



MANAGEMENT'S DISCUSSION & ANALYSIS

QUARTERLY HIGHLIGHTS

MARCH 31, 2020

1. OVERVIEW

Goldsource Mines Inc. (the “Company” or “Goldsource”) is headquartered in Vancouver, BC and its common shares trade on the TSX Venture Exchange (“TSX-V”) under the symbol GXS and on the OTCQB under the symbol “GXSF”. This Interim Management’s Discussion and Analysis – Quarterly Highlights (“Interim MD&A”) is an overview of all material information about the Company’s operations, liquidity and capital resources for the three months ended March 31, 2020. The Interim MD&A should be read in conjunction with the unaudited condensed consolidated interim financial statements for the three months ended March 31, 2020 and 2019 and the related notes contained therein which have been prepared under International Accounting Standard 34 – Interim Financial Reporting as issued by the International Accounting Standards Board. The following should also be read in conjunction with the audited consolidated financial statements for the years ended December 31, 2019 and 2018, and the related notes contained therein. All amounts are stated in Canadian dollars unless otherwise indicated. Additional information related to the Company is available for view on SEDAR at www.sedar.com and on the Company’s website www.goldsourcemines.com.

The first, second, third, and fourth quarters of the Company’s fiscal years are referred to as “Q1”, “Q2”, “Q3”, and “Q4”, respectively.

The effective date of this MD&A is May 25, 2020. This interim MD&A contains forward looking information. Reference to “7. Cautionary Statements and Disclaimers” is advised.

All amounts are in Canadian dollars unless noted.

2. HIGHLIGHTS

The Company’s key events and highlights during the three months ended March 31, 2020 and to date include the following:

a. Eagle Mountain Gold Project

Overview

The Company’s focus is its Eagle Mountain Gold Project (“Eagle Mountain”). Its 100% interest in the Eagle Mountain Property (the “Property”) consists of an area of approximately 5,050 hectares (12,480 acres) in central Guyana, South America. 4,784 hectares (11,860 acres) of the Eagle Mountain Property relate to the Eagle Mountain Prospecting License while 266 hectares (660 acres) relate to the Medium Scale Mining Permit held by Kilroy Mining Inc. Goldsource constantly reassesses the size of its land package as exploration work is completed.

Goldsource’s current objective is to build a critical mass of resources of 1.3 to 1.6 million ounces of gold (or “Au”) grading greater than 1.0 grams per tonne (“gpt”) Au, based on a low strip ratio (waste:ore), open pit operation, through expansion of the main Eagle Mountain Gold deposit and additional discoveries of both saprolite and hard rock gold mineralization. The Company believes that this will support the completion of a Pre-Feasibility Study (“PFS”) on a low cost large-scale, 4,000 to 5,000 tonnes per day, open pit gravity-cyanidation operation.

Currently, the Company’s resources at Eagle Mountain, based on the 2014 Preliminary Economic Assessment¹ (“PEA”) are as follows:

Category	Tonnes	Gold Grade (gpt)*	Contained Ounces Gold
Indicated	3,921,000	1.49	188,000
Inferred	20,635,000	1.19	792,000

The following table shows only saprolite resources:

Category	Tonnes	Gold Grade (gpt)*	Contained Ounces Gold
Indicated	1,590,000	1.45	74,100
Inferred	7,202,000	1.32	305,600

*Estimated at 0.5 gpt cut-off for gold.

¹ Refer to Technical Report titled “Preliminary Economic Assessment of the Eagle Mountain Saprolite Gold Project, Guyana”, effective June 14, 2014 and dated September 12, 2014 (“PEA”). The Company cautions that the PEA is preliminary in nature in that it is based on inferred mineral resources which are considered too speculative geologically to have the economic considerations applied to them that would enable them to be characterized as mineral reserves, and there is no certainty that the results or recommendation of the PEA will be realized. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

To expand and re-categorize current saprolite and hardrock resources from the Inferred category to the Indicated and Measured categories, Goldsource has defined several greenfield exploration targets within the Property, as well as expansion and in-fill areas within the existing geological resource wireframe; relevant drill programs commenced in May 2017 and continue to date.

