MANAGEMENT'S DISCUSSION AND ANALYSIS

For the years ended December 31, 2020 and 2019

## MANAGEMENT'S DISCUSSION AND ANALYSIS

The following discussion and analysis ("MD&A") of the audited, consolidated operating results and financial condition of Unigold Inc. ("Unigold" or the "Corporation") for the years ended December 31, 2020 and 2019 should be read in conjunction with the audited, consolidated financial statements of the Corporation and notes thereto at December 31, 2020 (the "Annual Financial Statements"). All financial information in this MD&A has been prepared in accordance with International Financial Reporting Standards ("IFRS"), and all dollar amounts are expressed in Canadian dollars unless otherwise indicated. Additional information, including the Corporation's press releases, has been filed electronically through the System for Electronic Document Analysis and Retrieval ("SEDAR") and is available online at www.sedar.com. The date of this report is April 27, 2021.

### 1. Corporation Overview

Unigold is a Canadian based, growth oriented, junior natural resource Corporation focused on exploring and developing its significant land position in the Dominican Republic, within the highly prospective Cretaceous-age Tireo Formation. Unigold operates through its wholly owned Canadian subsidiary, Unigold Resources Inc., and its 97 per cent owned subsidiary, Unigold Dominicana, S.R.L., which is incorporated in the Dominican Republic ("DR").

### 2. Forward-Looking Statements

This MD&A contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, information concerning Unigold's exploration program and planned gold production as well as Unigold's strategies and future prospects. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "does not anticipate", or "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might", or "will be taken", "occur", or "be achieved". Forward-looking information is based on the opinions and estimates of management at the date the information is made, and is based on a number of assumptions and subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information. Assumptions upon which such forward-looking information is based include, without limitation, availability of skilled labour, equipment, and materials; the potential of the Corporation's properties to contain economic metals deposits; the Corporation's ability to meet its working capital needs for the twelve-month period ending December 31, 2021; and the plans, costs, timing and capital for future exploration and development of the Corporation's property interests in the Dominican Republic. Many of these assumptions are based on factors and events that are not within the control of Unigold and there is no assurance they will prove to be correct. Factors that could cause actual results to vary materially from results anticipated by such forward-looking information include changes in market conditions, variations in ore reserves, resources, grade or recovery rates, risks relating to international operations (including legislative, political, social, or economic developments in the jurisdictions in which Unigold operates), economic factors, government regulation and approvals, environmental and reclamation risks, actual results of exploration activities, fluctuating metal prices and currency exchange rates, costs, changes in project parameters, conclusions of economic evaluations, the possibility of project cost overruns or unanticipated costs and expenses, labour disputes and the availability of skilled labour, failure of plant, equipment or processes to operate as anticipated, capital expenditures and requirements for additional capital, risks associated with internal control over financial reporting, and other risks of the mining industry. Although Unigold has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Unigold undertakes no obligation to update forward-looking information if circumstances or management's estimates or opinions should change except as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking information.

## 3. Nature of Operations and Going Concern

Mineral resources at August 17, 2020 were estimated to be:

| | | | |
|---|---|---|---|
| Measured | 1.84 Mt averaging 0.84 g/t Au | 49,000 ozs Au | OXIDE |
| Indicated | 1.60 Mt averaging 0.83 g/t Au | 43,000 ozs Au | OXIDE |
| M & I | 3.44 Mt averaging 0.84 g/t Au | 92,000 ozs Au | OXIDE |
| | | | |
| Inferred | 1.07 Mt averaging 0.62 g/t Au | 21,000 ozs Au | OXIDE |
| Inferred | 0.55 Mt averaging 0.97 g/t Au | 17,000 ozs Au | TRANSITION |
| Inferred | 33.29 Mt averaging 1.69 g/t Au | 1,813,000 ozs Au | SULPHIDE |

The mineral resource was estimated by Mr. W. Lewis, P.Geo., Mr. A. San Martin, MAusIMM (CP) and Mr. R.M. Gowans, B.Sc., P.Eng., of Micon International Limited. ("Micon"). Micon is independent of Unigold and Messrs. Lewis, San Martin and Gowans meet the requirements of "Qualified Persons" as established by the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") Definition Standards for Mineral Resources and Mineral Reserves (May 2014). Key assumptions and methodology of the estimate are presented in the Technical Report titled: "*NI 43-101 F1 TECHNICAL REPORT UPDATED MINERAL RESOURCE ESTIMATE FOR THE CANDELONES PROJECT, NEITA CONCESSION, DOMINICAN REPUBLIC*" with an effective date of August 17, 2020. The report is available for review on SEDAR and the Corporation's website.

Mineral resources are not mineral reserves and do not have demonstrated economic viability. A mineral resource is a concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade or quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade or quality, continuity and other geological characteristics of a mineral resource are known, estimated, or interpreted from specific geological evidence and knowledge, including sampling.

The current mineral resource established an initial measured and indicated oxide resource at the Candelones Main and Connector deposits. The estimate also identified adjacent inferred OXIDE and TRANSITION mineral resources that can be upgraded to the measured and indicated classification with minimal, additional drilling given that the mineralization is at surface. The economic viability of the oxide resource is currently being evaluated by a preliminary economic assessment ("PEA") supervised by Micon. The PEA report is expected to be completed in Q2 2021. The Corporation anticipates a favourable PEA assessment and plans to proceed directly to a feasibility study ("FS") with accompanying Environmental Impact Assessment ("EIA") which is anticipated in Q4-2021. The FS shall underpin an application for an Exploitation License for the Concession. Exploitation Licenses provide surety of Title for a period of 75 years.

Concurrent with the PEA, an updated mineral resource estimate of the sulphide resource is also in progress. The updated sulphide resource estimate shall incorporate 135 drill holes (37,040 meters) completed from 2015 through 2020. The majority of this drilling targeted high-grade areas of the historical Candelones Extension resource estimates and results include the highest-grade intervals and down hole interval lengths reported to date. The Corporation believes the new drill results will both increase the total sulphide resource as well establish an initial measured and indicated sulphide resource for the Candelones Main, Connector and Extension deposits.

The recoverability of the amounts shown for mineral properties and deferred exploration and evaluation costs are dependent upon the existence of economically recoverable mineral reserves, the ability of the Corporation to obtain the necessary financing to complete its exploration programs and upon future profitable production or proceeds from disposition of such properties.

The Interim Financial Statements have been prepared on a going concern basis. The going concern basis of presentation assumes that the Corporation will continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities and commitments in the normal course of business. Because of continuing operating losses, the Corporation's continuance as a going concern is dependent upon its ability to obtain and manage adequate financing to meet the financial obligations of the Corporation or to reach profitable levels of operation. To address its financing requirements, the Corporation will seek from time to time, financing through measures that may include joint venture agreements, debt and equity financings, asset sales, and rights offerings to existing shareholders and/or another financial transaction.

It is not possible to predict whether financing efforts will be successful or if Unigold will attain profitable levels of operation. The Interim Financial Statements do not include any adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classification that would be necessary should the Corporation be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the Corporation's Interim Financial Statements. These adjustments could be material.

**Lookback at Objectives and Results for 2020**

The Corporation successfully executed its stated strategy of continuing to expand high-grade epithermal mineralization at its 100% owned Neita Concession in the Dominican Republic over the course of 2020. The global COVID-19 crisis created a shutdown period in Q2 of 2020 which interrupted our exploration drill programs. The Corporation successfully implemented appropriate COVID protocols and is pleased to report zero cases among our employees or contractors in the Dominican Republic. In spite of the global lockdown and challenging markets, the Corporation was successful in launching and closing an over-subscribed unit offering which raised C$6.0 million in a financing in Q2 of 2020. Drilling activity resumed in August of 2020 with 2 diamond drills. A further two diamond drills were added to our Dominican drilling fleet in Q4 2020.

Engineering studies continued throughout the year, with successful metallurgical results communicated to the markets in Q2 and a resource upgrade for the Oxide portion of the deposit delivered in Q3. A PEA for the Oxide project commenced in Q4 with final results expected in early Q2 of 2021.

The Corporation completed 15,325 meters of drilling versus a planned 20,000 meters. The shortfall in drilling was largely due to COVID related delays. Management and employees were able to adapt to new work protocols, country-wide shutdowns and daily curfews in the Dominican Republic to complete the drilling at Candelones with no lost-time injuries. In late Q4, the Corporation initiated a revised interpretation of the geological data in preparation for an updated Mineral Resource Estimate for the sulphide mineralization at the Candelones Extension. The Corporation's long-term objective for the sulphides is to provide an updated NI 43-101 Mineral Resource Estimate of sufficient size and quality to support a Preliminary Economic Assessment of the expanded project.

**Looking forward – Strategy and Objectives for 2021**

- Secure additional funding for the Corporation through private placements, rights issues, joint venture agreements, or other financing activity; and
- Utilize the funds raised to continue exploration of the Candelones Deposits with the following objectives:

- Complete and submit an application to convert a part of the Candleones Concession to a Mineral Exploitation (Mining) permit;
- Complete an updated NI-43-101 Mineral Resource Estimate;
- Continue to expand the high-grade mineralization along strike and to depth;
- Expand the newly identified near surface oxide and sub surface sulphide mineralization to the east of the Candelones Extension deposit;
- Establish a preliminary process flow sheet and process plant design for the sulphide mineralization;
- Complete trade-off studies for underground versus open-pit sulphide mineralization
- Begin systematic exploration of other targets within the Concession footprint recognizing observations collected during recent exploration drilling at Candelones Extension deposit.

The Corporation's long-term objective is to establish sustainable operations within the Neita Concession for the benefit of all stakeholders.

## MD&A Period Highlights

### CORPORATE

- Raised $6 million gross proceeds from the issuance of 33,333,334 units; each unit being comprised of one common share and one-half warrant;
- In 2020, a total of 12,537,500 warrants, 1,329,150 finder warrants, and 1,854,000 stock options were exercised for proceeds of $2,260,537 – *See Section 5 – Liquidity and Capital Resources;*
- Early in 2020, the Corporation engaged Grove Corporate Services ("Grove") to provide professional management services including those provided by the CFO and Corporate Secretary;
- In mid-2020, the Corporation extended the agreement with Adelaide Capital Markets Inc. to provide investor relations and market awareness services to the Corporation, until August 2021;
- In mid-2020 the Corporation retained Clarkham Capital Ltd. to provide European investor relations and market awareness services to the Corporation until August 2021;
- Operations in the Dominican Republic ("DR") including the drill programs were suspended in late March due to Covid-19 travel restrictions in both Canada and the DR, however Operations resumed under strict Health and Safety protocols in mid-August;
- Appointed Lic. Ramon Manuel Tapia as Country Director.

**TECHNICAL**

- Contracted Micon International to complete a Preliminary Economic Assessment ("PEA") on the at surface oxide mineral resource at the Candelones Main and Candelones Connector;
- Contracted Bureau Veritas Minerals, under the supervision of Micon, to complete a second phase of metallurgical tests designed to determine a process flowsheet for the communition and recovery of gold from the Candelones deposits;
- Released Phase 1 Metallurgical Studies which indicated 84% Gold Recovery from Candelones Extension Mineralization Using Conventional Recovery Processes;
- Phase 1 Metallurgical Studies indicate 85% gold recovery and 35% silver recovery from oxide mineralization in standard column tests. Collected additional bulk sample material and initiated column tests to evaluate the amenability of the oxide mineralization to heap leach recovery;
- During the year ended December 31, 2020 (or "Reporting Period"), the Corporation expended $2,588,801 for exploration costs – See Section 4 – Results of Operations for breakdown;
- The Corporation published an updated Resource Estimate for the oxide portion of the mineralization at Candelones (see PR 2020-18 date August 27, 2020 for details):
    - Over 80% conversion of Inferred oxide resource to Measured and Indicated categories;
    - Pit constrained Measured and Indicated Oxide Resource of 3.44 M tonnes averaging 0.84 g/t Au (92,000 ozs Au contained) in a low strip starter pit;
    - Inferred Oxide Resource of 1.62 M tonnes averaging 0.74 g/t Au (38,000 ozs Au) within the same starter pit;
    - Waste: Resource ratio of oxide starter pit is 0.2:1.0;
- Published its highest grade continuous drill intersection to date: 30 m grading 9.02 g/t gold, 5.1 g/t silver and 0.63% copper.
- Early in 2021, the Corporation published its deepest drill intersection to date at Target B: 7.0 m averaging 21.89 g/t gold, 17.46 g/t silver and 2.68% copper and 0.78% zinc.
- In Q1 2021, drilling extended the eastern limit of the Candelones Extension deposits 250 metres along strike, intersecting sub-cropping oxide mineralization as well as near surface sulphide mineralization.

## 4. Results of Operations

### A. Exploration

Geological Setting

Unigold's Neita concession covers a 21,031 Ha area within the highly prospective Tireo Formation, a 300 km x 75 km succession of intermediate volcanic and sedimentary rocks trending northwesterly through the island of Hispaniola. The island of Hispaniola was formed by island arc volcanism and tectonism, the result of subduction of the North America plate below the Caribbean plate during the Cretaceous Period. Island arc volcanism elsewhere in the world are highly prospective areas for:

- Cu and Cu-Au porphyry deposits;
- Low to high sulphidation Au and Au-Ag epithermal deposits; and
- Volcanogenic Hosted Massive Sulphide ("VHMS") Au-Ag-Cu-Zn deposits.

Recent exploration of the Tireo Formation has identified multi-million-ounce gold discoveries at Neita (Unigold), Romero (GoldQuest) and significant mineralization at La Miel (Eurasian Minerals /Newmont) in Haiti.

The current model guiding exploration assumes at least three mineralization events. The initial phase of mineralization is interpreted to be a low-grade gold, copper, zinc and silver VHMS event. This mineralization is believed to be the result of intermediate volcanism in a shallow-water, back-arc environment. Mineralization is hosted in dacite volcanoclastics that have been extensively brecciated. The dacites are capped by andesite volcanoclastics that are largely barren. A second style of mineralization, closely associated with the VHMS mounds, emplaced anomalous gold, silver, copper and zinc mineralization with disseminated sulphides that flood along the andesite-dacite contact and extends several tens of metres into the host dacites. This disseminated mineralization, spatially related to the andesite-dacite contact, was the focal point of exploration from 2010 through 2012. Subsequent volcanism is believed to have produced a second Intermediate Sulphidation Epithermal gold-copper mineralization event that migrated into the host dacites along high angle fault zones. Finally, late stage intermediate – mafic volcanism remobilized mineralization along the contacts of dikes and sills that appear to be intruded along the same fault systems as the epithermal gold-copper event.

Significant drill results for the period include:

| | |
|---|---|
| LP20-161 324.0 – 359.0m | 35.0m averaging 0.80 g/t Au, 1.25 g/t Ag, 0.07% Cu and 0.19% Zn; |
| LP20-163 268.0 – 427.0 m | 159.0m averaging 1.02 g/t Au, 1.30 g/t Ag, 0.11% Cu and 0.07 % Zn |
| Including 370.0 – 377.0m | 7.0m averaging 3.04 g/t Au, 2.4 g/t Ag, 0.39% Cu and 0.00 % Zn |
| and 386.0 – 396.0m | 10.0m averaging 4.31 g/t Au, 2.70 g/t Ag, 0.27% Cu and 0.00% Zn; |
| LP20-165 243.0 – 541.0m | 298.0m averaging 1.21 g/t Au, 1.07 g/t Ag, 0.13% Cu and 0.07% Zn |
| Including 256.0 – 273.0m | 17.0m averaging 6.26 g/t Au, 1.34 g/t Ag, 0.10% Cu and 0.14% Zn |
| and 444.0 – 470.0m | 26.0m averaging 6.72 g/t Au, 5.93 g/t Ag, 0.94% Cu and 0.51% Zn |
| and 458.0 – 465.0m | 7.0m averaging 21.89 g/t Au, 17.46 g/t Ag, 2.68% Cu and 0.78% Zn; |
| LP20-167 142.0 – 470.0m | 328.0m averaging 1.20 g/t Au, 2.30 g/t ag, 0.12% Cu and 0.13% Zn |
| Including 185.0 – 196.0m | 11.0m averaging 6.42 g/t Au, 19.64 g/t Ag, 0.06% Cu and 0.95% Zn |
| and 339.0 – 350.0m | 11.0m averaging 5.96 g/t Au, 3.07 g/t Ag, 0.5% Cu and 0.00% Zn; |
| LP20-168 132.0 – 193.0m | 61.0m averaging 0.79 g/t Au, 3.07 g/t Ag, 0.08% Cu and 0.39% Zn; |
| LP20-169 2.0 – 156.0m | 154.0m averaging 0.58 g/t Au, 1.95 g/t Ag, 0.11% CU and o.14% Zn |
| Including 4.0 – 11.0m | 7.0m averaging 3.74 g/t Au, 14.50 g/t Ag, 0.11% Cu and 0.12% Zn |
| and 340.0 – 366.0m | 26.0m averaging 0.97 g/t Au, 1.29 g/t ag, 0.11% Cu and 0.06% Zn |
| LP20-170 229.0 – 242.0m | 13.0 m averaging 5.17 g/t Au, 4.22 g/t Ag, 0.13% Cu and 1.85% Zn; |
| LP20-172 282.0 – 386.0m | 104.0 m averaging 1.15 g/t Au, 1.70 g/t Ag, 0.05% Cu and 0.35% Zn |
| Including 370.0 – 374.0.0m | 4.0 m averaging 7.18 g/t Au; 8.58 g/t Ag and 0.40% Cu |

| | |
|---|---|
| LP20-174 116.0 – 227.0m | 111.0m averaging 0.70 g/t Au, 0.78 g/t Ag, 0.08% Cu and 0.26% Zn |
| ;LP20-176 296.0–360.0m | 64.0 m averaging 1.92 g/t Au, 1.12 g/t Ag, 0.06% Cu and 0.81% Zn |
| Including 329.0 – 336.0m | 7.0 m averaging 15.06 g/t Au; 4.43 g/t Ag; 0.45% Cu and 6.33% Zn; |
| LP20-182 154.0-177.0m | 12.0m averaging 1.81 g/t Au, 1.29 g/t Ag, 0.16% Cu and 0.81% Zn. |

The intervals summarized above are reported as drilled interval length and not true width. True width cannot be estimated at this time due to insufficient information.

