FREMONT
GOLD LTD

Fremont Gold Ltd.

An Exploration Stage Company

MANAGEMENT DISCUSSION AND ANALYSIS

YEAR ENDED MARCH 31, 2020

Dated: July 27, 2020

Management Discussion and Analysis

The following Management Discussion and Analysis ("MD&A") of Fremont Gold Ltd. ("Fremont" or the "Company") has been prepared as at July 27, 2020. It is intended to be read in conjunction with the audited consolidated financial statements of the Company as at and for the year ended March 31, 2020.

All of the financial information presented in this MD&A has been prepared in accordance with International Financial Reporting Standards ("IFRS") unless otherwise noted.

All monetary amounts, including comparatives, are expressed in Canadian dollars unless otherwise noted.

Dennis Moore, Fremont's President and director of the Company as well as a Qualified Person as defined by National Instrument 43-101 ("NI 43-101"), approved the technical information in this MD&A.

The Company's year-end is March 31. Accordingly, references to Q4 2020 herein refer to the three months ended March 31, 2020.

Overview

The Company is a mineral exploration and development company with interests in gold projects in the state of Nevada. Fremont's flagship project is the Griffon gold project, located at the southern end of the Cortez Trend. Fremont's other projects include Cobb Creek, North Carlin, Goldrun, and Hurricane. The Company's strategy is to conduct exploration on its projects and to build a quality portfolio of gold projects in Nevada.

The Company holds its mineral property interests through its wholly owned subsidiaries, 1027344 B.C. Ltd. ("1027344 B.C.") and Intermont Exploration, Corp. ("Intermont").

The Company acquired its interest in each of 1027344 B.C. and Intermont in June 2017 through a reverse takeover transaction with these two entities and their respective shareholders and unitholders.

Exploration activity undertaken by 1027344 B.C. and Intermont prior to their acquisition by Fremont was nominal.

Highlights

The year ended March 31, 2020 and the period ended July 27, 2020 were highlighted by the following activities and initiatives:

Finance

- The balance of cash and cash equivalents as at March 31, 2020 was $1,130,028 (March 31, 2019: $491,933) and the net working capital balance as at this date was $1,017,574 (March 31, 2019: $410,586)
- In April 2020, the Company announced that its common shares had begun trading on the OTCQB Venture Market

- In February 2020, the Company announced the closing of a non-brokered private placement in which it raised gross proceeds of $1,482,020 through the sale of 24,700,332 units at a price of $0.06 per unit (see 'Liquidity and going concern')
- In August 2019, the Company announced that it had sold its interest in the Gold Canyon project to McEwen Mining Inc. for consideration of 300,000 McEwen common shares. The shares were subject to statutory hold periods in each of Canada and the United States. The shares were sold for net proceeds of $453,825 in January 2020 (see 'Sale of Gold Canyon property' and 'Liquidity and going concern')
- Reclamation bond refunds totalling US$ 33,824 were received in Q3 2020

Exploration and development

- Exploration activity was limited in fiscal 2020 as the Company was focused on the identification, assessment and acquisition of advanced-stage Nevada gold projects.
- In June 2020, the Company announced that it had initiated a 2,000m Phase 1 drill program at Griffon

Portfolio development

- In December 2019, the Company entered into an option agreement with Pilot Gold (USA) Inc., a wholly owned subsidiary of Liberty Gold Corp., to acquire 100% of the past-producing Griffon gold project ("Griffon"), located in White Pine county, Nevada (see "Acquisition of Griffon option"). The Company subsequently announced that it had doubled the size of the land position at Griffon through staking
- In September 2019, the Company entered into an option agreement with Clover Nevada II, LLC, a wholly owned subsidiary of Contact Gold Corp., to acquire a 100% interest in the advanced-stage Cobb Creek gold project ("Cobb Creek") located in Elko county, Nevada
- The Company initiated drilling at Gold Bar in February 2019. The Company terminated the Gold Bar option agreement in July 2019 following disappointing drill results from the three hole reverse circulation drill program. A payment of US$ 100,000 was due to Nevada Select Royalties, Inc. (a wholly-owned subsidiary of Ely Gold & Minerals Inc.) in September 2019 to maintain the option agreement in good standing

Appointments

- In April 2020, the Company announced the appointment of Randall Chatwin to the Board of Directors
- In July 2019, the Company announced that Andy Wallace had accepted a position as a member of the Company's Advisory Board

2020 overview of operations

Fiscal 2020 was a year of transition for Fremont. Following drill results from the Gold Bar project in early 2020, the Company made the strategic decision to exit the Gold Bar camp and monetize any related projects, which was accomplished by the sale of Gold Canyon to McEwen in August 2019. These initiatives prompted a search for new gold projects to augment the Company's remaining property portfolio. The Company's search criteria focused on advanced-stage gold projects with the potential to host an economic deposit with a minimum of 1.0 million ounces of gold in the Western United States. Fremont investigated dozens of gold projects and conducted numerous site visits. Cobb Creek was the first acquisition meeting the Company's search criteria and Griffon was the second. Both properties were acquired in Q3 2020.

Exploration activity undertaken in 2020 was extremely limited.

Acquisition of Griffon option

In December 2019, the Company announced that it had entered into an option agreement with Pilot Gold (USA) Inc. (“Pilot”), a wholly owned subsidiary of Toronto Stock Exchange listed Liberty Gold Corp. (“Liberty”), to acquire 100% of the past-producing Griffon gold project located in White Pine county, Nevada.

