



**G2 GOLDFIELDS INC.**

**Management's Discussion and Analysis  
of Interim Consolidated Financial Position  
and Interim Consolidated Results of Operations for the  
Three Months ended August 31, 2020 and 2019**

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

### INTRODUCTION

The following interim management's discussion and analysis ("Interim MD&A") of the activities, consolidated financial condition and consolidated results of the operations of G2 Goldfields Inc. (the "Company") constitutes management's review of the factors that affected the Company's consolidated financial and operating performance for the three months ended August 31, 2020 and 2019.

This MD&A should be read in conjunction with the Company's Annual MD&A, audited annual financial statements for the years ended May 31, 2020 and 2019, together with the notes thereto and the unaudited interim condensed consolidated financial statements for the three months ended August 31, 2020, together with the notes thereto, as filed by the Company on Sedar.

This Interim MD&A has been prepared to provide material updates and comment on significant factors affecting the business operations, liquidity, and capital resources of the Company.

This Interim MD&A does not provide a general update to the Annual MD&A, nor form part of the audited consolidated financial statements of the Company or reflect any non-material events since the date of the Annual MD&A.

This Interim MD&A has been prepared in compliance with section 2.2.1 of Form 51-102F1, in accordance with National Instrument 51-102 – Continuous Disclosure Obligations.

The Company's unaudited interim condensed consolidated financial statements and the financial information contained in this Interim MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee.

The unaudited interim condensed consolidated financial statements have been prepared in accordance with International Standard 34, Interim Financial Reporting.

To prepare this Interim MD&A, management, in conjunction with the Board of Directors (the "Board"), considers the materiality of information to the Company. Information is considered material if:

- (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the common shares of the Company;
- (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or
- (iii) it would or might significantly alter the total mix of information available to investors.
- (iv) Management, in conjunction with the Board, considers materiality with reference to all relevant circumstances, including potential market sensitivity.

All dollar amounts in this Interim MD&A are in Canadian dollars, unless stated otherwise. References to C\$ are to Canadian dollars.

This Interim MD&A is dated October 26, 2020 and information contained herein is presented as of such date, unless otherwise indicated.

### DESCRIPTION OF THE BUSINESS

The Company is a Canadian based resource exploration company focused on the acquisition of multiple unique, but historically challenged, mineral exploration projects, each with the potential to identify and generate one or more significant gold projects for development.

The Company currently operates in two jurisdictions, being Guyana, South America and Sandy Lake, Ontario, Canada. The common factor is that the Company's projects in both countries contain Orogenic gold mineralization hosted in Proterozoic and Archean Greenstone belts

The Company was incorporated as 7177411 Canada Corporation on May 21, 2009, under the laws of Canada.

On April 4, 2019, the Company filed articles of amendment to change its name from "Sandy Lake Gold Inc." to "G2 Goldfields Inc.". The common shares are publicly traded on the TSX Venture Exchange ("TSX-V") under the symbol GTWO.

The head office, principal address, and records office of the Company are located at 141 Adelaide Street West, Suite 1101, Toronto, Ontario, Canada, M5H 3L5.

## **MARKET TRENDS**

Management regularly monitors economic conditions and estimates their impact on the Company's operations and incorporates these estimates in both short-term operating and longer-term strategic decisions. From 2018 to date, equity markets in the junior resource sector, particularly the TSX-V, have shown signs of improvement with mining equity values increasing significantly recently. Strong equity markets generally provide favorable conditions for completing a public merger, financing, or acquisition transaction.

However, COVID-19 has made access to capital for junior mining companies likely to be challenging. Since mid-March 2020, share prices for the Company's peer group have both dropped and risen most dramatically over a very short period.

Apart from the above effect of COVID-19 and the risk factors noted under the heading "Risks and Uncertainties" and "Caution Regarding Forward-Looking Information", management is not aware of any other relevant trends, commitments, events or uncertainties that might have a material effect on the Company's business, financial condition or results of operations.

**THIS REVIEW OF THE RESULTS OF OPERATIONS SHOULD BE READ IN CONJUNCTION WITH THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY FOR THE YEARS END MAY 31, 2020 and 2019, ALONG WITH OTHER PUBLIC DISCLOSURE DOCUMENTS OF THE COMPANY.**

## **ADDITIONAL INFORMATION**

Additional information relating to the Company's profile is available on the System for Electronic Document Analysis and Retrieval (SEDAR) website at [www.sedar.com](http://www.sedar.com) or on the Company's website [www.g2goldfields.com](http://www.g2goldfields.com).

Daniel Noone, (Member of the Australian Institute of Geoscientists) is a qualified person as defined by National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* "NI 43-101") and has reviewed and approved for inclusion the scientific and technical disclosure in this MD&A. Mr. Noone is also the Chief Executive Officer of the Company.

## **CAUTION REGARDING FORWARD-LOOKING INFORMATION**

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future looking statements.

Often, but not always, forward-looking statements can be identified by the use of words such as "plans," "expects," "is expected," "budget," "scheduled," "estimates," "continues," "forecasts," "projects," "predicts," "intends," "anticipates" or "believes," or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results "may," "could," "would," "should," "might" or "will" be taken, occur or be achieved.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statements.

There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The forward-looking statements in this MD&A speak only as of the date hereof. The Company does not undertake any obligation to release publicly any revisions to these forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events, except as required by law.

Forward-looking statements and other information contained herein, including general expectations concerning the mining industry, are based on estimates and forecasts prepared by the Company employing data from publicly available industry sources, as well as from market research and industry analysis, and on assumptions based on data and knowledge of this industry and the operating environment in the jurisdiction in which the Company operates and which it believes to be reasonable.

Although generally indicative of relative market positions, market shares and performance characteristics, this data is inherently imprecise. While the Company is not aware of any misstatements regarding any data presented herein, the mining industry generally involves risks and uncertainties and all data is subject to change based on various factors, often not foreseeable, including but not limited to World Health Organization identified pandemic(s) or other forms of sickness which may affect directly or indirectly the value of the Company or perceptions of value of commodities generally in the market place.

The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements. Although the Company has attempted to identify important factors and risks that could affect the Company and might cause actual actions, events or results to differ, perhaps materially, from those described in forward-looking statements, there may be other factors and risks that cause actions, events or results not to occur as projected, estimated or intended.

Forward-looking statements	Assumptions	Risk-factors
<ul style="list-style-type: none"> <li>Potential of the Company's properties to contain economic deposits of any mineral discovered</li> </ul>	<ul style="list-style-type: none"> <li>Financing will be available for future exploration and development of the Company's properties;</li> <li>the actual results of the Company's exploration and development activities will be favorable;</li> <li>operating, exploration and development costs will not exceed the Company's expectations;</li> <li>the Company will be able to retain and attract skilled staff;</li> <li>all requisite regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to the Company, and applicable political and economic conditions are favorable to the Company;</li> <li>the price of applicable minerals and applicable interest and exchange rates will be favorable to the Company;</li> <li>no title disputes exist with respect to the Company's properties</li> </ul>	<ul style="list-style-type: none"> <li>Price volatility of any mineral discovered;</li> <li>uncertainties involved in interpreting geological data and confirming title to, and interests in, properties;</li> <li>the possibility that future exploration results will not be consistent with the Company's expectations;</li> <li>availability of financing for and actual results of the Company's exploration and development activities;</li> <li>increases in costs;</li> <li>environmental compliance and changes in environmental and other local legislation and regulation;</li> <li>interest rate and exchange rate fluctuations;</li> <li>changes in economic and political conditions;</li> <li>the Company's ability to retain and attract skilled staff;</li> <li>the availability of permits</li> </ul>
<ul style="list-style-type: none"> <li>While the Company has only a minor source of revenue from royalties from small scale mining under license of the company, at Peters mine and Aremu mine, it believes that it has sufficient cash resources to meet its requirements for near term.</li> </ul>	<ul style="list-style-type: none"> <li>The operating activities of the Company for the next twelve months and beyond, starting from March 1, 2020, and the costs associated in addition to that, will be consistent with the Company's current expectations;</li> <li>debt and equity markets, exchange and interest rates and other applicable economic conditions are favorable to the Company.</li> </ul>	<ul style="list-style-type: none"> <li>Changes in debt and equity markets;</li> <li>timing and availability of external financing on acceptable terms;</li> <li>changes in the currently planned operations;</li> <li>increases in costs;</li> <li>environmental compliance and changes in environmental and other local legislation and regulation;</li> <li>interest rate and exchange rate fluctuations;</li> <li>changes in economic conditions.</li> </ul>
<ul style="list-style-type: none"> <li>The Company believes the properties warrant ongoing exploration, and will require additional funding to maintain the current or increased levels of exploration. Accordingly, the Company expects to incur further losses in the development of its business</li> </ul>	<ul style="list-style-type: none"> <li>Exploration activities will continue to comply with all government regulations;</li> <li>COVID-19 will not curtail operations as testing and remoteness of sites allows for adequate worker protection;</li> <li>Financing will be available as needed.</li> </ul>	<ul style="list-style-type: none"> <li>Increased government scrutiny and regulations;</li> <li>The Company's ability to satisfy worker safety;</li> <li>Availability of future financing.</li> </ul>