Exploration Activity

For historical exploration activity, from 2007 to late 2019, see Unigold Annual Reports.

Recent Activity

As at December 31, 2020, a total of 581 diamond drill holes totalling 140,270 metres have been completed within the Neita Concession, the vast majority (453 holes – 111,902metres) at the Candelones Main, Connector and Extension deposits. In late March 2020 operations were suspended due to travel restrictions related to the global COVID19 pandemic. No drilling was completed between April 1 and August 25, 2020. Active exploration drilling resumed on August 26, 2020 with a planned 15,000 metre drill program.

Project to date work includes:

| **Compilation data** | **2020** | 2019 | **PROJECT TO DATE** |
|---|---|---|---|
| Oxide test pits | **-** | - | 31 |
| Drilling – holes | **51** | 35 | 581 |
| Drilling – metres | **15,372** | 5,434 | 140,270 |
| Trenching – metres | **-** | - | 31,559 |
| Geochemical analysis | **5,689** | 3,474 | 151,860 |
| Grab samples | **-** | - | 11,089 |
| Soil samples | **-** | - | 32,704 |
| Stream samples | **-** | **-** | 884 |
| Induced polarization lines – km | **-** | **-** | 196 |
| Magnetic survey lines – km | **-** | **-** | 687 |

Four (4), 200 kg, metallurgical bulk samples were collected in Q4 2019 from oxide and sulphide mineralization. The bulk samples were received at Bureau Veritas Minerals where metallurgical testing was performed under the supervision of Mr. Richard Gowans B.Sc. P.Eng., President and Principal Metallurgist, MICON.

The four (4), 200 kg composite samples were comprised of the following material for testing:
(a) Low grade oxide mineralization – Candelones Main and Connector;
(b) early-stage low-grade disseminated sulphide mineralization – Candelones Extension;
(c) later epithermal overprint sulphide mineralization – Candelones Extension, and
(d) late-stage epithermal feeder sulphide mineralization Candelones Extension.

Testing demonstrated gravity recoveries ranging from 13% and 53% gold, with the highest gravity recoveries reported from late-stage epithermal feeder sulphide mineralization (type d. above). All of the sulphide mineralization showed standard flotation recoveries of 92% to 97% gold, 89% to 98% silver and 98% to 99% copper to a bulk sulphide rougher concentrate. Gold recovery through standard bottle roll leaching of the flotation sulphide concentrate showed recoveries of up to 88% for the late-stage epithermal mineralization (type d above), with silver recoveries of up to 55%. Preliminary standard leach gold recoveries of the early-stage and overprint sulphide composite samples (type b and c above) ranged between 30% and 47%. Preliminary copper flotation testwork on epithermal mineralization (type c and d above) has shown that copper-gold-silver concentrates can be produced at marketable copper grades with low mass pulls. Disseminated mineralization (type b above) could not produce a copper concentrate at marketable grades, similar to results obtained in 2013 metallurgical tests. Tests were conducted on grind sizes between 33 and 77 microns. Recoveries from epithermal mineralization at Candelones do not appear to be sensitive to grind size.

Metallurgical testing of the oxide composite (type a above) culminated in preliminary column tests. Early results indicated 80% gold and 24% silver recoveries in 3 days of leaching. Column tests were stopped after thirty days with approximately 85% gold and 35% silver recovery recorded. The fast leach kinetics in the column tests indicate that heap leaching may be a viable alternative for the at-surface oxide mineralization at the Candelones Main and Connector deposits.

In Q4, 2020, additional bulk sample material was collected from the oxide, transition and sulphide mineralization at Candelones Main and Connector and sulphide mineralization from the high grade mineralization at Target C, Candelones Extension. This material was shipped to Bureau Veritas Minerals for additional chemical, mineralogical and metallurgical testing

Oxide, transition and sulphide mineralization from the Candelones Main and Connector was collected by means of shallow, 30 to 40 meter, H diameter (63.5 mm ID ) tooling. The core was shipped in its entirety and four separate, six inch diameter column tests were established as follows:

- ½ inch crushed and agglomerated oxide;
- ¾ inch crushed and agglomerated oxide;
- ½ inch crushed transition and
- ½ inch crushed sulphide.

Column tests are currently scheduled for completion in early Q2-2021.

Leaching tests on transition mineralization related to the oxide resource at Candelones will help determine the final pit shape for any operation involving the oxide mineralization. Further floatation testwork on the sulphide mineralization will optimize process variables for the recovery of gold, silver and copper. These tests should culminate in process flowsheets for oxide and sulphide mineralization. Finally, preliminary standard geochemical tests will be used to characterize the tailings from the optimized process to allow more effective design of tailings facilities at a future operation.

On August 27, 2020 the Corporation announced an updated mineral resource estimate for the Candelones deposits. The objective of this estimate was to move a substantial portion of the oxide resource into the measured and indicated categories by incorporating all of the work on those deposits up to that date. The underlying sulphide resources were restated based on new CIM definitions but did not include any drilling past 2015. Pit constrained Measured and Indicated Oxide Resources of 3.43 M tonnes averaging 0.84 g/t Au (92,000 ozs Au contained) were identified in a low strip starter pit. A further Inferred Oxide Resource of 1.61 M tonnes averaging 0.74 g/t Au (38,000 ozs Au) within the same starter pit was also identified. The underlying sulphides were restated as pit-constrained Inferred Resources of 29.4 million tonnes averaging 1.61 g/t Au (1.518 million ozs Au contained) and a further 3.8 million tonnes of material below the pit grading 2.39 g/t Au (295,000 oz Au contained). A technical report titled "Updated Mineral Resource Estimate For The Candelones Project, Neita Concession, Dominican Republic" has been filed on SEDAR and is available on the Corporation's website www.unigoldinc.com. The Technical Report, with an effective date of August 17, 2020, provides the required technical disclosure supporting the Corporation's recent upgrade of oxide resources to the Measured and Indicated categories. The Corporation expects to update the sulphide resource estimate, utilizing high-grade intercepts from 2015 to 2020 and assuming underground mining techniques, after the current 15,000 metre drill program is complete.

In Q1, 2021, the Corporation announced the highest grade intercept to date at Target B, reporting 7.0 meters averaging 21.89 g/t Au, 17.46 g/t Ag, 2.68% Cu and 0.78% Zn. This intercept is interpreted to have extended target B an additional 50 meters down dip suggesting potential for future resource additions at depth.

Also in Q1, 2021, the Corporation announced near surface oxide mineralization in a step out hole 250 meters east of the previously interpreted eastern limit of mineralization. The oxide mineralization, starting at a depth of two meters from surface, transitions into a broad zone of sulphide stockwork mineralization with elevated gold and copper grades that persists for over 100 meters. This mineralization is interpreted to be the fault offset continuation of the Candelones Extension deposit and this hole suggest there is potential to increase the mineral resource further east of the current resource limit.

## Exploration Outlook

The 2020 exploration program was halted in late March 2020 due to a COVID related shutdown. The planned exploration work was subsequently re-evaluated given the travel restrictions that have been enforced by both the Canadian and Dominican governments. Drilling operations resumed August 26, 2020 and have continued uninterrupted since then.

Drilling operations are being managed in country by Unigold's Dominican based management team. Technical supervision is being managed remotely by Unigold's technical staff.

Some of the proposed work program has been deferred into 2021. Drilling, metallurgical work and engineering studies were initiated in the second half of 2020, and geophysical work has been deferred into 2021.

The material categories of exploration and evaluation expenditures ("E&E") made during the year ended December 31, 2020 are summarized below:

| | Balance Dec. 31, 2019 | 2020 Additions | Balance Dec. 31, 2020 |
|---|---|---|---|
| **Geology/Field** | | | |
| Drilling (including supplies and logistics expenses) | $13,677,508 | $873,989 | **$14,551,497** |
| Consulting (contract geologists and other technical specialists) | 6,991,167 | 366,824 | **7,357,991** |
| Wages and salaries | 5,194,142 | 325,535 | **5,519,677** |
| Camp and field expense (including geochemistry and geophysics) | 2,309,772 | 230,230 | **2,540,002** |
| Travel, domestic and international | 1,631,162 | 2,533 | **1,633,695** |
| Community Social Responsibility (CSR) | 62,452 | 106,627 | **169,079** |
| Environment | 17,154 | 6,677 | **23,831** |
| **Technical studies/Analysis** | | | |
| Laboratory analysis | 4,759,031 | 286,327 | **5,045,358** |
| **Financial/Administrative Support** | | | |
| Taxes and duties | 405,872 | 165,188 | **571,060** |
| Other G&A, legal, depreciation | 6,712,710 | 224,871 | **6,937,581** |
| | **$41,760,970** | $2,588,801 | **$44,349,771** |

## B. Financial Performance

### FINANCIAL POSITION AND CORPORATE SPENDING

- At December 31, 2020 Unigold had $4,034,564 cash to settle accounts payables and accrued liabilities of $107,324 (2019 - $1,372,210 cash to settle $94,663 accounts payables and accrued liabilities); and
- The principal components of other current assets included: sundry receivables of $174,811 which is principally recoverable HST of $150,433, prepaid investor relations and market awareness services of $149,414, prepaid D&O, commercial, marine and medical insurance premiums of $41,854, and $66,457 retainer for geological services.

During the year ended December 31, 2020:

- Unigold completed an equity raise of $6,000,000 with the issuance of 33,333,334 units ("Units"); each Unit is comprised of one common share of Unigold and one-half common share purchase warrant ("Warrant"). Each Warrant entitles the holder to purchase one common share of Unigold at $0.30 up to June 23, 2022;

- Realized on proceeds of $2,260,537 from the exercise of warrants and stock options;
- Expended $2,588,801 on exploration at Neita – primarily on lab analysis, metallurgy consulting costs, camp and field expenses and ongoing security and technical services at site;
- the Corporation recorded a net loss of $5,097,944 compared with a loss of $2,605,450 in 2019; the Corporation also recorded $798,828 (2019 - $311,301) share-based compensation expense for the estimated fair value of certain stock options granted during the Reporting Period; and
- After due consideration, effective December 31, 2020, the Board elected to change its policy for recording exploration and evaluation as expenses (as opposed to the historical treatment of capitalizing the costs, as assets). This resulted in presenting the 2020 Annual Financial Statements with comparative results applied retroactively, for the years ended December 31, 2019 and 2018. See note 4(c) of the Annual Financial Statements and *Section 17 – Accounting Policies – Changes and Issuances below.*

Increased corporate costs in 2020 over 2019 resulted primarily from:

- an increase in the budget/spending for investor relations and market awareness to $442,980 up from $30,401 in 2019. The increase was comprised of i) the retention of professional firms in Europe and the U.S. to provide opportunities to potentially attract and create a broader investor base, ii) fees incurred for several 1-on-1 virtual conferences with introductions to prospective investor groups and iii) some travel and fees for trade shows and conferences for marketing and conducting broker presentations. This expanded corporate development program was implemented in planning for and in anticipation of a significant private placement raise for 2020. Additionally, Management engaged a digital marketing team to increase market awareness through social media including a re-branding;
- an aggregate of $103,462 in corporate service costs paid to Grove; in 2019 these services were provided by an inhouse CFO and external corporate services firm on an 'as needed' basis. Effective February 1, 2020 the former CFO resigned, and Grove was engaged to provide CFO, corporate secretarial, and other administrative services and host a virtual AGM;
- compensation (including bonuses and director fees) increased from $449,386 in 2019 to $763,887 principally due to: i) a full year's recording of the President's compensation, ii) a Board approved bonus paid to the President, iii) an overlap of compensation paid to the former and current CFO and Corporate Secretary, during the transition phase while bringing Grove on board and iv) changing the status of the COO from consultant to full-time employee;
- Insurance premiums increased by 10-25% primarily due to added risk from COVID-19; this increase was unforeseen and beyond the control of Management; prior to this period the Corporation's insurance premiums had remained constant for the previous 5 year; and

- enhanced networking and computer purchases accounted for almost $8,000 extra spending to ensure communication capacity for the Corporation's telecommunications.

## Annual Financial Information

### Selected Annual Information

The following table provides selected financial information and should be read in conjunction with the Corporation's Annual Financial Statements:

| **Year ended December 31,** | **2020** | 2019 restated | 2018 restated |
|---|---|---|---|
| Total assets | **$5,285,186** | $1,694,423 | $869,597 |
| Net loss for the year | **$(5,097,944)** | $(2,605,450) | $(610,415) |
| Net loss per share | **$(0.04)** | $(0.05) | $(0.01) |
| Accumulated deficit | **$(64,982,369)** | $(59,913,816) | $(59,299,102) |
| Long-term financial liabilities | nil | nil | nil |
| Dividends | nil | nil | nil |

For the year ended December 31, 2020, restrictions mandated by the DR and Canadian government had a significant impact on site operations. Between April and August, the staffing at the project was reduced to a minimum, drilling was halted and travel to and from the DR by the technical team ceased. However, this period provided an opportunity for increased laboratory analysis, the expansion of metallurgical studies and a revamping of our data room. In Canada, Management's focus was raising the next tranche of exploration funding through a non-brokered private placement, which was oversubscribed. A robust gold price and mindful marketing effort resulted in an increase in the market price of Unigold's common shares from $0.15 to a high of $0.60 during the period.

## Fourth Quarter Financial Information

During the 4th quarter ended December 31, 2020, the Corporation:

- Purchased and shipped to the Project, two new drills. This added approximately $600,000 to the PP&E balance for field equipment. Doubling the number of drills resulted in increased costs for lab analysis, metallurgy consulting costs, camp and field expenses and ongoing security and technical services at site; and
- the Corporation changed its policy for recording exploration and evaluation expenditures which resulted in a write-down of the carrying value of its historic exploration and evaluation costs totalling $41,760,970 effective December 31, 2018. See Section 17 – *Changes in Accounting Polices and Issuances.*

## Increased corporate costs in Q4 2020 over Q4 2019 resulted primarily from:

- An increase in the budget/spending for investor relations and market awareness to $178,146 up from $13,513 in 2019 for the reasons discussed above in the Annual Financial Information ("AFI") Section;
- Compensation (including bonuses and director fee increased from $235,710 in Q4 2019 to $391,171 in Q4 2020, principally due to increased Management bonuses from an aggregate of $100,000 in 2019 to $240,000 in 2020, and changing the status of the COO from consultant to full-time employee effective August 1, 2020;
- legal fees related to corporate matters increased from $1,684 to $24,065 as counsel was sought for guidance on prospective consultant contracts, including confidentiality clauses, a review of the Corporation's compensation plan with a view to its update in 2021 and for services rendered in connection with drafting the meeting materials for the AGM held in October 2020;
- an increase in insurance premiums of approximately 20%, primarily due to added risk from COVID-19, industry wide which were unforeseen; and
- an increase in quarterly regulatory and shareholder communication costs from $11,137 to $47,451 for costs associated with holding a virtual AGM, increased fees for significantly more press release and other communiques to shareholders and the investment community, rebranding as discussed above in the AFI and the increased filing and listing fees associated with increased share capital bases; and
- fees, enhanced networking and computer purchases accounted for almost $8,000 extra spending to ensure communication capacity for the Corporation's telecommunications.

