



(formerly Aura Resources Inc.)

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Three and Nine Month Periods Ended September 30, 2021

(Information as at November 29, 2021 unless otherwise noted)

INTRODUCTION

The following provides management's discussion and analysis of results of operations and financial condition for the three and nine month interim periods ended September 30, 2021 and 2020. Management's Discussion and Analysis ("MD&A") was prepared by Gold79 Mines Ltd. ("Gold79" or the "Company") management and approved by the Board of Directors on November 29, 2021.

The following discussion and analysis should be read in conjunction with the Company's condensed consolidated interim financial statements for the periods ended September 30, 2021 and 2020 which have been prepared in accordance with International Financial Reporting Standards ("IFRS") for interim financial statements. The following discussion and analysis should also be read in conjunction with the Company's consolidated financial statements for the years ended December 31, 2020 and 2019 which have been prepared in accordance with IFRS for annual financial statements. All figures are presented in United States dollars (unless otherwise indicated). The consolidated financial statements include all of the assets, liabilities and expenses of the Company and its wholly-owned subsidiaries, Gold79 Holding One Corp., Gold79 USA Corp., Territory Metals Ltd., Aura Resources Mexico S.A. de C.V. and Au Martinique Inc. (which is inactive). All intercompany balances and transactions have been eliminated upon consolidation.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This document may contain or refer to certain forward-looking statements relating but not limited to Gold79 Mines Ltd.'s expectations, intentions, plans and beliefs. Forward-looking information can often be identified by forward-looking words such as "anticipate", "believe", "expect", "goal", "plan", "intend", "estimate", "may" and "will" or similar words suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. Forward-looking information may include reserve and resource estimates, estimates of future production, unit costs, costs of capital projects and timing of commencement of operations, and is based on current expectations that involve a number of business risks and uncertainties. Factors that could cause actual results to differ materially from any forward-looking statement include, but are not limited to, failure to establish estimated resources and reserves, the grade and recovery of ore which is mined varying from estimates, capital and operating costs varying significantly from estimates, delays in obtaining or failures to obtain required governmental, environmental or other project approvals, inflation, changes in exchange rates, fluctuations in commodity prices, delays in the development of projects, the failure to obtain sufficient funding for operating, capital and exploration requirements and other factors. Forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from expected results. Potential shareholders and prospective investors should be aware that these statements are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. Shareholders are cautioned not to place undue reliance on forward-looking information. By its nature, forward-looking information involves numerous assumptions, inherent risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and various future events will not occur. Gold79 Mines Ltd. undertakes no obligation to update publicly or otherwise revise any forward-looking information whether as a result of new information, future events or other such factors which affect this information, except as required by law.

NATURE OF OPERATIONS AND DESCRIPTION OF BUSINESS

The Company is an exploration stage junior mining company which is publicly listed on the TSX Venture Exchange (TSX-V: AUU) and the OTCQB Venture Market (OTCQB: AUSVF). The Company is engaged in the identification, acquisition, evaluation and exploration of mineral properties in North America. The Company has not determined if its properties contain mineral resources that are economically recoverable. The recoverability of amounts recorded for mineral exploration properties and deferred exploration expenditures is dependent upon the discovery of economically recoverable resources, the ability of the Company to obtain the necessary financing to complete the development of these resources and upon attaining future profitable production from the properties or sufficient proceeds from disposition of the properties.

Pursuant to a resolution passed by the directors of the Company on July 28, 2020, the Company changed its name to Gold79 Mines Ltd. which became effective August 5, 2020. On July 27, 2020, the Company continued from the laws of Canada under the *Canada Business Corporations Act* to the Province of British Columbia under the *Business Corporations Act (British Columbia)*.

On July 24, 2020, the Company closed an amalgamation agreement for the acquisition of Territory Metals Corp. ("Territory") an unlisted private company located in British Columbia. Territory's key asset is the Tip Top Gold project located in Esmeralda County, Nevada USA.

As at September 30, 2021, the Company's mineral exploration property interests included: Gold Chain, Arizona; Jefferson Canyon, Nevada; Tip Top Gold, Nevada; Greyhound, Nunavut; and, Taviche, Mexico. Details regarding each mineral property interest are contained in the section entitled *Overall Performance and Results of Operations* in this MD&A.

ACTIVITY HIGHLIGHTS FOR 2020 AND 2021 TO DATE

Recent activity highlights are provided below. Additional details are provided in the following sections of this MD&A.

Private placement financing

On November 15, 2021, the Company announced the initiation of a non-brokered private placement financing to raise gross proceeds of up to CDN\$2,000,000, comprising 33,333,333 units at CDN\$0.06 per unit. Each unit will consist of one common share of the Company and one-half common share purchase warrant. Each whole warrant will entitle the holder to purchase one common share of the Company at a price of CDN\$0.10 for a period of 36 months from the closing date of the placement.

Drilling at Gold Chain intersects 10.68 g/t gold over 3.1 metres

On November 2, 2021, the Company released additional results from its recently completed 16-hole drill program at the Gold Chain project. The 12 holes (852 metres) highlighted were focused on the northwesternmost two kilometres of the 10 km North Oatman trend, which includes the historical Roadside mine and the Banner mine to the southeast.

Highlights included:

- Drilling along the Red Hill Ledge within the Banner claim block was highlighted by:
 - 3.1 metres of 10.68 g/t Au beginning 33.5 metres below the surface (GC21-08);
 - 13.7 metres of 2.56 g/t Au beginning at 1.5 metres below the surface (GC21-10).
- Drilling at the Roadside mine prospect intersected 0.98 g/t Au over 21.3 metres starting 20 metres below the surface (GC21-03).

- Both prospects are considered highly prospective as they share a similar geologic environment along the approximately 10-kilometre North Oatman trend and are separated by about two kilometres of strongly altered and widely veined rhyolite dike complex.

Drilling at Gold Chain intersects 21.3 metres of 2.0 g/t gold at the Tyro target

On October 25, 2021, the Company released preliminary results for the first four drill holes (223 metres) from its recently completed 16-hole program at the Gold Chain project. The four holes highlighted were drilled across the northernmost exposures of the recently acquired Tyro target and tested broadly mineralized surface exposures at depths from 20 to 40 metres below the surface.

Highlights:

- Drilling confirmed broad consistent gold mineralization at the Tyro target area;
- Drill hole GC21-15 returned two grams per tonne gold over 21.3 metres starting 10.7 metres down hole;
- Drill hole GC21-14 returned 1.85 g/t over 19.8 m starting 29 metres down hole;
- Tyro is largely open at depth and on strike.

Tyro Group patented claims added to consolidate the Gold Chain project land position

On September 27, 2021, the Company announced that it had completed a definitive lease and option to purchase agreement for the Tyro Group patented claims and also announced results of initial sampling from the Tyro claims. The claims, covering 57.4 acres, are immediately northeast of the Banner patented claims. The Tyro claims were subject to historical mining as recently as the 1980s and the Company's initial work has yielded positive gold results.

As part of the Company's due diligence, a trenching, sampling and mapping program was undertaken; highlights from the trenching include:

- Trench 1 (T1) - 13 metres of 2.04 grams per tonne (g/t) gold (Au) (13 samples);
- Trench 2 (T2) - 12 metres of 1.26 g/t Au (12 samples); and,
- Trench 3 (T3) - 11 metres of 0.79 g/t Au (10 samples).

Highlight samples include:

- Two metres of 13.2 g/t Au (vein outcrop at northeast end of vein complex);
- Two metres of 1.02 g/t Au (chip sample of quartz veining in pit wall);
- Two metres of 1.23 g/t Au (chip sample of quartz veining in pit wall);
- One metre of 3.55 g/t Au (chip sample of quartz veining in pit wall); and,
- Five grab samples returned greater than 10 g/t Au with a high of 15.5 g/t Au.

Third anniversary option payment for Gold Chain project

On July 29, 2021, the Company announced that it had completed the third anniversary payments due under the Gold Chain project option agreement with the payment of \$30,000 in cash and the issuance of 744,711 common shares at a deemed value of \$48,000.

Permitting and geophysics update at its Jefferson Canyon project

On July 23, 2021, the Company released the results of reprocessed geophysics and provided a permitting update for its Jefferson Canyon project in Nevada. The geophysics coincides well with both the results from historical drilling and the 2020 geochemical sampling program supporting the potential for Jefferson Canyon to become a significant deposit.

Following up on the 2020 soil sampling campaign and strong historical drilling results from the Jefferson Canyon project, the Company reprocessed the data from previously completed resistivity, magnetic and gravity geophysical surveys. The results of the reprocessed magnetic survey, in light of the historical

drilling and the gold and silver soil anomalies, reveal a coincident magnetic low likely related to a mineralizing event. The reprocessed CSMAT resistivity data suggest that the Jefferson Canyon fault is a deep structure which likely controls the mineralization. This spatial relationship to the gold-silver mineralization supports the potential to expand the mineralized footprint both along strike and depth. A large conductor is evident down plunge along the northeast-dipping Jefferson Canyon fault.

Additionally, the Company announced that it had submitted an application on July 21, 2021 for a plan of operations at its Jefferson Canyon project. The application is for 15 drill sites with multiple holes from each site and the corresponding roads to service them. As part of the application process, the Company is completing biological and cultural surveys at the project. In late July, the biological survey was about 50 percent complete and the cultural survey was expected to start in the next couple of weeks. It is anticipated that the project should be drill-ready in 2022.

