MANAGEMENT'S DISCUSSION AND ANALYSIS OF
MAPLE GOLD MINES LTD.
(An Exploration Stage Company)

FOR THE THREE MONTHS ENDED
MARCH 31, 2020

Dated: May 27, 2020

HIGHLIGHTS FOR THE THREE MONTHS ENDED MARCH 31, 2020 AND THE PERIOD UP TO MAY 27, 2020

Exploration highlights

- The Company commenced the 2020 winter drilling program on January 20, 2020 and ceased this 2020 winter drilling program on March 24, 2020 in accordance with Provincial legislation in response to Covid-19, having drilled 4,370 metres in 13 new holes and 1 extension. Initial drill results have been released for 531, NW and the western part of Porphyry Zones with the remaining assays pending as a result of the temporary shutdown of all Quebec laboratories. See section 1.2.2 for details of results and press releases dated May 6, 2020 and May 27, 2020.

- During Q1 2020, the Company completed an Induced Polarization ("IP") survey over two areas for approximately 18 line-km, including infill 2D IP lines at the NE IP target (exploration area) and test 3D IP lines over the 531 Zone. See section 1.2.2 for details of results and press releases dated March 16, 2020 and April 8, 2020.

Corporate highlights

- On April 28, 2020 the Company granted 9,975,000 incentive stock options to certain directors, employees and consultants at an exercise price of $0.10 and a 5-year term.

- On March 24, 2020, the Company announced that it had stopped drilling and taken other measures to protect the health and safety of its employees and conserve capital in response to the Covid-19 pandemic and related guidelines from local government and health authorities.

- On March 2, 2020, the Company announced that it had received the first instalment of $325,644 from Revenu Quebec with respect to the Company's 2018 tax credit refund of $399,966.

Readers are cautioned that this Management Discussion and Analysis ("MD&A") contains "forward-looking statements" and that actual events may vary from management's expectations. Readers are encouraged to read the cautionary note below regarding such forward-looking statements.

1.1.1 Date

This MD&A of Maple Gold Mines Ltd. (the "Company" or "Maple Gold") has been prepared by management to assist the reader to assess material changes in the financial condition and results of operations of the Company as at March 31, 2020 and for the three months then ended. This MD&A should be read in conjunction with the condensed interim financial statements of the Company and related notes thereto as at and for the three months ended March 31, 2020 and 2019. The condensed interim financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34, "Interim Financial Reporting" using accounting policies consistent with International Financial Reporting Standards ("IFRS"). The accounting policies followed in these condensed interim financial statements are the same as those applied in the Company's most recent audited annual financial statements for the year ended December 31, 2019. All financial information has been prepared in accordance with IFRS and all dollar amounts presented are Canadian dollars unless otherwise stated.

1.1.2 Forward-looking statements

This MD&A contains "forward-looking information" or "forward-looking statements" (collectively, "forward-looking statements") which reflect the Company's current expectations regarding the future results of operations, performance and achievements of the Company. Forward-looking statements in this MD&A include, but are not limited to, statements with respect to the Company's opinions and beliefs, financial position, business strategy, budgets, Mineral Resource estimates, ongoing or future development and exploration opportunities and projects, drilling, re-logging, geochemical and geological modeling plans, data from sampling programs, references to potential higher grades, references to additional potential discoveries, targeting efforts in greenfield areas, assay results, expanded mineralized zones, ground surveys, publication of updated mineral resource estimates, classification of mineral resources, and plans and objectives of management for properties and operations.

The Company has tried, wherever possible, to identify these forward-looking statements by, among other things, using words such as "plan", "anticipate", "believe", "estimate", "expect", "is expected to", "budget", "schedule", "forecast", "intend" or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" or the negative connotation thereof.

The forward-looking statements reflect the current beliefs of the management of the Company, and are based on currently available information and upon a number of factors and assumptions that, if untrue, could cause the actual results, performances or achievements of the Company to be materially different from future results, performances or achievements expressed or implied by such statements. Such statements and information are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Company will operate in the future, including the price of gold, anticipated costs and ability to achieve goals. Certain important factors that could cause actual results, performances or achievements to differ materially from those in the forward-looking statements include, among others, the Company's ability to receive mining, exploration and other permits; the impact of increasing competition in the gold business; exploration and development costs for the Douay Gold Project; anticipated results of drilling campaigns; exploration and development activities; mineral resource estimates and metallurgical recoveries; availability of additional financing; and the Company's ability to obtain additional financing on satisfactory terms. Although the Company believes its expectations are based upon reasonable assumptions and has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended.

Forward-looking statements are subject to known and unknown risks, uncertainties and other factors which could cause the actual results, performance, or achievements of the Company to differ materially from those expressed in, or implied by, these statements. These uncertainties are factors that include, but are not limited to, risks related to general economic conditions; actual results of current exploration activities and unanticipated reclamation expenses; fluctuations in prices of gold and other commodities; fluctuations in foreign currency exchange rates; increases in market prices of mining consumables; possible variations in mineral resources, grade or recovery rates; accidents, labour disputes, title disputes, claims and limitations on insurance coverage and other risks of the mining industry; delays in obtaining governmental approvals or financing; changes in national and local government regulation of mining operations, tax rules and regulations, and political and economic developments in Canada; unknown impact related to potential business disruptions stemming from the COVID-19 outbreak, or another infectious illness; as well as other factors discussed in the section entitled "General Development of Business - Risk Factors" in the Company's most recent annual information form available on SEDAR at www.sedar.com. Additional information relating to the Company and its operations is also available on SEDAR at www.sedar.com and on the Company's web site at www.maplegoldmines.com.

The Company's management reviews periodically information reflected in forward-looking statements. The Company has and continues to disclose in its MD&A and other publicly filed documents, changes to material factors or assumptions underlying the forward-looking statements and to the validity of the statements themselves, in the period the changes occur. Historical results of operations and trends that may be inferred from the following discussions and analysis may not necessarily indicate future results from operations.

The forward-looking statements contained in this MD&A are expressly qualified by this cautionary statement. Maple Gold does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

Readers should refer to the risks discussed in the Company's MD&A for the year ended December 31, 2019 and subsequent continuous disclosure filings with the Canadian Securities Administrators available at www.sedar.com.

1.2.1 Description of business

Maple Gold is an exploration company focused on the exploration of its sole mineral property, the Douay Gold Project located in Quebec.

The Company was incorporated under the Ontario Business Corporations Act on June 3, 2010 and was continued under the Canada Business Corporations Act by articles of continuance dated June 22, 2011. The Company is listed on the TSX Venture Exchange under the symbol MGM, on the OTCQB in the US under the symbol MGMLF and on the Frankfurt Stock Exchange, Germany under the symbol M3G. The registered office of the Company is 250 Place d'Youville, 2e etage, Montreal, Quebec, H2Y 2B6.

