DOLLY VARDEN SILVER CORP

Management's Discussion and Analysis
as of August 13, 2020

This management discussion and analysis ("MD&A") of Dolly Varden Silver Corporation (the "Company" or "Dolly Varden") is for the six months ended June 30, 2020 and is performed by management using information available as of August 13, 2020. This MD&A should be read in conjunction with the condensed interim financial statements of the Company for the six months ended June 30, 2020 and the audited financial statements for the year ended December 31, 2019, and the notes thereto, prepared in accordance with international financial reporting standards ("IFRS") as issued by the international accounting standards board ("IASB"). This MD&A complements and supplements but does not form part of the Company's condensed interim financial statements.

This MD&A contains forward-looking statements. Statements regarding the adequacy of cash resources to carry out the Company's exploration programs or the need for future financing are forward-looking statements. All forward-looking statements, including those not specifically identified herein, are made subject to cautionary language on page 17. Readers are advised to refer to the cautionary language when reading any forward-looking statements.

This MD&A is prepared in conformity with National Instrument 51-102F1. All dollar amounts referred to in this discussion and analysis are expressed in Canadian dollars except where indicated otherwise.

Additional information related to the Company is available on SEDAR at www.sedar.com.

Overview

Dolly Varden is a mineral exploration company focused on exploration in northwestern B.C. Dolly Varden has two projects, the namesake Dolly Varden silver property and the nearby Big Bulk copper-gold property. The Dolly Varden property is considered to be highly prospective for hosting high-grade precious metal deposits, since it comprises the same structural and stratigraphic setting that host numerous other high-grade deposits (Eskay Creek, Brucejack). The Big Bulk property is prospective for porphyry- and skarn-style copper and gold mineralization similar to other such deposits in the region (Red Mountain, KSM, Red Chris).

The Company currently has no producing properties and consequently no operating income. The recovery of the amounts comprising exploration and evaluation assets are dependent upon (1) the ability of the Company to obtain necessary financing to successfully complete the exploration and development of those reserves, (2) the confirmation of economically recoverable reserves, (3) upon future profitable production or on selling the property. It is the intention of the Company to obtain financing through access to public equity markets, debt, and partnerships or joint ventures as sources of funding for its exploration expenditures and to meet ongoing working capital requirements.

Outlook

Dolly Varden Silver has welcomed a new management team with a track record of success in the mineral exploration and development sector. This new exploration team has extensive regional knowledge and expertise. That experience will execute an aggressive exploration program that is expected to be fully funded based on preliminary plans through 2020 and 2021. Dolly Varden will be focusing on the highest-grade targets and will continue to explore the property for high-grade silver mineralization to expand the silver resource.

After identifying numerous additional high-grade silver targets during our 2019 season, the 2020 exploration program is focused on two-fold enhancement strategy designed to enhance shareholder value.

- Continue drilling to expand the current 43-101 resource from its current 32.9 million ounces of silver (3,417,000 tonnes grading 300 g/t Ag) in the Indicated category and a further 11.4 million ounces (1,285,300 tonnes grading 277 g/t Ag) in the Inferred category.
- Focus drilling on high-grade silver targets outside of the mineral resource area that will unlock the upside potential that the Dolly Varden Silver project has to offer.

Interim MD&A – Quarterly Highlights:

- On February 18, 2020 the Company announced the appointment of Shawn Khunkhun as president, chief executive officer and director and Robert McLeod as a director and technical advisor. In connection with the appointment the following Belcarra Group officers stepped down from their roles: Gary Cope, president and director, Ben Whiting, VP of exploration and Alex Tsakumis, VP of corporate development.
- Carla Hartzenberg resigned as chief financial officer. On March 1, 2020 the Company appointed Ann Fehr as chief financial officer and corporate secretary.
- On March 23, 2020 the Company reported that it retained a team of mining industry professionals consisting of Ryan Weymark, technical advisor, engineering, Jodie Gibson, technical advisor on geology, Marilyne Lacasse, project geologist and Alex Horsley, investor relations.
- In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak has adversely affected workforces, economies, and financial markets globally. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its long-term effects on the Company's business or results of operations at this time. The Company has been able to continue technical work and planning on the property; however, COVID-19 restrictions has resulted in the delay in start of the 2020 exploration program. The Company implemented COVID-19 safety protocols as defined by government regulators to protect its employees and contractors.
- In July 2020, the Company started a 10,000 meter discovery-focused and resource expansion drilling program.

Mineral Properties

Dolly Varden Project ("DV Project")

The DV Project contains the core of the historic silver-rich Dolly Varden Mining Camp, north of Alice Arm, within the regionally important and prolific Stewart Complex in northwestern British Columbia ("BC"). The DV Project comprises an area of 8,800 hectares and includes a 100% interest in the Dolly Varden and Big Bulk properties.

Dolly Varden Silver Properties

The DV Project encompasses several historic underground workings, including production stopes from the Dolly Varden and Torbrit Mines, exploration adits at North Star and Wolf, as well as several other showings and many mineralized prospects. The silver-rich deposits found on the DV Project are hosted in Jurassic-age volcanic and sedimentary rocks (Iskut River Formation) of the Hazelton Group. They display textural and mineralogical similarity to mineralization found in the region in subaqueous, gold-silver-rich, hot spring-type volcanogenic massive sulfide ("VMS"), and epithermal style deposits, such as the Eskay Creek and Brucejack deposits, respectively. The nearby Big Bulk claims host porphyry copper-gold style mineralization.

Since acquiring the DV Project in 2011, field work was dedicated to confirming and expanding the known mineralization near the historic deposits to upgrade into a compliant and current Mineral Resource Estimate for the Wolf, Dolly Varden, Torbrit, and North Star deposits. The Company's work consisted of surface and underground mapping, underground rehabilitation, detailed sampling, data compilation from reliable historic records, and over 17,000 metres of core drilling. This data was used to complete an initial Mineral Resource Estimate in 2015.

Musketeer Property

In 2013, the Company entered into an option agreement with Musketeer Developments Ltd. and certain other parties to obtain a 100% interest in the Musketeer Property by making option payments totalling $1,050,000 due on various defined dates, subject to a 2% NSR. A payment was made in February 2016 of $91,000, and a payment was made in February 2017 of $102,334. The final payment was made in February 2018 of $100,000. These claims are internal contiguous claims within the DV Project area. This agreement marks the Company's full consolidation of all the major developed silver prospects and past producing mines in the Upper Kitsault Valley. Limited historical work has been completed on the Musketeer property, with additional areas of interest including surface prospects at Kitsol, South Musketeer, and North Musketeer.