Gold79 Mines commences trading on the OTCQB Venture Market

On July 8, 2021, the Company announced that its common shares have begun trading on the OTCQB Venture Market, operated by OTC Markets Group Inc., in the United States under the stock symbol AUSVF. The Company's common shares will also continue trading on the TSX Venture Exchange under the symbol AUU.

New staking doubles land position following successful sampling at the Gold Chain project

On June 22, 2021, the Company announced that based on the positive results from initial mapping and sampling in 2021, that it had again significantly expanded its land package with the staking of 171 new claims. The Gold Chain project now consists of 361 Bureau of Land Management claims covering approximately 2,800 hectares and five patented claims covering 37.9 hectares.

Highlights from the 417 samples reported include:

- 25.47 grams per tonne gold on the Sheep Trail ledge near the Banner mine;
- 8.78 grams per tonne gold on the Red Hill ledge at the Banner mine;
- 18.4 grams per tonne gold in the Sugarloaf Peak area;
- 11.47 grams per tonne gold on the Sunset vein;
- 0.725 gram per tonne gold from the Frisco mine trend.

Definitive Agreement for Lease and Option to Purchase the Banner Group patented claims

Effective May 13, 2021, the Company entered into a definitive lease and option to purchase agreement related to a block of patented claims, known as the Banner Group, covering 93 acres internal to the Company's pre-existing Gold Chain claim block. The definitive agreement provides up to a twenty-year option period to purchase a 100% interest in the patented claims. Cash option payments are payable upon signing of the definitive agreement and on each anniversary date thereafter until the claims are purchased. These payments are \$10,000 upon signing; \$10,000 for the first five years; \$15,000 for years six to 10; and \$20,000 for years 11 to 20. The Company has the option, prior to commercial production, to purchase a 100% interest in the Banner Group claims for \$1.5 million subject to a 1% NSR.

Tip Top Project share payment

On May 11, 2021, the Company issued 2,388,750 common shares in connection with the \$175,000 payment due under the terms of the Tip Top property purchase and sale agreement.

Appointment of Derek Macpherson as President and Chief Executive Officer

On May 1, 2021, the Company appointed Derek Macpherson to the role of President and Chief Executive Officer of the Company. Mr. Gary Thompson stepped down as President and CEO and remains in his role as Executive Chairman.

Private placement financing raising CDN\$2,210,000

On April 9, 2021, the Company closed a non-brokered private placement financing, raising gross proceeds of CDN\$2,210,000 through the issuance of 27,625,000 units at CDN\$0.08 per unit. Each unit consists of one common share of the Company and one common share purchase warrant. A total of 27,625,000 warrants were issued entitling the holders to purchase one common share of the Company at a price of CDN\$0.12 per share until April 9, 2023.

Greyhound project 2021 drilling program

During March 2021, the Company announced a drill program at the Greyhound project located in Nunavut, Canada is planned for the 2021 season. Project operator Agnico Eagle Mines Ltd. will initiate a diamond drilling program focused on three priority target areas with the objective of identifying gold-bearing structures or veins at two targets and VMS-type mineralization at another target area. The planned drilling program will comprise eight holes for approximately 1,100 metres.

Staking of extensive zone of oxide gold mineralization at Gold Chain / Letter of intent on patented claims and receipt of drill permit

During March 2021, the Company released the results from surface exploration work on its Gold Chain project in Mohave County, Arizona. A total of 87 rock samples were collected from the project area with encouraging results: rock sampling as grab, chip and dump sites have returned up to 21.9 grams per tonne gold. Four samples were greater than 10 g/t Au; 25 samples were greater than one g/t Au; and 45 samples returned greater than 0.25 g/t Au.

Gold79 staked 83 additional claims where surface rock sampling has extended known mineralization and identified broad new zones of oxide gold mineralization. Additionally, the Company's wholly owned subsidiary Gold79 USA Corp., received all final permit documentation required to drill at the Gold Chain project including acknowledgment and receipt for a bond placed with the Arizona Bureau of Land Management dated March 10, 2021.

In addition, the Company entered into a letter of intent for an internal block of patented claims, known as the Banner Group, covering 93 acres located within the area surrounded by the recently staked claims. The definitive agreement was concluded during May 2021.

Appointment of Paul Carrêlo as director

During February 2021, the Company announced the appointment of Paul Carrêlo as an independent director effective February 12, 2021. Derek Macpherson had stepped down as a director of the Company.

Large gold-in-soil anomaly outlined at the Tip Top project

During February 2021, the Company announced results from a recently completed soil geochemical survey at its Tip Top gold-silver project located in Nye County within the Walker Lane gold belt of southern Nevada. Exploration work at the Tip Top project has identified a northeast-trending, multi kilometre-long gold-in-soil anomaly. This anomaly encompasses the known gold mineralization at Tip Top but also suggests that the hydrothermal system is more extensive than previously thought.

Gold-in-soil results reveal a pronounced multi kilometre northeast-trending anomaly. The soil results also highlight a large mercury anomaly associated with the gold-in-soil results. Mapping and sampling conducted in 2020 have identified the structural controls on gold mineralization as well as zoned alteration and metals related to gold mineralization. Sampling of the Tip Top vein has returned values up to 6.7 metres of 11.8 grams per tonne Au and 4.7 m of 10.3 g/t Au across the vein and confirms previous sampling and drilling in the area. Mapping has identified an additional, broad mineralized zone about 50 metres into

the footwall of the historical Tip Top vein system. Extensive opaline, banded chalcedony vein and vein breccia contain gold values up to 2.02 g/t Au.

Four square kilometre gold-in-soils anomaly outlined at the Jefferson Canyon project

During January 2021, the Company announced results from a property-wide soil geochemical survey on its Jefferson Canyon project in Nevada which has identified a significant extent and intensity of gold and silver soil anomalies at the project. While previous exploration in the 1980s completed geophysical surveys, mapping, prospecting and drilling, this exploration work marks the first ever property wide gridded soil geochemical survey. This new soil data provides the data needed to finalize our drilling plan for the permit application that is in progress.

Gold79's targeting strategy resulted in the collection of 2,926 soil samples along 100-metre-spaced grid lines at 25 m stations covering the entire mineral claim block. The results reveal a four-square-kilometre circular gold-in-soil anomaly. The highest Au-in-soil value was 4,470 parts per billion Au and anomalous values were distributed as follows: 29 samples returned greater than 500 parts per billion Au; 99 samples were greater than 200 ppb Au; 234 samples were greater than 100 ppb Au; and, 631 samples were greater than 20 ppb Au.

Fortuna Silver Mines enters into option agreement for Taviche project, Mexico

During January 2021, the Company announced that Minaurum Gold Inc. and its wholly owned subsidiary, Minera Minaurum Gold SA de CV ("MGG"), have entered into an option agreement with Fortuna Silver Mines Inc. and Fortuna's wholly owned subsidiary, Compania Minera Cuzcatlan SA de CV ("CMC"), pursuant to which CMC can earn up to an 80 percent interest in the Taviche silver project located in Oaxaca, Mexico. Gold79 Mines Ltd. holds a 20 percent interest in the project.

Details with respect to this option agreement were announced by MGG on January 7, 2021. CMC will act as operator of the project and can earn an initial 60 percent interest in the project by making cash payments to MGG of \$450,000 and incurring \$4 million in work expenditures over a three-year period.

Gold79 retains a 20 percent free-carried interest in the Taviche project under the terms of the Company's agreements with MGG. MGG holds an exclusive option to acquire this 20 percent interest for a purchase price of \$1 million. Additionally, Gold79 is entitled to receive 100,000 common shares of MGG upon receipt of all relevant approvals and consents required for the commencement of exploration drilling at the Taviche project.

Name change and rebranding

During August 2020, the Company changed its name to Gold79 Mines Ltd. There was no consolidation of capital associated with the name change. Effective on Wednesday, August 5, 2020, the common shares of Gold79 Mines Ltd. commenced trading on the TSX Venture Exchange and the common shares of Aura Resources Inc. were delisted. The trading symbol "AUU" remains unchanged.

Amalgamation with Territory Metals Corp. / Tip Top Gold project, Nevada

On July 24, 2020, the Company closed the amalgamation agreement for the acquisition of Territory Metals Corp., an unlisted private company located in British Columbia. Territory's key asset is the Tip Top Gold project comprised of 22 unpatented mining claims (at the time of acquisition) covering approximately 173 hectares located in Esmeralda County, Nevada USA. The Tip Top Gold project is subject to an agreement of purchase and sale whereby the Company has a right to acquire a 100% interest in the project.

New Chairman and Director

Upon closing of the amalgamation with Territory, Mr. Gary Thompson was appointed as a director and Chairman of the board of directors of the Company. On August 28, 2020, Mr. Thompson was appointed to the position of Chief Executive Officer in addition to his role as Chairman.

SELECTED INTERIM INFORMATION

The following table contains selected interim financial information for the three and nine month periods ended September 30, 2021 and 2020.

