

**GOLDSEEK RESOURCES INC.  
MANAGEMENT DISCUSSION & ANALYSIS  
FOR THE THREE AND NINE MONTHS ENDED MARCH 31, 2021**

**Introduction**

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The following Management's Discussion & Analysis ("MD&A") of Goldseek Resources Inc. ("Goldseek" or the "Company") for the three and nine months ended March 31, 2021 has been prepared to provide material updates to the business operations, liquidity and capital resources of the Company since its last annual Management's Discussion & Analysis ("Annual MD&A") for the fiscal year ended June 30, 2020. This MD&A does not provide a general update to the Annual MD&A, or reflect any non-material events since the date of the Annual MD&A.

This MD&A has been prepared as of May 31, 2021, in compliance with section 2.2.1 of Form 51-102F1, in accordance with National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the Annual MD&A, audited consolidated financial statements of the Company for the years ended June 30, 2020 and 2019, together with the notes thereto, and unaudited condensed interim consolidated financial statements of the Company for the three and nine months ended March 31, 2021, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The Company's unaudited condensed interim consolidated financial statements and the financial information contained in this MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee. The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors (the "Board"), considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company's common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Further information about the Company and its operations can be obtained from the offices of the Company or from [www.sedar.com](http://www.sedar.com).

**Caution Regarding Forward Looking Statements**

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This MD&A contains forward-looking statements. Forward-looking statements are projections of events, revenues, income, future economic performance or management's plans and objectives for future operations. In some cases, you can identify forward-looking statements by the use of terminology such as "may", "should", "expects", "plans", "anticipates", "believes", "estimates", "predicts", "potential" or "continue" or the negative of these terms or other comparable terminology. Examples of forward-looking statements made in this MD&A include statements about the Company's business plans; the costs and timing of its developments; its future investments and allocation of capital resources; success of acquiring an asset or business; requirements for additional capital. These statements are only predictions and involve known and unknown risks, uncertainties and other factors, including: general economic and business conditions, our lack of operating history; conclusions or economic evaluations; changes in project parameters as plans continue to be refined; failure of any asset or business acquired to operate as anticipated; delays in financing or incompletion of business or asset acquisition, any of which may cause our or our industry's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements.

While these forward-looking statements and any assumptions upon which they are based are made in good faith and reflect our current judgment regarding the direction of the Company's business, actual results will

almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions or other future performance suggested herein. Except as required by applicable law, including the securities laws of Canada, the Company does not intend to update any of the forward-looking statements to conform these statements to actual results.

## Corporate History

The Company was incorporated under the British Columbia Business Corporations Act on September 21, 2018. The principal business of the Company is to explore, evaluate and then acquire mineral properties.

On February 14, 2020, the Company filed a non-offering prospectus and became a reporting issuer in the provinces of British Columbia and Ontario.

The Company's common shares commenced trading on the Canadian Securities Exchange on March 9, 2020 under the stock symbol "GSK".

The principal business office of the Company is located at 1231 Huron Street, London, Ontario Canada, N5Y 4L1.

## Description of Business

The Company is engaged in the acquisition, exploration and development of mineral property interests.

Exploration and evaluation costs incurred during the nine months ended March 31, 2021 were as follows:

	Bonanza Property (\$)	Horizon Property (\$)	Quevillon West Property (\$)	Southern Arm Property (\$)	Val D'Or North Property (\$)	Beschefer Property (\$)	Total (\$)
Balance, June 30, 2020	501,663	272,217	35,647	5,898	Nil	Nil	815,425
Acquisition	Nil	16,200	1,259	2,732	16,890	205,925	243,006
Exploration:							
Camp	62,660	Nil	Nil	900	Nil	Nil	65,560
Consulting	2,500	8,178	500	1,875	9,136	550	22,739
Drilling	309,091	259,685	8,181	51,365	Nil	Nil	628,322
Geochemistry	53,692	464	Nil	650	31,456	Nil	86,262
Surveying and geophysics	133,962	9,581	9,581	750	Nil	Nil	153,874
Tax credits received	(29,260)	Nil	Nil	Nil	Nil	Nil	(29,260)
<b>Balance, March 31, 2021</b>	<b>1,034,308</b>	<b>566,325</b>	<b>55,168</b>	<b>64,170</b>	<b>57,482</b>	<b>206,475</b>	<b>1,983,928</b>

## Bonanza Property

The Bonanza Property is comprised of 92 claims totalling 5,212 hectares. The Bonanza Property is located near the Municipality of Senneterre, in the Province of Québec.