Mineral Resource Estimate

An updated National Instrument 43-101 "*Standards of Disclosure for Mineral Projects*" ("NI 43-101") compliant mineral resource estimate was released on May 8, 2019 prior to the exploration season. The updated Mineral Resource Estimate was completed by Steven Nicholls, MAIG, and Andrew J. Turner, P.Geo. of APEX Geosciences Ltd., independent geological consultants and Qualified Persons (as defined in NI 43-101) and covered the four known deposits on the Dolly Varden project. The data used was up to the end of the 2018 drilling campaign.

Category*	Deposit	Cut-off** (g/t Ag)	Tonnes	Silver (g/t)	Contained oz*** Ag
Indicated	Torbrit	150	2,623,000	296.8	25,025,000
	Dolly Varden	150	156,000	414.2	2,078,000
	Wolf	150	402,000	296.6	3,834,000
	North Star	150	236,000	262.8	1,994,000
	Total Indicated		3,417,000	299.8	32,931,000
Inferred	Torbrit	150	1,185,000	278.0	10,588,000
	Dolly Varden	150	86,000	271.5	754,000
	Wolf	150	9,500	230.6	70,000
	North Star	150	4,800	223.6	35,000
	Total Inferred		1,285,300	277.0	11,447,000

**Indicated and Inferred Mineral Resources are not Mineral Reserves. Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. There has been insufficient exploration to define the inferred resource as an indicated or measured Mineral Resource, and it is uncertain if further exploration will result in upgrading the resource to a measured resource category. There is no guarantee that any part of the Mineral Resource discussed herein will be converted into a Mineral Reserve in the future.*

***A 150 g/t Ag lower cut-off was chosen to reflect conceptual underground mining and processing cut-off grade.*

****Contained oz may not add due to rounding.*

Please refer to the Company's continuous disclosure documents available on SEDAR for more detailed technical information regarding the Mineral Resource Estimate, which is subject to the qualification statements and notes set forth in the final report posted on www.sedar.com.

Preliminary Metallurgical Testing & the 2018 Exploration Program

Results of the first phase of the preliminary metallurgical testing were released by the Company on May 8, 2019. A silver recovery of 86.9% was obtained from the Torbrit Deposit and a silver recovery of 85.6% was obtained from the Dolly Varden Deposit, both based on the kinematics curves from bottle roll cyanide leach tests over a period of 96 hours. The tests were performed on drill core composite samples from the Torbrit Deposit with a head grade of 290 g/t Ag, and the Dolly Varden Deposit with a head grade 372 g/t Ag. Metallurgical testing was conducted in the laboratories of Blue Coast Research Ltd., in Parksville, BC, Canada.

Results of the second phase of the preliminary metallurgical testing were released by the Company on June 20, 2019. Results from flotation metallurgical test work on separate concentrates for Ag-Pb and Zn yielded recoveries of 88% silver, 78% lead and 70% zinc from the Torbrit deposit. For more details concerning the metallurgical test work, please refer to the Company's disclosure documents.

The updated mineral resource estimate was prepared with past results up to the 2018 exploration program.

2020 Exploration Program

The Company mobilized its exploration camp at the DV Project late June and into July. As the Company's new technical team finalizes regional exploration targets on the property, initial drilling is focused on step-out drilling from current resources at the past-producing Torbrit Mine. Company Records of historic mining operations at the Torbrit and Dolly Varden Mines produced average grades of 500 at Torbrit and 1,100 g/t silver at Dolly Varden. Silver mineralization came from Native Silver, Argentiferous Galena and Ruby Silver (pyrargyrite).

2019 Exploration Program

Diamond Drilling Program

The 2019 exploration program commenced in May 2019 and the diamond drilling phase commenced on June 16, 2019. The drilling was completed on September 15, 2019. The plan was for a 10,000 to 15,000 metres program divided approximately 80% for new exploration drilling and 20% for resource areas delineation/validation/expansion. The 2019 drilling program consisted of 44 drill holes for 11,863 metres.

Highlights of the 2019 drilling program to date include:

- Chance Target Area – 24.9 metres grading 385 g/t Ag, including 4.7 metres grading 1,607 g/t Ag in hole DV19-165.
- Chance Target Area – 15.2 metres grading 488 g/t Ag, including 5.6 metres grading 1,044 g/t Ag in hole DV19-173.

Modelling and Program Planning

The data from the 2019 exploration program combined with previous years work has been integrated into the property geological model and planning for the 2020 exploration program.

Other Relevant Exploration History

Summary of significant exploration work since the 2011 acquisition of the consolidated DV property by the company.

2011 drilling was focused on the Wolf deposit where historic exploration adits had defined epithermal style mineralization. The drilling completed was used to model the Wolf system and to upgrade the confidence level to allow it to be included in a future Mineral Resource Estimate. Underground mapping at Torbrit was also initiated to get a better understanding of that deposit.

During 2012 exploration, a rehabilitation of Torbrit underground level 1050' and surveying of historic underground collars as well as drilling of the Dolly Varden Deposit in order to confirm geology and increase data confidence to be used in a Mineral Resource Estimate was carried out. A total of 1603m in 6 drill holes were completed at the Dolly Varden Vein confirming the structure and mineralization from historic work.

In 2013, exploration program concentrated on the Torbrit deposit to validate historic work and acquire data for a maiden Mineral Resource Estimate. Underground rehabilitation and mapping continued to add to the data and confirmed the mineralization and structural orientation of the deposit

The Company's 2014 and 2015 exploration programs conducted work on regional targets of the DV Project. The programs applied known mineralization signatures from the historic deposits northward on the DV Project toward more regional targets, where the Company's mapping and sampling shows continuation of favorable lithologies and prospective structural features coincident with geochemical anomalies, intense alteration and historic showings and workings. These exploration programs were comprised of continued surface work throughout the property, but extending outwards, particularly to the northeastern portions of the property, and exploration drilling in favourable target areas. In addition, several drill holes in 2014 were completed along the extension of Torbrit to verify a developing model to be used in a Mineral Resource Estimate.