1.2.2 Douay Gold Project ("Douay")

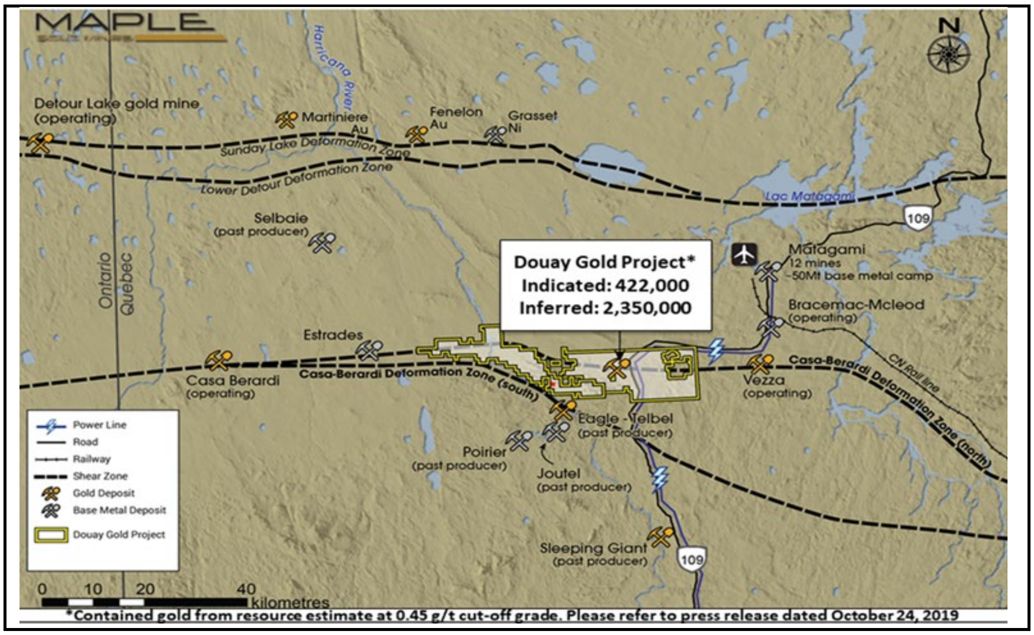

Figure 1 – regional map showing the location of the Douay Project and past and current mineral operations.

Douay is located approximately 55 km southwest of Matagami and 130 km north of Amos, Quebec by road. It is accessible by an all season paved Provincial Highway (#109), which is the major North-South regional highway linking the towns of Amos (Val-d'Or region) and Matagami (James Bay region), and which cuts across the property. Utilities are available on site including hydro-electricity provided directly from Hydro-Quebec's power grid to the Company's on-site substation. Currently, there is a 75-person exploration camp on the property with drill core logging, sawing, sampling, storage and office facilities.

Douay currently consists of 666 claims covering approximately 355 km^2 along a 55 km segment of the Casa Berardi Deformation Zone ("CBDZ"), one of several metalliferous "breaks", in the Abitibi Belt of northern Quebec.

Ownership

The Company holds a 100% interest in 634 mostly contiguous claims totalling approximately 343 km^2 and a 75% interest (the remaining 25% interest is held by SOQUEM) in 32 contiguous claims totalling approximately 12 km^2. SOQUEM participated pro-rata in the 2019 drill program for the joint venture area.

There is a 1% NSR Royalty owned by Cambior Inc. (now controlled by IAMGOLD) which covers the Northwest and West Zone claims (not to be confused with the separate Douay West Zone), with 37 claims in total subject to the NSR. Approximately 130,000 ounces from the latest resource estimate (RPA 2019) are subject to the 1% NSR.

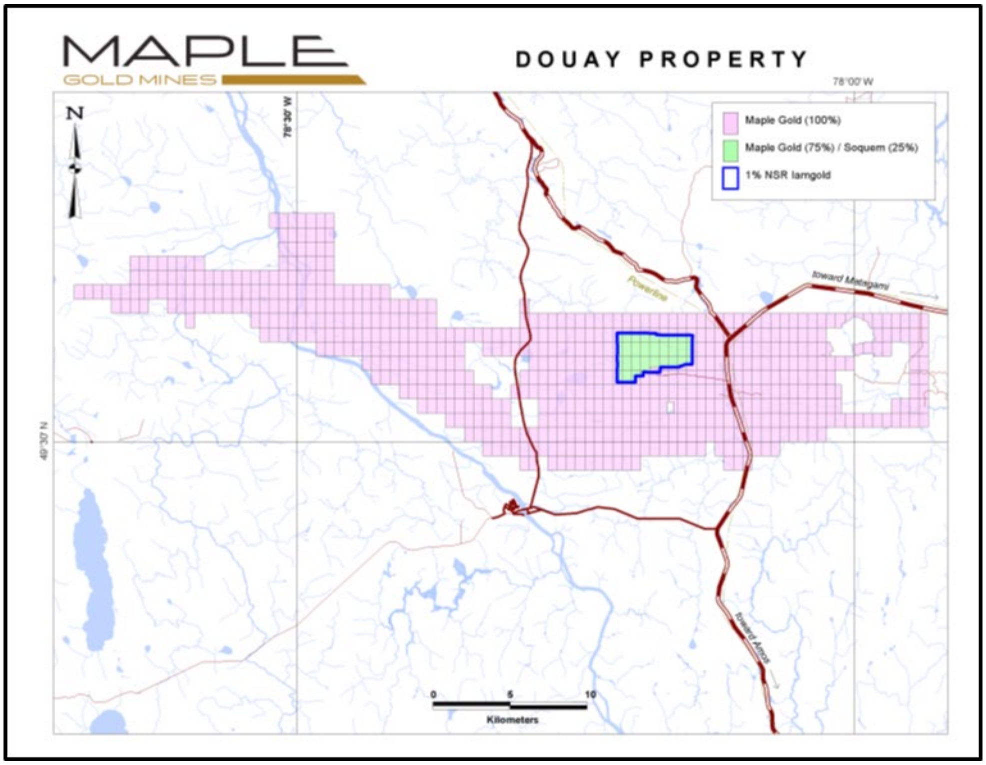

Figure 2 – Douay Project ownership map

Mineral Resources

Mineral Resources at Douay currently extend along a 6.1km corridor characterized by the presence of a large, alkalic intrusive-hydrothermal system emplaced into a sequence consisting predominantly of basalts, with lesser gabbroic and sedimentary and/or volcaniclastic and pyroclastic intervals. While the entire current resource averages just over 1 g/t Au, there are multiple areas of significantly higher grade gold mineralization, both near surface and at moderate depths, typically hosted in pyritic mafic volcanic wallrocks and associated syenitic injections or dykes, but also within the intrusive complex itself. There is potential to discover additional higher grade gold mineralization within and beyond this corridor, both along strike and down-plunge of known intercepts, as well as in new areas, as has been demonstrated at NW, Nika and 531 Zones with the results of the 2018, 2019 and 2020 winter drilling programs.