On October 11, 2018, the Company signed a purchase agreement with Delford Investments Inc., Jonathon Deluce, Bradel Properties Ltd. (a shareholder of the Company) and Delinks Holdings Ltd. (a shareholder of the Company) (collectively, the "Bonanza Sellers") to purchase the property, including surface rights, mineral rights and personal property and permits associated with the Bonanza Property. In terms of the agreement, the Company issued 6,000,000 shares to satisfy the acquisition of a 100% interest in the property, subject to NSR. The Bonanza sellers have retained an undivided royalty equal to a 3.0% of the Net Smelter Returns in respect to any production from the Bonanza Property.

## **Horizon Property**

The Horizon Property is comprised of 171 claims totalling 2,421 hectares. The Horizon Property is located roughly 40 kilometres east of Marathon, Ontario and 55 kilometres west of White River, Ontario situated in the Wabikoba Lake area of Ontario.

Under the terms of two option agreements, dated February 22, 2019, Goldseek earned a 100% interest, net of NSR, in the claims by issuing 3,650,000 shares of Company to the vendors. The vendors involved in each option agreement will retain a 3.0% net smelter royalty (the "NSR").

The Company acquired 100% interest in the Horizon North-West property on July 21, 2020. The property is subject to a 3.0% NSR. Pursuant to the definitive agreement, the Company issued 40,000 shares valued at \$16,200. The Company can purchase half of the NSR royalty at any time for \$1,500,000 from the legacy royalty holders.

## **Quevillon West Property**

On May 28, 2020, the Company acquired the Quevillon West Property by direct staking. The Quevillon West Property is comprised of 257 claims totalling 13,591 hectares. The Quevillon West Property is located near the Municipality of Lebel-Sur Quevillon, in the Province of Québec. On June 26, 2020, the Company added an extension to the Quevillon West Property, increasing the total size to 497 claims.

## **Southern Arm Property**

On April 22, 2020, the Company acquired the Southern Arm Property, consisting of 62 claims, by direct staking. On May 26, 2020, the Company acquired additional 8 claims from Midland Exploration Inc. ("Midland"). The agreement for the property acquisition is as follows:

- The 8 claims were acquired through an exchange of properties agreement with Midland whereby the Company exchanged its Quevillon North Property. The Company granted to Midland a 2% NSR on the Property with a 1% buyback option for \$1 million. Midland agreed to assume the 2% NSR payable on the Quevillon North property as described below:
- The Quevillon North property was acquired by the Company on May 12, 2020. Pursuant to a definitive agreement, the Company acquired 100% interest, subject to a 2% NSR, in the Quevillon North property from two vendors which owned the property as to 50% each, and one vendor was a company controlled by the CEO of the Company. The terms of the purchase were as follows:
  - Upon CSE acceptance, pay \$1,000 in cash (paid) and issue 15,000 shares of the (issued with fair value of \$4,500); and
  - The Company can purchase 1% (or 1/2) of the NSR at any time for \$1 million. The royalty was agreed to be assumed by Midland under the terms of the exchange of properties agreement.

The claims comprising the Horizon Property, Bonanza Property, southwest Arms Property and Quevillon West Property are currently in good standing. The Government of Ontario requires expenditures of \$400 per year per single cell mining claim, and \$200 per year per boundary cell claims, prior to expiry, to keep the claims in good standing for the following year. The report must be submitted by the expiry date.

## **Val D'Or North Property**

In November 2020, the Company acquired the Val D'Or North Property, consisting of 143 claims, through direct staking.

## **Beschefer Property**

In March 2021, the Company entered into an option agreement to acquire 100% of the Beschefer Property from Wallbridge Mining Company Limited. Pursuant to the terms of the option agreement, the Company can exercise the option to acquire the property by:

- Incurring \$3,000,000 in exploration expenditures as follows:
  - \$500,000 on or before the first anniversary;
  - \$1,250,000 accumulated total on or before the second anniversary; and
  - \$3,000,000 accumulated total on or before the fourth anniversary.
- Issuing 4,283,672 common shares of the Company as follows:
  - 750,000 common shares following the execution of the agreement (issued);
  - 750,000 common shares on the first anniversary;
  - 750,000 common shares on the second anniversary; and
  - 2,033,672 common shares on the fourth anniversary.