Fremont may acquire 100% of the Griffon project by making payments totalling US$ 325,000 over four years from December 16, 2019 (the “Execution Date”)“” and issuing Fremont common shares to Liberty as follows:

- Immediately following the TSX-V’s approval of the transaction: 2,500,000 Fremont common shares (issued in January 2020)
- That number of Fremont common shares that will bring Liberty’s total ownership of Fremont’s issued and outstanding common shares to 9.9% on the first anniversary of the Execution Date.

The option payment schedule is as follows:

- US$ 25,000 on the Execution Date (paid in December 2019)
- US$ 25,000 following the TSX-V’s approval of the transaction (paid in January 2020)
- US$ 50,000 on the first anniversary of the Execution Date
- US$ 50,000 on the second anniversary of the Execution Date
- US$ 75,000 on the third anniversary of the Execution Date
- US$ 100,000 on the fourth anniversary of the Execution Date.

Fremont may accelerate the exercise of the Option agreement and acquire 100% of the Griffon project at any time by giving Pilot ten days’ notice and paying all of remaining option payments in full.

Pilot will retain a 1.0% net smelter return royalty on the Griffon project. Fremont has the right to buy-down 1.0% of the royalty (thereby leaving no NSR) for US$ 1,000,000.

In addition, the Griffon project is also subject to a 2.0% net smelter return royalty held by a previous vendor. Fremont has the right to buy-down 1.0% of this royalty for US$ 2,000,000.

The Option Agreement, including the issuance of the 2,500,000 Fremont common shares, was subject to approval by the TSX-V which was received on January 23, 2020.

The Fremont common shares are subject to a statutory hold period. In addition, the Fremont common shares are subject to a 12-month voluntary hold period.

Fremont and Liberty will enter into an investor rights agreement on the first anniversary of the Execution Date pursuant to which and subject to certain conditions, Liberty will have the right (until such time as Liberty beneficially owns less than 5% of Fremont’s shares) to participate in any future equity financings by Fremont in order to maintain its proportionate interest in Fremont.

In May 2020, the Company announced that it had staked an additional 90 claims at the Griffon project thereby doubling the size of the project area from 89 claims to 179 claims (approximately 15 square kilometers).

See ‘2021 outlook’.

Acquisition of Cobb Creek option

In September 2019, the Company announced that it had entered into an option agreement with Clover Nevada II, LLC ("Clover"), a wholly owned subsidiary of TSX Venture Exchange ("TSX-V") listed Contact Gold Corp., to acquire 100% of the advanced-stage Cobb Creek gold project located in Elko County, Nevada.

Fremont may acquire 100% of the Cobb Creek project by issuing 1,500,000 Fremont common shares to Clover and making payments totaling US$ 370,000 (adjusted for the U.S. Price Index) over nine years from September 27, 2019 (the "Effective Date").

In addition to these option payments to Clover, Fremont assumed responsibility for making four annual payments of US$ 30,000 each totaling US$ 120,000 to a previous underlying property owner; the initial payment of US$ 30,000 was paid in February 2020. Lastly, Fremont is required to reimburse Clover for the 2019-2020 claim maintenance costs relating to the property, and a portion of the 2018-2019 claim maintenance costs to the aforementioned previous underlying property owner; such costs totaled US$ 36,391 and were paid in February 2020.

The option payment schedule is as follows:

- 750,000 Fremont common shares to Clover following TSX-V approval (issued in October 2019)
- US$ 30,000 to Underlying Owner by November 7, 2019 (payment was made prior to this date with funds received as a loan from Clover which was repaid by Fremont in January 2020)
- US$ 30,000 and 750,000 Fremont common shares to Clover on the first anniversary of the Effective Date
- US$ 30,000 to Underlying Owner by November 7, 2020
- US$ 20,000 to Clover on the second anniversary of the Effective Date
- US$ 30,000 to Underlying Owner by November 7, 2021
- US$ 20,000 to Clover on the third anniversary of the Effective Date
- US$ 30,000 to Underlying Owner by November 7, 2022
- US$ 25,000 to Clover on the fourth anniversary of the Effective Date
- US$ 35,000 to Clover on the fifth anniversary of the Effective Date
- US$ 45,000 to Clover on the sixth anniversary of the Effective Date
- US$ 55,000 to Clover on the seventh anniversary of the Effective Date
- US$ 65,000 to Clover on the eighth anniversary of the Effective Date
- US$ 75,000 to Clover on the ninth anniversary of the Effective Date.

Fremont may accelerate the exercise of the Option agreement and acquire 100% of the Cobb Creek project at any time by giving Clover ten days' notice and paying all remaining option payments in full.

Clover will retain a 2.0% net smelter return royalty on the Cobb Creek project and any new claims acquired by the Company located within one-half mile thereof. Fremont has the right to buy-down 1.0% of the royalty for US$ 2,000,000.

The Option Agreement, including the issuance of the 1,500,000 Fremont common shares, was subject to approval by the TSX-V which was received on October 24, 2019. The Fremont common shares are subject to a statutory hold period.

Sale of Gold Canyon property

In August 2019, the Company announced that it was selling its interest in the Gold Canyon project - located in Eureka County, Nevada - to McEwen Mining Inc. ("McEwen") pursuant to an asset purchase agreement dated August 14, 2019. The subject of the transaction was the rights and interest in the Gold Canyon option agreement that the Company had entered into with Nevada Select Royalty, Inc., a wholly-owned subsidiary of Ely Gold Royalties Inc. ("Ely Gold Royalties"), in December 2017. The transaction closed on August 23, 2019.

