



UNIGOLD INC.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the Three and Six Months Ended June 30, 2020 and 2019
Expressed in Canadian Dollars
Unaudited

NOTICE TO READER

The accompanying unaudited condensed consolidated interim financial statements of Unigold Inc. have been prepared by and are the responsibility of management. Unigold's auditors have not reviewed the unaudited condensed interim financial statements.



UNIGOLD INC

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION (Unaudited)

(Expressed in Canadian Dollars)

As at	June 30, 2020 (unaudited)	December 31, 2019
Assets		
Current assets		
Cash	\$6,341,118	\$1,372,210
Other receivables	71,645	23,638
Other financial assets and prepaids	31,335	68,249
Total current assets	6,444,098	1,464,097
Non-current assets		
Property, plant and equipment (note 6)	213,670	230,326
Exploration properties (note 7)	283,747	283,747
Exploration and evaluation assets (note 7)	42,871,385	41,760,970
Total assets	\$49,812,900	\$43,739,140
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	\$392,892	\$94,663
Total liabilities	392,892	94,663
Equity attributable to shareholders of the Corporation		
Share capital (note 8(a))	64,824,294	59,892,350
Reserve for warrants (note 8(b))	1,834,733	482,966
Reserve for share-based payments (note 8(c))	1,091,585	1,135,429
Accumulated deficit	(18,333,435)	(17,869,099)
Total equity attributable to shareholders of the Corporation	49,417,177	43,641,646
Non-controlling interest	2,831	2,831
Total equity	49,420,008	43,644,477
Total liabilities and equity	\$49,812,900	\$43,739,140

Nature of operations (note 1)

Going concern (note 2)

Commitments and contingencies (notes 7,15)

Approved on Behalf of the Board:

s/ Joseph Del Campo
Director

s/ Joseph Hamilton
Director

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



UNIGOLD INC.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (Unaudited)

(Expressed in Canadian Dollars)

	Share capital		Other reserves		Accumulated Deficit	Equity attributable to shareholders
	Number of shares	Amount	Warrants	Share-based payments		
Balance, December 31, 2018	45,671,309	\$57,309,839	\$1,990,736	\$708,338	\$(18,807,370)	\$41,201,543
Net loss for the period	–	–	–	–	(112,499)	(112,499)
Balance June 30, 2019	45,671,309	\$57,309,839	\$1,990,736	\$708,338	\$(18,919,869)	\$41,089,044
Transfer to deficit on expiry	–	–	(1,990,736)	–	1,990,736	–
Private placement	32,350,000	2,582,511	482,966	–	–	3,065,477
Options granted	–	–	–	427,091	–	427,091
Net loss for the period	–	–	–	–	(939,966)	(939,966)
Balance December 31, 2019	78,021,309	\$59,892,350	\$482,966	\$1,135,429	\$(17,869,099)	\$43,641,646
Private placement	33,333,334	6,000,000	–	–	–	6,000,000
Less share issue costs	–	(383,320)	–	–	–	383,320
Warrants issued	–	(1,283,491)	1,283,491	–	–	–
Finder warrants issued	–	(191,508)	191,508	–	–	–
Warrants forfeited	–	566	–	–	–	566
Warrants exercised	2,925,000	517,053	(78,303)	–	–	438,750
Finders warrants exercised	1,191,000	163,464	(44,930)	–	–	118,534
Grant of options	–	–	–	10,336	–	10,336
Options exercised	550,000	109,180	–	(54,180)	–	55,000
Net loss for the period	–	–	–	–	(464,336)	(464,336)
Balance June 30, 2020	116,020,643	\$64,824,294	\$1,834,733	\$1,091,585	\$(18,333,435)	\$49,417,177

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



UNIGOLD INC.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE LOSS (Unaudited)

(Expressed in Canadian Dollars)

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
Operating expenses				
Compensation (note 10)	\$101,689	\$62,826	\$230,333	\$132,659
Professional and consulting fees	42,429	23,452	84,279	44,028
Travel and business development	20,000	3,611	78,140	8,460
General and administrative expenses	25,057	25,688	49,368	36,505
Listing and shareholder information	20,624	11,449	34,523	19,628
Net loss for the period before the undernoted	(209,799)	(127,026)	(476,643)	(241,280)
Investment income	1,458	4	408	8
Foreign exchange (loss) gain	(4,933)	(15,529)	11,899	(13,778)
Total loss and comprehensive loss for the period	\$(206,324)	\$(142,551)	\$(464,336)	\$(255,050)
Net loss per share - basic & diluted (note 9)	\$(0.00)	\$(0.00)	\$(0.00)	\$(0.01)

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



UNIGOLD INC.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS (Unaudited)

(Expressed in Canadian Dollars)

For the six months ended June 30,	2020	2019
Cash flows from operating activities		
Net loss for the period	\$(464,336)	\$(255,050)
Adjustments to add/(deduct) non-cash items		
Share-based compensation	10,336	-
Working capital adjustments:		
Other receivables	(48,007)	1,529
Other financial assets and prepaids	36,912	10,100
Accounts payable and accrued liabilities	298,231	21,808
Net cash flows from operating activities	(166,864)	(221,613)
Cash flows from investing activities		
Acquisition of exploration and evaluation assets	(1,093,759)	(132,454)
Net cash flows from investing activities	(1,093,759)	(132,454)
Cash flows from financing activities		
Proceeds from private placement financing	6,000,000	-
Less share issue costs	(383,320)	-
Warrant exercises	557,850	-
Stock option exercises	55,000	-
Net cash flows from financing activities	6,229,531	-
Net increase (decrease) in cash	4,968,908	(354,067)
Cash, beginning of period	1,372,210	549,412
Cash, end of period	\$6,341,118	\$195,345

Supplemental information pertaining to cash flows (note 12)

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

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Unaudited)

For the three and six months ended June 30, 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 executive office is located at Ste. 2100 – 401 Bay St., Toronto, Ontario M5C 2Y2.

Unigold is exploring its property in the Dominican Republic.