	Three month period ended September 30, 2021 US\$ (unaudited)	Three month period ended September 30, 2020 US\$ (unaudited)	Nine month period ended September 30, 2021 US\$ (unaudited)	Nine month period ended September 30, 2020 US\$ (unaudited)
Revenue	Nil	Nil	Nil	Nil
Total expenses	(359,988)	(578,471)	(733,744)	(710,997)
Other income	Nil	Nil	Nil	Nil
Net loss for the period	(359,988)	(578,471)	(733,744)	(710,997)
Currency translation differences	(18,304)	191	13,045	9,661
Total comprehensive loss for the period	(378,292)	(578,280)	(720,699)	(701,336)
Net loss per common share: - Basic and diluted	(0.00)	(0.01)	(0.01)	(0.02)
		As at September 30, 2021 (unaudited) US\$	As at December 31, 2020 US\$	
Total assets		4,033,868	2,583,899	
Cash dividends per common share		Nil	Nil	

Total expenses were \$218,483 lower during the third quarter of 2021 when compared to Q3 2020. Promotion and annual meeting costs were \$2,100 lower during the quarter related to promotional marketing contracts and to lower press release costs. Regulatory and transfer agent fees were higher by \$872 as a result of lower transfer agent fees which were offset by increased regulatory fees related to the Company's new OTCQB listing and to higher TSX-V filing fees. Professional fees were lower by \$10,785 primarily due to reduced legal fees in Canada. Legal costs during Q3 2020 were higher relating to the amalgamation transaction with Territory Metals. General and administrative costs were \$29,230 higher and related primarily to increased Chief Executive Officer and Executive Chairman management fees and to the introduction of quarterly fees payable to independent directors of the Company. Stock based compensation expense was \$235,700 lower during Q3 2021 when compared to Q3 2020. A total of \$177,600 related to stock options granted during July 2021. During Q3 2020, a total of \$413,300 was recorded relating to stock options granted August and September of 2020.

For the nine month period ended September 30, 2021, total expenses were \$22,747 higher when compared to the same period during 2020. Significant variations in expenses included higher promotion expense of \$77,354 primarily related to ongoing marketing contracts. Regulatory authority and transfer agent fees were \$25,791 higher primarily related to the Company's application and listing costs for its new OTCQB

listing. Professional fees were lower by \$36,013 due to reduced legal fees in Canada with higher costs in 2020 relating to the amalgamation transaction with Territory Metals. General and administrative costs were \$153,165 higher related primarily to increased Chief Executive Officer and Executive Chairman management fees and to the introduction of quarterly fees payable to independent directors of the Company. During the nine month period ended September 30, 2021, the Company recorded a total of \$215,750 in stock based compensation expense related to both a grant of stock options to a new Company director in February 2021 and to the stock option grant of July 2021.

OVERALL PERFORMANCE AND RESULTS OF OPERATIONS

Mineral Exploration Properties and Deferred Exploration Expenditures

During the nine month period ended September 30, 2021, the Company capitalized a total of \$555,679 of costs relating to mineral exploration properties. Cash payments of \$10,000 and \$30,000 related to the new lease and option agreement for the Banner Group and Tyro Group claims, respectively; the third anniversary Gold Chain cash payment of \$30,000; and, a payment of \$20,000 related to the underlying option agreement for the Jefferson Canyon project. Common share payments valued at \$25,000, \$175,000 and \$48,000 were made for the Jefferson Canyon, Tip Top and Gold Chain projects, respectively. A total of \$217,679 related to annual claim renewal fees and to claim staking and filing fees for 254 additional claims staked at the Gold Chain project during January and May of 2021.

During the nine month period ended September 30, 2021, the Company incurred a total of \$518,326 in exploration expenditures relating to geologic, geochemical and geophysical work along with drilling and drill permitting. Geology costs of \$150,127 related primarily to mapping and rock sampling programs at Gold Chain. Geochemical costs of \$23,096 related the soil geochemical surveys at both the Tip Top and Jefferson Canyon projects including assay costs. Geophysical costs of \$19,868 related primarily to reprocessing of magnetic and CSMAT resistivity data for the Jefferson Canyon project. Drill program and drill permitting costs totaled \$325,235 and related primarily to the sixteen hole drill program at the Gold Chain project and to the advancement of drill permitting at the Jefferson Canyon project.

Since June 2014, property maintenance and direct field exploration programs at Greyhound have been funded by Agnico Eagle under the terms of the option and joint operating agreements with Agnico Eagle.

Gold Chain Project – Arizona, USA

Property Background

On July 30, 2018, the Company entered into a binding letter agreement for an option to acquire a 100% interest in the Gold Chain project located in Mohave County, Arizona. The initial project comprised 93 Bureau of Land Management lode mining claims in western Arizona, where work conducted by prior operators has indicated the property is prospective for gold. On February 4, 2019, the Company completed a definitive legal agreement with the vendors of the Gold Chain project incorporating all of the terms of the letter agreement and other standard industry terms. On May 29, 2020, the Company and the vendors entered into an amended option agreement which adjusted future cash and share payments and extended the timing of future payments. Consideration payable to earn a 100% interest in the project is payable in annual instalments over a seven-year period from inception. The balance of payments remaining consists of a total of \$440,000 in cash and a value of \$192,000 payable in common shares.

The initial 150,000 share payment was completed during March 2019 and the first anniversary cash and share payment during July 2019. During August 2020, the Company paid the second anniversary payment that comprised \$40,000 cash and 1,060,422 common shares. During July 2021, the Company paid the third anniversary payment comprised of \$30,000 cash and 744,711 common shares. The vendors of the property hold a 2% net smelter return royalty (NSR) on gold and silver. The Company has the right to buy down the

NSR in increments of 1% by paying the vendors the sum of \$1 million for each 1% of the NSR at any time prior to completion of the first year of commercial production. Additionally, the vendors will be entitled to a bonus cash payment equivalent to \$1.00 per ounce of gold estimated in any resource category determined in a Preliminary Economic Assessment compliant with National Instrument 43-101. Any cash bonus payment that becomes payable will be creditable toward amounts due under the NSR agreement.

Following initial evaluation of the historical technical data base for the Gold Chain project and a field visit during the fall of 2018, an additional 14 claims were staked to cover newly interpreted structural projections, bringing the total project claims to 107. These additional claims fall into an area of interest defined in the letter agreement.

The Gold Chain project consists of several mineralized exposures, over five kilometres, composed of epithermal-style gold mineralization. Some of these exposures were mined on a limited scale prior to 1940 and were explored by several companies during the 1980s. Mineralization occurs along a low-angle unconformity or detachment fault where mid-Tertiary volcanics rest directly on Precambrian rocks. The gold-bearing rock is characterized by quartz-calcite veinlets or stockwork in silicified and hematized volcanics in the hanging wall of the detachment fault. Several analogous deposits have been productive in the region. Historical records reveal that drilling identified oxidized conditions extending to at least 100 metres below the surface, a condition favourable for gold recovery by leaching.

During March 2021, the Company released results from surface exploration work on its Gold Chain project. A total of 87 rock samples were collected from the project area with encouraging results: rock sampling as grab, chip and dump sites have returned up to 21.9 g/t gold. Four samples were greater than 10 g/t Au; 25 samples were greater than one g/t Au; and 45 samples returned greater than 0.25 g/t Au.

During January 2021, the Company staked 83 additional claims where surface rock sampling has extended known mineralization and identified broad new zones of oxide gold mineralization. Additionally, the Company's wholly owned subsidiary Gold79 USA Corp., has received all final permit documentation required to drill at the Gold Chain project including acknowledgment and receipt for a bond placed with the Arizona Bureau of Land Management dated March 10, 2021.

Effective May 13, 2021, the Company entered into a definitive lease and option to purchase agreement related to a block of patented claims, known as the Banner Group, covering 93 acres internal to the Company's pre-existing Gold Chain claim block. The definitive agreement provides up to a twenty-year option period to purchase a 100% interest in the patented claims. Cash option payments are payable upon signing of the definitive agreement and on each anniversary date thereafter until the claims are purchased. These payments are \$10,000 upon signing; \$10,000 for the first five years; \$15,000 for years six to 10; and \$20,000 for years 11 to 20. The Company has the option, prior to commercial production, to purchase a 100% interest in the Banner Group claims for \$1.5 million subject to a 1% NSR.

During May 2021, the Company staked 173 additional claims based on the positive results from initial mapping and sampling in 2021. The Gold Chain project now consists of 361 Bureau of Land Management claims covering approximately 2,800 hectares and five patented claims covering 37.9 hectares.

On September 23, 2021, the Company entered into a definitive lease and option to purchase agreement related to a block of patented claims, known as the Tyro Group, covering 57.4 acres internal to the Company's pre-existing Gold Chain claim block. The definitive agreement provides up to a twenty-year option period to purchase a 100% interest in the patented claims. A cash payment of \$30,000 was paid upon signing of the definitive agreement and annual cash payments are payable until the option to purchase the claims is exercised. These payments are \$10,000 for the first five years (initial \$10,000 paid); and, \$15,000 for years six to 20. The Company has the option, prior to commercial production, to purchase a

100% interest in the Tyro Group claims for \$500,000. The Tyro Group claims are subject to a 1% NSR with the Company having a right of first refusal with respect to any sale of the NSR.

