



# **G2 GOLDFIELDS INC.**

**(Formerly Sandy Lake Gold Inc.)**

**“Interim Management’s Discussion and Analysis –  
Quarterly Highlights”**

## **First Quarter Report 2020**

For the three months ended August 31, 2019

**G2 Goldfields Inc.**  
**(Formerly Sandy Lake Gold Inc.)**  
**Interim Management's Discussion and Analysis – Quarterly Highlights**  
**Three Months Ended August 31, 2019**  
**Dated: October 28, 2019**

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## **Introduction**

The following interim Management's Discussion & Analysis ("Interim MD&A") of G2 Goldfields Inc. ("G2 Goldfields" or the "Company") for the three months ended August 31, 2019 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, being the Management's Discussion & Analysis ("Annual MD&A") for the fiscal year ended May 31, 2019. This Interim 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 Interim MD&A has been prepared 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 Company's Annual MD&A, audited annual financial statements for the years ended May 31, 2019 and May 31, 2018, together with the notes thereto, and unaudited condensed interim financial statements for the three months ended August 31, 2019, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The Company's unaudited condensed interim financial statements and the financial information contained in this Interim 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 financial statements have been prepared in accordance with International Standard 34, Interim Financial Reporting. Accordingly, information contained herein is presented as of October 28, 2019, unless otherwise indicated.

For the purposes of preparing this Interim 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 Sandy Lake 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.

Additional information relating to the Company is available free of charge on the System for Electronic Document Analysis and Retrieval (SEDAR) website at [www.sedar.com](http://www.sedar.com).

## **Description of Business**

The Company was incorporated as 7177411 Canada Corporation on May 21, 2009 under the laws of Canada. The Company is a Canadian based exploration company focused on the acquisition of mineral exploration projects. On April 4, 2019, the Company filed articles of amendment to change its name from "Sandy Lake Gold Inc." to "G2 Goldfields Inc.". The common shares are publicly traded on the TSX Venture Exchange ("TSX-V") under the symbol GTWO.

The head office, principal address, and records office of the Company are located at 141 Adelaide Street West, Suite 1101, Toronto, Ontario, Canada, M5H 3L5.

On August 31, 2019, the Company had a working capital of \$756,899 (May 31, 2019 – a working capital of \$268,877). The Company had accumulated losses of \$33,759,301 (May 31, 2019 - \$33,436,645) and expects to incur further losses in the development of its business.

While the Company has been successful in securing financing to support past business activities, there is no assurance that it will be able to do so in the future. The Company will require additional financing in order

### **Description of Business (continued)**

to complete its planned work programs on mineral properties, meet its ongoing levels of corporate overhead and discharge its liabilities as they come due. Accordingly, the unaudited condensed interim financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and financial position classifications that would be necessary were the going concern assumption inappropriate.

The Sandy Lake project is comprised of approximately 125,000 acres of contiguous mineral claims in the Sandy Lake Archean Greenstone Belt, located approximately 140 miles north of Red Lake, Ontario. The Company holds a 100% interest in the mineral rights to 110,000 acres and has the right to earn up to a 70% interest in an additional 15,000 acres, the "W series" of claims.

In 2019, a 22 hole drill program in the western part of the claim package returned high grade gold intercepts of 34.50 g/t Au over 8.00 meters and 10.92 g/t Au over 10.33 meters.

The Company has completed a VTEM airborne and ground geophysics surveys over the Phase 1 target areas. In February 2018, the Company signed a 5,000-meter drill contract and has mobilized all necessary equipment for the project.

### **Operational Highlights**

#### **Corporate**

During the three months ended August 31, 2019, the Company earned no revenue and reported a loss of \$322,656 with basic and diluted loss per share of \$0.00. This compares to loss of \$121,779 with basic and diluted loss per share of \$0.00 for the three months ended August 31, 2018. On an ongoing basis, the Company will review and evaluate new opportunities to acquire other mineral properties.

