



Cabral Gold

Cabral Gold Inc.

(An Exploration Stage Company)

Interim MD&A – Quarterly Highlights

For the three months ended September 30, 2019

Dated: November 26, 2019

Cabral Gold Inc.

Interim MD&A – Quarterly Highlights
For the nine months ended September 30, 2019

Interim MD&A – Quarterly Highlights

The following Interim MD&A – Quarterly Highlights (“MD&A”) of Cabral Gold Inc. (“Cabral” or the “Company”) has been prepared as at November 26, 2019. It is intended to be read in conjunction with the condensed interim consolidated financial statements of the Company for the nine months ended September 30, 2019.

This Interim MD&A – Quarterly Highlights has been compiled in accordance with Section 2.2.1 of Form 51-102F1 - *Management’s Discussion & Analysis*.

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

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

Dr. Adrian McArthur, B.Sc. Hons, PhD. FAusIMM., a consultant to the Company as well as a Qualified Person as defined by National Instrument 43-101 (“NI 43-101”), approved the technical information in this MD&A.

Overview

The Company is a mineral exploration and development company with interests in gold projects in the state of Pará in northern Brazil. Cabral’s primary project is Cuiú Cuiú.

The Company holds its interest in Cuiú Cuiú through Magellan Minerais Prospecção Geológica Ltda. (“Magellan Brazil”). Magellan Brazil is a wholly owned subsidiary of Cabral Gold Ltd. (“CGL”) which in turn is a wholly owned subsidiary of the Company.

Highlights

The three months ended September 30, 2019 and the period ended November 26, 2019 were highlighted by the following activities and initiatives:

Finance

- The balance of cash and cash equivalents as at September 30, 2019 was \$1,973,465 and the net balance of working capital as at this date was \$1,770,362
- In July 2019, the Company announced that it had closed a non-brokered private placement financing comprising the issuance of 22,796,832 units at a price of \$0.15 per Unit for gross proceeds of \$3,419,525 (see ‘Liquidity and going concern’)

Exploration and evaluation

- In September 2019, the Company announced the initiation of a second diamond drill program at Cuiú Cuiú which followed from the initial 2,511 metre diamond drill program undertaken in early 2019
- A program of soil sampling was initiated at the Cilmar target area in the north-east part of Cuiú Cuiú

- A mechanized auger drilling rig was purchased in order to significantly increase the speed of the auger drilling program at Cuiú Cuiú.

Cuiú Cuiú

The Company's primary project is Cuiú Cuiú.

Work programs

The Company pursued a program of exploration of the Cuiú Cuiú property through mid-2019 which consisted of the following:

- An aggressive program of soil sampling, surface channel and rock chip sampling, surface trenching and auger drilling commenced in early 2018. The auger drilling was directed to a number of high priority targets on the property which were considered to have significant potential for additional discoveries
- A subsequent program of infill auger drilling to refine the drill targets continued through March 2019
- The infill auger drilling was conducted in parallel with an initial reconnaissance diamond drill program which commenced in January 2019 and was completed in May 2019.

The objective of the initial reconnaissance diamond drill program at Cuiú Cuiú was to test several high priority targets which had been defined on the basis of a previous airborne magnetic survey and soil and auger drill samples and which had returned high-grade gold values on surface during the 2018 exploration program. The program was initially directed towards drill testing nine different high-grade targets and completing 2,400 metres of drilling and twenty holes. Eighteen diamond drill holes were actually completed totalling 2,511 metres over ten different targets, eight of which had never been previously drill tested.

A second diamond drill program commenced in late September 2019 and continued through November 2019. The objective of the second diamond drill program, unlike the initial drill program described above, was to further define the high-grade zones that are evident on the project. The second drill program will further define the recently discovered Machichie zone at Cuiú Cuiú and re-evaluate historic high-grade results at MG and Central that were drilled by the previous owner of the project. These previous drill programs at MG and Central were designed to identify bulk tonnage ore deposits amenable to large-scale open-pit exploitation; as a result, very little of the historic drilling on the project was directed towards following up the many higher-grade intervals encountered in those programs.