Exploration programs

Field studies were initiated in the fall of 2020 and focused on Gold Chain Hill, Black Dyke and the Roadside mine, all prospects with historically identified gold mineralization (1980s). This work identified a close spatial relation between gold mineralization and rhyolite dikes, which prompted reconnaissance-type activities to the east from the Roadside mine. Early conclusions drawn from this preliminary regional work are that gold-bearing veins, breccia and stockwork from mines and prospects between the Katherine and Sugarloaf Mountain/Philadelphia project (approximately 12 kilometres) reveal striking similarities, including gold/silver ratios, mineralogy, vein textures, wall rock alteration and proximity to rhyolite dikes. Additional geologic comparison with the Moss mine, approximately 15 kilometres south, and the Oatman district, an additional several kilometres to the southeast, suggests that the Katherine district is the northern extent of the Oatman district, and this roughly defined chain of gold occurrence is heretofore referred to as the North Oatman trend.

This new work has identified two extensive and distinct geologic environments hosting gold mineralization.

North Oatman trend

This trend is defined by a rhyolite dike complex which can be traced from the Katherine mine to the Arabian mine (Philadelphia project, Arizona Silver), both historic gold producers, over a distance of about 10 kilometres; the dike complex is up to several hundred metres wide and dips moderately to the south-southwest.

Frisco graben trend

This northwest-trending graben is defined by two subparallel normal faults that outline an area measuring six kilometres of strike and up to 1.7 kilometres wide. The southeast extension of the graben hosts the Frisco mine (Frisco Gold). Reconnaissance sampling has identified weak gold-in-rock anomalies in the southeast portion near the Frisco mine. The graben is dominated by quartz-clay-hematite alteration of the volcanics and likely well above the precious metal horizon, suggesting gold mineralization may increase with depth.

North Oatman trend

The North Oatman trend gold mineralization, in quartz-calcite-adularia-fluorite veins and veinlets, is spatially associated with the rhyolite dike complex for about 10 kilometres. At least two dominant controls on gold have been identified and fit within a transtensional structural regime: Type A, parallel to the rhyolite dike complex at the footwall contact with the Precambrian granite and internally between distinct phases of the dike complex; and Type B, transverse structures (north-trending) that host discrete veins (Sunset and Banner veins). Controls A and B are distinct with Type A related to right-lateral strike-slip movement and Type B are normal faults. In other words, these rocks were fractured at roughly the same time and had access to the same fluids. The main difference is that Type A controls are narrow, discontinuous veins (pinch and swell) contained in broader envelopes of broken or damaged rock filled by gold-bearing veinlets or stockwork zones (Northern Vertex's Moss mine) while Type B controls result in more continuous, discrete veins and breccias formed in an extensional environment (the Oatman district).

Banner mine area - Type A target

The Banner mine is located along the North Oatman trend about two kilometres east of the Roadside mine, where historical drilling is highlighted by 39.6 metres at 0.72 gram per tonne gold. The mine sits a few hundred metres higher in elevation where the rhyolite dike complex has been pervasively silicified and altered and invaded by several faults parallel to the Precambrian contact. The mine was developed on the Red Hill ledge, a broad mineralized fault breccia, and an inclined shaft was sunk to a depth of 450 feet with limited development on the 250-foot level. The mine is not accessible, but initial sampling at the shaft's

collar has resulted in four metres of 1.23 grams per tonne gold and 1.0 metre of 8.78 grams per tonne gold within a broad zone, up to 20 metres thick, of quartz-calcite epithermal mineralization. This zone can be traced for over 500 metres to the west toward the Roadside mine. The Banner mine was developed around 1918 but very limited information on the mine is available.

Sunset vein - Type B target

This vein intersects the Red Hill ledge at the Banner mine and can be followed to the south for 700 metres as a broad, up-to-50-metre, steeply dipping complex of quartz-calcite veins, breccia and stockwork. A broad zone of chalcedony veining has developed at the intersection with a footwall split, the East Sunset vein. Most of the quartz veining is composed of chalcedony with low gold values. The surface expression of this vein suggests that it is the upper level of an epithermal system; sampling of mine dumps from a shaft on the vein returned 11.47 grams per tonne gold.

Gold Chain Hill, Black Dyke and Roadside mines - Type A targets

These targets were the focus of much of the historic drilling in the 1980s and 1990s. Recent work has identified a close spatial relation with rhyolite dikes, where gold mineralization is hosted by quartz stockwork in silicified rhyolite (Gold Chain Hill and Roadside mines) and extensive vein breccia bodies (Black Dyke mine) adjacent to a rhyolite dike and/or flow dome complex. In all three prospects, gold mineralization occurs in surface exposures and historic drilling suggests that it continues to depth. Historical geologic models utilized low-angle detachment faults as a control versus steeper dike contacts employed in this work. All exposures are isolated inselbergs within broad aprons of alluvial material.

Hyperspectral survey results

The Company contracted Ethos Geological to use its machine learning and advanced statistical methods to analyze data captured by satellite multispectral resources. This work proceeded in four phases:

1. Selection and assimilation of the available satellite multispectral data;
2. Classification of the minerals using over 2,100 available mineral spectra;
3. Factor analysis of the minerals;
4. Insight into the alteration families for the purpose of identifying hydrothermal activity and predicting gold deposition and/or prospective mineral trends.

Factor 10 nicely defines areas of moderate to strong alteration, including quartz-illite-pyrite in the North Oatman trend (Roadside/Banner/Sugarloaf) and quartz-clay-hematite in the Frisco graben. Mapping by the Company has clearly defined a close spatial relation between gold mineralization and these styles of alteration, as was also documented in the Oatman district.

Initial drilling program September 2021

During October and November of 2021, the Company released drill results from its recently completed 16-hole drill program at the Gold Chain project. Four holes were drilled across the northernmost exposures of the recently acquired Tyro target and tested broadly mineralized surface exposures at depths from 20 to 40 metres below the surface. Twelve holes were focused on the northwesternmost two kilometres of the 10 km North Oatman trend, which includes the historical Roadside mine and the Banner mine to the southeast.

Highlights from the Company's initial drill campaign included:

- Drilling confirmed broad consistent gold mineralization at the Tyro target area;
- Drill hole GC21-15 returned two grams per tonne gold over 21.3 metres starting 10.7 metres down hole;
- Drill hole GC21-14 returned 1.85 g/t over 19.8 m starting 29 metres down hole;
- Tyro is largely open at depth and on strike.
- Drilling along the Red Hill Ledge within the Banner claim block was highlighted by:

- 3.1 metres of 10.68 g/t Au beginning 33.5 metres below the surface (GC21-08);
- 13.7 metres of 2.56 g/t Au beginning at 1.5 metres below the surface (GC21-10).
- Drilling at the Roadside mine prospect intersected 0.98 g/t Au over 21.3 metres starting 20 metres below the surface (GC21-03).
- Both prospects are considered highly prospective as they share a similar geologic environment along the approximately 10-kilometre North Oatman trend and are separated by about two kilometres of strongly altered and widely veined rhyolite dike complex.

Tyro target

At the Tyro target area all four reverse circulation holes were drilled from the hangingwall beneath surface vein exposures and limited mine workings at 50 to 60 degrees and encountered variable quartz veining over broad intervals. Surface exposures consist of discrete quartz-chalcedony-adularia-calcite veins up to two metres encompassed by a broad package of veins and veinlets. The wall rock for the entire Tyro target is a Precambrian granite which is strongly chloritized within the vein package; the vein system dips steeply to the southeast about 70 degrees.

The Tyro mine was developed both initially underground and then as an open pit in the 1980s along a broad zone of quartz-chalcedony veins and stockwork hosted by Precambrian granite. The zone trends north-northeast, dips steeply and can be traced for over one kilometre. Open-pit exposures reveal a width from 30 to 60 metres. Prior to 1930, a shaft was sunken to a depth of 500 feet with workings down to the 200-foot level; underground production was minimal and production from the open pit is not currently known. The vein terminates to the southwest into a few north-northwest-trending rhyolite dikes and appears to horsetail to the northeast. Meaningful gold values have been identified over its entire strike length. The Tyro target is referred to as a type B target which are north-trending transverse structures to the northwest-trending mineralized zones which parallel and define the North Oatman trend. The North Oatman trend gold mineralization, composed of quartz-calcite-adularia-fluorite veins and veinlets, is spatially associated with the rhyolite dike complex for about 10 km. Type B targets tend to host discrete veins, like Sunset and Tyro.

Vein from the Tyro target strongly resembles vein from the gold-rich, epithermal Oatman district, about 15 to 20 km to the south. At Oatman, several veins have been exploited to depths greater than 200 to 400 metres at 10 to 20 g/t Au with average widths ranging from three to 10 metres. The Tyro target, which ranges from 20 to 50 metres, is likely an upper-level manifestation of an Oatman-type vein with broad, sheeted vein complexes coalescing into a discrete, high-grade vein at depth. It is reported that the historical shaft on the Tyro target, about 350 metres to the southwest of these drill holes, was developed to a depth of about 150 metres and was likely developed on vein.

Red Hill Ledge prospect (Banner claims)

A roughly east-west fence of holes was drilled along the hangingwall of the Red Hill Ledge, which was partially developed at the historical Banner mine. The goal of these scout holes was to better define the geologic environment related to several gold-bearing samples collected from surface exposures.