During the period from January 1, 2020 to May 25, 2020, the Company completed the following drilling:

	Total Number of Holes	Total DDH Meters Drilled	Number of Announced Holes	DDH Meters Drilled and Announced
2020 Drilling to May 25, 2020	25	5,932	8	1,313
Salbora Deposit (incl. above)	7	1,779	0	0

During Q1, 2020, the Company incurred \$1,476,272 of exploration and evaluation expenses for the Eagle Mountain Gold Project (please refer to section 3 below – Results of Operations and Financial Condition). As at March 31, 2020, the Company's cumulative exploration and evaluation expenditures, including acquisition costs, on the Eagle Mountain Gold Project totaled \$24.7 million.

2020 Eagle Mountain Activities

Geophysical survey

During 2020, the Company successfully completed the expansion of the ground geophysical survey. Phase II ground geophysics included an additional 62 line-kilometres of gradient array Induced Polarization ("IP"), 62 line-km of high-resolution ground magnetic survey and 10 line-km of Pole-Dipole ("PDP") detailing IP survey over selected targets. The total ground geophysical coverage was expanded to an area of approximately 7.5 square kilometres and the ground IP/Resistivity and magnetic surveys were successfully completed in January 2020. Additional geophysical anomalies merit further exploration and will be used to guide exploration drilling in 2020.

Drilling

Since January 1, 2020, the Company has completed approximately 6,000 metres of core drilling. Drilling has resulted in the discoveries of the Toucan target and the Powis target and expansion of the Friendly target (please refer to the Company's news releases dated February 5, 2020, April 14, 2020 and May 20, 2020, respectively).

Powis is an area of extensive historical artisanal workings, 600 metres along strike from the Toucan target which has a historic adit grading 18.5 gpt gold over a 23.0 metre length (in-vein). The most significant results from the inclined diamond drilling at Powis as announced February 5, 2020 are:

Hole ID	From (m)	To (m)	Drilled Interval (m) ⁽¹⁾	Au (gpt) ⁽²⁾
EME19-027	10.0	11.5	1.5	0.72
EME19-028	7.0	8.5	1.5	11.97
EME19-029	38.5	41.5	3.0	0.50
EMD19-090	78.0	79.5	1.5	0.67
EMD19-096	81.0	91.5	10.5	9.94
EMD19-098	94.5	96.0	1.5	10.91

⁽¹⁾ True thickness is approximate 80 to 100% of drill thicknesses except where noted.

⁽²⁾ Cutoff grade of 0.3 gpt Au.

Of the 10 core holes drilled at or near the Powis target, results from four holes are below the Company's cut off grade of 0.3 gpt Au.

The Toucan target is located within the north-south trending Salbora-Powis structural corridor (est. two kilometres in length) adjacent to the Eagle Mountain Gold Project. When combined with previous work completed, these results suggest that the Toucan discovery is initially 250 metres long by 20 to 40 metres wide, open along strike and to depth, and may be connected to the Powis target, 600 metres to the south. The most significant results (uncut, undiluted) for the Toucan target, as announced April 14, 2020, are:

Hole ID	From (m)	To (m)	Drilled Interval (m) ⁽¹⁾	Au (gpt) ⁽²⁾
EMD20-102	21.0	87.0	66.0	1.35

GOLDSOURCE MINES INC.
INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS
QUARTER ENDED MARCH 31, 2020

TSX.V:GXS

EMD20-103	67.5	84.0	16.5	0.88
EMD20-104	0.0	7.5	7.5	0.40
	19.5	22.5	3.0	0.70
	36.0	37.5	1.5	1.12
	102.0	105.0	3.0	0.71
EMD20-105	36.0	37.5	1.5	0.50
	46.5	82.5	36.0	2.10

Note: All numbers rounded.

⁽¹⁾ True widths variable depending on hole's inclination.

