertainties. Forward-Looking Information includes, but is not limited to, statements relating to the amount of financings; and management's expectations regarding the ability to raise equity capital; expected use of proceeds; business objectives and strategies; the assets and liabilities of GoldHaven; the acquisition of interests in mineral properties; the timing of completion and success of community relations (including with respect to agreements with local communities), exploration and development activities, permitting and related exploration programs; requirements for additional capital; the estimation of mineral resources; the effect of government policies and announcements; and changes to applicable laws that may affect the Company's operations. In certain cases, Forward-Looking Information 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".

The Forward-Looking Information is based on certain assumptions that the Company believes are reasonable, including: with respect to any mineral resource estimates, the key assumptions and parameters on which such estimates are based; the assumption that any additional financing needed will be available on reasonable terms; the exchange rates of the U.S., Canadian and Chilean currencies in 2020 and going forward will be consistent with the Company's expectations; that the Company's current exploration, development and other objectives concerning the Company's projects can be reasonably obtained; that the results of exploration and other activities will be consistent with management's expectations; that the demand for gold will be sustained; that general business and economic conditions will not change in a material adverse manner; that the Company and its subsidiaries will not experience any material accident, labour dispute or failure or shortage of equipment; that all necessary community and government approvals for the planned exploration of the Company's projects will be obtained in a timely manner and on acceptable terms; and that the Company's interests in Canada and Chile will not be adversely affected by political, social or economic instability in Canada and Chile or by changes in the government of Canada and Chile or its politics and tax policies. Other assumptions are discussed throughout this MDA.

Forward-Looking Information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the Forward-Looking Information. Such risks and other factors include, among others: risks related to the completion of financings and the use of proceeds; that mineral resources are not as estimated; unexpected variations in mineral resources, grade or recovery rates; operations and contractual rights and obligations; actual results of the Company's exploration activities being different than those expected by management; changes in exploration programs based upon results of exploration; changes in estimated mineral resources; future prices of metals; currency and interest rate fluctuations; financial risk exposure of the Company such as credit and liquidity risk; availability of third party contractors; increased costs of labour, equipment or materials; increased costs as a result of changes in project parameters; availability of equipment; failure of equipment to operate as anticipated; accidents, effects of weather and other natural phenomena and other risks of the mineral exploration industry; political risks involving the Company's operations in a foreign jurisdiction; environmental risks; risks related to community relations and activities of stakeholders; and unanticipated delays in obtaining or failure to obtain community, governmental, judicial or regulatory approvals, or financing; as well as those factors referenced in the section entitled "Risk Factors" in this MDA. Although the Company has attempted to identify important factors that could affect the Company and may cause actual actions, events or results to differ materially from those described in Forward-Looking Information, 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 Information 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 Information.

The Forward-Looking Information in this MDA is made only as of the date hereof. Except as required under applicable securities legislation, the Company does not intend, and does not assume any obligation to update the Forward-Looking Information contained in this MDA.

### **Cautionary Note to US Investors**

Information concerning mineral properties in this MDA has been prepared in accordance with Canadian disclosure standards under applicable Canadian securities laws, which are not comparable in all respects to United States disclosure standards. The terms "mineral resource", "measured resource", "indicated resource" and "inferred resource" (and similar expressions) used in this MDA are Canadian mining terms as defined in accordance with National Instrument 43-101 under guidelines set out in the standards set by the Canadian Institute of Mining, Metallurgy and Petroleum.

While the terms "mineral resource", "measured resource", "indicated resource" and "inferred resource" are recognized and required by Canadian regulations, they are not defined terms under the standards of the U.S. Securities and Exchange Commission ("SEC"). As such, certain information contained or incorporated by reference in this MDA concerning descriptions of mineralization and resources under Canadian standards is not comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements of the SEC. An "inferred resource" has a great amount of uncertainty as to its existence and as to its economic and legal feasibility. It can not be assumed that all or any part of an "inferred resource" will ever be upgraded to a higher category. Under Canadian rules, estimates of inferred resources may not form the basis of feasibility or other economic studies. Investors are cautioned not to assume that all or any part of measured, indicated or inferred resources will ever be converted into Mineral Reserves. Investors are also cautioned not to assume that all or any part of an "inferred resource" exists, or is economically or legally mineable.

### **Overall Performance**

The Company is a mineral exploration company involved in the acquisition and assessment of mineral properties in Canada and Chile, with a focus on the discovery and development of gold resources.

Pursuant to the Company's March 2020 Initial Public Offering ("IPO"), the common shares of the Company commenced trading on the Canada Securities Exchange ("CSE") under the trading symbol ALTM. On June 24, 2020, the Company changed its name to Goldhaven Resources Corp. and on October 3, 2020, the Company's shares commenced trading on the CSE under the symbol GOH.

On September 9, 2020, the Company's shares commenced trading on the OTCQB under the symbol ATUMF, which was changed to GHVNF on December 7, 2020.

Activities and events of note for the last twelve months are as follows:

- On December 7, 2020, the Company provided an update on its exploration activities at the Rio Loa Project, and announced that the Company's US trading symbol had changed to OTCQB: GHVNF;
- On November 2, 2020, the Company announced the appointment of Daniel Schieber as Chief Executive Officer and a director of the Company (see Corporate Structure);
- On October 29, 2020 and November 4, 2020, the Company issued a total of 12,247,500 units at a price of \$0.20 per unit for aggregate total proceeds of \$2,449,500. Each unit consists of one common share in the capital of the Company and one common share purchase warrant (see "Capital Transactions/Equity Issues");
- In September 2020, the Company's began trading on the OTCQB, a United States stock market that is based in New York and operated by OTC Markets Group, under the ticker symbol OTC: ATUMF;
- In August 2020, the Company signed a Letter of Intent to acquire a 100% interest in the five Apolo properties located in the Maricunga precious metals belt in Chile (see "Mineral Projects/Chile Projects");
- On June 30, 2020, the Company announced its name change to Goldhaven Resources Corp.;
- On June 29, 2020, the Company announced the results of the first phase of its 2020 Adam West exploration program (see "Mineral Projects/Adam West Project");
- During June-August 2020, the Company appointed David Smith as President, Darryl Jones as Chief Financial Officer, and Gordon Ellis and Scott Dunbar as directors of the Company;
- On June 3, 2020, the Company completed a non-brokered private placement of 5,792,844 units (the "Units") at a price of \$0.10 per unit for gross proceeds of \$578,284. Each Unit consisted of one common share in the capital of the Company and two separate  $\frac{1}{2}$  (one-half) of one common share purchase warrants a  $\frac{1}{2}$  "A-Warrant and a  $\frac{1}{2}$  B-Warrant (see "Capital Transactions/Equity Issues");
- In April 2020, the Company executed an Assignment and Assumption Agreement to acquire the option rights to the Rio Loa and Coya properties located in the Maricunga precious metals belt in Chile (see "Mineral Projects/Chile Projects");
- On April 7, 2020, the Company announced the results of its 2019 Adam West exploration program and its plans for Adam West for 2020 (see "Mineral Projects/Adam West Project"); and
- On March 27, 2020, the Company completed its initial public offering (the "IPO") of 3,500,000 common shares in its capital (each a "Share"), at a price of \$0.10 per Share for gross proceeds of \$350,000 (see "Capital Transactions/Equity Issues").