On August 6, 2019, the Company announced that it had received aggregate proceeds of \$1,490,000 as a result of the exercise of 7,490,000 series 2017-I share purchase warrants that expired July 19, 2019. G2 Goldfields CEO Patrick Sheridan subscribed for \$750,000 of the share purchase warrants and G2 Goldfields Executive Director Daniel Noone exercised \$100,000 warrants.

On November 21, 2018, the Company announced that it had entered into a non-binding letter of intent ("LOI") dated as of 19 November 2018 to acquire Bartica Investments Inc ("Bartica").

At the time of closing of the Acquisition, Bartica will own a 100% beneficial interest in a suite of mineral exploration properties totaling approximately 25,888 acres in Guyana, South America, other than the properties known as the Oko properties in respect of which Bartica will hold an option to acquire a 100% interest, subject to a 2.5% net smelter return royalty, in consideration of (i) a cash payment of US\$50,000 (which has previously been paid); (ii) additional aggregate cash payments of US\$700,000 to be paid in tranches over a four year period; and (iii) the identification of a gold resource in excess of 250,000 ounces on the property and payment of advance net smelter return royalty of US\$1,000,000.

An independent committee of the Board was set up to review the transaction. The committee engaged Farber Corporate Finance ("Farber") to provide a fairness opinion in this regard.

Shareholder approval for the transaction was obtained at the Company's annual and special meeting of shareholders held on February 12, 2019.

### **Operational Highlights (continued)**

Pursuant to an Amendment Agreement dated July 3, 2019, the number of Common Shares to be issued to the Vendors is 20,000,000 Common Shares, of which 10,500,000 Common Shares will be issuable to Patrick Sheridan, and an aggregate of 9,500,000 Common Shares will be issuable to the other two Vendors.

### **Exploration Update for Mining Interests**

The Company's holdings encompass approximately 60 km of a "Greenstone Belt" comprised of poly-deformed mafic volcanics, sandstones and banded iron formation the later of which the Company believes to be highly prospective for gold mineralization. The Company's geological and economic models are based on Goldcorp's Musslewhite Mine located 200 km south-east of the project. The Musslewhite Mine is a bulk mineable underground mine which has historical production of 4.4 M oz/Au and currently hosts total reserves of 3.3 M oz/Au. @ grade of 5.92 g/t.

In early 2018, the Company mobilized a drill rig and related equipment to the Weebigee Project site on a winter road in preparation for conducting exploration drilling. After the mobilization was complete, the Company was advised by the First Nations that their community was not prepared to authorize access to the land for the purpose of exploration and the Company immediately ceased work. The Company issued a press release on April 23, 2018 announcing the declaration of an event of Force Majeure pursuant to the Option Agreement relating to the Property (as defined in the Option Agreement) at the Weebigee Project due to inability to work on or near, or have any access to the land relating to the Property.

On February 21, 2019, the Company announced that diamond drilling operations at the Weebigee Claims were scheduled to commence February 24, 2019. A 1,980-meter drill program was commenced, at 8 drill pad locations in the NW Arm with the consent of Sandy Lake First Nation Council.

On February 26, 2019, the Company announced the staking of an additional 315 Mining Claim Cells contiguous with the existing district scale land package for an aggregate total of approximately 51,000 ha. / 126,000 acres. The additional claims extend over an area of 6,122 hectares and cover a magnetic Formation with coincident VTEM chargeability anomalies; located on the southern boundary of the Company's contiguous 60 km. east-west claim package.

On May 13, 2019 the Company announced a significant new high-grade discovery at it's W1 Zone.

Hole 19-04 intercepted four zones of quartz veining and pyrite mineralisation that contained significant gold intercepts including:

<b>Hole</b>	<b>From (m)</b>	<b>To (m)</b>	<b>Length (m)</b>	<b>Gold (g/t)</b>
19-04	58.00	60.40	2.40	3.89
	69.00	77.00	8.00	34.50
	95.80	97.44	1.64	49.83
	104.00	107.00	3.00	3.06

Gold mineralisation is associated with silica flooding and quartz vein stockworks hosted within a 46m (down hole length) envelope of disseminated biotite / pyrite altered Quartz-Eye Porphyry (QEP).