In May 2015, the maiden Mineral Resource Estimate for the Torbrit, Dolly Varden North Star and Wolf deposits was completed (effective date May 1, 2015). This estimate uses data up to the end of 2014 drilling.

The Company's 2016 exploration program focused on mapping and drilling the Ace-Galena and the Torbrit areas on the DV Project. Mapping and sampling of surface alteration occurrences and anomalies provided data for further prioritization and de-risking of exploratory targets. A total of 2,312 metres of drilling was completed in 2016; 746 metres in and around the Torbrit Deposit, 1,359 metres on the Ace-Galena Trend and 207 metres on the Chance Trend. Drilling at the Torbrit Deposit focused on completing recommendations for infill drilling made in the 2015 Mineral Resource Estimate. The drilling on the Ace-Galena trend extended the known mineralized horizons an additional 300 metres northward along strike.

In 2017, 45 drill holes were completed for a total of 15,728.5 metres. As well as validation and expansion drilling in the Torbrit Deposit and Dolly Varden Deposit areas, four new zones were discovered, including Torbrit-North, Torbrit-East, Moose-Lamb and Beginners-Luck.

Highlights by target areas of the 2017 drilling program include:

- Dolly Varden Deposit - 9.60 metres (8.90m true thickness) grading Ag 878.7 g/t, Pb 0.42% and Zn 1.19% in DV17-048.
- Torbrit Deposit - 12.55 metres (9.89m true thickness) grading Ag 514.3 g/t, Pb 0.09% and Zn 0.04% in DV 17-040.
- Torbrit-North -10.69 metres (10.05m true thickness) grading Ag 852.2 g/t, Pb 1.46% and Zn 0.30% in DV 17-078.
- Torbrit-East - 5.00 metres (3.83m true thickness) grading Ag 481.9 g/t, Pb 0.21% and Zn 0.12% in DV 17-078.
- Moose-Lamb - 11.00 metres (7.07m true thickness) grading Ag 394.2 g/t, Pb 2.27% and Zn 0.46% in DV 17-063.

The 2018 drilling program was designed to test the extent of the mineralized zones discovered in 2017 in and around the Torbrit area and infill gaps on 50m centred sections in anticipation of an Updated Mineral Resource Estimate. There was also property scale exploration carried out in areas of alteration defined from previous years of work. Mapping and sampling continued in the Western area of the property and around the Torbrit area. Two drill rigs were employed to carry out the program. In total the 2018 drilling program was comprised of 29,108 metres in 84 diamond drill holes.

Highlights of the 2018 drilling program include the following:

- Dolly Varden Deposit Model – An increased understanding of the geometry of the north-dipping zones within the Dolly Varden Deposit area has led to a reinterpretation of the geological model. Base metal content increases with depth.
- Dolly Varden Deposit – Base metal rich zone of 7.85 metres (6.01 metres true thickness) grading Ag 71.2 g/t, Pb 5.34% and Zn 3.62% in hole DV18-142.
- Torbrit Deposit Model – The integration of new zones into the Torbrit Deposit Model include Torbrit North, Torbrit East, Bonus, Moose-Lamb, and Kitsol zones.
- Kitsol Zone – 22.15 metres (21.81 metres true thickness) grading Ag 332.8 g/t, Pb 0.45% and Zn 0.74% in hole DV18-135.
- Kitsol Zone - 31.00 metres (30.38 metres true thickness) grading Ag 302.2 g/t, Pb 0.26% and Zn 0.41% in hole DV18-131.
- Torbrit Zone – Delineation drilling – 75.45 metres (65.34 metres true thickness) grading Ag 418.9 g/t, Pb 0.28% and Zn 0.14% in hole DV18-163.
- Moose-Lamb Zone – 29.15 metres (22.33 metres true thickness) grading Ag 226.0 g/t, Pb 0.09% and Zn 0.13% in hole DV18-109.
- Torbrit East Zone – 8.00 metres (7.52 metres true thickness) grading Ag 585.2 g/t, Pb 0.49% and Zn 0.11% in hole DV18-105.
- Bonus Zone – 4.65 metres (2.33 metres true thickness) grading Ag 347 g/t, Pb 0.16% and Zn 0.16% in hole DV18-083.
- Torbrit North Zone – 8.32 metres (8.07 metres true thickness) grading Ag 248.4 g/t, Pb 0.15% and Zn 0.10% in hole DV180-086.

Qualified Person

Robert van Egmond, P.Geo., Chief Geologist, a "qualified person" as defined by NI 43-101, prepared and approved the scientific and technical information contained in this MD&A.

Results of Operations

For the six months ended June 30, 2020 and June 30, 2019

The total comprehensive loss for the six months ended June 30, 2020 was $1,646,497 as compared to $1,850,084 in the same period last year, with the change primarily attributed to a decrease in exploration expenses of $1,024,664. This decrease was offset by an increase in share-based payments and management fees aggregating $537,323 which were primarily the result of a change in the management team in the first half of 2020.

Exploration and evaluation expenditures for the six months ended June 30, 2020 were $478,581 (2019 - $1,503,245). Exploration and evaluation expenditures were lower for the six months ended June 30, 2020, due a delay in the start of the 2020 program because of disruption of COVID-19 and implementation of COVID-19 related protocols.

Total general and administration expenses for the current period amounted to $1,233,037 (2019 - $533,741). This $699,296 increase was significantly impacted by a management fees expense increase of $283,021 to $425,067. The change was primarily the result of termination fees paid to the former chief executive officer. The former chief executive officer was compensated with a $120,000 cash payment and a non-cash payment of 489,795 common shares which had a fair value of $120,000. In addition, the change between periods was impacted by the following key items:

- Share-based payments increased to $346,132 (2019 - $91,830) due to the vesting of stock options and options granted to directors, management, and consultants during the six months ended June 30, 2020.
- Consulting fees of $74,338 (2019 - $34,002) increased relative to the same period last year due to contractual termination fees paid out during the period to the former management team.
- Professional fees of $51,958 (2019 - $31,006) increased due to higher legal expenses relative to the same period last year primarily the result of corporate re-organization activities related to human resources.
- Expenditures for marketing and communications of $93,661 (2019 - $77,141) were higher due to increased marketing efforts by the Company.
- Directors' fees of $61,232 (2019 – $19,971) consist of cash payments of $39,750 in addition to an increase in fair value of remaining Deferred Share Units ("DSU") of $21,482 (2019 - decrease of $19,779). Prior period cash payments to directors were comparable to the current period and offset by the fair value fluctuations of the outstanding DSUs.
- Office and administration costs of $118,101 (2019 - $84,375) were higher due to general administrative start-up costs and some overlap during the transition to a new management team. The former management company was paid $25,448 for administrative fees during the termination notice period.
- Rent and maintenance fees of $45,250 (2019 - $30,000) were higher due to administrative overlap during the transition to the new management team. The former management company was paid rent reimbursement of $15,250 during their termination notice period.
- Transfer agent and filing fees were comparable to the prior period at $10,831 (2019 - $13,413).
- Travel and accommodation expenses were lower to the prior period at $6,467 (2019 - $9,957) due to the impact of COVID related travel restrictions.