These drill results support that gold mineralization intersected in this campaign is hosted by the Red Hill Ledge and corroborate initial surface samples of 3.6 m of 1.23 g/t Au at the collar of the Banner shaft. Drill hole GC21-08 encountered 3.1 metres of 10.68 g/t Au on the Red Hill Ledge and GC21-10 drilled 13.7 m of 2.56 g/t Au from 1.5 m down to the Red Hill Ledge. Hole GC21-09 cut similar quartz veining but without significant gold values. Hole No. GC21-11 was collared in the immediate footwall and did not encounter gold mineralization beneath the Red Hill Ledge. The hole did not reach the Precambrian contact where the Sheep Trail Ledge is anticipated to be.

Roadside mine prospect

Five holes for a total of 281 metres were drilled on a roughly north-south line across the mineralized zone identified by historical drilling. All holes were drilled vertically to depths between 61.0 and 70.1 metres. This initial drilling has confirmed the presence of gold in holes GC21-02 and -03, which contained 6.2 metres at 0.62 g/t gold and 21.3 metres at 0.98 g/t gold, respectively. This mineralized package is contained within a broader envelope of quartz veinlets for which additional sampling results are pending. Additionally, these results need to be considered relative to the surrounding historical intercepts and upon completion of this analysis, additional shallow drilling will likely be warranted to confirm the extent of mineralization.

Sunset vein prospect

Initial exploration along the one km Sunset vein has identified a broad zone, up to 50 metres wide, of strong quartz-chalcedony veining developed along a silicified rhyolite dike emplaced into the Precambrian granite. Although surface sampling has only locally identified high gold values, that is greater than 10 g/t Au, this broad zone of veining is widely anomalous in gold (greater than 100 parts per billion Au) and consistent with a high vertical position in the epithermal system.

Hole No. GC21-06 was drilled from the footwall of the Sunset vein to a depth of 105.2 metres where the hole was lost in broken ground. The hole encountered moderate to strong veining to a depth of about 85 metres with broadly anomalous gold values. The hole tested the vein complex to a depth of about 60 metres below the surface and did not emerge into the hangingwall of the dike where a surface working yielded an 11.47 g/t Au sample. Hole No. GC21-12 was collared deeper into the footwall of the vein complex and was drilled to a depth of 130 metres. Like hole No. GC21-06, this hole encountered moderate to strong quartz-chalcedony veining to a depth of 75 metres and was terminated in the rhyolite dike; gold values were also anomalous to similar depths. Additional drilling is warranted along the Sunset vein but at greater depths and from the hangingwall side of the vein-dike complex.

Next steps at the Gold Chain project

Based on the significant results obtained in this initial drill program at Gold Chain the Company plans to prioritize follow-up programs as follows:

- Complete additional geological mapping;
- Conduct step-out drilling at the Tyro target to test the remainder of the one km strike along trend and at depth;
- Completion of property-wide geophysics;
- Conduct initial drilling of the Gold Chain Hill and Black Dyke prospects;
- Complete additional mapping and sampling along the Red Hill Ledge from the Roadside mine eastward to the Banner mine and farther to the southeast; and,
- Conduct preliminary exploration along the North Oatman trend between the Banner mine and Sugarloaf Mountain.

Mr. Robert Johansing, MSc, P.Geo., Vice-President Exploration of the Company, is Gold79's qualified person (as defined by National Instrument 43-101) for the Gold Chain project and has reviewed and approved the scientific and technical information contained in this MD&A.

Jefferson Canyon Project – Nevada, USA

During March of 2019, the Company entered into a non-binding letter agreement with Thorsen-Fordyce Merchant Capital Inc. (“Thorsen”) and TF Minerals (USA) Inc. (together, the “TF parties”) relating to the Jefferson Canyon gold-silver project (“JCP”) in southern Nevada, Nye County. The agreement covers 57 unpatented claims located about 7 kilometres east of Kinross's Round Mountain gold mine. A site visit was conducted in May 2019 and was focused on confirmation of historical data and the collection of rock

samples to confirm historical results. All samples returned anomalous gold and silver values with significant high-grade results grading up to 26.1 g/t gold and 2,975 g/t silver. These results are viewed as confirmation of historical surface sampling results.

On May 31, 2019, the Company entered into a definitive option agreement with the “TF parties” relating to the Jefferson Canyon gold-silver project. On May 29, 2020, the Company and the TF parties entered into an amended option agreement which extended the timeframe for certain cash payments and exploration expenditures. Under the terms of the amended option agreement the Company can earn a 100% interest in 28 claims forming part of the Jefferson Canyon property held directly by the TF parties by making: (i) an initial common share payment to the TF parties valued at \$25,000 upon receipt of TSX Venture Exchange approval (670,000 common shares and cash of \$275 paid during June 2019); (ii) seven additional annual payments valued at \$25,000 each on May 31, 2020, through 2026, which may be paid in common shares and/or cash at the option of the Company; and, (iii) a cash payment by May 31, 2027, of \$200,000. During July 2020, the Company issued 612,755 common shares valued at \$25,449 and paid cash of \$6,624 related to the 2020 anniversary payment. During June 2021, the Company issued 351,337 common shares valued at \$25,000 related to the 2021 anniversary payment.

Additionally, under the terms of the definitive option agreement, the Company has assumed responsibility for an underlying option agreement, initiated in September, 2015, between Thorsen and an individual claim holder whereby Thorsen has the right to earn a 100% interest in 29 claims comprising the balance of the Jefferson Canyon project. The underlying agreement requires annual advance royalty payments by the September 14 anniversary through to 2030 or until exercise of the option to purchase. Annual advance royalty payments total \$425,000 (\$5,000 was paid by Thorsen with a balance of \$420,000 due at initiation of the option agreement). The annual advance royalty payment schedule comprises \$10,000 due September, 2019 (paid), \$15,000 in 2020 (paid), \$20,000 in 2021 (paid) after which the annual payment increases by \$5,000 per year until 2026 and is followed by four annual payments of \$50,000 for 2027 to 2030. The option to acquire a 100% interest in the 29 claims is exercisable at any time during its term, up until March 14, 2032, by paying a purchase price of \$500,000. Any advance royalty payments paid and the purchase price are creditable against future net smelter return royalties payable.

The Company is responsible for annual claim maintenance fees and has committed to minimum exploration work expenditures of \$100,000 by May 31, 2022 (incurred during 2020). Additionally, the 28 claims held by the TF parties are subject to a 3% net smelter return royalty and the 29 underlying claims are also subject to a 3% NSR. Each of these NSR obligations are subject to separate buyback provisions whereby up to 2% of each NSR can be purchased by the company for \$1 million for each 1%.

The JCP contains a large volcanic-hosted epithermal Au-Ag system that is essentially the same age as the nearby Round Mountain deposit, a world-class low-sulfidation (LS) epithermal deposit. Both are hosted in felsic ash-flow tuffs along the margins of calderas and both contain a strong northwest-trending and north-south structural control to veins. Both areas contain low-grade disseminated and high-grade vein or replacement type mineralization.

Historical drilling which has not been confirmed by the Company’s qualified person included: hole GJ-81 returned 167m of 1.9 g/t Au and 145.5 g/t Ag, including 1.5m of 111.6 g/t Au and 2,228.6 g/t Ag from 39.6m depth.

During January 2021, the Company announced results from a property-wide soil geochemical survey at JCP which has identified a significant extent and intensity of gold and silver soil anomalies at the project. While previous exploration in the 1980s completed geophysical surveys, mapping, prospecting and drilling, this exploration work marks the first ever property wide gridded soil geochemical survey. This new soil data provides the data needed to finalize our drilling plan for the permit application that is in progress.

A total of 2,926 soil samples were collected along 100-metre-spaced grid lines at 25 m stations covering the entire mineral claim block. The results reveal a four-square-kilometre circular gold-in-soil anomaly. The highest Au-in-soil value was 4,470 parts per billion Au and anomalous values were distributed as follows: 29 samples returned greater than 500 parts per billion Au; 99 samples were greater than 200 ppb Au; 234 samples were greater than 100 ppb Au; and, 631 samples were greater than 20 ppb Au.

The five rocks samples collected were anomalous, with values of up to 15.2 g/t gold and 421 g/t silver.

Following up on the soil sampling campaign and strong historical drilling results from the Jefferson Canyon project, the Company reprocessed the data from previously completed resistivity, magnetic and gravity geophysical surveys. The results of the reprocessed magnetic survey, in light of the historical drilling and the gold and silver soil anomalies, reveal a coincident magnetic low likely related to a mineralizing event. The reprocessed CSMAT resistivity data suggest that the Jefferson Canyon fault is a deep structure which likely controls the mineralization. This spatial relationship to the gold-silver mineralization supports the potential to expand the mineralized footprint both along strike and depth. A large conductor is evident down plunge along the northeast-dipping Jefferson Canyon fault.

US-Forest Service drill permitting activity has been initiated and is ongoing. On July 21, 2021, the Company submitted an application for a plan of operations at the Jefferson Canyon project. The application is for 15 drill sites with multiple holes from each site and the corresponding roads to service them. As part of the application process, the Company is completing biological and cultural surveys at the project. A biological survey is ongoing and a cultural survey recently commenced. It is anticipated that the project should be drill-ready in 2022. It is expected that the biological and cultural surveys being completed, which represents the bulk of the cost, can be reused in future permitting efforts.

Mr. Robert Johansing, MSc, P.Geo., Vice-President Exploration of the Company, is Gold79's qualified person (as defined by National Instrument 43-101) for the Jefferson Canyon project and has reviewed and approved the scientific and technical information contained in this MD&A.