## Quarterly Results

The following table sets out selected financial information derived from the Corporation's consolidated financial statements for each of the eight most recently completed quarters:

| | **Fiscal 2020** | | | | Fiscal 2019 | | | |
|---|---|---|---|---|---|---|---|---|
| ***($ thousands, except per share amount)*** [(1)] | **Q4** | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 | Q1 |
| Revenue - interest | **9.8** | 1 | – | – | – | – | – | – |
| Net loss | **(1,646)** | (1,878) | (456) | (1,118) | (1,476) | (714) | (234) | (181) |
| Net loss per share: Basic and diluted | **(0.04)** | (0.00) | (0.00) | (0.00) | (0.04) | (0.01) | (0.00) | (0.00) |
| Exploration and evaluation expenditures | **(847)** | (632) | (250) | (860) | (1,111) | (227) | (91) | (69) |

[1] Quarter net loss for both 2020 and 2019 has been restated to reflect the policy change from capitalizing exploration and evaluation expenditures to charging them to the statement of loss and comprehensive loss.

## 5. Liquidity and Capital Resources

The Corporation considers the capital that it manages to include share capital, warrants, contributed surplus and deficit, which at December 31, 2020 was $5,175,031 (December 31, 2019) - $1,596,929. The Corporation manages and makes adjustments to its capital structure based on the funds needed in order to support the acquisition, exploration and development of mineral properties. Management does this in light of changes in economic conditions and the risk characteristics of the underlying assets. There has been no change with respect to the overall capital risk management strategy during the year ended December 31, 2020.

Unigold has no producing properties and, consequently, has no current operating income or cash flow. Financing of the Corporation's activities to date has been primarily obtained from equity issuances. The continuing development of the Corporation's properties therefore depends on the Corporation's future ability to obtain additional financing.

As of December 31, 2020, the Corporation had a cash balance of $4,034,564 (December 31, 2019 – $1,372,210) and working capital of $4,391,874 (December 31, 2019 – $1,369,434). With plans for ramped up exploration activity in 2021, Management has been planning to go to market to complete a raise or seek out other sources of funding its exploration programs, including joint ventures or sale of assets.

## 6. Compensation and Key Management

Prior to January 1, 2020 the Corporation contracted corporate services from a third-party provider ("DSA"); such services included corporate secretarial, corporate communications and administration assistance (the "Services").

Effective January 1, 2020, the Corporation entered into an agreement with Grove Corporate Services ("Grove"), a new third-party provider to deliver the Services (now including CFO and Corporate Secretarial services), to the Corporation.

During the year ended December 31, 2020 and 2019, compensation expense included in the Annual Financial Statements, was comprised as follows:

| Years ended December 31, | 2020 (1)(2) | 2019 |
|---|---|---|
| Management fees | **$633,887** | $304,386 |
| Directors' fees | **130,000** | 145,000 |
| Share-based compensation | **798,828** | 311,301 |
| | **1,562,715** | 760,687 |
| Corporate service fees (Grove and DSA) (3)(4) | **113,879** | 5,887 |
| Compensation paid to a company controlled by the COO (5) | **236,655** | 254,024 |
| | **$1,913,249** | $1,020,598 |

(1) Includes the wages, source deductions and bonus for the CEO, CFO, COO and Corporate Secretary

(2) Directors' fees were the same for 2019 and 2020; however, two directors did not stand for re-election at the Annual General Meeting held on October 27, 2020;

(3) A total of $103,462 (2019 - $nil) was paid to Grove to provide the Services, including those provided by the Chief Financial Officer ("CFO") and Corporate Secretary, general administration and hosting of a virtual AGM; and

(4) A total of $10,417 (2019 - $5,887) was paid to a former corporate services provider – DSA Corporate and Filing Services ("DSA") to provide the Services including those related to corporate secretarial services, general administration and filing services on SEDAR and for disseminating news releases; and

(5) From January 1, 2020 to July 31, 2020, a total of $236,655 (2019 - $254,024) was paid to a company controlled by the COO. See 7. – *Related Party Transactions*. These amounts were allocated to exploration expenditures.

These transactions were in the normal course of operations.

## 7. Related Party Transactions

The Corporation's related parties as defined by IAS 24, *Related Party Disclosures*, include the Corporation's subsidiaries, the Board of Directors, close family members and enterprises that are controlled by these individuals and key management as well as certain persons performing similar functions.

During the year ended December 31, 2020, the Corporation entered into the following transaction with a related party:

| Year ended December 31, | 2020 | 2019 |
|---|---|---|
| Aggregate compensation paid to companies controlled by key management persons [(1)] | **$236,655** | $254,024 |

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(1) A total of $236,655 (2019 - $254,024) was paid to a Corporation ("Hanson") controlled by the Chief Operating Officer ("COO") for technical services provided by Hanson and its employees; effective August 1, 2020 the COO became a full-time employee of the Corporation; approximately 90% of these costs are charged to exploration costs.

This transaction was in the normal course of operations.

## 8. Equity Activity

The activity of the shareholders' equity of the Corporation, for the years ended December 31, 2020 and 2019 was as follows:

### (a) Common shares

Authorized – The Corporation is authorized to issue an unlimited number of common shares with no par value.

Issued and outstanding common shares of the Corporation at December 31, 2020 is 127,075,293 (2019 – 78,021,309).

i. On September 18, 2019 Unigold closed a non-brokered private placement of 32,350,000 units of the Corporation (the "2019 Units") at a price of $0.10 per unit for gross proceeds of $3,235,000 ("2019 Offering"). Each 2019 Unit consists of one Common Share of the Corporation (a "Common Share") and one-half Common Share purchase warrant ("2019 Warrant"). A total of 16,175,000 2019 Warrants were issued with a fair value of $433,007. Further, a total of 1,341,000 finder warrants ("2019 Finder Warrants") were issued as agent compensation. A fair value of $49,959 was assigned to the 2019 Finder Warrants. See 8(b).

ii. On June 23, 2020, Unigold closed a non-brokered private placement of 33,333,334 units of the Corporation (the "2020 Units") at a price of $0.18 per unit for gross proceeds of $6,000,000 ("2020 Offering"). Each 2020 Unit consisted of one Common Share of the Corporation (a "Common Share") and one-half Common Share purchase warrant ("2020 Warrant"). Finder fees of $326,506 were paid and 1,960,620 finder warrants (2020 Finder Warrants) were issued upon completion of the 2020 Offering, as additional agent compensation. A fair value of $1,280,604 was assigned to the 2020 Warrants and a fair value of $191,508 was assigned to the 2020 Finder Warrants. See 8(b).

iii. During the year ended December 31, 2020, a total of 12,500,000 2019 Warrants, 37,500 2020 Warrants, 1,281,000 2019 Finder Warrants and 48,150 2020 Finder Warrants were exercised for aggregate proceeds of $2,023,017. The Warrants fair value at the grant date, of $334,631, and the Finder Warrants fair value at the date of grant, of $48,284, have been reclassified from reserve for warrants to share capital. See 8(b).

iv. During the year ended December 31, 2020, a total of 1,854,000 stock options granted under the Corporation's stock option plan were exercised, for proceeds of $237,520. The fair value of $207,732 at the grant date, originally assigned to the options, has been reclassified from share-based payments reserve to share capital. See 8(c).

**(b) Reserve for share purchase warrants**

i. In connection with the closing of the 2019 Offering, the Corporation issued a total of 16,750,000 2019 Warrants. Each whole 2019 Warrant entitles the holder thereof to purchase one Common Share at an exercise price of $0.15 until the date that is the earlier of: September 18, 2021 or (ii) 30 days after the date on which the Corporation gives notice of acceleration, which notice may be provided no earlier than four months and twenty-one days from the date of issue if the closing price of the common shares on a stock exchange in Canada is higher than $0.30 per common share for more than 20 consecutive trading days. This requirement was met in July 2020 and expiry date of these warrants can be accelerated at the discretion of the Board of Directors by providing notice to the remaining holders of the 2019 Warrants.

Further, the Corporation issued an aggregate of 1,341,000 2019 Finder Warrants. Each 2019 Finder Warrant entitles the holder thereof to purchase one Common Share of the Corporation until September 18, 2021 at an exercise price of $0.10 per 2019 Finder Warrant.
The fair value of the 2019 Warrants and 2019 Finder Warrants were estimated at the date of issuance using the Black-Scholes option-pricing model, with the following assumptions:

| | 2019 Warrants | 2019 Finder Warrants |
|---|---:|---:|
| Exercise price | $0.15 | $0.10 |
| Expected life | 2 years | 2 years |
| Total fair value assigned | $433,007 | $49,959 |
| Expected volatility | 89.30% | 89.30% |
| Risk-free rate | 1.60% | 1.60% |
| Expected annual dividend | Nil | Nil |
| Grant date fair value | $0.0287 | $0.0377 |

i. In connection with the 2020 Offering, the Corporation issued 16,666,667 2020 Warrants. Each 2020 Warrant entitles the holder thereof to purchase one common share of the Corporation at an exercise price of $0.30 at any time prior to June 23, 2022. The Corporation has the right to accelerate the expiry date of the 2020 Warrants on notice to the holders of 2020 Warrants if the closing price of the Common Shares is higher than $0.60 per Common Share for more than 20 consecutive trading days at any time after October 23, 2020. Further, the Corporation issued an aggregate of 1,960,620 2020 Finder Warrants. Each 2020 Finder Warrant entitles the holder thereof to purchase one Common Share of the Corporation until June 23, 2022 at an exercise price of $0.18 per 2020 Finder Warrant.

The fair values of the 2020 Warrants and 2020 Finder Warrants were estimated at the date of issuance using the Black-Scholes option-pricing model with the following assumptions:

| | 2020 Warrants | 2020 Finder Warrants |
|---|---|---|
| Exercise price | $0.30 | $0.18 |
| Expected life | 2 years | 2 years |
| Total fair value assigned | $1,280,604 | $191,508 |
| Expected volatility | 105.5% | 105.5% |
| Risk-free rate | 0.30% | 0.30% |
| Expected annual dividend | Nil | Nil |
| Grant date fair value | $0.077 | $0.098 |

The following table summarizes the Corporation's warrants and finder warrants activity for the years ended December 31, 2020 and 2019:

| | Number of warrants | Weighted average exercise Price $ | Weighted average grant date fair value $ |
|---|---|---|---|
| **Balance – December 31, 2018** | — | — | — |
| 2019 Offering Warrants | 16,175,000 | 0.15 | 433,007 |
| Finder Warrants | 1,341,000 | 0.10 | 49,959 |
| **Balance - December 31, 2019** | **17,516,000** | **0.14** | **482,966** |
| Exercise of 2019 Offering Warrants | (12,500,000) | 0.15 | (334,630) |
| Exercise of 2019 Finder Warrants | (1,281,000) | 0.10 | (48,284) |
| 2020 Offering Warrants | 16,666,667 | 0.30 | 1,283,491 |
| 2020 Offering Finder Warrants | 1,960,620 | 0.18 | 191,508 |
| Exercise of 2020 Offering Warrants | (37,500) | 0.30 | (2,888) |
| Cancellation of warrants | (15,000) | — | — |
| Exercise of 2020 Finder Warrants | (48,150) | 0.18 | (4,703) |
| **Balance - December 31, 2020** | **22,261,637** | **0.26** | **$1,567,459** |

The following is a summary of 2020 and 2019 warrants outstanding and exercisable at December 31, 2020:

| Exercise Price | Number of Warrants Outstanding | Weighted Average Remaining Contractual Life - Years | Expiry Date |
|---|---|---|---|
| $0.15 | 3,675,000 | 0.72 | September 18, 2021 |
| $0.10 | 45,000 | 0.72 | September 18, 2021 |
| $0.30 | 16,629,167 | 1.48 | June 23, 2022 |
| $0.18 | 1,912,470 | 1.48 | June 23, 2022 |
| | **22,261,637** | | |

### (c) Reserve for share-based payments

The Corporation has a stock option plan (the "Plan"), the purpose of which is to attract, retain and motivate management, staff and consultants by providing them with the opportunity, through share options, to acquire a proprietary interest in the Corporation and benefit from its growth. The maximum number of options to be issued under the Plan shall not exceed 10% of the total number of common shares issued and outstanding. The options are non-transferable and may be granted for a term not exceeding five years. The exercise price of the options shall be determined by the board of directors on the basis of the market price of the common shares, subject to all applicable regulatory requirements.

i. During the year ended December 31, 2019, the Company granted 2,800,000 stock options to officers, directors and consultants. The options vested immediately. The grant date fair value of the options was estimated at $427,091 based on the Black-Scholes option-pricing model, using the assumptions below:

| | | |
|---|---|---|
| Grant date | September 25, 2019 | December 6, 2019 |
| Number of options | 2,550,000 | 250,000 |
| Exercise price | $0.20 | $0.23 |
| Total fair value assigned | $387,228 | $39,863 |
| Expected life | 5 years | 5 years |
| Expected volatility | 103.0% | 89.3% |
| Risk-free rate | 1.42% | 1.42% |
| Expected annual dividends | $nil | $nil |
| Expected forfeitures | nil | nil |
| Grant date fair value | $0.152 | $0.159 |

ii. On March 4, 2020, the Corporation granted an aggregate of 150,000 stock options to two officers and a consultant. Each stock option allows the holder to acquire one common share of the Corporation at an exercise price of $0.15 for a period of five years. The options vested as set out in the table below.

The options were estimated using the Black-Scholes option pricing model based on the following assumptions:

| | | |
|---|---|---|
| Grant date | March 4, 2020 | March 4, 2020 |
| Number of options | 100,000 | 50,000 |
| Exercise price | $0.15 | $0.15 |
| Total fair value assigned | $10,336 | $5,155 |
| Vesting period | On the grant date | ¼ every 90 days |
| Expected life | 5.0 years | 5.0 years |
| Expected volatility | 89.0% | 89.0% |
| Risk-free rate | 0.88 % | 0.88 % |
| Expected annual dividends | $nil | $nil |
| Expected forfeitures | Nil | Nil |
| Grant date fair value | $0.103 | $0.103 |

iii. On September 28, 2020 the Corporation granted an aggregate of 6,000,000 stock options to directors, officers, employees and consultants. Each stock option allows the holder to acquire one common share of the Corporation at an exercise price of $0.34 for periods of one year or two years. The options vested as set out below.

The options were estimated to have a fair value of $521,743 on the grant date, using the Black-Scholes option pricing model based on the following assumptions:

| | | | |
|---|---|---|---|
| Grant date | Sept. 28, 2020 | Sept. 28, 2020 | Sept. 28, 2020 |
| Number of options | 4,000,000 | 1,500,000 | 500,000 |
| Exercise price | $0.34 | $0.34 | $0.34 |
| Total fair value | $523,743 | $266,017 | $65,218 |
| Vesting period | On the grant date | On the grant date | ¼ every 90 days |
| Expected life | 1 year | 2 years | 1 year |
| Expected volatility | 100% | 100% | 100% |
| Risk-free rate | 0.23% | 0.23% | 0.23% |
| Expected annual dividends | $nil | $nil | $nil |
| Expected forfeitures | Nil | Nil | Nil |
| Grant date fair value | $0.13 | $0.177 | $0.13 |

The following table summarizes the Corporation's stock option activity for the years ended December 31, 2020 and 2019:

| | **Number of options** | **Weighted average exercise price** |
|---|---|---|
| **Balance – December 31, 2018** | **3,000,000** | **$0.24** |
| Granted | 2,550,000 | 0.20 |
| Granted | 250,000 | 0.23 |
| **Balance – December 31, 2019** | **5,800,000** | **0.22** |
| Granted | 6,000,000 | 0.34 |
| Granted | 150,000 | 0.15 |
| Exercised, expired | (2,154,000) | 0.22 |
| **Balance – December 31, 2020** | **9,796,000** | **$0.29** |

A summary of the reserve for share-based payments activity during the years indicated is presented below:

| | **Year ended December 31, 2020** | Year ended December 31, 2019 |
|---|---|---|
| Balance, beginning of year | **$1,135,429** | $708,338 |
| Expired – transferred to deficit | **(29,391)** | – |
| Exercised | **(207,732)** | – |
| Issued | **798,828** | 427,091 |
| **Balance, end of year** | **$1,697,134** | $ 1,135,429 |

## 9. Commitments, Contingencies and Contractual Obligations

The Corporation's exploration activities are subject to various federal, provincial and international laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Corporation conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Corporation plans to make expenditures, in the future, to comply with such laws and regulations, as applicable.

### Contractual Obligations

Typically, the Corporation enters into agreements with time periods no longer than 12 months. Currently, the minimum contractual payments over the next five years are as follows:

| Year | **Total** | **2021** | **2022** | **2023** | **2024** | **2025** |
|---|---|---|---|---|---|---|
| Office lease | **$4,000** | $4,000 | $– | $– | $– | $– |
| Corporate services | **84,000** | 84,000 | – | – | – | – |
| Management fees | **565,004** | 565,004 | – | – | – | – |
| | **$653,004** | $653,004 | $– | $– | $– | $– |

See Annual Financial Statements - note 13 - *Commitments and Contingencies*.

