BATERO GOLD CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE SIX MONTHS ENDED FEBRUARY 29, 2020 AND FEBRUARY 28, 2019

The following management discussion and analysis ("MD&A"), prepared as of April 20, 2020 should be read in conjunction with the Batero Gold Corp. (the "Company" or "Batero") interim unaudited condensed consolidated financial statements and the accompanying notes for the six months ended February 29, 2020 and February 28, 2019. The Company has adopted International Financial Reporting Standards ("IFRS") and the following disclosure and associated financial statements are presented in accordance with IFRS. All comparative information provided is in accordance with IFRS. Except as otherwise disclosed, all dollar figures included therein and in the following MD&A are quoted in Canadian dollars. Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com.

Qualified Person

Except as otherwise disclosed herein, all the scientific and technical information disclosed in this MD&A was reviewed and approved by Roger Moss, Ph.D. P.Geo. a qualified person as defined under NI 43-101.

1. GENERAL COMPANY OVERVIEW

Batero is focused on the exploration and development of its 100% owned Batero-Quinchia project, which is located within Colombia's Middle Cauca Belt of porphyry gold-copper and epithermal gold systems (the "Project" or the "Batero-Quinchia Project"). The Company completed a drilling program in 2017 to evaluate the highest gold grades in the oxide and transition zones of the porphyry mineralization at the Batero-Quinchia Project's La Cumbre deposit.

The underlying value of the unproven mineral interests is entirely dependent on the existence of economically recoverable resources and the ability of the Company to obtain the necessary financing to complete development and future production. The amounts shown as exploration and evaluation assets represent net costs to date, less amounts written off, and do not necessarily represent present or future values.

Management believes that the Company has sufficient working capital to fund its planned exploration and related activities at its Batero-Quinchia Project for at least the next twelve months.

The Company continues the process of exploring and evaluating its mineral properties.

2. OVERALL PERFORMANCE AND OUTLOOK

On November 9, 2018, the Company announced the results of an updated mineral resource estimate for the La Cumbre deposit at the Project (the "November 2018 News Release") and filed a NI 43-101 compliant technical report on the updated mineral resource estimate with an effective date of September 12, 2018 entitled "Batero Gold Corp. La Cumbre Gold Project, Department of Risaralda, Colombia NI 43-101 Technical Report on Updated Mineral Resource Estimate" prepared by Edgar Vilela Acosta, Independent Consultant with LINAMEC (the "Report"). Details follow herein under the heading "Discussion of Operations – Batero-Quinchia Project".

Based on results of the September 12, 2018 NI 43-101 Resource Report, the Company is focused on accelerating the La Cumbre deposit towards a development decision. Engineering, environmental impact assessment, archaeological studies and social baseline studies are being updated to reflect a changed footprint and will be used to support a review of any development options.

Batero has completed hydrogeological and geotechnical studies with the drilling of 1065.77m in 26 drill holes, 17 for geotechnical purposes and the installation of 9 piezometers for the hydrological study.

The Company has contracted Risk and Design Consulting SAS - R&DC to advance the characterization, calculation of volumetric capacity and conceptual design of waste deposits close to the pit.

The Company, with "ANNDES" Asociados´s support, finished the conceptual study to locate a dynamic leach pad in the Matecaña and also, the dynamic pad trade off in Matecaña and La Perla. These studies define the areas and locations to build this mine infrastructure. As a complement to these studies, Batero conducted condemnation drilling of 246.1m in three holes in the La Perla area.

Furthermore, the Company has contracted the services of Tarma Bulk Solids Solutions to make an alternative analysis for transport of material from the La Cumbre deposit to the alternative mining infrastructure locations, Matecaña and La Perla.

The Company is also evaluating the most cost-effective mining and processing scenario, including a leaching circuit as well as the optimum starter pit production rate for the high-grade gold mineralization in the oxide zone at the La Cumbre deposit. The resulting mine scenario is anticipated to be the first stage of a potentially larger mine plan. The Company has taken advantage of Colombian mining law and has received informal approval allowing it to integrate three mining titles into one tenement, thereby reducing the need to develop three separate mining projects, one for each title. Formal approval is pending. This will allow for a more economic development of the Project and the La Cumbre deposit.