Basis of presentation

These condensed consolidated interim financial statements include the accounts of the Corporation, and its wholly owned subsidiary, Unigold Resources Inc. (“URI”), which is incorporated in Canada under the Canada Business Corporations Act, and URI’s 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 condensed consolidated 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 adequate financing or to reach profitable levels of operation. Management feels that there is a material uncertainty, which causes significant doubt about the Corporation’s ability to continue as a going concern. 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.

It is not possible to predict whether financing efforts will be successful or if Unigold will attain profitable levels of operation. These condensed consolidated 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 accompany consolidated financial statements. These adjustments could be material.

Novel Coronavirus (“COVID-19”)

The Corporation’s operations could be significantly adversely affected by the effects of a widespread global outbreak of a contagious disease, including the recent outbreak of respiratory illness caused by COVID-19. The Corporation cannot accurately predict the impact COVID-19 will have on its operations and the ability of others to meet their obligations with the Corporation, including uncertainties relating to the ultimate geographic spread of the virus, the severity of the disease, the duration of the outbreak, and the length of travel and quarantine restrictions imposed by governments of affected countries. In addition, a significant outbreak of contagious diseases in the human population could result in a widespread health crisis that could

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Unaudited)

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adversely affect the economies and financial markets of many countries, resulting in an economic downturn that could further affect the Corporation's operations and ability to finance its operations.

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 recoverability of the carrying value of exploration properties and exploration and evaluation assets, and 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. Changes in future conditions could require material write-downs of the carrying values. 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 and environmental requirements.

3. Summary of Significant Accounting Policies

(a) Statement of compliance

These condensed consolidated interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standard ("IAS") 34 *Interim Financial Reporting* using the accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. These condensed consolidated interim financial statements have been prepared on the basis of and using accounting policies, methods of computation and presentation consistent with those applied in Unigold's 2019 Consolidated Annual Financial Statements. The accounting policies applied in these condensed consolidated interim financial statements are based on IFRS issued and outstanding as of August 27, 2020, the date the Audit Committee approved these statements. Any subsequent changes to IFRS that are given effect in the Corporation's annual consolidated financial statements for the year ending December 31, 2020, could result in restatement of these condensed consolidated interim financial statements, including the transition adjustments recognized on change-over to IFRS.

The preparation of financial statements in accordance with IAS 34 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*.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Unaudited)

For the three and six months ended June 30, 2020 and 2019

(Expressed in Canadian dollars unless otherwise stated)

(b) Basis of preparation

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

(c) Accounting standards and interpretations issued but not yet adopted

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 not yet been adopted and are being evaluated to determine their impact on the Corporation.

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. The amendments are effective for annual reporting periods beginning on or after January 1, 2020. Earlier adoption is permitted.

(d) Accounting policies

The accounting policies applied by the Corporation in these condensed consolidated interim financial statements are the same as those applied to the Corporation’s annual consolidated financial statements for the year ended December 31, 2019, and the corresponding interim reporting period. *Note 4* to those annual statements describes the significant accounting policies used by the Corporation. These condensed consolidated interim financial statements do not include all the notes of the type normally included in an annual financial report and therefore should be read in conjunction with the Corporation’s annual consolidated financial statements for the year ended December 31, 2019, as they provide an update of previously reported information.

4. Significant Accounting Judgments and Estimates

The preparation of these condensed consolidated interim financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The condensed consolidated interim 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

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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 recoverability of exploration properties and exploration and evaluation assets which are included in the condensed consolidated interim statement of financial position;
- ii. the inputs used in accounting for valuation of warrants and options which are included in the condensed consolidated interim statement of financial position;
- iii. the inputs used in accounting for share-based compensation expense in the condensed consolidated interim statement of comprehensive loss;
- iv. the nil provision for asset retirement obligations which is included in the condensed consolidated interim statement of financial position;
- v. the estimated useful life of property, plant and equipment; and
- vi. the existence and estimated amount of contingencies (*note 16*).

5. Property, Plant and Equipment

Vehicles, field equipment, and camp and buildings relate to the Corporation's exploration activities. During the six-month period ended June 30, 2020, \$16,656 (to December 31, 2019 – \$27,402) of amortization was capitalized to exploration and evaluation assets.

Cost	Land	Vehicles	Field equipment	Camp and buildings	Total
Balance June 30, 2019	\$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
Balance June 30, 2020	\$13,771	\$51,757	\$801,998	\$328,645	\$1,196,171

Amortization and impairment	Land	Vehicles	Field equipment	Camp and buildings	Total
Balance June 30, 2019	\$ –	\$47,242	\$632,064	\$259,137	\$938,443
Amortization	–	796	18,882	7,724	27,402
Balance Dec.31, 2019	\$ –	\$48,038	\$650,946	\$266,861	\$965,845
Amortization	–	556	15,106	992	16,656
Balance June 30, 2020	\$ –	\$48,596	\$666,052	\$267,853	\$982,501

	Land	Vehicles	Field equipment	Camp and buildings	Total
At June 30, 2019	\$13,771	\$4,515	\$169,934	\$69,508	\$257,728
At Dec. 31, 2019	\$13,771	\$3,719	\$151,052	\$61,784	\$230,326
At June 30, 2020	\$13,771	\$3,161	\$135,946	\$60,792	\$213,670

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Unaudited)

For the three and six months ended June 30, 2020 and 2019

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6. Exploration Properties and Exploration and Evaluation Assets

Exploration properties and deferred exploration and evaluation costs consist of the following:

	Balance Dec. 31, 2018	2019 net Additions	Balance Dec. 31, 2019	2020 net Additions	Balance June 30, 2020
Exploration property interests	\$283,747	\$ –	\$283,747	\$ –	\$283,747
Exploration and evaluation assets	\$40,207,985	\$1,552,985	\$ 41,760,970	\$1,110,415	\$42,871,385

Neita

The Corporation owns 100% of the exploration rights for gold, silver, copper, zinc and all associated minerals on the Neita Property in the northwestern Dominican Republic, as well as a sole and exclusive option for the commercial mining of the mineral deposits.