Consideration received by the Company was 300,000 common shares of McEwen (the "McEwen Shares") which were subject to statutory hold periods in each of Canada and the United States.

The Company realized net proceeds $453,825 on the sale of the shares in January 2020 shortly after the hold periods had been lifted.

Pursuant to the Company's December 2017 option agreement with Nevada Select Royalty, Inc., an option payment of US$ 112,500 was due to Ely Gold Royalties Inc.in December 2019 and claim maintenance fees were due to the United States Bureau of Land Management ("BLM") and the county in August 2019. In closing the transaction in August 2019, the Company was able to avoid having to pay these option payment and claim maintenance charges.

The carrying value of the Gold Canyon property at the time of disposal was $177,971. Cumulative exploration spend incurred on the property since December 2017 totaled $199,644.

North Carlin property (option and staked claims)

The North Carlin property included both an optioned property, the Ely North Carlin Property, and staked ground, Alkali and Coyote.

Optioned property

In February 2018, the Company announced that it had entered into an option agreement with Ely Gold Royalties and Nevada Select Royalty, Inc. ("Nevada Select"), to acquire a property consisting of 12 unpatented lode mining claims situated in Elko County, Nevada (the "Ely North Carlin Property"). Option payments totalled US$ 267,500 to be paid over five years plus the issuance of 200,000 common shares to Ely Gold Royalties.

The parties agreed to terminate the option agreement in January 2019. In April 2019, Intermont and Nevada Select entered into the following two agreements:

- A mineral deed pursuant to which Nevada Select quitclaimed its interest in the Ely North Carlin Property to Intermont in return for nominal consideration
- A royalty deed pursuant to which Intermont granted Nevada Select a 2% NSR in respect of products produced on the Ely North Carlin Property in return for nominal consideration. The agreement includes a right of first refusal allowing Nevada Select to acquire any or all of the Company's staked mineral claims included in the North Carlin Property (as described below)

Option payments paid by the Company to the optionor through the date of termination of the option agreement totalled US$ 17,500. In addition, 200,000 common shares of the Company were issued to the optionor prior to termination pursuant to the option agreement.

Staked claims

In October 2017, the Company announced that it had staked a significant land position comprising 3,250 hectares in the northern part of the Carlin Trend which is home to Barrick Gold Corp.'s Goldstrike mine complex (Proven and Probable Reserves of 70.7 Mt @ 3.55 g/t for 8.1 Moz of gold) and the North and

South Carlin complexes of Newmont Mining Corporation (Proven and Probable Reserves of 295.1 Mt @ 1.59 g/t Au for 15 Moz of gold, collectively).

The staked land comprises the Alkali property and the Coyote property along the north-west extension of the Carlin Trend. The Alkali claim block is approximately four kilometres north-east of the Hollister Mine of Klondex Mines Ltd which has a measured and indicated resource of 0.43 Mt @ 17.4 g/t (gold equivalent) and an inferred resource of 0.18 Mt @ 15.3 g/t (gold equivalent); there is evidence of a NE structural control at Hollister which extends through the Alkali claim block. The Coyote claim block is located south-east of Alkali and is two kilometres north of the Rossi mine (Barrick/Meridian), which had a resource of 0.97 Mt @ 16.46 g/t gold in 2007; Rossi is the most northerly deposit currently known along the Carlin Trend.

As at March 31, 2020, the Alkali property holdings consisted of 383 mining claims owned solely by Intermont, 185 of which were recorded with the BLM and the Coyote property holdings consisted of 99 mining claims owned solely by Intermont, all of which were recorded with the BLM.

Exploration activity

Exploration activities undertaken at the North Carlin property during the year ended March 31, 2020 and the subsequent period ended July 27, 2020 included the following:

- 275 soil samples were taken and analysed by Ionic Leach at ALS USA Inc.
- 40 claims were added (but not recorded).

A total of $21,186 was incurred on exploration expenditures on the North Carlin property in the year ended March 31, 2020 and a further $70,685 was incurred on option payments, claim acquisition and claim maintenance charges during this period.

Hurricane property (option)

Summary

The Hurricane property consists of six unpatented mineral claims located in the Shoshone Range of Northern Lander County in Nevada, USA. The property is located in Sections 30 and 19, Township 30 N, Range 46 E in Lander County. 1027344 B.C. has a right to lease the claims comprising the Hurricane property pursuant to a lease agreement with Nevada Eagle LLC, a Nevada Corporation ("Nevada Eagle"), dated February 13, 2015, as amended on February 13, 2016, March 14, 2017 and April 27, 2017 (the "Lease Agreement"). Nevada Eagle subsequently assigned its interest in the property, including the lease, to Nevada Select.

Lease agreement

1027344 B.C. entered into an agreement dated February 13, 2015 with Nevada Eagle, a third party, pursuant to which 1027344 B.C. leases six unpatented mining claims in Nevada which are collectively known as 'Hurricane'. The claims total approximately 50.2 hectares. Subject to various conditions, the lease agreement provides 1027344 B.C. with the exclusive right to prospect, explore and mine on the property for a period of twenty years with a right to renew thereafter.

Nevada Eagle's rights and responsibilities associated with the lease agreement were assigned to Nevada Select pursuant to an assignment and assumption agreement dated May 4, 2016. Nevada Select is not related to 1027344 B.C. Nevada Eagle's ownership interest in the property was transferred to Nevada Select on May 5, 2016.