Cabral is focussed on defining these higher-grade zones and is in the process of re-evaluating historic high-grade results at MG and Central to examine the potential to exploit high-grade in-pit and underground mineralization that may be economically viable.

In order to do so, the first step is to establish the continuity of historic high-grade results, which were severely and adversely impacted by top-end cutting in the most recent resource estimate announced in June 2018. Historic drill spacings were too broad to allow for separate high-grade domains to be wire-framed.

Drill results from five initial drill holes were announced in early November and included the following significant results:

Moreira Gomes (MG) target: Drill hole **CC199-19** (553699E, 9343031N, Dip/Az: -50/180, end of hole ("EOH"): 166.7m): 144m) was the first of five holes drilled at the MG target that were designed to test a structurally complex area where historic drilling previously encountered high-grades (e.g. CC104-10 which cut 0.5m @ 264.9 g/t gold, CC69-10 which cut 0.5m @ 154.5 g/t gold and CC101-10 which cut 0.8m @ 20.6g/t gold). CC199-19 returned 16.9m @ 9.6 g/t gold from 82.6m including 7.6m @ 18.5 g/t gold from 91.9m. The result confirmed the potential for infill drilling to better define and extend the high-grade trends

Machichie target: Drill hole **CC196-19** (553057E, 9343478N, Dip/Az: -49/000, EOH: 81m) returned 2.0m @ 5.9 g/t gold from 58.0m including 0.5m @ 20.1g/t gold from 58.5m

Reporting of results for the final holes at MG is anticipated in December. Cutting and sample dispatch is concluding for the holes at Central, with results anticipated in January.

In addition to the diamond drill program, the Company initiated a program of soil sampling in the north-eastern part of the Cuiú Cuiú project in Q3 2019 which is aimed at identifying the source of abundant placer gold and in particular, a coarse gold nugget population produced from streams. This area, referred to as the Cilmar target, is approximately 4,700 hectares and is located ten kilometres east of the Central target and seven kilometres northeast of the MG target. The area has not been previously explored. Approximately 1,300 soil samples have been collected to date from two areas at Cilmar.

The Company purchased a mechanized auger drilling rig in late Q3 2019 to complete deeper holes up to 30m depth in areas of post-mineral cover at the Cilmar target and elsewhere at Cuiú Cuiú. The rig is expected to arrive on site in Q4 2019 and should significantly increase the speed and reduce the cost of the auger drilling program.

Camp construction

During 2018 through Q3 2019, the Company re-established and updated its camp at Cuiú Cuiú including the following:

- Partial construction of a new core shed with laboratory, sample storage and core cutting facility. Completion is expected in Q4 2019
- Partial construction of living quarters for 26 employees including kitchen, office space and bathroom and laundry facilities. Completion of staff housing construction has been deferred to enable funds to be directed to the exploration programs; housing at Cuiú Cuiú will therefore continue to be rented from third parties
- Purchase of three trucks and four ATVs and delivery to Cuiú Cuiú for use by the Company's exploration staff and consultants.

Permitting process

Completion of third party studies relating to the permitting process is expected in Q3 2020 with submission of same to the applicable Brazilian Environmental authorities shortly thereafter. Management has decided to defer certain elements of the studies so that funds may be directed to exploration programs. Further deferrals, including beyond the currently expected Q3 2020 filing date, are being considered by management.

Direct permitting costs (relating primarily to third party studies) incurred in the nine months ended September 30, 2019 amounted to \$40,021 (\$457,606 in the year ended December 31, 2018).

Outlook

Follow-up programs of rock chip and channel sampling will continue at Machichie, as well as several other targets on the property in an effort to determine the strike extent of this discovery and other high-grade zones. As outlined above, new auger and soil sample grids are being established in previously untested areas in the Cilmar area in the northeast portion of the property.