During the six months ended June 30, 2020, the Company recognized a recovery on the flow-through share premium of $66,712 (2019 - $175,185). The recovery on flow-through share premium is correlated with qualifying flow through expenditures incurred in the period and the original flow-through share premium recorded. The decrease is consistent with a decrease in exploration and evaluation expenditures.

Interest income was higher in the current period at $34,603 (2019 - $14,966), due to the Company maintaining a higher average cash balance over the six months ended June 30, 2020 when compared to the six months ended June 30, 2019.

For the three months ended June 30, 2020 and June 30, 2019

The total comprehensive loss for the three months ended June 30, 2020 was $777,565 as compared to $1,446,035 in the prior period with the change primarily attributed to a decrease in exploration and evaluation expenditures. The decrease was offset by an increase in share-based payments.

Exploration and evaluation expenditures for the three months ended June 30, 2020 were $265,566 (2019 - $1,278,246). Exploration and evaluation expenditures were lower due to a delay in the start of the 2020 program due to COVID-19 disruption and implementation of COVID-19 related protocols.

Total general and administration expenses for the current period amounted to $540,026 (2019 - $310,582). This $229,444 increase was significantly impacted by share based payment expense increase of $162,523 and the $38,033 increase in directors fee expense compared to the same period last year. The change between periods was impacted by the following key items:

- Share-based payments increased to $254,353 (2019 - $91,830) due to the vesting of stock options and options granted to directors, management, and consultants during the three months ended June 30, 2020. A new grant of options and the unvested options to consultants resulted in higher expense relative to the same period last year as share price volatility increased in the quarter which impacted the value and expense related to the stock option.
- Professional fees were comparable to the prior period of $14,192 (2019 - $20,413) and related to legal fees and audit expense.
- Expenditures for marketing and communications of $18,592 (2019 - $35,504) were lower due to changes in strategy and timing of marketing efforts by the Company relative to the same period last year.
- Directors' fees of $45,217 (2019 – $7,184) consist of cash payments of $19,875 in addition to the increase in fair value of remaining Deferred Share Units ("DSU") of $25,342 (2019 – decrease of $12,691). Prior period cash payments to directors were comparable to the current period but offset by the fair value fluctuations of the outstanding DSUs.
- Management fees of $81,000 (2019 - $71,099) were higher due to transition to the new management team. The former CFO was paid a $7,500 termination fee during the three months ended June 30, 2020.
- Office and administration costs of $66,192 (2019 - $41,044) were higher due some overlap during the transition to the new management team. The former management company was paid $20,000 for administrative fees during the termination notice period.
- Rent and maintenance fees of $25,000 (2019 - $15,000) were higher due to administrative overlap during the transition to the new management team. The former management company was paid rent reimbursement of $10,250 in April and May 2020 during their termination notice period.
- Transfer agent and filing fees were comparable to the prior period at $7,811 (2019 - $10,640).

During the three months ended June 30, 2020, the Company recognized a recovery on the flow-through share premium of $45,219 (2019 - $138,785). The recovery on flow-through share premium is correlated with qualifying flow through expenditures incurred in the period and the original flow-through share premium recorded. The decrease is consistent with a decrease in exploration and evaluation expenditures.

Interest income was higher in the current period at $16,802 (2019 - $4,990), due to the Company maintaining a higher average cash balance over the three months ended June 30, 2020 versus the three months ended June 30, 2019.

Summary of Quarterly Results

The following table summarizes selected quarterly financial information derived from the Company's financial statements for each of the eight most recently completed fiscal quarters:

As at and for the quarter ended	June 30, 2020 $	March 31, 2020 $	December 31, 2019 $	September 30, 2019 $
Total assets	14,713,752	7,735,207	8,392,112	8,749,442
Exploration and evaluation assets	3,726,426	3,726,426	3,726,426	3,726,426
Equipment	78,926	83,032	87,137	90,846
Working capital	10,339,098	3,471,519	4,124,567	4,203,058
Shareholders' equity	14,235,450	7,371,977	8,029,130	8,111,330
Interest income	16,802	17,801	19,682	16,661
Total revenue	-	-	-	-
Operating loss	(805,592)	(906,026)	(436,711)	(3,331,944)
Total loss and comprehensive loss	(777,565)	(868,932)	(32,197)	(3,092,702)
Basic and fully diluted loss per share	(0.01)	(0.01)	(0.00)	(0.04)

As at and for the quarter ended	June 30, 2019 $	March 31, 2019 $	December 31, 2018 $	September 30, 2018 $
Total assets	8,556,741	6,414,438	6,867,294	8,869,967
Exploration and evaluation assets	3,726,426	3,726,426	3,726,426	3,726,426
Equipment	95,863	100,881	105,898	112,449
Working capital	3,754,161	2,236,301	2,635,333	3,848,884
Shareholders' equity	7,667,450	6,154,608	6,558,657	7,428,672
Interest income	4,990	9,976	15,488	21,918
Total revenue	-	-	-	-
Operating loss	(1,588,828)	(448,158)	(1,239,558)	(5,054,884)
Total loss and comprehensive loss	(1,446,035)	(404,049)	(892,025)	(4,644,218)
Basic and fully diluted loss per share	(0.03)	(0.01)	(0.02)	(0.09)

The Company's drill program typically operates from May to October each year. As such, the exploration related expenses are historically highest during the quarters ending in September. The COVID-19 response resulted in a delay to the start of the program, but the Company still expects it can complete a 10,000 meter drill program during 2020. This change of timing will consequently shift some related expenses later into the year, relative to historical spending trends. The most significant variance in expenses between the March 31, 2019 and March 31, 2020 was a temporary increase expenses due to new management transition. The Company expects administrative costs in future to be comparable to historical trends but expects marketing efforts to increase.