On October 24, 2019, the Company reported its most recent resource estimate (see press release dated October 24, 2019). As per the Roscoe Postle Associates Inc. ("RPA") 2019 estimate, Indicated Mineral Resources totalled 0.422 million ounces of gold (8.6 Mt @ 1.52 g/t Au) in addition to Inferred Mineral Resources totalling 2.352 million ounces of gold (71.2Mt @1.03 g/t Au), both using a 0.45 g/t Au cut-off grade for open pit Mineral Resources and a 1.0 g/t Au cut-off grade for underground Mineral Resources.

Further information about key assumptions, parameters, and methods used to estimate the Mineral Resources, as well as legal, political, environmental or other risks that may affect the Mineral Resource estimate are included in a NI 43-101 Technical Report of the Company filed on SEDAR.

The 2019 Mineral Resource estimate is listed in the table below:

Category	Tonnage (Mt)	Grade (Au g/t)	Contained Metal ('000 oz Au)
Pit Constrained Mineral Resources			
Indicated	8.6	1.52	422
Inferred	65.8	0.97	2,045
Underground Mineral Resources			
Inferred	5.4	1.75	307
Total Mineral Resources			
Indicated	8.6	1.52	422
Inferred	71.2	1.03	2,352

Notes:
1. CIM (2014) definitions were followed for Mineral Resources.
2. Mineral Resources are reported at an elevated cut-off grade of 0.45 g/t Au for open-pit Mineral Resources and a cut-off grade of 1.0 g/t Au for underground Mineral Resources.
3. The Whittle pit shell used to estimate Mineral Resources used a long-term gold price of US$1,500 per ounce, however the implied gold price for the Mineral Resources reported at the elevated cut-off grade would be significantly lower.
4. A US$/C$ exchange rate of 0.7, and a gold recovery of 90% were used.
5. A minimum mining width of 3 m was used.
6. Open pit resources are reported within a preliminary pit shell.
7. Bulk density is 2.71 t/m^3 or 2.82 t/m^3 depending on the zone.
8. Numbers may not add due to rounding.
9. Mineral Resources for Douay have been updated using data available to October 23, 2019.

Figure 3 - Pit Constrained and Underground Mineral Resource Estimate for the Douay project as of October 23, 2019 as prepared by RPA.

The new Mineral Resource estimate focus is not only on updating the resource estimate with new data from the 2018 and 2019 drill campaigns, but also on optimising the open pit scenario, while at the same time providing an initial assessment of what minimum resources in an eventual underground expansion may be. The latter has, in Management's opinion, excellent potential for expansion given the relative scarcity of drilling below approximately 300m vertical.

The majority of the gold resources defined to-date at Douay are hosted near or within often porphyritic syenitic intrusions that have been emplaced within the broad CBDZ. This style of gold mineralization belongs to a relatively recent defined class of intrusive-related gold ("IRGS") deposits in the Abitibi, which includes Malartic, Young-Davidson, Beattie and others. The largest mineralized zone within the Douay intrusive-hydrothermal system, is the Porphyry Zone, which represents a large prospective bulk mining target. Additional gold mineralization at Douay, generally of higher grade and typically structurally-controlled, is also hosted by altered mafic volcanics with lesser syenitic injections, occurring in zones such as Douay West and 531 Zone (Figure 4). In addition, unrelated base metal (Cu, Zn) mineralization possibly of volcanogenic massive sulphide ("VMS") type also occurs on the property, particularly to the south and to the west of the resource area.

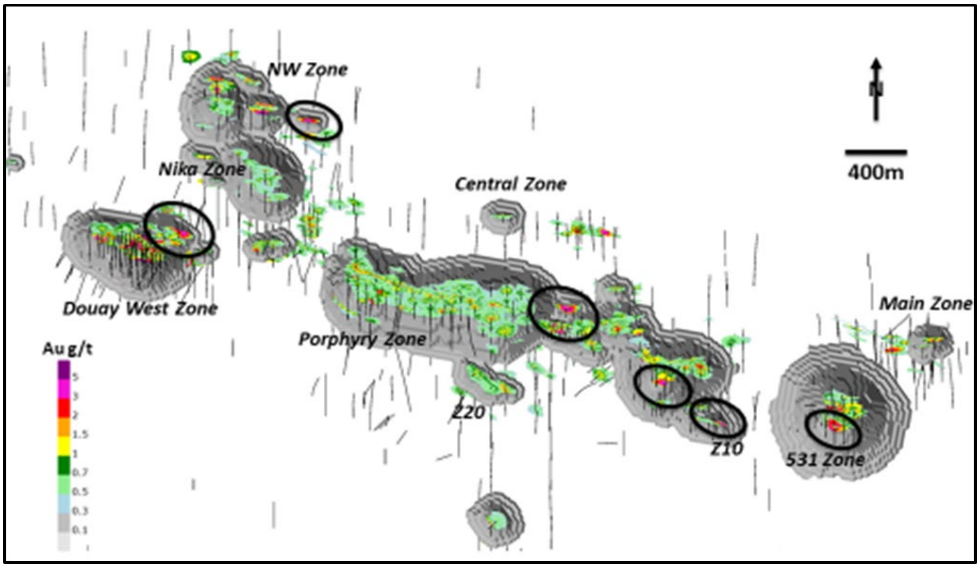

Figure 4: Base case for pit-constrained resources at 0.45 g/t Au cut-off grade. Note several higher grade areas with insufficient drilling outlined in black ellipses, and multiple drilling gaps between Zones.

Inferred underground Resources (Figure 5) are constrained to reporting shapes shown in green shading; a large volume of resource blocks were not included as there is insufficient drilling in many areas. RPA state that exploration potential within the vertical interval that is currently partly drilled could range between 0.5-1.0 Moz Au. Black ellipses in Figure 5 show further depth extension potential. The relatively low cut-off grade used for the underground resource is consistent with its inferred category; an eventual mining cut-off grade would be expected to be higher.

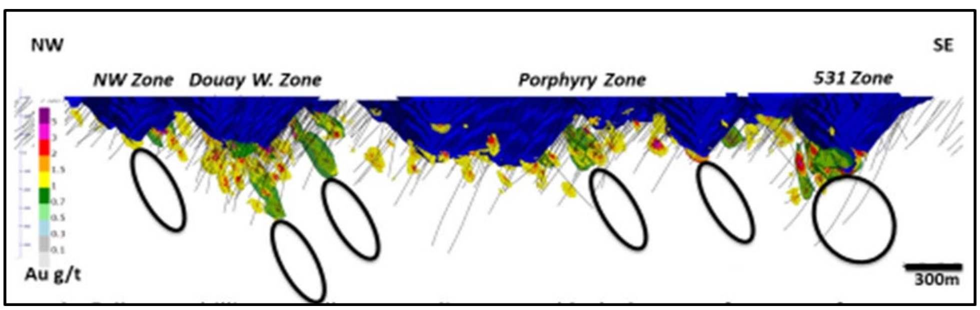

Figure 5: NW-SE longitudinal vertical section view (all zones) showing distribution of below-pit shell underground blocks above 1 g/t Au cut-off grade.

The Company continues to leverage both the brownfields and greenfield potential at Douay in all of its exploration programs. Thorough review and analysis of all existing geological, geochemical and geophysical data is continuing, which combined with generation of new data from re-logging, as well as from the winter 2019 drilling and geophysical programs, are being used to update a comprehensive exploration strategy and diamond drilling plan through to mid 2020.

2020 Programs

Exploration program at the Douay Gold Project

Following completion of the RPA Mineral Resource update (see October 24, 2019 press release), as well as the detailed re-logging and re-interpretation of 531 zone structural trends, the latter emphasizing the significance of sedimentary interflow and ultramafic units that serve as marker horizons, additional drill targets were defined for the 531, NW, Nika and Porprhyry Zones, with permits for these sites received. In addition, areas with near-surface higher-than-deposit-average grades, and initial property-scale conceptual drill targets were defined. Permits for these additional sites have now also been received.

Winter 2020 Drill program

The winter 2020 drill program was started in mid-January, and was halted in late March 2020 as a result of government-mandated work stoppages related to the COVID-19 pandemic. At that time a total of 4,370 metres in 13 new holes and 1 extension had been completed (Figure 6).

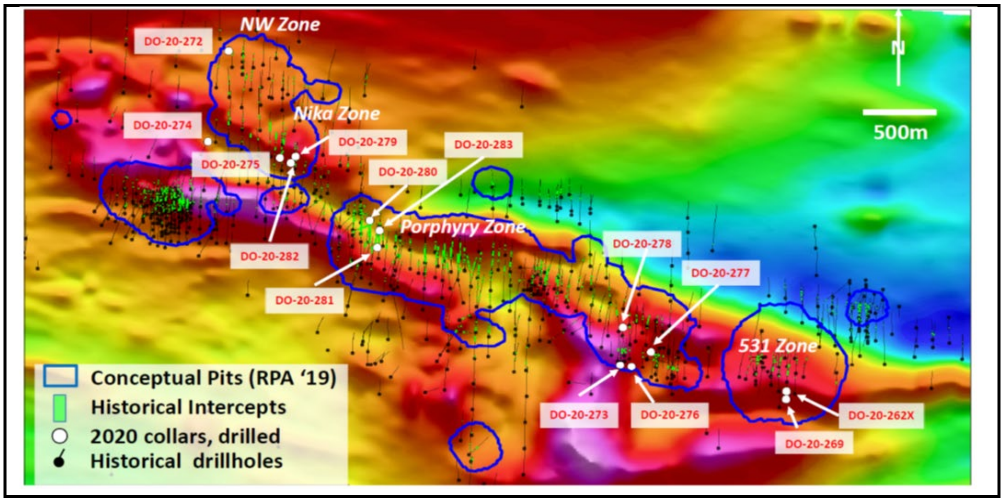

Figure 6 – Historical drill intercepts and RPA 2019 Whittle pits. Drilled Winter 2020 sites are also shown.

Initial drill results have been released for 531, NW and the western part of Porphyry Zones (see press releases of March 16, May 6, and May 27, 2020). At the 531 Zone, deepening of a 2019 drill-hole (DO-19-262) that had cut very significant high grade gold mineralization, cut an additional intercept of 5.96 g/t Au over 3.5 metres, including 11.35 g/t Au over 1.7m metres from approximately 460m vertical depth. A new drill hole (DO-20-269), did not flatten as anticipated and therefore ended up approximately 150 metres away from the known zone once target depth was reached. This hole still cut gold mineralization near end of hole (1.50 g/t Au over 5.2m metres, including 2.41 g/t Au over 2.0 metres).

A single drill-hole (DO-20-272) was drilled near the limit of the NW Zone, in a sparsely drilled area; it cut 4.16 g/t Au over 3.4m starting from 39.6m downhole (including 7.68 g/t Au over 1.7m), and a further 1.15 g/t Au over 20m starting from 50m downhole, including 8m of 1.34 g/t Au. This near-surface zone remains open for about 200m to the west and the eastern extension of the adjacent historical intercept also remains open to the east for about 150m (see Figure 7)

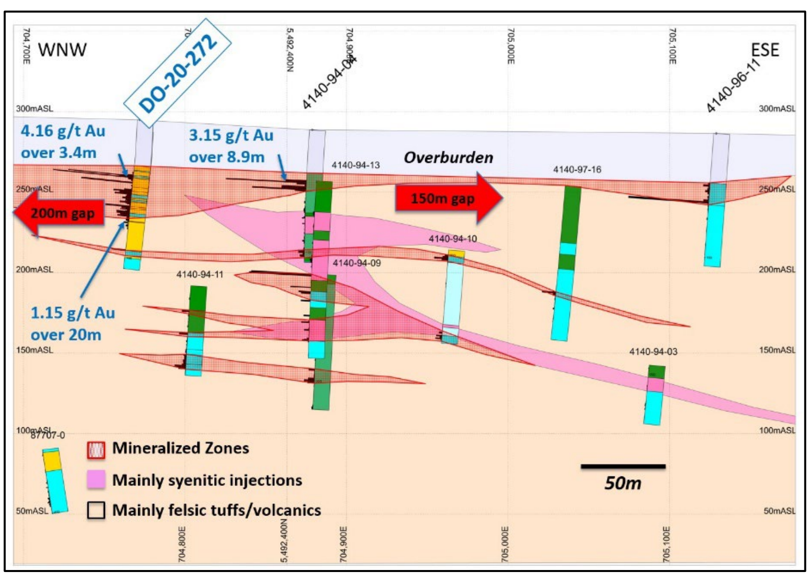

Figure 7: Interpreted ESE long section showing near-surface mineralization in DO-12-272; note sparse drilling in this area.