As at November 26, 2019, diamond drilling and shallow auger drilling as well as soil sampling and surface channel sampling was ongoing on the property and expected to continue into December. Specific exploration activity includes the following:

- Ongoing soil sampling and auger drilling focussed initially in the Cilmar area
- Reconnaissance soil sampling and auger drilling within the Tocantinzinho structural corridor, a prominent regional structure hosting the Tocantinzinho gold resource of Eldorado Gold Ltd. which is located along strike to the southeast
- Continuation of third party studies relating to the permitting process. Applicable studies are on target to be submitted to the Brazilian Environmental authorities in Q3 2020, however, management is considering deferring the completion and submission of these studies. Estimated direct environmental permitting costs still to be incurred totalled approximately \$367,000 as at September 30, 2019 (see 'Contractual commitments')
- Initiation of a new diamond drill program in 2020 focussed on infill and extensional drilling of the Machichie and Machichie East targets, infill drilling to better define high-grade trends within the Central and MG resources areas and extensional drilling along newly confirmed structural trends emerging from the current program which will be aimed at defining a high-grade resource
- Completion of the core shed and living quarters at the new camp as described above.

Selected financial information

A summary of annual results in respect of the five quarters ended September 30, 2019 is as follows. This summary information has been derived from the audited consolidated financial statements and condensed interim consolidated financial statements (unaudited) of the Company.

Statements of loss

	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019
Revenue			-	-	-
Exploration and evaluation	727,053	605,200	918,719	511,988	614,432
Administration:					
Office and administration	53,533	123,300	65,356	105,821	122,165
Stock-based compensation	17,415	17,415	138,928	73,394	117,317
Management	81,682	84,622	91,652	90,958	93,094
Depreciation	19,544	21,064	23,592	25,580	25,819
Travel	11,254	32,532	24,173	17,510	11,404
Professional fees	63,192	23,228	13,516	26,997	11,402
Listing expense	1,048	2,414	5,675	6,358	2,746
	247,668	304,575	362,892	346,618	383,947
Foreign exchange loss (gain)	6,203	2,770	4,869	3,411	3,229
Interest income	(8,562)	1,646	(2,500)	(3,093)	(8,020)
Gain on disposal of PGM	(42,696)	(7,267)	(5,049)	-	151
Gain on tax restructuring	(41,327)	2,771	-	-	-
Interest and financing charges	(148)	(7)	-	-	-
Adjustment to provisions	(16,832)	(47,463)	-	-	-
Net loss	871,359	862,225	1,278,931	858,924	993,739

- Exploration and evaluation: An initial diamond drill program commenced in early 2019 and a second program commenced late in Q3 2019 (see 'Cuiú Cuiú – Work programs' and 'Exploration and evaluation')
- Office and administration relates to the costs of operating the Company's Vancouver office. The higher amounts in each of Q4 2018, Q2 2019 and Q3 2019 relate to various marketing initiatives including attendance at conferences. A significant component of the Q2 and Q3 2019 marketing initiatives were directed to the non-brokered private placement that closed in July 2019

- Stock-based compensation relates to the issuance of three tranches of stock options and RSUs granted in Q3 2019:
 - June 2018: 450,000 stock options having an exercise price of \$0.23 and vesting over two years
 - January 2019: 1,644,672 stock options having an exercise price of \$0.25 and vesting over two years
 - September 2019: 266,666 RSUs issued vesting over three years
 - September 2019: 2,575,000 stock options having an exercise price of \$0.15 and vesting over two years
- Management costs relate to compensation of the Company’s officers (Executive Chairman, President and CEO and CFO). These amounts exclude stock-based compensation
- Professional fees relate to audit fees, legal fees and certain advisory fees relating to the provision of marketing services
- Travel costs relate to attendance at conferences, other marketing activities and travel to Brazil.

Exploration and evaluation

A summary of Q1, Q2 and Q3 2019 exploration and evaluation expenditures including indicative allocations of payroll, field (camp) costs and costs of freight and travel to drilling activity is as follows.