The Company extracted 12 samples each weighing 2kg from 3 drillholes in the transition zone to evaluate its metallurgical behaviour.

Outlook

The outlook for Batero is positive, despite the current poor market conditions for junior mining companies. Significantly, Batero is:

- Well capitalized at February 29, 2020 with cash of Cdn $6,371,513 mostly held in US dollars. Since August 31, 2013 the US dollar has appreciated approximately 83% vis-à-vis the Colombian peso. The costs of operating in Colombia are mostly in Colombian pesos, making the project costs in US dollars decrease significantly.
- Continuing to advance the Batero-Quinchia Project in a cost effective and timely manner. Notably, the Company has taken advantage of Colombian mining law which has allowed it to integrate three mining titles into one tenement, reducing the need to develop three separate mining projects, one for each title. This will allow for more economic development of the project and the deposit.
- Fully funded for planned work to advance the La Cumbre deposit.

3. DISCUSSION OF OPERATIONS

Readers are cautioned that mineral resources are not mineral reserves and do not have demonstrated economic viability. Readers are also cautioned that inferred mineral resources are considered too speculative geologically to have economic considerations applied to them.

Batero-Quinchia Project

<u>Property Description and Location</u>

The Batero-Quinchia Project is located within the Municipality of Quinchia, Department of Risaralda, Republic of Colombia, approximately 55 kilometres to the north of Risaralda's capital, Pereira. The Project consists of a 1,407.43-hectare tenement plus an application for a concession contract of 176.25 hectares and is supported with full infrastructure including roads, water and power. The closest population centre, the town of Quinchia, lies 3 kilometres northwest of the tenement. The tenement is centered on the La Cumbre porphyry-gold target located at 420976E and 585718N, within Zone 18 north of the Universal Transverse Mercator grid (UTM WGS84).

Concession Agreements

On January 16, 2012, the Company reported that concession agreements are executed on 100% of the Company's property. On October 2, 2013, the Company confirmed that concession contract 18567 was formally and officially registered by ANM. This concession is part of the block of three concessions comprising the Company's 100% owned Batero-Quinchia Project. Concession contract 22270 was registered during October 2005, and registration of the remaining concession agreement 22159 is currently pending. In addition, the application for concession agreement OHS-14321 for 871.79 hectares was under technical evaluation and the area has been reduced to 176.25 hectares. The reduction in area has been approved by the Company and the application has been approved by the government. The next step will be the granting of the Concession Agreement by the Colombian mining authorities.

Preliminary Economic Assessment (PEA)

On November 4, 2013, the Company reported the results of an updated PEA prepared by Roscoe Postle and Associates (RPA) that included drill hole data available as of October 2012, and metallurgical test work data available as of March 2013. This PEA was filed on SEDAR on December 18, 2013.

PEA Highlights

The PEA evaluates the economics of an open pit contract mining and heap leach processing scenario that takes advantage of the relatively high gold recoveries and fast leach kinetics of the surface oxide mineralization within the La Cumbre deposit. Higher grade, near surface mixed and primary mineralization within the oxide pit footprint are also mined.

Highlights from the PEA, with a base case gold price of US$1,400/oz are as follows (all figures are in U.S. dollars unless otherwise stated):

- Mine life of seven years at 3.5 million tonnes per annum production steady state (10,000 tonnes per day).
- Life-of-Mine (LoM) gold production of 390,000 ounces of gold and 817,000 ounces of silver recovered.
- Annual average production of 56,000 ounces of gold and 117,000 ounces of silver recovered.
- Total open pit production which has been factored for mining extraction and mining dilution:
  9.4 Mt of Measured Mineral Resources at 0.81 g/t Au and 1.8 g/t Ag for 244,000 ounces of contained gold and 545,000 ounces of contained silver,
  11.0 Mt of Indicated Mineral Resources at 0.77 g/t Au and 2.0 g/t Ag for 273,000 ounces of contained gold and 720,000 ounces of contained silver,
  3.3 Mt of Inferred Mineral Resources at 0.59 g/t Au and 1.6 g/t Ag for 64,000 ounces of contained gold and 171,000 ounces of contained silver.
- Mining strip ratio of 0.3:1 (waste: production).
- Life of mine average gold and silver heap leach recoveries of 67% and 57% respectively.
- Initial capital cost of $97.3 million, which includes $16.2 million in contingency costs.
- Total cash operating cost (net of silver credits) of $842 per ounce gold.
- Pre-tax payback of 23 months.
- Net pre-tax cash flow of $105.0 million.
- Pre-tax Internal Rate of Return (IRR) of 27%.
- Pre-tax Net Present Value (NPV) at a 5% discount rate of $69.1 million.