**Exploration Update for Mining Interests (continuing)**

Additionally in the W1 Zone, Hole 19-06 drilled through the hinge of a South East plunging syncline, intercepting strong mineralisation within the QEP above and below a mafic unit, including:

Hole	From (m)	To (m)	Length (m)	Gold (g/t)
19-06	60.10	65.90	5.80	4.85
	83.67	94.00	10.33	10.92

On September 3, 2019 the Company announced results from an additional five holes in the W1/W2 areas.

Widths are drill indicated core lengths, as insufficient drilling has been undertaken to determine true widths at this time.

Significant intercepts include:

Hole	From (m)	To (m)	Length (m)	Gold (g/t)
19-07	7.24	13.47	6.23	4.65
19-09	12.00	17.21	5.21	5.02
	44.00	47.00	3.00	1.51
	64.00	66.00	2.00	3.26
	143.00	146.00	3.00	1.69
	148.00	153.00	5.00	2.42
19-10	40.00	45.00	5.00	2.92
19-11	43.06	45.00	1.94	7.05
	116.00	117.56	1.56	11.25

The W1/2 zone currently has a strike length of six hundred meters.

On September 3, 2019 the Company also announced the discovery of a new high-grade gold zone "W3". The new discovery is located approximately 1.8 km west of the Company's initial W1/W2 discovery area.

The W3 Zone was initially tested by seven drill holes of which the Company has received assay results for six holes, three of which intersected significant gold mineralization.

Widths are drill indicated core lengths, as insufficient drilling has been undertaken to determine true widths at this time.

Hole	From (m)	To (m)	Length (m)	Gold (g/t)
19-12	24.00	25.40	1.40	11.85
	32.00	34.51	2.51	1.10
19-14	69.64	70.37	0.73	450.04
19-16	29.40	32.76	3.36	5.29

Drill Hole 19-16 is approximately 230 meters west of holes 19-12 and 19-14.

### **Exploration Update for Mining Interests (continuing)**

Mineralization in the W3 area is hosted within a tightly folded Banded Iron Formation (BIF), which initial drilling has demonstrated to be up to 60 meters in width. Gold mineralization in the sulphidised (pyrrhotite, pyrite, and chalcopyrite) BIF is coincident with chargeability anomalies defined by a VTEM geophysical airborne survey flown by G2 Goldfields in 2015. Importantly, geophysical studies by G2 Goldfields, as well as new geophysical data from the Government of Ontario, have outlined numerous VTEM anomalies throughout the 60km long BIF within the Company's holdings.

A further 4 holes have been drilled at the W3 discovery area off of a pad located 300m to the west of Drill Hole 19-16. Assays are pending.

During the summer of 2019, a mapping and rock chip sampling program was completed over the Canoxy prospect which is located 5km to the East of the W1 / W2 area. Areas of VTEM chargeability anomalies associated with highly magnetic rocks were targeted and were shown to be comprised of sulphidised BIF. Assay results are pending.

#### **Regional Reconnaissance Sampling Program**

G2 Goldfields has completed reconnaissance sampling in 4 additional areas on the W property. Approximately 170 grab and channel samples have been collected to date, with a strong emphasis on the W5, or Canoxy Zone, located approximately 7 kms. west of current drilling. Historic and current sampling of the W5 area have proven the area to host numerous mineralized banded iron formations (BIF) over significant strike lengths. Assays are pending. The Company is also specifically targeting areas where airborne geophysical data has outlined significant VTEM anomalies.

### **Summary of Goldeye Arbitration**

On July 9, 2018, the Company announced a partial award in the Arbitration Proceedings with Goldeye. The Arbitral Tribunal has ruled in favour of the Company on all substantive issues (see press release dated July 9, 2018). On November 24, 2016, Treasury Metals Inc. announced that they had acquired Goldeye Explorations Limited.

The two main issues were the amount of first year expenditures and whether Goldeye exercised an option to participate as a 50% joint venture with the Company in the ownership of a large group of claims staked around the original Weebigee project in 2015. Goldeye, which initiated the proceedings, had alleged that the Company had failed to incur minimum first year expenditures of \$500,000 on the Weebigee property as required by the May 2015 option agreement. The Arbitral Tribunal panel ruled that in fact the Company had incurred expenditures of \$1,292,130 in the first year.