The Company had a loss of $777,565 for the three months ended June 30, 2020 versus a loss of $868,932 for the three months ended March 31, 2020. The Company's management fees of $81,000 versus $344,067, comparatively, due to termination fee payments during the three months ended March 31, 2020. In addition, there was an increase in share-based payments from $91,779 in the three months ended March 31, 2020 compared to $254,353 in the three months ended June 30, 2020 due to an increase in the fair value of stock options vesting related to external consultants.

The Company had a loss of $868,932 for the three months ended March 31, 2020 versus a loss of $32,197 for the three months ended December 31, 2019. The most significant variance in expenses between the two quarters was the Company's exploration related expenditures of $213,015 versus a recovery of $(152,428), comparatively, due to the BC METC recovery recognized during December 2019, which was an offset against the expense during the three months ended December 31,

2019. Also, there was a significant drop in the recovery on flow-through premium from $387,762 in the three months ended December 31, 2019 compared to $21,492 in the three-month ended March 31, 2020 due to a decrease in eligible exploration costs that reduce the liability on flow-through share issuance.

Expenses during the three months ended March 31, 2020 included $305,000 of compensation costs related to management transition where there was no similar expense incurred in the previous quarters.

The Company had a loss of $32,197 for the three months ended December 31, 2019 versus a loss of $3,092,702 for the three months ended September 30, 2019. The most significant variance in expenses during the three months ended December 31, 2019 and the three months ended September 30, 2019 was the Company's incurred exploration expenditures of $(152,428) versus $3,071,145, comparatively, due to a decreased exploration budget for the 2019 program compared to the 2018 program and to the BC METC recovery recognized during December 2019, which was an offset against the expense during the three months ended December 31, 2019.

The Company had a loss of $3,092,702 for the three months ended September 30, 2019 versus a loss of $1,446,035 for the three months ended June 30, 2019. The most significant variance in expenses during the three months ended September 30, 2019 and the three months ended June 30, 2019 was the Company's incurred exploration expenditures of $3,071,145 versus $1,278,246, comparatively, due to timing of when exploration expenditures were incurred during the exploration season.

The Company had a loss of $1,446,035 for the three months ended June 30, 2019 versus a loss of $404,049 for the three months ended March 31, 2019. The most significant variance in expenses during the three months ended June 30, 2019 and the three months ended March 31, 2019 was the Company's incurred exploration expenditures of $1,278,246 versus $224,999, comparatively, due to timing of when exploration expenditures were incurred during the exploration season.

The Company had a loss of $404,049 for the three months ended March 31, 2019 versus a loss of $892,025 for the three months ended December 31, 2018. The most significant variance in expenses during the three months ended March 31, 2019 and the three months ended December 31, 2018 was the Company's incurred exploration expenditures of $ 224,999 versus $1,000,779, comparatively, due to timing of when exploration expenditures were incurred during the exploration season.

The Company had a loss of $892,025 for the three months ended December 31, 2018 versus a loss of $4,644,218 for the three months ended September 30, 2018. The most significant variance in expenses during the three months ended December 31, 2018 and the three months ended September 30, 2018 was the Company's incurred exploration expenditures of $1,000,779 versus $4,835,293, comparatively, due to an expanded exploration budget.

Liquidity and Capital Resources

The Company has no operations that generate cash flow. The Company's future financial success will depend on its ability to raise capital or on the discovery of one or more economic mineral deposits. Discovery may take many years, can consume significant resources and is largely based on factors that are beyond the control of the Company and its management. To date, the Company has financed it activities by the issuance of debt and equity securities, consisting of a combination of flow-through and non-flow securities. In order to continue funding exploration activities and corporate costs the Company is reliant on their ongoing ability to raise financing through the sale of equity. This is dependent on positive investor sentiment, which in turn is influenced by a positive climate for the target commodities, a company's track record, and the experience and caliber of the company's management. There is no assurance that equity funding will be accessible to the Company at the times and in the amounts required to fund the Company's activities.

Cash and Financial Condition

As at June 30, 2020, the Company had a working capital surplus of $10,339,098 (December 31, 2019 - $4,124,567), which includes the liability on flow-through share issuance of $188,643 (December 31, 2019 - $255,355). The Company's working capital needs fluctuate based on exploration program requirements which place variable demands on the Company's resources and timing of expenditures. Demand on capital is expected to increase during the summer months as the 2020 drilling season started late June 2020.

During the six months ended June 30, 2020, the Company used $637,529 (2019 - $1,402,830) of cash in operating activities. The Company had a loss of $1,658,497 (2019 – $1,850,084) from operations. Items not affecting cash totalling $309,113 were deducted from the loss (2019 - $93,099 added to the loss) mainly due to share-based payments, revaluation of deferred share units and the recover on flow-through premium. The Company had changes in non-cash working capital items totalling $699,855 (2019 - $540,353) that were deducted from the loss.

During the six months ended June 30, 2020, the Company raised $7,461,685 (2019 – 3,107,047) from private placements, net of share issuance costs. In addition, the Company received $45,000 pursuant to the exercise of stock options.

During the six months ended June 30, 2020 and 2019, the Company had no investing activities.

Outstanding Share Data

The Company has unlimited authorized common shares and the issued and outstanding share capital as follows:

As at	The date of this MD&A	June 30, 2020
Common shares issued and outstanding	105,334,808	103,916,058
Warrants	-	-
Options	6,421,250	8,265,000

During the six months ended June 30, 2020 the Company issued:

- 489,795 shares with a fair value of $120,000 to 683192 BC Ltd. a corporation controlled by Gary Cope, the former CEO as part of a termination fee, which is included in management fees expense.
- On June 10, 2020, the Company closed two private placements and raised gross proceeds of $7,677,895 through the sale of 16,969,697 flow-shares common shares and 2,424,335 common shares. The offerings consisted of the sale of: (i) 6,969,697 flow-through common shares of the Company at a price of $0.33 per share; (ii) 10,000,000 flow-through common shares at a price of $0.45 per share; and (iii) the sale of 2,424,335 common shares to Hecla Canada Ltd. ("Hecla") at a weighted average price of $0.36 per share pursuant to the ancillary rights agreement to maintain its pro rata equity interest in the Company. The Company paid a finders' fee of $270,000 in cash and 418,182 in common shares, where the finders' shares had a fair value $138,000.
- On July 28, the Company announced a brokered private placement for gross proceeds of up to $10 million, through the issuance of 14,084,507 common shares at a price of $0.71 per common share. Hecla Canada Ltd. has an anti-dilution right pursuant to an ancillary rights agreement with the Company dated September 4, 2012 and has a right to participate in the private placement in order to maintain its pro-rata interest in the Company.