⁽²⁾ Cutoff grade of 0.3 gpt Au.

The Friendly target is located immediately north of the Eagle Mountain Gold Project. Combined with previous drilling by Goldsource and historic drilling totalling 17 core holes (1,670 metres) at the Friendly target, this suggests potential for an initial strike of 350 metres long and 500 metres wide which includes numerous near vertical, closely-spaced, and parallel gold mineralized structures. The prospect remains open along strike and to depth and appears to be connected to the Bottle Bank area, located 500 metres to the south, which is part of Eagle Mountain. The most significant results (uncut, undiluted) for the Friendly target as announced May 20, 2020 are:

Hole ID	From (m)	To (m)	Drilled Interval (m) ⁽¹⁾	Au (gpt) ⁽²⁾
EME19-021	59.5	61.0	1.5	1.08
EME19-023	109.5	111.0	1.5	0.61
	121.5	148.5	27.0	1.72
	211.5	231.0	19.5	0.62
	252.0	256.5	4.5	0.98
EME19-024	13.0	25.0	12.0	0.50
	112.5	115.5	3.0	3.34
EME19-025	97.5	99.0	1.5	0.94
	144.0	145.5	1.5	1.60
	159.0	232.5	73.5	0.50
EME19-026	259.5	261.0	1.5	0.54
EMD20-099	46.5	51.0	4.5	0.78
EMD20-100	1.5	3.0	1.5	0.82
	9.0	10.5	1.5	0.72
	25.5	28.5	3.0	2.46
EMD20-101	6.0	7.5	1.5	1.01
EMD20-108	42.0	52.5	10.5	0.87

⁽¹⁾ True thickness is approximate 80 to 100% of drill thicknesses except where noted.

⁽²⁾ Cutoff grade of 0.3 gpt Au.

Of the 10 core holes drilled in the Friendly prospect announced on May 20, 2020, results from one hole is below the Company's cut off grade of 0.3 gpt Au.

Previous drilling and work at the Powis, Toucan and Friendly targets were completed as follows:

- Limited diamond core drilling over parts of Powis, Toucan and Friendly took place between 1970s and 2008.
- The Guyana Geological Survey, now called GGMC in the 1970s was searching for molybdenum in the Powis area and drilled nine holes. These holes did not recover saprolite nor assay all intervals for gold.
- In 1997, Golden Star Resources Ltd. ("GSR") drilled two holes in the Toucan target, two holes in the Powis target and one hole in the Friendly target. Partial core has survived and had been re-assayed by IAMGOLD Corporation ("IAMGOLD") in 2008.

- In 2008, IAMGOLD drilled three additional holes in the Powis area and five holes in the Friendly area, with their core surviving to date.
- Construction of an exploration adit (the "Coolie Adit") in the 1940's potentially done by Anaconda Mining Company. The adit was re-sampled and re-assayed by IAMGOLD in 2006.
- Goldsource completed 11 shallow diamond drill holes in 2018 as part of the saprolite expansion program.

The significant results from the above previous work (uncut, undiluted) in the Powis, Toucan and Friendly targets are available in the news release dated February 5, 2020, April 14, 2020 and May 20, 2020, respectively. The Company is not treating the historical drill intercept mineralization estimates and other sampling intercepts from GSR, Geological Survey or IAMGOLD as current mineral resources or reserves, has not verified them and is not relying on them. The Company is currently only using them to guide its exploratory drilling work but plans to conduct work to further verify the historic results in the future.

Historically, previous companies focused on the Eagle Mountain deposit for its near surface bulk mineable potential with smaller high-grade targets, like Powis, Toucan and Friendly, of lesser priority. Goldsource believes these targets, like Salbora that was discovered in 2019, could add significant ounces to help obtain its critical mass to complete its ongoing PFS.

In the next seven months, subject to Guyana COVID-19 restrictions being lifted, the Company plans to operate three drills to complete additional expansion and in-fill drill holes for 5,000 to 7,500 metres at Eagle Mountain including extensions of Salbora, Powis, Toucan, Friendly targets and the Eagle Mountain Gold deposit.