## **Outlook**

The Company's immediate priority is to complete its planned exploration programs for the Rio Loa and Coya projects, and evaluate its other project opportunities.

## **Corporate Structure**

Goldhaven Resources Corp. was incorporated on February 20, 2019 under the laws of British Columbia under the name Altum Resource Corp., the name change being effective June 24, 2020.

GoldHaven's head office located at Ste. 2300 – 1177 West Hastings Street, Vancouver, BC, Canada V6E 2K3 and its registered and records office is located at Ste. 415 – 1040 West Georgia Street, Vancouver, British Columbia, V6E 4H1.

On September 15, 2020, the Company acquired all of the common shares of 1243461 B.C. Ltd. ("3461"), a private, B.C. incorporated company. 3461 owns an unilateral option to purchase the Apolo Project properties - see "Mineral Projects/Chile Projects".

On September 11, 2020, the Company incorporated GoldHaven Resources Chile SpA, a wholly-owned subsidiary of the Company, to hold 3461's Apolo Project option – see "Mineral Projects/Chile Projects".

## *Personnel*

In addition to its staff located in Vancouver, the Company also engages consultants when necessary, to provide geological, metallurgical and other corporate and technical consulting services.

### *Management*

At the Company's August 19, 2020 Annual General Meeting, the Company's shareholders elected Patrick Burns, Gordon L. Ellis, Scott Dunbar and David Smith as directors of the Company.

Effective November 2, 2020, Daniel Schieber replaced David Smith as CEO and was appointed as a director of the Company. Mr. Smith continues on as President.

As of the MDA Date, the Company's Officers are Daniel Schieber (CEO), David Smith (President), Darryl Jones (CFO) and Marla Ritchie (Corporate Secretary).

### **BUSINESS OF THE COMPANY**

The Company is a gold mineral exploration and development company. Its principal activities consist of evaluating, acquiring, exploring and developing gold mining properties in Canada and Chile.

Mineral exploration and development of mining properties are expected to constitute the principal business of the Company for the coming years. In the course of realizing its objectives, it is expected that the Company will enter into various agreements specific to the mining industry, such as purchase or option agreements to purchase mining claims, enter into joint venture agreements or project financing agreements.

### **MINERAL PROJECTS**

#### **Adam West Project, B.C., Canada**

The Adam West property ("Adam West"), is located on Vancouver Island, British Columbia, approximately 15 km southwest of the town of Sayward in the Nanaimo Mining Division.

The Adam West property consists of five mineral claims numbered 1049417, 1057922, 1057924, 1057941, and 1058977 (the "Adam West Claims") amounting to 3097.60 hectares in the British Columbia Mineral Title Online cell system. Pursuant to an option agreement dated April 2, 2019 (the "Adam West Option Agreement"), with Richard Billingsley and Gaye Richards (collectively the "Optionors"), the Company was granted an option to acquire a 100% undivided interest in Adam West.

To exercise the option the Company must make cash payments of \$105,000 and issue 2,000,000 common shares to the Optionors as follows:

	Common Shares	Cash
Upon signing of the Adam West Option Agreement April 2 (paid)		\$ 5,000
On or before March 26, 2020 (the "Listing Date") (paid)		\$10,000
Within 15 days of the Listing Date (issued)	100,000	
On or before March 26, 2021	300,000	\$10,000
On or before March 26, 2022	400,000	\$20,000
On or before March 26, 2023	600,000	\$30,000
On or before March 26, 2024	600,000	\$30,000

Upon commencement of commercial production, the Optionors will receive a 1.8% Gross Smelter Returns Royalty.

#### **2019 Exploration Program**

During the summer of 2019, the Company carried out an exploration program on Adam West. The program focused on re-locating known mineral occurrences and prospecting logging roads, some of which were not in existence during previous exploration campaigns. A soil survey was completed over the Lucky Jim prospect area. A total of 175 rock samples (and eight blanks) were collected on Adam West; the soil survey was comprised of 63 samples. An airborne magnetic survey was flown over the Adam West property in June 2019.

The 2019 exploration program indicated the presence of anomalous to high-grade copper is widely distributed on the Property, with values up to 38.6% copper. Copper occurs in amygdules, along fractures and in quartz veins in basalt.

Areas of historically-known copper that were highlighted in the 2019 program include Adam West, Boyes Creek, Lucky Jim and Eloise (Fig. 1). In addition, anomalous copper occurrences are found along a 2.3 km long zone from just northwest of the Adam West showing to Boyes Creek. Anomalous to high-grade gold is mostly restricted to the

Lucky Jim area, where three mineralized surfaces (skarns and shear zones; Fig. 2) yielded grab samples with up to 69.4 g/t gold, 129 g/t silver, 9.54% copper and 2.19% zinc (different samples). These zones are as yet poorly delineated, but are thought to occur over a strike length of at least 75 m. Anomalous silver values are restricted to Boyes Creek and Lucky Jim; the highest value was 167 g/t silver from Boyes Creek.

In October 2019, the Company completed a NI 43-101 technical report on the Adam West property dated October 25, 2019, and effective October 25, 2019 entitled “NI 43-101 Technical Report on the Adam West Property, Northern Vancouver Island, British Columbia” (the “Adam West Report”), which can be accessed via SEDAR using the Company’s SEDAR profile.

#### Quality Control/Quality Assurance

Sampling done in the 2019 exploration program included insertion of blanks into the stream of samples for chemical analysis. Every twentieth sample was a blank. Samples were processed at ALS Chemex’s (“ALS”) laboratory in Vancouver; BC and the analysis for gold was completed by fire assay and for other elements by ICP analysis. ALS is a certified and accredited laboratory service. Gold results varied from below detection to a high of 69.4 g/t, silver from below detection to 167 g/t, copper from 3 ppm to 38.6%, lead from below detection to 38 ppm and zinc from 3 ppm to 2.19%.

#### **2020 Exploration Program**

Highlights from the first phase of the 2020 program include:

- Delineation of a 5 km long by >500 m wide zone containing abundant anomalous copper. Of 147 grab samples taken in this zone over 2019/2020, 102 had >0.25% Cu and 32 had >2.5% Cu;
- Discovery of the Sisters Copper showing, with up to 46.4% Cu and 144 g/t Ag;
- Extension of Adam West copper zone; and
- Mapping of the Lucky Jim gold showing identified a dilational zone within a north-trending fault zone. Sampling in 2020 produced up to 16.55 g/t Au.

*It should be noted that, due to their selective nature, assay results from grab samples noted above may not be representative of the overall grade and extent of mineralization on the subject areas.*

The Adam West property was expanded to six mineral tenures covering an area of ~4,687 hectares (~47 km<sup>2</sup>); and has the potential to contain economic quantities of gold, copper and/or silver. A short exploration program of geology, prospecting and local soil sampling was conducted in May 2020. Two hundred soil samples were collected in the Boyes Creek/Adam West area (main copper target area). One hundred and nine rock samples were submitted for analysis.