## **Overall Performance**

The Company is an exploration stage issuer engaged in the business of acquisition, exploration and, if warranted, development of mineral properties. As such, the Company has not had any revenues since inception. The Company does not expect to generate any revenues in the foreseeable future. The Company expects to continue to incur expenses as work is performed to explore and develop its mineral property.

The Company is in the process of exploring its mineral properties and has not yet determined whether the mineral property contain reserves that are economically recoverable. The Company's future performance is largely tied to the outcome of future exploration and the overall financial markets.

The recoverability of minerals from the Company's mineral property is dependent upon, among other things, the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to continue to explore and develop its property, and upon future profitable production. Uncertainty in credit markets has led to increased difficulties in raising and borrowing funds. As a result, the Company may have difficulties raising equity financing for the purposes of exploration and development of the Company's mineral property, without diluting the interests of current shareholders of the Company.

## **Results of Operations**

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### **Three months ended March 31, 2021 compared with three months ended March 31, 2020**

The Company's net loss totaled \$259,763 during the three months ended March 31, 2021, with basic and diluted loss per share of \$0.01. This compares with a net loss of \$97,880 with basic and diluted loss per share of \$0.01 for the three months ended March 31, 2020. The increase in net loss was principally due to:

- Investor relations increased to \$31,200 for the three months ended March 31, 2021 (2020 - \$nil) due to increased marketing and investor relations in the current period.
- Share-based payments increased to \$93,359 for the three months ended March 31, 2021 (2020 - \$nil) due to stock options granted during the period. Share-based payments will vary depending on the vesting of stock options granted.

### **Nine months ended March 31, 2021 compared with nine months ended March 31, 2020**

The Company's net loss totaled \$609,666 during the nine months ended March 31, 2021, with basic and diluted loss per share of \$0.02. This compares with a net loss of \$182,314 with basic and diluted loss per share of \$0.01 for the nine months ended March 31, 2020. The increase in net loss was principally due to:

- Consulting increased to \$110,000 for the nine months ended March 31, 2021 (2020 - \$60,000) due to the increased level of operations in the current period.
- General and administrative increased to \$40,598 for the nine months ended March 31, 2021 (2020 - \$8,378) due to increased support costs for the Company in the current period.
- Investor relations increased to \$46,721 for the nine months ended March 31, 2021 (2020 - \$nil) due to increased marketing and investor relations in the current period.
- Share-based payments increased to \$314,827 for the nine months ended March 31, 2021 (2020 - \$19,359) due to the stock options granted during the period. Share-based payments will vary depending on the vesting of stock options granted.

### **Liquidity and Capital Resources**

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As at March 31, 2021, the Company had working capital of \$2,065,446 (June 30, 2020 - \$1,352,069).

On June 12, 2020, the Company issued:

- 2,550,000 Quebec flow through units ("Quebec FT Unit") at a price of \$0.30 per Quebec FT Unit for gross proceeds of \$765,000;
- 70,000 flow through units ("FT Unit") at a price of \$0.27 per FT Unit for gross proceeds of \$18,900; and
- 1,760,000 non flow through units ("Unit") at a price of \$0.25 per Unit for gross proceeds of \$440,000.

Each Quebec FT Unit and FT Unit consisted of one common share and one half warrant exercisable at \$0.50 per share until June 11, 2022. Each Unit is comprised of one common share and one half warrant exercisable at \$0.50 per share until June 11, 2022. The Company incurred a cash share issuance cost of \$69,950 and issued the following broker warrants:

- 169,167 warrants exercisable at \$0.30 per share until 3 years after closing; and
- 67,200 warrants exercisable at \$0.25 per share until 3 years after closing.

On July 3, 2020, the Company issued:

- 1,295,000 Quebec flow-through units ("Quebec FT Unit") at a price of \$0.30 per Quebec FT Unit for gross proceeds of \$388,500;
- 1,365,185 flow-through units ("FT Unit") at a price of \$0.27 per FT Unit for gross proceeds of \$368,600; and
- 1,440,000 non-flow-through units ("Unit") at a price of \$0.25 per Unit for gross proceeds of \$360,000.

Each Quebec FT Unit and FT Unit consisted of one common share and one-half warrant exercisable at \$0.50 per share until July 3, 2022. Each Unit is comprised of one common share and one-half warrant exercisable at \$0.50 per share until July 3, 2022. The Company incurred a cash share issuance cost of \$53,431 and issued the following broker warrants:

- 88,200 warrants exercisable at \$0.30 per share until 3 years after closing;
- 13,300 warrants exercisable at \$0.27 per share until 3 years after closing; and
- 91,000 warrants exercisable at \$0.25 per share until 3 years after closing.