7. Equity Attributable to Equity Holders of the Corporation

(a) Common shares

Authorized, issued and outstanding shares

The Corporation is authorized for an unlimited number of common shares. The issued and outstanding common shares at June 30, 2020 is 116,020,643 (December 31, 2019 – 78,021,309).

On June 23, 2020 Unigold closed a non-brokered private placement of 33,333,334 units of the Corporation (the "Units") at a price of \$0.18 per Unit for gross proceeds of \$6,000,000 ("2020 Offering"). Each Unit consisted of one common share of the Corporation (a "Common Share") and one-half common share purchase warrant ("Warrant"). Each whole Warrant entitles the holder thereof to purchase one Common Share at an exercise price of \$0.30 until the date that is the earlier of: (i) two years following the date of issue, 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 \$0.60 per Common Share for more than 20 consecutive trading days. Finder's fees and Finders Warrants were paid in connection with the completion of the Offering in accordance with TSX Venture Exchange policies. A fair value of \$1,283,491 was assigned to the 16,666,667 warrants issued in connection with the 2020 Offering. See note 8(b) – *Reserve for warrants*. In connection with the closing of the 2020 Offering, the Corporation paid an aggregate of \$326,506 in cash and issued an aggregate of 1,949,520 finder warrants ("Finder Warrant") to various finders in connection with the Offering. Each Finder Warrant entitles the holder thereof to purchase one Common Share at an exercise price of \$0.18 at any time prior to June 23, 2022, subject to the right of the Corporation to accelerate the expiry on the same terms as the Warrants. A fair value of \$191,508 was assigned to the Finder Warrants. See note 8(b) – *Reserve for warrants*.

Further, a total of \$56,814 was charged to share issue costs for professional fees and regulatory filing fees incurred in connection with the 2020 Offering.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Unaudited)

For the three and six months ended June 30, 2020 and 2019

(Expressed in Canadian dollars unless otherwise stated)

During the six months ended June 30, 2020, a total of 2,925,000 Warrants, with an exercise price of \$0.15, were exercised for proceeds of \$438,750. The fair value of \$78,303, originally assigned to the warrants upon issuance, has been added back to share capital.

On June 16, 2020, 1,191,000 finder warrants with an exercise price of \$0.10, issued in connection with the 2019 Offering, were exercised for proceeds of \$119,100. The fair value of \$44,930, originally assigned to the finder warrants upon issuance, has been added back to share capital.

During the six months ended June 30, 2020, a total of 550,000 stock options granted under the Corporation's stock option plan, were exercised, for proceeds of \$55,000. The fair value of \$54,180, originally assigned to the options upon granting, has been added to share capital.

The following table summarizes the Corporation's common shares activity for the six months ended June 30, 2020 and December 31, 2019:

	Number of shares	
Balance – June 30, 2019	45,671,309	\$57,309,839
2019 Offering Common Shares issued	32,350,000	3,235,000
Cash share issue costs	–	(169,523)
Value assigned to Warrants	–	(433,007)
Value assigned to Finder Warrants	–	(49,959)
Balance - December 31, 2019	78,021,309	\$59,892,350
2020 Offering Common Shares issued	33,333,334	6,000,000
Cash share issue costs		(383,320)
Value assigned to Warrants		(1,283,491)
Value assigned to Finder Warrants		(191,508)
Warrants exercised	2,925,000	517,053
Finder Warrants exercised	1,191,000	164,030
Options exercised	550,000	109,180
Balance – June 30, 2020	116,020,643	\$64,824,294

(b) Reserve for warrants

i. Pursuant to the 2019 Offering, the Corporation issued 16,175,000 warrants. Each Warrant entitles the holder thereof to purchase one common share of the Corporation at an exercise price of \$0.15 at any time prior to September 18, 2021. The Corporation has the right to accelerate the expiry date of the Warrants on notice to the holders of Warrants 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 at any time after January 19, 2020.

In connection with the closing of 2019 Offering, the Corporation issued an aggregate of 1,341,000 Finder Warrants. Each Finder Warrant entitles the holder thereof to purchase one share of the Corporation until September 18, 2021 at an exercise price of \$0.10 per Finder Warrant.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Unaudited)

For the three and six months ended June 30, 2020 and 2019

(Expressed in Canadian dollars unless otherwise stated)

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

	Warrants	Finder Warrants
Exercise price	\$0.15	\$0.10
Expected life	2 years	2 years
Expected volatility	89.3%	89.3%
Risk-free rate	1.6%	1.6%
Expected annual dividend	Nil	Nil
Grant date fair value	\$0.0267	\$0.0377

ii. Pursuant to the 2020 Offering, the Corporation issued 16,666,667 warrants. Each 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 Warrants on notice to the holders of Warrants if the closing price of the Common Shares on a stock exchange in Canada is higher than \$0.60 per Common Share for more than 20 consecutive trading days at any time after October 23, 2020.

In connection with the closing of 2020 Offering, the Corporation issued an aggregate of 1,949,520 Finder Warrants. Each Finder Warrant entitles the holder thereof to purchase one share of the Corporation until June 23, 2022 at an exercise price of \$0.18 per Finder Warrant.