The lease agreement was amended on each of February 13, 2016, March 14, 2017, April 27, 2017 and July 23, 2018 whereby the terms of certain of the lease payments, common share issuances and work obligations as specified in the original February 2015 lease agreement were amended.

The lease agreement (as amended) specifies payments by 1027344 B.C. to the lessor as follows:

- Upon execution of the agreement: US$ 5,000 (paid)
- On or before the first anniversary of the date of execution (February 13, 2016): US$ 3,750 (paid)
- On or before May 16, 2016: US$ 3,750 (paid)
- On or before July 31, 2017: US$ 10,000 (paid)
- On or before the third anniversary of the date of execution (February 13, 2018): US$ 15,000 (paid)
- On or before the fourth anniversary of the date of execution (February 13, 2019): US$ 20,000 (paid)
- On or before the fifth anniversary of the date of execution (February 13, 2020): US$ 20,000 (paid)
- On or before the sixth anniversary of the date of execution (February 13, 2021): US$ 25,000
- On or before the seventh anniversary of the date of execution (February 13, 2022): US$ 25,000
- Thereafter on or before the annual anniversary of the date of execution: US$ 25,000 increased by the consumer price index.

Pursuant to the lease agreement (as amended), 300,000 post-consolidation common shares of the Company were issued to Nevada Select in June 2017.

1027344 B.C. is responsible for maintaining the property in good standing including the payment of all applicable government filings, fees and taxes.

The lessor will retain a 3.0% net smelter royalty ("NSR") on mineral production from the Hurricane property and any staked ground situated adjacent thereto. 1027344 B.C. may purchase one third of the NSR (1.0%) for US$ 1,000,000.

Exploration activity

There were no exploration expenditures incurred on the Hurricane property during the year ended March 31, 2020. Claim maintenance expenditures incurred during this period amounted to $28,038.

Goldrun property (staked claims)

Summary

As at March 31, 2020, the Goldrun holdings consisted of 114 mining claims owned solely by Intermont (March 31, 2019: 169 claims) and a further 95 claims owned jointly with an unrelated individual (March 31, 2019: 105 claims), all of which were recorded with the BLM.

The claims were acquired by staking in the field with posts and location notices. All documents and fees to hold the 209 mining claims through August 31, 2020 were filed with the BLM and Humboldt County.

During the year ended March 31, 2020, the Company chose to drop certain of its Goldrun claims. A provision equivalent to the carrying value of the dropped claims of $317,123 was recognised in the fourth quarter of the 2020 fiscal year. The relatively large size of this provision was attributable to the majority of the purchase price consideration associated with the 2017 reverse take-over transaction being allocated to the Goldrun property (considerable purchase price consideration was also allocated to the Hurricane and Rock Creek properties).

Exploration activity

There were no exploration expenditures incurred on the Goldrun property during the year ended March 31, 2020. Claim maintenance expenditures incurred during this period amounted to $38,269.

Rock Creek (staked claims)

During the year ended March 31, 2020, the Company chose to drop its Rock Creek property which consisted of both recorded and unrecorded claims. A provision equivalent to the carrying value of the Company's interest in the property of $134,946 was recognised in Q4 2020.

Gold Bar (option and staked claims)

In September 2017, the Company announced that it had entered into an option agreement with Ely Gold and Minerals Inc. ("Ely Gold"), an unrelated British Columbia based company, in connection with 96 unpatented and 12 patented mining claims over the historic Gold Bar mine area in Eureka County Nevada. Option payments totalling US$ 1,010,000 were to be paid over five years.

In July 2019, the Company announced that it had terminated the Gold Bar option agreement.

As at June 30, 2019, the Company had staked in the field an additional 385 mining claims in areas adjacent to the Gold Bar property, 214 of which had been recorded. Management decided not to renew these claims in August 2019.

The carrying value of the Company's total interest in the Gold Bar property of $498,128 was written off in full in Q4 2019.

Exploration activity

Exploration expenditures incurred on the Gold Bar property during the year ended March 31, 2020 amounted to $23,724 and related primarily to the RC drill program that was undertaken in Q4 2019 and completed early in the 2020 fiscal year.

2021 outlook

2020 was a transitional year for the Company in which its property portfolio was fundamentally restructured. It included the acquisition of two advanced-stage gold projects, Cobb Creek and Griffon, in Q3 2020 and the monetization of the Gold Canyon property.

2021 activity will be directed to the exploration of the Company's recently acquired flagship property, Griffon (including 90 staked claims that doubled the size of the project area to 15 kilometers).

In May 2020, the Company announced details regarding the proposed reverse circulation drill program at Griffon. The program will consist of at least ten drill holes totaling 2,000 meters. A total of 20 drill sites have been permitted. Drill target areas will include gold-in-soil anomalies, an area of unmined mineralization and permissive stratigraphic targets; detailed drill target information was presented in the news release dated May 26, 2020.

Road and drill pad construction was completed in late June at which time drilling commenced.

Griffon is a past-producing gold mine located at the southern end of the Cortez Trend, approximately 75 kilometers southwest of Ely, and is accessed via paved highway and Forest Service roads. Mineralization at Griffon is Carlin-type and is comparable to the mineralization found at several deposits at the Kinross Bald Mountain Mine complex, approximately 70 km to the north.

Covid-19

To date, the Covid-19 pandemic has not had a significant impact on the Company's operations. The Company follows the recommended policies set out by the applicable authorities of the State of Nevada.