- Subsequent to June 30, 2020, a total of 1,418,750 stock options were exercised for cash proceeds of $514,687.

Transactions with Related Parties

The Company's related parties consist of directors and officers (being key management personnel), companies with directors and officers in common and/or companies owned in whole or in part by executive officers and/or directors of the Company.

The Company incurred the following related party transactions:

		For the three months ended		For the six months ended	
	Expense category	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019
Tom Wharton, Director	Directors' fees	$ 3,750	$ 3,750	$ 7,500	$ 7,500
Donald Birak, Director	Directors' fees	4,125	4,125	8,250	8,250
James Sabala, Director	Directors' fees	3,750	3,750	7,500	7,500
Annette Cusworth, Director	Directors' fees	3,750	3,750	7,500	7,500
Darren Devine, Chair & Director	Directors' fees	4,500	4,500	9,000	9,000
Linus Geological Ltd.(2)	Exploration expense	45,600	-	57,062	-
S2K Capital Corp (1)	Management fees	60,000	-	113,276	-
Gary Cope, Former Director, President & CEO	Management fees	-	60,000	272,414	120,000
Fehr & Associates CPA (3)	Management fees	13,500	-	20,000	-
Fehr & Associates CPA (3)	Office & Administration	16,500	-	20,000	-
Darren Devine, Chair & Director	Consulting fees	-	-	10,000	-
Ann Fehr, CFO	Share-based payments	27,148	-	47,438	-
Darren Devine, Chair & Director	Share-based payments	8,065	5,994	8,862	5,994
Shawn Khunkhun, President, CEO & Director	Share-based payments	98,021	-	149,041	-
Robert McLeod, Director & Technical Advisor	Share-based payments	29,451	-	45,934	-
Tom Wharton, Director	Share-based payments	-	9,700	-	9,700
Donald Birak, Director	Share-based payments	-	9,700	-	9,700
James Sabala, Director	Share-based payments	-	5,994	-	5,994
Annette Cusworth, Director	Share-based payments	-	5,994	-	5,994
Melissa Martensen, Former Corporate Secretary	Share-based payments	-	6,155	-	6,155
Gary Cope, Former Director, President & CEO	Share-based payments	-	14,181	-	14,181
		$ 318,160	$ 137,593	$ 783,777	$ 217,468

(1) A corporation controlled by Shawn Khunkhun, President, CEO & Director

(2) A corporation controlled by Robert McLeod, Director & Technical Advisor

(3) On March 1, the Company entered into an agreement with Fehr & Associates, a corporation wholly owned by Ann Fehr, the chief financial officer, under which fees of $10,000 per month are paid. Effective April 1, 2020 the fee relating to the CFO services is $4,500 and $5,500 relates to book-keeping or administrative services

At June 30, 2020, fees included in accounts payable is $nil (December 31, 2019 - $11,025) owed to directors, officers, and former directors and/or officers of the Company. These amounts are unsecured, non-interest bearing and are due on demand.

At June 30, 2020, included in accrued liabilities is $39,874 (December 31, 2019 - $27,376) accrued to independent directors for directors' fees outstanding as deferred share units.

Other related party transactions are as follows:

	Three months ended		Six months ended	
	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019
Management fees[1]	$ -	$ 11,099	$ 11,877	$ 22,046
Marketing [1]	-	24,818	31,397	40,366
Office and administration[1]	-	24,440	24,300	50,502
Rent and maintenance[1]	-	15,000	15,250	30,000
Exploration and evaluation[1]	-	23,500	21,000	34,000
Share-based payments[1]	-	10,006	-	10,006
Total	$ -	$ 108,863	$ 103,824	$ 186,920

[1] Fees were paid to Belcarra Group Management Ltd., a corporation controlled by Gary Cope, the former chief executive officer and former director of the Company that provided office space, a corporate secretary, investor relations, accounting and administration staff to the Company on a shared cost basis.

Financial Instruments

The Company's financial instruments currently consist of cash, receivables, deposits, and accounts payable and accrued liabilities. The fair value of cash is based on Level 1 of the fair value hierarchy. The fair value of receivables, deposits and accounts payable and accrued liabilities approximate their book values because of the short-term nature of these instruments. Moreover, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

Off Balance Sheet Arrangements

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

Proposed Transactions

As of the date of this MD&A the Company does not have any material proposed transactions.

Management's Responsibility for the Financial Statements

The information included in the condensed interim financial statements and this MD&A is the responsibility of management, and their preparation in accordance with IFRS requires management to make estimates and their assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the condensed interim financial statements, and the reported amount of expenses during the reported period. Actual results could differ from those estimates.

Critical Accounting Estimates

Key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities include, but are not limited to, the following:

Share-based compensation
The fair value of share-based payments is determined using a Black-Scholes Option pricing model. Such option pricing models require the input of subjective assumptions including the expected price volatility, option life, dividend yield, risk-free rate and estimated forfeitures at the initial grant.

Estimating useful life of equipment
Depreciation of equipment is charged to write down the value of those assets to their residual value over their respective estimated useful lives. Management is required to assess the useful economic lives and residual values of the assets such that depreciation is charged on a systematic basis to the current carrying amount. The useful lives are estimated having regard to such factors as asset maintenance, rate of technical and commercial obsolescence, and asset usage. The useful lives of key assets are reviewed annually.

Deferred income taxes
Judgement is required in determining whether deferred tax assets are recognized in the statement of financial position. Deferred tax assets, including those arising from unutilized tax losses require management to assess the likelihood that the Company will generate taxable earnings in future periods, in order to utilize recognized deferred tax assets. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realize the net deferred tax assets recorded at the date of the statement of financial position could be impacted.

Accrual of BC Mineral Exploration Tax Credit ("BC METC")
The provincial government of BC provides for a refundable tax on net qualified mining exploration expenditures incurred in BC. The credit is calculated as 20% of qualified mining exploration expenses less the amount of any assistance received or receivable. The determination of the expenditures which would qualify as mining exploration expenses was based on the previous years' tax filings and subsequent reviews by government auditors.