The PEA was prepared by RPA in accordance with the standards set out in NI 43-101. The PEA is considered preliminary in nature. The economic analysis includes, in part, inferred mineral resources that are considered too speculative to have the economic considerations applied that would enable classification as mineral reserves. There is no certainty that the conclusions within the PEA will be realized. Mineral resources that are not mineral reserves do not have demonstrated economic viability**.**

Full details of the results of the PEA can be seen in the technical report filed on SEDAR on December 18, 2013.

Mineral Resource Update

Subsequent to the 2013 PEA, on November 9, 2018, the Company filed an updated mineral resource estimate for the Batero-Quinchia Project. The mineral resource estimate was prepared by, or under the supervision of Edgard A. Vilela Acosta, MAusIMM (CP), an Independent Consultant with LINAMEC S.A.C. (LINAMEC"), and who is an independent "Qualified Person" under National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101").

Report Highlights:

- Measured Mineral Resources comprising 20.014 million tonnes grading 0.759 grams per tonne (g/t) gold, 1.837 g/t silver for a total of 488,336 ounces gold and 1.189 million ounces silver.
- Indicated Mineral Resources comprising 4.838 million tonnes grading 0.546 grams per tonne (g/t) gold, 1.485 g/t silver for a total of 84,864 ounces gold, 232,970 ounces silver.
- Inferred Mineral Resources comprising 8.914 million tonnes grading 0.628 g/t gold, 1.328 g/t silver for a total of 179,876 ounces gold and 462,592 ounces silver.
- LINAMEC recognizes the presence of a potentially significant volume of near surface oxidized gold mineralization within the resource area that may be amenable to heap leaching. Initial metallurgical test work on oxide mineralization returned up to 92% gold recovery. Mineralization in the near surface oxide zone is outlined in Table 1-2 with a significant portion of the oxide mineralization reported in the measured category.

See Tables 1-1, 1-2 and 1-3 below for additional information.

The mineral resources included in the report represent that portion of the La Cumbre deposit with a reasonable prospect for economic extraction at this time and are reported within a conceptual Whittle pit shell using the parameters defined by LINAMEC (see notes below Table 1-3).

Table 1-1
Total Mineral Resource Estimate for La Cumbre Deposit

Classification	Tonnage	Au g/t	Au oz	Ag g/t	Ag oz
MEASURED	20,014,332	0.759	488,336	1.837	1,189,327
INDICATED	4,838,786	0.546	84,864	1.485	232,970
TOTAL M & I	**24,853,118**	**0.717**	**573,200**	**1.768**	**1,422,297**
INFERRED	8,914,657	0.628	179,876	1.328	462,592

Table 1-2
Mineral Resource Estimate for La Cumbre Deposit Oxide Zone

Classification	Tonnage	Au g/t	Au oz	Ag g/t	Ag oz
MEASURED	14,434,475	0.78	362,115	1.893	878,611
INDICATED	2,633,937	0.553	46,804	1.522	128,901
TOTAL M & I	**17,068,412**	**0.745**	**408,919**	**1.836**	**1,007,512**
INFERRED	247,781	0.392	3,121	1.364	10,863

Table 1-3
Mineral Resource Estimate for La Cumbre Deposit Transitional Zone

Classification	Tonnage	Au g/t	Au oz	Ag g/t	Ag oz
MEASURED	5,579,857	0.704	126,222	1.732	310,715
INDICATED	2,204,849	0.537	38,060	1.468	104,070
TOTAL M & I	**7,784,706**	**0.656**	**164,282**	**1.657**	**414,785**
INFERRED	8,666,875	0.634	176,755	1.621	451,729

Notes to accompany La Cumbre Mineral Resource tables:

1. Mineral Resources have an effective date of 12 September 2018. The qualified person as defined by NI 43-101 for the estimate is Mr. Edgard Vilela, CP and MAusIMM.
2. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.
3. Mineral Resources are reported within a conceptual Whittle pit that uses the following input parameters: Au price: US$1,200/troy oz and US$14.5/troy oz Ag, mining cost: US$1.95/t, process cost (including G&A): US$6.80/t processed, gold selling cost: US$38.00/troy oz and Over-all slope angle of 45°.
4. Gold recovery in the oxide zone was fixed at 83%. Gold recovery in the transitional zone was fixed at 80%.
5. Mineral Resources (Oxide) are reported using a 0.22 g/t Au cutoff grade.
6. Mineral Resources (Transitional) are reported using a 0.23 g/t Au cutoff grade.
7. Totals may not sum due to rounding as required by reporting guidelines.

For additional information, see the July 2018 News Release, November 2018 News Release and Technical Report, available at the Company's profile on SEDAR at www.sedar.com.

Environmental, Social and Corporate Initiatives

Batero continues to work on the Environmental Impact Study with Servicios Ambientales y Geográficos - SAG and has advanced the abiotic, biotic and socio-economic and archeological characterization of the La Cumbre deposit at the Project.

The Company's social and community development team has been successfully working in the Quinchia district for many years. Community participation, integral to the successful growth of the Company, includes the innovative "Farms for the Future" program for land owners that allow families to exchange farms within the Batero-Quinchia tenement for potentially more productive farms a short distance away in an adjacent valley. The Company purchases the new farms and exchanges them for the farms within the Batero-Quinchia tenement.

The Company holds regular meetings with the community to inform them about the work taking place at the project and is responsive to the needs of the community. Batero supports the local children's school band by providing funding, a place to practice and storage for the instruments. The Company also facilitates health care for the local community by providing facilities, booking appointments and supporting the doctors and administrative staff when they are in the community.

The Company works with the International Organization for Migration (IOM) on a community shared value program "Improving Socio-Economic Development for Families in Quinchía, Risaralda" in alliance with the Government of Canada. In the past the Company contributed more than $240,000 to the program which formally ended in 2016. The Company continues to support the program's goal of improving methods and processes in the local sugar cane industry. The Company supports that initiative by donating machinery and tools to the program. In addition, the Company works with the local government and educational institutions to provide facilities and training to students, so they can become technicians to the sugar cane industry.

The Company completes ongoing environmental monitoring, including but not limited to, measurement of environmental parameters such as stream flow, water quality, precipitation, evaporation, and wind patterns, and informs the local community.

Land Acquisition

The Company continues with the process of surficial properties acquisition that are inside or close to the alternative areas for mining infrastructure and inside the pit´s area of influence. At the end of February 2020 six properties were purchased and now six properties are in pre-agreement and the rest of them are in negotiation status.

4. SELECTED ANNUAL INFORMATION

The following are selected financial data prepared in accordance with IFRS and derived from the audited consolidated financial statements of the Company for the financial years ending August 31:

Audited data, for fiscal years ended August 31,	2019 $	2018 $	2017 $
Interest and other income	168,604	88,269	41,716
Net loss for the year	(1,406,862)	(1,349,129)	(865,486)
Net loss and comprehensive income loss	(1,406,862)	(1,349,129)	(2,952,424)
Basic and diluted loss per share	(0.01)	(0.01)	(0.01)
Total Assets	17,639,421	19,019,954	20,376,342

None of the Company's properties have advanced to the point where a production decision can be made. Consequently, the Company has no producing properties and no sales or revenues from that source.