The Company does not have any employees. It deals solely with independent contractors who have their own internal policies for dealing with risks associated with the pandemic; the Company is satisfied with the adequacy of these policies.

Proposed transactions

As at March 31, 2020 and July 27, 2020, there were no specific asset or business acquisitions or dispositions being contemplated.

Selected annual information

A summary of annual results in respect of the years ended March 31, 2020, March 31, 2019 and March 31, 2018 is as follows. This summary information has been derived from the audited consolidated financial statements of the Company.

The Company commenced current operations in Q2 2018 following closing of a reverse take-over transaction in late June 2017.

Consolidated statements of loss

	Year ended 31-Mar-20	**Year ended** 31-Mar-19	**Year ended** 31-Mar-18
Revenue	-	-	-
Management	313,943	264,838	66,667
General and administration	301,765	329,640	153,582
Exploration	202,336	763,034	163,388
Stock-based compensation	95,671	197,748	190,898
Professional fees	77,599	228,706	180,925
Travel	49,482	138,125	46,500
Listing and transfer agent	19,997	26,769	19,972
Depreciation	6,339	4,369	532
	1,067,132	1,953,229	822,464
Write-off of exploration and evaluation assets	452,069	498,128	-
Loss on sale of marketable securities	329,175	-	-
Gain on sale of mineral property	(605,806)	-	-
Other income and expense items	(800)	(10,467)	(7,774)
Net loss	**1,241,770**	**2,440,890**	**814,690**
Net loss per share	$ 0.02	$ 0.05	$ 0.03
Weighted average shares outstanding	*57,477,377*	*46,564,930*	*27,982,299*

- Management costs comprise remuneration of the Company’s President, CEO and CFO; remuneration of the Company’s VP Exploration is included in exploration. The increase in 2020 relative to 2019 was attributable to a one-off bonus paid to the CEO. The increase in 2019 relative to 2018 was attributable to the following:
  - Charging of management remuneration commenced in December 2017 (being two thirds of the way through 2018)
  - Splitting the responsibilities of President and CEO from a single individual to two individuals in October 2018
- General and administration expense relates to the cost of maintaining corporate offices in each of Vancouver and Winnemucca, Nevada as well as certain marketing related costs (road shows and conferences) and non-management payroll
- Approximately 60% of 2020 exploration costs related to the cost of the Company’s VP Exploration. Following the 2019 drill programs undertaken at each of Gold Bar and Gold Canyon, 2020 exploration spend was significantly reduced with management’s attention being directed to the identification, assessment and acquisition of new gold projects
- Professional fees include recurring audit and legal fees as well as non-recurring fees relating to the Company’s listing on the OTCQB (2020) and Frankfurt Stock Exchange (2018) and miscellaneous marketing advisory fees. The reduction in spend in 2020 was attributable to reduced marketing spend
- Travel charges relate primarily to road shows, conferences and to the Company’s properties in Nevada. The relatively high level of charges in 2019 relative to 2020 and 2018 was attributable to increased travel associated with attendance at conferences and other marketing initiatives as well as increased travel to Nevada in connection with increased exploration activity.

Consolidated statements of financial position

	31-Mar-20	31-Mar-19	31-Mar-18
Cash and cash equivalents	1,130,028	491,933	504,760
Other current assets	98,594	106,929	95,763
Mineral properties	2,571,659	2,535,426	2,218,020
Fixed assets	17,709	19,542	8,150
Reclamation bonds	93,961	125,970	104,685
Total assets	***3,911,951***	***3,279,800***	***2,931,378***
Accounts payable and accrued liabilities	106,390	108,496	173,230
Due to related parties	104,658	79,780	98,532
Total liabilities	***211,048***	***188,276***	***271,762***
Equity:			
Share capital	13,688,913	12,138,638	9,230,783
Subscription receipts	-	-	325,992
Reserves	1,509,232	1,367,592	1,169,844
Other comprehensive income	239,618	80,384	(12,803)
Accumulated deficit	(11,736,860)	(10,495,090)	(8,054,200)
Total equity	***3,700,903***	***3,091,524***	***2,659,616***

- Other current assets relate to various receivables (primarily GST and BLM charges due from partners on shared claims within the Goldrun property) and prepaid marketing expenditures
- The carrying value of mineral properties includes claim acquisition (option payments, value of common shares issued to an optionor in connection with a property transaction, costs of staking, etc.) and the costs of maintaining the claims in good standing. Costs of both exploration and indirect costs associated with claim acquisition (such as legal expenses) are expensed as incurred. The cost of

claim acquisition and maintenance undertaken in the year ended March 31, 2020 is discussed above by individual property

- Reclamation bonds totalling US$ 66,230 ($93,961) were held in connection with the following:
  - Gold Bar drill program: US$ 10,164 (January 2019)
  - Hurricane trenching program: US$ 56,066 (October 2017)
- Accounts payable and accrued liabilities comprise amounts due to third parties including accrued audit fees and recurring liabilities relating to ongoing operations in both Nevada and Vancouver. The balance also includes a reclamation provision of $14,187 relating to drilling activity and trenching work performed at the Hurricane property. The decrease in the 2019 balance relative to that of 2018 relates to deferred legal and marketing advisory fees as at the latter date which were paid in April 2018 following the closing of the April 2018 financing
- See 'Transactions with related parties' for discussion regarding the balance due to related parties
- Changes in equity during the year ended March 31, 2020 include the February 2020 private placement (24,700,332 units at $0.06 per share for gross proceeds of $1,482,020), issuance of shares for mineral properties (Cobb Creek and Griffon) and the issuance of 250,000 stock options in July 2019. See 'Liquidity and going concern'.