Significant Accounting Judgments

Significant accounting judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the financial statements include, but are not limited to, the following:

Recoverability of the carrying value of the Company's exploration and evaluation assets
Recorded costs of exploration and evaluation assets are not intended to reflect present or future values of these properties. The recorded costs are subject to measurement uncertainty and it is reasonably possible, based on existing knowledge, that change in future conditions could require a material change in the recognized amount.

Risk Factors

The Company is subject to risks and challenges similar to other companies in a comparable stage of development. These risks include, but are not limited to, continuing losses, dependence on key individuals, and the ability to secure adequate financing to meet minimum capital required to successfully complete its projects and continue as a going concern. These factors should be reviewed carefully.

The following risk factors, in addition to the risks noted above in the "Financial Instruments and Liquid and Capital Resources" sections, should be given special consideration when evaluating trends, risks and uncertainties relating to the Company's business.

Exploration, Development and Production Risks

The exploration for and development of minerals involves significant risks, which even a combination of careful evaluation, experience and knowledge of management and key employees and contractors of the Company may not eliminate. Few exploration and evaluation assets which are explored are ultimately developed into producing mines. There can be no guarantee that the estimates of quantities and qualities of minerals disclosed will be economically recoverable. With all mining operations, there is uncertainty and, therefore, risk associated with operating parameters and costs resulting from the scaling up of extraction methods tested in pilot conditions. Mineral exploration is speculative in nature and there can be no assurance that any minerals discovered will result in the definition of a mineral resource. The Company's operations will be subject to all of the hazards and risks normally encountered in the exploration, development and production of minerals. These include unusual and unexpected geological formations, rock falls, seismic activity, flooding and other conditions involved in the extraction of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although precautions to minimize risk will be taken, operations are subject to hazards that may result in environmental pollution and consequent liability that could have a material adverse impact on the business, operations and financial performance of the Company. Substantial expenditures are required to establish ore reserves through drilling, to develop metallurgical processes to extract the metal from the ore and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis. The economics of developing silver and other exploration and evaluation assets is affected by many factors, including the cost of operations, variations in the grade of ore mined, fluctuations in metal markets, costs of processing equipment, access to qualified personnel and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. The remoteness and restrictions on access of the Company's exploration and evaluation assets may have an adverse effect on profitability as a result of higher infrastructure costs. There are also physical risks to the exploration personnel working in the terrain in which the Company's exploration and evaluation assets are located, which are subject to poor climate conditions. The long-term commercial success of the Company depends on its ability to explore, develop and commercially produce minerals from its exploration and evaluation assets and to locate and acquire additional properties worthy of exploration and development for minerals. No assurance can be given that the Company will be able to locate satisfactory properties for acquisition or participation. Moreover, if such acquisitions or participations are identified, the Company may determine that current markets, terms of acquisition and participation or pricing conditions make such acquisitions or participation uneconomic.

Substantial Capital Requirements

Management of the Company anticipates that it may make substantial future capital expenditures for the acquisition, exploration, development and production of its exploration and evaluation assets. As the Company will be at the exploration stage with no revenue being generated from the exploration activities on its exploration and evaluation assets, the Company may have limited ability to raise the capital necessary to undertake or complete future exploration work, including drilling programs. There can be no assurance that debt or equity financing will be available or sufficient to meet these requirements or for other corporate purposes or, if debt or equity financing is available, that it will be on terms acceptable to the Company. Moreover, future activities may require the Company to alter its capitalization significantly. The inability of the Company to access sufficient capital for its operations could have a material adverse effect on the Company's financial condition, results of operations or prospects. In particular, failure to obtain such financing on a timely basis could cause the Company to forfeit its interest in its exploration and evaluation assets, miss certain acquisition opportunities and reduce or terminate its operations.

Competition

The mining industry is highly competitive. Many of the Company's competitors for the acquisition, exploration, production and development of exploration and evaluation assets, and for capital to finance such activities, include companies that have greater financial and personnel resources available to them than the Company.

Volatility of Mineral Prices

The market price of any mineral is volatile and is affected by numerous factors that are beyond the Company's control. These include international supply and demand, the level of consumer product demand, international economic trends, currency exchange rate fluctuations, the level of interest rates, rate of inflation, global or regional political events and international events as well as a range of other market forces. Sustained downward movements in mineral market prices could render less economic, or uneconomic, some or all of the mineral extraction and/or exploration activities to be undertaken by the Company.

Mineral Reserves / Mineral Resources

The Company's exploration and evaluation assets are in the early exploration stage only and do not contain a known body of commercial minerals. Mineral reserves are, in the large part, estimates and no assurance can be given that the anticipated tonnages and grades will be achieved or that the indicated level of recovery will be realized. Mineral reserve estimates for exploration and evaluation assets that have not yet commenced production may require revision based on actual production experience.

Market price fluctuations of metals, as well as increased production costs or reduced recovery rates may render mineral reserves containing relatively lower grades of mineralization uneconomic and may ultimately result in a restatement of reserves. Moreover, short-term operating factors relating to the mineral reserves, such as the need for orderly development of the ore bodies and the processing of new or different mineral grades may cause a mining operation to be unprofitable in any particular accounting period.

Environmental Risks

All phases of the mining business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of international conventions and state and municipal laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with mining operations. The legislation also requires that wells and facility sites be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

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

Reliance on Key Personnel

The success of the Company will be largely dependent upon the performance of its management and key employees and contractors. In assessing the risk of an investment in the shares of the Company, potential investors should realize that they are relying on the experience, judgment, discretion, integrity and good faith of the proposed management of the Company.

Conflicts of Interest

Certain directors and officers of the Company will be engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies. As a result of these and other activities, such directors and officers of the Company may become subject to conflicts of interest. The Business Corporations Act (British Columbia) (the "BCBCA") provides that in the event that a director or senior officer has a material interest in a contract or proposed contract or agreement that is material to the issuer, the director or senior officer must disclose his or her interest in such contract or agreement and a director must refrain from voting on any matter in respect of such contract or agreement, subject to and in accordance with the BCBCA. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the BCBCA. To the knowledge of the management of the Company, as at the date hereof, there are no existing or potential material conflicts of interest between the Company and a director or officer of the Company except as otherwise disclosed in this MD&A.