With a minimum monthly burn rate during the COVID-19 suspension, \$6.6 million in cash and no debt on the balance sheet as of May 25, 2020, Goldsource is uniquely positioned to advance Eagle Mountain during these challenging market conditions to deliver an updated resource estimate to support an ongoing PFS for the project.

b. Corporate

During Q1, 2020, corporate highlights include the following:

- On March 24, 2020, the Company completed a private placement of 60,026,500 units at a price of \$0.11 per unit for gross proceeds of \$6,602,915. Each unit consisted of one common share and one-half warrant. Each warrant entitles the holder to purchase one common share at a price of \$0.16 until September 24, 2022. The Company paid cash commissions of \$371,777 and issued 3,571,590 agents' warrants with a fair value of \$290,708 in connection with the private placement. Each agent warrant entitles the holder to purchase one common share at a price of \$0.11 per share until March 24, 2022. The Company incurred capital stock issuance costs of \$212,096 in connection with the private placement. The Company plans to use a portion of the proceeds of the private placement for the Eagle Mountain resource expansion, PFS costs, and general corporate purposes.
- On February 24, 2020, the Company issued 600,000 common shares at \$0.09 per common share for gross proceeds of \$54,000 upon the exercise of warrants.
- 32,957,600 warrants with an exercise price of \$0.10, and 1,750,000 stock options with an exercise price of \$0.20 expired unexercised.

c. COVID-19 Update

As announced on April 6, 2020, the Company's business could be adversely affected by the effects of the recent outbreak of respiratory illness caused by COVID-19. Since early March 2020, several significant measures have been implemented in Canada, Guyana and the rest of the world by authorities in response to the increased impact from COVID-19. The Company cannot accurately predict the impact COVID-19 will have on the ability of third parties to meet their obligations with the Company, including due to uncertainties relating to the ultimate geographic spread of the virus, the severity of the disease, the duration of the outbreak, and the length of travel and quarantine restrictions imposed by governments of affected countries. In particular, the continued spread of the COVID-19 globally could materially and adversely impact the Company's business including without limitation, employee health, limitations on travel, the availability of industry experts and personnel, restrictions on planned drill programs and other factors that depend on future developments beyond the Company's control. In addition, the significant outbreak of a contagious disease has resulted in a widespread health crisis that has adversely affected the economies and financial markets of many countries (including Canada and Guyana), resulting in a potential economic downturn that may negatively impact the Company's financial position, financial performance, cash flows, and its ability to raise capital, in 2020. Following the policies and guidelines, relevant to the COVID-19 pandemic, by both Canadian and Guyanese authorities, the Company temporarily suspended its drilling and exploration activities at Eagle Mountain, beginning April 5, 2020 and they remain suspended as of May 25, 2020. While the impact of COVID-19 is expected to be temporary, the current circumstances are dynamic and the impacts of COVID-19 on the Company's exploration activities, including the duration and impact on its planned resource update and PFS cannot be reasonably estimated at this time.

3. RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Comparison of the three months ended March 31, 2020 and 2019

During the three months ended March 31, 2020, comprehensive losses were \$1,666,032, compared to \$1,190,943 for the same period in 2019. The principal differences and significant amounts to note are as follows:

	Three Months Ending			Variance Explanation
	March 31,			
	2020	2019	Variance	
Exploration and evaluation expenditures	1,476,272	641,666	834,606	The increase in exploration and evaluation activity at Eagle Mountain since Q1, 2019 is primarily due to the addition of a contract drill rig, leading to increased exploration activity on the property.
Foreign exchange loss (gain)	(91,437)	16,231	(107,668)	During Q1, 2020, the Company held larger amounts of US dollar cash and cash equivalents, and the US dollar appreciated compared to the Canadian dollar in Q1, 2020.
Share-based compensation	12,942	291,514	(278,572)	The decrease in share-based compensation expense from Q1, 2019 to Q1, 2020 is due to the timing of stock option grants. No stock options were granted in Q1, 2020, the share-based expense recognized in the period relates to the vesting of stock options granted in 2019.