Further to the Phase 1 exploration program on Adam West, as set out in the Adam West Report, the Company plans to: (i) undertake detailed geological/structural mapping and an Induced Polarization (IP) survey at the Lucky Jim occurrence; (ii) conduct soil surveys over the Adam West, Boyes Creek and Eloise areas; and (iii) continue property-wide prospecting and geological reconnaissance to enlarge the known area of Adam West’s copper anomalies. The budget for the 2020 exploration campaign is estimated at \$50,000 - \$120,000 to allow time for the current COVID-19 pandemic and market uncertainty to subside and to ensure the workers will be able to access Adam West in a safe manner.

#### Quality Control/Quality Assurance

Sampling done in the 2020 exploration program included insertion of blanks into the stream of samples for chemical analysis. Every twentieth sample was a blank. Rock samples were delivered by the Company’s consultants to ALS Global’s laboratory in Vancouver, where they were processed. Analysis for gold was completed by fire assay and for other elements by ICP analysis. ALS is a certified and accredited laboratory service. Gold results varied from below detection to a high of 16.55 g/t, silver from below detection to 144 g/t, copper from 56 ppm to 46.4%, lead from below detection to 36 ppm and zinc from 2 ppm to 0.96%. Soil samples were delivered to Aztec Geoscience Inc. in Comox, where they were dried at ambient temperatures for nine to twelve days, sieved through a 4 mm mesh screen and analyzed with a C Series Vanta™ handheld XRF (X-Ray Fluorescence) analyzer. Copper was the main element of interest; results ranged from below detection to 548 ppm.

## Qualified Person

The technical information regarding the Adam West project has been approved by Dr. Tom Setterfield, P.Geo., who is a Qualified Person as defined in National Instrument 43-101 - *Standards of Disclosure for Mineral Projects*. Dr. Setterfield is a geological consultant employed by the Company.

Following is a summary of exploration expenditures for the Adam West Project to October 31, 2020:

	Adam West Canada
Balance at incorporation February 20, 2019	\$ -
Acquisition costs:	
Cash	5,000
Acquisition costs for the period	5,000
Deferred exploration costs:	
Geophysical	40,927
Consulting	23,925
Report preparation	7,991
Assay	11,842
Field	7,893
Exploration costs for the period	92,524
Balance October 31, 2019	97,524
Acquisition costs:	
Cash	10,000
Shares	10,000
Acquisition costs for the year	20,000
Deferred exploration costs:	
Consulting	25,319
Report preparation	8,930
Assay	12,302
Field	10,556
Exploration costs for the year	57,107
Total expenditures for the year	77,107
Balance July 31, 2020	174,631
Total expenditures for the period	-
<b>Balance October 31, 2020</b>	<b>\$ 174,631</b>

The Company has issued flow-through common shares for which the Company is committed to spend in Qualifying Canadian Exploration Expenditures ("CEE"; see Capital Transactions/Equity Issued to the MDA Date). As at October 31, 2020 the Company has incurred \$111,338 (2019 - \$66,533) in CEE.

## Rio Loya and Coya Projects - Chile

On April 8, 2020, the Company entered into an assignment and assumption agreement with 1243461 B.C. Ltd. ("3461"), whereby 3461 assigned to the Company all of its rights under two letters of intent with third party vendors. Pursuant to the letters of intent, the Company is expected to enter into definitive agreements with the third party vendors whereby it will be assigned or granted an option to acquire a 100% interest in and to approximately 2,600 hectares within the Maricunga Gold District ("Maricunga") located in the Diego de Almagro province of the Atacama region, Chile, comprising: (i) certain mining concessions of approximately 1,000 hectares (the "**Rio Loa Project**"); and (ii) certain mining concessions comprising approximately 1,600 hectares located in the Diego de Almagro and Copiapo provinces of the Atacama region, Chile (the "**Coya Project**").

In consideration for the assignment and at the closing of the assignment, the Company issued an aggregate of 4,000,000 common shares in its capital to 3461 or its nominees on June 1, 2020. On September 15, 2020, the Company acquired all of the ownership shares of 3461 – see Capital Transactions/Equity Issues.

## Rio Loa Project

Rio Loa, the most northern project, is located 25 km south of the 5-million-ounce Gold Fields Salares Norte project.

As consideration for the assignment of the option agreement and to exercise the option (the "**Rio Loa Option**") for the Rio Loa Project in full, the Company must do the following:

- (a) make aggregate payments of USD \$1,145,000 and complete an expenditure program as follows:

<b>Date</b>	<b>Payment (USD)</b>	<b>Expenditure Commitments</b>
Upon execution of the Letter of Intent (paid)	\$30,000	--
On or before April 12, 2020 (paid)	\$100,000	
On or before May 8, 2020 (paid)	\$25,000	--
On or before June 8, 2020 (paid)	\$25,000	--
On or before November 15, 2020 (paid)	\$35,000	--
On or before March 31, 2020 <b>(2)</b>	--	2,000 meter drill program
On or before April 12, 2021 <b>(3)</b>	\$320,000	--
On or before August 12, 2021	\$250,000	--
On or before December 12, 2021	\$250,000	--
On or before April 12, 2022	\$50,000	--
On or before April 12, 2023	\$60,000	--
<b>TOTAL</b>	<b>\$1,145,000</b>	<b>2,000 meter drill program</b>

- (b) pay discovery bonus payments (up to a maximum of USD \$5 million) contemplated under the Option Agreement (the "**Vendors Discovery Bonus**") to the vendors in amounts ranging from USD \$2/oz to USD \$5/oz on National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("**NI 43 101**") compliant measured and indicated mineral resources of gold discovered on the Rio Loa Project;
- (c) pay a discovery bonus equal to USD \$5/oz (on a mineral resource with a 0.3 g/t gold cut-off grade) on the first mineral resource contained in an NI 43-101 compliant technical report, less one-half of the Vendors Discovery Bonus (the "**Additional Discovery Bonus**"); provided that the payment of same will commence upon a production decision having been made on the Project;
- (d) make cash payments in the aggregate amount of USD \$10,000 per annum on April 12th of each year until the first payment is made in respect of the Additional Discovery Bonus; and
- (e) during the term of the Rio Loa Option, the Company will be responsible for maintaining the concessions in good standing and paying all fees and assessments in connection with the Project.

Work completed on the project to date includes mapping, geochemical sampling, and preliminary geophysics.

Results indicate a large geochemical anomaly, particularly in As-Pb. The geophysics also revealed a number of strong anomalies resulting in combined near surface geochemical-geophysical targets.

The Company is presently planning a work program on Rio Loa commencing in early 2021.

### **Coya Project**

The Coya Project is located approximately 60 km south of the Rio Loa Project in close proximity to the La Coipa mine operated by Kinross which contains over 7.6 million ounces of gold.