	Q1 2019	Q2 2019	Q3 2019
Drilling, Cuiú Cuiú:			
Drill contactor	375,931	101,384	91,703
Payroll	158,475	78,736	29,180
Freight and travel	49,466	16,394	13,966
Consulting, third parties	25,545	17,576	13,941
Field costs	77,056	25,580	13,364
Assay	15,376	12,473	-
	701,849	252,143	162,154
Other, Cuiú Cuiú:			
Payroll	69,435	128,492	197,521
Field costs	67,807	61,441	113,951
Consulting, third parties	8,515	5,858	40,063
Freight and travel	9,436	15,796	39,336
Assay	5,145	5,210	22,579
	160,338	216,797	413,450
Logistical support	47,257	39,234	39,066
Poconé (net)	9,275	3,814	(238)
	918,719	511,988	614,432

Statements of financial position

	30-Sep-18	31-Dec-18	31-Mar-19	30-Jun-19	30-Sep-19
Cash and cash equivalents	880,893	1,684,630	554,655	138,230	1,973,465
Other current assets	170,035	109,191	148,632	176,939	168,797
Fixed assets	890,841	968,382	966,221	951,851	914,605
Mineral properties	1,293,693	1,373,387	1,460,518	1,504,469	1,498,392
<i>Total assets</i>	<i>3,235,462</i>	<i>4,135,590</i>	<i>3,130,026</i>	<i>2,771,489</i>	<i>4,555,259</i>
Accounts payable and accrued liabilities	269,631	197,186	380,663	418,683	364,697
Other liabilities and provisions	67,294	4,053	3,229	3,084	7,203
Long-term liabilities	5,671	-	-	-	-
<i>Total liabilities</i>	<i>342,596</i>	<i>201,239</i>	<i>383,892</i>	<i>421,767</i>	<i>371,900</i>
Share capital	7,007,824	8,690,737	8,689,557	8,689,557	11,866,177
Reserves	1,460,635	1,543,930	1,682,858	1,756,252	1,933,742
Subscription receipts	-	-	-	404,000	-
Other comprehensive income	(324,065)	(186,563)	(233,597)	(248,479)	(371,213)
Accumulated deficit	(5,251,528)	(6,113,753)	(7,392,684)	(8,251,608)	(9,245,347)
<i>Total equity</i>	<i>2,892,866</i>	<i>3,934,351</i>	<i>2,746,134</i>	<i>2,349,722</i>	<i>4,183,359</i>
	-	-	-	-	-

- Fixed assets relate primarily to a 30 hectare plot of land in Cuiú Cuiú that was purchased by Magellan Brazil in early 2016 prior to its acquisition by Cabral. Movements in the period under consideration relate primarily to camp construction, purchase of vehicles and miscellaneous other capital purchases relating to the establishment of the exploration camp at Cuiú Cuiú offset by depreciation expense and the impact of the general deterioration in the value of the Brazilian reais relative to the Canadian dollar
- The balance of mineral properties relates to capitalised acquisition and claim maintenance costs. Increases relate to claim maintenance expenditures comprising payments to both the Brazilian authorities (Q1 and Q3) and members of the Cuiú Cuiú garimpiero condominium (Q2). As is the case with fixed assets, increases are offset by decreases associated with the general deterioration in the value of the Brazilian reais. With the exception of \$116,170, the September 30, 2019 balance related entirely to Cuiú Cuiú
- Accounts payable and accrued liabilities:
 - The decline in the December 31, 2018 balance was attributable to the holiday shut-down of the Cuiú Cuiú camp prior to which much of the applicable liabilities (camp costs, payroll and related charges, freight and travel, etc.) were settled
 - The increase in the March 31, 2019 balance was attributable to the initiation of the drill program in January 2019. Liabilities associated with direct drilling and assay costs as at this date totalled \$108,102; in addition, liabilities associated with incremental support costs (such as camp costs, fuel, freight and travel, etc.) associated with the drill program were also higher
 - The increase in the June 30, 2019 balance was attributable to increases in amounts due to management (unreimbursed expenditures and unpaid remuneration); these increases were offset by reductions in liabilities associated with the drill program which was completed in Q2 2019
 - As was the case as at March 31, 2019, the relatively high September 30, 2019 balance was attributable to the initiation of the second drill program. The balance also included statutory Brazilian payroll liabilities and related taxes that increase during the year and are then settled in Q4
- Other liabilities and provisions relate to management's best estimate of expenditures required to settle present contingent obligations relating to various legal, tax and regulatory matters that the Company is subject to. The decline in Q4 2018 was attributable to litigation initiated by three former employees of Magellan Brazil in 2017 that was successfully resolved in 2018 at a cost that was significantly less than the original provision established in 2017

- The increases in share capital in Q4 2018 and Q3 2019 relate to the \$1,862,500 and \$3,419,525 private placements that closed in November 2018 and July 2019, respectively.