During Q1, 2020 and 2019, exploration and evaluation expenditures were \$1,476,272 and \$641,666, respectively. The significant variations between these periods included the following:

Exploration and evaluation expenditures	Expenditures during Q1, 2020	Expenditures during Q1, 2019	Variance	Variance Explanation
Assays	73,044	20,017	53,027	As the Company drilled more exploration holes during Q1, 2020, a larger number of core samples were sent for assaying, resulting in an increased assay expense.
Camp costs	166,150	88,494	77,656	Increased camp costs during Q1, 2020, result from increased camp capacity and additional contract drillers at the Eagle Mountain camp.
Depreciation	53,678	117,735	(64,057)	The decrease in depreciation expense for the period is the result of some of the capital assets owned by the Company being fully amortized in Q1, 2020.
Drilling	664,002	29,609	634,393	Since Q1, 2019, the Company has increased the number of drill rigs active at site to increase exploration of the Eagle Mountain property. Significantly more diamond drilling was completed during Q1, 2020 (5,932 metres) than in Q1, 2019 (1,598 metres).
Operations and general	62,365	80,012	(17,647)	The decrease in operations and general expense from Q1, 2019 to Q1, 2020 is due to the timing of purchases of supplies required for operations at the Eagle Mountain camp.
Salaries	337,773	238,619	99,154	The increase in salaries for the period results from the additional personnel hired to support the increased drilling in Q1, 2020.
Technical services and consulting	119,260	21,115	98,145	In Q1, 2020 the Company completed geophysical surveys of the Eagle Mountain property, no similar work was completed in Q1, 2019.

4. LIQUIDITY AND CAPITAL RESOURCES

a. Assets

At March 31, 2020, Goldsource held cash and cash equivalents of \$7,674,881 (December 31, 2019 – \$3,159,068). Goldsource continues to monitor cash resources against anticipated expenditures associated with advancing Eagle Mountain. Other current assets totalling \$179,950 consist primarily of prepaid expenses of \$148,922 (December 31, 2019 – \$58,635) and amounts receivable of \$30,013 (December 31, 2019 – \$62,641).

The Company has a deposit of \$292,178 (US\$206,200) (December 31, 2019 – \$268,387 (US\$206,200)) which is pledged as a reclamation site bond in the form of a non-interest-bearing bank guarantee deposit to the GGMC for exploration permits on the Property.

Property, plant and equipment increased to \$3,105,628 (December 31, 2019 – \$3,067,855), primarily due to the purchase of equipment of \$102,291 (March 31, 2019 – \$32,198), offset by depreciation of \$69,326 (March 31, 2019 – \$133,670), with significant purchases including purchase of a vehicle, ATV's, and a laptop computer.

b. Liabilities

At March 31, 2020, current liabilities include accounts payable and accrued liabilities of \$698,704 (December 31, 2019 – \$475,417), which relate to various contractual commitments in the normal course of business.

As at March 31, 2020, the Company has recorded a rehabilitation provision of \$401,467 (December 31, 2019 – \$391,051), which was also included in property, plant and equipment. The present value of the rehabilitation provision was calculated using an effective discount rate of 5% (December 31, 2019 – 5%) and reflects anticipated cash flows to be incurred over approximately the next eight years (December 31, 2019 – nine years). The undiscounted value of these obligations is \$431,534 (US\$333,750) (December 31, 2019 – \$429,185 (US\$332,000)), calculated using a long-term inflation rate assumption of 2.5% (December 31, 2019 – 2.4%).

c. Liquidity Outlook and Risks

As at March 31, 2020, the Company had cash and cash equivalents of \$7.7 million (December 31, 2019 – \$3.2 million), accumulated losses of \$59.2 million (December 31, 2019 – \$57.8 million) and working capital of \$7.1 million (December 31, 2019 – \$2.7 million). While the Company currently has no source of revenue, management believes its cash and cash equivalents of \$7.7 million, as of March 31, 2020, will be sufficient to fund its minimum exploration activities and general working capital for the next 12 months. During the first three months of 2020, the Company received gross proceeds of \$6.6 million upon the closing of a private placement. The Company has been, and plans to, use the proceeds from the private placement as outlined in "2. Highlights – Eagle Mountain Gold Project". As at May 25, 2020, the cash and cash equivalents held by the Company had decreased to \$6.6 million.