Dividends

To date, the Company has not paid any dividends on its outstanding common shares. Any decision to pay dividends on the shares of the Company will be made by the Board on the basis of the Company's earnings, financial requirements and other conditions.

Substantial number of authorized but unissued shares

The Company has an unlimited number of common shares which may be issued by the Board without further action or approval of the Company's shareholders, except in limited circumstances. While the Board is required to fulfill its fiduciary obligations in connection with the issuance of such shares, the shares may be issued in transactions with which not all shareholders agree, and the issuance of such shares will cause dilution to the ownership interests of the Company's shareholders.

Stock Exchange Prices

The market price of a publicly traded stock is affected by many variables not all of which are directly related to the success of the Company. In recent years, the securities markets have experienced a high level of price and volume volatility, and the market price of securities of many companies, particularly those considered to be exploration stage companies, has experienced wide fluctuations which have not necessarily been related to the performance or underlying asset values of such companies. There can be no assurance that such fluctuations will not affect the price of the Company's securities.

Permits and Licenses

The activities of the Company are subject to government approvals, various laws governing prospecting, development, land resumptions, production taxes, labour standards and occupational health, mine safety, toxic substances and other matters, including issues affecting local native populations. Amendments to current laws and regulations governing operations and activities of exploration and mining, or more stringent implementation thereof, could have a material adverse impact on the business, operations and financial performance of the Company.

Further, the mining licenses and permits issued in respect of its mineral property may be subject to conditions which, if not satisfied, may lead to the revocation of such licenses. In the event of revocation, the value of the Company's investments in its exploration and evaluation assets may decline.

Title Risks

The acquisition of title to exploration and evaluation assets or interests therein is a very detailed and time-consuming process. The exploration and evaluation assets may be subject to prior unregistered agreements or transfers and title may be affected by undetected defects.

Limited Operating History

The Company was incorporated on March 4, 2011 and has yet to generate a profit from its activities. The Company will be subject to all of the business risks and uncertainties associated with any business enterprise, including the risk that it will not achieve its growth objective. The Company anticipates that it may take several years to achieve positive cash flow from operations. Even if the Company does undertake exploration activity on its exploration and evaluation assets, there is no certainty that the Company will produce revenue, operate profitably or provide a return on investment in the future.

Uninsured Risks

The Company, as a participant in mining and exploration activities, may become subject to liability for hazards that cannot be insured against or against which it may elect not to be so insured because of high premium costs. Furthermore, the Company may incur a liability to third parties (in excess of any insurance coverage) arising from negative environmental impacts or any other damage or injury.

Unforeseen Expenses

While the Company is not aware of any expenses that may need to be incurred that have not been taken into account, if such expenses were subsequently incurred, the expenditure proposals of the Company may be adversely affected.

Coronavirus Pandemic

The current outbreak of COVID-19 and any future emergence and spread of similar pathogens could have an adverse impact on global economic conditions, which may adversely impact the Company's operations, and the operations of its suppliers, contractors and service providers, the ability to obtain financing and maintain necessary liquidity, and the ability to explore the Company's properties. The outbreak of COVID-19 and political upheavals in various countries have caused significant volatility in commodity prices. While these effects are expected to be temporary, the duration of the business disruptions internationally and related financial impact cannot be reasonably estimated at this time.

Similarly, the Company cannot estimate whether or to what extent this outbreak and the potential financial impact may extend to countries outside of those currently impacted. Travel bans and other government restrictions may also adversely impact the Company's operations and the ability of the Company to advance its projects. In particular, if any employees or consultants of the Company become infected with Coronavirus or similar pathogens and/or the Company is unable to source necessary consumables or supplies, due to government restrictions or otherwise, it could have a material negative impact on the Company's operations and prospects, including the complete shutdown of one or more of its exploration programs. The situation is dynamic and changing day-to-day. The Company is exploring several options to deal with any repercussions that may occur as a result of the COVID-19 outbreak.

Other Risks

The level of demand for the Company's exploration is increasingly affected by regional and global demographic and macroeconomic conditions, including population growth rates and changes in standards of living. A significant downturn in global economic growth, or recessionary conditions in major geographic regions, may lead to reduced demand for commodities which could adversely affect the Company's business and results of operations. Additionally, weak global economic conditions and turmoil in global financial markets, including constraints on the availability of credit, have in the past adversely affected, and may in the future continue to adversely affect, the financial condition and creditworthiness of some of the Company's customers, suppliers and other counterparties which in turn may negatively impact the Company's business. Any deterioration in economic conditions due to the current coronavirus concerns, could negatively impact the Company's exploration.

Forward Looking Statements

This MD&A contains forward-looking statements that are based on the Company's current expectations and estimates of the business and management. Certain statements included in this "MD&A" constitute forward-looking statements, including those identified by the expressions "anticipate", "believe", "plan", "suggest", "estimate", "anticipate", "project", "indicate", "expect", "intend", "may", "should expect", "target", "will" and other similar words or statements that certain events or conditions "may" or "will" occur. The forward-looking statements are not historical facts but reflect current expectations regarding future results or events. This MD&A contains forward-looking statements. These forward-looking statements are based on current expectations and various estimates, factors and assumptions and involve known and unknown risks, uncertainties and other factors.

Information concerning the interpretation of drill results also may be considered forward-looking statements; as such information constitutes a prediction of what mineralization might be found to be present if and when a project is actually developed. The estimates, risks and uncertainties described in this MD&A are not necessarily all of the important factors that could cause actual results to differ materially from those expressed in the Company's forward-looking statements. In addition, any forward-looking statements represent the Company's estimates only as of the date of this MD&A and should not be relied upon as representing the Company's estimates as of any subsequent date.

The material factors and assumptions that were applied in making the forward-looking statements in this MD&A include: (a) execution of the Company's existing plans or exploration programs for each of its properties, either of which may change due to changes in the views of the Company, or if new information arises which makes it prudent to change such plans or programs; and (b) the accuracy of current interpretation of drill and other exploration results, since new information or new interpretation of existing information may result in changes in the Company's expectations.

Such forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause actual events or results to differ materially from estimated or anticipated events or results implied or expressed in such forward-looking statements. Such factors include, among others: the actual results of current exploration activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; possible variations in ore grade or recovery rates; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing; fluctuations in metal prices; and the impact of the COVID-19 pandemic. There may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Forward-looking statements are not a guarantee of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein.