



IDAHO CHAMPION GOLD MINES CANADA INC.

MANAGEMENT'S DISCUSSION & ANALYSIS

For the Year Ended December 31, 2019

The following discussion of the results of operations and financial condition of Idaho Champion Gold Mines Canada Inc. ("Champion" or the "Company") prepared as of May 14, 2020, consolidates management's review of the factors that affected the Company's financial and operating performance for the year ended December 31, 2019, and factors reasonably expected to impact future operations and results. This discussion is intended to supplement and complement the Company's audited financial statements for the year ended December 31, 2019, including the notes thereto, which were prepared in accordance with International Financial Reporting Standards ("IFRS").

The Company's Financial Statements, as well as additional information, are available at www.sedar.com. All amounts disclosed are in Canadian dollars, unless otherwise stated.

COMPANY OVERVIEW

Champion was incorporated under the laws of the Province of Ontario on June 16, 2016. The Company is engaged in the acquisition, exploration and evaluation of natural resources in the State of Idaho, United States of America. The address of the registered office is Suite 2702, 401 Bay Street, Toronto, Ontario, M5H 2Y4.

The Company notes that, although the exploration of its existing projects is prospective, mineral exploration in general is uncertain. As a result, the Company believes that by acquiring additional mineral properties, it is able to better minimize overall exploration risk. Risk factors to be considered in connection with the Company's search for, and acquisition of, additional mineral properties include the significant expenses required to locate and establish mineral reserves; the fact that expenditures made by the Company may not result in discoveries of commercial quantities of minerals; environmental risks; risks associated with land title; the competition faced by the Company; and the potential failure of the Company to generate adequate funding for any such acquisitions. Refer to the "Risks and Uncertainties" section for additional information.

On November 20, 2017, Idaho Champion Gold Mines Ltd. ("Old Champion") signed a binding letter agreement with GoldTrain relating to a reverse takeover transaction (the "Transaction"), pursuant to which GoldTrain proposed to acquire all of the issued and outstanding securities of Old Champion. The Transaction was to be effected by way of a three-cornered amalgamation, pursuant to which a wholly-owned Ontario-incorporated subsidiary of the GoldTrain was to amalgamate with Idaho Champion, with the resulting amalgamated company being a wholly-owned subsidiary of GoldTrain.

On September 18, 2018, GoldTrain announced the completion of the reverse takeover transaction previously announced, on the terms set out in the business combination agreement outlining the Transaction. Prior to the completion of the Transaction, GoldTrain changed its name to Idaho Champion Gold Mines Canada Inc. and completed a consolidation of common shares on a 1 for 3 basis. Pursuant to the amalgamation, all issued and outstanding securities in the capital of Old Champion were converted into like issued and outstanding securities of the Company on a one-for one basis. The Transaction was approved by shareholder meetings of GoldTrain and Old Champion in August 2018. This Transaction resulted in 3,545,935 shares being issued to GoldTrain's pre-consolidation shareholders, creditors and private places.

These financial statements, as a result of it being a reverse takeover, are a continuation of Old Champion's historical disclosures, including GoldTrain transactions that flow through the Statements of Loss and Comprehensive Loss from September 18, 2018 through December 31, 2019.

Going Concern

The Company is subject to the risks and challenges experienced by other companies at a comparable stage. These risks include, but are not limited to, continuing losses, dependence on key individuals and the ability to secure adequate financing or to complete corporate transactions to meet the minimum capital required to successfully complete the Company's projects and to fund operating expenses. Development of the Company's current projects to the production stage will require significant financing. Refer to the "Risks and Uncertainties" section for additional information.

This MD&A incorporates these changes into the analysis provided below.

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The Company's mineral exploration efforts have not resulted in any commercial production and, accordingly, the Company is dependent upon debt and/or equity financings, the accommodation of service providers and creditors, and the optioning and/or sale of resource or resource-related assets for its funding.

HIGHLIGHTS

- On January 8, 2019, pursuant to the transfer of certain Idaho cobalt claims to the Company, Champion issued 4,000,000 common shares.
- On May 17, 2019, the Company issued 4,719,428 units at a price of \$0.10 per unit, with each unit consisting of one (1) common share and one (1) common share purchase warrant, entitling the holder to acquire one common share at a price of \$0.20 for a period of 36 months.
- On June 7, 2019, the Company issued 1,615,000 units at a price of \$0.10 per unit, with each unit consisting of one (1) common share and one (1) common share purchase warrant, entitling the holder to acquire one common share at a price of \$0.20 for a period of 36 months.
- On August 27, 2019, the Company issued 2,687,500 units at a price of \$0.08 per unit, with each unit consisting of one (1) common share and one (1) common share purchase warrant, entitling the holder to acquire one common share at a price of \$0.15 for a period of 60 months.
- In November 2019, 3,048,818 of the warrants associated with the May 17, 2019 financing (plus 8,000 finders' warrants) and 1,615,000 of the warrants associated with the June 7, 2019 financing (plus 16,000 finders' warrants) had their terms amended so that each is exercisable for \$0.15 for a period on 60 months.
- Subsequent to year-end, the Company issued 15,052,343 units at a price of \$0.08 per unit, with each unit consisting of one (1) common share and one (1) common share purchase warrant, entitling the holder to acquire one common share at a price of \$0.15 for a period of 60 months.
- On March 11, 2020, the Company announced that it acquired key historical data pertaining to the Company's past producing Champagne Project located south-west of Arco, Idaho, USA. The database was purchased from Kinross Gold Corporation, who acquired Champagne's previous operator Bema Gold Corporation ("Bema Gold") in 2007. Bema Gold, through its 100% owned subsidiary, Idaho Gold Corporation, had preserved the historic files. The Champagne project had a historic Non 43-101 compliant resource of 2.8MT at 1.2g/t Au equivalent (See Mine Development Associates report dated September 1989). Bema Gold had the Champagne mine in production from 1989 to 1992 operating as an open pit heap leach, producing approximately 25,000 oz of gold per year. Champion's geologic team is reviewing this data, after which management will initiate a comprehensive exploration program using modern techniques and tools with the expectation of proving up historic resources and expanding the known discovery area.
- On April 27, 2020, Champion announced that it sold all its Nudulama Claims for cash proceeds of \$80,000.
- On April 30, 2020, the Company announced that it acquired key patented claims (private property) that are located within the Company's past-producing Champagne Project in Idaho, USA. The key patented properties include five (5) patent lode mining claims and one (1) patent mill site which are located inside the project area controlled by Champion. Under the terms of the agreement, Idaho Champion has purchased the six (6) patented claims from a private family trust for US\$150,000.
- On May 6, 2020, Champion announced that it signed a binding Property Lease and Option Agreement (the "Agreement") with a private family (the "Lessor") to lease, with an option to acquire, additional claims that are located within the Company's past producing Champagne Project in Idaho, USA. Under the terms of the Agreement, Champion paid the Lessor US\$8,000 and issued 100,000 Champion common shares. The Company will pay the Lessor US\$8,000 on each anniversary date of the Agreement thereafter for the first 20 years of the Agreement; and can renew for an additional 20 years. Champion can purchase a 100% interest in the claims by paying the Lessor the amount (US\$)

below:

- If option is exercised during year(s) 1 to 10: \$150,000
- If option is exercised during year(s) 11 to 20: \$200,000
- If option is exercised during year(s) 21 to 30: \$250,000
- If option is exercised during year(s) 31 to 40: \$300,000.

BANER PROJECT - IDAHO, USA

In August 2016, the Company signed an agreement to acquire 100% of the Baner Property in Idaho, USA. Pursuant to this agreement, a US\$250,000 payment was made in October 2016 and a final US\$250,000 payment was made in October 2017. With the October 2017 payment, Champion now owns 100% of the Baner property.

The Baner Project Technical Report Summary

Below is a summary (the "Summary") of the Baner Property that has been extracted from the Baner Project Technical Report. Capitalized terms in the Summary have the meanings ascribed thereto in the Summary or, if not defined therein, the meaning ascribed thereto in the Technical Report. The full text of the Technical Report will be available under GoldTrain's profile on SEDAR at www.sedar.com.

Summary

Introduction

The Baner Project property comprises 214 unpatented lode claims, covering approximately 4,280 acres (1,740 ha.), situated in Section 01 Township 28 North Range 07 East, Section 06 Township 28 North Range 08 East, Section 07 Township 28 North Range 08 East, Section 12 Township 28 North 07 East, Section 13 Township 28 North Range 07 East, Section 13 Township 28 North Range 07 East, Section 18 Township 28 North Range 08 East, and Section 19 Township 28 North Range 08 East, in Idaho County, Idaho. The property is roughly centered at 115° 31' 10" West longitude and 45° 46' 00" North latitude or 615223m E, 5069069m N.

The Baner Project property consists of two parts: (i) the wholly owned, recently staked by Idaho Champion Gold Mines LLC. ("ICGM"), BC Group of claims (BC 1 through BC 204), and (ii) the historic Baner property (11 claims) currently held by a 100% owned US subsidiary of Idaho Champion Gold Mines Ltd, a 100% interest in the Baner Property.

In the Elk City area, mining of numerous placer and paleoplacer gold deposits in the tributaries of the South Fork Clearwater River took place between the 1850s and the late 1980s. Reid (1959) reports that total gold production in the region is uncertain but some three million ounces of gold are believed to have been recovered by placer mining in the Elk City and adjacent districts in central Idaho.

Following the initiation of placer mining, hard rock sources were sought. Prospectors discovered numerous, generally small lode gold deposits, which were mined from the early 1900s up to World War II. The most significant hard rock mining operation began in 1903 at the Hogan (or Orogrande) located south of the Baner Project. At this open pit mine, about 450,000 tons of material averaging 0.06 oz/ton Au are officially reported to have been extracted between 1903 and 1938.

The core portion of the Project, the Baner property, has been held by a single ownership group since the claims were first staked in the late 1890s. There is a single report by Wagner (1946) that indicates the property was leased to the Harr Brothers in 1933 that ended in contested ownership, whereby the property subsequently ended up back with the original claim owner. The property was then again leased to Mr. Tapp in the winter of 1939-1940 on a royalty basis. Smelter reports from the Bunker Hill Smelter, Kellogg, Idaho at this time indicate a total of 60.1 tons of material was received from the Baner Mine, which contained a total of 54.6 ounces of gold and 144.2 ounces of silver. The current option agreement is believed to be first time this property has been accessible for earn-in or purchase.

The Baner Project occurs near the contact between the Late Cretaceous Idaho Batholith and highly metamorphosed country rocks, thought to be part of the Pritchard Formation of the Proterozoic Belt Supergroup. These rocks lie approximately thirty miles east of the Cretaceous continental margin, where the Idaho Suture Zone separates cratonic based assemblages on the east from allochthonous Triassic rocks to the west. The rocks consist of an antiform of greenschist to amphibolite grade metamorphosed

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sediments that developed into gneiss, schist, and quartzite, most likely of the Middle Proterozoic-age Belt Supergroup. These metasedimentary sequences have been strongly folded, partially melted and assimilated, injected with granitic rocks, and subjected to cataclasis and brittle faulting in the vicinity of major structures. The metamorphic rocks form a shell or cap over the Cretaceous-age Idaho Batholith. The intrusive units are mostly quartz monzonite in composition.

The belt of mineralization that traces through the Elk City and Orogrande mining districts is known as the Orogrande Shear Zone (OSZ); the OSZ is about one kilometer wide and has a general NNE trend. Gold mineralization occurs along this zone in numerous prospects and small historic mines including the Buffalo Gulch and Deadwood and Baner properties and the Orogrande-Frisco mine (Zehner and Hahn, 1995).

According to Erdman et al., (2003) most of the deposits in the Elk City area formed within 1,500 feet of the subhorizontal contact between the Idaho batholith and the overlying Proterozoic rock units. Both of these units are intruded by north-east trending Tertiary dykes. And the most prevalent ore deposits in the area are gold-silver fissure veins, with or without base metals that fill northerly trending structures or that strike east-west and are most likely related to the intrusions.

Two known mineralized trends occur on the Property, the east-west gold bearing quartz veins and the northerly trending aplite dyke zone. In general, higher grade historical mining was undertaken on narrow zones of strong sericite-silica-carbonate alteration and quartz veins. It is postulated by Wagner (1946) that there are two mineralizing events the Au-Ag quartz veining and the Au only mineralization associated with the aplite dyke.

History of the property area of the Baner Project.

Year	Company	Work
2018	Idaho Champion Gold Mines LLC	Renew temporary water permit, secure SOP for Baner drill program. Commence drilling June 2018. In addition conduct follow-up field work in summer 2018 on soil samples and site visit historical workings.
2017	Idaho Champion Gold Mines LLC	POO and temporary water permit approval for drill program, sampling, induced polarization geophysics, and claim staking
2016	Idaho Champion Gold Mines LLC	Staking, POO application, site review, and sampling
2015	Idaho Champion Gold Mines Ltd.	Baner option and purchase agreement
2015	Premium Exploration Inc./ Elk City Mining LLC	Forfeit claims
2010-12	Premium Exploration Inc.	Regional soils, geophysics, sampling
1999	Idaho Geological Survey	Abandoned mine site review
1946	Mr. E.R. Wagner	Complete site review; surface and subsurface including extensive sampling and recovering records of historic sampling and milling
1939/40	Mr. Tapp lease	Selective mining
1933	Harr brothers lease	
1898-1933	Mr. Frank Baner	Exploration, development and small-scale production
1897	Mr. Frank Baner	Claims located

The results of the exploration work undertaken were to outline a number of exploration zones of interest. These include but are not limited to the Aplite Dyke zone, Vein One, and Vein Two. These zones are defined by regional to property scale geophysical surveys (airborne magnetics, ground magnetics and induced polarization) and gridded soil sampling. No historic drilling is known on the property.

In conclusion, the staked Property consists of 214 contiguous unpatented claims covering approximately seventeen square kilometers. The staked claims wholly overtake the Baner group claims. All claims are in good standing. These claims cover a geological environment that is permissible for the formation of both shear zone hosted and intrusion related orogenic precious metal exploration deposits. Historical mining operations within and north of the Property exploited narrow high grade vein and lower grade stockwork vein mineralized zones of these types of mineral systems. Previously completed exploration over the property included gridded soil sampling and airborne and ground based geophysical surveys and limited rock sampling programs resulting in gold and silver values that indicate the potential to form an economic deposit. The historical exploration has outlined an exploration target named the Aplite Dyke, which trends north-south through the Baner Property and Baner Project. A second target area of historically exploited high grade veins (Vein One and Vein Two among others) also is highlighted with the property scale work, but has yet to be evaluated more systematically.

The existence of carbonate and silica alteration and mineralization with strong precious metal explorations grades in the historical record and in recent sampling as described above and summarized below, indicates the potential for the Baner Property to host deposits of economic interest. Accordingly, the Baner Property is considered a property of merit given its prospectivity for new discoveries and defining historically worked mineralized bodies.

Key objectives would be to confirm the high values in soil samples previously reported, understand the alteration zonation around mineralization of interest, and confirm geological controls (structure and lithology). This information should then be used to evaluate the high priority Vein and Aplite Dyke targets for deposit potential.

The following phased exploration approach was recommended:

Phase 1: Objective - define drill targets and initial proof of concept bulk tonnage mineralization

- (a) Complete a detailed induced polarisation survey to aid geological interpretation and targeting. – completed in November 2017
- (b) Create a geological map of the property including known veins, structures and alteration patterns. Alteration mineralogy should be determined with certainty using a Terraspec mineral analyser or equivalent. – Compiled known information by May 2018
- (c) Undertake a limited drill program initially evaluating the mineralization and geological controls creating the anomalous targets zones. Drill program in progress in Sept 2018, anticipate completion in November 2018, 5,000+ meters.

Phase 2: Objective to evaluate high grade structures and continue definition of bulk target on successful Phase 1 proof of concept program

- (a) Alteration mapping (detailed) high grade and bulk target structures using a Terraspec mineral analyser or equivalent.
- (b) Undertake follow up drill program on successful bulk target proof of concept
- (c) Undertake initial testing of known high grade structures.

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Recommended two phase work program –

Phase 1	Activity	Units	Unit Cost (est.)	Cost Estimate (US\$)	*CAD\$
Year One	Soil survey (4-person crew)	14 days	2650	37,100	
	Ground geophysics survey	10 line km	1500	15,000	
	Geologist/geotech/terraspec +report	25 days	1250	31,250	
	Drilling	2000 m	90	225,000	
	Assays	2700 samples	25	67,500	
	Access/permitting	permits		15,000	
		Subtotal Phase 1		390,850	
	Contingency ~15%			58,628	
		Phase 1 Total Estimated Cost		449,478	602,300

Phase 2	Activity	Units	Unit Cost (est.)	Cost Estimate (US\$)	*CAD\$
Year Two	Geologist/terraspec/report	40 days	750	30,000	
	Drilling	3500 m	90	315,000	
	Assays	3000 samples	25	75,000	
	Access/permitting	permits		5,000	
		Subtotal Phase 2		425,000	
	Contingency ~15%			63,750	
		Phase 2 Total Estimated Cost		488,750	654,925

* forex US\$1.00 = CAD\$1.34

LAVA CREEK PROPERTY – IDAHO, USA
Summary

Idaho Champion Gold Mines has acquired a land position on the former producing Champagne Mine in Butte County, Idaho. The Champagne Mine was operated by Bema Gold in the late 1980's and early 1990's as a heap leach operation on an epithermal gold system that occurs in volcanic rocks. Idaho Champion is interested in this property as an exploration target for high grade gold veins that may occur in the volcanic rocks and limestones that underlie the volcanic rocks. The property has had no deep drilling or modern exploration since the mine closure in the early 1990's.

Idaho Champion intends to conduct exploration in the Lava Creek area and the historical Champagne Mine. Exploration will be by surface mapping, rock and soil sampling, and IP geophysics. Based upon this information a deep core drilling program will be conducted to explore for a large precious metal system.

Property

The Lava Creek Property encompasses the Champagne Mine located in Southeast Idaho (See Fig 1). The property is composed of 113 Federal Mining Claims held by Idaho Champion Gold Mines. (See Fig

2). The claims are in T3N, R24E, Sections 10 thru 15 in the Boise Meridian (8). The property is located approximately centered at 43°35'23" North Latitude and 113°34'38" West Longitude at an elevation of 6,500 feet (1,981 meters) or 12T 0292056E and 4829569N coordinates in the datum WGS84. The surface agency is the Bureau of Land Management (BLM). Local topography is reasonably rugged, with hills up to 1,000 feet high above valley floors of 6,000 feet above sea level.

History

High grade oxidized silver ores were found in the early 1880's near the head of Champagne Creek. Production of this high-grade silver continued for some years until sulphide ores were reached at depth closing the mines as the sulphide ore could not be treated in the existing mills. Ore grade was approximately 15 ounces per ton silver with 10% combined lead-zinc, but high transportation costs prevented this sulphide ore from being mined profitably.

In the early 1980's, the epigenetic nature of the genesis of mineralization was recognized and gold, along with the silver, became a primary target. Gold Fields Mining staked mining claims and leased additional claims in the area of Lava Creek.

Gold Fields carried out extensive geological, geophysical and geochemical surveys on the property, and then drilled reverse circulation percussion holes. This work laid the groundwork for the present understanding of the property. Gold Fields sold the property rights in 1987 to Glamis Gold Inc. In February 1988, Idaho Gold Corporation purchased the Lava Creek Property from Glamis. The main asset of the Lava Creek Property, the Champagne Gold Deposit, was a trenched, partially drilled but incompletely defined, surficial gold-silver zone situated between two small past producers; the Horn Silver and Last Chance Fissure mines. These two mines produced high grade native silver in the late 19th century, and sporadically between 1900 and 1980.

Work Completed

Between February and October 1988, Idaho Gold Corporation defined a gold-silver deposit by detailed drilling and trenching. The company also completed laboratory metallurgical studies; organized a management and operating group; designed an open-pit; applied for and received a variety of permits; procured contractors for pit development, road building and heap leach pad construction; built a heap leach test facility; loaded the leach pad with 12,000 tons ore; laid out driplines and fine-tuned the recovery circuits; then successfully poured the first gold-silver dore bar in early November 1988. The mine operated for several years and was closed due to low gold prices.

Location

The Champagne Mine, situated within the Lava Creek Property, is in Butte County of southeastern Idaho. It is located 20 miles west of the town of Arco; the nearest airport is at Idaho Falls, 70 miles to the east.

US Highway 20 passes east-west through Arco; a 15-mile county-maintained gravel road leads to the mine area from a point 5 miles west of Arco on US 20.

Arco, a farming community with a population of about 2,000, has most support services available. Adequate housing, schooling, and other facilities exist in the town of Arco to support mine staff and personnel. A large, talented labor pool resides within commuting distance of the Champagne Mine.

Mineralization

Epigenetic style gold and silver mineralization occurs in strongly altered Tertiary volcanic tuffs and flows of acid to intermediate composition at Lava Creek. Argillic and sericite alteration is widespread at the Champagne Deposit, silica flooding, alunite and barite are closely associated with the gold and silver mineralized zone.

The ore deposit model is epigenetic, with a near surface cap of gold-silver mineralization emplaced by deep-seated, structurally controlled shears that acted as conduits for precious metal rich hydrothermal fluids. High grade zones in the Champagne Deposit appear to be related to such feeder shear zones. Drilling in the future to test for polymetallic, base-precious metal deposits at depth will clarify these relationships.

Although no mineral thin section work has been undertaken as yet, the gold and silver appear to be very

fine grained and reasonably evenly distributed. Assays are repeatable, no visible gold has been encountered, with the exception of one fleck of gold recovered during repeated panning of drill cuttings and trench samples. No placer production of gold is known or recorded in this area.

Most of the gold-silver reserves at the Champagne deposit are contained in the in-situ deposit described above; however, a significant quantity of the reserve is contained in a newly outlined colluvial zone. Mineralized rock was eroded from the main deposit and sluffed down the steep hillside. This talus material came to rest just below the in-situ deposit, where it accumulated in an elongate pile up to 50 feet thick on top of barren, weathered clays. This zone has been extensively sampled by trenching and drilling holes. Ore blocks calculated by Mine Development Associates indicates that between 20 and 30 per cent of the reserves are hosted by this colluvial deposit. The grade of this zone is approximately 10 per cent lower, likely due to dilution from in-mixed soil. The grade distribution throughout this zone is homogeneous, as higher and lower grade materials have been mixed during slumping.

Historical Mineral Resource

There is a historical resource estimate for the Champagne Mine. Data used as a base for calculating ore reserves was developed from 100 reverse circulation percussion drill holes and 36 surface trenches excavated by backhoe and bulldozer. Between 1984 and 1986, Gold Fields Mining Corporation drilled 26 reverse circulation percussion holes totaling 9,110 feet and excavated 1,045 lineal feet in about 10 trenches. In 1988, Idaho Gold Corporation drilled 74 holes totaling 7,551 feet and excavated trenches totaling 8,431 feet in length, and cleaned out all of the Goldfield trenches. Idaho Gold took 1,502 continuous rock chip samples from the trenches. The drill cuttings and rock chip samples were analyzed for gold and silver by fire assay.

Below is the historical resource published by Bema Gold:

**CHAMPAGNE MINE GEOLOGIC OXIDE RESERVES
JANUARY 1989**

CATEGORY	GRADE	RANGE	TONS	Au	Ag	Au Eq.
Proven Probable	>	.010 oz/ton	2,147,470	0.028	0.777	0.037
	>	.010 oz/ton	298,646	0.029	0.862	0.037
Possible	>	.010 ox/ton	374,695	0.028	1.004	0.038
TOTAL			2,820,811	0.028	0.816	0.037

Property Potential

Basement rock in the Lava Creek district consists of pelitic and chemical sediments of upper Mississippian age, which were folded and faulted during the late Mesozoic orogeny. A north-south trending graben within these sediments has been infilled with a large volume of Tertiary volcanics. These volcanics, termed the Challis Formation and consisting of tuff and intermixed flows, range in composition from acid to intermediate. The depositional environment appears to be mixed subaerial and subaqueous. Graded bedding in tuffs has been noted.

These volcanics almost pinch out at the southern end of the Lava Creek property, then widen again to the south. Small rare intrusive stocks of granite and granite porphyry intrude the old sediments as well as the Challis volcanics.

Alteration Zones and Mineral Deposits

The most widely distributed rocks on the property are dacitic tuffs and minor flows, followed by latite and quartz-eye latite. These units are generally strongly altered; younger, unaltered andesite covers the more acidic rocks on parts of the property.

In the central part of the property, an extensive, four square mile, semicircular zone of argillic and sericitic alteration has bleached most rock units. Within this extensive alteration halo, numerous smaller zones of silica-pyrite-barite alteration are associated with the old silver mines. Alunite is associated with several of the silicified zones. Pyrite has been weathered to limonite on surface, forming large iron stains on the hillsides.

Major shear zones and associated breccia pipes appear to be closely associated with the old mine workings. These shears and breccias were the conduits which carried silica, sulphides, barite, and base and precious metals from depths. Most of these shears trend north-south; several sets trend 20-30 degrees east and west of north. The Champagne Gold-Silver deposit sits above such a north-south shear with a substantial breccia pipe at each end.

The only transverse, east-west breccia zone clearly established on the property is the South Gold Zone, located immediately to the southwest of the Champagne deposit.

At depth, where old mine workings extend past the oxidized zone to primary sulphides, significant amounts of lead and zinc have been encountered as galena and sphalerite. This has been well documented, as several thousand tons of lead and zinc concentrate has been shipped from the district. Above the Champagne deposit, on a hill immediately to the west, an unaltered cap of andesite sits on top of the strongly argillically altered volcanics. It appears that this volcanic unit acted as a lid to contain hydrothermal activity in the more receptive rock units at depth.

Exploration Potential

The extensive, bleached zone of argillic and sericitic alteration in the central portion of the Lava Creek property contains numerous siliceous, brecciated zones with base and precious metal mineralization. This indicates the likely presence of a major mineralizing system at depth which supplied necessary fluids and precious metals to form the Champagne Deposit and the adjacent South Zone.

A number of other strong structural shears, from which silver was produced, exist on the property. Gold soil anomalies were noted around some of these, particularly the Ella, Reliance, and St. Louis shears. Drilling should be undertaken around these targets as they have excellent potential for additional Champagne type oxide gold-silver deposits.

In addition to having potential for other Champagne-type, oxidized gold-silver deposits, the geological setting of the Lava Creek property is ideal for hosting Bonanza-type precious metal deposits, which occur at Paradise Peak near Hawthorne, Nevada, or in the Coromandel Peninsula of New Zealand. Typically, such deposits occur at depth below epigenetic gold-silver deposits, which have, in part, been fed by solutions emanating from these Bonanza-type deposits. Precious metal mineralization reaches the surface via subparallel "horsetail" shears, only some of which may reach surface.

The shears which fed precious metals to deposits such as Champagne, South Gold Zone and several of the associated high-grade silver mines, may well be part of such a horsetail vein system. Other features of the Lava Creek Property which support this possibility are the zoned base metal sulphides at depth, as well as the impervious cap which provides a "lid" to pressurize the system, leading to a higher temperature boiling point at depth.

It is at the boiling point that precious metals, with minor base metals, are often released from aqueous solution; if this process continues over time, large, high grade gold-silver deposits may be formed. A geological model of where such a deposit would occur in relation to the Champagne and South zones of the Lava Creek Property is being developed.

Field Work planned at Lava Creek is as follows

- Surface Geologic Mapping
- Surface rock chip and soil sampling
- Geophysics – IP across the target area
- Permitting of drill holes
- Core drilling deep angle holes under the Champagne open pit and along strike

The following phased exploration approach is recommended:

Phase 1: Objective - define drill targets and initial proof of concept bulk tonnage mineralization

- (a) Complete a detailed induced polarisation survey to aid geological interpretation and targeting. – completed in November 2017
- (b) Create a geological map of the property including known veins, structures and alteration patterns. Alteration mineralogy should be determined with certainty using a Terraspec mineral analyser or equivalent. – Compiled known information by May 2018
- (c) Undertake a limited drill program initially evaluating the mineralization and geological controls creating the anomalous targets zones. Drill program in progress in Sept 2018, anticipate completion in November 2018, 5,000+ meters.

Phase 2: Objective to evaluate high grade structures and continue definition of bulk target on successful Phase 1 proof of concept program

- (a) Alteration mapping (detailed) high grade and bulk target structures using a Terraspec mineral analyser or equivalent.
- (b) Undertake follow up drill program on successful bulk target proof of concept
- (c) Undertake initial testing of known high grade structures.

COBALT PROPERTIES - IDAHO, USA

Victory Project (DUP Claims)

Location, Access, & Climate

The Victory project consists of 201 DUP unpatented lode mining claims located in east-central Idaho, approximately 25.8 miles west of the town of Salmon. The property covers 1,627 hectares (4,020 acres) centered on 45°04'20" north latitude and 114°20'26" west longitude and UTM coordinates 11T 0709332E, 4994415N in map datum WGS84 at an elevation of 2,273 meters. It is within the Blackbird Creek 7.5 minute quadrangle of the USGS Topographic Map Series. More specifically the DUP unpatented mining claims are located in Sections 7,8,9,10,11,13,14,15,16, and 17, Township 20 North, Range 18 East. The claim block is within the Salmon-Cobalt Ranger District of the Salmon-Challis National Forest lands under surface use administration by the United States Forest Service (USFS).

The Victory project is situated in east-central Idaho, approximately 25.8 miles west of the city of Salmon. This city has a population of 3,000 people and is the county seat for Lemhi County. It is a center for most of the transportation, ranching, logging and mining industry in this area. It also has a small airport, with daily air service to Boise, the capital of the State of Idaho. The nearest railhead is located at Dubois, some 100 miles to the southeast.

Vehicle access is via a series of well-maintained gravel roads, which lead west from a point on Highway 93, six miles south of Salmon. The gravel road leading to the Blackbird Mine, which is north of the Victory project is kept drivable year round. These roads are passable for most of the snow-free months of the year. The nearest electric lines are located at the mine site.

The property lies between 6,000- and 8,000-foot elevation, above sea level. The higher elevations are covered by lodgepole pine, Douglas fir, Englemann spruce, juniper and deciduous trees. The valleys and lower slopes are covered by grasses and sage bushes. The property displays only 1 to 3 percent bedrock exposures, but large areas of felsenmeer are often found along the higher mountain ridges.

The climate is typified by warm to hot summers and cool to cold winters. Conditions vary from semi-arid in the lower elevations to humid-continental in the higher altitudes. Mean daily temperatures range from 0°F in December to 90°F in July. The precipitation varies from 14 to 20 inches, with the average snow packs in the range of several feet. The surface exploration season extends from March through November.

History of Blackbird Creek and Current Development

Copper mineralization in the Blackbird Creek area was discovered in 1892, and the area was soon explored as both a copper and gold prospect. The area was first mined by Union Carbide at the Haynes-Stellite Mine located south of the present FCC claim block, during World War I. Union Carbide mined approximately 4,000 tons of cobalt-bearing ore before ceasing operations, reportedly due to excessive mining costs. From 1938 to 1941, the Uncle Sam Mining and Milling Company operated a mine at the south end of the present Blackbird mine and reportedly mined about 3,600 tons of ore.

Calera Mining Company, a division of Howe Sound Company, developed and mined the Blackbird deposit between 1943 and 1959 under a contract to supply cobalt to the U.S. government. Calera mined approximately 1.74M tons of ore grading 0.63% Co, 1.65% Cu, and 0.03 oz Au/ton during this period, accounting for the majority of production from the district. Calera stopped mining when the government contract was terminated in 1960. Reportedly, poor payment for cobalt from smelters hindered continued development of the district, with minor exceptions.

Machinery Center Inc. mined 343,000 tons grading 0.36% Co and 0.64% Cu from the district between 1963 and 1966, when Idaho Mining Company (owned by Hanna Mining Company) purchased the property. Noranda optioned the property from Hanna in 1977 and carried out extensive exploration, mine rehabilitation and metallurgical testing. In 1979, Noranda and Hanna formed the Blackbird Mining Company (BMC) to develop the property. BMC completed an internal feasibility study of their property at the time, including material from the Sunshine deposit in 1982. BMC allowed perimeter claims to lapse in 1994, and FCC reclaimed much of that ground. From 1995 to the present, FCC has completed surface geochemical sampling and drilled 158 diamond drill holes on their ground.

A prefeasibility-level Technical Report on the ICP property was prepared by MDA and filed with SEDAR on October 31, 2006. Following this report, the FCC made the decision to push forward with further development work: drilling, new resource model, and metallurgical testwork.

In September 2007, a technical report on the ICP (the Technical Report), derived from a more comprehensive feasibility study, was filed on SEDAR (www.sedar.com). The Technical Report was subsequently amended and restated and SEDAR filed in May 2008. In August 2014, a Technical Disclosure Review of Formation Metals Inc. by the British Columbia Securities Commission determined that certain information in the Technical Report was deemed to be out of date with respect to, among other things, commodity prices, capital cost estimates and operating cost estimates, and as such, was not to be relied upon. The reader is cautioned not to rely on the economics disclosed in the previously filed Technical Report. This current PEA reflects the most up to date technical report with an effective date of March 10, 2015.

The United States Department of Agriculture Salmon Challis National Forest (the Forest Service) issued a revised Record of Decision (the ROD) for the ICP in January 2009. The ROD described the decision to approve a Mine Plan of Operations (MPO) for mining, milling and concentrating mineralized material from the ICP. The ROD was subsequently affirmed by the Forest Service in April 2009. As there are no significant changes to the mining methods, milling and concentrating procedures from the previously filed Technical Report in comparison to this new PEA, this Plan of Operations at the ICP mine and mill remain unchanged and the ROD remains in place. In December 2009, the Forest Service approved the FCC's MPO allowing for the commencement of ICP construction.

Construction on the ICP was planned in three stages; the first two have been completed. Stage I construction commenced in January 2010 and concluded in April 2010. Stage I consisted of timber clearing operations for the tailings waste storage facility (TWSF), topsoil stock pile area, roads around the mill site and concentrator pads. Stage II construction comprised primarily of earthworks preparation of all surface structures including mill and concentrator pads, access and haul roads, TWSF and portal bench preparation, which was dependent on securing additional financing discussed below.

In October 2010, the FCC concluded a 5,727.5-foot diamond drill program drilled in six holes in a previously untested area on the Project along the southern extension of the Ram deposit. Data from this drill program was used for subsequent mine plan optimization studies. This drilling extended the previously defined strike length of the Ram deposit an additional 14% from 2,800 to 3,200 feet. The

results of this drill program were incorporated into an updated resource estimate for the ICP and form a part of this report.

In March 2011, FCC announced that it had concluded an equity financing for gross proceeds of CDN\$80M. Proceeds of the financing were used to fund the continuation of engineering, procurement and construction at the ICP (Stage II), for reclamation bonding requirements and for general corporate purposes. Stage II construction commenced in July 2011 and concluded in late 2012. Stage II construction also included mine site portal bench development, geotechnical core drilling comprised of three HQ sized oriented core holes totaling 575 feet. Drilling completed in December 2011.

Twin Peaks Project (TP & Badger Claims)

Location, Access, & Climate

The Twin Peaks Project is situated in Lemhi County, approximately 17.9 miles south-southwest of the city of Salmon. It is centered upon 44° 56' 00" North latitude and 114° 02' 38" West longitude and UTM coordinates 11T 0733265E, 4979811N in the WGS84 map datum at an elevation of 1,885 meters. The TP and Badger claims are located in four townships; T18N,R20E, Sections 1, 2, 3, and 4 T19NR20E, Sections 23, 25, 26, 33, 34, 35, and 36, T19N, R21E, Sections 20, 29, 30, 31 and 32, T18N,R20E, Sections 5 and 6. This is within the Degan Mountain 7.5 minute USGS Topographic Map Series. Vehicle access is via Highway 93, twenty-two miles south of Salmon, to the Iron Creek bridge on the Salmon River. From there, one proceeds northwest along the good quality Iron Creek Road to the mouth of Badger Creek, near the edge of the property. A walk of 2.5 miles is required to reach the center of the property. Access to the northern portion of the property is via the Degan Mountain Road, which is located further up Iron Creek.

The property lies between 5,500 feet, at the mouth of Badger Creek, and 6,700 feet elevation, in the northwest. The claims cover the south facing, sage brush covered eastern slopes of Degan Mountain. The climate is typified by hot summers and cool to cold winters. Snowfall provides most of the 12 inches of precipitation received by the basin. Several of the small springs on the flank of Degan Mountain keep Badger Creek flowing year-round. The surface exploration season extends from March through November.

Twin Peaks History

The Twin Peaks property is located in T19N, R21E, on Corral Creek, a branch of Rattlesnake Creek, which in turn is a small tributary of Salmon River. It is reached from Salmon by driving 20 miles southward up Salmon River on Highway 93; thence westward across Salmon River and up Rattlesnake Creek for 3-1/2 miles over a steep mine road. This location is high up among prominent, and imposing cliffs.

The outcrops of the deposits were discovered and located in 1927 by Charles Kapp. Mr. Kapp, a cattle rancher nearby, located eight lode claims and 2 millsites. A zone of mineralization, bearing galena and some malachite, parallel to flat dipping (20°) beds, was explored by an inclined winze 120 feet, slope distance.

In 1944, the claims were taken under lease by Percy Goodwin of Salmon. A makeshift mill was constructed to concentrate the ore from the inclined winze. Due to financial difficulties, the mill was not operated, and no new development was done. The property was then leased to J. McLain of Shoup, Idaho, H. St.Clair and Don Schulenberger of Salmon, Idaho. During the winter of 1944-45, the winze on the lead prospect was sunk from 70 feet to 120 feet and a small drift was driven 30 feet southward from the bottom of the inclined winze. Due to milling difficulties, the above parties were unable to continue. The property was transferred in April 1945 to Roy Trout and W. H. Sandstrom of Seattle. By September 1945, Trout had driven a crosscut adit, 70 feet lower in elevation than the bottom of the winze, for a distance of 330 feet. The last 45 feet of this crosscut exposes a zone of mineralization.

There are three main levels - No. 1, the uppermost, is a 30° decline from the surface -- 320 feet long, intersecting the No. 2 level at 260 feet. No. 2 level is a crosscut adit 540 feet long with approximately 500 feet of drifting on the main shear zone. Some stoping has been done between the No. 1 and 2 with about 400 feet of additional crosscutting and drifting on several zones. Presumably there has been some limited stoping above the No. 3 level, which is connected with the No. 2 level by a raise.

Both the Nos. 2 and 3 adits are blocked near the portals, but both are accessible underground (the No. 3 level was not examined, however, because the connecting raise has no ladders).

The Twin Peaks Mine area is held 100% by Idaho Champion.

Badger Basin History

Badger Basin is a largely unexplored property, which is underlain by the same favorable stratigraphy found on the Sunshine project and the Blackbird Mine. Old trenches and adits, located on the property, revealed a zone of stratabound mineralization, which grades over 2% copper. This copper zone was traced for 350 feet along strike and over 50 feet in width. The mineralization is open along strike and has never been drill-tested. This sampled portion of the zone contains very little cobalt but possible zonation, along strike and/or at depth, has not been tested. Of special interest is that this host unit, stratigraphically, overlies the lithologies, which host the nearby Iron Creek deposit. Cominco American Resources has established a large, low grade copper-cobalt mineral inventory on that property. The Iron Creek deposit also, reportedly, contains some higher-grade cobalt mineralization. Thus, the Badger Basin property holds the potential to host Blackbird type and/or, stratigraphically lower, Iron Creek type cobalt mineralization. This potential has never been tested (Summary Rpt Formation Capital, 1996).

Fairway Project (SC Claims)

The SC Claims are located one km north of eCobalt's Blackpine copper-cobalt Project. The SC Project is host to stratiform sulphide mineralization found in massive sections, which typically contains pyrite and chalcopyrite. Aside from the copper rich strata, there are several narrower cobalt-gold rich arsenopyrite-bearing beds present in the copper mineralized section. A non-43-101 compliant historical reserve of 340,000 tons grading 3.5% copper was delineated in the 1960's. The SC Claims are underlain by similar geology to that of the Black Pine Project. Ridge and spur sampling is planned for the SC Project.

Location, Access, & Climate

The Fairway project consists of 10 SC unpatented mining claims totaling 81 hectares (200 acres) situated in Lemhi County, approximately 17 miles west of the city of Salmon. It is centered upon 45° 04' 28" North latitude and 114° 11' 35" West longitude and UTM coordinates 11T 0720947E 4995054N in the WGS84 datum at an elevation of 2,073 meters. The SC claims are located in Township 20N, Range 19E in section 14. This is within the Cobalt 7.5 minute USGS Topographic Map Series. Vehicle access is via a series of well-maintained gravel roads, leading west from a point on Highway 93, six miles south of Salmon. The main road from the town of Cobalt to the property is kept open throughout the winter, leaving only a five mile stretch which requires private snow removal. The property itself is serviced by numerous gravel roads and an extensive network of four-wheel drive tracks, which are passable for most of the snow-free months. Power lines extend to the town of Cobalt, only one half mile west of the property.

The property lies between 6,400 and 7,680 feet elevation, above sea level. The higher elevations are covered by lodgepole pine, Douglas fir, Englemann spruce, juniper and deciduous trees. The valleys and lower slopes are covered by grasses and sage brush. The property displays only one to three percent bedrock exposures. Large areas of felsenmeer are often found along the higher mountain ridges.

The climate is typified by warm summers and cool to cold winters. Conditions vary from semi-arid in the lower elevations to humid-continental in the higher altitudes. Mean daily temperatures range from 0°F in December to 90°F in July. The precipitation varies from 14 to 20 inches, with the average snow packs in the range of several feet. The surface exploration season extends from March through November.

History

Mineralization was first discovered in the area of the present Black Pine property in the late 1800s, with early exploration focused on gold and copper. The first property, a block of three claims and one fraction, was staked in this area during 1905. This was taken to mineral patent by J. O. Swift. The property was later acquired by W. L. Swan of Sun Valley Copper and Gold. Several short adits, crosscuts and a shaft had been completed by 1947. That year, the claims were sold and 33 unpatented claims were added to the property. The claims were then sold to Montana Coal & Iron who began extensive exploration for copper. This company completed a program of bulldozer trenching which exposed widespread copper

mineralization. With the assistance of the Defense Minerals Exploration Administration (DMEA), the company established drifting and crosscutting, which totaled 1,580 feet on the Lower Level and 2,030 feet on the Upper Level, by 1958. Mining included one stope on the Lower Level and four on the Upper Level.

In 1961, the property was leased to Western Uranium Corporation. Underground development completed by this company included 116 feet of raise from the Lower to the Upper Level, 105 feet of raise from the Upper Level to surface, eleven stopes on the two levels and 350 feet of drifting and crosscutting. Exploration included 1,100 feet of underground, x-ray core drilling and a small soil geochemical survey. By 1962, a permanent operation was established. This included a 150 ton per day flotation mill, a camp, office, assay laboratory, and underground and surface plants. Production amounted to 6,000 tons which graded 2.0% copper. Apparently, the grade was low due to the amount of highly oxidized material from the development on the Upper Level. The concentrates graded 25% copper but no gold or silver was recovered due to the inefficiency of the mill. No attempt was made to recover cobalt in this operation. That year, Shockey reported that "current measured, indicated and inferred reserves at the Black Pine Mine total 340,000 mineable tons of approximately 3.5% copper". He also concluded that "much evidence suggests that commercial values extend far beyond the limits of present underground workings". Unfortunately, due to a decline in the price of copper, the mine closed.

In 1992, Formation Capital ("Formation") optioned the property and added additional claims. Since that time, Formation has completed surface geological mapping, soil geochemistry, trenching and drilling programs. The drilling was done during 1993 and 1994 and included 75 diamond drill holes, totaling 9,791 meters (32,122 feet), and 100 reverse circulation holes which totaled 4,763 meters (15,625 feet). In 1996, Formation completed 18 diamond drill holes, totaling 3,087 meters (10,129 feet), on the property. This included 7 holes on the Regina zone, 2 holes at the Troll zone and 9 holes on the Trench zone. A limited amount of geologic mapping on the Troll zone was also completed. This was the first year that Formation's primary exploration target was cobalt mineralization, not copper.

Ulysses Project – (IP and GS Claims)

The IP and GS Claims are 2 km north of the Ulysses Mine, a historical gold/silver producer located in the Yellowjacket Formation, which is associated with Cobalt mineralization in the region. Two cobalt occurrences have already been identified south of the Ulysses Project, which attest to the prospective nature of this area. The Yellowjacket Formation in this area is located outside of the prolific "Idaho Cobalt Belt", but is interpreted to have similar geological potential to host cobalt-copper-gold mineralization.

Location, Access, & Climate

The Ulysses project consists of 70 IP and GS unpatented lode mining claims located in east-central Idaho, approximately 30 road miles northwest of the town of Salmon. The property covers 567 hectares (1,400 acres) centered on 45°28'32" north latitude and 114°08'25" west longitude and UTM coordinates 11T 0723520E, 50392756N in map datum WGS84 at an elevation of 1,300 meters. It is within the Ulysses & Ulysses Mtn 7.5 minute quadrangle of the USGS Topographic Map Series. More specifically the IP and GS unpatented mining claims are located in township; T25N, R20E Sections 19, 30, 20, 29, 21, 28, and 22. The claim block is within the Salmon-Cobalt Ranger District of the Salmon-Challis National Forest lands under surface use administration by the United States Forest Service (USFS).

The IP and GS claims were staked over an area of extensive drill roads that were drilled by Teck.

Regional Geology

The Idaho Cobalt Belt is underlain by strata of the Yellowjacket Formation (Middle Proterozoic age). The Yellowjacket is an upward-thickening, upward-coarsening sequence, at least 49,000 feet thick (Nash, 1989). This represents an important basin-filling episode during the Middle Proterozoic (Connor, 1991).

The lower unit of the Yellowjacket Formation, which is over 15,000 feet thick, consists mainly of argillite and siltite, with lesser amounts of fine-grained quartzite and impure carbonate. Locally, this unit is metamorphosed to a grey-green phyllite. Graded bedding, horizontal and wavy laminae are very common throughout this unit. The middle unit is up to 3,600 feet thick, locally, and is comprised of several coarsening-upward cycles of argillite, siltite and quartzite, with distinctive biotite-rich interbeds (Nash, 1989). This unit hosts most of the known cobalt-copper-gold occurrences, see Figures 9 and 10, in the Idaho Cobalt Belt. The upper unit is more than 9,800 feet thick, and is predominantly thin- to thick-

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bedded, very fine to fine grained quartzite (Connor, 1990). These sediments display planar laminations and local ripple marks or hummocky cross stratification. Interbeds of mafic rocks and fine elastic strata are only observed locally.

Several types of mafic dykes and sills, ranging from 3 to 100 feet thick, intrude the Yellowjacket Formation. These metamorphosed intrusions are rarely exposed on surface. They have been interpreted as feeders to the mafic tuffs which are most abundant in the areas of diking (Staargaard, 1996).

Regional metamorphic grade increases from greenschist facies at the south end of the Belt, near the Badger Basin property, through amphibolite grade at Sunshine to high grade (sillimanite) at the Salmon Canyon Copper property.

Proterozoic granitic rocks intrude the Yellowjacket Formation, approximately, 1.9 miles north and east of the Blackbird Mine. Tertiary volcanic rocks of the Challis Volcanics cap some of the ridges about 3 miles from the mine.

The dominant structures in the area are north to northwest trending faults and shear zones. One of these, the White Ledge Shear, which apparently, displays substantial strike-slip movement (Nash, 1989), marks the western extent of the mafic strata in the area of the Sunshine project. Folding is reportedly common, locally.

RESULTS OF OPERATIONS

Champion reported a net loss of \$1,053,946 for the year ended December 31, 2019 compared to a loss of \$5,299,117 for the year ended December 31, 2018. Efforts to date have centered on acquiring properties in Idaho, USA, conducting initial geological work on these properties, and conducting a drilling program when money allows. In 2018, in addition to this, management worked towards getting the Company publicly-listed by way of a reverse takeover. Champion incurred property-related costs of \$243,695 for the year ended December 31, 2019, compared to \$3,449,194 for the year ended December 31, 2018, representative of the Company's inability to raise capital needed during 2019 for property-related activities.

Management is determined to control costs as much as possible. During the past two years, management has been working on raising needed capital by way of equity financings. Shareholder and investor relations costs are related to this money-raising exercise and lower in 2019 (\$252,661) compare to 2018 (\$424,836) due to market conditions and inability to raise significant capital.

SELECTED QUARTERLY INFORMATION

Set forth below is a summary of selected financial information for the past eight completed quarters:

	2019				2018			
	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31
Project costs	24,963	214,716	(1,512)	5,528	595,205	1,188,501	814,314	185,399
Property acquisition	---	---	---	---	1,390,510	---	---	---
Shareholder and investor relations	120,953	21,021	83,699	26,988	23,906	183,455	202,549	14,926
Management fees	87,000	64,724	63,631	69,000	56,168	46,167	46,849	52,739
Professional fees and consulting	53,701	12,500	10,898	38,525	55,321	28,766	108,740	6,082
Net loss	(419,427)	(327,647)	(164,170)	(142,702)	(1,572,669)	(2,336,587)	(1,135,658)	(234,203)
Earnings per share	(0.01)	(0.01)	(0.00)	(0.00)	(0.05)	(0.08)	(0.05)	(0.01)

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E&E costs incurred are summarized as follows:

	Dec 31, 2017	Additions	Dec 31, 2018	Additions	Dec 31, 2019
Acquisition - Data	\$ 125,638	\$ 1,394	\$ 127,032	\$ ---	\$ 127,032
Acquisition – Baner	686,888	---	686,888	---	686,888
Acquisition – Sally	---	156,323	156,323	---	156,323
Acquisition – Cobalt	---	1,232,793	1,232,793	---	1,232,793
Exploration – Baner	747,479	2,058,684	2,806,163	81,827	2,887,990
Exploration – Nudulama	---	---	---	1,604	1,604
Exploration – Cobalt	---	---	---	160,264	160,264
	\$ 1,560,005	\$ 3,449,194	\$ 5,009,199	\$ 243,695	\$ 5,252,894

LIQUIDITY AND CAPITAL RESOURCES**Selected Financial Information***(in Canadian dollars, except shares issued and outstanding)*

	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2017
Cash	11,936	19,375	338,115
Total assets	201,219	81,473	456,875
Total liabilities	921,114	709,539	171,658
Working capital deficiency	(754,062)	(628,066)	285,217
Shareholders' deficiency	(719,895)	(628,066)	285,217
Shares issued and outstanding	48,784,863	35,762,935	19,025,000

After completing the company's going-public process and its 2018 phase of drilling, management has been working to raise additional capital needed to conduct the next phase of exploration activities and pay for some costs related to the first phase of exploration and going public. As of December 31, 2019, the Company had \$11,936 in cash (December 31, 2018 – \$19,375) and negative working capital of \$754,062 (December 31, 2018 – negative working capital of \$628,066).

The Company is a junior resource exploration and development corporation and, accordingly, it does not have the ability to generate sufficient amounts of cash from earnings or asset sales to pay for its operating costs, even in the short term. The activities of the Company, principally the exploration and development of mineral properties, are, therefore, financed through the sale of equity securities. These equity offerings generally take the form of private placements but may, in the future, also include the exercise of warrants and options.

The discovery, development and acquisition of mineral properties are unpredictable events. Future metal prices, the success of exploration programs and other property transactions can have a significant impact on capital requirements. The Company does not expect to receive significant income from any of its properties within the foreseeable future. Should the Company decide to further develop any of its properties, the Company may fund its capital requirements by arranging further equity financing, issuing long-term debt, selling royalties, arranging joint ventures with other companies, or through a combination of the above. The Company may also consider the sale of certain non-core properties in order to raise additional capital.

FINANCING ACTIVITIES

On May 11, 2018, Idaho Champion Cobalt USA, Inc. (“Champion Cobalt”) was incorporated as a wholly-owned Idaho corporation. This subsidiary was incorporated to acquire certain claims pursuant to a purchase and sale agreement with American Cobalt Corp. American Cobalt Corp. was to receive 4,000,000 common shares of the Company with shares transferred as mining claims are transferred to Champion Cobalt. At December 31, 2018, none of these shares were issued with the cost of this acquisition was shown on the statement of financial position as “Shares to be Issued”, which were valued at \$1,000,000, based on the quoted market price at the date of the acquisition of the claims. These shares were issued on January 8, 2019, with the amount reclassified to Share Capital.

On May 17, 2019, the Company closed the first tranche of a private placement offering, issuing 4,719,428 units at a price of \$0.10 per unit, with each unit consisting of one common share and one common share purchase warrant, entitling the holder to acquire one common share at a price of \$0.20 for a period of 36 months. The Company paid a cash finder’s fee of \$800 and issued 8,000 finders’ warrants, entitling the holder to acquire one common share at a price of \$0.20 for a period of 36 months. As part of this closing, 3,119,428 units were issued to settle \$311,943 of debt. In November 2019, 3,048,818 of the warrants associated with this closing had their terms amended so that each warrant had an exercise price of \$0.15 and a 5 year life.

On June 7, 2019, the Company closed the second and final tranche of a financing, issuing 1,615,000 units at a price of \$0.10 per unit and for gross proceeds of \$161,500, and paying a cash finder’s fee of \$1,600, and issuing 16,000 finders’ warrants. Each unit consists of one common share and one common share purchase warrant, entitling the holder to acquire one common share at a price of \$0.20 for a period of 36 months. The finders’ warrants entitle the holder to acquire one common share at a price of \$0.20 for a period of 36 months. As part of this closing, 1,415,000 units were issued to settle \$141,500 of debt. In November 2019, the terms of the warrants associated with this closing were amended so that each warrant had an exercise price of \$0.15 and a 5 year life.

On August 27, 2019, the Company reported the closing of a non-brokered private placement totaling \$215,000 priced at \$0.08 per unit, resulting in the issuance of 2,687,500 units. Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one additional common share at a price of \$0.15 for a period of 60 months from date of the issue. The Company paid cash finder’s fees equal to 8% of the gross proceeds totaling \$11,040 and 138,000 non-transferable warrants which entitle the holder to acquire one common share at a price of \$0.15 for a period of 60 months. As part of this closing, 962,000 units were issued to settle \$77,000 of debt.

PROPOSED TRANSACTIONS

At this time, there are no other proposed transactions.

TRANSACTIONS WITH RELATED PARTIES

Related party transactions conducted in the normal course of operations are measured at the exchange value (the amount established and agreed to by the related parties). The following is a summary of the Company's related party transactions for the years ended December 31, 2019 and 2018.

The Company signed a five-year lease ending May 31, 2022, with a company with which it had common management and directors. During the year ended December 31, 2018, the Company paid \$8,006 in rent charges. While this company is no longer a related party, the Champion did pay \$13,642 in rent during 2019.

Compensation of key management personnel and directors was as follows:

For the year ended December 31,	2019	2018
Cash-based remuneration	\$ 197,973	\$ 165,000
Stock-based compensation	71,200	96,000
	\$ 269,173	\$ 261,000

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During the year ended December 31, 2019, the Company paid its CEO \$120,000 (December 31, 2018 - \$125,000) and paid its CFO \$60,000 (December 31, 2018 - \$40,000).

At December 31, 2019, \$124,324 remains due to the Company's CEO on account of accrued and unpaid salary as well as unreimbursed expenses incurred on the Company's behalf (December 31, 2018 - \$139,557). At December 31, 2019, the Company also had an advance payable to the CEO in the amount of \$25,500 which was unsecured, non-interest bearing and due on demand. Also at December 31, 2019 the Company had a receivable of \$30,091 from the CEO on account of unremitted salary withholdings.

During the year, 2,225,000 stock options were granted to directors and officers, each with an exercise price of \$0.10 and a life of 5 years. These options granted to insiders resulted in share-based compensation expense of \$71,200. These advances are unsecured, non-interest bearing, and due on demand.

At December 31, 2019, \$78,846 remains due to the Company's Chairman on account of amounts advanced to the Company (December 31, 2018 - \$15,000). These advances are unsecured, non-interest bearing, and due on demand.

At December 31, 2019, \$34,663 remains due to the Company's CFO on account of unpaid fees, unreimbursed expenses and amounts advanced to the Company (December 31, 2018 - \$10,000). At December 31, 2019, another director was owed \$2,500 on account of amounts advanced to the Company. These amounts are unsecured, non-interest bearing and due on demand.

At December 31, 2019, \$8,353 was payable to related entities on account of rent paid on behalf of the Company.

During the year ended December 31, 2019, the Company's Chairman agreed to receive a total of 547,500 units in settlement of \$51,000 debt owed to him. On the same basis, Champion's CEO and CFO agreed to settle debt due to them by receiving 2,084,450 units for \$200,455 in the case of the CEO, and 520,000 units for \$47,000 in the case of the CFO.

In the first quarter of 2019, the Company acquired certain cobalt claims in exchange for up to 4,000,000 common shares as mining claims are transferred to Champion Cobalt. These 4,000,000 common shares were issued pursuant to this purchase during the year ended December 31, 2019. Management and a Director of Champion assisted the vendor, American Cobalt, by making payments for staking costs and to maintaining the properties in good standing. In return for this assistance, American Cobalt allocated 1,000,000 of these shares to these individuals.

During the year ended December 31, 2018, the Company's CFO purchased a total of 250,000 shares for \$41,713 with \$25,000 debt settled for 100,000 shares. During the year ended December 31, 2018, two of the Company's directors purchased a total of 500,000 shares for proceeds of \$12,688 and a former director purchased 100,000 shares for \$2,639.

During the year ended December 31, 2018, the Company paid \$6,457 to a law firm in which a former Company director is a partner. At December 31, 2019, \$150,000 is owed to this firm (December 31, 2018 - \$200,000) and is included in accounts payable.

On September 18, 2018, the Company issued a total of 300,000 stock options to a director and two former directors of GoldTrain. The 100,000 options issued to the company director (now a former director) had a value of \$18,000, calculated using the Black-Scholes option pricing model.

CRITICAL JUDGMENTS AND ACCOUNTING ESTIMATES

Measurement Uncertainty

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of the accounting policies to financial information presented. Actual results may differ from the estimates, assumptions and judgments made. Estimates and underlying assumptions are reviewed on an ongoing basis. Changes made to estimates are reflected in the period the changes are made.

The key sources of estimation uncertainty that have a significant risk of causing material adjustment to the amounts recognized in the consolidated financial statements are:

Income, value added, withholding and other taxes

The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

Share-based payments

Management determines costs for share-based payments using market-based valuation techniques. The fair value of the market-based and performance-based share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors and corporate performance. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

Significant accounting judgments

The critical judgments that the Company's management has made in the process of applying the Company's accounting policies, apart from those involving estimations that have the most significant effect on the amounts recognized in the Company's financial statements, are related to the functional currency assessment, related parties, the provision for reclamation and obligation, when and if deferred taxes are recoverable and the assumption that the Company will continue as a going concern.

The Company made a determination that its functional currency and that of its subsidiaries is the Canadian dollar. Management considered all of the relevant primary and secondary factors in making this determination.

New accounting standards and future accounting changes

Effective January 1, 2019, the Company adopted IFRS 16, Leases, which resulted in changes in accounting policy as described below. In accordance with the transitional provision in the standard, the Company adopted this standard retrospectively without restating comparatives, with the cumulative impact adjusted in the opening balances as at January 1, 2019. IFRS 16 – Leases ("IFRS 16") was issued in January 2016 and replaces IAS 17 – Leases, as well as some lease related interpretations. With certain exceptions for leases under twelve months in length or for assets of low value, IFRS 16 states that upon lease commencement a lessee recognizes a right-of-use asset and a lease liability. The right-of-use asset is initially measured at the amount of the liability plus any initial direct costs. After lease commencement, the right-of-use asset is measured at cost less accumulated depreciation and accumulated impairment. Effective January 1, 2019, the Company adopted IFRS 16 retrospectively from January 1, 2019 but has not restated comparatives for the 2018 reporting period, as permitted under the specific transitional provisions in the standard.

For contracts entered into before January 1, 2019, the Company determined whether the arrangement contained a lease under IAS 17 Leases ("IAS 17") and its interpretive guidance. Prior to the adoption of IFRS 16, these leases were classified as operating or finance leases based on an assessment of whether the lease transferred significantly all the risks and rewards of ownership of the underlying asset.

Upon transition to the new standard, lease liability was measured at the present value of the remaining lease payments discounted by the Company's incremental borrowing rate as at January 1, 2019. Right-of-use assets and lease liabilities were recognized on the consolidated statement of financial position.

At transition, lease liability of \$38,181 and right-of-use asset of \$38,181 were recognized in the consolidated statement of financial position. For contracts entered into subsequent to January 1, 2019, at inception of the contract, the Company assesses whether a contract is, or contains, a lease by evaluating if the contract conveys the right to control the use of an identified asset. For contracts that contain a lease, the Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted by any initial direct costs, and costs to dismantle and remove the underlying asset less any lease incentives. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the underlying asset or the end of the lease term. Under IFRS 16, right-of-use assets are tested for impairment in accordance with IAS 36 Impairment of Assets. This replaced the previous requirement to recognize a provision for onerous lease contracts.

The lease liability is initially measured at the present value of lease payments to be paid subsequent to the commencement date of the lease, discounted either at the interest rate implicit in the lease or the Company's incremental borrowing rate. The lease payments measured in the initial lease liability include payments for an optional renewal period, if any, if the Company is reasonably certain that it will exercise a renewal extension option. The liability is measured at amortized cost using the effective interest method and will be remeasured when there is a change in either the future lease payments or assessment of whether an extension or other option will be exercised. The lease liability is subsequently adjusted for lease payments and interest on the obligation. Interest expense on the lease obligation is included in the consolidated statements of loss and comprehensive loss.

The Company has elected not to recognize right-of-use assets and lease liabilities for leases with a lease term of less than 12 months and low value assets and recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term, as permitted by IFRS 16.

The Company reports its right-of-use asset on the consolidated statement of financial position. The tables in Note 17 of the financial statements show the continuity schedules of the lease liability and the right-of-use asset.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Set out below is a comparison, by category, of the carrying amounts and fair values of all of the Company's financial instruments that are carried in the financial statements and how the fair value of financial instruments is measured.

Fair values

Fair value represents the price at which a financial instrument could be exchanged in an orderly market, in an arm's length transaction between knowledgeable and willing parties who are under no compulsion to act.

The Company classifies the fair value of the financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument.

The following table provides an analysis of the financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in the active market for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. prices) or indirectly (derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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As at December 31, 2019 and December 31, 2018, the Company did not have any financial instruments measured at fair value.

Categories of Financial Instruments	December 31, 2019	December 31, 2018
Financial Assets—amortized cost		
Cash	\$ 11,936	\$ 19,375
Accounts receivable and prepaids	128,367	62,098
Long-term prepaid	34,167	---
Financial Liabilities—amortized cost		
Accounts payable and accrued liabilities	\$777,864	\$ 554,982
Advances payable	113,595	154,557

The fair values of all the Company's financial instruments approximate the carrying value due to the short-term nature of the financial instruments. The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (currency fluctuations, interest rates and commodity prices). The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

Credit Risk

Credit risk is the risk of a financial loss to the Company if a customer is unable to meet its contractual obligations and arises principally from the Company's accounts receivable. The Company's cash is held with Canadian chartered banks.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company has established a standard of ensuring that it has enough resources available to withstand any downturn in the industry. As the Company's industry is very capital intensive, the majority of its spending is related to its capital programs. The Company prepares periodic capital expenditure budgets, which are regularly monitored and updated as considered necessary. Further, the Company utilizes authorizations for expenditures on both operated and non-operated projects to further manage capital expenditures. The Company's goal is to prudently spend its capital while maintaining its credit reputation amongst its suppliers. The Company also mitigates liquidity risk by maintaining an insurance program to minimize exposure to insurable losses.

Market Risk

Market risk is the risk that changes in interest rates, foreign exchange rates and commodity and equity prices will affect the Company's net earnings or the value of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable limits, while maximizing returns.

Interest rate risk

The Company has cash balances and no interest-bearing debt. The Company's current policy is to invest excess cash in certificates of deposit issued by a Canadian chartered bank with which it keeps its bank accounts. The Company periodically monitors the investments it makes and is satisfied with the creditworthiness of the Canadian chartered bank.

Foreign exchange risk

The Company engages in transactions and activities in currencies other than its reported currency. The Company's exploration activities are in the United States of America. Ongoing exploration expenses, assets and liabilities are exposed to foreign exchange fluctuations. The Company's expenses are primarily transacted in US dollars.

Commodity and equity risk

The Company is exposed to price risk with respect to commodity and equity prices. Commodity price risk is the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. Equity price risk is the potential adverse impact on the Company's comprehensive earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company. Commodity price risk could adversely affect the Company. In particular, the Company's future profitability and viability of development depend upon the world market price of certain precious and base metals. Precious and base metals have fluctuated widely in recent years. There is no assurance that, even if commercial quantities of precious and base metals are produced in the future, a profitable market will exist for them.

CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard its ability to continue as a going concern, so that it can continue to provide returns to shareholders and benefits for other stakeholders. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying natural resource properties. The Company's objective is met by retaining adequate equity to guard against the possibility that cash flows from assets will not be sufficient to meet future cash flow requirements. The Company considers its capital structure to include cash and working capital. In order to maintain or adjust the capital structure, the Company may from time to time issue shares and adjust its capital spending to manage current and projected debt levels. To assess capital and operating efficiency and financial strength, the Company continually monitors its net cash and working capital.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

OUTSTANDING SHARE DATA

As of the date of this MD&A, the Company had 48,784,863 issued and outstanding common shares.

Warrants Outstanding

At December 31, 2019, there were 9,683,928 warrants outstanding, with each warrant entitling the holder to acquire one common share of the company at the prices noted below:

Number	Exercise Price	Expiry Date
1,678,610	\$0.20	May 17, 2022
500,000	\$0.50	September 18, 2023
3,048,818	\$0.15	May 17, 2024
1,631,000	\$0.15	June 7, 2024
2,825,500	\$0.15	August 27, 2024
9,683,928	\$0.18	

On September 18, 2018, the Company issued a total of 500,000 warrants to a director of the Company as compensation for past services. These warrants have a five-year life, an exercise price of \$0.50 and vest immediately.

On May 17, 2019, the Company closed the first tranche of a private placement offering and debt settlement, issuing 4,719,428 units at a price of \$0.10 per unit, with each unit consisting of one common share and one common share purchase warrant entitling the holder to acquire one common share at a

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price of \$0.20 for a period of 36 months. The Company also issued 8,000 finders' warrants with the same terms as those forming part of the units.

On June 7, 2019, the Company closed the second and final tranche of a financing and debt settlement, issuing 1,615,000 units at a price of \$0.10 per unit and for gross proceeds of \$161,500. Each unit consists of one common share and one common share purchase warrant entitling the holder to acquire one common share at a price of \$0.20 for a period of 36 months. In relation to this closing, the company issued 16,000 finders' warrants have the same terms as those forming part of the units.

On August 27, 2019, the Company reported the closing of a non-brokered private placement and debt settlement totaling \$215,000 priced at \$0.08 per unit, resulting in the issuance of 2,687,500 units. Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one additional common share at a price of \$0.15 for a period of 60 months from date of the issue. The Company issued 138,000 finders' warrants with the same terms as those forming part of the units.

In November 2019, 4,679,818 of the warrants issued in the May and June financings were amended to conform with the terms of the August 27, 2019 financing. The terms of the warrants were changed such that each warrant entitles the holder to purchase one additional common share at a price of \$0.15 for a period of 60 months from date of the issue.

Stock Options Outstanding

Champion established a stock option plan which provides for granting of incentive stock options up to a maximum of 10% of the Company's issued and outstanding common shares. Terms of the options granted are subject to the determination and approval by the Board of Directors. All options granted are subject to a four-month hold period from the date of grant as required by the Canadian Securities Exchange.

	Number of stock options outstanding	Weighted average exercise price	Weighted average remaining contractual life (years)
Balance, December 31, 2017	---	---	---
Granted	300,000	\$ 0.24	3.72
Balance, December 31, 2018	300,000	\$ 0.24	3.72
Granted	4,575,000	\$ 0.10	4.87
Balance, December 31, 2019	4,875,000	\$ 0.11	4.80
Exercisable, December 31, 2019	4,200,000	\$ 0.11	4.80

On September 18, 2018, the Company issued a total of 300,000 stock options to a director and two former directors of GoldTrain. These options have a five-year life, an exercise price of \$0.24 and vest immediately. The \$54,000 value of these options was calculated using the Black-Scholes option pricing model under the following weighted average assumptions: share price – \$0.24; risk free rate of return – 2.28% expected volatility – 100%; expected life – 5 years; expected dividend yield – 0%. The Company recognized stock-based compensation expense of \$54,000 during 2018 in relation to the vesting of these options.

On November 12, 2019, the Company issued a total of 4,575,000 stock options to directors, officers, employees and consultants. Of this total, 2,225,000 stock options were granted to directors and officers (see Note 13). These options have a five-year life, and an exercise price of \$0.10. Of these, 3,675,000 stock options vested immediately with the remaining 900,000 stock options vesting 25% immediately and the balance vesting 25% quarterly. The \$146,400 value of these options was calculated using the Black-Scholes option pricing model under the following weighted average assumptions: share price – \$0.05; risk free rate of return – 1.57% expected volatility – 100%; expected life – 5 years; expected dividend yield – 0%.

The Company recognized share-based compensation expense of \$128,635 during 2019 in relation to the vesting of these options. The \$17,765 balance will vest during the 2020 fiscal year.

MANAGEMENT'S RESPONSIBILITY

Management is responsible for all information contained in this report. The audited consolidated financial statements for the years ended December 31, 2019 and December 31, 2018 have been prepared in accordance with IFRS and include amounts based on management's informed judgments and estimates.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

Management has established processes to provide them sufficient knowledge to support representations that they have exercised reasonable diligence that (i) the audited consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the audited consolidated financial statements; and (ii) the audited financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented. In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings (NI 52-109), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

- i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

RISKS AND UNCERTAINTIES

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Only investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment should undertake such investment. Prospective investors should carefully consider the risk and uncertainties that have affected, and which in the future are reasonably expected to affect, the Company and its financial position.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this discussion, including information as to future activities, events and financial or operating performance of the Company and its projects, constitute forward-looking statements. Such forward-looking statements involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated activities, events or results implied or expressed in such forward-looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company, are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies.

Generally, forward-looking information can be identified by the use of forward-looking terminology such as

“plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, “believes”, or variations of such words and phrases. Forward-looking information may also be identified in statements where certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved”.

Forward-looking information is based on the 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.

Many factors could cause actual activities and events and the Company’s actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, the Company. These include metal prices, exploitation and exploration successes, continued availability of capital and financing and general economic, market or business conditions.

These forward-looking statements are made as of the date hereof and the Company disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise. Investors are cautioned that forward-looking statements are not guarantees of future performance and accordingly investors are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein.

Approval

The Board of Directors has approved the financial statements on the recommendation of the Audit Committee.

May 14, 2020