### 2015 Private Placement

In connection with the 2015 private placement, an investment agreement was signed which gives Osisko Gold Royalties Ltd. ("Osisko") certain rights as long as Osisko continued to hold Unigold shares equal to at least 10% of the issued and outstanding Unigold shares on a non-diluted basis. Osisko dropped below 10% ownership based on the June 23 financing. As a result, many of the rights granted to Osisko in the 2015 placement have terminated. Osisko continues to hold an option to purchase a 2% net smelter return ("NSR") royalty on Unigold's Neita property for a consideration of $2,000,000, exercisable 90 days following the delivery of a feasibility study. Once exercised, Unigold will have the right to repurchase a 1% NSR (being

50% of the 2% NSR held by Osisko) for $1,000,000 until 90 days following the achievement of commercial production.

**Employment and Corporate Services Contracts**

(a) The Corporation is a party to certain corporate and technical employment contracts. If the employees are terminated for 'other than cause' or 'change of control', then the employees shall be entitled to severance payments equal to 12 months' compensation.

(b) Directors' fees are set at $20,000 per annum, per director. The Chair of the Audit Committee receives an additional $20,000 per annum, for serving in that role.

(c) The Dominican Republic has laws requiring severance payments if those employees are terminated. At December 31, 2020, the liability is approximately CAD $122,943. This figure changes subject to fluctuating foreign exchange rates and the number of employees hired. As the likelihood of the terminations taking place is not determinable, the contingent payments have not been recorded in the Annual Financial Statements.

(d) Grove has been retained to provide corporate services to Unigold for $7,000 monthly. This arrangement is renewable annually and termination by the Corporation requires 30 days' written notice.

## 10. Trend Information

There are no major trends that are anticipated to have a material effect on the Corporation's financial condition and results of operations in the near future.

## 11. Off-Balance Sheet Arrangements

The Corporation has no off-balance sheet arrangements, no capital lease agreements and no long-term debt obligations.

## 12. Proposed Transactions

There are no proposed transactions that will materially affect the performance of the Corporation. However, as is typical of the gold exploration sector, Unigold's Management is continually reviewing potential property acquisition, investment and joint venture transactions and opportunities.

## 13. Significant Accounting Judgments and Estimates

The Corporation prepares its Annual Financial Statements in accordance with IFRS. The most significant accounting estimates are the policy of capitalizing exploration costs on its properties and the valuation of such properties, and the share-based compensation calculation.

The Corporation reviews its portfolio of exploration properties on an annual basis to determine whether a write-down of the capitalized cost of any property is required. The recoverability of the amounts shown for exploration properties and deferred exploration and evaluation assets is dependent on the existence of economically recoverable reserves, and the ability to obtain financing to complete the development of such reserves.

The Corporation uses the Black-Scholes model to determine the fair value of options and warrants. The main factor affecting the estimates of share-based compensation is the stock price volatility used. The Corporation uses the historical price data and comparables in the estimate of future volatilities.

See Annual Financial Statements – note 4 - *Significant Accounting Judgments and Estimates.*

## 14. Risks and Uncertainties

At the present time, Unigold does not hold any interest in a mining property in production. The Corporation's viability and potential successes lie in its ability to develop, exploit and generate revenue out of mineral deposits. Revenues, profitability and cash flow from any future mining operations involving the Corporation will be influenced by precious and/or base metal prices and by the relationship of such prices to production costs. Such prices have fluctuated widely and are affected by numerous factors beyond the Corporation's control.

### Permitting and Licencing

On May 22, 2018, Unigold announced that the Ministry of Energy and Mines of the Dominican Republic had granted the Corporation the Neita Fase II Exploration Concession. The Concession is valid for a three-year period after which there is a possibility of two additional one-year extensions. On November 2, 2018, Unigold announced that the environmental permit (the "Environmental Permit") for exploration on Neita had been approved by the Ministry of the Environment of the Dominican Republic. The Environmental Permit was valid for a two-year period. An application for an extension of the Environmental Permit was made to the Ministry of the Environment in Q2 2020. In mid-October 2020 the Environmental permit was extended for 60 days pending the review of the renewal application. In early November 2020, the permit was extended to May 21, 2021 to coincide with the anniversary of the Nieta Fase II exploration license. Unigold applied for the first one-year extension of the exploration concession and on March 12 2021 the extension was granted (until May 2022). On April 16, 2021, the Corporation requested an extension of the Environmental Permit until May 2022 to coincide with the new anniversary date for the Exploration Concession. While Unigold believes that it is in compliance with applicable legislation and is up-to-date with required regulatory filings, there can be no certainty that permits will be issued in a timely manner.

The Ministry of Mines and Energy, in conjunction with the Ministry of the Environment, are working to streamline the permitting process by incorporating the environmental permit into the exploration licenses thereby allowing for a single application to cover both permits. Unigold's exploration properties are subject to ongoing renewal and application processes.

Should renewals and applications not be granted, then the carrying value of the exploration properties and exploration and evaluation assets may be impaired.

**Novel Coronavirus ("COVID-19")**

In March 2020, the World Health Organization declared a global pandemic related to COVID 19. Its impact on world economies has been far-reaching and business around the world is being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, appropriate use of personal protection equipment ("PPE"), and closures of non-essential services have triggered significant disruptions to business worldwide, resulting in and economic slowdown.

Global stock markets have also experienced high volatility and significant movement. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions. There is significant uncertainty surrounding COVID 19 and the extent and impact that it may have on our financial position and results, exploration activities, workers, partners, consultants, suppliers and on global financial markets is indeterminable at this time.

**Nature of Mineral Exploration and Development Projects**

Mineral exploration is highly speculative in nature, involves many risks and frequently is non-productive. There is no assurance that exploration efforts will be successful. The exploration and development of mineral deposits involves significant financial and other risks over an extended period of time, which even a combination of careful evaluation, experience, and knowledge may not eliminate. Few mining properties that are explored are ultimately developed into producing mines. Major expenses are required to establish reserves by drilling and to construct mining and processing facilities. Large amounts of capital are frequently required to purchase necessary equipment. It is impossible to ensure that the current or proposed exploration programs on properties in which the Corporation has an interest will result in profitable commercial mining operations.

Success in establishing mineral reserves through exploration is the result of a number of factors, including the quality of management, the Corporation's level of geological and technical expertise, the quality of land available for exploration and other factors. Once mineralization is discovered, it may take several years in the initial phases of drilling until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish proven and probable reserves through drilling, to determine the optimal metallurgical process to extract the metals from the ore and, in the case of new properties, to construct mining and processing facilities. Whether a deposit will be commercially viable depends on a number of factors, including the particular attributes of the deposit, such as its size and grade, costs and efficiencies of the recovery methods that can be employed, proximity to infrastructure, financing costs and governmental regulations, including regulations relating to prices, taxes, royalties, infrastructure, land use, importing and exporting of gold or silver, and environmental protection.

The effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Corporation not receiving an adequate return on its invested capital. Because of these uncertainties, no assurance can be given that exploration programmes will result in the establishment or expansion of resources or reserves.

**The Corporation's Properties Are Subject to Title Risks**

The Corporation has taken all reasonable steps to ensure that it has proper title to its properties. However, the Corporation cannot provide any guarantees that there are no prior unregistered agreements, claims or defects that may result in the Corporation's title to its properties being challenged. A successful challenge to the precise area and location of these claims could result in the Corporation being unable to operate on its properties as anticipated or being unable to enforce its rights with respect to its properties, which could have a material and adverse effect on the Corporation's future cash flows, earnings, results of operations and financial condition.

**The Corporation and Its Projects Are Subject to Risks of Operating in Foreign Countries**

The Corporation's projects are subject to the risks of operating in foreign countries. The Corporation's foreign operations and investments and its ability to carry on its business in the normal course may be adversely affected by political and economic considerations such as civil unrest, war (including in neighbouring states), terrorist actions, labour disputes, corruption, sovereign risk, political instability, the failure of foreign parties, courts or governments to honour or enforce contractual relations, changing government regulations with respect to mining (including environmental requirements, taxation, land tenure, foreign investments, income repatriation and capital recovery), fluctuations in currency exchange and inflation rates, import and export restrictions, challenges to the Corporation's title to properties or mineral rights, problems renewing concessions and permits, opposition to mining from environmental or other non-governmental organizations, increased financing costs, instability due to economic under-development, inadequate infrastructure, and the expropriation of property interests. In addition, the enforcement by Unigold of its legal rights to exploit its properties or to utilize its permits and concessions may not be recognized by the court systems in the Dominican Republic. The occurrence of one or more of these risks could have a material and adverse effect on the viability and financial performance of its foreign operations, which could have a material and adverse effect on the Corporation's future cash flows, earnings, results of operations and financial condition. Any of these events could also result in conditions that delay or prevent the Corporation from exploring or developing its properties even if economic quantities of minerals are found.

**Financing Risk**

To fund future investments in its mineral properties the Corporation requires capital. Dependent on exploration success results, the Corporation may not have sufficient working capital and may have to access the capital markets. Subject to economic conditions at the time, there can be no assurance the Corporation would be able to raise additional debt or equity financing on acceptable terms. If the Corporation cannot finance its future projects, it could have a material and adverse effect on the Corporation's future cash flows, earnings, results of operations and financial condition.

## 15. Environmental Matters

In the risks section above, reference was made to several risks impacting on environment matters. Unigold believes that it is in compliance with all environmental regulations in the Dominican Republic and has made no provision for environmental remediation costs as such costs are believed to be immaterial. Environmental remediation of exploration sites is an ongoing and continuous activity.

## 16. CSR, Safety and Health.

The Corporation engages in and adheres to the principles of sound Corporate Social Responsibility with the local communities and people where it operates. While the Corporation recognizes that the funds to achieve these goals are derived from shareholders investment in the Corporation, it also believes that those same shareholders recognize that pragmatic and cost-effective CSR activity benefits all stakeholders and enables ongoing field activity with the support of local leaders, government, landowners and the community in general.

There were no lost time accidents during the period. There were no reportable environmental compliance events during the period.

## 17. Accounting Policies – Changes and Issuances

### (a) Change in Accounting Policy for Exploration and Evaluation Expenditures

In order to enhance the relevance to the decision-making needs of users and improve comparability with its peers, the Company has voluntarily changed its accounting policy with respect to exploration properties and deferred exploration expenditures, consistent with the guidance provided in IFRS 6 – Exploration for and Evaluation of Mineral Resources and IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors. The new accounting policy was adopted on December 31, 2020. In prior periods the Company's policy was to defer exploration expenditures until such time as the properties were put into commercial production, sold or become impaired. This policy change resulted in recording a write-down of the carrying value of the historic exploration and evaluation assets of $41,760,970.

The full accounting policy is as follows:

The Company expenses exploration and evaluation expenditures as incurred.

Once a project has been established as commercially viable, technically feasible and the decision to proceed with development has been approved by the Board of Directors, related development expenditures are capitalized. This includes costs incurred in preparing the site for mining operations. Capitalization ceases when the mine is capable of commercial production.

The following tables reflect the retroactive changes made to the consolidated financial statements for the year ended December 31, 2019 giving effect to this Policy change:

| As at the year ended December 31, 2019 | As originally reported | Effects of restatement | As restated |
|---|---|---|---|
| **Consolidated statement of financial position** | $ | $ | $ |
| Assets | | | |
| Total current assets | 1,464,097 | – | 1,464,097 |
| Non-current assets | | | |
| Property, plant and equipment | 230,326 | – | 230,326 |
| Exploration properties | 283,747 | (283,747) | – |
| Exploration and evaluation assets | 41,760,970 | (41,760,970) | – |
| **Total assets** | **43,739,140** | **(42,044,717)** | **1,694,423** |
| Liabilities | | | |
| Current liabilities | | | |
| Accounts payable and accrued liabilities | 94,663 | – | 94,663 |
| Total liabilities | 94,663 | – | 94,663 |
| Equity attributable to shareholders of the Corporation | | | |
| Share capital | 59,892,350 | – | 59,892,350 |
| Reserve for warrants | 482,966 | – | 482,966 |
| Reserve for share-based payments | 1,135,429 | – | 1,135,429 |
| Accumulated deficit | (17,869,099) | (42,044,717) | (59,913,816) |
| Total equity attributable to shareholders of the Corporation | 43,641,646 | (42,044,717) | 1,596,929 |
| Non-controlling interest | 2,831 | – | 2,831 |
| Total equity | 43,644,477 | (42,044,717) | 1,599,760 |
| **Total liabilities and equity** | **43,739,140** | **(42,044,717)** | **1,694,423** |

| For the year ended December 31, 2019 | As originally reported | Effects of restatement | As restated |
|---|---|---|---|
| **Consolidated statement of loss and comprehensive loss** | **$** | **$** | **$** |
| Operating expenses | | | |
| Exploration expenditures | – | 1,498,181 | 1,498,181 |
| All other operating expenses | 1,042,942 | – | 1,042,942 |
| Amortization expense | – | 54,804 | 54,804 |
| Net loss for the year before the undernoted | 1,042,942 | 1,552,985 | 2,595,927 |
| Foreign exchange loss | 13,810 | – | 13,810 |
| Investment income | (4,287) | – | (4,287) |
| Net loss for the year | 1,052,465 | 1,552,985 | 2,605,450 |
| Net loss per share - basic and diluted | $0.02 | $0.03 | $0.05 |
| Weighted average number of shares outstanding during the year – basic and diluted | 54,800,213 | 54,800,213 | 54,800,213 |

| For the year ended December 31, 2019 | As originally reported | Effects of restatement | As restated |
|---|---|---|---|
| **Consolidated statement of cash flow** | **$** | **$** | **$** |
| Cash flows from operating activities | | | |
| Net loss for the year | (1,052,465) | (1,552,985) | (2,605,450) |
| Adjustments to non-cash items: | | | |
| Share-based compensation | 311,301 | – | 311,301 |
| Amortization | – | 54,804 | 54,804 |
| Accrued investment income (net) | (4,287) | 850 | (3,437) |
| | (745,451) | (1,497,331) | (2,242,782) |
| Working capital adjustments | | | |
| Other receivables | (7,533) | – | (7,533) |
| Other financial assets and prepaids | (45,862) | – | (45,862) |
| Accounts payable and accrued liabilities | (8,387) | 61,885 | 53,498 |
| Net cash flows used in operating activities | (807,233) | (1,435,446) | (2,242,679) |
| Cash flows from investing activities | | | |
| Exploration and evaluation assets | (1,436,296) | 1,436,296 | – |

| | | | |
|---|---|---|---|
| Purchase of equipment | 850 | (850) | – |
| Net cash flows used in investing activities | (1,435,446) | 1,435,446 | – |
| Cash flows from financing activities | | | |
| Private placement proceeds | 3,235,000 | – | 3,235,000 |
| less share issue costs | (169,523) | – | (169,523) |
| Net cash flows from financing activities | 3,065,477 | – | 3,065,477 |
| Net increase (decrease) in cash | 822,798 | – | 822,798 |
| Cash, beginning of year | 549,412 | – | 549,412 |
| Cash, end of year | 1,372,210 | – | 1,372,210 |

### (b) Accounting standards and interpretations issued

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods on or after January 1, 2020 or later periods. Many are not applicable or do not have a significant impact to the Corporation and have been excluded.

See Annual Financial Statements – note 4 – *Summary of Significant Accounting Policies*

## 18. Financial Instruments and Capital Management

**Fair Value**

IFRS requires that the Corporation disclose information about the fair value of its financial assets and liabilities. The carrying amounts for cash and cash equivalents, sundry receivables, accounts payable and accrued liabilities on the Statements of Financial Position approximate fair value because of the limited term of these instruments. Fair value estimates are made at the statement of financial position date based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties in significant matters of judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect these estimates.

**Credit Risk**

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Corporation's credit risk is primarily attributable to cash, other receivables, other financial assets and other investments. Cash is held with reputable Canadian financial institutions, from which management believes the risk of loss to be minimal. Financial instruments included in other receivables consist of harmonized sales tax due from the Federal Government of Canada. As at December 31, 2020, the Corporation has submitted refund claims for HST totalling $148,236 to the Canada Revenue Agency. This process now has a significant lag as most of the HST department staff have been seconded to the emergency relief areas of federal finance. Management believes that the credit risk concentration with respect to financial instruments included in other receivables is minimal.

**Liquidity Risk**

The Corporation has in place a planning and budgeting process to help determine the funds required to support the Corporation's normal operating requirements on an ongoing basis and its capital, administrative, and exploration and evaluation expenditures. The Corporation ensures that there are sufficient funds to meet its short-term requirements, taking into account its anticipated cash flows from operations and its holdings of cash and cash equivalents.