On September 21, 2020, the Company issued 1,000,000 non flow-through units at a price of \$0.37 per unit for gross proceeds of \$370,000. Each unit is comprised of one common share and one warrant exercisable at \$0.57 per share until 3 years after closing.

On November 12, 2020, the Company issued 2,453,378 Quebec flow-through units at a price of \$0.37 per unit for gross proceeds of \$907,750. Each unit is comprised of one common share and one-half warrant exercisable at \$0.60 per share until November 12, 2022. As the estimated price for a non-flow share was \$0.33, the Company recorded a flow-through liability premium of \$98,315 at the time of the financing. The Company incurred a cash share issuance cost of \$62,965 and issued 160,809 broker warrants.

The Company is always assessing its opportunities in this regard and will decide its course of action as its needs arise.

### **Off-Balance Sheet Arrangements**

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The Company did not enter into any off-balance sheet arrangements as at March 31, 2021 or as of the date of this report.

### **Related Party Transactions**

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- (i) During the three and nine months ended March 31, 2021, the Company incurred consulting fees of \$20,000 and \$32,500, respectively (three and nine months ended March 31, 2020 - \$20,000 and \$20,000, respectively) and consulting fees included in exploration and evaluation assets of \$nil and \$17,500, respectively (three and nine months ended March 31, 2020 - \$nil and \$nil, respectively) to a company controlled by the CEO. As at March 31, 2021, \$nil was owed to this company (June 30, 2020 - \$2,260) and this amount was recorded in accounts payable and accrued liabilities.
- (ii) During the three and nine months ended March 31, 2021, the Company incurred consulting fees of \$nil (three and nine months ended March 31, 2020 - \$40,000) to a company controlled by a director.
- (iii) During the three and nine months ended March 31, 2021, the Company paid professional fees and general and administrative of \$8,325 and \$34,616, respectively (three and nine months ended March 31, 2020 - \$nil and \$nil, respectively) to Marrelli Support Services Inc., DSA Corporate Services Inc. and DSA Filing Services Limited, together known as the "Marrelli Group", for Eric Myung, an employee of Marrelli Group, to act as the Chief Financial Officer of the Company, bookkeeping services, regulatory filing services, and corporate secretarial services.

As at March 31, 2021, \$2,853 was owed to the Marrelli Group (June 30, 2020 - \$4,367) and this amount was recorded in accounts payable and accrued liabilities.

- (iv) During the three and nine months ended March 31, 2021, the Company recorded share-based payments of \$nil (three and nine months ended March 31, 2020 - \$nil and \$19,359, respectively) for two of its directors.

### **Proposed Transactions**

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As of the date of this Report, there were no proposed transactions.

## **Commitments**

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In connection with the flow-through share financings in June, July and November 2020, the Company is committed to incur qualifying Canadian Exploration Expenditures (as such term is defined in the Income Tax Act (Canada)) of a total of \$2,429,850 by December 31, 2021. If the Company does not incur the required qualifying expenditures, it will be required to indemnify the holders of the flow-through shares for any tax and other costs payable by them as a result of the Company not making the required expenditures.

As at March 31, 2021, the Company is required to incur approximately \$1,665,000 of the qualifying exploration expenditures by December 31, 2021.

## **Economic Conditions**

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Due to the worldwide COVID-19 pandemic, material uncertainties may arise that could influence management's going concern assumption. Management cannot accurately predict the future impact COVID-19 may have on:

- Global gold prices;
- Demand for gold and the ability to carry out mineral exploration;
- The severity and the length of potential measures taken by governments to manage the spread of the virus, and their effect on labour availability and supply lines;
- Availability of government supplies, such as water and electricity;
- Purchasing power of the Canadian dollar; and
- Ability to obtain funding.

At the date of this MD&A, the Canadian federal government and the provincial government of Ontario and Quebec have not introduced measures that have directly impeded the operational activities of the Company. Management believes the current situation has not impacted management's going concern assumption. However, it is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company in future periods.

## **Risk Factors**

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An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position. Please refer to the section entitled "Risk Factors" in the Company's Annual MD&A for the fiscal year ended June 30, 2020 and filed under the Company's issuer profile on [www.sedar.com](http://www.sedar.com).

## **Additional Information**

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Additional information related to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com).