Pursuant to the April 8, 2020 letter of intent (as amended) with respect to the Coya Project, it is anticipated that the Company will enter into and execute with a third party vendor (i) an assignment and assumption agreement, whereby the Company will be assigned all of the vendors' rights, title, benefit and interest under the option agreement to acquire a 100% interest in a 400 hectare portion of the Coya Project (the "**First Coya Option Agreement**"); and (ii) an option to purchase agreement (the "**Second**

**Coya Option Agreement**"), whereby the Company will be granted an option to acquire a 100% interest in a 1,200 hectare portion of the Coya Project, subject to a 2% net smelter returns royalty on production, of which the Company can purchase 1% by paying USD \$6,000,000.

In consideration for: (i) the assignment of the First Coya Option Agreement and to exercise the option thereunder; and (ii) the grant of the Second Coya Option Agreement and the exercise of the option thereunder, the Company must do the following:

- (a) make aggregate payments of USD \$3,935,000, as follows:

Date	Payment (USD)
On or before May 8, 2020 (paid)	\$20,000
On or before June 8, 2020 (paid)	\$15,000
On or before September 8, 2021	\$100,000
On or before March 8, 2022	\$200,000
On or before March 8, 2023	\$300,000
On or before March 8, 2024	\$3,300,000
<b>TOTAL:</b>	<b>\$3,935,000</b>

- (b) make payment in the amount of USD \$75,000 within 90 days of the removal of all travel movements and other restrictions intended to combat the spread of the coronavirus disease imposed by Chilean governmental federal, state and local authorities; and
- (c) during the term of the option for the Coya Project, the Company will be responsible for maintaining the concessions in good standing and paying all fees and assessments in connection with the Project.

### **Apolo Project**

On September 15, 2020, the Company issued 7,000,000 common shares for the acquisition of all of the common shares of 3461, a private, B.C. incorporated company. 3461 owns an unilateral option to purchase certain mining concessions in Chile (the "Apolo Project").

On September 11, 2020, the Company incorporated GOH Chile, a wholly-owned subsidiary of the Company, to hold 3461's Apolo Project option.

On October 28, 2020, GOH Chile executed an option agreement (the "Apolo Option") with Apolo Exploraciones SpA ("Apolo Explor") and IMT Exploraciones SpA ("IMT"), the owners of the Apolo Project mining concessions (known as Alicia, Roma, Condor, Jacqueline and Valle).

Pursuant to the Apolo Option, the Company must do the following:

- (a) make fixed payments of USD \$8,510,000 and meet certain minimum drilling commitments, as follows:



Date	Payment (USD)	Expenditure Commitments
Prior to the signing of the Apolo Option (paid)	\$25,000	
On or before December 28, 2020 (paid)	\$20,000	
4 monthly installments of \$10,000, beginning on or before December 28, 2020	\$40,000	
On or before October 28, 2021	\$75,000	3,000 meters
On or before October 28, 2022	\$100,000	an additional 5,000 meters
On or before October 28, 2023	\$250,000	an additional 5,000 meters
On or before October 28, 2024	\$2,000,000	
On or before October 28, 2025	\$6,000,000	an additional 4 <sup>th</sup> drill program or complete a PEA, either having a minimum cost of \$1,300,000, at GOH Chile's option
<b>TOTAL:</b>	<b>\$8,510,000</b>	

- (b) pay a royalty of 2% of the net smelter return (“NSR”) that the Company receives for the sale or disposal of the minerals extracted exclusively from the Apolo Project properties, though GOH Chile is entitled to repurchase from the NSR holder one-half (50%) of the NSR for the amount of USD 5,000,000. Once this right is exercised and payment made therefore, the NSR shall be reduced to 1% NSR; and
- (c) during the term of the Apolo option, the Company will be responsible for maintaining the concessions in good standing and paying all fees and assessments in connection with the Project.

Following is a summary of exploration expenditures for the Rio Loa, Coya and Apolo Projects to October 31, 2020:

	Coya Chile	Rio Loa Chile	Apolo Chile	Total
Balance, August 1, 2019	\$ -	\$ -	\$ -	\$ -
Acquisition costs:				
Cash	87,144	146,881	-	234,025
Shares	200,000	200,000	-	400,000
Acquisition costs for the year	287,144	346,881	-	634,025
Deferred exploration costs:				
Consulting	11,894	11,894	-	23,788
Exploration costs for the year	11,894	11,894	-	23,788
Total expenditures for the year	299,038	358,775	-	657,813
Balance, July 31, 2020	299,038	358,775	-	657,813
Acquisition costs:				
Cash	20,025	-	-	20,025
Shares	-	-	2,205,000	2,205,000
Acquisition costs for the year	20,025	-	2,205,000	2,225,025
Deferred exploration costs:				
Consulting	10,500	10,500	-	21,000
Exploration costs for the period	10,500	10,500	-	21,000
Total expenditures for the period	30,525	10,500	2,205,000	2,246,025
<b>Balance October 31, 2020</b>	<b>\$ 329,563</b>	<b>\$ 369,275</b>	<b>\$ 2,205,000</b>	<b>\$ 2,903,838</b>

## SELECTED FINANCIAL INFORMATION

The Company was incorporated on February 20, 2019 and became a reporting issuer on March 5, 2020. A summary of selected quarterly financial information is as follows:

	<b>Financial Data For Last 5 Quarters (Unaudited)</b>				
	<i>Presented in Canadian dollars</i>				
	Three months ended October 31, 2020	Three months ended July 31, 2020	Three months ended April 30, 2020	Three months ended January 31, 2020	Three months ended October 31, 2019
Revenues	Nil	Nil	Nil	Nil	Nil
Expenses	328,581	311,640	59,424	93,872	9,054
Net loss	(328,581)	(311,640)	(59,424)	(93,872)	(9,054)
Basic and diluted net loss per share	\$(0.01)	\$(0.05)	\$(0.00)	\$(0.01)	\$(0.00)
Cash	2,194,653	394,491	189,695	124,048	142,271
Assets	5,409,136	1,250,063	400,105	227,460	245,232
Working Capital	2,197,034	374,672	175,222	106,235	124,008

As the Company has not had any revenue-generating mineral properties or other sources of mining revenue to date, no mining revenues are reflected in the above table.

Factors that have caused notable fluctuations in the Company's quarterly results include:

- completion of the Company's March 2020 IPO;
- private placement financings completed in June 2020 and October 2020;
- share-based compensation costs ("SBC") incurred due to share price variations across all quarters, excluding the three months ended October 31, 2020;
- investor relations and regulatory costs incurred since the Company's March 2020 IPO;
- and office and general administration costs representative of a fully-active office.

Basic and diluted loss per share is the same because the effect of potential issues of shares would be anti-dilutive.

The Company operates in one segment, being mineral exploration and development, with its mineral properties located in B.C., Canada and Chile, South America. The statements of loss and deficit for the periods presented reflect both the Company's Canadian and Chilean operations (effective for the most recent period).

In accordance with the Company's accounting policy, all costs related to the acquisition, exploration and development of mineral properties are capitalized.