Forward-looking statements	Assumptions	Risk-factors
<ul style="list-style-type: none"> <li>The Company's ability to carry out anticipated exploration and maintenance on its property interests and its anticipated use of cash available to it in any period.</li> </ul>	<ul style="list-style-type: none"> <li>The exploration and maintenance activities of the Company's operations and costs for the next twelve months, and the costs associated in addition to that, will be consistent with the Company's current expectations;</li> <li>debt and equity markets, exchange and interest rates and other applicable economic conditions are favorable to the Company.</li> </ul>	<ul style="list-style-type: none"> <li>Changes in debt and equity markets;</li> <li>timing and availability of external financing on acceptable terms;</li> <li>increases in costs; changes in the operations currently planned for fiscal 2021;</li> <li>environmental compliance and changes in environmental and other local legislation and regulation;</li> <li>interest rate and exchange rate fluctuations;</li> <li>changes in economic conditions;</li> <li>receipt of applicable permits;</li> <li>ongoing uncertainties relating to applicable First Nations matters and any delay in compliance by Treasury Metals Inc. with the option agreement concerning the Weebigee Project.</li> </ul>
<ul style="list-style-type: none"> <li>Plans, costs, timing, and capital for future exploration and development of the Company's property interests, including the costs and potential impact of complying with existing and proposed laws and regulations.</li> </ul>	<ul style="list-style-type: none"> <li>Financing will be available for the Company's exploration and development activities, and the results thereof will be favorable;</li> <li>actual operating and exploration costs will be consistent with the Company's current expectations;</li> <li>the Company will be able to retain and attract skilled staff;</li> <li>all applicable regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to the Company;</li> <li>the Company will not be adversely affected by market competition; debt and equity markets, exchange and interest rates and other applicable economic and political conditions are favorable to the Company;</li> <li>the price of any applicable mineral will be favorable to the Company;</li> <li>no title disputes arise concerning the Company's properties.</li> </ul>	<ul style="list-style-type: none"> <li>Price volatility of any mineral discovered, changes in debt and equity markets;</li> <li>timing and availability of external financing on acceptable terms;</li> <li>the uncertainties involved in interpreting geological data and confirming title to acquired properties;</li> <li>the possibility that future exploration results will not be consistent with the Company's expectations;</li> <li>increases in costs; environmental compliance and changes in environmental and other local legislation and regulation;</li> <li>interest rate and exchange rate fluctuations;</li> <li>changes in economic and political conditions;</li> <li>the Company's ability to retain and attract skilled staff;</li> <li>availability of permits;</li> <li>market competition; uncertainties relating to applicable First Nations matters.</li> </ul>

<ul style="list-style-type: none"> <li>• Management's outlook regarding future trends, including the future price of any mineral discovered and availability of future financing.</li> </ul>	<ul style="list-style-type: none"> <li>• Financing will be available for the Company's exploration and operating activities;</li> <li>• the price of applicable minerals will be favorable to the Company.</li> </ul>	<ul style="list-style-type: none"> <li>• Changes in debt and equity markets;</li> <li>• interest rate and exchange rate fluctuations</li> <li>• changes in economic and political conditions</li> <li>• availability of financing</li> <li>• changes in debt and equity markets and the spot price of any mineral discovered, if available.</li> </ul>
<ul style="list-style-type: none"> <li>• Consultations with local First Nations for the Weebigee Project.</li> </ul>	<ul style="list-style-type: none"> <li>• The Company will engage in appropriate consultation with local First Nations and with the Government of Ontario which will result in the Company resuming work with the Weebigee Project.</li> </ul>	<ul style="list-style-type: none"> <li>• Consultations with local First Nations may not result in the Company resuming work on the Weebigee Project or may result in high additional costs to resume the Weebigee Project.</li> </ul>

Readers are cautioned that the above chart does not contain an exhaustive list of the factors or assumptions which may affect forward-looking statements, and that the assumptions underlying such statements may prove to be incorrect or simply insufficient.

Actual results and developments are likely to differ and may differ materially from those expressed or implied by the forward-looking statements contained in this MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause G2 Goldfields' actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. Accordingly, readers should not place undue reliance on forward-looking statements.

The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law.

If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates concerning those or other forward-looking statements from time to time, unless required by law in any of the jurisdiction in which the Company operates.

## OPERATIONAL HIGHLIGHTS

### Financial and Operational Highlights for the Three Months Ended August 31, 2020

The Company achieved the following:

- Recorded royalty receipts from artisanal workers on its properties of \$154,065;
- Completed the Private Placement raising \$5,000,000 in new capital;
- Realized an additional \$894,020 from the exercise of stock options and warrants;
- Completed a camp at Tracy to support initial drill campaigns at the Aremu Mine Area and Tracy;
- Continued negotiations with Sandy Lake's First Nations;
- Completed an initial 63 hole, 13,971 meter diamond drilling program on the Oko discovery;
- Commenced trenching at the Tracy and NW Oko areas;
- Commenced drill site preparation for the initial Aremu Mine Area drilling campaign;

## **EXPLORATION AND DEVELOPMENT SUMMARY**

In order to better understand the Company's financial results, it is important to gain an appreciation of the significant events, transactions and activities involving mineral property interests that occurred during the quarter ended August 31, 2020 and to the date of this MD&A.

During Q1, 2021 the Company completed an initial 63 hole 13,971 meter diamond drilling program, which successfully tested the 2.8 km long high-grade Oko Zone within the 17km long Aremu-Oko district.

Also during Q1, 2021 the Company notified Treasury Metals Inc that it had completed its earn-in to 50.1% on its Sandy Lake Weebigee project. Exploration on the Sandy Lake properties have been curtailed due to access restrictions relating to COVID-19 and pending exploration Agreements with First Nations.

### **Guyana Projects, Guyana, South America**

The Company completed its acquisition of Bartica Investments in fiscal 2020 which through its subsidiary in Guyana, Ontario Inc., has given the Company access to certain highly prospective mining exploration properties in Guyana.

The Company operates in Guyana, where it holds several concessions as detailed further in this MD&A. Bartica through its wholly owned Guyana subsidiary owns the Peters and Aremu properties as well as maintains an option agreement on various exploration properties as detailed in this MD&A.

Ontario Inc entered into an option agreement in December 2017 whereby it can acquire a 100% working interest in the eight mining permits comprising the Oko property. Throughout 2020 and up to the date of this MD&A, 63 diamond drill holes were completed by the Company on the Oko property (see relevant press releases issued in the period under review in this MD&A).

### ***Property Acquisitions in Guyana***

On December 2, 2019, the Company announced it had entered into an option agreement to acquire a 100% interest in the historic Jubilee Creek Goldfield acreage, Puruni District, Guyana. The property is comprised of contiguous claims totaling 7,900 acres and is located approximately 4.5 miles south-east of the Company's Peters Mine Property (8,800 acres). The Company may earn a 100% interest by making payments totaling \$US 475,000 over a 4-year period, with the vendor retaining a 2% Net Smelter Return (NSR). The Company has the option to acquire the NSR for \$US 2 million.

Despite a long history of production dating back to at least 1907, the property has never been drilled or subjected to a modern exploration campaign. Historical workings include a vertical shaft, two open pits and numerous adits spread out over 1000 feet. Country rock appears to be diorite and quartz diorite, but the historic mineralization is associated with a reticulate stockwork of quartz veins and stringers in a zone of intense shearing. Historic sampling of surface material has returned values from trace to 9.3 oz/ton Au.

This historical data referred to is based upon data and records prepared by the Guyana Geological Survey (Guardia F.J.L. – Report on the Mara Mara River, Whanamparu River and Upper Jubilee Creek Areas of the Middle Puruni; 1966). Surface sample results are prior to the implementation of National Instrument 43-101 ("NI 43-101"). The Company is of the view that the above historical data is reliable, however as to date it has been unable to independently confirm the historic results. The corroboration of these results will form part of a drill program in the near term.

On November 22, 2019 the Company also entered into an option agreement to acquire 100% interests of four claims (the Ghanie claims), totaling 3,280 acres, which are contiguous to the southeastern extent of the Oko claims. The Company may earn a 100% interest in the Ghanie claims by making payments totaling \$US 315,000 over a 4-year period, with the vendor retaining a 2% Net Smelter Return (NSR). The Company has the option to acquire the NSR for \$US 2 million.

## **Exploration Update of Mining Interests in Guyana**

The Aremu/Okoko/Ghanie and Jubilee/Peters Mine properties contain two of the four past-producing historical mines in Guyana. The properties total approximately 37,068 acres and are located in the Cuyuni-Mazaruni Region (Region 7) of north-central Guyana in the Guiana Shield.

The projects are located at the southern end of the Cuyuni Basin and host high grade Orogenic Gold mineralization within the Cuyuni Basin Sediments and the underlying Barama volcanics.

The Guyana Project locations are identified on the map available on the Company website <https://www.g2goldfields.com/projects/#aremu-oko-gold-project>.