The fair value of the Warrants and Finder Warrants issued in the 2020 Offering was estimated at the date of issuance using the Black-Scholes option-pricing model with the following assumptions:

	Warrants	Finder Warrants
Exercise price	\$0.30	\$0.18
Expected life	2 years	2 years
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

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Unaudited)

For the three and six months ended June 30, 2020 and 2019

(Expressed in Canadian dollars unless otherwise stated)

The following table summarizes the Corporation's Warrants and Finder Warrants activity for the six months ended June 30, 2020 and December 31, 2019:

	Number of warrants	Weighted average Exercise Price \$	Weighted average grant date fair value \$
Balance June 30, 2019	-	-	-
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	(2,925,000)	0.15	(78,303)
Exercise of 2019 Finder Warrants	(1,191,000)	0.15	(44,364)
Cancellation of Finder Warrants	(15,000)	0.10	(566)
2020 Offering Warrants	16,666,667	0.30	1,283,491
2020 Offering Finder Warrants	1,949,520	0.18	191,508
Balance June 30, 2020	32,001,187	\$0.23	\$1,834,732

Exercise Price	Number of Warrants Outstanding	Weighted Average Remaining Contractual Life - Years	Expiry Date
\$0.15	13,250,000	1.22	September 18, 2021
\$0.10	135,000	1.22	September 18, 2021
\$0.30	16,666,667	1.98	June 23, 2022
\$0.18	1,949,520	1.98	June 23, 2022
	32,001,187		

(c) Stock options

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. On March 4, 2020 the Corporation granted an aggregate of 100,000 stock options to two officers. 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 immediately.

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ii. The options were estimated to have a fair value of \$10,336 on the grant date, using the Black-Scholes option pricing model based on the following assumptions:

Grant date	March 4, 2020
Exercise price	\$0.15
Expected life	5.0 years
Expected volatility	89.0%
Risk-free rate	.88 %
Expected annual dividends	\$nil
Expected forfeitures	Nil
Grant date fair value	\$0.103

iii. On March 4, 2020, the Corporation granted 50,000 stock options to a consultant providing investor relations services. The options vest 1/4 on June 4, September 4, December 4, 2020 and the final 1/4 on March 4, 2021. The options were estimated to have a fair value of \$5,155 on the grant date, using the Black-Scholes option pricing model based on the following assumptions:

Grant date	March 4, 2020
Exercise price	\$0.15
Vesting period	¼ every 90 days
Expected life	5.0 years
Expected volatility	89.0%
Risk-free rate	.88 %
Expected annual dividends	\$nil
Expected forfeitures	Nil
Grant date fair value	\$0.103

iv. During the six months ended June 30, 2020, a total of 550,000 stock options were exercised for proceeds of \$55,000.

The following tables summarize the Corporation’s stock option activity for the six months ended June 30, 2020 and December 31, 2019:

	Number of Options	Weighted Average Exercise Price
Balance – June 30, 2019	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	150,000	0.15
Exercised	(550,000)	0.22
Balance – June 30, 2020	5,400,000	\$0.22

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Exercise Price	Number of Options Outstanding	Weighted Average Remaining Contractual Life – Years	Number of Options Exercisable	Expiry Date
\$0.10	800,000	0.25	800,000	September 30, 2020
\$0.35	1,650,000	1.23	1,650,000	September 22, 2021
\$0.20	2,550,000	4.24	2,550,000	September 25, 2024
\$0.23	250,000	4.43	250,000	December 6, 2024
\$0.15	150,000	4.68	112,500	March 4, 2025
\$0.22	5,400,000	2.75	5,361,500	

8. Net Loss per Share

For the six months ended June 30, 2020, the weighted average number of common shares outstanding was 79,994,772 (December 31, 2019 - 54,800,213) and the effect of outstanding stock options on loss per share was anti-dilutive. As such, the effect of outstanding stock options used to calculate the diluted loss per share has not been disclosed for the periods presented.

9. Compensation

During the three and six months ended June 30, 2020 and 2019, compensation expense included in the Condensed Consolidated Statement of Loss and Comprehensive Loss of the Corporation, was comprised as follows:

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
Salaries and non-wage costs	\$66,689	\$29,827	\$149,997	\$62,659
Directors' fees	35,000	35,000	70,000	70,000
Share-based compensation	–	–	10,336	–
	\$101,689	\$64,827	\$230,333	\$132,659

10. Related Party Balances and Transactions

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.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Unaudited)

For the three and six months ended June 30, 2020 and 2019

(Expressed in Canadian dollars unless otherwise stated)

During the six-month period ended June 30, 2020, the Corporation entered into the following transactions with related parties:

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
Aggregate compensation paid to companies controlled by key management persons ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾	\$59,000	\$7,650	\$259,000	\$24,388

(1) For the three months ended June 30, 2020, \$22,500 (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;

(2) For the six months ended June 30, 2020, \$45,000 (2019 - \$nil) was paid to Grove for the Services;

(3) For the three months ended June 30, 2020, a total of \$36,500 (2019 - \$7,650) was paid to a company (“Hanson”) controlled by the Chief Operating Officer (“COO”) for technical services provided by Hanson and its employees;

(4) For the six months ended June 30, 2020, a total of \$214,000 (2019 - \$24,388) was paid to Hanson for technical consulting services.

These transactions were in the normal course of operations.

b) 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, a new third-party provider to deliver the Services (now including CFO services), to the Corporation.

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 six months ended June 30, 2020 and 2019:

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
CEO, COO, Corporate Secretary and current and former CFO	\$133,397	\$37,834	\$408,997	\$87,047
Directors’ fees	35,000	35,000	70,000	70,000
Share-based compensation	–	–	10,336	–
	\$168,397	\$72,834	\$489,333	\$157,047

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Unaudited)

For the three and six months ended June 30, 2020 and 2019

(Expressed in Canadian dollars unless otherwise stated)

12. Supplemental Information Pertaining to Cash Flows

Six months ended June 30,	2020	2019
Change in accrued exploration and evaluation assets	\$(32,010)	\$(94,850)
Amortization included in exploration and evaluation assets (<i>notes 6, 7</i>)	\$16,656	\$27,402

13. 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 from the previous period.

(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 June 30, 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 and cash equivalents.

As at June 30, 2020, the Corporation has working capital of \$6,051,207 (December 31, 2019 – \$1,369,434) comprised of: \$6,341,118 cash (December 31, 2019 - \$1,372,210) to settle current accounts payable and accrued liabilities of \$392,892 (December 31, 2019 – \$94,663). The Corporation's other current assets consist of other receivables of \$71,644 (December 31, 2019 – \$23,638), mainly comprised of HST receivable and other financial assets and prepaids of \$31,337 (December 31, 2019 – \$68,249).