Summary of quarterly results

A summary of quarterly results in respect of the two-year period ended March 31, 2020 is as follows:

	Q1 2020 ***June 30, 2019***	**Q2 2020** ***Sept. 30, 2019***	**Q3 2020** ***Dec. 31, 2019***	**Q4 2020** ***March 31, 2020***
Revenues	-	-	-	-
Exploration	(77,592)	(52,935)	(41,960)	(29,849)
Operating costs	(219,843)	(205,539)	(184,822)	(254,592)
Write-off of mineral property	-	-	-	(452,069)
Gain on sale of Gold Canyon	-	604,436	593	777
Loss on marketable securities	-	(162,000)	(123,000)	(44,175)
Net income (loss)	(301,451)	191,044	(355,933)	(775,430)
Net working capital	138,015	426,028	17,927	1,017,574
Claim acquisition and maintenance	-	102,548	170,836	243,231
Total assets	2,923,161	3,311,490	3,214,287	3,911,951
Total liabilities	(153,563)	(298,768)	(536,699)	(211,048)

	Q1 2019 ***June 30, 2018***	**Q2 2019** ***Sept. 30, 2018***	**Q3 2019** ***Dec. 31, 2018***	**Q4 2019** ***March 31, 2019***
Revenues	-	-	-	-
Exploration	(298,853)	(123,411)	(128,177)	(212,593)
Operating costs	(255,797)	(252,168)	(399,920)	(282,310)
Write-off of mineral property	-	-	-	(498,128)
Net loss	(522,353)	(405,395)	(519,057)	(994,085)
Net working capital	1,056,094	519,140	853,124	410,586
Claim acquisition and maintenance	101,738	211,992	354,258	147,546
Total assets	3,746,681	3,359,926	4,320,726	3,279,800
Total liabilities	(206,998)	(183,104)	(293,860)	(188,276)

In general, fluctuations in the Company's quarterly results over the two years ended March 31, 2020 related primarily to the acquisition of additional mineral properties and the drill programs undertaken in Q1 2019 and Q4 2019.

Specific fluctuations in the Company's quarterly results were attributable to the following factors:

- Exploration initiatives (and related spend) were significantly reduced in 2020
- The increases in exploration spend in Q1 2019 and Q4 2019 were related to the drill programs undertaken at Gold Bar and Gold Canyon
- The significant increase in operating costs (non-exploration) in Q3 2019 were related to various cost items that are considered to be non-recurring in nature:
  - Travel and marketing costs incurred in connection with the December 2018 financing
  - The introduction of a new CEO at the beginning of the quarter and related transition costs incurred during October and November
- The volatility in Q3 2020 and Q4 2020 operating costs was attributable to general cost savings initiatives introduced in Q3 2020 followed by significant increases in travel and marketing in Q4 2020 related in part to the February 2020 financing
- The increases in net working capital in Q3 2019 and Q4 2020 were due to the closing of private placements with gross proceeds of $1,230,590 in December 2018 and $1,482,020 in February 2020
- The increase in net working capital in Q2 2020 was due to the sale of Gold Canyon for 300,000 McEwen shares (see 'Sale of Gold Canyon property')
- Claim acquisition and maintenance expenditures relate to option and lease payments paid to third parties, claim maintenance charges paid to the BLM and costs of staking ground.

Liquidity and going concern

As at March 31, 2020, the Company had a cash balance of $1,130,028 (March 31, 2019: $491,933), and a net working capital balance of $1,017,574 (March 31, 2019: $410,586).

Disposal of McEwen shares

In August 2019, the Company sold its interest in the Gold Canyon project, to McEwen for consideration of 300,000 McEwen common shares (see 'Sale of Gold Canyon property'). The McEwen Shares were subject statutory hold periods in each of Canada and the United States. The shares were sold for net proceeds of $453,825 in late January 2020 shortly after the statutory hold periods had been lifted.

February 2020 non-brokered private placement

In January 2020, the Company announced a non-brokered private placement of up to 17,000,000 units at a price of $0.06 per unit (the "Units") for gross proceeds of up to $1,020,000.

On February 13, 2020, the Company closed a private placement financing pursuant to which a total of 24,700,332 Units were issued at a price of $0.06 per Unit for gross proceeds of $1,482,020. Each Unit is comprised of one common share of the Company and one common share purchase warrant. Each common share purchase warrant entitles the holder to acquire one common share at a purchase price of $0.10 for a period of 12 months following closing of the private placement.

Total finder's fees paid to third parties in connection with the financing amounted to $83,580, equivalent to 7% of the applicable proceeds raised. In addition, 1,393,000 share purchase warrants were issued to finders, equivalent to 7% of the number of applicable Units. Each such finder's warrant entitles the holder to purchase one common share of the Company at a purchase price of $0.10 for a period of 12 months following closing of the private placement.

All securities issued in connection with the private placement are subject to a statutory hold period of four months plus a day following issuance.

Going concern

The nature of the Company's operations results in significant expenditures for the acquisition, maintenance and exploration of mineral properties. To date, the Company has not generated any revenue from mining or other operations as it is considered to be in the exploration stage.

The Company's ability to continue operations in the normal course of business is dependent on several factors, including its ability to secure additional funding.