The Aremu Oko District covers a strike length of approximately 17km. Four discrete, multi-kilometer long zones of gold mineralization have been delineated by soil sampling and mapping of historical and current mining operations. To date, the Company has drilled 63 holes within the Oko Zone and recently commenced drilling within the Aremu Mine Area.

An initial 63 holes have been completed at the Oko Zone, where gold mineralization has been intersected over 2.3 km of strike. The Oko Zone is divided into the "Oko Main Zone" in the north and "Oko South". The Oko Main Zone is comprised of up to 3 bedding parallel, high grade veins (up to 116 g/t Au over 2.4m) hosted in tightly folded, metamorphosed Carbonaceous Sediments and Volcanics. The high grade mineralization is continuous along 800m of strike (open to the north) and has been drilled to a depth of about 250m beneath surface. A lower grade (1-2 g/t Au) broader zone (5-20 m) of mineralization is hosted in the Oko Shear that runs north to south along the full 2.3km length of the Oko Zone. A 3D geological and mineralization model for the Main Oko Zone is being completed to assist with targeting the extensions of structurally controlled, high grade mineralization. Mapping and trenching are planned for South Oko.

Drilling at the Aremu Mine Area in the northwest of the district commenced on September 21, 2020. The Aremu Mine Area is a 4km long zone consisting of 20 auriferous veins (Micon 43-101; November 2018). High grade gold mineralization is hosted in a setting similar to the Oko Main Zone. The Aremu Mine was in production between 1906 and 1911 and produced 6,488 ounces of gold from 14,632 tons of ore at an average head grade of approximately 0.44 oz/Au t. A vertical shaft was sunk to 170 ft. below surface and 1200 ft. of horizontal drifting was developed at the -82 ft and - 160 ft levels. The actual mine consisted of numerous veins and workings including the Aremu Quartz Reef, Powerhouse, Scotland and the Donicker veins; all located along a 16,000 ft east-west trend. All the mentioned veins and reefs will be tested in the recently commenced drill program.

The Tracy Zone is defined by a 2.5km long gold in soil anomaly and is located 3km SE of the Aremu Mine Area. Historical records reveal a trench sampled by Golden Star (TT1) in 1992 intersected 10.7 g/t Au over 15 m. Results from TT1 are extracted from "Aremu Prospecting License Final Report 1993 – Golden Star Resources". This work was completed prior to the implementation of National Instrument 43-101 (NI 43-101). The Company is of the view that the above historical data is reliable, however it has yet been unable to independently confirm the historic results. G2 has completed 6 trenches totalling 608 metres several hundred metres south-east of the Golden Star trenching. The best results include 16 m @ 4.8 g/t Au which includes and encompasses a high-grade section of 2 m @ 32.4 g/t Au. High grade gold mineralization is hosted in deformed carbonaceous mudstones and siltstones within broader zones of hydrothermal alteration, similar to what is encountered at the Oko Main Zone.

NW Oko, a 3km long zone of artisanal workings and anomalous gold in soils, is situated 3km to the north-west of the Oko Zone, Trenching has intersected a of broad zone of low-grade gold mineralization with a weighted average of 1.1 g/t Au over 95 m. This trench includes a 2-metre section which assayed 31.7 g/t Au. The occurrence of widespread, disseminated, low grade mineralization within a pervasively altered, brittle host rock, is the first evidence for the potential of large bulk tonnage deposits to be found in the Aremu Oko District. Mapping and sampling of pervasively altered and mineralized outcrop, within artisanal mining operations adjacent to the north and south of the aforementioned trench is ongoing.

Initial drill programs for the Tracy and NW Oko Zones will be developed over the coming months.

Mapping and sampling at the Jubilee Mine are scheduled for the 4<sup>th</sup> quarter.

## Canada Project, Sandy Lake, Ontario, Canada

The Sandy Lake project in Canada is currently the Company's single Canadian exploration asset. It comprises approximately 125,000 acres of contiguous mineral claims in the Sandy Lake Archean Greenstone Belt, located approximately 140 miles north of Red Lake, Ontario.

The Company holds a 100% interest in the mineral rights to 110,000 acres and has the right to earn up to a 70% interest in an additional 15,000 acres, the "W series" of claims, in JV with Goldeye, now part of Treasury Metals Inc

In 2019, the Company's 22 hole drill program in the western part of the claim package returned high-grade gold intercepts of 34.50 g/t Au over 8.00 meters and 10.92 g/t Au over 10.33 meters (see relevant press releases (May 13, 2019), (September 3, 2019) and (January 6, 2020).

High-grade gold mineralization has been identified by drilling and sampling in several areas along a major banded iron formation (BIF) structure trending for 60km across the property.

During 2019, the Company completed a total of twenty-two drill holes totaling 4,794 meters. Eleven holes targeted the W1 and W2 zones and were successful in outlining high-grade gold mineralization over a 600 m in strike length (see press releases May 13 and September 4, 2019). An additional eleven holes were drilled in the W3 zone located over two km to the west of the W1/W2 area. The Company announced the results from the first seven holes (19-12 to 19-18) (see the press release September 4, 2019) which included high-grade core length intervals of 1.4 m of 11.85 g/t Au (hole 19-12) as well as 0.73 m grading 450.04 g/t Au (hole 19-14).

The Company announced by press release of January 6, 2020 the results from four holes drilled a further 400 m west of the original W3 discovery.

Of those 4 Drill holes SD 19-19 through SD 19-22 were drilled in a fan pattern from a single pad.

Of note, hole SD 19-22 intersected a broad zone of low-grade gold mineralization, returning a core length interval of 60.48 m grading 0.83 g/t Au. This is the deepest and most broad intersection to date in the W3 target area. The Company believes that this may demonstrate that as drilling progresses to the west, the gold mineralization may increase in thickness. Gold mineralization is associated with VTEM changeability anomalies of which several remain untested to the west around the closure of a major fold nose.

The 2019 drilling program has demonstrated the potential for the Company's Sandy Lake project to host both high grades as well as disseminated gold mineralization. Significant high-grade intersections at Sandy Lake Project are summarized in the press release of Jan 6, 2020.

The Company has compiled and analyzed the results at the Sandy Lake project from the drilling and mapping completed to date and will propose drill programs for the W3, W1/ W2 areas to be reviewed and approved by the Sandy Lake First Nation, subject to any pandemic issues which may continue to be a concern.

### Summary of Sandy Lake Goldeye Arbitration

The Company's interest in certain claims covering 15,000 acres known as the W series claims, is derived from a May 2015 option agreement between the Company and Goldeye Inc, now part of Treasury Metals Inc. Disputes have arisen between the two parties.

The two main issues subject to the arbitration were:

- (i) the correct calculations of amounts of expenditures incurred by the Company and
- (ii) whether Goldeye / Treasury Metals Inc. had a derivative right to exercise, or had effectively exercised an option to participate in a 50% joint venture with the Company in the ownership of a larger group of claims staked by the Company around the original Weebigee project in 2015.

Goldeye / Treasury Metals Inc. initiated the proceedings and had alleged that the Company had failed to

incur minimum first-year expenditures of \$500,000 on the Weebigee property as required by the May 2015 option agreement.

The Arbitral Tribunal panel ruled (see press release dated July 9, 2018), that the Company had in fact incurred expenditures far in excess in the first-year requirement.

On July 9, 2018, the Company announced a partial award in the Arbitration Proceedings with Goldeye / Treasury Metals Inc., that the Arbitral Tribunal has ruled in favor of the Company on all substantive issues.

The Arbitral Tribunal also ruled that:

- (i) Goldeye / Treasury Metals Inc. had failed to fulfill the conditions for participating in a joint venture with the Company in the surrounding mineral claim land package of approximately 80,000 acres (consisting of 2,210 individual claim units) of the total of approximately 110,000 acres held by the Company that are not part of the JV asset of the "W series" of claims. The W series of claims cover only the original 15,000 acres in the May 2015 JV Agreement. And thus,
- (ii) that Goldeye / Treasury Metals Inc. has no ownership or any other rights over or interests in these claims.

On January 21, 2019, the Company announced that it had been awarded \$926,960 in costs in the Arbitration Proceedings with Goldeye / Treasury Metals Inc. Payment for the full amount was received on September 19, 2019.

Future exploration expenditure on the Company's Weebigee Project will be carried out in a manner consistent with the order of the Arbitration panel, as described in the Company's press release dated September 20, 2017. Operations will be dependent on the successful ongoing consultations with the First Nations in the area of the Joint Venture, including the resolution of force majeure issues described in the Company's press release dated April 23, 2018, and the successful outcome in the arbitration as set out in the reasons of the Arbitration panel on July 9th, 2018).

However, progress is subject to delays outside the Company's control, as a consequence of appropriate proper health precautions taken by the Company, to avoid the possible effects of COVID-19 sickness on either Company personnel or any member of the Sandy Lake First Nation.

### **Exploration and Development Outlook**

The level of exploration expenditures vary from period to period as activity is expanded or curtailed. Currently, activity at the Sandy Lake Canadian Project has been curtailed as negotiations continue with First Nations.