Tip Top Gold Project – Nevada, USA

On July 24, 2020, the Company closed an amalgamation agreement for the acquisition of Territory Metals Corp., Territory's key asset is the Tip Top Gold project which was comprised of 22 unpatented mining claims (at the time of acquisition) covering approximately 173 hectares located in Esmeralda County, Nevada USA. During September 2020, the Company staked 121 additional claims at the Tip Top Gold project. This new staking increased the land position from 22 claims to a total of 143 claims covering approximately 1,062 hectares in total area.

The Tip Top Gold project is subject to an agreement of purchase and sale whereby the Company has a right to acquire a 100% interest in the project. To complete the acquisition of a 100% interest, the Company is required to issue the vendor its publicly traded shares equal to a value of \$175,000 on or before May 12, 2021 (2,388,750 common shares issued on May 11, 2021), and pay an amount of \$25,000 in cash on each of the first, second and third anniversaries of May 12, 2021. The vendor retains a 1% net smelter return royalty on the property and the Company is obligated to pay the vendor a cash payment of \$200,000 within 30 days of completion of a bankable feasibility study on the Tip Top Gold project. The Company may purchase the NSR royalty by paying the vendor \$1 million.

The Tip Top Gold project is located at the north end of the White Mountains, five miles south of Montgomery Pass, which is on United States Highway 6 between Bishop, California, and Tonopah, Nevada. The project contains several low-sulphidation oxide gold-silver epithermal veins with low base-metal contents, which are peripheral to an altered rhyodacite intrusion emplaced into Jurassic-Cretaceous

intrusive and a bimodal package of volcanic rocks. Two of the veins historically produced a total of 6,900 ounces of gold and some silver. Since 1980, the property has been drilled by five companies, with 143 drill holes totalling over 24,000 feet.

Selected historical high-grade drill hole intercepts from the Tip Top Gold project include the following:

- Hole TTD-02 returned 2.44 metres of 19.82 grams per tonne Au from 20.20 m depth (Hecla 2001, core drilling);
- Hole TTD-04 returned 2.59 m of 7.89 g/t Au from 32 m depth (Hecla 2001, core drilling);
- Hole T98-12 returned 4.57 m of 16.31 g/t Au from 28.97 m depth (Dos Amigos 1998, reverse circulation drilling);
- Hole T98-14 returned 9.14 m of 14.42 g/t Au from 21.34 m depth (Dos Amigos 1998, reverse circulation drilling).

Historical drilling along the Tip Top vein, and particularly around the Tip Top adit, has identified gold-bearing veins, and there is a good possibility of expanding the known mineralization along strike and to depth. The selected gold-bearing intercepts above are drilled intervals and true width cannot be determined at this time. Currently, there is not enough confidence in the historical data to support resource modelling. Regardless, there is significant exploration potential along the Tip Top vein system as well as other parallel veins.

Geological mapping of the Tip Top mine area has identified a broad zone, up to 80 metres wide, of northeast-trending quartz-chalcedony veining hosted by silicified volcanic rocks. The broad zone of veining can be traced for about 500 metres northeast from the mine, where it appears to pass below a diffuse zone of quartz veinlets hosted by clay-altered (quartz-illite) volcanic rocks and local silicification. This mineralized zone has been historically drill tested (including 26.9 g/t gold over 1.6 metres and 19.8 g/t gold over 2.4 metres; Hecla Mining, 2001) in close proximity to the Tip Top mine. Recent mapping has also identified additional zones of strong quartz veining and hydrothermal breccias in the footwall of the Tip Top mine, which have not been drill tested, and a broader zone of gold mineralization is suspected. The combination of high-level vein textures, alteration products and shallow gold intercepts in the historical drilling suggest that this epithermal gold system has suffered minimal erosion. This is also supported by the widespread presence of mercury workings throughout the district.

Mapping has also revealed likely extensions of the epithermal system both to the northeast and southwest, although they are widely concealed by talus (overburden) or high-level alteration (clay and opalite). The scale of the system extends well beyond the original 22 claims, which prompted the recently completed claim staking, which now envelops the broad (one kilometre), northeast-trending corridor of hydrothermal alteration and quartz veining.

During February 2021, the Company announced results from its recently completed soil geochemical survey at the Tip Top project. Exploration work at the Tip Top project has identified a northeast-trending, multi kilometre-long gold-in-soil anomaly. This anomaly encompasses the known gold mineralization at Tip Top but also suggests that the hydrothermal system is more extensive than previously thought.

Gold-in-soil results reveal a pronounced multi kilometre northeast-trending anomaly. The soil results also highlight a large mercury anomaly associated with the gold-in-soil results. Mapping and sampling conducted in 2020 have identified the structural controls on gold mineralization as well as zoned alteration and metals related to gold mineralization. Sampling of the Tip Top vein has returned values up to 6.7 metres of 11.8 grams per tonne Au and 4.7 m of 10.3 g/t Au across the vein and confirms previous sampling and drilling in the area. Mapping has identified an additional, broad mineralized zone about 50 metres into the footwall of the historical Tip Top vein system. Extensive opaline, banded chalcedony vein and vein breccia contain gold values up to 2.02 g/t Au and mercury values up to 184 parts per million.

Mr. Robert Johansing, MSc, P.Geo., Vice-President Exploration of the Company, is Gold79's qualified person (as defined by National Instrument 43-101) for the Gold Chain project and has reviewed and approved the scientific and technical information contained in this MD&A.

Greyhound Project – Nunavut, Canada

Property Background

During June 2006, the Company initiated its Greyhound project in the central Churchill region of Nunavut, Canada, staking 10 claims for a total of 10,451 hectares. From 2008 to 2011, the Company increased its land holdings in the Whitehills area to a total of 57 claims comprising over 55,000 hectares. Since that time, a total of 42 claims have lapsed. Currently, the Greyhound project comprises a total of 15 claims covering approximately 15,123 hectares. Of these claims, 13 are subject to a joint operating agreement with Agnico Eagle Mines Ltd. ("Agnico Eagle") (see below). These 13 claims have been converted to mining leases under Nunavut Mining Regulations.

During June 2014, the Company entered into a definitive option agreement with Agnico Eagle which allowed Agnico Eagle to earn an interest in the 13 claims comprising the Greyhound project. Under the terms of the option agreement, over the first three years of the agreement, Agnico Eagle had the exclusive right to earn an undivided 51% ownership interest by meeting annual commitments that totaled CDN\$210,000 in cash payments to the Company and incurring CDN\$1,750,000 in exploration work expenditures on the project.

Agnico Eagle completed all requirements to earn a 51% interest effective June 1, 2017. From June 1, 2017 forward, the 13 claims became subject of a joint operating agreement between the Company and Agnico Eagle. Work programs are to be established by a management committee comprised of one representative from each of the Company and Agnico Eagle. If either party to the joint operating agreement fails to fund its pro-rata share of approved exploration programs its interest in the project will be diluted on a pro-rata basis. As at September 30, 2021, the Company's ownership interest in the Greyhound project was 36.6% (December 31, 2020 – 37.1%). If any party's interest in the project falls below 10% then that party will forfeit their 10% interest and in return will receive a 2% NSR. The other party may at any time purchase one-half of the NSR, namely a 1% NSR, for an amount of CDN\$2,000,000. Agnico Eagle is the operator of the project.

The Company originally staked the Greyhound precious and base metals prospect based on historical assays from prospecting with samples assaying 1,480 and 3,080 g/t Ag from other exploration companies that were supervised by Company geologists at that time.

The Greyhound property is located north of the community of Baker Lake, Nunavut and south of Agnico Eagle's Meadowbank Gold Mine which has been in commercial operation since 2010. An all-weather road to the Meadowbank Mine from Baker Lake crosses portions of the Greyhound property enhancing the project's infrastructure and setting the project apart from many exploration projects in the north.

Greyhound project expenditures and interest

As at September 30, 2021, the Company's interest in the Greyhound project was 36.6%. Total cumulative expenditures of \$2,915,424 were incurred by Agnico Eagle up to May 31, 2021. If the Company elects not to fund, or is unable to fund current or future expenditures, its interest in the Greyhound project would be further diluted.

2021 Exploration Drilling

During June and July 2021, the project operator Agnico Eagle Mines Ltd. completed a diamond drilling program focused on three priority target areas with the objective of identifying gold-bearing structures or

veins at two targets and VMS-type mineralization at another target area. The drilling program comprised nine holes for approximately 1,815 metres. Assay results are pending.

At the southeast Aura Lake gold target two drill holes were completed targeting the strongest induced polarization anomalies from a 2018 geophysical survey. The anomalies have a northeast to east-northeast orientation and parallel a major regional structure located a few hundred metres to the south. The planned drill holes are up ice of distinct gold-in-till anomalies. These holes will test the source of soil and boulder gold and arsenic anomalies. The South Aura Lake gold target is proximal to a number of historical high-grade locally transported rock samples containing up to 28 grams per tonne gold.

At the Dingo Pluton gold target two drill holes were completed. The first hole targets gold in quartz veining in the margin of the Dingo pluton, focused on an isolated electromagnetic anomaly, potentially sulphide mineralization. It is also associated with gold-soil anomalies, surface samples with up to 12.5 g/t Au, and a possible east-northeast structure identified by a high-resolution ground magnetic survey. The second hole targets a surface gold discovery at the north edge of the pluton. Grab samples contain up to 12.4 g/t gold.

At the Outstanding Lake VMS target five drill holes were completed. Results from a 2020 till survey identified numerous base metal anomalies, as well as an isolated gold anomaly, all down ice. Three drill holes targeted max-min EM geophysical anomalies previously identified at Outstanding Lake. It occurs within a two-kilometre Airborne VTEM conductive zone coincident with the Outstanding Lake north and south prospective areas. Drill core from historical hole DDH G11-31 at the southeast shore of Outstanding Lake, drilled to the east away from the conductor, contains both base metal contents and alteration characteristics of a VMS footwall, which support the current targeting. Glacially transported boulders containing 9.3 percent copper and 18.4 percent zinc were previously discovered about one kilometre to the west of Outstanding Lake. The EM anomalies at Outstanding Lake are a possible source. Two other holes near Outstanding Lake targeted the contact between the tuff and the mudstone along a quartz vein which is up ice from till anomalies.

Agnico Eagle Exploration Programs 2018 and 2019

During the 2018 field season, Agnico Eagle undertook surface mapping, induced polarization (“IP”) geophysical surveys, till sampling and drilling on two newly defined targets. This work was focused primarily on gold targets at two distinct areas around Aura Lake. These two target areas, the northwest fold area and South Aura Lake, were selected for additional work, including diamond drilling.

The 2018 fieldwork has led to the discovery of a base and precious metal target at Greyhound. Agnico Eagle completed an extensive set of induced polarization geophysical surveys, including a previously untested area in the central part of the property. These new data, combined with the Company's earlier discovery of zinc-copper-silver-rich boulders, a gold-rich vein system, field mapping and lithochemical sampling, enabled the identification of a priority exploration target which was drill tested with 3 holes during the 2019 field season.

The 2019 drill holes, GHD19-30, 31 and 32A, tested a series of sub-parallel IP anomalies interpreted as a potential source of the volcanogenic massive sulfide (VMS) -style mineralized boulders that occur about 1 km to the west. These boulders contained up to 9.2% Cu and 18.4% Zn and were glacially transported from east to west. The 2019 holes intersected subequal amounts of graphitic mudstone and intermediate volcanoclastic strata. The maximum gold value from this drilling was 1.09 g/t Au over 0.9 meters.

Dr. James Franklin has reviewed the 2019 results and concludes that the sequence intersected in these holes probably represents a hiatus in volcanism, possibly related to the hanging wall of a VMS system. Hole GHD11 – 31 contains both base metal contents and alteration characteristics of a VMS footwall. Thus, the most prospective area for VMS mineralization may correspond to the untested Max-Min EM survey that is

largely under the small lake to the north of the three 2019 drill holes. Based on the data from GHD11-31 drilled previously in 2011 and very limited outcrop data, this prospective area lies immediately to the west of the extensive felsic unit north of the 2019 drill holes. Hence, the revised target is at the base of the sediment-dominated sequence intersected in the 2019 drilling.

During the initial phase of exploration in 2006, the Company discovered a series of massive sulphide boulders, ranging from 0.50m to 1.0m in diameter, in a dry stream channel immediately adjacent to the all-weather road to the Meadowbank mine. Analytical data for these boulders illustrates their high base metal contents. Field examination determined that these were glacially transported from the east, based on the measurement of glacial striae and key soil geochemical indicators. Given the fragility of these boulders, the transport distance is most probably approximately two kilometres. The recent IP survey in this area has identified three en echelon distinctly conductive areas. The footwall strata beneath these geophysical targets are strongly sodium (Na) and europium (Eu) depleted, excellent indicators of a volcanogenic massive sulphide-type hydrothermal discharge system. One outcrop to the west is Eu enriched, a possible indicator of hanging wall alteration. Outcrop in this area of the Archean Meadowbank formation is sparse. A sample from a distinctive quartz vein system immediately to the south of these conductors contains 14.6 grams per tonne gold, another excellent target area for additional drilling.

Dr. James M. Franklin, PhD, FRSC, P. Geo., a director of the Company, is Gold79's qualified person (as defined by National Instrument 43-101) for the Greyhound, Nunavut property and has reviewed and approved the scientific and technical information contained in this MD&A.

Taviche Project – Oaxaca, Mexico

Property Background

The Taviche project is comprised of the Higo Blanco concession covering 986 hectares and is subject to a 1.5% NSR held by Maverix Metals Inc.

During January 2019, the Company entered into a definitive agreement with Minaurum Gold Inc. and its Mexican subsidiary whereby Minaurum acquired an initial 80% interest in the Taviche project for the following consideration: (i) the issuance of 100,000 common shares of Minaurum; (ii) the reimbursement of all Taviche project concession fees paid by the Company during 2018 and payment of the remaining concession fees to bring the property into good standing until January 31, 2019, to a maximum of \$80,000; and, (iii) the issuance of an additional 100,000 common shares of Minaurum upon receiving all relevant approvals and consents required to be obtained for the commencement of exploration and drilling activities at the Taviche project. Upon acquiring the initial 80% interest, Minaurum has acted as operator of the Taviche project having exclusive authority and control over the direction and management of the business and operations of the project.

Additionally, the Company has granted Minaurum an exclusive option to acquire the remaining 20% of the Taviche project for a purchase price of CDN\$1,000,000. Until exercise of this option, the Company's 20% interest shall be free-carried with no obligation to co-finance project costs and will not be subject to dilution. On April 17, 2019, the Company announced the closing of this agreement with Minaurum. The Company received the initial 100,000 common shares of Minaurum and a cash payment of \$39,452 on closing.

During January 2021, the Company announced that Minaurum Gold Inc. and its wholly owned subsidiary, Minera Minaurum Gold SA de CV ("MGG"), have entered into an option agreement with Fortuna Silver Mines Inc. and Fortuna's wholly owned subsidiary, Compania Minera Cuzcatlan SA de CV ("CMC"), pursuant to which CMC can earn up to an 80% interest in the Taviche silver project located in Oaxaca, Mexico. The Company continues to hold a 20% free-carried interest in the project.

Higo Blanco Prospect / Early Exploration

Reconnaissance activities in the East Taviche and Alma Delia concessions during 2007 and 2008 delineated a corridor of northwest-trending gold- and silver-bearing quartz-sulfide-carbonate veins, vein breccia and stockwork lenses. In proximity to where these vein systems intersect the underlying Cretaceous limestone, a zone of extensive silicification includes areas of silver- and gold-bearing jasperoid (a siliceous replacement of the carbonate sedimentary strata). The Higo Blanco prospect is a series of jasperoid occurrences over a strike length of approximately 7 kilometres. Follow-up mapping and sampling in 2008 enabled the Taviche JV to define several drill targets, initially within a small portion (~2 kilometres) of the overall strike length of the vein/jasperoid complex.

Further sampling at Higo Blanco revealed a very large Au-Ag-Sb (gold, silver, antimony) anomaly associated with a major NW-trending zone referred to as the Mezcal structure.

During the period from mid-2009 to 2011, the Company completed four phases of drilling comprising a total of approximately 7,925 metres of diamond drilling in 35 holes with some silver contents in excess of 300 grams/tonne (g/t) encountered in 9 of the 22 holes, and gold contents in excess of 0.5 g/t encountered in 14 of the holes. During March 2010, the Company initiated a Phase III drilling program to follow up on the encouraging initial results obtained in 2009 drilling. This drilling extended the silver and gold targets.

Higo Blanco National Instrument 43-101 Technical Report

During September 2011, a National Instrument 43-101 (“43-101”) technical report entitled “*Taviche Project, Resource Estimate and Preliminary Economic Assessment for the Higo Blanco Project*” was finalized. The 43-101 Report included an initial resource estimate and a mineral potential estimate for Higo Blanco as follows.

Inferred Resource Estimate

The 43-101 report provides estimates of an Inferred silver resource of 865,000 tonnes at a grade of 119 g/t for 3.3 million ounces of contained silver and an Inferred gold resource of 3.3 million tonnes at a grade of 0.51 g/t for 54,000 ounces of contained gold. The resource estimate is based on intercepts from 14 drill holes undertaken by the Company with core lengths ranging from 63.5 metres to 161.6 metres. The intercept values for gold and silver provided have been weighted and summed as a global estimation of grade within a geometric envelope referred to as the ‘deposit’.

Mr. Robert Johansing, MSc, P.Geo., Vice President Exploration of the Company, is Gold79’s qualified person (as defined by National Instrument 43-101) for the Taviche project and has reviewed and approved the scientific and technical information contained in this MD&A.

Expenses

Total expenses for the three month period ended September 30, 2021 were \$359,988 (Q3 2020 – \$578,471). Total expenses were \$218,483 lower during the third quarter of 2021 when compared to Q3 2020. Promotion and annual meeting costs were \$2,100 lower during the quarter related to promotional marketing contracts and to lower press release costs. Regulatory and transfer agent fees were higher by \$872 as a result of lower transfer agent fees which were offset by increased regulatory fees related to the Company’s new OTCQB listing and to higher TSX-V filing fees. Professional fees were lower by \$10,785 primarily due to reduced legal fees in Canada. Legal costs during Q3 2020 were higher relating to the amalgamation transaction with Territory Metals. General and administrative costs were \$29,230 higher and related primarily to increased Chief Executive Officer and Executive Chairman management fees and to the introduction of quarterly fees payable to independent directors of the Company. Stock based compensation expense was \$235,700 lower during Q3 2021 when compared to Q3 2020. A total of \$177,600 related to stock options granted during July 2021. During Q3 2020, a total of \$413,300 was recorded relating to stock options granted August and September of 2020.