Management has estimated that the Company will not have sufficient funds from existing working capital to meet its corporate development and administrative objectives and property obligations through March 31, 2021.

The Company's ability to continue as a going concern is dependent upon its ability to obtain additional funding from loans or equity financings provided by the Company's existing shareholders and/or new shareholders or through other arrangements. There is no assurance that the Company will be successful in this regard.

In the event the Company is unable to arrange appropriate financing, the carrying value of its assets and liabilities could be subject to material adjustment and the Company may not be able to meet its obligations as they become due in the normal course of business. Furthermore, these conditions indicate the existence of a material uncertainty that raises significant doubt as to the Company's ability to continue as a going concern.

Dividends

The Company has neither declared nor paid any dividends on its common shares to date. The Company does not anticipate paying any dividends on its common shares in the foreseeable future.

Contractual commitments

The Company is responsible for remediating ground on its Hurricane property on which it undertook trenching activity in Q3 2018. In this regard, the Company was required to post a reclamation bond of US$ 56,066 with the BLM. The Company has estimated the cost of reclamation of the Hurricane property to be approximately US$ 10,000.

The Company is responsible for remediating ground on its Gold Bar property on which it undertook drilling activity in Q1 2019. In this regard, the Company was required to post reclamation bonds totaling US$ 25,404 with the BLM. In November 2019, the Company received a partial refund of the Gold Bar bond amounting to US$ 15,240. The Company has estimated that there are no further costs of reclamation to be incurred in connection with the Gold Bar property.

The Company was responsible for remediating ground on its Gold Canyon Property on which it undertook drilling activity in Q1 2019 and had planned further drilling activity in Q4 2019. In this regard, the Company was required to post reclamation bonds totaling US$ 18,877 with the BLM. In October 2019, the Company received a refund of the Gold Canyon bond amounting to US$ 18,596.

The Hurricane and Gold Bar bonds totaling US$ 66,230 ($93,961) as at March 31, 2020 will be refunded in full once the BLM has concluded that the reclamation work completed is satisfactory. Management is actively seeking to recover the outstanding balances.

Other than as described above, the Company had no significant medium- or long-term contractual commitments as at March 31, 2020 or July 27, 2020 beyond its stated liabilities and other commitments associated with its mineral properties and related lease and option agreements as described in the Company's financial statements.

Legal proceedings

The Company was not involved in any legal proceedings as at either March 31, 2020 or July 27, 2020.

Off-balance sheet arrangements

As at July 27, 2020 (but not as at March 31, 2020), the Company was utilising the services of a bond agent in connection with the provision of a bond to the applicable authorities relating to the Griffon drill program. The bond amount is US$ 72,700.

Otherwise, the Company is not a party to any off-balance sheet arrangements.

Capital resources

The Company had no capital expenditure commitments as at either March 31, 2020 or July 27, 2020.

The Company is required to make certain option and lease payments to third parties in order to maintain its mineral properties and agreements in good standing. Such expenditures to be incurred in the year ended March 31, 2021 total US$ 135,000 as follows:

- Hurricane: US$ 25,000 due in February 2021
- Griffon: US$ 50,000 in December 2020
- Cobb Creek: US$ 30,000 in September 2020 and a further US$ 30,000 to the underlying owner of the property in November 2020.

In addition to the aforementioned cash option payments, the Company is required to issue common shares to optionors as follows:

- Griffon: That number of common shares that will bring the optionor's total ownership of Fremont's issued and outstanding common shares to 9.9% on the first anniversary of the option agreement execution date (in December 2020)
- Cobb Creek: 750,000 common shares in September 2020.

Annual statutory claim maintenance expenditures (BLM and county charges) are due in August of each year. Estimated expenditures to be incurred in August 2020 relating to the Company's portfolio of properties amounts to approximately US$ 154,000.

Transactions with related parties

The Company incurred the following expenses resulting from transactions with related parties including officers and directors or companies that are controlled by officers and directors of the Company:

		Year ended March 31, 2020		Year ended March 31, 2019
Remuneration of officers of the Company (1)	$	432,656	$	358,997
Recharge of exploration, claim and local administrative expenditures		56,296		154,851
Stock-based compensation relating to stock options issued to officers and directors of the Company		40,118		99,382
	$	**529,070**	**$**	**613,230**

(1) Includes fees charged by companies controlled by officers of the Company

Certain exploration, local administrative (Nevada office), claim acquisition and clam maintenance expenditures are charged to the Company by Tectonex LLC, a company owned by the Company's VP Exploration. Such charges totalled US$ 42,309 ($56,296) in the year ended March 31, 2020 (year ended March 31, 2019: US$ 118,060 ($154,851)). All such expenditures are recharged to the Company without margin or discount at the actual cost incurred by Tectonex

The Company owed the following amounts to related parties including officers and directors or companies that are controlled by officers and directors of the Company:

		March 31, 2020		March 31, 2019
Deferred amount due to the President (due Dec. 31, 2020)	$	64,398	$	64,398
Other advances		25,000		0
Amounts owing to directors and officers relating to the reimbursement of expenses		9,631		14,277
Amount owing to Tectonex relating to the recharge of exploration, claim and local administrative expenditures		5,629		1,105
	$	**104,658**	**$**	**79,780**

The amounts payable are unsecured, non-interest bearing and have no set terms of repayment other than $64,398 due to the President that is payable on or before December 31, 2020.

Certain directors and officers of the Company participated in the February 2020 private placement subscribing for an aggregate of 1,083,334 units at a cost of $65,000.