During the year ended August 31, 2019, the Company realized a net loss of $1,406,862 (2018 – $1,349,129). Results were affected by the following:

	2019 $	2018 $	2017 $
A gain on disposal of marketable securities during the year ended August 31	Nil	Nil	2,154,681
A foreign exchange gain during the year ended August 31	125,168	349,098	(599,670)
Deferred income tax expense	Nil	Nil	312,000

Exploration expenses	1,533,133	1,607,722	1,750,365
Operating expenses	167,501	178,774	399,848

5. SELECTED QUARTERLY INFORMATION

The following are selected quarterly financial information for the eight most recent quarters prepared in accordance with IFRS:

		Q2 Feb 29, 2020	Q1 Nov 30, 2019	Q4 Aug 31, 2019	Q3 May 31, 2019
Interest and other income	$	24,044	43,671	45,668	60,208
Foreign exchange gain (loss)	$	60,089	(2,303)	(143,272)	215,382
Exploration and evaluation expenditures	$	(699,025)	(455,895)	(280,016)	(544,092)
Net income (loss)	$	(632,112)	(424,547)	(429,973)	(305,702)
Net income (loss) per common share	$	(0.01)	-	-	-
Number of shares outstanding		115,182,383	115,182,383	115,182,383	115,182,383
		Q2 Feb 28, 2019	Q1 Nov 30, 2018	Q4 Aug 31, 2018	Q3 May 31, 2018
Interest and other income	$	42,996	19,732	23,534	22,460
Foreign exchange gain (loss)	$	(99,255)	152,313	69,275	103,804
Exploration and evaluation expenditures	$	(384,617)	(324,408)	(402,912)	(360,447)
Net income (loss)	$	(485,333)	(185,854)	(374,664)	(269,731)
Net Loss per common share	$	(0.01)	-	-	-
Number of shares outstanding		115,182,383	115,182,383	115,182,383	115,182,383

6. LIQUIDITY AND CAPITAL RESOURCES

The Company has no significant revenues and no expectation of significant revenues in the near term. In order to manage this risk, the Company closely monitors its cash requirements and expenditures to maintain sufficient liquidity.

As at February 29, 2020 the Company had working capital of $6,212,826. The capital in the Company was primarily derived from proceeds of the issuance of Common Shares (defined below) through private placements, special warrants financing and the exercise of Warrants (defined below) and Options (defined below).

The Company has followed a policy of converting a significant portion of its Canadian dollar cash holdings into US funds in the belief that the US dollar will strengthen.

The Company holds most of its cash in US dollars and funds its operations mostly in Colombian pesos. The US dollar has appreciated approximately 83% since 2013 with the exchange rate going from 1,936 pesos per US dollar at August 31, 2013 to 3,540 pesos per US dollar at Feb 29, 2020. As a result of the weakening Colombian peso the cost to the Company of funding operations in US dollars has declined significantly over the past years.

On an ongoing basis, the Company examines various financing alternatives to address future funding requirements. Although the Company has been successful in these activities in the past, the Company has no assurance of the success or sufficiency of these initiatives in the future. The Company's ability to secure future financing is dependent on a variety of factors outside of the Company's control, including, but not limited, to general market conditions, changes in economic conditions and fluctuations in commodity prices. See Section 12 'Risks and Uncertainties' below.

7. OFF-BALANCE SHEET ARRANGEMENTS

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

8. RELATED PARTY TRANSACTIONS

During the periods ended February 29, 2020 and February 28, 2019 the Company paid or accrued the following amounts to key management and private corporations owned by them:

	Feb 29, 2020 **$**	**Feb 28, 2019** **$**
Consulting fees of key management	-	24,000
Share-based payments	-	-
Total	**-**	**24,000**

- In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any directors (executive and non-executive) of the Company.
- The remuneration of directors and key executives is determined by the Compensation Committee.

During the periods ended February 29, 2020 and February 28, 2019 the Company paid or accrued, amounts due to Antioquia Gold Ltd., a company with key management personnel common to Batero. Antioquia Gold Ltd. was paid $76,679 (2019 - $104,666). Batero shares office space with Antioquia Gold Ltd. and the payments made to it were primarily for shared office costs.

Accounts payable and accrued liabilities as at February 29, 2020 is $ 27,107 (2019 - $36,078) owing to related parties.

9. PROPOSED TRANSACTIONS

The Company does not currently have any proposed transactions as at February 29, 2020. The Company will make disclosure in respect of any such opportunity when required under applicable securities rules.

10. CHANGES IN ACCOUNTING POLICIES AND ACCOUNTING PRONOUNCEMENTS

Changes in Accounting Policies – IFRS 16 Leases.

The Company adopted all of the requirements of IFRS 16, effective September 1, 2019.

IFRS 16 specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17.

There was no material impact on the Company's condensed consolidated interim financial statements upon the adoption of this new standard.

11. FINANCIAL INSTRUMENTS AND OTHER POTENTIAL RISKS

a) Categories of Financial Assets and Financial Liabilities:

Financial instruments are classified into one of the following three categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income ("FVOCI"), at amortized cost.

The carrying values of the Company's financial instruments are classified into the following categories:

Financial Instrument	**Category**
Cash	FVTPL
Accounts payable and accrued liabilities	Amortized Cost

b) The Company´s risk exposure and financial instruments are summarized below:

Credit Risk

Credit risk is the risk of potential loss associated with a counter-party's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and receivables. Cash is mostly held in large Canadian financial institutions. Receivables consist primarily of amounts due from the federal Government of Canada. Management believes that the credit risk concentration with respect to cash and receivables is low. The Company currently has limited credit risk from operations.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due. The Company prepares expenditure budgets which are regularly monitored and updated as considered necessary. To facilitate its exploration program and ongoing corporate, general and administrative overhead, the Company raises funds through private equity placements, public offerings and option agreements with third parties.

As at February 29, 2020, the Company had cash of $6,371,513 (August 31, 2019 – $7,535,159) to settle current liabilities of $257,972 (August 31, 2019 - $172,397).

Impact of COVID-19

Due to the worldwide COVID-19 outbreak, conditions may come into existence in future that could influence the Company's development. At the date of preparation of these interim unaudited consolidated financial statements, the effect it will have on global markets and, consequently, on the Company's results, cash flows and financial situation is uncertain. However, the Company considers that in the Colombian mining industry, the effect will not be significant, since despite Colombian government has implemented a national quarantine until mid-May 2020, possibly longer, it is allowed to continue activities strictly necessary to operate companies from this sector.

Particularly in Minera Quinchia, the Company is not carrying out field work that could be affected, and studies and analysis that are being carried out can follow its normal course.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. There is limited interest rate risk due to the short-term nature of the Company's financial instruments.

Foreign Currency Risk

The Company conducts its business in Colombia in Colombian pesos, and in Canada in Canadian dollars. An insignificant dollar value of business in each country is transacted in a currency that is foreign to that operation, and as a result any foreign currency risk inherent in day-to-day operations is minimal.

The Company funds activities in the Colombian operation and advances funds from time to time by way of direct investment. As at February 29, 2020 the Company had a large balance of cash on hand denominated in US funds of approximately US$ 4,500,000, and is of the view that the US dollar will appreciate vis a vis the Colombian peso, and the Canadian dollar; however, the Company has assumed a foreign exchange risk. Should the US dollar appreciate 10% vis a vis the Canadian dollar, the company would experience a net gain of approximately $450,000. Should it depreciate 10% vis a vis the Canadian dollar, the company would experience a net loss of approximately $450,000.

Capital Management

The Company's objective when managing capital, defined as its shareholders' equity, is to safeguard the entity's ability to continue as a going concern, so that it can continue to acquire and explore mineral interests. The Company funds all administration and exploration programs from the issue of shares, generally through private placements. The Company prepares a budget for seasonal exploration programs and may initiate equity offerings to ensure sufficient funds for each season's programs. If the Company is unsuccessful in raising sufficient capital, exploration programs may be extended, delayed or cancelled. In order to conserve cash, the Company may issue shares to pay for properties or compensate directors, employees and contractors through stock options.

12. RISKS AND UNCERTAINTIES

An investment in the Company involves a number of risks. Prospective investors should carefully consider the following risks and uncertainties in addition to other information in this report in evaluating the Company and its business before making any investment decision in the common shares of the Company. The Company's business, operating and financial condition could be harmed due to any of the following risks. The risks described below are not the only ones facing the Company. Additional risks not presently known to us may also impair business operations.