The Guyana Projects have been secured through the acquisition of Ontario Inc., a subsidiary of Bartica Investments, a Guyanese registered company.

Activity on the Guyana Projects continues to ramp up and the Company continues to acquire prospective properties in Guyana at the present time. Drill targets have been and will continue to be identified. To date, the Company's efforts have been focused on the Oko Project but drilling has now commenced at the Aremu Property and is also planned for the Tracy and Oko NW zones.

In response to the COVID-19 pandemic, the Company has implemented strict protocols at its operations. As such, the Company's Oko and Tracy drill camps has been isolated, with no ingress or egress permitted, to minimize the potential for exposure to health risks and allow work to continue.

The primary focus of the Company at this point is to protect the safety and security of our personnel and their families, and neighboring communities.

The Company has adequate cash on hand to increase its drilling and exploration activity. Propertyholdings costs over the next 12 months aggregate approximately \$600,000 to keep the Company's properties in good standing.

## SELECTED CONSOLIDATED FINANCIAL INFORMATION

Consolidated Balance Sheet	As at	As at
	August 31, 2020 (Unaudited)	August 31, 2019 (Unaudited)
Cash	\$ 4,617,059	\$ 1,341,226
Other current assets	109,945	199,102
Loan to Ontario Inc.	-	496,612
Fixed Assets	262,542	-
Mining interests	21,228,996	10,876,085
Current liabilities	883,698	783,429
Long-term liabilities	303,025	-
Total shareholders' equity	25,031,819	12,129,596
Total assets	\$ 26,218,542	\$ 12,913,025

During October 2019, the company greatly expanded its operations, adding the Guyana Projects to its properties under exploration. Currently the company continues to work its Guyana Properties while activity on its Sandy Lake property in Canada is curtailed because of Covid-19 concerns with the first nations community.

### EXPLORATION AND EVALUATION ASSETS (MINING INTERESTS)

The Company's quarterly results reflect the continuation of drilling on the Oko high grade gold discovery, work on its other Guyana Projects and the setting up of a camp at Tracy to support future activity on the property. Currently activity at the Sandy Lake Project is curtailed because of Covid concerns.

#### Guyana and Canada Projects

The Company's E&E expenditures on the Guyana and Canada Projects were as follows for the three months ended August 31, 2020 and 2019:

Exploration and Evaluation Assets	Three Months Ended August 31	
	2020	2019
Guyana	1,165,590	-
Canada	38,537	1,877,065
Total	\$ 1,204,135	\$ 1,877,065

During the 3 months ended August 31, 2020, total E&E expenditures of \$1,165,590 were related to Guyana with the emphasis on the Oko property. Diamond drilling and assay costs totaling \$ 611,292 and labour costs and site accommodation costs totaled \$ 105,773 was expended in Guyana with the emphasis on the Oko property diamond drilling and assay costs totaling \$502,898. Consulting fees and site accommodation costs at Oko totaled \$109,034.

During the period ended August 31, 2019, the company incurred significant arbitration costs with its joint venture partner on some of the Sandy Lake claims. This action was settled in the first six month of its 2020 fiscal year, in the Company's favor, resulting in the significant award of costs.

## CONSOLIDATED OPERATING RESULTS

	Three Months Ended August 31	
	2020	2019
Revenue	\$ 154,065	-
Salaries, benefits and Consulting fees	131,577	19,990
Stock Based Compensation	353,002	255,272
Office and administrative	62,675	15,564
Professional fees	74,031	17,473
Investor and filing fees	37,646	-
Other	3,824	4,357
Loss for the period	(577,045)	(322,656)
Loss per share, basic and diluted	(0.005)	(0.005)

### Revenue

With the acquisition of the Guyana Properties, the Company became a party to agreements with small scale miners on its Peters and Aremu Properties. Operators pay the Company royalties based on their revenue from operations with the Company being entitled to a Net Smelter Return.

### Operating Expenses

The total consolidated loss for the three and twelve months ended August 31, 2020 was \$577,045 as compared to a loss of \$322,656 for the comparative periods in 2019.

Salaries increased \$ 111,587 as a result of taking on staff in Guyana and the addition of head office administration staff. Guyana administrative office costs contributed \$55,785 to this difference.

Stock Based compensation also increased \$ 97,730 for the same reason and the issue of RSU's to the CEO and Chairman in August 2020. The recently utilized RSU plan accounted for all of this increase at a cost of \$104,832 for the quarter.

Office expenses increased by \$47,110 because of increased activity and the addition of administration costs in Guyana and Barbados. Of the increase, \$26,531 relates to Guyana office costs and incurred in prior quarters.

Professional fees and investor and filing fees increased \$94,204 due to increased promotion costs as well as filing fees and audit and legal costs in Guyana.

### Cash Flow Items

#### *Operating Activities*

Operating activity expenditures for the three months ended August 31, 2020 were \$301,750 cash expended in operations as compared to \$ 356,486 in the previous period. These expenditures relate largely to ongoing operating costs of the Company and its overheads.

#### *Investing Activities*

Investing activity was focused on mineral properties in Guyana. Monies spent in the three months ended August 31, 2020 were \$1,165,598 compared to prior year amounts of \$ 465,694. The difference is largely attributable to a significant increase in drilling activity in Guyana offset by a large decrease in Sandy Lake activity due to Covid 19.

### Financing Activities

Financing activity relates to equity offerings and the exercise of options and warrants. During the first quarter of fiscal 2021 the Company raised \$5,000,000 through a private placement, and an additional \$954,020 on the exercise of outstanding warrants and stock options to the date of this MD & A.

### SUMMARY OF UNAUDITED QUARTERLY RESULTS

The information presented below highlights the Company's unaudited quarterly results for the past eight quarters.

Three months ended	August 31, 2020	May 31, 2020	February 29, 2020	November 30, 2019
Revenue	154,065	213,822	189,345	94,095
Expenses	728,992	287,357	726,594	331,748
Other (income) expenses	2,118	11,874	24,686	4,489
Net loss for the period	(577,045)	(85,409)	(561,935)	(242,142)
Basic and diluted loss per share	(0.005)	(0.001)	(0.007)	(0.003)

Three months ended	August 31, 2019	May 31, 2019	February 29, 2019	November 30, 2018
Revenue		-	-	-
Expenses	321,522	683,216	105,357	108,080
Other (income) expenses	1,134	(598)	279	80
Net loss for the period	(322,656)	(682,618)	(105,636)	(108,106)
Basic and diluted loss per share	(0.005)	(0.012)	(0.007)	(0.002)

### LIQUIDITY AND CAPITAL RESOURCES

#### Working Capital

As at August 31, 2020, the Company had cash of \$4,617,059 and reported a working capital balance of \$3,843,306 compared to cash of \$583,775 and a working capital deficit of \$375,321 as at May 31, 2020.

Working capital is defined as current assets minus current liabilities. Working capital calculations or changes are not measures of financial performance, nor do they have standardized meanings, under IFRS. Readers are cautioned that this calculation may differ among companies and analysts and therefore may not be directly comparable.

Management believes that disclosure of the Company's working capital is of value to assess the available capital resources of the Company at a reporting period end.

Subsequent to the May 31, 2020 reporting date, the Company has raised \$5,000,000 through a private placement on July 6, 2020, and \$954,020 on the exercise of outstanding warrants and stock options to the date of this MD & A.

The Company's cash and current assets at the date of the MD & A are sufficient to meet the Company's

current accounts payable, accrued liabilities and existing commitments.

At August 31, 2020, substantially all of the Company's cash and cash equivalents were held with a chartered bank in Canada.

Management is not aware of any liquidity issues associated with any of the banks in which company funds have been deposited.

### **Long Term Liabilities**

The Company also has long-term liabilities outstanding of \$303,025. These are non-interest bearing and have no repayment due in the next 18 months. The total amount of these loan's is owed to officers of the Company and arose on the provision of unpaid services to the Company.

The Company has no third-party debt obligations or off-balance sheet arrangements at August 31, 2020. Certain amounts are owed to related parties. These amounts are non-interest bearing, unsecured and no payments are due in the next 18 months.

In order to retain its mineral concessions in Guyana in good-standing, the Company is required to make option payments to the optionors of approximately \$500,000 in the next 12 months and pay the Government of Guyana property rental payments of approximately \$100,000. The Company's current working capital is sufficient to fund these commitments. No such payment obligations exist with respect to the Company's Canadian properties.

### **Capital Resources**

To date, the capital requirements of the Company have been met by equity and loan advances from related parties. The Company has incurred cumulative losses of \$35,225,832 and will continue to incur losses and require capital for ongoing property exploration.

The Company's ability to continue as a going concern is dependent upon its ability to raise capital and fund its ongoing operations, or alternatively enter into a joint venture, a merger or other business combination transaction involving a third party, sell all or a portion of the Company's assets, sell the Company itself, successfully develop the Company's mineral property interests, or a combination thereof.