See also *note 2 – Going Concern*.

(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

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Unaudited)

For the three and six months ended June 30, 2020 and 2019

(Expressed in Canadian dollars unless otherwise stated)

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 transactions with its subsidiaries, Unigold Resources Inc. and Unigold Dominicana, S.R.L., are incurred in foreign currencies 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 June 30, 2020, the Corporation had cash balances of \$36,050 (December 31, 2019 – \$42,821) in United States dollars (USD). Accounts payable at June 30, 2020, were USD 1,500 (December 31, 2019 – USD 19,034).

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 six months ended June 30, 2020. 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 bank balances which approximate rates available from 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 June 30, 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 5% in interest rates would not have resulted in significant fluctuation in the interest income during the six months ended June 30, 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.

As at June 30, 2020 and December 31, 2019, the book values of cash, other receivables, other financial assets, and accounts payable and accrued liabilities approximate their respective fair values due to the short-term nature of these instruments.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Unaudited)

For the three and six months ended June 30, 2020 and 2019

(Expressed in Canadian dollars unless otherwise stated)

14. Capital Risk Management

The Corporation considers its capital structure to consist of equity attributable to shareholders of the Corporation which at June 30, 2020 was \$49,417,177 (December 31, 2019 – \$43,641,646). The Corporation manages its capital structure and makes adjustments to it, in order to have the funds available to support its exploration and operations 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.

15. 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 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.

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 has made, and expects to make in the future, expenditures to comply with such laws and regulations.

(c) Guarantees

The Corporation has no guarantees outstanding.

(d) Contingencies – Employment Contracts

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. Directors' fees are set at \$140,000 per annum. The Dominican Republic has laws requiring payments of approximately \$98,937 if those employees are terminated. As the likelihood of these events taking place is not determinable, the contingent payments have not been reflected in these condensed consolidated interim financial statements.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Unaudited)

For the three and six months ended June 30, 2020 and 2019

(Expressed in Canadian dollars unless otherwise stated)

(e) Operating contractual obligations

In the normal course of business, the Corporation enters into one-year service contracts, routinely.

Currently, the minimum contractual payments over 2020 are as follows:

Year	2020
Office lease (Dominican Republic or DR)	\$4,000
Corporate services (Toronto) ⁽¹⁾	\$150,000
Technical and corporate costs - DR ⁽²⁾	\$120,000
	\$274,000

(1) Corporate services includes: CFO, Corporate Secretarial, administrative and corporate communications services, transfer agency fees, exchange listing and SEDAR filing costs, audit and tax services, IR consulting fees

(2) Technical and corporate costs in the DR includes: wages, security, camp, field, legal and other costs

Currently, the minimum contractual payments over the next five years are as follows:

Year	Total	2020	2021	2022	2023	2024
Office lease	\$4,000	\$4,000	\$-	\$-	\$-	\$-
Services – Toronto and Dominican Republic	270,000	270,000	-	-	-	-
	\$274,000	\$274,000	\$-	\$-	\$-	\$-

Non-cancellable operating lease commitments:

As at	June 30, 2020	December 31, 2019
Within one year	\$2,000	\$9,000
After one year but not more than five years	-	-
More than five years	-	-

(f) 2015 Private Placement

In connection with the 2015 private placement, an investment agreement was signed which gave 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.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Unaudited)

For the three and six months ended June 30, 2020 and 2019

(Expressed in Canadian dollars unless otherwise stated)

(g) Corporate Services Agreement

Commencing January 1, 2020, the Corporation entered into an agreement with Grove. 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 \$7,500 plus HST taxes. This is an annual, renewable agreement which may be terminated by the Corporation with 90 days' written notice provided to ServiceCo, of the Corporation's intention to terminate the agreement. See note 11(a) – *Related Party Transactions*.

16. 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.

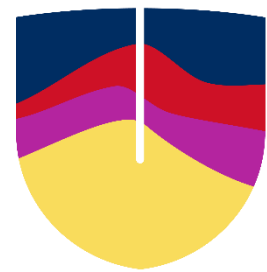
The following table includes the principal components of the Corporation's segmented information:

As at and for the six months ended June 30, 2020			
	Canada	Dominican Republic	Total
Assets	\$6,302,123	\$43,510,777	\$49,812,900
Liabilities	(386,875)	(6,017)	(392,892)
Investment income	408	–	408
Other expenses	(458,943)	(5,393)	(464,336)

As at and for the six months ended June 30, 2019			
	Canada	Dominican Republic	Total
Assets	\$145,493	\$40,982,594	\$41,128,087
Liabilities	158,648	20,115	178,763
Investment income	–	8	8
Other expenses	(234,540)	(20,510)	(255,050)

17. Subsequent events

Subsequent to June 30, 2020, an aggregate of 8,225,000 Warrants, 54,000 Finder Warrants and 550,000 Stock Options have been exercised, for proceeds of \$1,294,150.



UNIGOLD INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the six months ended June 30, 2020

UNIGOLD INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following discussion and analysis (“MD&A”) of the unaudited, condensed consolidated interim operating results and financial condition of Unigold Inc. (“Unigold” or the “Corporation”) for the fiscal periods ended June 30, 2020 and 2019 should be read in conjunction with the unaudited, condensed consolidated interim financial statements of the Corporation and notes thereto at June 30, 2020 (the “Interim Financial Statements”) and the audited consolidated financial statements for the years ended December 31, 2019 and 2018 and the notes thereto (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 August 27, 2020.

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, Tiro Formation. Unigold operates through its wholly owned Canadian subsidiary, Unigold Resources Inc. (“URI”), and URI’S 97 per cent-owned subsidiary, Unigold Dominicana, S.R.L., which is incorporated in the Dominican Republic.

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 June 30, 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

On November 12, 2013, the Corporation announced an initial inferred pit-constrained mineral resource estimate for the Candelones deposits. This resource was estimated to be 39.5 M tonnes averaging 1.6 grams per tonne ("g/t") gold ("Au") containing 2.0M ounces ("oz.") of gold. On February 24, 2015, the Corporation announced an updated inferred mineral resource estimate for the Candelones Extension deposit, assuming underground mining of this deposit. The updated resource estimated 5.2 M tonnes averaging 5.3 g/t Au containing 894,000 oz. of gold with 0.35 percent ("%") copper ("Cu") containing 41.2 M lbs of copper. See press release 2018-05 dated November 2, 2018 for details pertaining to the estimated resources. 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 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.

Objectives for 2020

- Continue to expand high grade Epithermal mineralization;
- Convert a portion of the inferred mineral resources to measured and indicated classification;
- Establish a preliminary process flow sheet and plant design for the Epithermal Sulphide mineralization;
- Complete an economic study on the oxide portion of the deposit; and
- 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 provide an updated NI-43-101 mineral resource estimate of sufficient size and quality to support a preliminary economic assessment of the project and application to convert the Candelones deposit from an Exploration license to an Exploitation license.

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;
- From April 1, 2020 to the date of this MD&A, a total of 12,495,000 warrants, 1,245,000 finder warrants, and 1,100,000 stock options were exercised for proceeds of \$2,108,750 – See Section 5 – Liquidity and Capital Resources;
- Engaged Grove Corporate Services to provide professional management services included those to provided by the CFO and Corporate Secretary (“Grove”);
- The Corporation extended the agreement with Adelaide Capital Markets Inc. to provide investor relations and market awareness services to the Corporation, until August 2021;
- The Corporation retained Clarkham Capital Ltd. to provide European investor relations and market awareness services to the Corporation until August 2021;

- All operations in the Dominican Republic (“DR”). Including the drill programs, were suspended, from late March onwards, due to Covid-19 travel restrictions in both Canada and the DR, however as at the date of this MD&A, operations have resumed.

TECHNICAL

- Unigold Phase 1 Metallurgical Studies Indicate 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 suggesting heap leaching may be a viable option for the at-surface oxide mineralization;
- During the six months ended June 30, 2020 (or “Reporting Period”), the Corporation expended \$1,093,960 for exploration costs – See Section 4 – Results of Operations for breakdown;
- The Corporation contracted Micon International Limited (“Micon”) to provide an updated pit-constrained mineral resource estimate;
- The Corporation 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 comminution and recovery of gold from Candelones; and
- The Corporation contracted JDS Energy & Mining Inc. to provide a scoping-level study for internal use utilizing underground mining for high-grade epithermal mineralization. The scoping study is expected to identify data required for the completion of a Feasibility Study, as well provide the Corporation with sufficient data to determine the minimum resources required to support an economic operation at Candelones.
- 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 3.43 M tonnes averaging 0.84 g/t Au (92,000 ozs Au contained) in a low strip starter pit;
 - Inferred Oxide Resource of 1.61 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;
- The Corporation 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

4. Results of Operations

A. Exploration

Geological Setting

Unigold’s Neita concession covers a 21,031 Ha area within the highly prospective Tiro 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. A longitudinal section showing the lower grade disseminated mineralization envelope and the location of the high-grade epithermal feeders at Targets A, B and C is shown in Figure 1 below.

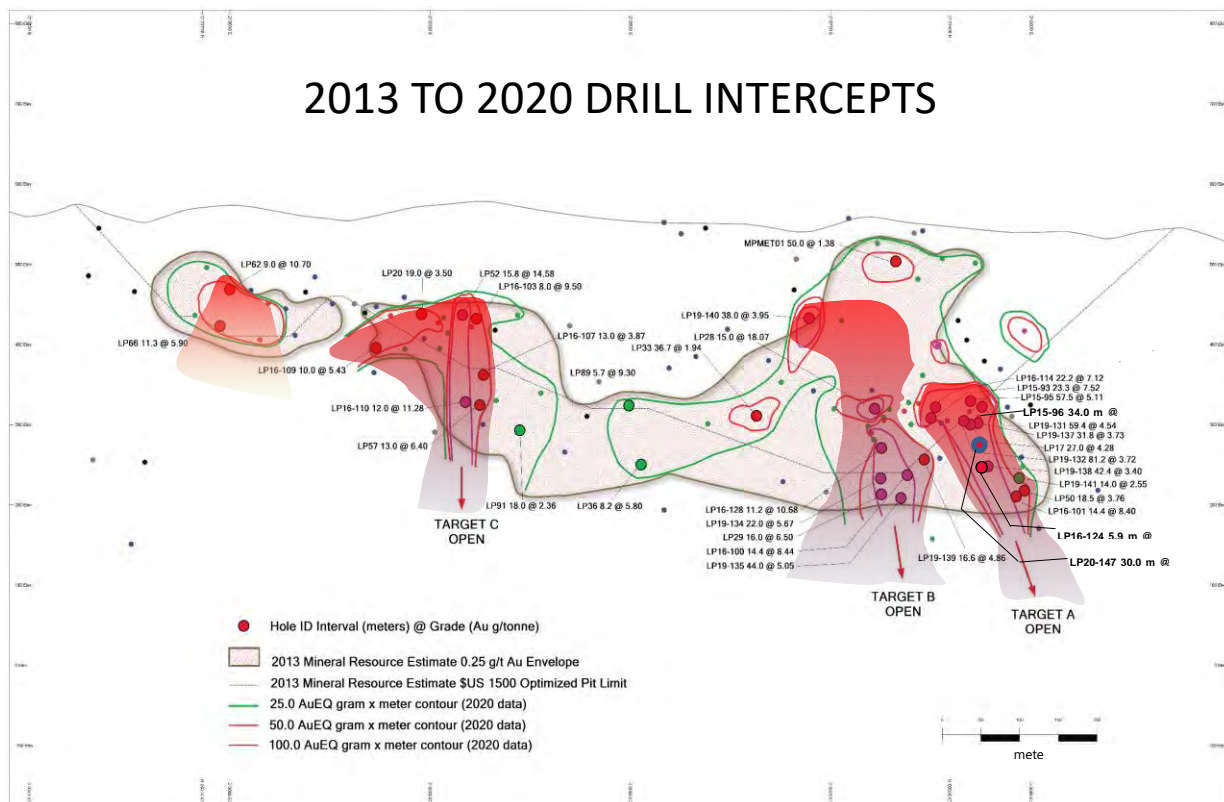


Figure 1.0 – Longitudinal Section looking North – Candelones Extension Deposit Grade Thickness Contours

History and Recent Exploration Activity

See Unigold Annual Financial Statements for history from 2007 to late 2019.