Liquidity and going concern

As at September 30, 2019, the Company had a cash balance of \$1,973,465, and a net working capital balance of \$1,770,362.

July 2019 private placement

On July 25, 2019, the Company closed a private placement financing pursuant to which a total of 22,796,832 units (“Units”) were issued at a price of \$0.15 per Unit, for gross proceeds of \$3,419,525. Each Unit is comprised of one common share of the Company and one common share purchase warrant. Each common share purchase warrant (“Warrant”) entitles the holder to acquire one common share at a purchase price of \$0.20 for a period of 12 months following closing of the private placement.

Officers and directors of Cabral and their spouses subscribed for a total of 1,966,667 Units for gross proceeds of \$345,000 representing 10.1% of the total raised.

Total finder’s fees paid to third parties in connection with the financing amounted to \$145,581, equivalent to 7% of the applicable proceeds raised. In addition, 970,358 share purchase warrants were issued to finders, equivalent to 7% of the number of applicable Units. Each such warrant entitles the holder to purchase one common share of the Company at a purchase price of \$0.20 for a period of 12 months following closing of the private placement.

Going concern

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

As at November 26, 2019, the Company did not have sufficient working capital to meet its planned exploration objectives and property obligations beyond the second quarter of 2020.

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

In addition, the recoverability of the amounts shown as non-current assets is dependent upon the Company achieving its operational targets, the ability of the Company to obtain financing to maintain properties in good standing, the ability of the Company to obtain financing to continue exploration of the properties, or alternatively, upon the Company’s ability to recover its incurred costs through a disposition of its interests, all of which are uncertain.

The financial statements for the nine months ended September 30, 2019 do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption deemed to be inappropriate. These adjustments could be material.

Operating activities

Cash used in operating activities in the nine months ended September 30, 2019 amounted to \$2,625,406 as follows:

- The net loss for the period of \$3,131,594
- Non-cash expense items totalling \$410,459 including stock-based compensation and depreciation expense
- Net reduction in non-cash working capital items of \$95,729 primarily as a result of increased liabilities due to the drill program and accrued Brazilian payroll obligations.

Investing activities

Cash used in investing activities in the nine months ended September 30, 2019 amounted to \$318,213 as follows:

- Additions to mineral properties of \$206,968 relating to capitalised mineral claim maintenance costs (primarily the annual payment to the Cuiú Cuiú garimpiero condominium and the January and July statutory property payments to the Brazilian authorities)
- Additions to fixed assets of \$111,245 relating to construction of camp buildings and purchase of exploration equipment at Cuiú Cuiú (including an auger drill rig that was purchased in late Q3 2019).

Financing activities

Cash provided by financing activities in the nine months ended September 30, 2019 amounted to \$3,235,613 and related to the non-brokered private placement that closed in July 2019.

Dividends

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

Contractual commitments

The Company had no significant medium- or long-term contractual commitments in place as at September 30, 2019 or November 26, 2019 beyond its stated liabilities and the following:

- Magellan Brazil entered into an agreement in January 2018 with Terra Ambiente Ltda–ME relating to the provision of the EIA-RIMA environmental study; the agreement was subsequently amended. As at September 30, 2019, approximately R\$ 748,000 (\$238,000) of the contract (as amended) was outstanding
- Magellan Brazil entered into an agreement in April 2018 with Senior Geologia e Mineracao Ltda relating to two tailings dam studies; the agreement was subsequently amended. As at September 30, 2019, approximately R\$ 157,000 (\$50,000) of the contract (as amended) was outstanding
- Magellan Brazil entered into an agreement in April 2018 with Hidrovia Hidrogeologia e Meio Ambiente Ltda relating to the hydrogeological study ; the agreement was subsequently amended. As at September 30, 2019, approximately R\$ 247,000 (\$78,000) of the contract (as amended) was outstanding
- The surface access agreement with the Cuiú Cuiú garimpieros pursuant to which R\$ 255,000 (approximately \$90,000) was paid to the garimpieros in Q2 2019 in connection with the surface access fee in respect of the year ended March 2020. As at November 26, 2019, all but \$15,144 had been paid
- The Company is committed to sharing in net costs and commitments associated with the Poconé venture including its share of any losses relating to current litigation against PGM and a venture partner.

Transactions with related parties

The Company incurred the following costs of management remuneration:

	9 months ended		Year ended
	Sept. 30, 2019		Dec. 31, 2018
Management:			
Employment and consulting remuneration	\$ 255,000	\$	292,500
Payroll related costs	16,636		18,532
Stock-based compensation	178,748		52,380
Consulting fees (1)	-		28,000
	<u>450,384</u>		<u>391,412</u>
Directors (excluding management):			
Stock-based compensation	69,106		-
	<u>69,106</u>		<u>-</u>
	<u>\$ 519,490</u>	<u>\$</u>	<u>391,412</u>

- (1) 2018 consulting fees relate to \$28,000 paid to a company controlled by an individual who joined the Company's Board of Directors as Executive Chairman in May 2018 in respect of advisory services provided during the period February through April 2018, inclusive

Management comprises the Company's Executive Chairman, President and Chief Executive Officer and Chief Financial Officer.

As at September 30, 2019, the Company owed a total of \$15,273 to management in connection with unreimbursed expenditures incurred on behalf of the Company. Virtually all of this balance was paid by November 2019. Amounts owing to management are non-interest bearing, unsecured and have no set terms of repayment.

Officers and directors of Cabral and their spouses subscribed for a total of 1,966,667 Units in the July 2019 private placement for gross proceeds of \$345,000 representing 10.1% of the total gross proceeds raised.

Outstanding share data

The Company has authorized capital of an unlimited number of common shares with no par value.

The Company had the following common shares, unit and share purchase warrants, stock options and RSUs outstanding as at September 30, 2019 and November 26, 2019:

	Sept. 30, 2019	Nov. 26, 2019
Issued and outstanding common shares	61,659,250	61,659,250
Fully diluted	96,462,006	92,130,199
Unit purchase warrants:		
October 30, 2019 (\$0.60)	400,878	-
Share purchase warrants:		
October 30, 2019 (\$0.333)	264,826	-
October 30, 2019 (\$0.90)	3,465,664	-
July 25, 2020 (\$0.20)	22,796,832	22,796,832
July 25, 2020 (\$0.20)	970,358	970,358
November 28, 2020 (\$0.25)	366,000	366,000
May 26, 2021 (\$0.25)	600,000	600,000
	28,463,680	24,733,190
RSUs	266,666	266,666
Stock options	5,471,093	5,471,093

The Company received approval from disinterested shareholders at its annual general meeting held on June 20, 2019 to establish a Restricted Share Unit Plan (the “RSU Plan”). The RSU Plan provides for the issuance of up to 3,886,000 common shares of the Company, subject to an aggregate maximum of 10% of the issued and outstanding common shares of the Company when combined with common shares issuable under the Company’s Stock Option Plan. Directors, officers, eligible employees and eligible consultants of the Company are eligible to participate in the RSU Plan.

On September 6, 2019, the Company granted a total of 266,666 RSUs to two non-executive directors of the Company. Fifty percent of the RSUs will vest on March 6, 2021 and the remaining 50% will vest on September 6, 2022. The fair value of the RSUs granted was determined based on the Company’s share price on the date of grant being \$0.155.

Cautionary Statement on Forward-Looking Information

This MD&A document contains ‘forward-looking information’ and ‘forward-looking statements’ (together, the “forward-looking statements”) within the meaning of applicable securities laws. Such forward-looking statements concern the Company’s anticipated operations in future periods, planned exploration and development of its properties, and plans related to its business and other matters that may occur in the future. This information relates to analyses and other information that is based on expectations of future performance and planned work programs. These forward-looking statements are made as of November 26, 2019.

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

- Risks related to the exploration and development of natural resource properties

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

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