The ability to raise additional financing, for future activities beyond those contemplated by the aforementioned financing activity may be impaired, or such financing may not be available on favourable terms, due to conditions beyond the control of the Company, such as uncertainty in the capital markets, depressed commodity prices or country risk factors, caused by pandemics such as COVID-19, or other unexpected events. This exposure is discussed in more detail in the "Risks and Uncertainties" section of this Interim MD&A. These factors indicate the possible existence of a number of material uncertainties beyond the Company's control which may cast significant doubt as to the Company's ability to continue as a going concern.

While the Company has been successful in securing financing to support past business activities, there is no assurance that it will be able to do so in the future. The Company will require additional financing to complete its planned work programs on mineral properties, meet its ongoing levels of corporate overhead, and discharge its liabilities as they come due. Accordingly, the unaudited condensed interim financial statements do not reflect the adjustments to the carrying values of assets and liabilities, and the reported expenses and financial position classifications that would be necessary were the going concern assumption inappropriate.

The activities of the Company, principally the acquisition, exploration, and development of properties prospective for gold, are financed through the completion of equity transactions such as equity offerings and the exercise of stock options and warrants.

## MANAGEMENT OF CAPITAL

The Company considers its capital to consist of its shareholders' equity balance which as at August 31, 2020 totaled \$25,031,819 (May 31, 2020 - \$19,591,525)

The Company's objective when managing capital is to maintain adequate levels of funding to support its exploration activities and to maintain corporate and administrative functions necessary to support operational activities. The Company manages its capital structure in a manner that provides sufficient operational activities. Funds are primarily secured through equity capital raised by way of private placement. There can be no assurance that the Company will be able to continue raising equity capital in the future, The Company invests all capital that is surplus to its immediate operational needs in short-term, liquid and highly rated financial instruments such as cash and other short-term guaranteed deposits, and all are held in major financial institutions.

There were no changes to the Company's approach to capital risk management during the year. Management believes its capital management approach is reasonable given its stage of operations and size of the company.

## OFF BALANCE SHEET ARRANGEMENTS

As of the date of this MD&A the Company does not have any such arrangements.

## SHARE CAPITAL

<b>Securities Issued and Outstanding</b>	<b>As at August 31, 2020 (Unaudited)</b>	<b>As at May 31, 2020 (Audited)</b>
Common shares	<b>119,495,278</b>	106,653,991
Common shares purchase options	<b>7,525,000</b>	7,725,000
Warrants	<b>20,806,114</b>	17,487,730

## RELATED PARTY TRANSACTIONS

The Company has identified its directors and certain senior officers as Related Parties. The compensation cost for Related Parties is as follows:

	<b>Three Months Ended August 31</b>	
	<b>2020</b>	<b>2019</b>
<b>Salaries and fees</b>	<b>40,125</b>	<b>30,000</b>
<b>Share based compensation</b>	<b>176,500</b>	<b>167,609</b>
<b>Loan to Ontario Inc. (i)</b>	<b>-</b>	<b>276,749</b>
<b>Due to officers and directors (ii)</b>	<b>303,025</b>	<b>204,067</b>

(i) Ontario Inc. is the wholly owned operating subsidiary in Guyana of Bartica Investments Ltd. and was previously controlled by Patrick Sheridan and Violet Smith. It has been consolidated in 2020 as it was acquired on October 24, 2019.

(ii) These amounts are due to Mr. Sheridan and Mr. Noone for their work with respect to the Goldeye arbitration.

## **FINANCIAL INSTRUMENTS AND RELATED RISKS**

The Company manages its exposure to a number of different financial risks arising from operations as well as from the use of financial instruments, including market risks (foreign currency exchange rate and interest rate), credit risk and liquidity risk, through its risk management strategy. The objective of the strategy is to support the delivery of the Company's financial targets while protecting its future financial security and flexibility. Financial risks are primarily managed and monitored through operating and financing activities. The Company does not use derivative financial instruments. The financial risks are evaluated regularly with due consideration to changes in key economic indicators and to up-to-date market information. The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

### **Credit Risk**

Credit risk is the financial risk of non-performance of a contracted counter party. The Company's credit risk is primarily attributable to cash and cash equivalents. The Company reduces its credit risk by maintaining its cash with reputable financial institutions primarily in Canada

### **Liquidity Risk**

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with financial liabilities as they come due. The Company's investment policy is to invest its excess cash in high grade investment securities with varying terms to maturity, selected with regard to the expected timing of expenditures for continuing operations. The Company monitors its liquidity position and budgets future expenditures, in order to ensure that it will have sufficient capital to satisfy liabilities as they come due.

As at August 31, 2020, the Company had current liabilities of \$883,698 (August 31, 2019 - \$783,429) and cash of \$4,617,059 (August 31, 2019 - \$1,341,226) to meet its current obligations. The Company regularly evaluates its cash position to ensure preservation and security of capital as well as maintenance of liquidity.

### **Market Risk**

#### **Foreign Currency Risk**

The Company's functional currency is the Canadian dollar. The Company has a subsidiary that has a functional currency in Guyanese dollars. Sensitivity to a plus or minus 5% change in the foreign exchange rate of the Guyanese dollar compared to the Canadian dollar would affect the Company's equity by \$471,000 (2019 - \$nil) with all other variables held constant.

#### **Interest Rate Risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company has no significant risk to future cash flows from interest rate risk. The Company does not use derivative instruments to reduce its exposure to interest rate risk.

## **CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES**

The preparation of financial statements in conformity with IFRS requires management to make certain judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. The Company evaluates its estimates on an ongoing basis and bases them on various assumptions that are believed to be reasonable under the circumstances. The Company's estimates are used for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results are likely to differ from these estimates. Should the Company be unable to meet its ongoing obligations, the realizable value of its assets may decline materially from current estimates.

The accounting policy estimates and judgments described below are considered by management to be essential to the understanding and reasoning used in the preparation of the Company's consolidated financial statements and the uncertainties that could have a bearing on its financial results. Further details,

and a description of certain other areas of estimation and judgment, can be found at Note 2(e) in the Company's audited consolidated financial statements for the year ended May 31, 2020.

- Share-based compensation - management is required to make a number of estimates when determining the compensation expense resulting from share-based transactions, including the forfeiture rate and expected life of the instruments.
- Warrants - management is required to make a number of estimate when determining the value of warrants, including the forfeiture rate and expected life of the instruments.
- Impairment indicators - management is required to use judgement when assessing nonfinancial assets for indicators of impairment.
- Income taxes - measurement of income taxes payable and deferred income tax assets and liabilities requires management to make judgments in the interpretation and application of the relevant tax laws. The actual amount of income taxes only become final upon filing and acceptance of the tax return by the relevant authorities, which occurs subsequent to the issuance of the financial statements.
- Mining interests - the Company capitalizes the exploration and evaluation expenditures in the statement of financial position. Where an indicator of impairment exists, management will perform an impairment test and if the recoverable amount is less than the carrying value, record an impairment charge.
- Going concern - Significant judgments are used in the Company's assessment of its ability to continue as a going concern as described in note 1 of the consolidated financial statements.
- Business combinations - management uses judgement when assessing if the acquisition meets the definition of a business in accordance with IFRS.

#### **NEW ACCOUNTING POLICIES ADOPTED**

IFRS 16 was issued in January 2016 and replaces IAS 17 — Leases as well as some lease related interpretations. With certain exceptions for leases under twelve months in length or for assets of low value, IFRS 16 states that upon lease commencement a lessee recognizes a right-of-use asset and a lease liability. The right-of-use asset is initially measured at the amount of the liability plus any initial direct costs. After lease commencement, the lessee shall measure the right-of-use asset at cost less accumulated depreciation and accumulated impairment. A lessee shall either apply IFRS 16 with full retrospective effect or alternatively not restate comparative information but recognize the cumulative effect of initially applying IFRS 16 as an adjustment to opening equity at the date of initial application. IFRS 16 requires that lessors classify each lease as an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Otherwise it is an operating lease. Based on the Company's assessment, the Company has determined that this standard does not have a significant impact on its consolidated financial statements.

#### **RISKS AND UNCERTAINTIES**

The business of the Company is subject to a variety of risks and uncertainties. Investment in Common Shares should be considered highly speculative and involves a high degree of risk due to the nature of the Company's business and the present stage of development, production and exploration and the location of its properties in Guyana. Readers should carefully consider the risks disclosed in this Interim MD&A.

The risks and uncertainties described in this section are considered by management to be the most important in the context of the Company's business. The risks and uncertainties below are not listed in order of importance, nor are they inclusive of all the risks and uncertainties the Company may be subject to, and therefore other risks may apply.