As at December 31, 2020, the Corporation has working capital of $4,391,874 (December 31, 2019 – $1,369,434). As of December 31, 2020, the Corporation has a cash balance of $4,034,564 (December 31, 2019 – $1,372,210) to settle current accounts payable and accrued liabilities of $107,324 (December 31, 2019 – $94,663). The Corporation's other current assets consist of other receivables of $174,811 (December 31, 2019 – $23,638) and other financial assets, prepaids and deposits of $289,823 (December 31, 2019 – $68,249).

See Annual Financial Statements – note 2 – *Going Concern*.

**Market Risk**

At the present time, the Corporation does not hold any interest in a mining property that is in production. The Corporation's viability and potential success depends on its ability to develop, exploit, and generate revenue from the development of mineral deposits. Revenue, cash flow, and profits from any future mining operations in which the Corporation is involved will be influenced by precious and/or base metal prices and by the relationship of such prices to production costs. Such prices can fluctuate widely and are affected by numerous factors beyond the Corporation's control.

**Foreign Exchange Risk**

The Corporation's financings are in Canadian dollars, however certain of the Corporation's transactions with its subsidiaries, Unigold Resources Inc. and Unigold Dominicana, S.R.L., are incurred in foreign currencies of United States Dollars ("USD") and Dominican Republic Pesos ("DOP") and are therefore subject to gains or losses due to fluctuations in exchange rates. The Corporation is therefore subject to foreign exchange risk. At December 31, 2020, the Corporation had foreign cash balances of the Canadian equivalent of $308,759 (December 31, 2019 – $105,312) and foreign accounts payable and accrued liabilities of $30,097 (December 31, 2019 – 38,027).

Sensitivity to a plus or minus 5% change in the foreign exchange rate would not have resulted in a significant fluctuation in the loss for the year ended December 31, 2020. The Corporation does not undertake currency hedging activities to mitigate its foreign currency risk.

**Interest Rate Risk**

The Corporation's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its financial institutions. The Corporation periodically monitors the investments it makes and is satisfied with the creditworthiness of its financial institutions. As of December 31, 2020, interest rate risk is minimal since the Corporation has no interest-bearing debt instruments.

**Commodity Price Risk**

The ability of the Corporation to develop its properties and the future profitability of the Corporation is directly related to the market price of certain minerals.

**Sensitivity Analysis**

The Corporation is exposed to foreign currency risk of fluctuations on financial instruments that are denominated in USD and the Dominican Republic Peso related to cash balances, other investments and accounts payable. Sensitivity to a plus or minus 5% change in the foreign exchange rate would not have resulted in a significant fluctuation in loss for the year ended December 31, 2020. The Corporation does not undertake currency hedging activities to mitigate its foreign currency risk.

**Capital Management**

Unigold considers its capital structure to consist of total equity attributable to equity holders of the Corporation. The Corporation manages its capital structure and makes adjustments to it, in order to have the funds available to support is exploration and corporate activities. The Corporation’s objective in managing capital is to safeguard its ability to operate as a going concern. The Corporation is in the development stage and as such is dependent on external financing. In order to carry out planned exploration and development, and pay for administrative and operating costs, the Corporation will spend its existing working capital. The Corporation’s objective when managing capital is to safeguard the Corporation’s ability to continue as a going concern in order to pursue the exploration of its exploration properties and maximize shareholder returns. The Corporation satisfies its capital requirements through careful management of its cash resources and by equity issues, as necessary, based on the prevalent economic conditions of both the industry and the capital markets and the underlying risk characteristics of the related assets. Management reviews its capital management approach on an ongoing basis. The Corporation is not subject to externally imposed capital requirements.

## 19. Report on Internal Control over Financial Reporting and Disclosure Controls and Procedures

In connection with Exemption Orders issued in November 2007 by each of the British Columbia Securities Commission and Ontario Securities Commission, the Chief Executive Officer and Chief Financial Officer of the Corporation have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the Annual Financial Statements and the Corp oration’s related MD&A. In contrast to the certificate under

National Instrument 52-109 (Certification of Disclosure in Issuer's Annual and Interim Filings) ("NI 52-109"), the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information, the reader should refer to the Venture Issuer Basic Certificates filed by the Corporation with the Annual Filings on SEDAR at www.sedar.com. Management believes that based upon the evaluations and actions taken to date, reasonable assurance can be provided that there is no material misstatement of the financial results reported as of December 31, 2020.

## 20. Outstanding Share Data

| As at | Common Shares | Warrants | Finder Warrants | Stock Options | Fully Diluted |
|---|---|---|---|---|---|
| **December 31, 2019** | 78,021,309 | 16,175,000 | 1,341,000 | 5,800,000 | 101,337,309 |
| **December 31, 2020** | 127,075,293 | 20,304,167 | 1,957,470 | 9,796,000 | 159,132,930 |
| **April 23, 2021** | 127,075,293 | 20,304,167 | 1,957,470 | 10,796,000 | 160,132,930 |

## 21. Subsequent events

i. On February 5, 2021, the Corporation announced that the Board of Directors had approved a grant of 5-year stock options to employees of the Corporation, to purchases up to an aggregate of 1,000,000 common shares of the Corporation, at an exercise price of $0.30 per common share. The options vest at 25% every six months beginning August 5, 2021; these stock options were granted pursuant to and subject to the terms and conditions of the Company's stock option incentive plan ("SOP") and TSX Venture Exchange policies;

ii. On March 1, 2021, the Corporation announced the appointment of Sr. Ramón Oscar Tapia Marion Landais as the Country Director, in the Dominican Republic. Mr. Tapia is a lawyer and former partner of Marat Legal, a leading natural resources law firm in Santo Domingo. Mr. Tapia is eligible to participate in the Corporation's SOP.

## 22. Qualified Person

The foregoing scientific and technical information has been prepared or reviewed by Wes Hanson, P.Geo., the Chief Operating Officer of the Corporation. He also supervises all work associated with the Corporation's exploration programs in the Dominican Republic. Mr. Hanson is a "qualified person" within the meaning of National Instrument 43-101.

## 23. Corporate Directory

***Directors***
Joseph Hamilton
Charles Page (Lead Director)
Joseph Del Campo
Normand Tremblay
Jose Acero

***Officers***
Joseph Hamilton, Chairman and CEO
Donna McLean, CFO
Wes Hanson P.Geo., COO
Helga Fairhurst, Corporate Secretary

***Auditors***
McGovern Hurley LLP,
Toronto, Ontario

***Legal Counsel***
Bennett Jones LLP,
Toronto, Ontario

Marat Legal, S.R.L.
Santo Domingo, Dominican Republic

***Registrar & Transfer Agent***
Computershare Trust Corporation of Canada,
Toronto, Ontario

***Banker***
Bank of Montreal,
Toronto, Ontario

***Executive Office***
Ste. 2704 – 401 Bay St.
P.O. Box 4
Toronto, Ontario M5H 2Y4 Canada
Tel. 416.866.8157
**E-mail: unigold@unigoldinc.com**

***Shareholder Information***
Contact Information:
Computershare Investor Services
100 University Ave., 8th Floor
Toronto, ON M5J 2Y1
1 800 564-6253
Web Contact Form:
www.investorcentre.com/service

Further information about Corporation or copies of the Annual or Quarterly Reports and press releases are available from the Unigold's website at **www.unigoldinc.com.**

The Corporation's filings with Canadian securities regulatory authorities can be accessed on 'SEDAR' at www.sedar.com.

*Information provided as at April 27, 2021*

**CONSOLIDATED FINANCIAL STATEMENTS**

**For the Years Ended December 31, 2020 and 2019**
(Expressed in Canadian Dollars)

McGovern
Hurley

Audit. Tax. Advisory.

**Independent Auditor's Report**

To the Shareholders of Unigold Inc.

**Opinion**

We have audited the consolidated financial statements of Unigold Inc. and its subsidiaries (the "Corporation"), which comprise the consolidated statements of financial position as at December 31, 2020 and 2019 and January 1, 2019, and the consolidated statements of loss and comprehensive loss, consolidated statements of changes in shareholders' equity and consolidated statements of cash flows for the years ended December 31, 2020 and 2019, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Corporation as at December 31, 2020 and 2019 and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

**Basis for opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Other information**

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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McGovern Hurley

**Responsibilities of management and those charged with governance for the consolidated financial statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

**Auditor's responsibilities for the audit of the consolidated financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risks of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

McGovern Hurley

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner of the audit resulting in this independent auditor's report is Glen McFarland.

**McGovern Hurley LLP**

McGovern Hurley LLP

**Chartered Professional Accountants**
**Licensed Public Accountants**

Toronto, Ontario
April 23, 2021

UNIGOLD

## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Expressed in Canadian Dollars)

| As at | Note | December 31, 2020 | December 31, 2019 (restated) | January 1, 2019 (restated) |
|---|---|---|---|---|
| | | | note 4(c) | note 4(c) |
| **Assets** | | | | |
| **Current assets** | | | | |
| Cash | | **$4,034,564** | $1,372,210 | $549,412 |
| Other receivables | | **174,811** | 23,638 | 12,668 |
| Other financial assets and prepaids | | **289,823** | 68,249 | 22,387 |
| Total current assets | | **4,499,198** | 1,464,097 | 584,387 |
| **Non-current assets** | | | | |
| Property, plant and equipment | 6 | **785,988** | 230,326 | 285,130 |
| **Total assets** | | **$5,285,186** | $1,694,423 | $869,597 |
| **Liabilities** | | | | |
| **Current liabilities** | | | | |
| Accounts payable and accrued liabilities | | **$107,324** | $94,663 | $156,955 |
| Total liabilities | | **107,324** | 94,663 | 156,955 |
| **Equity attributable to shareholders of the Corporation** | | | | |
| Share capital | 8(a) | **66,892,807** | 59,892,350 | 57,309,839 |
| Reserve for warrants | 8(b) | **1,567,459** | 482,966 | 1,990,736 |
| Reserve for share-based payments | 8(c) | **1,697,134** | 1,135,429 | 708,338 |
| Accumulated deficit | | **(64,982,369)** | (59,913,816) | 59,299,102 |
| Total equity attributable to shareholders of the Corporation | | **5,175,031** | 1,596,929 | 709,811 |
| **Non-controlling interest** | | **2,831** | 2,831 | 2,831 |
| **Total equity** | | **5,177,862** | 1,599,760 | 712,642 |
| **Total liabilities and equity** | | **$5,285,186** | $1,694,423 | $869,597 |

Nature of operations (note 1)
Going concern (note 2)
Commitments and contingencies (note 13)

Approved on Behalf of the Board of Directors:

s/ Joseph Del Campo
Director

s/ Joseph Hamilton
Director

*The accompanying notes are an integral part of these consolidated financial statements.*

UNIGOLD

## CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (Restated for 2019, 2018)

(Expressed in Canadian Dollars)

| | Share capital | | Other reserves | | Equity [(1)] | |
|---|---|---|---|---|---|---|
| | Number of shares | Amount | Warrants | Share-based payments | Accumulated Deficit | Attributable to shareholders |
| **Balance - December 31, 2018** | **45,671,309** | **$57,309,839** | **$1,990,736** | **$708,338** | **$(59,299,102)** | **$709,811** |
| Transfer to deficit on expiry | – | – | (1,990,736) | – | 1,990,736 | – |
| Private placement | 32,350,000 | 3,065,477 | – | – | – | 3,065,477 |
| Warrants issued | – | (482,966) | 482,966 | – | – | – |
| Grant of options | – | – | – | 427,091 | – | 427,091 |
| Net loss for the year | – | – | – | – | (2,605,450) | (2,605,450) |
| **Balance - December 31, 2019** | **78,021,309** | **$59,892,350** | **$482,966** | **$1,135,429** | **$(59,913,816)** | **$1,596,929** |
| Private placement | 33,333,334 | 6,000,000 | – | – | – | 6,000,000 |
| Less share issue costs | – | (383,319) | – | – | – | (383,319) |
| Warrants issued | – | (1,280,604) | 1,280,604 | – | – | – |
| Finder warrants issued | – | (186,804) | 186,804 | – | – | – |
| Warrants exercised | 12,537,500 | 2,220,881 | (334,631) | – | – | 1,886,250 |
| Finder warrants exercised | 1,329,150 | 185,051 | (48,284) | – | – | 136,767 |
| Grant of options | – | – | – | 798,828 | – | 798,828 |
| Options exercised | 1,854,000 | 445,252 | – | (207,732) | – | 237,520 |
| Options expired | – | – | – | (29,391) | 29,391 | – |
| Net loss for the year | – | – | – | – | (5,097,944) | (5,097,944) |
| **Balance – December 31, 2020** | **127,075,293** | **$66,892,807** | **$1,567,459** | **$1,697,134** | **$(64,982,369)** | **$5,175,031** |

[(1)] Certain figures are restated for years ended December 31, 2019 and 2018 – See note 4(c).

*The accompanying notes are an integral part of these consolidated financial statements.*

UNIGOLD

## CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

(Expressed in Canadian Dollars)

| For the years ended December 31, | Note | 2020 | 2019 (restated) |
|---|---|---|---|
| | | | note 4(c) |
| **Operating expenses** | | | |
| Exploration expenditures | 7 | **$2,588,801** | $1,498,181 |
| Share-based compensation expense | 8,10 | **798,828** | 311,301 |
| Management compensation | 10 | **763,887** | 449,386 |
| Business development and travel | | **442,980** | 30,401 |
| Professional and consulting fees | | **196,703** | 100,046 |
| Listing and shareholder information | | **122,815** | 54,693 |
| General and administrative expenses | | **97,113** | 97,115 |
| Amortization expense | | **58,637** | 54,804 |
| **Net loss for the year before the undernoted** | | **5,069,764** | 2,595,927 |
| Foreign exchange loss | | **38,011** | 13,810 |
| Investment income | | **(9,831)** | (4,287) |
| Net loss and comprehensive loss for the year | | **$5,097,944** | $2,605,450 |
| **Net loss per share - basic and diluted** | | **$0.04** | $0.05 |
| **Weighted average number of shares outstanding during the year – basic and diluted** | | **119,105,190** | 54,800,213 |

*The accompanying notes are an integral part of these consolidated financial statements.*

UNIGOLD

## CONSOLIDATED STATEMENTS OF CASH FLOWS

*(Expressed in Canadian Dollars)*

| For the year ended December 31, | Note | 2020 | 2019 (restated) |
|---|---|---|---|
| | | | note 4(c) |
| **Cash flows from operating activities** | | | |
| Net loss for the year | | **$(5,097,943)** | $(2,605,450) |
| | | | |
| Adjustments to non-cash items: | | | |
| Share-based compensation (net of expired options adjustment | | **798,828** | 311,301 |
| Amortization | | **58,637** | 54,804 |
| Accrued investment income (net) | | **–** | (3,437) |
| | | **(4,240,479)** | (2,242,782) |
| Working capital adjustments: | | | |
| Other receivables | | **(151,173)** | (7,533) |
| Other financial assets and prepaids | | **(221,574)** | (45,862) |
| Accounts payable and accrued liabilities | | **12,661** | 53,498 |
| Net cash flows used in operating activities | | **(4,600,565)** | (2,242,679) |
| | | | |
| **Cash flows from investing activities** | | | |
| Purchase of equipment | 6 | **(614,299)** | – |
| Net cash flows used in investing activities | | **(614,299)** | – |
| | | | |
| **Cash flows from financing activities** | | | |
| Private placement proceeds | | **6,000,000** | 3,235,000 |
| less share issue costs | | **(383,319)** | (169,523) |
| Proceeds from warrant exercises | | **2,023,017** | – |
| Proceeds from stock options exercises | | **237,520** | – |
| Net cash flows from financing activities | | **7,877,218** | 3,065,477 |
| | | | |
| **Net increase in cash** | | **2,662,354** | 822,798 |
| Cash, beginning of year | | **1,372,210** | 549,412 |
| **Cash, end of year** | | **$4,034,564** | $1,372,210 |

*The accompanying notes are an integral part of these consolidated financial statements.*

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**
For the years ended December 31, 2020 and 2019
Expressed in Canadian dollars unless otherwise stated.

## 1. Nature of Operations and Basis of Presentation

**Nature of operations**
Unigold Inc. ("Unigold" or the "Corporation") was incorporated pursuant to the Business Corporations Act (Ontario) on May 9, 1990. The Corporation's corporate head office is located at 401 Bay Street, Suite 2704, P.O. Box 4, Toronto, ON, M5H 2Y4.

Unigold is in the process of exploring its properties in the Dominican Republic.

**Basis of presentation**
These consolidated financial statements include the accounts of the Corporation, and its wholly-owned subsidiary, Unigold Resources Inc., which is incorporated in Canada under the Canada Business Corporations Act, and its 97% owned subsidiary, Unigold Dominicana, S.R.L., which is incorporated in the Dominican Republic. All material intercompany balances and transactions have been eliminated.