Financial results for the period ended October 31, 2020 and period ended October 31, 2019 are summarized as follows:

	<b>Period ended October 31</b>	
	<b>2020</b>	<b>2019</b>
<b>Operating expenses</b>	\$	\$
Investor relations	196,587	
Consulting	80,987	7,500
Office and general administration	20,865	1,554
Regulatory fees	17,046	-
Professional fees	13,096	-
<b>Loss for the period</b>	<b>\$ (328,581)</b>	<b>\$ (9,054)</b>
<b>Loss per share - basic and diluted</b>	<b>\$ (0.01)</b>	<b>\$ (0.00)</b>

### ***Period ended October 31, 2020***

All of the above operating expenses relate to GoldHaven's Canadian operations and totalled \$328,581 for 2020 compared to \$9,054 for 2019, with the increase of \$319,527 being the result of an increase in:

- Investor relations and regulatory costs of \$196,587 and \$17,046, respectively, as a result of the Company going public in March 2020;
- Consulting costs of \$73,487 as a result of increased management staffing;
- Office and general administration costs of \$19,311 as a result of the establishment of a downtown office and increased corporate secretarial services for 2020; and
- Professional fees of \$13,096 as a result of increases in accounting and audit fees.

### **LIQUIDITY AND CAPITAL RESOURCES**

Because of economic conditions, globally, there is uncertainty in capital markets and the Company anticipates that it and others in the mineral resource sector will have limited access to capital. Although the business and assets of the Company have not changed, investors have increased their risk premium and their overall equity investment has diminished. The Company continually monitors its financing alternatives and expects to continue to finance its general and administration overhead, Adam West and Chile property option payments and exploration expenditures through private placements.

The quantity of funds to be raised and the terms of any equity financing that may be undertaken will be negotiated by management as opportunities to raise funds arise. There can be no assurance that such funds will be available on favorable terms, or at all.

	<b>October 31, 2020</b>	<b>July 31, 2020</b>
Cash	\$ 2,194,653	\$ 394,491
Working capital (defined as current assets less current liabilities)	2,197,034	374,672
Total assets	5,409,136	1,250,063
Total liabilities	133,633	38,347
Shareholders' equity	5,275,503	1,211,716

As of the MDA Date, the Company's cash totalled ~\$1,694,000

The principal changes in the Company's cash during the period ended October 31, 2020 were as follows:

- Cash used in operating activities in the period totalled \$350,783 (period ended October 31, 2019 - \$20,382) reflecting the Company's increase in operating activities since the March 2020 IPO;
- Cash used in investing activities in the period totalled \$41,025 (period ended October 31, 2019 - \$Nil), consistent with the Company's new expenditures on its Rio Loa project; and
- Net cash provided from financing activities in the period totalled \$2,191,970 (period ended October 31, 2019 - \$Nil), as result of the Company's closing of the October 2020 non-brokered private placement.

Total liabilities (all current) as at October 31, 2020 totalled \$38,347 (October 31, 2019 - \$32,078), comprised of accounts payable and accrued liabilities.

### **Supplemental Cash Flows**

- (a) Significant non-cash transactions during the period ended October 31, 2020:
- Issued 7,000,000 common shares for the acquisition of all of the common shares of 3461 at a recorded value of \$2,205,000;
  - Issued 11,307,500 Oct 29 Wts with a fair value of \$801,000; and
  - Issued 513,275 Oct 29 Finders' Wts with a fair value of \$36,000.
- (b) Significant non-cash transactions during the period ended October 31, 2019: None

### **Outstanding Share Data**

As at the MDA Date, the following securities were issued and outstanding:

- basic – 43,990,345 common shares
- fully-diluted – 65,879,365 common shares, after including:

- o 18,819,020 common share purchase warrants, with a weighted average exercise price of \$0.34; and
- o 3,070,000 stock options, with a weighted average exercise price of \$0.33, all of which are vested.

As at October 31, 2020, the Company's aggregate common share capital was \$5,062,096 (October 31, 2019 - \$276,001) representing 43,050,345 issued and outstanding common shares without par value (October 31, 2019 - 10,200,001).

As at October 31, 2020, the Company had 17,954,720 share purchase warrants outstanding at a weighted average exercise price of \$0.34 (October 31, 2019 - none).

As at October 31, 2020, the Company had 1,220,000 stock options outstanding at a weighted average exercise price of \$0.20 (October 31, 2019 - none).

## Capital transactions

### *Equity Issued to the MDA Date*

On November 4, 2020, the Company issued a total of 940,000 units (the "Units") at a price of \$0.20 per Unit for aggregate total proceeds of \$188,000 (the "Nov 4 Offering"). Each Unit consists of one common share in the capital of the Company and one common share purchase warrant (the "Nov 4 Wts"). Each Nov 4 Wt entitles the holder thereof to purchase one common share in the capital of the Company at an exercise price of \$0.30 per share for a period of 36 months from the closing of the Nov 4 Offering. In connection with the Nov 4 Offering, the Company paid cash finder's fees of \$13,860 and issued 69,300 finders' warrants (the "Nov 4 Finders' Wts"). The Nov 4 Finders' Wts issued have the same terms and conditions as the Nov 4 Wts issued under the Nov 4 Offering, however, they are non-transferable. All securities issued in connection with the Nov 4 Offering have a four-month and one day hold period in Canada, ending on March 5, 2021.

As at October 31, 2020, the Company had 43,050,345 common shares issued and outstanding.

During the period ended October 31, 2020, the Company had the following share capital transactions:

- (1) On October 29, 2020, the Company issued 11,307,500 units (the "Units") at a price of \$0.20 per Unit for aggregate total proceeds of \$2,449,500 (the "Oct 29 Offering"). Each Unit consists of one common share in the capital of the Company and one common share purchase warrant (the "Oct 29 Wts"). Each Oct 29 Wt entitles the holder thereof to purchase one common share in the capital of the Company at an exercise price of \$0.30 per share for a period of 36 months from the closing of the Oct 29 Offering. In connection with the Oct 29 Offering, the Company paid cash finder's fees of \$102,775 and issued additional 513,275 finders' warrants (the "Oct 29 Finders' Wts"). The Oct 29 Finders' Wts issued have the same terms and conditions as the Oct 29 Wts issued under the Oct 29 Offering, however, they are non-transferable. All securities issued in connection with the Oct 29 Offering have a four-month and one day hold period in Canada, ending on March 2, 2021;
- (2) On September 15, 2020, the Company issued 7,000,000 common shares for the acquisition of all of the common shares of 3461; and

During the year ended July 31, 2020, the Company had the following share capital transactions:

- (1) On August 20, 2020 and October 7, 2020, the Company issued 145,000 common shares from the exercise of 145,000 Agents' Warrants for gross proceeds of \$14,500. As a result of the exercise \$7,578 was reclassified from warrant reserves to common shares.;
- (2) On June 4, 2020, the Company completed a non-brokered private placement ("June 2020 NBPP") of 5,792,844 units (the "Units") at a price of \$0.10 per unit for gross proceeds of \$579,284.