- **The impact and risks arising from epidemic diseases, such as the recent outbreak of COVID-19 may have a significant impact on the Company, and its ability to work in the jurisdiction of its assets.**

The impacts of the fast spreading Coronavirus disease (COVID-19) on the Company are unpredictable. The Company is conducting business as normal with modifications to personnel travel and work locations driven by desire and the need for safety of the Company's employees as well as others affected by the business of the Company. The Company is currently adapting work at its Projects in response to the mandates of

both the Canada and Guyanese Governments, as well as concerns of local communities. Rules in all jurisdictions are changing rapidly and the Company will continue to evaluate and adapt to measures as they are announced. Government and local restrictions on the movement of people and goods may cause work and analysis performed by the Company and its contractors to slow or even cease. Canada is taking very aggressive measures to counter the spread of the virus, however, deteriorating conditions could force the Company to enact force majeure under its agreements or other contracts. Such disruptions in work may cause the Company to miss actual or self-imposed deadlines, push out earlier forecasts, and increase fiscal losses. In addition, the outbreak of COVID-19 has caused considerable disruption to the world economy and financial and metals markets which could have a materially adverse impact on the ability of the Company to raise additional funding in the future and could negatively impact, among other factors, the Company's share price. Guyana has also implemented lockdown processes in the capital, Georgetown, where the Company has its admin office.

The Company's principal activity is mineral exploration and development. Companies in this industry are subject to many kinds of risks, including, but not limited to, operational, technical, environmental, labour, social, political, security, financial, economic, and metals pricing. Additionally, often due to factors that cannot be predicted or foreseen, few exploration projects successfully achieve development. While risk management cannot eliminate the impact of all potential risks, the Company strives to manage risks to the extent possible and practicable.

The risks and uncertainties described in this section are considered by management to be the most important in the context of the Company's business. The risks and uncertainties below are not listed in order of importance, nor are they inclusive of all the risks and uncertainties the Company may be subject to, and therefore other risks may apply.

- **Mineral exploration inherently involves a high degree of risk. All of the mineral property interests of the Company are in the exploration stage and, consequently, may not result in any commercial discoveries.**

Few properties which are explored are ultimately developed into producing mines.

The property interests owned by the Company are in the exploration stage only, are without known bodies of commercial mineralization and the Company has no ongoing mining production at any of them. The Company's mineral exploration activities may not result in any discoveries of commercial bodies of mineralization. If the Company's efforts do not result in any discovery of commercial mineralization, the Company will be compelled to look for other exploration projects or cease operations.

Additionally, the exploration and development activities of the Company may be disrupted by a variety of risks and hazards, which may be beyond the control of the Company.

These risks include, but are not limited to, social and political strife, litigation, labour stoppages, the inability to obtain adequate power, water, and labour, including consultants or other experts, as well as suitable machinery and equipment. In addition, the Company may be unable to acquire or obtain such necessities as water and surface rights, which may be critical for the continued advancement of exploration and development activities on its mineral property rights.

- **Government expropriation may result in the total loss of the Company's mineral property interests.**

Even if the Company's mineral property interests are proven to host economic mineral resources, governmental expropriation may result in the total loss of the Company's mineral property interests without any compensation to the Company. Similarly, expropriation or shutdown of financial institutions or other entities the Company does business with could impact operations.

Further, expropriation of other businesses, in mining or other industries, could impact the Company's ability to operate and obtain financing, as well as its strategic options.

Finally, expropriation need not be outright, there are many forms of creeping expropriation, through taxation

and other mechanisms, that if applied could negatively impact the company's operations and prospects.

- **The Guyana and Sandy Lake Canada Projects are the Company's only material properties.**

The Guyana Projects and the project at Sandy Lake Canada (collectively, the "Projects") are the Company's only material properties of possible exploration value. Actual development costs may differ materially from the Company's estimates and may render the development of one or more of the Company's Projects economically unfeasible.

The Company is dependent upon the Projects for future revenue and profits, if any.

Should the development of the Projects not prove to be possible or practicable for political, social, engineering, technical or economic reasons, then the Company's business and financial position will be significantly and adversely affected from that reasonably expected by the Company, based on data available to it at the date of this Interim MD&A.

If the Company discovers a potentially economic mineral resource or mineral reserve at one or more of the Projects, there is no assurance that the Company will be able to monetize the asset which includes by sale of the asset developing a mine thereon, or otherwise commercially exploiting such mineral resource or mineral reserve, which could materially adversely affect the Company's financial condition and prospects.

- **Interpretation of existing or new governmental regulations in Guyana and Canada may have negative impacts on the Company.**

The Company's assets and activities are subject to both extensive Guyana mining and other laws, Canadian federal, state, provincial, territorial and local laws and regulations governing various matters, including, where applicable, but not limited to:

- land access, use and ownership;
- water use;
- environmental protection;
- land use designations;
- social consultation and public referendums;
- corporate social responsibility;
- management and use of toxic substances and explosives;
- rights over and management of natural resources, including minerals and water;
- prospection, exploration, development and construction of mines, production and reclamation;
- exports and imports;
- taxation;
- mining royalties;
- imposition of capital restraints by the Government of Guyana, affecting the Company's ability to operate and to realize the value it may have added to its assets, to the detriment of its shareholders;
- importation of equipment and goods necessary for the Company's development of its concessions;
- transportation;
- hiring practices and labour standards by companies and contractors, as well as occupational health and safety, including mine safety;
- reporting requirements related to investment, social and environmental impacts, health and safety issues, and other matters;
- processes for preventing, controlling or halting artisanal or illegal mining activities; and,
- historic and cultural preservation.

The costs associated with legal and regulatory compliance can be substantial.

Existing and future changes to laws and regulations, or more stringent or modified application and enforcement of current laws and regulations by local or nations governmental or judicial authorities could generate additional expenses, capital expenditures, delays in the development of the Company's properties,

and even restrictions on or suspensions of Company operations.

Existing or future relevant local laws and regulations may allow governmental authorities and/or private parties to bring complaints or lawsuits against the Company based upon alleged damage to property and/or injury to persons resulting from the environmental, health and safety impacts of the Company's past and current operations, or possibly even actions or inaction by third parties, including those from whom the Company acquired its properties, and could lead to the imposition of substantial financial judgments, fines, penalties or other civil or criminal sanctions.

In this industry in which the Company operates it is an ongoing challenge to comply strictly with all of the norms which might apply or be applied to the Company.

The Company seeks to retain competent and trained staff, professionals, attorneys, advisors and consultants in the different jurisdictions in which it does business. Even so, there is no certainty that the Company and its contractors will continuously be compliant with all applicable laws and regulations.

- **Failure to comply fully with applicable mining laws, regulations and local practices may have a material adverse impact on the Company's operations or business, and may lead to financial restatements, fines, penalties and other material negative impacts on the Company.**

While the Company seeks to fully comply with applicable laws, regulations and local practices, failure of the Company or government officials to comply fully with applicable laws, regulations and local practices, including those relating to mineral rights applications and tenure, could result in loss, reduction, cancellation or expropriation of entitlements, or the imposition of local or foreign parties as joint venture partners with carried or other interests.

Any such loss, reduction or imposition of partners could have a material adverse impact on the Company's operations or business. Furthermore, unreasonableness, increasing complexity or novel judicial or regulatory interpretations of mining laws and regulations may render the Company incapable of strict compliance.

- **The exploration and the development of the Company's property interests are subject to extensive laws and regulations governing health, safety, environment and communities.**

The Company's exploration and development activities are, or may become, subject to extensive laws and regulations governing the protection of the environment, waste disposal, worker and community safety, employee health, mine development, water, preservation of archaeological remains and endangered and protected species, as well as extensive reporting and community engagement requirements, and more. The Company's ability to obtain permits and other approvals and to successfully operate in particular locations may be adversely impacted by real or perceived detrimental events associated with the Company's activities or those of other mining companies or associations, or even artisanal or illegal miners, affecting the environment, water, wildlife, human health, or the safety of nearby communities, both within and outside of Canada and Guyana.

Delays in obtaining or failure to secure government permits and approvals, or to secure evictions of illegal miners or other invaders, may adversely affect the Company's ability to access, explore or develop its properties. The Company has made, and expects to make in the future, significant expenditures to comply with laws and regulations and to the extent reasonably possible, generate social and economic benefit in nearby communities.

On occasion, areas in the Company's mineral properties are, or may become, occupied by illegal miners, and these incidents are reported and dealt with by the Company using procedures available to it under Canadian or Guyana law as may be the case. The Company, however, may be required to remediate areas on its concessions impacted by its own activities or those of third parties. Future changes to environmental laws, regulations and permitting processes or changes in their enforcement or regulatory interpretation could have an adverse impact on the Company's operating and financial condition.

- **The Company's ability to operate on its concessions may depend on its ability to obtain and**

### **maintain social licenses.**

The Company's concessions may be in close proximity to, or in some cases overlap with, local communities, and it often needs local approvals in order to access these areas and/or operate.

The Company often enters into agreements with local communities, groups or individuals that address surface access, road or trail usage, local employment and other key issues. The ethnic composition, social organization and landownership structure of the communities may differ on a case by case basis, as may the Company's exploration requirements and impacts. Similarly, local concerns regarding environmental and social impacts, both current and historic, including pressures and worries related to the activities of illegal miners, as well as expectations related to Company employment, social investment programs and other benefits tend to vary from place to place. Every local stakeholder relationship, however, requires ongoing dialogue and relationship management.