Total expenses for the nine month period ended September 30, 2021 were \$733,744 (2020 – \$710,336). For the nine month period ended September 30, 2021, total expenses were \$22,747 higher when compared to the same period during 2020. Significant variations in expenses included higher promotion expense of \$77,354 primarily related to ongoing marketing contracts. Regulatory authority and transfer agent fees were \$25,791 higher primarily related to the Company’s application and listing costs for its new OTCQB listing. Professional fees were lower by \$36,013 due to reduced legal fees in Canada with higher costs in 2020 relating to the amalgamation transaction with Territory Metals. General and administrative costs were \$153,165 higher related primarily to increased Chief Executive Officer and Executive Chairman management fees and to the introduction of quarterly fees payable to independent directors of the Company. During the nine month period ended September 30, 2021, the Company recorded a total of \$215,750 in stock based compensation expense related to both a grant of stock options to a new Company director in February 2021 and to the stock option grant of July 2021.

Net Loss and Net Loss per Common Share

Net loss for the three month period ended September 30, 2021 was \$359,988 (Q3 2020 – \$578,471) and basic and diluted loss per common share was \$0.00 (Q3 2020 – \$0.01). Net loss for the nine month period ended September 30, 2021 was \$733,744 (nine months ended September 30, 2020 – \$710,997) and basic and diluted loss per common share was \$0.01 (nine months ended September 30, 2020 – \$0.02).

LIQUIDITY AND CAPITAL RESOURCES

As at September 30, 2021, the Company held cash of \$506,223 (December 31, 2020 – \$173,750) and had working capital of \$508,678. Existing funds on hand at September 30, 2021 are not sufficient to retain certain of the Company’s property interests, to conduct or co-fund exploration on the Company’s projects or to continue operations during the coming year. The Company will require additional funding to be able to advance and retain mineral exploration property interests and to meet ongoing requirements for general operations.

The Company continually evaluates prospective new projects in the southwestern United States for addition to its project portfolio as part of its strategy to enhance shareholder value. There is no assurance that the Company will be successful in negotiating additional project agreements or joint ventures or other transactions or that the terms would be acceptable.

Private placement financings

On April 9, 2021, the Company closed a private placement financing issuing 27,625,000 units at CDN\$0.08 per unit for gross proceeds of \$1,759,294 (CDN\$2,210,000). Each unit consists of one common share of the Company and one common share purchase warrant. A total of 27,625,000 warrants were issued entitling the holders to purchase one common share of the Company at a price of CDN\$0.12 per share until April 9, 2023. In connection with the private placement, the Company paid eligible finders cash commissions of \$42,811 (CDN\$53,700) and an aggregate of 671,250 finder warrants. Each finder warrant entitles the finder to acquire one common share at an exercise price of CDN\$0.08 and is exercisable until April 9, 2023.

On November 26, 2020, the Company closed a private placement financing issuing 2,885,000 units at CDN\$0.10 per unit for gross proceeds of \$219,586 (CDN\$288,500). Each unit consists of one common share of the Company and one-half common share purchase warrant. A total of 1,442,500 warrants were issued entitling the holders to purchase one common share of the Company at a price of CDN\$0.15 per share until November 25, 2022. In connection with the private placement, the Company paid eligible finders cash commissions of \$1,084 (CDN\$1,410) and an aggregate of 14,100 compensation warrants. Each compensation warrant entitles the finder to acquire one common share at an exercise price of CDN\$0.15 and is exercisable until November 25, 2022.

On July 24, 2020, the Company closed a private placement financing, raising gross proceeds of \$1,144,741 (CDN\$1,538,000) with the issuance of a total of 25,633,333 units at CDN\$0.06 per unit. Each unit consists of one common share of the Company and one-half common share purchase warrant. A total of 12,816,666 warrants were issued entitling the holders to purchase one common share of the Company at a price of CDN\$0.10 per share until July 24, 2022. In connection with the private placement, the Company paid eligible finders cash commissions in the amount of \$14,476 (CDN\$19,420) and an aggregate of 322,000 compensation warrants. Each compensation warrant entitles the finder to acquire one common share at an exercise price of CDN\$0.10 and is exercisable until July 24, 2022.

The Company has financed its operations from inception to date primarily through the issuance of equity securities. The Company is dependent on raising additional funds in order to finance future exploration programs; property claim and option payments; and, to meet requirements for administrative and other operating costs. The Company's operations do not generate cash flows. The Company's financial success is dependent on its ability to discover economically viable mineral deposits on its properties. The mineral exploration process can take many years and is subject to a number of factors, many of which are beyond the Company's control (see *Risks and Uncertainties*).

Contractual Obligations

The Company does not currently have any fixed contractual obligations or commitments for capital or operating leases, purchase obligations or other long-term commitments. Any commitments under option earn-in agreements for exploration property interests are cancellable at the Company's discretion but would result in forfeiture of rights under such agreements.

OUTSTANDING SHARE DATA

Information with respect to outstanding common shares, warrants, compensation options and stock options as at November 29, 2021, September 30, 2021 and December 31, 2020 is as follows:

	November 29, 2021	September 30, 2021	December 31, 2020
Common shares	122,534,503	122,534,503	91,424,705
Warrants	47,291,516	47,291,516	21,182,066
Compensation options	96,000	96,000	160,000
Compensation option warrants	96,000	96,000	160,000
Stock options	11,810,000	11,810,000	8,210,000
Fully diluted shares outstanding	181,828,019	181,828,019	121,136,771

OFF-BALANCE SHEET ARRANGEMENTS

The Company has not entered into any material off-balance sheet arrangements such as guarantee contracts, contingent interests in assets transferred to unconsolidated entities, derivative instrument obligations, or with respect to any obligations under a variable interest entity arrangement.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments consist of cash, accounts payable and accrued liabilities. Details relating to financial instruments and risk management associated with credit risk, liquidity risk, currency

risk and interest rate risk are disclosed in note 12 to the Company's consolidated annual financial statements for the years ended December 31, 2020 and 2019.

PROPOSED TRANSACTIONS

As is typical of the mineral exploration and development industry, the Company periodically reviews potential merger, acquisition, investment and joint venture transactions and opportunities that could enhance shareholder value. Timely disclosure of such transactions is made as soon as reportable events arise.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in accordance with International Financial Reporting Standards ("IFRS") requires management to make estimates and assumptions that affect the amounts reported in the financial statements and disclosures in the notes thereto. These estimates and assumptions are based on management's best knowledge of current events and actions that the Company may undertake in the future. Actual results may differ from those estimates. The most significant items requiring the use of management estimates and valuation assumptions are related to the recoverable value of mineral exploration properties and deferred exploration expenditures; the valuation of all liability and equity instruments including flow-through share premiums, warrants, compensation options and stock options; and, the ability of the Company to continue as a going concern.

Details with respect to critical accounting estimates, judgments and estimation uncertainties are disclosed in note 2 to the condensed consolidated interim financial statements for the three and nine month periods ended September 30, 2021 and 2020.

RISKS AND UNCERTAINTIES

The Company is subject to a number of risks and uncertainties due to the nature of its business and the present stage of development of its business. Investment in the natural resource industry in general, and the exploration and development sector in particular, involves a great deal of risk and uncertainty. Current and potential investors should give special consideration to the risk factors involved. These factors are discussed more fully in the annual Management's Discussion and Analysis dated April 29, 2021 which is filed on SEDAR.

Global COVID-19 pandemic

The outbreak of COVID-19 resulted in governments worldwide enacting emergency measures to combat the spread of the virus. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. The ultimate duration and impact of the COVID-19 pandemic is unclear at this time and as a result it is not possible for management to estimate the severity of the impact it may have on the financial results and operations of the Company in future periods. COVID-19 may hinder both the Company's ability to conduct exploration activities in the jurisdictions that it operates in and its ability to raise financing for exploration or operating costs due to uncertain capital markets, supply chain disruptions, increased government regulations and other unanticipated factors, all of which may also negatively impact the Company's business and financial condition. It is management's assumption that the Company will continue to operate as a going concern.

OTHER INFORMATION

Other information relating to the Company may be found on the SEDAR website at www.SEDAR.com.

CORPORATE INFORMATION

Directors and Officers

Gary Thompson, BSc., P. Geo. – Executive Chairman and Director
Derek Macpherson, B.Eng., MBA – President, Chief Executive Officer and Director
W. William Boberg, MSc., P. Geo. – Independent Director
Paul Carrêlo, BA, MSc., MBA – Independent Director
James M. Franklin, PhD, FRSC, P. Geo. – Independent Director
Robert Johansing, BSc., MSc., P. Geo. – Vice-President Exploration
John McNeice, B.Comm., CPA, CA – Chief Financial Officer and Corporate Secretary

Corporate Offices

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Web Site: www.gold79mines.com

Independent Auditor

PricewaterhouseCoopers LLP, Ottawa, Canada

Corporate Legal Counsel

Fasken LLP, Ottawa, Canada

Corporate Banker

Royal Bank of Canada, Ottawa, Canada

Transfer Agent

TSX Trust Company, Toronto, Canada