Three drill-holes were completed in the northwestern portion of the Porphyry Zone, in an area with higher-than-deposit-average grades and relatively sparse drilling (Figure 8). DO-20-283 cut 1.91 g/t Au over 17m, the hole ending in mineralization, with 1.06 g/t Au over the last 7.0m, including 1.6 g/t Au over the last 2.0m. This hole was ended prematurely as a result of the COVID-19 shutdown, and needs to be deepened. Hole DO-20-280, collared about 110m to the northwest, cut multiple zones within the top 90m (vertical depth) from surface, with 4m of 0.85 g/t Au, 4m of 1.14 g/t Au and 1.5m of 1.61 g/t Au. Assays for the entire hole DO-20-281, collared about 140m to the south of DO-20-283, remain pending.

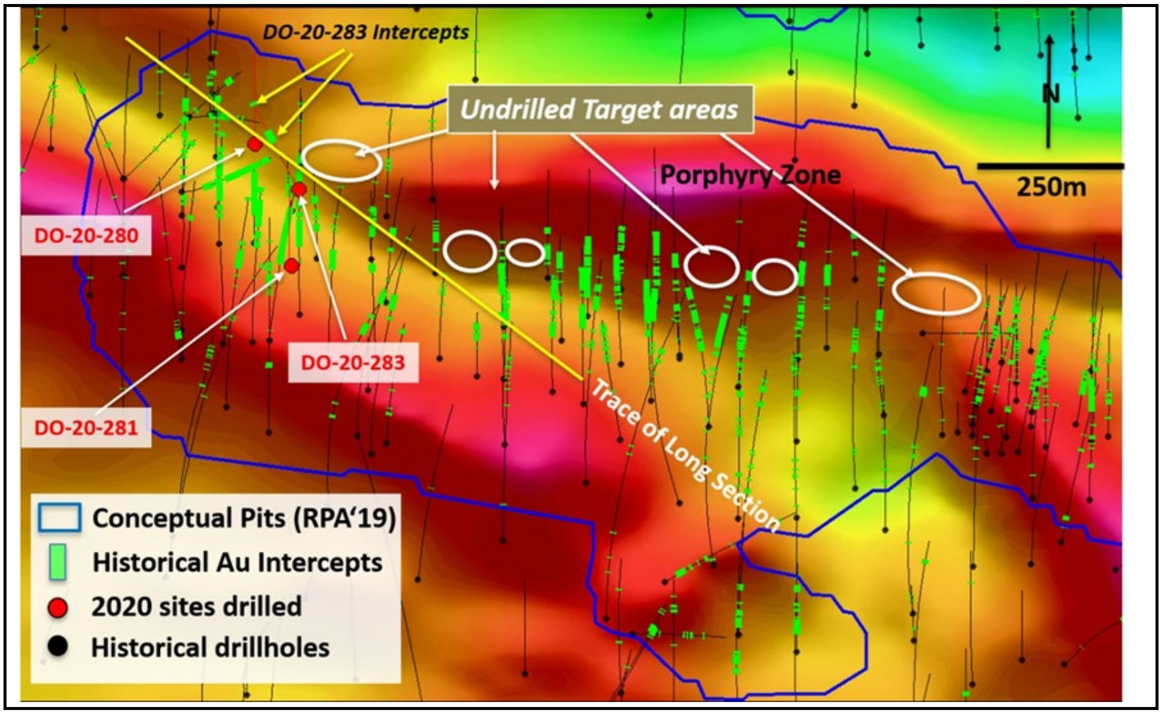

Figure 8: Drill plan showing distribution of holes completed in winter 2020 in the Northwestern part of the Porphyry Zone. Note position of two main intercepts in DO-20-283, and relatively sparse drilling along the north side of the deposit, with additional drilling gaps outlined by white ellipses.

Geological Modelling

Historical and 2018 to 2019 drill data were used to create and update a 3D geological model as well as updated cross and long sections and level plans. These products have allowed for more precise targeting for the winter 2020 drilling. This modelling work includes not only updated 0.1 g/t Au wireframes, but also a higher grade 2 g/t Au wireframe within it, as well as structural and geological wireframes to allow consideration of variables that appear to be controlling the distribution of gold. The model continues to be updated, with additional lithological and structural information, as well as all 2020 drill data currently being added. Results show a number of new high priority drill targets within and on the edge of the current resource zones, including gaps in drilling in high priority areas, extensions of known zones as well as peripheral mineralized zones that have not received much attention to date.

Geophysical Program

The Douay project is partly covered by airborne magnetic and EM as well as ground IP surveys, that provide a solid basis for interpretation of stratigraphic and structural trends, as well as the potential for detection of gold and base metal mineralization associated with conductive and magnetic features. IP technology has progressed significantly since the 1990s when most of the previous IP surveys were completed on the Douay property. Modern IP technologies allow much greater depth penetration than historical surveys were capable of. The recently closed Vezza gold mine is located approximately 10km to the east of the Douay property limits and the Company believes that the results of the 40 line-km winter 2019 IP survey east of the resource area, as well as the 13 line-km winter 2020 infill IP work in the same area, which include an essentially undrilled 3km long chargeability anomaly, are permissive of Vezza-type gold targets in this area. A portion of this anomaly is now drill-ready (Figure 9). The significance of the anomalies defined can be placed in context, given the existence of several test lines performed in 2013 using the same methodology by the same company over part of the Porphyry Zone. In addition, a historical hole on the SW end of this anomalous trend intersected silicified sedimentary rocks with disseminated pyrite and anomalous gold, consistent with the target being sought.