Significantly, the Tribunal also ruled that Goldeye failed to fulfill the conditions for participating as a joint venture in the surrounding mineral claim land package of approximately 80,000 acres (2,210 claim units), and that Goldeye has no ownership or any other rights over or interests in these claims.

On January 21, 2019 the Company announced that the Company has been awarded \$926,960.03 in costs in the Arbitration Proceedings with Treasury Metals Inc. On September 19, 2019, Treasury Metals Inc. paid the sum of \$926,960.03 to the Company. As noted in the press release of July 9, 2018 (available at [www.sedar.com](http://www.sedar.com)) the Arbitral Panel has ruled in favour of the Company (the Respondent) on all substantive issues. Additionally the counterclaim of the Company against Treasury Metals Inc. is pending before the Arbitral Panel and has not yet been determined.

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## **Outlook**

With the successful result in the arbitration proceedings to date, the Company is advancing the Sandy Lake Project through consultations with the First Nations groups in the project area with a view to regaining access to the exploration claims for the purposes of drilling and other exploration activities and to lifting the Force Majeure declared on April 23, 2018. The Company commenced exploration drilling and other exploration activities on February 24, 2019.

The Company will compile and analyse the results from the drilling and mapping completed to date and propose drill programs for the W3, W1/ W2 and Canoxy areas to be reviewed and approved by the First Nations groups in the area.

When the Bartica acquisition closes, work will commence in Guyana.

## **Trends**

Management regularly monitors economic conditions and estimates their impact on the Company's operations and incorporates these estimates in both short-term operating and longer-term strategic decisions. In 2018 and 2019, equity markets in the junior resource sector, particularly the TSX-V, showed signs of improvement, with mining equity values increasing significantly during this period. Strong equity markets generally provide favourable conditions for completing a public merger, financing or acquisition transaction.

Apart from these and the risk factors noted under the heading "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements", management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's business, financial condition or results of operations.

## **Financial Highlights**

The Company's net loss totaled \$322,656 for the three months ended August 31, 2019, with basic and diluted loss per share of \$0.00. This compares with a net loss of \$121,779 with basic and diluted loss per share of \$0.00 for the three months ended August 31, 2018. The increase in net loss of \$200,877 was principally due to the following:

- During the three months ended August 31, 2019, share-based compensation increased by \$234,418 compared to the three months ended August 31, 2018. The increase is due to the timing of expensing the estimated fair value of stock options granted in April and August 2019. The Company expenses its stock options in accordance with the vesting terms of the options granted.
- During the three months ended August 31, 2019, wages and employee benefits decreased to \$18,180 compared to \$33,031 for the comparable period. The decrease of \$14,851 was primarily due to reduced fees paid to employees. There was no independent contractor in the comparative period.
- Professional fees increased slightly to \$10,000 for the three months ended August 31, 2019 (three months ended August 31, 2018 - \$7,863).
- Consulting fees decreased to \$1,870 for the three months ended August 31, 2019 (three months ended August 31, 2018 - \$19,819). The decrease was primarily due to reduced services provided by consultants in the period.
- All other expenses related to general working capital.

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**Financial Highlights (continued)**

As at August 31, 2019, the Company had assets of \$12,913,025 and a net equity position of \$12,129,596. This compares with assets of \$8,922,511 and a net equity position of \$8,335,096 at May 31, 2018. At August 31, 2019, the Company had \$783,429 of current liabilities (May 31, 2019 - \$966,943).

At August 31, 2019, the Company had working capital of \$756,899 (May 31, 2019 – working capital of \$268,877). The Company had cash of \$1,341,226 at August 31, 2019 (May 31, 2019 - \$1,091,626). The increase in working capital of \$488,022 from May 31, 2019 to August 31, 2019, is primarily due to warrants being exercised for proceeds of \$1,241,000.