## 2. Going Concern

These consolidated financial statements have been prepared on a going concern basis. The going concern basis of presentation assumes that the Corporation will continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities and commitments in the normal course of business. Because of continuing operating losses, the Corporation's continuance as a going concern is dependent upon its ability to obtain adequate financing or to reach profitable levels of operation. To address its financing requirements, the Corporation will seek financing through measures that may include joint venture agreements, debt and equity financings, asset sales, and rights offerings to existing shareholders or other financial transactions.

It is not possible to predict whether financing efforts will be successful or if Unigold will attain profitable levels of operation. These consolidated financial statements do not include any adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classification that would be necessary should the Corporation be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying consolidated financial statements. These adjustments could be material.

## 3. Measurement Uncertainty

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Corporation's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Corporation to raise alternative financing, if necessary, or alternatively upon the Corporation's ability to dispose of its interests on an advantageous basis. All of the Corporation's exploration properties are located outside of Canada and are subject to the risk of foreign investment, including increases in taxes and royalties, renegotiation of contracts, currency exchange fluctuations and political uncertainty.

Although the Corporation has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current state of exploration of such properties, these procedures do not guarantee the Corporation's title. Property title may be subject to unregistered prior agreements and non-compliance with regulatory, social and environmental requirements.

## 4. Summary of Significant Accounting Policies

### (a) Statement of compliance

The accounting policies applied in these consolidated financial statements are based on International Financial Reporting Standards ("IFRS") issued effective as of December 31, 2020 and have been consistently applied to all periods presented unless otherwise noted. These financial statements were approved by the Board of Directors on April 23, 2021.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Corporation's accounting policies. See note 5 – *Significant Accounting Judgments and Estimates.*

### (b) Basis of preparation

The consolidated financial statements are presented in Canadian dollars and are prepared on the historical cost basis. In addition, these consolidated financial statements are prepared using the accrual basis of accounting except for cash flow information.

### (c) Change in Accounting Policies for Exploration and Evaluation Expenditures

In order to enhance the relevance to the decision-making needs of users and improve comparability with its peers, the Company has voluntarily elected to change its accounting policy with respect to exploration properties and deferred exploration expenditures, consistent with the guidance provided in IFRS 6 – Exploration for and Evaluation of Mineral Resources *and IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors.* The new accounting policy was adopted on December 31, 2020 and applied retroactively to the consolidated financial statements for the year ended December 31, 2019 and the statement of financial position as at December 31, 2018. In prior periods the Company's policy was to defer exploration expenditures until such time as the properties were put into commercial production, sold or become impaired.

The full accounting policy is as follows:

The Company expenses exploration and evaluation expenditures as incurred. Expenses charged to exploration properties include acquisition costs of mineral property rights, property option payments and certain exploration and evaluation activities.

Once a project has been established as commercially viable, technically feasible and the decision to proceed with development has been approved by the Board of Directors, related development expenditures are capitalized. This includes costs incurred in preparing the site for mining operations. Capitalization ceases when the mine is capable of commercial production.

Expressed in Canadian dollars unless otherwise stated.

The following tables reflect the retroactive changes made to the consolidated financial statements for the year ended December 31, 2019 giving effect to this Policy change:

| **As at the year ended December 31, 2019** | **As originally reported** | **Effects of restatement** | **As restated** |
|---|---|---|---|
| **Consolidated statement of financial position** | **$** | **$** | **$** |
| Assets | | | |
| Total current assets | 1,464,097 | – | 1,464,097 |
| Non-current assets | | | |
| Property, plant and equipment | 230,326 | – | 230,326 |
| Exploration properties | 283,747 | (283,747) | – |
| Exploration and evaluation assets | 41,760,970 | (41,760,970) | – |
| **Total assets** | **43,739,140** | **(42,044,717** | **1,694,423** |
| | | | |
| Liabilities | | | |
| Current liabilities | | | |
| Accounts payable and accrued liabilities | 94,663 | – | 94,663 |
| Total liabilities | 94,663 | – | 94,663 |
| | | | |
| Equity attributable to shareholders of the Corporation | | | |
| Share capital | 59,892,350 | – | 59,892,350 |
| Reserve for warrants | 482,966 | – | 482,966 |
| Reserve for share-based payments | 1,135,429 | – | 1,135,429 |
| Accumulated deficit | (17,869,099) | (42,044,717) | (59,913,816) |
| Total equity attributable to shareholders of the Corporation | 43,641,646 | (42,044,717) | 1,596,929 |
| | | | |
| Non-controlling interest | 2,831 | – | 2,831 |
| | | | |
| Total equity | 43,644,477 | (42,044,717) | 1,599,760 |
| **Total liabilities and equity** | **43,739,140** | **(42,044,717)** | **1,694,423** |

Expressed in Canadian dollars unless otherwise stated.

| | As originally reported | Effects of restatement | As restated |
|---|---|---|---|
| **Consolidated statement of loss and comprehensive loss** | **$** | **$** | **$** |
| Operating expenses | | | |
| Exploration expenditures | – | 1,498,181 | 1,498,181 |
| All other operating expenses | 1,042,942 | – | 1,042,942 |
| Amortization expense | – | 54,804 | 54,804 |
| Net loss for the year before the undernoted | 1,042,942 | 1,552,985 | 2,595,927 |
| Foreign exchange loss | 13,810 | – | 13,810 |
| Investment income | (4,287) | – | (4,287) |
| **Net loss and comprehensive loss for the year** | **1,052,465** | **1,552,985** | **2,605,450** |
| Net loss per share - basic and diluted | $0.02 | $0.03 | $0.05 |
| Weighted average number of shares outstanding during the year – basic and diluted | 54,800,213 | 54,800,213 | 54,800,213 |

| **For the year ended December 31, 2019** | As originally reported | Effects of restatement | As restated |
|---|---|---|---|
| **Consolidated statement of cash flow** | **$** | **$** | **$** |
| Cash flows from operating activities | | | |
| Net loss for the year | (1,052,465) | (1,552,985) | (2,605,450) |
| Adjustments to non-cash items: | | | |
| Share-based compensation | 311,301 | – | 311,301 |
| Amortization | – | 54,804 | 54,804 |
| Accrued investment income (net) | (4,287) | 850 | (3,437) |
| | (745,451) | (1,497,331) | (2,242,782) |
| Working capital adjustments | | | |
| Other receivables | (7,533) | – | (7,533) |
| Other financial assets and prepaids | (45,862) | – | (45,862) |
| Accounts payable and accrued liabilities | (8,387) | 61,885 | 53,498 |
| Net cash flows used in operating activities | (807,233) | (1,435,446) | (2,242,679) |
| Cash flows from investing activities | | | |
| Exploration and evaluation assets | (1,436,296) | 1,436,296 | – |
| Purchase of equipment | 850 | (850) | – |
| Net cash flows used in investing activities | (1,435,446) | 1,435,446 | – |

Expressed in Canadian dollars unless otherwise stated.

| | | | |
|---|---|---|---|
| Cash flows from financing activities | | | |
| Private placement proceeds | 3,235,000 | – | 3,235,000 |
| less share issue costs | (169,523) | – | (169,523) |
| Net cash flows from financing activities | 3,065,477 | – | 3,065,477 |
| Net increase (decrease) in cash | 822,798 | – | 822,798 |
| Cash, beginning of year | 549,412 | – | 549,412 |
| **Cash, end of year** | **1,372,210** | **–** | **1,372,210** |

### (d) Accounting standards and interpretations issued

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods on or after January 1, 2020 or later periods. Many are not applicable or do not have a significant impact to the Corporation and have been excluded. The following have been adopted effective January 1, 2020, with no material impact to the consolidated financial statements.

IAS 1 – Presentation of Financial Statements ("IAS 1") and IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors ("IAS 8") were amended in October 2018 to refine the definition of materiality and clarify its characteristics. The revised definition focuses on the idea that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements.

IFRS 3 – Business Combinations ("IFRS 3") was amended in October 2018 to clarify the definition of a business. This amended definition states that a business must include inputs and a process and clarified that the process must be substantive, and the inputs and process must together significantly contribute to operating outputs. In addition it narrows the definitions of a business by focusing the definition of outputs on goods and services provided to customers and other income from ordinary activities, rather than on providing dividends or other economic benefits directly to investors or lowering costs and added a test that makes it easier to conclude that a company has acquired a group of assets, rather than a business, if the value of the assets acquired is substantially all concentrated in a single asset or group of similar assets.

<u>Future accounting policies</u>

IFRS 10 – Consolidated Financial Statements ("IFRS 10") and IAS 28 – Investments in Associates and Joint Ventures ("IAS 28") were amended in September 2014 to address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture, the extent of IFRS 10 – Consolidated Financial Statements ("IFRS 10") and IAS 28 – Investments in Associates and Joint Ventures ("IAS 28") were amended in September 2014 to address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business. The effective date of these amendments is yet to be determined however early adoption is permitted.

IAS 1 – Presentation of Financial Statements ("IAS 1") was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or noncurrent is based solely on a company's right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company's own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. The amendments are effective for annual periods beginning on January 1, 2023.

IAS 16 – Property, Plant and Equipment ("IAS 16") was amended. The amendments introduce new guidance, such that the proceeds from selling items before the related property, plant and equipment is available for its intended use can no longer be deducted from the cost. Instead, such proceeds are to be recognized in profit or loss, together with the costs of producing those items. The amendments are effective for annual periods beginning on January 1, 2022.

**(e) Foreign currencies**

The Corporation and its subsidiaries consider the Canadian dollar to be their functional currency of their primary operations. Transactions in foreign currencies are translated into the currency of measurement at the exchange rates in effect on the transaction date. Monetary statement of financial position items expressed in foreign currencies are translated into Canadian dollars at the exchange rates in effect at the statement of financial position date. The resulting exchange gains and losses are recognized in profit or loss. The Corporation's presentation currency is the Canadian dollar.

**(f) Cash**

Cash includes cash on hand and balances with Canadian chartered banks. Whenever possible, funds are held in interest-bearing accounts.

**(g) Property, plant and equipment and amortization**

Property, plant and equipment are carried at cost, less accumulated amortization and accumulated impairment losses. The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the assets to a working condition for their intended use, the initial estimate of the rehabilitation provisions, and for qualifying assets, borrowing costs. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset. Where an item of property, plant and equipment comprises significant components with different useful lives, the components are accounted for as separate items of property, plant and equipment. The property, plant and equipment noted below are amortized over their estimated useful lives using the following annual rates and methods. The assets' residual values, useful lives and methods of amortization are reviewed at each reporting period and adjusted prospectively if appropriate.

- Office furniture and equipment 20% declining balance
- Computer equipment 30% declining balance
- Vehicles 30% declining balance
- Field equipment 20% declining balance
- Camp and buildings 20% declining balance

Property, plant and equipment are derecognized upon disposal, when held for sale or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in the consolidated statements of loss and comprehensive loss.

### (h) Restoration, rehabilitation and environmental obligations

A provision is recognized in the statement of financial position when the Corporation has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Amounts recorded for the related assets are increased by the amount of these obligations. The increase in provisions for restoration, rehabilitation and environmental obligations due to the passage of time is charged to the consolidated statements of loss and comprehensive loss as a finance cost. The Corporation did not have any material restoration, rehabilitation and environmental obligations as of December 31, 2020, 2019 and 2018.

### (i) Taxation

**Current tax**

Income tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statements of loss and comprehensive loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Corporation's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

**Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Corporation is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Corporation expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Corporation intends to settle its current tax assets and liabilities on a net basis.

**(j) Equity**

An equity instrument is any contract that evidences a residual interest in the assets of the Corporation after deducting all of its liabilities. Equity instruments issued by the Corporation are recorded at the proceeds received, net of direct issue costs. Proceeds from unit financings are allocated between shares and warrants based on their relative fair values. The grant date fair value of the warrants issued are reflected in the reserve for warrants account until such time that the warrants are exercised, at which time the corresponding amount will be transferred to share capital. If the warrants expire unexercised, the amount recorded is transferred to deficit.

**(k) Share-based payments**

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in the share-based payment note 8.

The fair value is measured at grant date and each tranche is recognized on a graded vesting basis over the period in which the options vest. At the end of each reporting period, the Corporation revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the reserve for share-based payments.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

Charges for options that are forfeited before vesting are reversed from share-based payment reserve. For those options that expire or are cancelled after vesting, the recorded value is transferred to deficit.

**(l) Impairment of non-financial assets**

At each statement of financial position reporting date, the carrying amounts of the Corporation’s non-financial assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. Where such an indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For the purposes of impairment testing, exploration properties and exploration and evaluation assets are allocated to cash-generating units to which the exploration activity relates. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

**(m) Financial assets and liabilities**

The Corporation's financial assets and liabilities include cash, other receivables, other financial assets, accounts payable and accrued liabilities.

| | **Financial instrument classification Under IFRS 9** |
|---|---|
| Financial assets | |
| Cash | Amortized cost |
| Other receivables | Amortized cost |
| Other financial assets | Amortized cost |
| Financial liabilities | |
| Accounts payable and accrued liabilities | Amortized cost |

**Financial assets**

**Initial recognition and measurement**

Non-derivative financial assets within the scope of IFRS 9 are classified and measured as "financial assets at fair value", as either fair value through profit and loss ("FVPL") or fair value through other comprehensive income ("FVOCI"), and "financial assets at amortized costs", as appropriate. The Corporation determines the classification of financial assets at the time of initial recognition based on the Corporation's business model and the contractual terms of the cash flows.

All financial assets are recognized initially at fair value plus, in the case of financial assets not at FVPL, directly attributable transaction costs on the trade date at which the Corporation becomes a party to the contractual provisions of the instrument.

**Subsequent measurement – financial assets at amortized cost**
After initial recognition, financial assets measured at amortized cost are subsequently measured at the end of each reporting period at amortized cost using the Effective Interest Rate ("EIR") method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the consolidated statements of loss and comprehensive loss.

**Subsequent measurement – financial assets at FVPL**
Financial assets measured at FVPL include financial assets management intends to sell in the short term and any derivative financial instrument that is not designated as a hedging instrument in a hedge relationship. Financial assets measured at FVPL are carried at fair value in the consolidated statements of financial position with changes in fair value recognized in other income or expense in the consolidated statements of loss and comprehensive loss. The Corporation does not measure any financial assets at FVPL.

**Subsequent measurement – financial assets at FVOCI**
Financial assets measured at FVOCI are non-derivative financial assets that are not held for trading and the Corporation has made an irrevocable election at the time of initial recognition to measure the assets at FVOCI. The Corporation does not measure any financial assets at FVOCI.

After initial measurement, investments measured at FVOCI are subsequently measured at fair value with unrealized gains or losses recognized in other comprehensive loss in the consolidated statements of loss and comprehensive loss. When the investment is sold, the cumulative gain or loss remains in accumulated other comprehensive loss and is not reclassified to profit or loss.

Dividends from such investments are recognized in other income in the consolidated statements of loss and comprehensive loss when the right to receive payments is established.

**Derecognition**
A financial asset is derecognized when the contractual rights to the cash flows from the asset expire, or the Corporation no longer retains substantially all the risks and rewards of ownership.

**Impairment of financial assets**
The Corporation's only financial assets subject to impairment are amounts receivable, which are measured at amortized cost. The Corporation has elected to apply the simplified approach to impairment as permitted by IFRS 9, which requires the expected lifetime loss to be recognized at the time of initial recognition of the receivable. To measure estimated credit losses, accounts receivable have been grouped based on shared credit risk characteristics, including the number of days past due. An impairment loss is reversed in subsequent periods if the amount of the expected loss decreases and the decrease can be objectively related to an event occurring after the initial impairment was recognized.

**Financial liabilities**

**Initial recognition and measurement**
Financial liabilities are measured at amortized cost, unless they are required to be measured at FVPL as is the case for held for trading or derivative instruments, or the Corporation has opted to measure the financial liability at FVPL. The Corporation's financial liabilities include accounts payable and accrued liabilities, which

are each measured at amortized cost. All financial liabilities are recognized initially at fair value and in the case of long-term debt, net of directly attributable transaction costs.

**Subsequent measurement – financial liabilities at amortized cost**
After initial recognition, financial liabilities measured at amortized cost are subsequently measured at the end of each reporting period at amortized cost using the EIR method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR. The EIR amortization is included in finance cost in the consolidated statements of loss and comprehensive loss.

**Derecognition**
A financial liability is derecognized when the obligation under the liability is discharged, cancelled, or expires with any associated gain or loss recognized in other income or expense in the consolidated statements of loss and comprehensive loss.

**(n) Investment income**

Investment income on cash is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable. The proceeds from options granted on exploration properties are credited to the cost of the related property, but where the proceeds exceed the property's carrying value, any excess proceeds are credited to profit or loss.

**(o) Financing expense**

Financing expense is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

**(p) Other comprehensive income or loss**

Other comprehensive income or loss includes unrealized gains and losses on FVOCI investments, gains and losses on certain derivative instruments, none of which are included in the calculation of net income until realized. During the years ended December 31, 2020 and 2019, the Corporation did not have any FVOCI investments or derivative instruments.