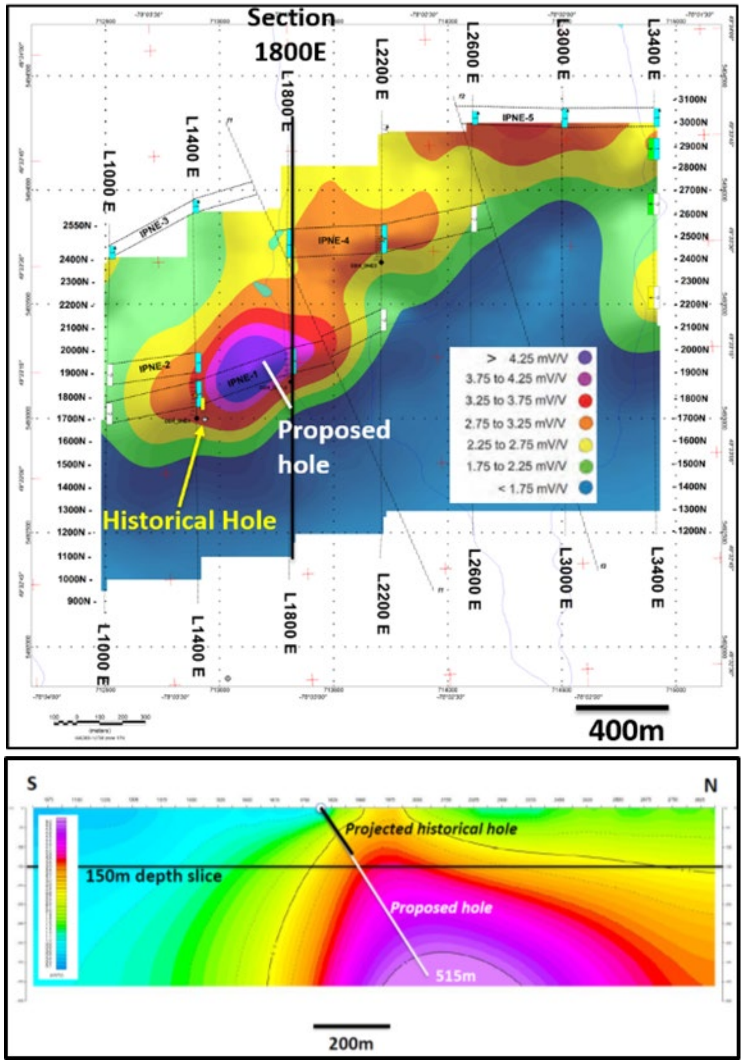

Figure 9 – Winter 2020 2D IP (chargeability) results in plan (150m depth slice) and inverted section (line 1800E) for NE (Exploration) target. Note shallow historical hole that only tested the upper parts of the large chargeability anomaly, which extends to greater than 450m depth.

In addition, the test 3D IP survey performed in winter 2020 over the 531 Zone confirmed that the method could detect the mineralized zone at 531, that it was open to the ESE as previously interpreted, and also that the same chargeability anomaly was open to the West. Furthermore, this survey also showed an open anomaly in a sparsely drilled sector on its NW corner. Further follow-up work will be completed in order to determine the full extent and magnitude of this new target, prior to drill-testing (Figure 10).

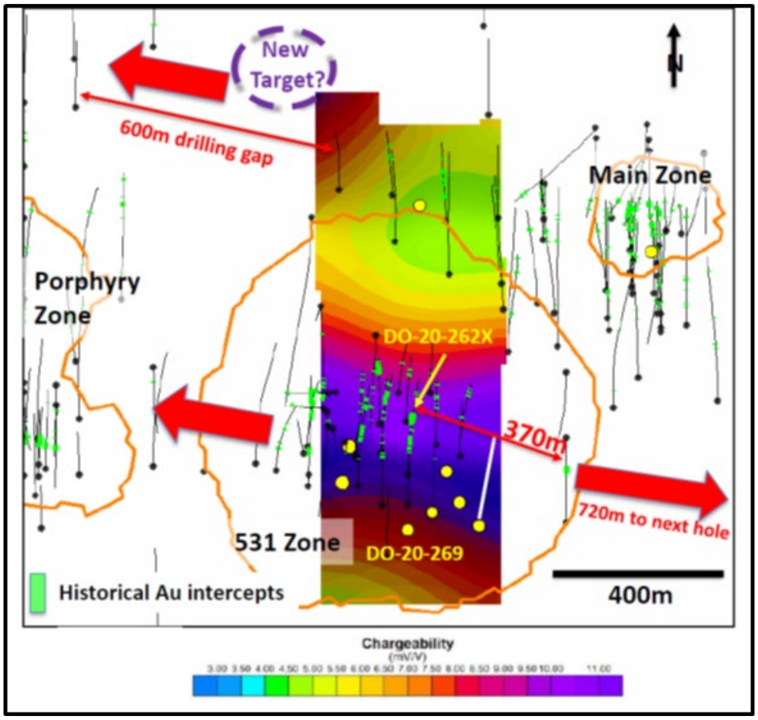

Figure 10 – Winter 2020 3D IP (chargeability) results in plan (450m depth slice) for 531 Zone. Note chargeability response of 531 Zone, open to ESE and WNW, and also New target on WNW extension of Main Zone.

With the Company's considerable land package we are dedicated to employing a discovery model on multiple fronts to build value for shareholders on a cost-effective basis and our geophysical programs are part of this plan.

1.2.3 Overall program analysis

During the three months ended March 31, 2020 and 2019, the Company incurred $917,135 and $662,299, respectively, in exploration and evaluation expenses as detailed in the table below:

	Three months ended March 31,	
	2020	2019
	$	$
Camp set up, camp costs and field supplies	**114,683**	64,947
Depreciation	**61,894**	59,782
Drilling and core assaying	**429,793**	158,248
Equipment rental and fuel	**3,818**	7,346
Environmental	**1,591**	—
Geology	**—**	35,822
Geophysics	**71,788**	73,905
Licences and permits	**21,621**	5,851
Other exploration support costs	**9,879**	23,212
Salaries and benefits	**198,439**	191,228
Share-based payments	**3,629**	41,958
	917,135	662,299
Opening accumulated expenses	**45,639,993**	43,484,613
Closing accumulated expenses	**46,557,128**	44,146,912

1.2.4 Qualified persons and technical disclosures

The scientific and technical data contained in this MD&A was reviewed and prepared under the supervision of Fred Speidel, M.Sc., P. Geo., Vice-President Exploration, of Maple Gold. Mr. Speidel is a Qualified Person under National Instrument 43-101 Standards of Disclosure for Mineral Projects. Mr. Speidel has verified the data related to the exploration information disclosed in this MD&A through his direct participation in the work.

The Mineral Resources disclosed in this MD&A have been estimated by Ms. Dorota El Rassi, P.Eng., an employee of RPA who is independent from Maple Gold. By virtue of her education and relevant experience, Ms. El Rassi is a "Qualified Person" for the purpose of National Instrument 43-101. The Mineral Resources have been classified in accordance with CIM Definition Standards for Mineral Resources and Mineral Reserves (May, 2014). Ms. El Rassi, P.Eng. has read and approved the contents of this MD&A as it pertains to the disclosed Mineral Resource estimates. Further information about key assumptions, parameters, and methods used to estimate the Mineral Resources, as well as legal, political, environmental or other risks that may affect the Mineral Resource estimate please refer to the Company's NI 43-101 Technical Report filed on SEDAR.

Cautionary Note to United States Investors concerning Estimates of Measured, Indicated and Inferred Resource Estimates

This disclosure has been prepared in accordance with the requirements of Canadian provincial securities laws which differ from the requirements of U.S. securities laws. Unless otherwise indicated, all mineral resource estimates included in this disclosure have been prepared in accordance with Canadian National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") and the Canadian Institute of Mining, Metallurgy and Petroleum classification systems. NI 43-101 is a rule developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. These standards differ significantly from the requirements of the United States Securities and Exchange Commission (the "SEC"), and resource estimates disclosed may not be comparable to similar information disclosed by U.S. companies.