For these purposes, the Company's senior management engages directly with the relevant stakeholders with the aim of creating sustainable and enduring relationships based on collaboration, shared interests and trust. However, events do not always unfold as intended or according to plan, and the status of relations can deteriorate for any number of reasons, including, but not limited to: influences of local or external political or social actors or organizations, shifts in the agendas or interests of individuals or the community as a whole, or the Company's inability to deliver on community expectations or its commitments, or the occurrence of the unexpected, as in the case of a pandemic. The Company's senior management is prepared to manage such situations and issues are usually resolved through dialogue within a reasonable timeframe. However, if under extreme circumstances the Company were to lose its social license with one or more communities and be unable to recover it, this could seriously impact the viability of any project.

Additionally, in recent years, local political and social groups and organizations, including indigenous confederations, at times funded at least in part by international nongovernmental organizations, have increased their activities against extractive industries in many jurisdictions, including Canada. Activists have taken such actions as road closures and work stoppages, as well as succeeded in attracting the attention of different local and national media outlets, at times negatively impacting the reputations of the mining sector and/or specific companies.

The ILO convention, requires free, prior and informed consultation to aboriginal or indigenous communities. The Company is committed to the highest standards of such consultation. Apart from clear indigenous interest in the Company's project in Sandy Lake, it is the Company's understanding that there are no aboriginal or indigenous communities in its other Projects, but such initiatives cannot be entirely ruled out and, if pursued, may have a material adverse effect on the Company's operations and Projects and on its financial position, cash flows and results of operations.

- **The Company may not be able to obtain or renew permits that may be or become necessary for its operations.**

In the ordinary course of business, the Company may be required to obtain new governmental permits as well as renew permits for exploration and development activities and any ultimate development, construction and commencement of mining operations. Obtaining or renewing necessary permits can be a complex and time-consuming process, which at times may involve several political jurisdictions and different government agencies that may not have the expertise, resources or political disposition needed for efficient and timely processing, and may require public hearings and costly undertakings on the Company's part. The duration and success of the Company's efforts to obtain and renew permits are contingent upon many variables not within its control, including the interpretation of applicable requirements implemented by permitting authorities, the expertise and diligence of civil servants, challenges presented by social and political actors, and the timeframes for agency decisions.

The Company may not be able to obtain or renew permits that are necessary to its operations, or the cost to obtain or renew permits may exceed what the Company believes it can recover from a given property once in production. Any unexpected delays or costs associated with the permitting process could slow exploration and/or development or impede the eventual operation of a mine, and might adversely impact the Company's operations and profitability.

- **The Company has no significant source of operating cash flow and failure to generate revenues in the future could cause it to go out of business.**

The Company has limited royalty revenues from ongoing operations, and has recorded significant accumulated losses. Based upon current plans, the Company expects to incur operating losses in future periods due to ongoing expenses associated with the holding, exploration and development of the Company's mineral property interests.

The Company's continuing operations are dependent on its ability to secure equity and debt financing, with which it intends to identify, evaluate and acquire interests in mineral properties. The circumstances that could affect the Company's ability to secure equity and debt financing that is reasonably likely to occur are, without limitation, as follows:

- the state of capital markets for junior companies in the mineral exploration industry and generally;
- the prevailing market prices for base and precious minerals;
- changes in laws, regulations, and political conditions.

The Company will likely continue to have limited financial resources and its ability to achieve and maintain profitability and positive cash flow will remain dependent upon the Company being able to:

- develop and/or locate a profitable mineral property;
- generate royalty revenues in excess of expenditures; and,
- minimize exploration and administrative costs in the event revenues and/or the availability of financing is insufficient, in order to preserve available cash.

As stated above, in order to maintain the Company's business, in the absence of cash flow from operations, the Company will have to raise funding through financing activities. However, in the event it needs to do so, there is no certainty the Company will be able to raise funds at all or on terms acceptable to the Company. Furthermore, additional funds raised by the Company through the issuance of equity or convertible debt securities would cause the Company's current shareholders to experience dilution. Such securities also may grant rights, preferences or privileges senior to those of the Company's common shareholders.

The Company does not have any contractual restrictions on its ability to incur debt and, accordingly, the Company could incur significant amounts of indebtedness to finance its operations. Any such indebtedness could contain restrictive covenants, which likely would restrict the Company's operations.

- **The mineral exploration industry is intensely competitive in Guyana and Canada.**

The Company competes with many companies, including those possessing greater financial resources and technical capabilities, for the acquisition of mineral concessions, claims, leases, other mineral interests, and equipment required to conduct its activities as well as for the recruitment and retention of qualified employees, and contracting of attorneys, consultants and technical experts. Guyana is an emerging mining country with one large mine that only just commenced production in 2016 and as a result mining expertise is limited and competition for qualified nationals is particularly intense.

- **Even if the Company makes a discovery of commercial quantities of minerals, there is no assurance that there will be market demand for the resource and that the investment will earn an adequate return.**

There is no assurance that even if commercial quantities of minerals are discovered at any of the Company Projects, a ready market will exist for sale of any Project based on a market for the relevant discovered minerals.

Factors beyond the control of the Company may affect the marketability of any minerals discovered. These factors include but are not limited to : market fluctuations; domestic and international economic trends and political events and the possible short, medium and long term effects on funding for mining companies of a South America or worldwide pandemic, whether by COVID-19 or other as yet unknown virus; inflation or deflation; currency exchange fluctuations; interest rates and global or regional consumption patterns;

speculative activities; and, government laws and regulations, including those relating to prices, taxes, royalties, land tenure, land use, labour, importing of equipment, importing and exporting of minerals, and environmental protection. The exact effect of any of these factors cannot be accurately predicted, but a combination of them may result in the Company not receiving an adequate return on invested capital or losing its invested capital.

- **Substantial expenditures are required to be made by the Company to establish mineral reserves and the Company may either not discover minerals in sufficient quantities or grades or not be able to obtain the required funds to develop or sell a project on a timely basis.**

Substantial expenditures are required to establish mineral reserves through drilling and the estimation of mineral reserves or mineral resources in accordance with the Canadian Institute of Mining (CIM) Guidelines.

Although significant benefits may be derived from the discovery of a major mineralized deposit, the Company may not discover minerals in sufficient quantities or grades to justify a commercial mining operation and the funds required for development may not be obtained on a timely basis or may not be obtainable on terms acceptable to the Company. Estimates of mineral reserves and mineral resources can also be affected by environmental factors, unforeseen technical difficulties and unusual or unexpected geological formations. In addition, the grades of minerals ultimately mined may differ from those indicated by drilling results. Material changes in mineral reserve or mineral resource estimates, grades, stripping ratios or recovery rates may affect the economic viability of any project.

- **Risks relating to inaccurate estimates of mineral resources, production, purchases, costs, decommissioning or reclamation expenses.**

Unless otherwise indicated, mineralization figures presented by the Company in filings with securities regulatory authorities, press releases and other public statements that may be made from time to time, are based upon estimates made in good faith by Company personnel and independent geologists. These estimates are inherently imprecise, as they depend upon geological interpretation and statistical inferences drawn from drilling and sampling analysis, which may prove to be unreliable for any company in this industry at the same stage of asset development. As a result, there can be no assurance that mineral resource or other mineralization figures or estimates of costs (including initial capital costs and initial capital intensity) and expenses will be accurate, nor that the resource mineralization could be mined or processed profitably.

The Company has not commenced production at any of its properties, nor defined or delineated any proven or probable mineral reserves. Therefore, the mineralization estimates for the Company's properties may almost certainly require adjustments or downward revisions based upon inherently unknown further exploration or development work, or actual production experience.

In addition, the grade of ore ultimately mined, if any, may differ from that indicated by and inferred from drilling results. Furthermore, there can be no assurance that minerals recovered in small-scale tests will be duplicated in large-scale tests under on-site conditions or at production scale. As a result, the mineral resource and mineral reserve estimates that may be contained in the Company's filings with securities regulatory authorities, press releases and other public statements that may be made from time to time have been determined and valued based on assumed future prices, cut-off grades and operating costs that may prove to be inaccurate.

In addition, extended declines in future market prices for gold or other metals to be discovered on properties of the Company from time to time may render portions of the Company's mineralization uneconomic and result in reduced reported mineralization.

The estimated parameters for the Company's projects may be changed as development and mining plans are generated and refined. These parameters would include estimates of how plants, equipment and processes may operate in the future at the Company's projects, for which cost and productivity estimates may prove to be incorrect.

Any material alteration in the above noted estimates, or of the Company's ability to extract mineralization

from its projects, could have a material adverse effect on the Company's results or financial condition.

- **The inherent operational risks associated with mining, exploration and development, many of which are beyond the Company's control.**

The Company's activities are subject to a high degree of risk due to factors that, in some cases, cannot be foreseen, anticipated, or controlled. These risks include, but are not limited to: tectonic or weather activity that may provoke landslides, damage infrastructure or other impacts; labour disruptions; local political or social pressure; the possible economic and human effect of one or more pandemics, legislative and regulatory changes; crime, including corruption; the inability to obtain adequate sources of power, water, labour, suitable or adequate machinery and equipment, and service providers, including drilling, engineering and environmental contractors, as well as expert attorneys and consultants. In addition, the Company may be unable to acquire or obtain such requirements as water rights, easements and other surface rights, which may be critical for the continued advancement of exploration, development and operational activities on its mineral concessions. Furthermore, the Company is currently or may become involved in one or more of regulatory and/or legal processes where, in spite of its best reasonable efforts and those of its legal advisors and consultants, results are always uncertain.