Exploration and Mining Risks

The Company is engaged in mineral exploration and development activities. Mineral exploration and development involve a high degree of risk and few properties which are explored are ultimately developed into producing mines. The long-term profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors beyond the Company's control. Mineral exploration involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of mineral resources, any of which could result in work stoppages, damage to property, and possible environmental damage.

Hazards such as unusual or unexpected formations and other conditions such as formation pressures, fire, power outages, labour disruptions, flooding, explorations, cave-ins, landslides and the inability to obtain suitable machinery, equipment or labour are involved in mineral exploration, development and operation. The Company may become subject to liability for pollution, cave-ins or hazards against which it cannot insure or against which the Company may elect not to insure. The payment of such liabilities may have a material, adverse effect on the Company's financial position.

The Company relies upon consultants and others for exploration and development expertise. Substantial expenditures are required to establish resources through drilling, to develop metallurgical processes to extract the metal from the resource 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 mineral properties are affected by many factors including the cost of operations, variations in the grade of resource mined, fluctuations in metal markets, allowable production, importing and exporting of minerals and environmental protection.

Financing Risks

The Company is limited in both financial resources, and sources of operating cash flow and has no assurance that additional funding will be available to us for further exploration and development of its projects or to fulfill its obligations under any applicable agreements. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favorable. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of the Company's projects with the possible loss of such properties.

Regulatory Requirements

Even if the Company's mineral properties are proven to host economic mineral resources, factors such as governmental expropriation or regulation may prevent or restrict mining of any such deposits or repatriation of profits. The Company may acquire other properties in other jurisdictions or countries. Any changes in regulations or shifts in political conditions are beyond the control of the Company and may adversely affect its business. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, income taxes, and expropriation of property, environmental legislation and mine safety.

Uninsurable Risks

During exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. It is not always possible to fully insure against such risks and the Company has currently decided not to take out insurance against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of the Company.

No Assurance of Titles

It is possible that any of the Company's properties may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by undetected defects.

Permits and Licenses

The operations of the Company may require licenses and permits from various governmental authorities. There can be no assurance that such licenses and permits as may be required to carry out exploration, development and mining operations at the Company's projects will be granted.

Competition

The mineral industry is intensely competitive in all its phases. The Company competes with many companies possessing greater financial resources and technical facilities than the Company for the acquisition of mineral concessions, claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees.

In addition, there is no assurance that a ready market will exist for the sale of commercial quantities of resource. Factors beyond the control of the Company may affect the marketability of any substances discovered.

These factors include market fluctuations, the proximity and capacity of natural resource markets and processing equipment, government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital or losing its investment capital.

Environmental Regulations

The Company's operations may be subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution.

A breach of such legislation may result in imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments.

Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations.

Stage of Development

The Company is in the business of exploring for, with the goal of producing, mineral resources from its mineral exploration properties. None of the Company's properties have commenced commercial production and the Company has no history or earnings or cash flow from its operations. As result of the foregoing, there can be no assurance that the Company will be able to develop any of its properties profitably or that its activities will generate positive cash flow. A prospective investor in the Company must be prepared to rely solely upon the ability, expertise, judgment, discretion, integrity and good faith of its management in all aspects of the development and implementation of the Company business activities.

Markets for Securities

There can be no assurance that an active trading market in the Company's securities will be established and sustained. The market price for its securities could be subject to wide fluctuations. Factors such as commodity prices, government regulation, interest rates, share price movements of our peer companies and competitors, as well as overall market movements, may have a significant impact on the market price of the securities of the Company. The stock market has from time to time experienced extreme price and volume fluctuations, particularly in the mining sector, which have often been unrelated to the operating performance of companies.

Reliance on Key Individuals

The Company's success depends to a certain degree upon certain key members of the management. It is expected that these individuals will be a significant factor in its growth and success. The loss of the service of members of the management and certain key employees could have a material adverse effect on the Company.