**(q) Income or loss per share**

Basic income or loss per share is calculated by dividing the income or loss attributed to shareholders for the period by the weighted average number of shares outstanding in the period. Diluted income or loss per share is calculated by adjusting the weighted average number of shares outstanding to assume conversion of all dilutive potential shares. This method assumes that any proceeds from the exercise of dilutive stock options and warrants would be used to repurchase shares at the average market price during the period, with the incremental number of shares being included in the denominator of the diluted loss per share calculation. The diluted loss per share calculation excludes any potential conversion of options and warrants that would increase earnings per share or decrease loss per share.

**(r) Segment reporting**

A segment is a component of the Corporation that is distinguishable by economic activity (business segment), or by its geographical location (geographical segment), which is subject to risks and rewards that are different from those of other segments. The Corporation operates in one business segment, mineral exploration, and two geographical segments, Canada and the Dominican Republic, during the years ended December 31, 2020 and 2019.

**(s) Leases**

IFRS 16 Leases - Specifies how to recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. The Corporation has one short-term lease and is applying the exemptions in IFRS 16.

## 5. Significant Accounting Judgments and Estimates

The preparation of these consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates and the differences could be material. The consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised, and the revision affects both current and future periods.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the statement of financial position date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

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

ii. the nil provision for restoration, rehabilitation and environmental obligations which is included in the consolidated statement of financial position. Decommissioning, restoration and similar liabilities are estimated based on the Corporation's interpretation of current regulatory requirements, constructive obligations and are measured at fair value. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning of the mine or restoration of the property. Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities;

Expressed in Canadian dollars unless otherwise stated.

iii. the estimated useful life of property, plant and equipment;

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

v. the existence and estimated amount of contingencies (note 13).

## 6. Property, Plant and Equipment

| Cost | Land | Vehicles | Field equipment | Camp and buildings | Total |
|---|---|---|---|---|---|
| Balance Dec. 31, 2018 | $13,771 | $51,757 | $801,998 | $328,645 | $1,196,171 |
| Balance Dec. 31, 2019 | $13,771 | $51,757 | $801,998 | $328,645 | $1,196,171 |
| Additions | – | 62,300 | 551,999 | – | 614,299 |
| Balance Dec. 31, 2020 | $13,771 | $114,057 | $1,353,997 | $328,645 | $1,810,470 |

| Amortization | Land | Vehicles | Field equipment | Camp and buildings | Total |
|---|---|---|---|---|---|
| Balance Dec. 31, 2018 | $ – | $46,446 | $613,182 | $251,413 | $911,041 |
| Amortization | – | 1,592 | 37,764 | 15,448 | 54,804 |
| Balance Dec. 31, 2019 | $ – | $48,038 | $650,946 | $266,861 | $965,845 |
| Amortization | – | 6,060 | 40,221 | 12,356 | 58,637 |
| Balance Dec.31, 2020 | $ – | $54,098 | $691,167 | $279,217 | $1,024,482 |

Expressed in Canadian dollars unless otherwise stated.

| Carrying amounts | Land | Vehicles | Field equipment | Camp and buildings | Total |
|---|---|---|---|---|---|
| At December 31, 2018 | $13,771 | $5,311 | $188,816 | $77,232 | $285,130 |
| At December 31, 2019 | $13,771 | $3,719 | $151,052 | $61,784 | $230,326 |
| **At December 31, 2020** | **$13,771** | **$59,959** | **$662,830** | **$49,428** | **$785,988** |

## 7. Exploration Properties and Exploration and Evaluation ("E&E") Expenditures

**Neita Property**

The Corporation owns 100% of the exploration rights for gold, silver, zinc, copper and all associated minerals on the Neita Property ("Neita") in the northwestern Dominican Republic, as well as a sole and exclusive option for the commercial mining of the mineral deposits. See note 13(f) regarding net smelter return commitment.

On May 22, 2018, Unigold announced that the Ministry of Energy and Mines of the Dominican Republic had granted the Corporation the Neita Fase II Exploration Concession for a three-year period with two possible one-year extensions. On March 12, 2021, the first one-year extension was granted, extending the expiration date for the concession licence to May 10, 2022.

On October 16, 2018, The Ministry of the Environment of the Dominican Republic approved a 2-year Environmental Permit for the exploration activities on the Neita Fase II concession. In early October 2020, the Ministry granted a 60-day extension to the existing Environmental permit as it reviewed Unigold's request for a permit extension. In early November 2020 the Environmental Licence was extended until May 10, 2021 to coincide with the anniversary date of the Exploration Concession. On April 16, 2021, the Company requested an extension of the Environmental Permit until May 10, 2022 to coincide with the new anniversary date of the Neita Fase II Exploration Concession.

The property is subject to ongoing renewal and application processes.

Expressed in Canadian dollars unless otherwise stated.

**E&E**

The following table is a breakdown of the E&E expenditures incurred during the years ended December 31, 2020 and 2019:

| As at | Dec. 31, 2020 | Dec. 31, 2019 |
|---|---|---|
| **Geology/Field** | | |
| Drilling (including supplies and logistics expenses) | $873,989 | $403,114 |
| Consulting (contract geologists and other technical specialists) | 366,824 | 239,159 |
| Wages and salaries | 325,535 | 372,710 |
| Camp and field expense (including geochemistry and geophysics) | 230,230 | (15,808) |
| Travel, domestic and international | 2,533 | 5,688 |
| Community Social Responsibility (CSR) | 106,627 | — |
| Environment | 6,677 | 12,954 |
| **Technical studies/Analysis** | | |
| Laboratory analysis | 286,327 | 72,496 |
| **Financial/Administrative Support** | | |
| Taxes and duties | 165,188 | 67,946 |
| Other G&A, legal, depreciation | 224,871 | 339,922 |
| **Balance** | **$2,588,801** | $1,498,181 |

## 8. Equity Attributable to Equity Holders of the Corporation

### (a) Common shares

Authorized – The Corporation is authorized to issue an unlimited number of common shares with no par value.

Issued and outstanding common shares of the Corporation at December 31, 2020 is 127,075,293 (2019 – 78,021,309).

i. On September 18, 2019 Unigold closed a non-brokered private placement of 32,350,000 units of the Corporation (the "2019 Units") at a price of $0.10 per unit for gross proceeds of $3,235,000 ("2019 Offering"). Each 2019 Unit consists of one Common Share of the Corporation (a "Common Share") and one-half Common Share purchase warrant ("2019 Warrant"). A total of 16,175,000 2019 Warrants were issued with a fair value of $433,007. Further, a total of 1,341,000 finder warrants (“2019 Finder Warrants”) were issued as agent compensation. A fair value of $49,959 was assigned to the 2019 Finder Warrants. See note 8(b).

ii. On June 23, 2020, Unigold closed a non-brokered private placement of 33,333,334 units of the Corporation (the "2020 Units") at a price of $0.18 per unit for gross proceeds of $6,000,000 ("2020 Offering"). Each 2020 Unit consisted of one Common Share of the Corporation (a "Common Share") and one-half Common Share purchase warrant ("2020 Warrant"). Finder fees of $326,506 were paid and 1,960,620 finder warrants (2020 Finder Warrants) were issued upon completion of the 2020 Offering, as additional agent compensation. A fair value of $1,280,604 was assigned to the 2020 Warrants and a fair value of $191,508 was assigned to the 2020 Finder Warrants. See note 8(b).

iii. During the year ended December 31, 2020, a total of 12,500,000 2019 Warrants, 37,500 2020 Warrants, 1,281,000 2019 Finder Warrants and 48,150 2020 Finder Warrants were exercised for aggregate proceeds of $2,023,017. The Warrants fair value at the grant date, of $334,631, and the Finder Warrants fair value at the date of grant, of $48,284, have been reclassified from reserve for warrants to share capital. See note 8(b).

iv. During the year ended December 31, 2020, a total of 1,854,000 stock options granted under the Corporation's stock option plan were exercised, for proceeds of $237,520. The fair value of $207,732 at the grant date, originally assigned to the options, has been reclassified from share-based payments reserve to share capital. See note 8(c).

**(b) Reserve for share purchase warrants**

i. In connection with the closing of the 2019 Offering, the Corporation issued a total of 16,750,000 2019 Warrants. Each whole 2019 Warrant entitles the holder thereof to purchase one Common Share at an exercise price of $0.15 until the date that is the earlier of: September 18, 2021 or (ii) 30 days after the date on which the Corporation gives notice of acceleration, which notice may be provided no earlier than four months and twenty-one days from the date of issue if the closing price of the common shares on a stock exchange in Canada is higher than $0.30 per common share for more than 20 consecutive trading days. This requirement was met in July 2020 and expiry date of these warrants can be accelerated at the discretion of the Board of Directors by providing notice to the remaining holders of the 2019 Warrants.

Further, the Corporation issued an aggregate of 1,341,000 2019 Finder Warrants. Each 2019 Finder Warrant entitles the holder thereof to purchase one Common Share of the Corporation until September 18, 2021 at an exercise price of $0.10 per 2019 Finder Warrant.

The fair value of the 2019 Warrants and 2019 Finder Warrants were estimated at the date of issuance using the Black-Scholes option-pricing model, with the following assumptions:

Expressed in Canadian dollars unless otherwise stated.

| | 2019 Warrants | 2019 Finder Warrants |
|---|---|---|
| Exercise price | $0.15 | $0.10 |
| Expected life | 2 years | 2 years |
| Total fair value assigned | $433,007 | $49,959 |
| Expected volatility | 89.30% | 89.30% |
| Risk-free rate | 1.60% | 1.60% |
| Expected annual dividend | Nil | Nil |
| Grant date fair value | $0.0287 | $0.0377 |

ii. In connection with the 2020 Offering, the Corporation issued 16,666,667 2020 Warrants. Each 2020 Warrant entitles the holder thereof to purchase one common share of the Corporation at an exercise price of $0.30 at any time prior to June 23, 2022. The Corporation has the right to accelerate the expiry date of the 2020 Warrants on notice to the holders of 2020 Warrants if the closing price of the Common Shares is higher than $0.60 per Common Share for more than 20 consecutive trading days at any time after October 23, 2020. Further, the Corporation issued an aggregate of 1,960,620 2020 Finder Warrants. Each 2020 Finder Warrant entitles the holder thereof to purchase one Common Share of the Corporation until June 23, 2022 at an exercise price of $0.18 per 2020 Finder Warrant.

The fair values of the 2020 Warrants and 2020 Finder Warrants were estimated at the date of issuance using the Black-Scholes option-pricing model with the following assumptions:

| | 2020 Warrants | 2020 Finder Warrants |
|---|---|---|
| Exercise price | $0.30 | $0.18 |
| Expected life | 2 years | 2 years |
| Total fair value assigned | $1,280,604 | $191,508 |
| Expected volatility | 105.5% | 105.5% |
| Risk-free rate | 0.30% | 0.30% |
| Expected annual dividend | Nil | Nil |
| Grant date fair value | $0.077 | $0.097 |

Expressed in Canadian dollars unless otherwise stated.

The following table summarizes the Corporation's warrants and finder warrants activity for the years ended December 31, 2020 and 2019:

| | Number of warrants | Weighted average exercise Price ($) | Weighted average grant date fair value ($) |
|---|---|---|---|
| **Balance – December 31, 2018** | — | — | — |
| 2019 Offering Warrants | 16,175,000 | 0.15 | 433,007 |
| Finder Warrants | 1,341,000 | 0.10 | 49,959 |
| **Balance - December 31, 2019** | **17,516,000** | **0.14** | **482,966** |
| Exercise of 2019 Offering Warrants | (12,500,000) | 0.15 | (334,630) |
| Exercise of 2019 Finder Warrants | (1,281,000) | 0.10 | (48,284) |
| 2020 Offering Warrants | 16,666,667 | 0.30 | 1,283,491 |
| 2020 Offering Finder Warrants | 1,960,620 | 0.18 | 191,508 |
| Cancellation of Warrants | (15,000) | — | — |
| Exercise of 2020 Offering Warrants | (37,500) | 0.30 | (2,888) |
| Exercise of 2020 Finder Warrants | (48,150) | 0.18 | (4,703) |
| **Balance - December 31, 2020** | **22,261,637** | **0.26** | **$1,567,459** |

The following is a summary of 2020 and 2019 warrants outstanding and exercisable at December 31, 2020:

| Exercise Price | Number of Warrants Outstanding | Weighted Average Remaining Contractual Life - Years | Expiry Date |
|---|---|---|---|
| $0.15 | 3,675,000 | 0.72 | September 18, 2021 |
| $0.10 | 45,000 | 0.72 | September 18, 2021 |
| $0.30 | 16,629,167 | 1.48 | June 23, 2022 |
| $0.18 | 1,912,470 | 1.48 | June 23, 2022 |
| | **22,261,637** | | |

**(c) Reserve for share-based payments**

The Corporation has a stock option plan (the "Plan"), the purpose of which is to attract, retain and motivate management, staff and consultants by providing them with the opportunity, through share options, to acquire a proprietary interest in the Corporation and benefit from its growth. The maximum number of options to be issued under the Plan shall not exceed 10% of the total number of common shares issued and outstanding. The options are non-transferable and may be granted for a term not exceeding five years. The exercise price of the options shall be determined by the board of directors on the basis of the market price of the common shares, subject to all applicable regulatory requirements.

i. During the year ended December 31, 2019, the Company granted 2,800,000 stock options to officers, directors and consultants. The options vested immediately. The grant date fair value of the options was estimated at $427,091 based on the Black-Scholes option-pricing model, using the assumptions below:

Expressed in Canadian dollars unless otherwise stated.

| | | |
|---|---|---|
| Grant date | September 25, 2019 | December 6, 2019 |
| Number of options | 2,550,000 | 250,000 |
| Exercise price | $0.20 | $0.23 |
| Total fair value assigned | $387,228 | $39,863 |
| Expected life | 5 years | 5 years |
| Expected volatility | 103.0% | 89.3% |
| Risk-free rate | 1.42% | 1.42% |
| Expected annual dividends | $nil | $nil |
| Expected forfeitures | nil | nil |
| Grant date fair value | $0.152 | $0.159 |

ii. On March 4, 2020, the Corporation granted an aggregate of 150,000 stock options to two officers and a consultant. Each stock option allows the holder to acquire one common share of the Corporation at an exercise price of $0.15 for a period of five years. The options vested as set out in the table below.

The options were estimated using the Black-Scholes option pricing model based on the following assumptions:

| | | |
|---|---|---|
| Grant date | March 4, 2020 | March 4, 2020 |
| Number of options | 100,000 | 50,000 |
| Exercise price | $0.15 | $0.15 |
| Total fair value assigned | $10,336 | $5,155 |
| Vesting period | On the grant date | ¼ every 90 days |
| Expected life | 5.0 years | 5.0 years |
| Expected volatility | 89.0% | 89.0% |
| Risk-free rate | 0.88 % | 0.88 % |
| Expected annual dividends | $nil | $nil |
| Expected forfeitures | Nil | Nil |
| Grant date fair value | $0.103 | $0.103 |

On September 28, 2020 the Corporation granted an aggregate of 6,000,000 stock options to directors, officers, employees and consultants. Each stock option allows the holder to acquire one common share of the Corporation at an exercise price of $0.34 for periods of one year or two years. The options vested as set out below. The options were estimated to have a fair value of $521,743 on the grant date, using the Black-Scholes option pricing model based on the following assumptions:

Expressed in Canadian dollars unless otherwise stated.

| | | | |
|---|---|---|---|
| Grant date | Sept. 28, 2020 | Sept. 28, 2020 | Sept. 28, 2020 |
| Number of options | 4,000,000 | 1,500,000 | 500,000 |
| Exercise price | $0.34 | $0.34 | $0.34 |
| Total fair value | $521,743 | $266,017 | $65,218 |
| Vesting period | On the grant date | On the grant date | ¼ every 90 days |
| Expected life | 1 year | 2 years | 1 year |
| Expected volatility | 100% | 100% | 100% |
| Risk-free rate | 0.23% | 0.23% | 0.23% |
| Expected annual dividends | $nil | $nil | $nil |
| Expected forfeitures | Nil | Nil | Nil |
| Grant date fair value | $0.13 | $0.177 | $0.13 |

The following tables summarize the Corporation's stock option activity for the years ended December 31, 2020 and 2019:

| | Number of options | Weighted average exercise price |
|---|---|---|
| **Balance – December 31, 2018** | **3,000,000** | **$0.24** |
| Granted | 2,550,000 | 0.20 |
| Granted | 250,000 | 0.23 |
| **Balance – December 31, 2019** | **5,800,000** | **0.22** |
| Granted | 6,000,000 | 0.34 |
| Granted | 150,000 | 0.15 |
| Exercised, expired | (2,154,000) | 0.22 |
| **Balance – December 31, 2020** | **9,796,000** | **$0.29** |

The following table summarizes the Corporation's outstanding stock options as at December 31, 2020:

| Exercise Price | Number of Options Outstanding | Weighted Average Remaining Contractual Life – Years | Number of Options Exercisable | Expiry Date |
|---|---|---|---|---|
| $0.35 | 1,500,000 | 0.47 | 1,500,000 | June 22, 2021 |
| $0.34 | 4,500,000 | 0.74 | 4,125,000 | September 28, 2021 |
| $0.34 | 1,500,000 | 1.74 | 1,500,000 | September 28, 2022 |
| $0.20 | 1,950,000 | 3.73 | 1,950,000 | September 25, 2024 |
| $0.23 | 196,000 | 3.93 | 196,000 | December 6, 2024 |
| $0.15 | 150,000 | 4.18 | 137,500 | March 4, 2025 |
| | **9,796,000** | | **9,408,500** | |

Expressed in Canadian dollars unless otherwise stated.