**Cash Flow**

At August 31, 2019, the Company had cash of \$1,341,225. The increase in cash of \$249,600 from the May 31, 2019 cash balance of \$1,091,626 was a result of cash inflow from financing activities of \$1,021,079 and cash outflow in investing activities of \$465,674. Operating activities were affected by adjustments of share-based compensation of \$255,272 a net change in non-cash working capital balances of \$238,422, an increase in amounts receivable of \$30,087, an increase in prepaid expenses and deposits of \$24,821 and an increase in accounts payable and accrued liabilities of \$224,194. Investing activity was mining interests' expenditures of \$465,674. The main portion of mining interest expenditures consists of drilling fees \$222,909, and the Geologists fees \$61,757. Financing activities consisted of proceeds of \$1,241,000 from the exercise of 6,205,000 warrants.

**Liquidity and Financial Position**

The activities of the Company, principally the acquisition, exploration, and development of properties prospective for base and precious minerals, are financed through the completion of equity transactions such as equity offerings and the exercise of stock options and warrants. The Company completed private placements of \$1,185,000 on February 26, 2019; \$904,100 on March 4, 2019; and \$660,900 on March 28, 2019. No options were exercised during the period ended August 31, 2019. A total of 6,205,000 warrants were exercised for total proceeds of \$1,241,000 during the three-month period ended August 31, 2019. See "Cautionary Note Regarding Forward-Looking Statements" and "Risk Factors".

As at August 31, 2019, the Company had a working capital of \$756,899 (May 31, 2019 – working capital of \$268,877). The Company's continuing operations are dependent on its ability to secure equity and/or debt financing, with which it intends to identify, evaluate and acquire interests in mineral properties. The circumstances that could affect the Company's ability to secure equity and/or debt financing that are reasonably likely to occur are, without limitation, as follows:

- the state of capital markets generally;
- the prevailing market prices for base and precious minerals;
- changes in laws, regulations and political conditions.

Future exploration expenditure on the Company's Weebigee Project will be carried out in a manner consistent with the order of the Arbitration panel as described in the Company's press release dated September 20, 2017, the successful outcome in the arbitration as set out in the reasons of the Arbitration panel on July 9<sup>th</sup>, 2018 (see press release dated July 9, 2018) and the successful ongoing consultations with the First Nations including the resolution of force majeure issues described in the Company's press release dated April 23, 2018.

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**Related Party Transactions**

On January 21, 2019-- The Company was awarded \$926,960.03 in costs in the Arbitration Proceedings with Treasury Metals Inc. As noted in the press release of July 9, 2018 (available at www.sedar.com) the Arbitration Panel ruled in favour of the Company (the Respondent) on all substantive issues.

(a) The Company has identified its directors and certain senior officers as Related Parties.. The compensation cost for Related Parties is as follows:

	Three Months Ended August 31,	
	2019	2018
Salaries and fees	\$ 24,000	\$ 10,000
Share-based compensation	\$ 111,550	\$ -
Due to Related Parties	\$ 40,680	\$ -
Loan to Ontario Inc.	\$ 219,863	\$ -

At August 31, 2019, accounts payable and accrued liabilities and amounts due to related parties includes \$783,429 (August 31, 2018 - \$nil) owing to officers, directors and companies controlled by officers and directors.

	Three Months Ended August 31, 2019 (\$)	Three Months Ended August 31, 2018 (\$)
<b>Salaries and fees</b>		
Michele McCarthy, former Chair	nil	2,500
Peter Mullens, Director	9,000	nil
Bruce Rosenberg, Director	nil	2,500
Daniel Noone, Director	nil	2,500
Jon Douglas, former Director	nil	2,500
Yajian Wang, CFO	15,000	nil
	<b>24,000</b>	<b>10,000</b>

	Three Months Ended August 31, 2019 (\$)	Three Months Ended August 31, 2018 (\$)
<b>Share-based compensation</b>		
Peter Mullens, Director	32,348	nil
Daniel Noone, Director	14,006	nil
Stephen Stow, Director	21,010	nil
Bruce Rosenberg, Director	11,603	nil
Yajian Wang, CFO	17,508	nil
	<b>96,475</b>	<b>nil</b>