As at June 30, 2020, a total of 542 diamond drill holes totalling 128,916 metres have been completed, the vast majority (496 holes – 120,148 metres) centered in and around the Candelones 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, however work has resumed in the field, as the DR team advance exploration on the Corporation’s planned 15,000 metre drill program.

Project to date work includes:

Compilation data	H1 2020	2019	PROJECT TO DATE
Oxide test pits	-	-	31
Drilling – holes	15	35	544
Drilling – metres	6527	5434	129,696
Trenching – metres	-	-	31,559
Geochemical analysis	1538	3474	147,709
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 International Ltd.

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. William Lewis, B.Sc., P.Geo., Senior Geologist, Micon

International Limited., is currently supervising an update to the mineral resource estimate of the oxide mineralization which, together with the metallurgical tests, will be used to inform an economic study on the oxide portion of the deposit at a later date.

Further metallurgical tests will be conducted in Q3 and Q4 of 2020. These chemical and mineralogical analysis will further characterize the Candelones mineralization. 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.

The material categories of cumulative exploration and evaluation assets are summarized below:

	Balance Dec. 31, 2019	H1 2020 Additions	Balance June 30, 2020
Geology/Field			
Drilling (including supplies and logistics expenses)	\$13,677,508	\$35,262	\$13,912,770
Consulting (contract geologists and other technical specialists)	6,991,167	269,682	7,260,849
Field expense (including geochemistry and geophysics)	2,309,772	96,922	2,406,694
Travel	1,631,162	1,028	1,632,190
Technical studies/Analysis			
Laboratory analysis	4,759,031	167,823	4,926,854
Financial/Administrative Support			
Other (includes depreciation, CSR, Environment, G&A, insurance, legal etc.)	7,198,188	181,055	7,379,243
	\$41,760,970	\$1,110,415	\$42,871,385

Exploration Outlook

The 2020 exploration program has planned for: additional ground based geophysical surveys targeting the down plunge extension of the Au-Cu rich massive sulphides and sub-vertical feeder systems at the Candelones Extension deposit, exploration drilling targeting the down plunge continuation of the Au-Cu rich massive sulphides, exploration drilling of targets along the northeast gold trend, and metallurgical testing to evaluate the metallurgical recovery of the oxide and sulphide mineralization.

B. Financial Performance

FINANCIAL POSITION AND CORPORATE SPENDING

At June 30, 2020:

- Unigold has \$6,341,118 cash to settle accounts payables and accrued liabilities of \$392,892 (2019 - \$1,372,210 cash to settle \$94,663 accounts payables and accrued liabilities); and
- The Corporation had receivables of \$71,645 which was principally recoverable HST and prepaid expenses of \$31,335 – primarily comprised of a deposit for geological services from MICON for \$8,836 and prepaid corporate services of \$22,500.

During the six months ended June 30, 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 \$612,850 from the exercise of warrants and stock options;
- expended \$1,093,759 on exploration at Neita – primarily on lab analysis, metallurgy consulting costs, camp and field expenses and ongoing security and technical services at site; and
- the Corporation recorded a loss of \$464,336 compared with a loss of \$255,050 in 2019.

Increased corporate costs in Q1/Q2 2020 resulted primarily from:

- an increase in the budget/spending for investor relations and market awareness to \$78,140, up from \$8,460 in 2019. The increase was comprised of travel and fees for trade shows and conferences for marketing and conducting broker presentations in anticipation of a significant private placement raise for 2020 and the engagement of an investor relations team to increase market awareness including a re-branding;
- an aggregate of \$45,000 in corporate service monthly costs paid to Grove; in 2019 these services were provided by an inhouse CFO and corporate services firm on an ‘as needed’ basis. Effective February 1, 2020 the former CFO resigned, and Grove was engaged;
- recording share compensation costs of \$10,336 from the grant of options - no stock options were granted in Q1/Q2 2019;
- salaries and wages increased from \$62,659 in 2019 to \$149,997 principally due to: a full six months’ recording of the President’s compensation and an overlap of compensation paid to the former and current CFO and Corporate Secretary, during the transition phase while bringing Grove on board;
- additional fees were paid to the TSXV for increased sustaining fees due to increased shareholdings from 2019 Offering and increased public disclosure through SEDAR and press releases resulted in adding approximately \$15,000 to corporate costs;

- Increased insurance coverage for medical and travel for our team resulted in adding almost \$3,000 to overhead for the period;
- due to the increased exploration and corporate activity in 2019, the annual audit cost was approximately \$7,000 higher than expected; and
- enhanced networking and computer purchases accounted for almost \$8,000 extra spending to ensure communication capacity for the Corporation's telecommunications.

Quarterly Financial Information (Unaudited)

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:

(\$ thousands, except per share amounts)	2020		2019				2018	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Revenue - interest		-	-	-	-	-	-	-
Net loss	(206)	(258)	(310)	(487)	(143)	(112)	(117)	(135)
Net loss per share: Basic and diluted	(0.00)	(0.00)	(0.01)	(0.01)	(0.00)	(0.00)	(0.00)	(0.00)
Acquisition of exploration and evaluation assets	250	860	1,166	227	91	69	249	133

Acquisition of exploration and evaluation activities varies on the level and type of activity with drilling consuming the most funds.

For the three months ended June 30, 2020, restrictions mandated by the DR and Canadian government had a significant impact on site operations. 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 study 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 \$0.60 during the period.