The following table summarizes the Corporation's share-based reserve activity during the years ended December 31, 2020 and 2019:

| | **Year ended December 31, 2020** | Year ended December 31, 2019 |
|---|---|---|
| Balance, beginning of year | **$1,135,429** | $708,338 |
| Expired – transferred to deficit | **(29,391)** | – |
| Exercised | **(207,732)** | – |
| Issued | **798,828** | 427,091 |
| **Balance, end of year** | **$1,697,134** | $ 1,135,429 |

## 9. Net Loss per Share

For the years ended December 31, 2020 and 2019, the weighted average number of common shares outstanding was 119,105,190 (2019 - 54,800,213) and the effect of outstanding stock options and warrants on loss per share was anti-dilutive. As such, the effect of outstanding stock options and warrants used to calculate the diluted loss per share has not been disclosed for the periods presented.

## 10. Related Party and Transactions and Key Management Compensation

### a) Related Party Transactions

The Corporation's related parties as defined by IAS 24, *Related Party Disclosures*, include the Corporation's subsidiaries (note 1), the Board of Directors, close family members and enterprises that are controlled by these individuals and key management as well as certain persons performing similar functions.

During the years ended December 31, 2020 and 2019, the Corporation entered into the following transactions with related parties:

| **Years ended December 31,** | **2020** | 2019 |
|---|---|---|
| Compensation paid to a company controlled by a key management person (1) | **$236,655** | $**254,024** |

(1) A total of $236,655 (2019 - $) was paid to a company ("Hanson") controlled by the Chief Operating Officer ("COO") for technical services provided by Hanson and its employees; effective August 1, 2020 the COO became a full-time employee of the Corporation; approximately 90% of these costs are charged to exploration expenditures.

This transaction was conducted in the normal course of operations.

Expressed in Canadian dollars unless otherwise stated.

**b) Key Management**

Prior to January 1, 2020, the Corporation contracted corporate services from DSA; such services included corporate secretarial, corporate communications and administration assistance (the "DSA Services"). The CFO was employed by the Corporation.

Effective January 1, 2020, the Corporation retained Grove to provide similar services with the add-on of CFO services.

The following is the compensation recorded for Key Management, the aggregate of which was paid to individuals, personal management corporations, DSA and Grove, during the years ended December 31, 2020 and 2019:

| **Years ended December 31,** | **2020 (1)(2)** | 2019 |
|---|---|---|
| Management fees (3)(4) | **$633,887** | $304,386 |
| Directors' fees | **130,000** | 145,000 |
| Share-based compensation | **798,828** | 311,301 |
| | **1,562,715** | 760,687 |
| Corporate service fees (Grove and DSA) (3)(4) | **113,879** | 5,887 |
| Compensation paid to a company controlled by the COO (5) | **236,655** | 254,024 |
| | **$1,913,249** | $1,020,598 |

(1) Includes the wages, source deductions and bonus for the CEO, CFO, COO and Corporate Secretary

(2) Directors' fees were the same for 2019 and 2020; however, two directors did not stand for re-election at the Annual General Meeting held October 27, 2020

(3) A total of $103,462 (2019 - $nil) was paid to a corporate services provider - Grove Corporate Services ("Grove") for management services (the "Services") including those provided by the Chief Financial Officer ("CFO") and Corporate Secretary, general administration and hosting of a virtual AGM; this amount has been charged to consulting fees on the statement of loss and comprehensive loss;

(4) A total of $10,417 (2019 - $5,887) was paid to a corporate services provider – DSA Corporate and Filing Services ("DSA") for corporate services (the "Services") including those related to corporate secretarial services, general administration and filing services on SEDAR and for new releases; this amount has been charged to consulting fees on the statement of loss and comprehensive loss; and

(5) From January 1, 2020 to July 31, 2020, a total of $236,655 (2019 - $254,024) was paid to a company controlled by the COO. See note 10 – *Related Party Transactions*. These amounts were allocated to exploration expenditures.

## 11. Financial Risk Management

The Corporation's risk exposures and the impact on the Corporation's financial instruments are summarized below. There have been no changes in the risks, objectives, policies and procedures during 2020 and 2019.

### (a) Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Corporation's credit risk is primarily attributable to cash and other receivables.

Cash is held with a reputable Canadian financial institution, from which management believes the risk of loss to be minimal.

Financial instruments included in other receivables consist of sales tax due from the Federal Government of Canada. Other receivables are in good standing as of December 31, 2020. Management believes that the credit risk concentration with respect to financial instruments included in other receivables is minimal.

### (b) Liquidity risk

The Corporation has in place a planning and budgeting process to help determine the funds required to support the Corporation's normal operating requirements on an ongoing basis and its capital, administrative, and exploration and evaluation expenditures. The Corporation ensures that there are sufficient funds to meet its short-term requirements, taking into account its anticipated cash flows from operations and its holdings of cash.

As at December 31, 2020, the Corporation has working capital of $4,391,874 (2019 – $1,369,434). As of December 31, 2020, the Corporation has cash balances of $4,034,564 (2019 – $1,372,210) to settle current accounts payable and accrued liabilities of $107,324 (2019 – $94,663). The Corporation's other current assets consist of other receivables of $174,811 (2019 – $23,638) and other financial assets and prepaid expenses of $289,823 (2019 – $68,249).

### (c) Market risk

At the present time, the Corporation does not hold any interest in a mining property that is in production. The Corporation's viability and potential success depends on its ability to develop, exploit, and generate revenue from the development of mineral deposits. Revenue, cash flow, and profits from any future mining operations in which the Corporation is involved will be influenced by precious and/or base metal prices and by the relationship of such prices to production costs. Such prices can fluctuate widely and are affected by numerous factors beyond the Corporation's control.

### (d) Foreign exchange risk

The Corporation's financings are in Canadian dollars. Certain of the Corporation's subsidiary Unigold Dominicana, S.R.L.'s activities are incurred in U.S. dollars (USD) and Dominican Pesos (DOP) and are therefore subject to gains or losses due to fluctuations in exchange rates. The Corporation is therefore subject to foreign exchange risk. As at December 31, 2020, the Corporation had foreign cash balances in the Canadian equivalent of $308,579 (2019 – $105,512) and trade payables of $30,097 (2019 – $38,027). Sensitivity to a plus or minus 5% change in the foreign exchange rate would have resulted in a decease in the net assets of the Corporation in the amount of $13,924 at December 31, 2020 (2019 - $3,374). The Corporation does not undertake currency hedging activities to mitigate its foreign currency risk.

**(e) Interest rate risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Corporation's current policy is to earn interest on investment-grade short-term deposit certificates issued by its financial institutions. The Corporation periodically monitors the investments it makes and is satisfied with the creditworthiness of its financial institutions. As of December 31, 2020, interest rate risk is minimal since the Corporation has no interest-bearing debt instruments.

A sensitivity analysis has determined that an interest rate fluctuation of 1% would not have resulted in significant fluctuation in the interest income during the year ended December 31, 2020.

**(f) Fair value of financial assets and liabilities**

Fair value estimates are made at the statement of financial position date based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties in significant matters of judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect these estimates.

The book values of cash, other receivables, and accounts payable and accrued liabilities approximate their respective fair values due to the short-term nature of these instruments.

## 12. Capital Risk Management

The Corporation considers its capital structure to consist of equity attributable to shareholders of the Corporation which at December 31, 2020 was $5,175,031 (2019 – $1,596,929). The Corporation manages its capital structure and makes adjustments to it, in order to have the funds available to support its exploration and corporate activities.

The Corporation’s objective when managing capital is to safeguard the Corporation’s ability to continue as a going concern in order to pursue the exploration of its exploration properties and maximize shareholder returns. The Corporation satisfies its capital requirements through careful management of its cash resources and by utilizing its existing credit facility or equity issues, as necessary, based on the prevalent economic conditions of both the industry and the capital markets and the underlying risk characteristics of the related assets.

Management reviews its capital management approach on an ongoing basis. The Corporation and its subsidiaries are not subject to externally imposed capital requirements other than the capital requirements of the TSX Venture Exchange which requires adequate working capital or financial resources of the greater of (i) $50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months. At December 31, 2020 the Corporation is compliant with Policy 2.5 of the TSX Venture Exchange.

Expressed in Canadian dollars unless otherwise stated.

## 13. Commitments and Contingencies

### (a) Legal proceedings

The Corporation and its entities are party to certain legal proceedings arising in the ordinary course of business. In the opinion of management, there are no current legal proceedings or other claims outstanding, which, on final disposition, could have a material adverse effect on the financial position of the Corporation.

### (b) Environmental matters

The Corporation's exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Corporation conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Corporation has made, and expects to make in the future, expenditures to comply with such laws and regulations.

The Corporation has operated in the mineral exploration industry in the Dominican Republic for many years. The enforcement of environmental regulation in the Dominican Republic is evolving and the enforcement posture of government authorities is continually being reconsidered. The Corporation periodically evaluates its obligations under environmental regulations.

### (c) Guarantees

The Corporation has no guarantees outstanding.

### (d) Contingencies

The Corporation is a party to certain employment contracts. These contracts contain clauses requiring that up to $250,000 be paid on termination for other than cause. The Dominican Republic has laws requiring payments of approximately $122,943 if those employees are terminated. As the triggering event has not taken place, the contingent payments have not been reflected in these consolidated financial statements.

### (e) Operating contractual obligations

Minimum contractual payments over the next five years are estimated as follows:

| Year | Total | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|
| Office lease | **$4,000** | $4,000 | $ – | $ – | $ – | $ – |
| Corporate services | **84,000** | 84,000 | – | – | – | – |
| Management fees | **565,004** | 565,004 | – | – | – | – |
| | **$653,004** | $653,004 | $ – | $ – | $ – | $ – |

Expressed in Canadian dollars unless otherwise stated.

The Corporation has entered into a lease for office premises in which it applies the short-term lease recognition exception. The lease is for rental space situated In the Dominican Republic and has a life of one year. The cost is expensed to the E&E costs. There are no restrictions placed upon the lessee by entering into this lease. The Corporation is applying the exemption under IFRS 16 for this short-term lease.

### (f) 2015 Private Placement Rights and Options

In connection with the 2015 private placement, an investment agreement was signed which gives Osisko Gold Royalties Ltd. ("Osisko") certain rights as long as Osisko continued to hold Unigold shares equal to at least 10% of the issued and outstanding Unigold shares on a non-diluted basis. Osisko dropped below 10% ownership based on the June 23, 2020 financing. As a result, many of the rights granted to Osisko in the 2015 placement have terminated. Osisko continues to hold an option to purchase a 2% net smelter return ("NSR") royalty on Unigold's Neita property for a consideration of $2,000,000, exercisable 90 days following the delivery of a feasibility study. Once exercised, Unigold will have the right to repurchase a 1% NSR (being 50% of the 2% NSR held by Osisko) for $1,000,000 until 90 days following the achievement of commercial production.

### (g) Corporate Services Agreement

Commencing January 1, 2020, the Corporation entered into an agreement with Grove Corporate Services. Grove is a private company that provides CFO and Corporate Secretarial consulting services, corporate communications and administrative services to the Corporation, at a monthly cost of $7,000. This is an annual, renewable agreement which may be terminated by the Corporation with 90 days' written notice provided to Grove of the Corporation's intention to terminate the agreement. See note 10 – *Related Party Transactions*.

## 14. Segmented Information

The Corporation's only activity is mineral exploration and evaluation. All of the Corporation's land, vehicles, field equipment, and camp and buildings (see note 6) are physically located in the Dominican Republic. All of the Corporation's exploration and evaluation activities referred to in note 7 relate to properties in the Dominican Republic.

| | As at and for the year ended December 31, 2020 | | |
|---|---|---|---|
| | **Canada** | **Dominican Republic** | **Total** |
| | **$** | **$** | **$** |
| Assets | **4,188,757** | **1,095,429** | **5,285,186** |
| Liabilities | **71,157** | **36,167** | **107,324** |
| Investment income | **9,831** | **—** | **9,831** |
| Exploration expenses | **—** | **2,588,801** | **2,588,801** |
| Other expenses | **2,394,411** | **124,563** | **2,518,974** |

Expressed in Canadian dollars unless otherwise stated.

| | As at and for the year ended December 31, 2019 | | |
|---|---|---|---|
| | Canada | Dominican Republic | Total |
| | $ | $ | $ |
| Assets | $1,374,332 | $320,091 | $1,694,423 |
| Liabilities | 56,636 | 38,027 | 94,663 |
| Investment income | 4,269 | 18 | 4,287 |
| Exploration expenses | — | 1,498,181 | 1,498,181 |
| Other expenses | $1,034,438 | $77,118 | $1,111,556 |

## 15. Tax Note

### (a) Provision for Income Taxes

Major items causing the Corporation's income tax rate to differ from the 2020 combined Canadian federal and provincial statutory rate of approximately 26.5% (2019 – 26.5%) were as follows:

| | **2020 ($)** | **2019 ($)** |
|---|---|---|
| Loss before income taxes: | (5,097,944) | (2,605,450) |
| Expected income tax (recovery) based on statutory rate | (1,351,000) | (690,000) |
| Adjustment to expected income tax benefit: | | |
| Stock-based compensation | 212,000 | 82,000 |
| Share issue costs | (151,000) | (58,000) |
| Other | — | 192,000 |
| Change in benefit of tax assets not recognized | 1,290,000 | 474,000 |
| **Deferred income tax provision (recovery)** | **—** | **—** |

(b) Deferred Income Tax Balances

Deferred income tax assets have not been recognized in respect of the following deductible differences:

| | **2020 ($)** | **2019 ($)** |
|---|---|---|
| Non-capital loss carry-forwards | 20,954,000 | 19,055,000 |
| Capital loss carry-forwards | 6,945,000 | 6,945,000 |
| Share issue costs | 588,000 | 266,000 |
| Exploration and evaluation assets | 44,631,000 | 42,043,000 |
| Property, plant and equipment | 968,000 | 975,000 |
| | **74,086,000** | **69,284,000** |

Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the Company can use the benefits.

At December 31, 2020, the Corporation has approximately $44,631,000 (2019 – $42,043,000) of various Canadian resource pools including foreign exploration expenditures which, under certain circumstances, may be utilized to reduce taxable income for future years. As at December 31, 2020, the Corporation had available for deduction against future taxable income, non-capital losses in Canada as follows:

Expressed in Canadian dollars unless otherwise stated.

| Year of Expiry | Amount ($) |
|---|---|
| 2026 | 952,000 |
| 2027 | 1,306,000 |
| 2028 | 665,000 |
| 2029 | 1,399,000 |
| 2030 | 1,630,000 |
| 2031 | 1,731,000 |
| 2032 | 2,481,000 |
| 2033 | 2,386,000 |
| 2034 | 2,026,000 |
| 2035 | 1,065,000 |
| 2036 | 1,147,000 |
| 2037 | 721,000 |
| 2038 | 690,000 |
| 2039 | 856,000 |
| 2040 | 1,900,000 |
| | 20,954,000 |

In the Dominican Republic, the Corporation's subsidiary is exempt from paying corporate taxes until 2024.

## 16. Subsequent Events

i. On February 5, 2021, the Corporation announced that the Board of Directors had approved a grant of 5-year stock options to employees of the Corporation, to purchases up to an aggregate of 1,000,000 common shares of the Corporation, at an exercise price of $0.30 per common share. The options vest at 25% every six months beginning August 5, 2021; these stock options were granted pursuant to and subject to the terms and conditions of the Company's stock option incentive plan ("SOP") and TSX Venture Exchange policies;

ii. On March 1, 2021, the Corporation announced the appointment of Sr. Ramón Oscar Tapia Marion Landais as the Country Director, in the Dominican Republic. Mr. Tapia is a lawyer and former partner of Marat Legal, a leading natural resources law firm in Santo Domingo. Mr. Tapia is eligible to participate in the Corporation's SOP.