These processes could generate delays and adverse decisions and could negatively impact project development and the Company's prospects.

- **Inadequate infrastructure and resources may adversely affect the Company's operations and profitability.**

Mining, development, exploration and production activities depend, to one degree or another, on adequate infrastructure and services.

Reliable power and fuel sources, roads, bridges, as well as water supplies are important determinants which affect need for capital, as well as operating costs and safety.

The lack of availability on acceptable terms or delay in availability of any one or more of these items could prevent or delay development of one or more of the Company's Projects.

If adequate infrastructure is not accessible or implementable, there can be no assurance that the development of one or more of the Company's Project(s) will commence or be completed on a timely basis, if at all.

In addition, unusual or infrequent weather phenomena, tectonic activity, sabotage, government, social or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's operations and profitability.

- **The Company currently has limited access (if at all) to insurance covering its assets and operations and, as a consequence, could incur considerable costs in the event of a loss.**

Mineral exploration involves risks, which, even with a combination of experience, knowledge and careful evaluation, any mining exploration company may not be able to overcome.

Operations in which the Company has a direct or indirect interest may be subject to all the hazards and risks normally incidental to exploration for precious and non-precious metals. Any of these could result in work stoppages, damage to property, and possible environmental damage.

The Company presently has very limited commercial liability insurance and does not intend to increase its liability insurance.

As a result of having limited liability insurance, the Company could incur significant costs that may have a materially adverse effect upon its financial condition and even cause the Company to cease operations.

- The Company's mineral property interests or surface property may be subject to prior unregistered agreements or transfers and therefore title to some of the Company's property interests may be affected.

Although the Company has sought and received such representations as it has been able to obtain from vendors in connection with the acquisition of, or options to acquire, an interest in its mining properties and surface rights, and has conducted reasonable investigations of legal title to each such property, the properties in which the Company has an interest may be subject to prior unregistered agreements or transfers or native land claims, or it is possible that title may be affected by currently undetected defects.

- **The prices of gold, copper, and other base and precious metals have fluctuated significantly in recent years and may adversely affect the economic viability of any of the Company's mineral properties.**

The Company's revenues, if any, are expected to be almost entirely derived from its work in development of one or more of its Projects such that it is seen as an attractive opportunity to a mid-tier resource producer to mine the gold, copper and/or other precious or base metals at a commercially attractive all in sustained cost base.

However, prices of such commodities have fluctuated widely, particularly in recent years, and are affected by numerous factors beyond the Company's control, including: one or more worldwide pandemic(s), international economic and political trends; expectations of inflation; currency exchange fluctuations; interest rates; consumption patterns; speculative activities; and, increased production due to new mine developments and improved mining and production methods.

The effect of these factors on the price of gold and copper, as well as other precious and base metals, and, therefore, on the economic viability of any of the Company's mining properties to a 3<sup>rd</sup> party producer as purchaser, cannot be accurately predicted, but nonetheless may adversely impact the Company's ability to continue to raise capital and conduct its operations.

- **One or more of the Company's subsidiaries and mineral properties are in a foreign country and, therefore, a large portion of the Company's business may be exposed to political, economic, social, security, and other risks and uncertainties.**

The Company's mineral properties, and related subsidiaries, are located in just 2 jurisdictions, Canada and Guyana. The Company may, therefore, be exposed to various types and degrees of security, economic, labour, political, social and other risks and uncertainties, which it could not anticipate.

These risks and uncertainties include, but are not limited to:

terrorism; hostage taking; military repression; high rates of inflation; labour unrest; war or civil unrest; local political and/or social opposition to mining; creeping or outright expropriation and nationalization; renegotiation or nullification of existing concessions, licenses, permits and contracts, including by way of invalidation of governmental acts; artisanal and illegal mining operations and the Governments of Canada and Guyana enforcement of norms restricting these activities; changes in taxation and mining-related laws and regulations; trade protectionism, including restrictions or tariffs on imports; changes to the foreign exchange regime; changes to the currency regime; currency controls; restrictions on repatriation of funds; changing political conditions, including electoral results; challenges to the validity of governmental acts; litigation and judicial decisions, including approval of processes for popular votes to ban mining in different jurisdictions, that run counter to the Governments of Canada and Guyana current pro-mining policies, possibly precipitated by activists or indigenous groups opposed to extractive industries and/or foreign investment; corrupt or unethical behaviour by government officials or agents, judges, and even Company employees; and, governmental regulations that may favour or require the awarding of contracts to local contractors or require foreign contractors to employ residents of, or purchase supplies from, a particular jurisdiction.

Changes in mining or investment policies or shifts in political and public attitudes in both Guyana and Canada, its provinces, or local political jurisdictions, may adversely affect the Company's operations or potential profitability.

Operations may be affected in varying degrees by modifications to government legislation and regulations with respect to, but not limited to: restrictions on production; price controls; export controls; currency

remittances; taxes, including income taxes, property taxes, value added taxes, capital gains taxes, windfall taxes, and the sovereign adjustment tax; royalties; expropriation of property; foreign investment; maintenance of claims; the environment; land use, including territorial bans on different types of mining activities; land claims or other demands by local people; social consultation and other permitting requirements; artisanal and illegal mining operations; labour; transportation; water use; imports and exports; and, mine safety. Failure to comply strictly with applicable laws, regulations and local practices relating to mineral rights applications and tenure, could result in loss, reduction or expropriation of entitlements, or the imposition of additional local or foreign parties as joint venture partners with carried or other interests.

The impact of one or more of these various factors and uncertainties, none of which can be accurately predicted, could have an adverse effect on the Company's operations or potential profitability.

The Company conducts some operations through one or more foreign subsidiaries and a substantial percentage of the Company's assets are held in such entities.

Accordingly, any future changes in Guyana laws may impose limitation on the transfer of cash or other assets between the parent corporation and such entities, which or among such entities, could restrict the Company's ability to fund its operations efficiently.

Any such limitations, or the perception that such limitations may exist now or in the future, could have an adverse impact on the Company's valuation and listed share price.

- **The value of the Company's common shares, as well as its ability to raise equity capital, may be impacted by future issuances of shares.**

The Company is authorized to issue an unlimited number of common shares without par value. The Company may issue more common shares in the future. Sales of substantial amounts of common shares (including shares issuable upon the exercise of stock options), or the perception that such sales could occur, could materially adversely affect prevailing market prices for the common shares and the ability of the Company to raise equity capital in the future.

- The Company's future performance is dependent on key personnel. The temporary or permanent loss of the services of any of the Company's and its subsidiary's executives or directors could have a material adverse effect on the Company's business.
- The Company's performance is substantially dependent on the performance and continued efforts of the Company's executives and its board of directors.
- The loss of the services of any of the Company's executives or directors could have a material adverse effect on the Company business, results of operations and financial condition. The Company currently does not carry any key person insurance on any of its executives or directors. The Company has limited resources and is currently unable to compete with larger organizations with respect to compensation and perquisites.

The Company is exposed to some financial risk arising from fluctuations in the exchange rates between the U.S. dollar and Canadian dollar – as discussed elsewhere in this Interim MD&A.

The Company and its subsidiaries incur the majority of their expenditures in Canadian dollars, and corporate G&A expenses are primarily paid in Canadian dollars. The only need for funds to be sent to Guyana is for monthly costs. These are exposed to currency risk of CAD:USD, since the Guyanese dollar is usually traded in a narrow range of about 5% with the US\$. Thus, the Company is exposed to minimal financial risk arising from fluctuations in the exchange rates between the U.S. dollar and Canadian dollar, and the degree of volatility of these rates. The Company's 3<sup>rd</sup> party drilling contracts and assaying are the main costs for the Company, which costs are payable in Guyanese dollars primarily so the Company is exposed to an exchange rate risk.

The Company does not use derivative instruments to reduce its exposure to foreign currency risks.

Additional disclosure concerning the Company's expenses and mineral property costs is provided earlier in this Interim MD&A and in the Company's unaudited condensed consolidated interim financial statements for the three months ended August 31, 2020 and 2019.

#### **INTERNAL CONTROLS OVER FINANCIAL REPORTING AND DISCLOSURE**

Disclosure controls and procedures ("DC&P") are intended to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized and reported within the time periods specified by securities regulations and that information required to be disclosed is accumulated and communicated to management. Internal controls over financial reporting ("ICFR") are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose in accordance with Canadian generally accepted accounting principles.

TSX Venture listed companies are not required to provide representations in the annual filings relating to the establishment and maintenance of DC&P and ICFR, as defined in National Instrument 52-109. In particular, the CEO and CFO certifying officers do not make any representations relating to the establishment and maintenance of

- (i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation, and
- (ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in their certificates regarding the absence of misrepresentations and fair disclosure of financial information. Investors should be aware that inherent limitation on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in Multinational Instrument 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.