**Related Party Transactions (continued)**

(b) Major shareholder

To the knowledge of the directors and senior officers of the Company, as at August 31, 2019, no person or corporation beneficially owns or exercises control or direction over common shares of the Company carrying more than 10% of the voting rights attached to all common shares of the Company other than as set out below:

	<b>Number of common shares</b>	<b>Percentage of outstanding common shares</b>
Patrick Sheridan	19,939,074	27.24%

(i) In connection with the non-brokered private placement completed on September 27, 2018, the following transactions occurred:

- Patrick Sheridan, Executive Chairman and CEO of the Company subscribed for 3,110,000 units;
- Michele McCarthy, former director subscribed for 85,000 units;
- Daniel Noone, director of the Company, subscribed for 335,000 units; and
- Bruce Rosenberg, director of the Company, subscribed for 170,000 units.

(ii) In connection with the non-brokered private placement completed on February 13, 2019, the following transactions occurred:

- Patrick Sheridan, Executive Chairman and CEO of the Company subscribed for 3,500,000 units;
- Daniel Noone, director of the Company, subscribed for 5,000,000 units; and
- Peter Mullens, director of the Company, subscribed for 1,500,000 units.

(iii) In connection with the warrants exercise during June 1, 2019, to August 31, 2019, the following transactions occurred:

- Patrick Sheridan, Executive Chairman and CEO of the Company subscribed 3,750,000 units, and
- Daniel Noone, director of the Company subscribed 500,000 units

**Risk Factors**

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 May 31, 2019, available on SEDAR at [www.sedar.com](http://www.sedar.com).

## **Disclosure Controls**

Management has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence to ensure that (i) the unaudited condensed interim 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 unaudited condensed interim financial statements; and (ii) the unaudited condensed interim 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"), the Company uses the Venture Issuer Basic Certificate, which 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 unaudited condensed interim financial statements for external purposes in accordance with the issuer's generally accepted accounting principles (IFRS). The Company'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.

## **Cautionary Note Regarding Forward-Looking Statements**

This Interim MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this Interim MD&A speak only as of the date of this Interim MD&A or as of the date specified in such statement. The following table outlines certain significant forward-looking statements contained in this Interim MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

**Cautionary Note Regarding Forward-Looking Statements (continued)**

<b>Forward-looking statements</b>	<b>Assumptions</b>	<b>Risk factors</b>
<p>Potential of the Company's properties to contain economic deposits of any mineral discovered</p>	<p>Financing will be available for future exploration and development of the Company's properties; the actual results of the Company's exploration and development activities will be favourable; operating, exploration and development costs will not exceed the Company's expectations; the Company will be able to retain and attract skilled staff; all requisite regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to the Company, and applicable political and economic conditions are favourable to the Company; the price of applicable minerals and applicable interest and exchange rates will be favourable to the Company; no title disputes exist with to the Company's properties</p>	<p>Price volatility of any mineral discovered; uncertainties involved in interpreting geological data and confirming title to, and interests in, properties; the possibility that future exploration results will not be consistent with the Company's expectations; availability of financing for and actual results of the Company's exploration and development activities; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic and political conditions; the Company's ability to retain and attract skilled staff; availability of permits</p>
<p>While the Company has no source of revenue, it believes that it has sufficient cash resources to meet its expected general and administrative expenses for the twelve months, starting August 31, 2019, depending on future events</p> <p>The Company expects to incur further losses in the development of its business</p>	<p>The operating activities of the Company for the next twelve months and beyond, starting from August 31, 2019, and the costs associated therewith, will be consistent with the Company's current expectations; debt and equity markets, exchange and interest rates and other applicable economic conditions are favourable to the Company</p>	<p>Changes in debt and equity markets; timing and availability of external financing on acceptable terms; changes in the operations currently planned for 2019; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic conditions</p>
<p>The Company's ability to carry out anticipated exploration and maintenance on its property interests and its anticipated use of cash</p>	<p>The exploration and maintenance activities of the Company for the three months ended August 31, 2019, and the costs associated therewith, will be consistent with the Company's current expectations; debt and equity markets, exchange and interest rates and other applicable economic conditions are favourable to the Company; satisfactory resolution of force</p>	<p>Changes in debt and equity markets; timing and availability of external financing on acceptable terms; increases in costs; changes in the operations currently planned for 2019; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic conditions; receipt of applicable</p>