Geopolitical Risks

The Company may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on future exploitation and production, price controls, export controls, currency availability, income taxes, delays in obtaining or the inability to obtain necessary permits, opposition to mining from environmental and other non-governmental organizations, expropriation of property, ownership of assets, environmental legislation, labour relations, limitations on mineral exports, increased financing costs, and site safety. In addition, legislative enactments may be delayed or announced without being enacted and future political action that may adversely affect the Company cannot be predicted.

13. OUTSTANDING SHARE, WARRANT AND OPTION DATA

As at February 29, 2020, the Company had the following outstanding securities:

- 115,182,383 common shares issued and outstanding in the capital of the Company ("Common Shares");
- Nil Common Share purchase warrants ("Warrants"); and
- 8,500,000 stock options ("Options").

14. CAUTIONARY NOTE TO INVESTORS REGARDING DEFINITION OF MINERAL RESOURCES

This MD&A uses the terms "Measured", "Indicated" and "Inferred" Resources in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Definition Standards. Investors are advised that while such terms are recognized and required by Canadian securities laws, the United States Securities and Exchange Commission ("SEC") does not recognize these terms. The term "Inferred Mineral Resource" refers to a mineral resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling and for which geological evidence is sufficient to imply but not verify, geological and grade or quality continuity. These estimates are based on limited information and have a great amount of uncertainty as to their existence, and as to their economic and legal feasibility. It cannot be assumed that all or any part of an Inferred Mineral Resource will ever be upgraded to a higher category of resource, such as "Indicated" or "Measured", because of continued exploration. Under Canadian securities laws, estimates of an "Inferred Mineral Resource" may not form the basis of pre-feasibility or feasibility studies and can only be used in economic studies in the limited circumstances as described in NI 43-101. Investors are cautioned not to assume that all or any part of "Measured" or "Indicated Mineral Resources" will ever be converted into "Mineral Reserves" (the economically mineable part of an "Indicated" or "Measured Mineral Resource"). Investors are also cautioned not to assume that all or any part of an Inferred Mineral Resource exists, or is economically or legally mineable. In addition, disclosure of contained ounces is permitted under Canadian regulations. However, except as to Reserves, the SEC only permits issuers to report mineralization as in place tonnage and grade without reference to unit measures.

15. FORWARD LOOKING STATEMENTS

Certain statements in this MD&A are forward-looking statements or forward-looking information (collectively "forward-looking statements") within the meaning of applicable securities legislation. The Company is hereby providing cautionary statements identifying important factors that could cause the actual results to differ materially from those projected in the forward-looking statements. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance are not historical facts and may be forward-looking and may involve estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or the negatives thereof or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements in this MD&A include, but are not limited to, statements with respect to: (i) the estimation of inferred and indicated mineral resources; (ii) the registration of the concession agreements comprising the Batero-Quinchia Project; (iii) the market and future price of gold; (iv) the timing, cost and success of future exploration activities, including, but not limited to, the advancement of the La Cumbre sector of the Batero-Quinchia Project towards a production decision; (v) currency fluctuations; (vi) requirements for additional capital; and (vii) increases in mineral resource estimates.

Forward-looking statements are based on reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. The Company believes that the assumptions and expectations reflected in such forward-looking information are reasonable.

Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. While the Company considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predicted outcomes may not occur or may be delayed.

The risks, uncertainties and other factors, many of which are beyond the control of the Company, that could influence actual results include, but are not limited to: risks inherent in the exploration and development of mineral deposits, including risks relating to changes in project parameters as plans continue to be redefined, risks relating to variations in resource, grade or recovery rates resulting from current exploration and development activities, risks relating to changes in the price of gold, silver and copper and the worldwide demand for and supply of such metals, risks related to current global financial conditions, uncertainties inherent in the estimation of mineral resources, access and supply risks, reliance on key personnel, risks inherent in the conduct of mining activities, including the risk of accidents, labour disputes, increases in capital and the risk of delays or increased costs that might be encountered during the development process, regulatory risks, including risks relating to the acquisition of the necessary licenses and permits, financing, capitalization and liquidity risks, including the risk that the financing necessary to fund the exploration and development activities at the Batero-Quinchia project may not be available on satisfactory terms, or at all, risks related to disputes concerning property titles and interest, and environmental risks.

16. ADDITIONAL INFORMATION

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