Outstanding share data

The Company has authorized capital of an unlimited number of common shares without nominal or par value and an unlimited number of preferred shares without nominal or par value.

The Company had the following common shares, warrants and stock options outstanding as at March 31, 2020 and July 27, 2020:

	July 27, 2020	March 31, 2019
Issued and outstanding common shares	81,454,634	81,454,634
Fully diluted	119,017,931	120,896,497
Share purchase warrants:		
June 29, 2020 ($0.25)	-	5,023,566
June 30, 2020 ($0.25)	-	105,000
Dec. 5, 2020 ($0.20)	4,394,965	4,394,965
Feb. 13, 2021	24,700,332	24,700,332
Feb. 13, 2021 (finder warrants)	1,393,000	1,393,000
	30,488,297	35,616,863
Stock options	7,075,000	3,825,000

The Company is required to issue common shares to mineral property optionors as follows:

- Griffon: That number of common shares that will bring the optionor's total ownership of Fremont's issued and outstanding common shares to 9.9% on the first anniversary of the option agreement execution date (in December 2020)
- Cobb Creek: 750,000 common shares in September 2020.

In June 2019, the Company announced that would amend the terms of 5,128,566 share purchase warrants, issued pursuant to a private placement in June 2017. The expiry date of 5,023,566 share purchase warrants was extended from June 29, 2019, to June 29, 2020, and the expiry date of the remaining 105,000 share purchase warrants was extended from June 30, 2019, to June 30, 2020. All other terms of the share purchase warrants, including the $0.25 exercise price, remain unchanged.

Changes in accounting policies

There were no changes in accounting policy introduced during the year ended March 31, 2020.

A number of new accounting standards, and amendments to standards and interpretations, are not yet effective for the year ended March 31, 2020, and have not been applied in preparing these consolidated financial statements.

The Company has determined that these new accounting standards and amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or will not have a significant impact on the Company's consolidated financial statements.

Financial instruments

The Company's financial instruments are comprised of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities and amounts due to related parties. It is management's opinion that the Company is not exposed to significant interest, foreign exchange or credit risk arising from these financial instruments

Capital management

The Company manages its capital structure, which consists of working capital and share capital, and makes adjustments to it depending on the funds available to the Company for acquisition, exploration and development of exploration and evaluation assets. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

All of the exploration and evaluation assets in which the Company has interests are in the exploration stage. As such, the Company is dependent on external financing to fund its activities. In order to carry out its planned exploration and pay for ongoing general and administrative expenses, the Company will use existing working capital and expects to raise additional amounts through private placements as needed. The Company will continue to assess new exploration and evaluation assets and seeks to acquire additional interests if sufficient geologic or economic potential is established and adequate financial resources are available.

See 'Liquidity and going concern'.

Management reviews its capital management approach on an on-going basis and believes that this approach, given the relatively small size of the Company, is reasonable. The Company is not subject to externally imposed capital requirements and there were no significant changes in its approach to capital management during the year ended March 31, 2020 or the period ended July 27, 2020.

Disclosure controls and internal controls over financial reporting

In connection with National Instrument 52-109, Certification of Disclosure in Issuer's Annual and Interim Filings ("NI 52-109") adopted in December 2008 by each of the securities commissions across Canada, the President and CEO and CFO of the Company will file a Venture Issuer Basic Certificate with respect to financial information contained in the unaudited interim financial statements and the audited annual financial statements and respective accompanying Management's Discussion and Analysis. The Venture Issue Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

Cautionary Statement on Forward-Looking Information

This MD&A document contains 'forward-looking information' and 'forward-looking statements' (together, the "forward-looking statements") within the meaning of applicable securities laws. Such forward-looking statements concern the Company's anticipated operations in future periods, planned exploration and development of its properties, and plans related to its business and other matters that may occur in the future. This information relates to analyses and other information that is based on expectations of future performance and planned work programs. These forward-looking statements are made as of July 27, 2020.

Users of forward-looking statements are cautioned that actual results may vary from the forward-looking statements contained herein. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to:

- Risks related to the exploration and development of natural resource properties
- Risks related to the uncertainty of mineral resource calculations and the inclusion of inferred mineral resources in economic estimations
- Risks related to fluctuations in future metal prices (particularly gold prices)
- Risks related to market events and conditions

- Risks related to governmental regulations, including without limitation, environmental laws and regulations
- Risks related to delays in obtaining governmental or regulatory approvals, licenses or permits
- Risks related to the Company's mineral properties being subject to prior unregistered agreements, transfers or claims and other defects in title
- Risks related to uncertainty associated with the Company's ability to obtain funding in the future
- Risks related to the Company's inability to meet its financial obligations under agreements to which it is a party (see 'Liquidity and going concern')
- Risks related to competition from larger companies with greater financial and technical resources, and
- Risks related to the Company's directors and officers becoming associated with other natural resource companies which may give rise to conflicts of interest.

Other risk factors associated with the Company are identified in the document entitled 'Filing Statement of Palisades Ventures Inc.' dated as at May 29, 2017 which is available on www.sedar.com.

Although the forward-looking statements contained in this document are based upon what management of the Company believes are reasonable assumptions, the Company cannot assure investors that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this document, and the Company assumes no obligation to update or revise them to reflect new events or circumstances except as may be required under applicable securities laws. There can be no assurance that forward-looking statements, or the material factors or assumptions used to develop such forward-looking statements, will prove to be accurate. Accordingly, readers should not place undue reliance on forward-looking statements.