Each Unit consisted of one common share in the capital of the Company and two separate ½ (one-half) of one common share purchase warrants (a ½ "A-Warrant" and a ½ "B-Warrant", and, respectively, each whole warrant, an "A-Warrant" and a "B-Warrant", and collectively, the "Warrants"). Each whole A-Warrant will entitle the holder thereof to purchase one common share in the capital of the Company at an exercise price of \$0.35 per share for a period of 18 months from the closing of the June 2020 NBPP. Each whole B-Warrant will entitle the holder thereof to purchase one common share in the capital of the Company at an exercise price of \$0.50 per share for a period of 18 months from the closing of the June 2020 NBPP.

In the event the closing price of the Company's common shares on the CSE is equal to or greater than \$0.45

(for the A-Warrants) or \$0.65 (for the B-Warrant B) per common share, respectively, for a minimum of ten consecutive trading days commencing four months and one day after the closing of the Offering, the Company may accelerate the expiry date of the Warrants by providing notice to the holders thereof and, in such case, the Warrants will expire on the 30th day after the date on which such notice is given by the Company.

As a result of applying the relative fair value method, the proceeds from the private placement were allocated \$509,765 to common shares and \$69,519 to warrants.

In connection with the June 2020 NBPP, the Company issued an aggregate 341,099 finders' warrants ("Finders' Warrants"). The Finders' Warrants issued have the same terms and conditions as the subscriber warrants issued under the June 2020 NBPP. However, they are non-transferable and have an exercise price of \$0.35 for a period of eighteen months expiring on December 3, 2021. Share issue costs were comprised of a cash finders' fee of \$34,110 and 341,099 finders' warrants valued at \$6,000;

- (3) On June 1, 2020, the Company issued 4,000,000 common shares at a fair value of \$400,000 to 3461 as consideration for the assignment and assumption agreement executed with 3461 to acquire a 100% interest in the Rio Loa and Coya Projects in Chile;
- (4) On March 27, 2020, the Company issued 100,000 common shares for the acquisition of the Adam West exploration and evaluation assets at a fair value of \$10,000;
- (5) On March 23, 2020, the Company issued 2,200,001 common shares which are held in escrow pursuant to an escrow agreement made as of December 10, 2019 among the Company, the Company's transfer agent, and the Company's former CEO, former CFO and a former director;
- (6) 700,000 incentive stock options were exercised for proceeds of \$70,000. As a result of the exercise \$52,225 was reclassified from reserve to common shares; and
- (7) 205,000 compensation warrants were exercised for proceeds of \$20,500. As a result of the exercise \$10,713 was reclassified from warrant reserves to common shares; and
- (8) On March 6, 2020, the British Columbia Securities Commission issued a receipt for the Company's Long Form Prospectus and the Company became a reporting issuer in British Columbia and Alberta. On March 26, 2020, the Company's common shares were listed on the CSE and the Company became a reporting issuer in Ontario. On March 27, 2020, the Company completed its IPO of 3,500,000 common shares at a price of \$0.10 per common share for gross proceeds of \$350,000. The Company paid cash finders' fees of \$35,000 and issued 350,000 agent warrants ("Agents' Warrants") valued at \$18,291. Each Agents' Warrant is exercisable for a period of two years at an exercise price of \$0.10 per Agents' Warrant. Additional share issue costs of \$121,253 were incurred in connection with this IPO and was recorded as an offset to share capital, as share issue costs. The additional share issuance cost includes 100,000 common shares valued at \$10,000 for corporate finance fees.

### **Accumulated Deficit**

The Company's accumulated deficit was \$877,986 as at October 31, 2020 (July 31, 2020 - \$549,405), with the increase in deficit of \$328,581 reflecting the loss incurred for the period ended October 31, 2020.

### **Dividends**

There are no restrictions that could prevent the Company from paying dividends on its common shares.

The Company has not paid any dividends on its common shares and does not intend to pay any dividends in the foreseeable future. It is the Company's intention to use all available cash flows to finance further operations and exploration of its resource properties.

### **Transactions with Related Parties**

Details of transactions between the Company and other related parties are disclosed below:

- (a) Related party expenditures

During the period ended October 31, 2020, the Company:

- Incurred and paid a company owned by the Company President's spouse \$37,500 (2019 - \$Nil) for the President's

services included in consulting fees;

- Incurred \$4,500 (2019 - \$Nil) for accounting services by a company owned by the Company's Chief Financial Officer ("CFO") included in professional fees; and
- Incurred and paid \$21,000 (2019 - \$Nil) to an officer/director for consulting fees capitalized to exploration and evaluation assets.

(b) Key management compensation

Key management includes directors and executive officers of the Company. The compensation paid or payable to key management for employee services for the three months ended October 31, 2020 and 2019 is shown below:

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Consulting fees	<b>58,500</b>	-
Accounting fees	<b>4,500</b>	-
<b>Total</b>	<b>63,000</b>	-

(c) Due to current related parties:

Amounts due to related parties are unsecured and non-interest bearing and measured at the amount of consideration established and agreed to by the related parties.

As at October 31, 2020, \$1,500 (2019 - \$Nil) was payable to a company owned by the Company's CFO for accounting services rendered in 2020.

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

The Company does not have any off-balance sheet arrangements.

### **Proposed Transactions**

There is no imminent decision by the Board of Directors of the Company with respect to any transaction beyond what is included in this MDA.

### **Critical Accounting Estimates**

This MDA is based on the financial statements which have been prepared in accordance with IFRS. The preparation of the financial statements requires that certain estimates and judgments are based on historical experience and on various other assumptions that are believed to be reasonable under the circumstances.

The preparation of these financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and income and expenses. Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

The accounting estimates for share based payments is based on the Black-Scholes option valuation model which was developed for use in estimating the fair value of traded options which were fully tradable with no vesting restrictions. This option valuation model requires the input of highly subjective assumptions including the expected stock price volatility. Since the Company's stock options have characteristics significantly different from those of traded options and since changes in the subjective input assumptions can materially affect the calculated fair value, such value is subject to measurement uncertainty.

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include the assessment of the Company's ability to continue as a going concern.

## Changes in Accounting Policies Including Initial Adoption

There were no changes in the Company's significant accounting policies during the period ended October 31, 2020 that had a material effect on its condensed interim financial statements. The Company's significant accounting policies are disclosed in Note 2 to its financial statements for the period ended October 31, 2020.

### New standards and interpretations adopted

Certain new standards, interpretations, amendments and improvements to existing standards were issued by IASB or IFRIC that are mandatory for future accounting periods. The following have been adopted by the Company:

- IFRS 16 *Leases*: New standard to establish principles for recognition, measurement, presentation, and disclosure of leases with an impact on lessee accounting, effective for annual periods beginning on or after January 1, 2019. The adoption of this new standards did not have a significant impact on the Company's condensed interim financial statements

### Financial Risk Factors

#### (a) Financial risk exposure and risk management

The Company's activities expose it to a variety of financial risks, which include credit, liquidity, market, foreign exchange, interest rate, and commodity price risks.

Financial risk management is carried out by the Company's management team with oversight from the Company's Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

#### *Credit risk*

Credit risk is the risk of loss associated with a counter-party's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and receivables. Management believes that the credit risk concentration with respect to financial instruments included in receivables is remote and has deposited cash in high credit-quality financial institutions.

#### *Liquidity risk*

As of October 31, 2020, the Company had a cash balance of \$394,491 (2019 – \$162,653) to settle current liabilities of \$84,854 (2019 - \$8,378). The Company is exposed to liquidity risk.

#### *Market risk*

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

#### *Interest rate risk*

The Company has cash balances and no interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade demand investments issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

#### *Foreign currency risk*

The Company is exposed to foreign currency risk on fluctuations related to assets and liabilities that are denominated in foreign currency. The Company's property option payments and exploration expenditures on the Chilean properties are in US Dollars and a change in foreign exchange rates will have an effect on profit and loss.

#### *Price risk*

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's profit or loss due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on profit or loss and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices, individual equity movements and the stock

market to determine the appropriate course of action to be taken by the Company. Fluctuations in value may be significant.

(b) Fair value of financial instruments

IFRS 7 establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair values as follows:

- Level 1 – valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 – valuation techniques based on inputs that are other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices); and
- Level 3 – valuation techniques with unobservable market inputs (involves assumptions and estimates by management of how market participants would price the assets or liabilities).

In evaluating fair value information, considerable judgment is required to interpret the market data used to develop the estimates. The use of different market assumptions and valuation techniques may have a material effect on the estimated fair value amounts.

The fair values of cash, trade and other receivables and trade and other payables approximate carrying value because of their short-term nature.

At October 31, 2020, the Company had no financial instruments that would be categorized as Level 2 in the fair value hierarchy above.

### **Capital Management**

The Company defines capital that it manages as the aggregate of share capital, reserve and deficit.

The Company manages its capital structure and adjusts it, based on the funds available to the Company, in order to support the acquisition and exploration of exploration and evaluation assets. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The Company relies on the equity markets to fund its activities. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is enough economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company is not subject to externally imposed capital restrictions. There were no changes to the Company's approach to capital management during the period.

### **RISK FACTORS**

In addition to the Going Concern assumption/risk and the Financial Risk Factors noted above, the Company's Qualitative Risk Factors are as follows:

Potential investors in the Company should be aware that investing in its securities involves a high degree of risk. The risk factors outlined in this section and elsewhere in this MDA should be carefully considered by investors when evaluating an investment in the Company. These risk factors list some, but not all, of the risks and uncertainties that may have a material adverse effect on the Company's securities. Additional risks and uncertainties not currently known to the Company or that the Company currently deems to be immaterial may also impair the Company's business operations. If the Company is unable to prevent events that have a negative effect from occurring, then its business, results of operations and financial condition and the market price of its securities could be materially and adversely affected.

#### ***Requirement for Additional Funds***

The Company will require additional funds to fund ongoing administrative activities and working capital requirements for future exploration and development. The Company has no source of operating cash flow, and has no assurance that additional funding will be available to the Company to carry out the completion of exploration or for property acquisitions. There can be no assurance that the Company will be able to obtain adequate additional financing or that the terms of such financing will be favourable.



### ***Exploration, Development and Operating Risks***

Mining operations generally involve a high degree of risk. The Company's operations are subject to all the hazards and risks normally encountered in the exploration of gold, including unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding and other conditions involved in drilling and removal of material, any of which could result in damage to, or destruction of, facilities, damage to life or property, environmental damage and possible legal liability.

The exploration for and development of mineral deposits involves significant risks that even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, few properties that are explored are ultimately developed into producing mines and no assurance can be given that minerals will be discovered in sufficient quantities or having sufficient grade to justify commercial operations or that funds required for development can be obtained on a timely basis. Major expenses may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the exploration or development programs planned by the Company will result in a profitable commercial mining program. The economics of developing gold and other mineral properties are affected by many factors including the cost of operations, variations of the grade of ore mined, fluctuations in the price of gold or other minerals produced, costs of processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted but the combination of these factors may result in the Company not receiving an adequate return on invested capital.

There is no certainty that the expenditures made by the Company towards the search and evaluation of mineral deposits will result in discoveries or development of commercial quantities of ore.

### ***Environmental Risks and Other Regulatory Requirements***

The current or future operations of the Company, including exploration and development activities and the commencement of production on any mineral properties in which it might acquire an interest require permits from various governmental authorities, and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land and water use, environmental protection, mine safety and other matters.

In Canada and Chile, exploration permits are, as a practical matter, subject to the discretion of government authorities and there can be no assurance that the Company will be successful in maintaining such permits for future projects. There can be no assurance that all permits which the Company may require for future exploration activities or any construction of mining facilities or conduct of mining operations will be obtainable on reasonable terms or at all, or that the terms of such permits or applicable laws and regulations will not have an adverse effect on any exploration or mining project which the Company might undertake.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions.

Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in the development of new mining properties.

### ***Potential Political, Social and Economic Instability in Canada and Chile***

The Company's mineral property development efforts are focused within Canada and Chile, South America. Consequently, the Company is subject to various risks associated with operating in a developing country such as Canada and Chile, including possible political or economic instability and governmental policies which may result in the impairment or loss of mineral concessions or other mineral rights or otherwise adversely affect the Company.

Canada and Chile's recent political and fiscal regimes were generally favourable to the mining industry and have been relatively stable over the past ten years or so. However, there is a risk that this will change.

The Company's interests and operations may be affected by government regulations with respect to restrictions on property access, permitting, price controls, export controls, foreign exchange controls, income taxes, foreign investment, expropriation of property, environmental legislation and mine safety. There is also a risk of other adverse developments, such as labour unrest, widespread civil unrest or rebellion, which may adversely affect the Company.

The Company's activities and results of operations may also be adversely affected by economic uncertainty associated with operating in a developing country.

There can be no assurance that any governmental action will be taken to control inflationary or deflationary situations or that any such action will be effective. Future governmental action may trigger inflationary or deflationary cycles or otherwise contribute to economic uncertainty. Additionally, changes in inflation or deflation rates and governmental actions taken in response to such changes may affect currency values. Any such events or changes could have a material adverse effect on the Company's results of operations and financial condition.

In addition, labour in Canada and Chile is customarily unionized and there are risks that labour unrest or wage agreements may adversely impact the Company's operations. These and other uncertainties associated with the Company's mineral property interests being located in a developing country may make it more difficult for the Company and any future joint venture partners to obtain any required financing for exploration and development of mineral projects in Canada and Chile.

#### ***Potential Profitability Depends Upon Factors Which Are Beyond the Control of the Company***

Even if the Company is able to define mineral reserves and bring a mineral project to commercial production, the potential profitability of any such producing mineral properties would be dependent upon many factors beyond the Company's control. For instance, world prices of and markets for gold and other minerals are unpredictable, highly volatile, potentially subject to governmental fixing, pegging and/or controls and respond to changes in domestic, international, political, social and economic environments. Another factor is that rates of recovery of mined ore may vary from the rate experienced in tests and a reduction in the recovery rate will adversely affect profitability and, possibly, the economic viability of a property. Profitability also depends on the costs of operations, including costs of labour, equipment, electricity, water environmental compliance or other production inputs. Such costs fluctuate in ways that cannot be predicted, or controlled, impact on profitability and may eliminate profitability altogether. Additionally, due to worldwide economic uncertainty, the availability and cost of funds for development and other costs have become increasingly difficult, if not impossible, to project. These changes and events may materially affect the financial performance of the Company.