In addition, this disclosure uses the terms "measured and indicated resources" and "inferred resources" to comply with the reporting standards in Canada. The Company advises United States investors that while those terms are recognized and required by Canadian regulations, the SEC does not recognize them. United States investors are cautioned not to assume that any part or all of the mineral deposits in these categories will ever be converted into mineral reserves. Further, "inferred resources" have a great amount of uncertainty as to their existence and as to whether they can be mined legally or economically. Therefore, United States investors are also cautioned not to assume that all or any part of the "inferred resources" exist. In accordance with Canadian securities laws, estimates of "inferred resources" cannot form the basis of feasibility or other economic studies. It cannot be assumed that all or any part of "measured and indicated resources" or "inferred resources" will ever be upgraded to a higher category or are economically or legally mineable. In addition, disclosure of "contained ounces" is permitted disclosure under Canadian securities laws; however, the SEC only permits issuers to report mineralization as in place tonnage and grade without reference to unit measures.

1.3 Selected annual information

Not required for an interim MD&A.

1.4 Results of operations

Three months ended March 31, 2020 and 2019

During the three months ended March 31, 2020, the Company reported a loss for the period of $1,122,776 and loss per share of $0.00 compared to a loss for the period of $1,306,576 and loss per share of $0.01, respectively, for the three months ended March 31, 2019. The $183,800 decrease in loss for the period is driven by a $254,836 increase in exploration and evaluation expenses (see section 1.2.3), $327,176 decrease in general and administrative expenses and $84,598 increase in amortization of the flow through liability premium.

Exploration and evaluation expenses increased by $254,836 during the three months ended March 31, 2020 compared to the same period in the previous year. The Company commenced the 2020 winter drilling program on January 20, 2020 and ceased this 2020 winter drilling program on March 24, 2020 having drilled 4,370 metres. The Company commenced the 2019 winter drilling program on March 25, 2019 and ceased the 2019 winter drilling program on April 26, 2019 having drilled 6,045 metres.

The increase in exploration and evaluation expenses in the current period is driven almost entirely by the increase in drilling costs due to the earlier drilling campaign in the current period.

General and administrative expenditures decreased by $327,176 during the three months ended March 31, 2020 compared to the same period in the previous year. The main drivers of this decrease were the decreases in share-based compensation of $210,116, salaries and benefits of $58,611, professional fees of $39,188, and business development costs of $37,015, offset with increases in travel, marketing and investor relations of $37,234. Management has implemented cost reduction programs that has had a direct impact on these reductions.

During the three months ended March 31, 2020, the Company granted nil stock options to directors, officers, employees and others (2019 – 7,330,000). The weighted average grant date fair value of options granted in the three months ended March 31, 2020 was $nil (2019 - $0.06).

During the three months ended March 31, 2020, the Company recorded other income of $185,878 related to the amortization of the flow-through share premium liability of $460,000 recognized in connection with the Company’s March 2019 private placement (see section 1.6/1.7). During the three months ended March 31, 2019, the Company recorded other income of $100,980 related to the amortization of the flow-through share premium liability of $583,331 recognized in connection with the Company’s June 1, 2018 private placement (see section 1.6/1.7).

1.5 Summary of quarterly results

	March 31 2020	December 31 2019	September 30 2019	June 30 2019	March 31 2019	December 31 2018	September 30 2018	June 30 2018
Exploration and evaluation	$ 917,135	-$ 429	$ 447,522	$ 1,045,989	$ 662,299	-$ 1,433,648	$ 409,923	$ 1,364,184
General and administrative	383,359	292,135	315,540	511,491	710,535	364,829	482,058	1,179,679
Finance (income) and other (income)	(21,833)	(25,993)	(88,335)	(60,984)	(74,272)	(38,235)	(23,175)	(15,804)
Finance expense	29,693	64,375	54,682	92,627	108,994	46,997	992	4,039
Amortization of flow-through share premium	(185,578)	(47,459)	(52,661)	(191,723)	(100,980)	(125,325)	(104,568)	(98,688)
Loss on disposition of property and equipment	-	5,269	-	-	-	-	-	-
(Income) loss for the period	1,122,776	287,898	676,748	1,397,400	1,306,576	(1,185,382)	765,230	2,433,410
Other comprehensive (income) loss	-	-	-	-	-	-	-	-
Total comprehensive (income) loss	$ 1,122,776	$ 287,898	$ 676,748	$ 1,397,400	$ 1,306,576	-$ 1,185,382	$ 765,230	$ 2,433,410
Basic and diluted (income) loss per common share	$ 0.00	$ 0.00	$ 0.00	$ 0.01	$ 0.01	-$ 0.01	$ 0.00	$ 0.01
Weighted average number of common shares	239,186,154	228,455,976	227,436,954	227,406,075	210,837,610	208,468,772	208,468,772	200,801,670

The changes in the Company’s financial results on a quarter-by-quarter basis are due primarily to fluctuations in the level of activity of Company’s exploration programs and administration. The Company is a mineral exploration company and does not earn any revenue. The Company’s current mineral property portfolio consists of the Douay exploration-stage project in Quebec, Canada.

1.6 and 1.7 Financial position, liquidity and capital resources

	March 31, 2020	December 31, 2019
	$	$
Cash and cash equivalents	**3,554,361**	4,102,551
Current assets	**4,258,912**	5,280,753
Total assets	**4,721,340**	5,835,845
Current liabilities	**2,289,307**	2,286,076
Non-current liabilities	**195,354**	229,986

As at March 31, 2020, the Company had cash and cash equivalents of $3,554,361 (December 31, 2019 - $4,102,551) and working capital of $1,969,605 (December 31, 2019 - $2,994,677). Current liabilities that are to be settled in cash as at March 31, 2020 include accounts payable and accrued liabilities of $899,182, which were primarily incurred in connection with the work program at Douay and general and administrative costs.

During the year ended December 31, 2019, Revenu Quebec completed its audit of the Company's 2018 METC filing. At December 31, 2019 the Company recorded a receivable of $399,966 with respect to the 2018 METC filing and has received the full amount of this receivable as of the date of this MD&A.

The Company has received METC payments from Revenu Quebec with respect to the 2011 to 2014 tax years and these tax years are currently under audit by Revenu Quebec. Revenu Quebec has disallowed certain amounts that the Company believes are claimable qualifying expenditures. The Company intends to defend its filing positions and the Company has filed notice of objections with Revenu Quebec's Appeals Division for each of the years 2011 to 2014.

During the three months ended March 31, 2020, the Company used net cash of $455,420 in operating activities compared to generating cash of $1,047,279 during the comparative period of the prior year. The Company generated cash in the comparative period due to receipt of cash related to its 2017 METC filing which was higher than the 2018 METC filing due to a combination of more drilling being performed in 2017 and also less flow through expenditures being incurred.