**G2 Goldfields Inc.****(Formerly Sandy Lake Gold Inc.)****Interim Management's Discussion and Analysis – Quarterly Highlights****Three Months Ended August 31, 2019****Dated: October 28, 2019**

	majeure and arbitration matters concerning the Weebigee Project	permits; uncertainties relating to applicable First Nations matters and arbitration concerning the Weebigee Project
Plans, costs, timing and capital for future exploration and development of the Company's property interests, including the costs and potential impact of complying with existing and proposed laws and regulations	Financing will be available for the Company's exploration and development activities and the results thereof will be favourable; actual operating and exploration costs will be consistent with the Company's current expectations; the Company will be able to retain and attract skilled staff; all applicable regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to the Company; the Company will not be adversely affected by market competition; debt and equity markets, exchange and interest rates and other applicable economic and political conditions are favourable to the Company; the price of any applicable mineral will be favourable to the Company; no title disputes exist with respect to the Company's properties; satisfactory resolution of force majeure and arbitration matters concerning the Weebigee Project	Price volatility of any mineral discovered, changes in debt and equity markets; timing and availability of external financing on acceptable terms; the uncertainties involved in interpreting geological data and confirming title to acquired properties; the possibility that future exploration results will not be consistent with the Company's expectations; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic and political conditions; the Company's ability to retain and attract skilled staff; availability of permits; market competition; uncertainties relating to applicable First Nations matters and arbitration concerning the Weebigee Project
Management's outlook regarding future trends, including the future price of any mineral discovered and availability of future financing	Financing will be available for the Company's exploration and operating activities; the price of applicable minerals will be favourable to the Company	Price volatility of any mineral discovered; changes in debt and equity markets; interest rate and exchange rate fluctuations; changes in economic and political conditions; availability of financing
Prices and price volatility for any mineral discovered	The price of any mineral discovered will be favourable; debt and equity markets, interest and exchange rates and other economic factors which may impact the price of any mineral discovered will be favourable	Changes in debt and equity markets and the spot price of any mineral discovered, if available; interest rate and exchange rate fluctuations; changes in economic and political conditions
Consultations with local First Nations for the Weebigee Project	The Company will engage appropriate consultation with local First Nations and with the Government of Ontario which will result in the Company resuming work on the Weebigee Project	Consultations with local First Nations may not result in the Company resuming work on the Weebigee Project or may result in significant additional costs to resume work on the Weebigee Project

**Cautionary Note Regarding Forward-Looking Statements (continued)**

Inherent in forward-looking statements are risks, uncertainties and other factors beyond G2 Goldfields' ability to predict or control. Please also make reference to those risk factors referenced in the "Risk Factors" section above. Readers are cautioned that the above chart does not contain an exhaustive list of the factors or assumptions that may affect the forward-looking statements, and that the assumptions underlying such statements may prove to be incorrect. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this Interim MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause G2 Goldfields' actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

October 24, 2019, the Company announced that it has closed its previously announced acquisition (the "Acquisition") of all of the issued and outstanding shares of Bartica Investments Ltd. ("Bartica") from Patrick Sheridan, Violet Smith and Shawn Hopkinson (collectively, the "Vendors").

The consideration for the Acquisition consisted of an aggregate of 20,000,000 common shares of the Corporation ("Common Shares"), of which 10,500,000 Common Shares were issued to Patrick Sheridan, 6,000,000 were issued to Violet Smith and 3,500,000 were issued to Shawn Hopkinson. An aggregate of 10,500,000 of the Common Shares issued are subject to a hold period expiring on February 25, 2020 in accordance with the regulations of the TSX Venture Exchange ("TSXV").