#### ***Key Personnel***

The Company's future success depends, in significant part, upon the continued service and performance of its senior management. The experience and ability of these individuals will be a factor contributing to the Company's success and growth. The loss of the services of one or more of these individuals could have a material adverse effect on the Company's business prospects. The Company has not obtained key man insurance with respect to any of its senior management.

#### ***Title Matters, Surface Rights and Access Rights***

When the Company has performed its own due diligence with respect to title of present or future concessions, this should not be construed as a guarantee of title. Projects may be subject to prior unregistered agreements of transfer or indigenous land claims, and title may be affected by undetected defects. Until any such competing interests have been determined, there can be no assurance as to the validity of title of any mining or property interests derived from or in replacement or conversion of or in connection with claims formally obtained by the Company.

Although the Company acquires the rights to some or all of the minerals in the ground subject to the tenures that it acquires, or has a right to acquire, it does not thereby acquire any rights to, or ownership of, the surface to the areas covered by its mineral tenures. In such cases, applicable mining laws usually provide for rights of access to the surface for the purpose of carrying on mineral exploration and development activities, however, the enforcement of such rights can be costly and time consuming. In areas where there are local populations or land owners, it is necessary, as a practical matter, to negotiate surface access. There is a risk that local communities or affected groups may take actions to delay, impede or otherwise terminate the contemplated activities of the Company. There can be no guarantee that the Company will be able to negotiate a satisfactory agreement with any such existing landowners/occupiers for such access, and therefore it may be unable to carry out significant exploration and development activities. In addition, in circumstances where such access is denied, or no agreement can be reached, the Company may need to rely on the assistance of local officials or the courts in such jurisdiction, which assistance

may not be provided or, if provided, may not be effective. If the development of a mine becomes justifiable it will be necessary to acquire surface rights for mining, plant, tailings and mine waste disposal. There can be no assurance that the Company will be successful in acquiring any such rights.

#### ***Governmental Permits and Licensing***

In the ordinary course of business, the Company and any other entities through which the Company may obtain an interest in mineral properties will be required to obtain and renew governmental permits and licenses for the operation and expansion of existing operations or for the commencement of new operations. Obtaining or renewing the necessary governmental permits is a complex and time-consuming process, which will also involve local communities. The duration and success of the efforts to obtain and renew permits and licenses are contingent upon many variables not within the control of the Company including the interpretation of applicable requirements implemented by the permitting or licensing authority. Permits and licenses or the renewals thereof that are necessary to the operations in which the Company has an interest, or the cost to obtain or renew permits and licenses, may exceed what the Company expects. Any unexpected delays or costs associated with the permitting and licensing process could delay the development or impede the operation of projects in which the Company acquires an interest.

#### ***Infrastructure***

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants which affect capital and operating costs. In addition, unusual or infrequent weather phenomena, terrorism, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect operations on the Company's operations, financial condition and results of operations.

#### ***Market Financial Conditions***

Current financial markets have been subject to increased volatility. Such factors may impact the ability of the Company to obtain equity or debt financing in the future and, if obtained, on terms favourable to the Company. If these increased levels of volatility and market turmoil continue, the Company's operations could be adversely impacted and the value and the price of the shares of the Company could be adversely affected.

#### ***Repatriation of Earnings***

Currently there are no restrictions from Chile as to the repatriation of earnings to foreign corporate parent entities. Canada does maintain a free trade agreements with a number of countries, including Chile, that allows the repatriation of earnings without subjecting those earnings to a withholding tax. However, there can be no assurance that restrictions on repatriation of earnings from Chile will not be imposed in the future.

#### ***Currency Fluctuation***

The Company's current exploration and property acquisition commitments are denominated primarily in Canada and United States Dollars. If the Company receives revenue as a result of its interests in the Adam West or its Chilean Projects, it expects that most of any such revenues will be in Canada and United States Dollars. This Company may in the future be exposed to foreign currency fluctuations which may materially affect its financial position and operating results.

#### ***Uninsurable Risks***

In the course of exploration, development and production of mineral properties involves numerous risks, including from unexpected or unusual geological or operating conditions, may occur. It is not always possible to fully insure against such risks, and the Company may decide not to take out insurance against such risks as a result of high premiums or other reasons. Such risks may result in liabilities that reduce or eliminate any future profitability and result in an increase in costs and a decline in value of the securities of the Company.

The Company is not insured against environmental risks. Insurance against environmental risks (including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration and production) has not been generally available to companies within the industry. Without such insurance, and if the Company becomes subject to environmental liabilities, the payment of such liabilities would reduce or eliminate their available funds or could exceed the funds available to pay such liabilities and result in bankruptcy. Should the Company be unable to fund fully the remedial cost of an environmental problem it might be required to enter into interim compliance measures pending completion of the required remedy.

#### ***Operating Hazards and Risks***

In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes, may occur. It is not always possible to fully insure against such risks and the Company may decide not

to insure against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of the Company.

***Conflicts of Interest***

Certain directors and officers of the Company are, and may continue to be, involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of the Company. Situations may arise in connection with potential acquisitions in investments where the other interests of these directors and officers may conflict with the interests of the Company, and the Company's interests may be adversely affected.

***No History of Earnings***

The Company has no history of earnings, and there is no assurance that any other mineral properties in which it might acquire an interest will generate earnings, operate profitably or provide a return on investment in the future. The Company has not paid dividends in the past and has no plans to pay dividends for the foreseeable future. The future dividend policy of the Company will be determined by its directors.

***Negative Operating Cash Flow***

Since commencing its operations during the financial period ended October 31, 2019, the Company has had negative operating cash flow and incurred losses. The negative operating cash flow and losses are expected to continue for the foreseeable future. The Company may never achieve positive operating cash flow.

***Acquisition of Additional Mineral Properties***

If the Company abandons or loses its interests in its mineral projects or the subsidiaries that hold those interests, there is no certainty that the Company's continued listing would be approved by the CSE or applicable regulatory authorities. There is also no guarantee that the CSE will approve the acquisition of any additional mineral property interests by the Company, whether by way of option or otherwise, should the Company wish to acquire any additional property interests.

***Competition***

Significant and increasing competition exists for mining opportunities internationally. As a result of this competition, much of which is with large established mining companies with substantial capabilities and far greater financial and technical resources than the Company, the Company may be unable to acquire employees, additional attractive mining properties or financing on terms it considers acceptable. There is no assurance that the Company will be able to acquire another mineral property of merit or that such an acquisition would become a feasible and viable development project. The Company also competes with other mining companies in the recruitment and retention of qualified personnel.