In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets which are revised periodically based on the results of its exploration program, availability of financing, and industry conditions. The Company's ability to continue as a going concern is dependent on its ability to raise debt or equity financing and discover economically viable mineral deposits. Ongoing exploration work at Eagle Mountain may be delayed or disrupted, will require substantial additional financing, and is subject to a number of factors many of which are beyond the Company's control. Although the Company has been successful in raising funds to date, there is no assurance that future equity capital or debt facilities will be available to the Company in the amounts or at the times desired by the Company or on terms that are acceptable to it, if at all.

5. COMMITMENT, EVENTS AND UNCERTAINTIES

Other than disclosed below, there was no commitment, event or uncertainty which materially affected the Company's operations, liquidity, and capital resources during Q1, 2020, or which may have a material effect going forward.

- On October 1, 2015, as amended May 7, 2018, the Company entered into a lease agreement for office space which requires the Company to make the following lease payments:

Undiscounted lease payments	March 31, 2020	December 31, 2019
Not later than 1 year	\$ 60,395	\$ 60,395
Later than 1 year and not later than 5 years	104,868	119,967
	\$ 165,263	\$ 180,362

- In November 2019, Kilroy Mining Inc. ("Kilroy") received a demand for foregone customs duty and taxes from the Guyana Revenue Agency ("GRA"). The GRA alleges that the joint venture agreement between Kilroy and Stronghold Guyana Inc., a wholly owned subsidiary of the Company, has breached the terms of the customs duty and tax exemption granted to Kilroy during 2015 and 2016

on the purchase of mining equipment. The GRA seeks payment of \$486,620 (\$73,056,644 Guyanese dollars). Management has been advised that these claims are without merit and intends to defend against the claim. Accordingly, the Company has not accrued any amounts related to this claim.

6. RELATED PARTY TRANSACTIONS

During the three months ended March 31, 2020, the Company entered into the following transactions with related parties:

a. Key management compensation

The Company's key management personnel have the authority and responsibility for planning, directing, and controlling the activities of the Company and include the Company's President, Executive Chairman and Chief Operating Officer ("COO"), and Chief Financial Officer ("CFO"). Key management personnel compensation is summarized as follows:

	Three months ended March 31, 2020	Three months ended March 31, 2019
Management remuneration ⁽¹⁾	\$ 75,750	\$ 73,125
Directors fees	9,000	-
Share-based compensation ⁽²⁾	-	258,562
	\$ 84,750	\$ 331,687

⁽¹⁾ The Company paid management fees to Maverick Mining Consultants Ltd. and Laurium Mining Services Inc. (companies controlled by the COO and the President, respectively) and paid remuneration and short-term benefits to the CFO.

⁽²⁾ Share-based compensation is the fair value of the vested portion of stock options that have been granted to directors and officers of the Company.

b. Legal fees

During the three months ended March 31, 2020, legal fees of \$10,859 (March 31, 2019 – \$6,846), and capital stock issuance costs of \$85,252 (March 31, 2019 – \$33,738) were paid or accrued to Koffman Kalef LLP, a law firm of which an officer of the Company is a partner, of which \$88,039 (December 31, 2019 – \$1,377) was payable at March 31, 2020.

c. Other transactions

During the three months ended March 31, 2020, the Company paid remuneration of \$Nil (March 31, 2019 – \$1,667) and recognized share-based compensation of \$Nil (March 31, 2019 – \$4,607) to Nathan Fier and S. Rosy Fier (son and daughter of the COO, providing technical services to the Company). Remuneration and share-based payments incurred to these employees were recorded as exploration and evaluation expenditures.