The Company used net cash of $nil in investing activities during the current and prior periods.

During the three months ended March 31, 2020, the Company used cash of $92,770 compared to generating net proceeds of $2,140,260 during the three months ended March 31, 2019 from financing activities through the issuance of shares pursuant to a private placement in the prior period, the payment of lease liabilities offset by proceeds received on the Company's subleases.

On March 26, 2019, the Company announced the closing of a non-brokered flow through private placement of 18,400,000 common shares at a price of $0.125 per common share for gross proceeds of $2,300,000. The Company will use the gross proceeds for eligible expenditures on the Douay Gold Project.

On April 8, 2019, the Company issued 568,182 common shares at a price of $0.11 per common share in settlement of certain outstanding obligations.

On December 23, 2019, the Company announced the closing of a non-brokered flow through private placement of 8,700,000 flow-through common shares at a price of $0.14 per flow through common share and 3,050,000 common shares at a price of $0.08 per common share for gross proceeds of $1,462,000. The Company will use the gross proceeds for general working capital and eligible expenditures on the Douay Gold Project.

The Company seeks to reduce or eliminate costs wherever possible. Costs are reviewed on a quarterly basis, taking into account the Company's business objectives, available cash and funding opportunities in the market. As a result of the Covid-

19 conditions being experienced in Canada and worldwide, the Company is taking a number of initiatives to protect its treasury position. The Company's senior management team has agreed to work for 50% pay during the second quarter of 2020. This initiative will be reviewed at the end of the second quarter with additional measures to be taken as needed. The Company has sufficient funds to maintain its current reduced levels of activity through to the end of 2020.

The Company has applied for the Canada Emergency Business Account, which is a $40,000 interest free loan that is offered through financial institutions. If the loan is repaid by December 31, 2022, $10,000 will be forgiven. The Company continues to monitor other programs that have been announced to determine whether the Company will qualify for additional relief. The Company is aware of the efforts of the Quebec Association for Mineral Exploration, among others, that have written to the Federal and Provincial Governments on behalf of exploration companies requesting that additional relief be provided to exploration companies, including but not limited to the extension of the period in which exploration companies can spend flow-through funds. The Company supports these various efforts however there is no certainty that they will become available or that the Company will qualify.

The Company believes that it has adequate resources to maintain its minimum obligations, including general corporate activities, based on its cash position and ability to pursue additional sources of financing, including equity placements. However, the Company currently has no source of operating cash flow, and has no assurance that additional funding will be available to it for additional exploration programs at its property, or to enable the Company to fulfill its obligations under any applicable agreements. The ability of the Company to continue as a going concern is dependent on its ability to obtain additional sources of financing to successfully explore its property and, ultimately, to achieve profitable operations. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration of the Company's property and the possible loss of title to such property. Furthermore, during the three months ended March 31, 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the Company's business are not known at this time. These impacts could include an impact on its ability to obtain debt and equity financing to fund ongoing exploration activities as well as its ability to explore and conduct business. As such, there is material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Common shares issued

December 2019 Private Placement

As noted previously the Company closed a private placement during Q4 2019.

	Number of common shares	**$**
Private placement – flow through shares	8,700,000	1,218,000
Private placement – common shares	3,050,000	244,000
Share issuance costs	-	(10,838)
Subtotal	11,750,000	1,451,162
Flow-through share premium liability	-	(478,500)
	11,750,000	972,662

The intended use of the gross proceeds of $1,462,000 is $244,000 towards general working capital and $1,218,000 towards eligible exploration expenditures at the Douay Gold Project. As at March 31, 2020 the Company had incurred approximately $Nil of general working capital and $Nil of eligible exploration expenditures.

March 2019 Private Placement
As noted previously the Company closed a private placement during Q1 2019.

	Number of common shares	$
Private placement – flow through shares	18,400,000	2,300,000
Share issuance costs	-	(23,464)
Subtotal	18,400,000	2,276,536
Flow-through share premium liability	-	(460,000)
	18,400,000	1,816,536

The intended use of the gross proceeds of $2,300,000 is towards eligible exploration expenditures at the Douay Gold Project. As at March 31, 2020 the Company had incurred approximately $1,618,252 of eligible exploration expenditures.

1.8 Off-balance sheet arrangements
As at March 31, 2020, the Company had no off-balance sheet arrangements.

1.9 Transactions with related parties
During the three month periods ended March 31, 2020 and 2019, compensation to key management personnel was as follows:

	Three months ended March 31,	
	2020	2019
	$	$
Salaries and benefits	**71,500**	130,500
Share-based payments	**28,917**	189,468
	100,417	319,968

1.10 Fourth Quarter
Not applicable.

1.11 Subsequent events
Refer to sections 1.6 and 1.7.

1.12 Proposed transactions
None

1.13 Critical accounting estimates
The required disclosure is provided in Note 2 in the notes to the interim financial statements which accompany this MD&A and which are available under the Company's profile at www.sedar.com.

1.14 Changes in accounting policies including initial adoption
The required disclosure is provided in Note 2 in the notes to the interim financial statements which accompany this MD&A and which are available under the Company's profile at www.sedar.com.

1.15 Financial instruments and other instruments
As at March 31, 2020, the Company's financial instruments consist of cash and cash equivalents, deposits and accounts payables and accrued liabilities. The fair values of these financial instruments approximate their carrying values due to their short-term to maturity. The Company's financial instruments are exposed to certain financial risks including, credit risk, currency risks, liquidity risk, interest rate risk and capital risk management. Details of each risk are laid out in the notes to the

Company's annual audited financial statements. Management has determined that these risks, individually and in aggregate, are immaterial to the Company.

1.16 Other requirements

Additional information relating to the Company may be found on SEDAR at www.sedar.com.

1.16.1 Capital structure

As at the date of this report, the Company had 239,186,954 common shares issued and outstanding, 21,655,000 common shares issuable under stock options and 31,034,150 common shares issuable under share purchase warrants. The fully diluted outstanding share count is 291,876,104.

1.16.2 Internal controls over financial reporting and disclosure controls and procedures

The Company has disclosure controls and procedures in place to provide reasonable assurance that any information required to be disclosed by the Company under securities legislation is recorded, processed, summarized and reported within the applicable time periods and that required information is gathered and communicated to the Company's management so that decisions can be made about the timely disclosure of that information.

The Company's management is responsible for establishing and maintaining adequate internal controls over financial reporting. Any system of internal controls over financial reporting, no matter how well designed, has inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

The Company's management, including the Chief Executive Officer and the Chief Financial Officer, believe that any disclosure controls and procedures or internal controls over financial reporting, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, the Company's management cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgements in decision-making can be faulty, and that breakdowns can occur because of a simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of the control. The design of any control system is also based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.