The Company has a cost sharing agreement with SilverCrest Metals Inc. ("SilverCrest"), a company related by common directors and officers (N. Eric Fier, Nicholas Campbell, and Graham Thody), whereby the Company shares salaries, administrative services, and other expenses. During the three months ended March 31, 2020, the Company was allocated \$37,378 (March 31, 2019 – \$56,453) for its share of these expenses, of which \$34,862 (December 31, 2019 – \$36,428) was payable to SilverCrest at March 31, 2020.

7. CAUTIONARY STATEMENTS AND DISCLAIMERS

a. Risk Factors

In addition to liquidity risks described in section 4, readers of this Interim MD&A are directed to read the "Risk Factors" contained in the Company's Annual MD&A dated April 27, 2020, available on www.goldsourcemines.com and under the Company's SEDAR profile on www.sedar.com. Important risk factors to consider among others are:

- Impact of COVID-19
- Risks inherent in the mining business;
- No history of operations or earnings;
- Licenses and permits;
- Mineral resource estimates;
- Mining capital and operating costs;
- Financing risks;
- Key employees; and
- Environmental risks and hazards.

b. Forward-Looking Statement

This Interim MD&A contains “forward-looking statements” within the meaning of Canadian securities legislation. Such forward-looking statements involve a number of 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 such forward-looking statements. In particular, the Interim MD&A contains forward-looking statements pertaining to the following: exploration and drilling programs at Eagle Mountain, including the Salbora, Powis, Toucan and Friendly areas; information regarding high grade areas projected from sampling results; the impact of the COVID-19 pandemic on operations and on the timing and completion of exploration programs, technical reports and studies, including the Company’s updated resource estimate for the Eagle Mountain Gold Project scheduled for H2, 2020 and preliminary feasibility study scheduled for 2021; information with respect to projected capital and operating costs, the amount of future production of gold over any period, the amount of expected grades and ounces of metals, gold recoveries, mine life, and gold production rates of Eagle Mountain; and expectations regarding the Company’s ability to manage capital resources and meet working capital requirements.

Such forward-looking statements or information are based on a number of assumptions which may prove to be incorrect. Assumptions have been made regarding, among other things: the conditions in general economic and financial markets; precious metals prices; ability to realize the PEA and develop and finance the project; the accuracy of the interpretations and assumptions used in calculating inferred mineral resource estimates; the availability of mining equipment and skilled labour; the timing and amount of capital expenditures; the performance of available laboratory and other related services; effects of regulation by governmental agencies; future operating costs and the ultimate impact of the COVID-19 pandemic.

The actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and elsewhere in this Interim MD&A: the availability of funds; the timing and content of work programs; results of exploration activities and development of mineral properties; the interpretation of drilling results and other geological data; the uncertainties of resource estimations; the receipt, maintenance and security of permits and mineral property titles; environmental and other regulatory risks; project cost overruns or unanticipated costs and expenses; uncertainty as to actual capital costs, operating costs, production and economic returns; uncertainty that development will result in a profitable mining operation at Eagle Mountain; reliance on the PEA; operating and hazards risks and limitations on insurance; fluctuations in precious metals prices; currency fluctuations; political and economic risks; and public health concerns (including health epidemics or outbreaks of the communicable diseases such as the COVID-19 pandemic).

Forward-looking statements are based on the expectations and opinions of the Company’s management on the date the statements are made. The assumptions used in the preparation of such statements, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made. The Company undertakes no obligation to update or revise any forward-looking statements included in this Interim MD&A if these beliefs, estimates and opinions or other circumstances should change, except as otherwise required by applicable law.

c. Qualified Person

Technical information contained in this Interim MD&A has been prepared by or under the supervision of N. Eric Fier, CPG, P.Eng, and Executive Chairman and COO for Goldsource, who is a ‘Qualified Person’ for the purpose of NI 43-101.