In general, expense increases, period-over-period were consistent with those explained above in the performance section. Exploration spending in the DR was reduced to \$250,000 from \$860,000, quarter-over-quarter, due to the suspension of operations as discussed above.

5. Liquidity and Capital Resources

The Corporation considers the capital that it manages to include share capital, warrants, contributed surplus and deficit, which at June 30, 2020 was \$49,417,177 (December 31, 2019) - \$43,641,646. 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 three months ended June 30, 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 June 30, 2020, the Corporation had a cash balance of \$6,341,118 (December 31, 2019 - \$1,372,210) and working capital of \$6,051,207 (December 31, 2019 - \$1,277,547). Management believes the Corporation is well funded to meet its short-term financial obligations for 2020. However, additional funding needs may arise depending on 2020 exploration results.

6. Related Party Transactions

a) 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 six-month period ended June 30, 2020, the Corporation entered into the following transactions with related parties:

	Three months ended June		Six months ended June	
	2020	30, 2019	2020	30, 2019
Aggregate compensation paid to companies controlled by key management persons (a)(b)(c)	\$59,000	\$7,650	\$259,000	\$24,388

(a) For the three months ended June 30, 2020, \$22,500 (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.

(b) For the six months ended June 30, 2020, \$45,000 (2019 - \$nil) was paid to Grove for the Services.

(c) For the three months ended June 30, 2020, a total of \$36,500 (2019 - \$7,650) was paid to a company (“Hanson”) controlled by the Chief Operating Officer (“COO”) for technical services provided by Hanson and its employees.

(d) For the six months ended June 30, 2020, a total of \$214,000 (2019 - \$24,388) was paid to Hanson for technical consulting services.

These transactions were in the normal course of operations.

b) 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, a new third-party provider to deliver the Services (now including CFO services), to the Corporation.

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 six months ended June 30, 2020 and 2019:

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
CEO, COO, Corporate Secretary and current and former CFO (1)	\$133,397	\$37,834	\$408,997	\$87,047
Directors’ fees	35,000	35,000	70,000	70,000
Share-based compensation	-	-	10,336	-
	\$168,397	\$72,834	\$489,333	\$132,659

(1) 90% of the COO’s compensation has been charged to Exploration and Evaluation expense

7. 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	2020	2021	2022	2023	2024
Office lease	\$4,000	\$4,000	\$ –	\$ –	\$ –	\$–
Services – Toronto and Dominican Republic	270,000	270,000	–	–	–	–
	\$274,000	\$274,000	\$–	\$–	\$–	\$–

2015 Private Placement

In connection with a 2015 private placement, an investment agreement was signed which gave 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 Contracts

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. Directors' fees are set at \$140,000 per annum. The Dominican Republic has laws requiring payments of approximately \$98,937 if those employees are terminated. As the likelihood of these events taking place is not determinable, the contingent payments have not been reflected in the Interim Financial Statements.

8. 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.

9. Off-Balance Sheet Arrangements

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

10. 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.

11. Significant Accounting Judgments and Estimates

The Corporation prepares its Interim and 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 note 2 in the Annual Financial Statements – *Significant Accounting Judgments and Estimates*

12. 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.

Novel Coronavirus ("COVID-19")

The Corporation's operations could be significantly adversely affected by the effects of a widespread global outbreak of a contagious disease, including the recent outbreak of respiratory illness caused by COVID-19. The Corporation cannot accurately predict the impact COVID-19 will have on its operations and the ability of others to meet their obligations with the Corporation, including uncertainties relating to the ultimate geographic spread of the virus, the severity of the disease, the duration of the outbreak, and the length of travel and quarantine restrictions imposed by governments of affected countries. In addition, a significant outbreak of contagious diseases in the human population could result in a widespread health crisis that could adversely affect the economies and financial markets

of many countries, resulting in an economic downturn that could further affect the Corporation's operations and ability to finance its operations.

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.

13. 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.

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 is valid for a two-year period and expires on November 2, 2020. An application for an extension of the Environmental Permit has been made to the Ministry of the Environment. 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.

14. Corporate Social Responsibility (“CSR”), Safety, Health and Environment.

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.

15. Future Accounting Changes

Accounting standards and interpretations issued but not yet adopted

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 not yet been adopted and are being evaluated to determine their impact on the Corporation.

- 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. The amendments are effective for annual reporting periods beginning on or after January 1, 2020. Earlier adoption is permitted.

16. Financial Instruments

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. Other receivables are in good standing as of June 30, 2020. 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 June 30, 2020, the Corporation has working capital of \$6,051,207 (December 31, 2019 – \$1,369,434). As of June 30, 2020, the Corporation has a cash balance of \$6,341,118 (December 31, 2019 – \$1,372,210) to settle current accounts payable and accrued liabilities of \$392,892 (December 31, 2019 – \$94,663). The Corporation's other current assets consist of other receivables of \$71,645 (December 31, 2019 – \$23,638) and other financial assets and prepaids of \$31,336 (December 31, 2019 – \$68,249).

See also *note 2* in Annual Financial Statements - 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. Certain of the Corporation's transactions with its subsidiaries, Unigold Resources Inc., and Unigold Dominicana, S.R.L. are incurred in foreign currencies 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 June 30, 2020, the Corporation had cash balances of \$36,050 (December 31, 2019 – \$42,821) in United States dollars (USD). Accounts payable at June 30, 2020, was USD1,500 (December 31, 2019 – USD19,034).

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 June 30, 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 six months ended June 30, 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 its 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.

17. 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 unaudited, condensed consolidated interim financial statements and the Corporation'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 June 30, 2020.

18. 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	5,950,000	101,337,309
June 30, 2020	116,020,643	29,916,667	2,084,520	5,400,000	153,421,830
August 27, 2020 ⁽¹⁾	124,849,643	21,691,667	2,030,520	4,850,000	153,421,830

(1) Subsequent to June 30, 2020, a total of 8,829,000 warrants, 54,000 finders warrants, and 550,000 stock options were exercised for proceeds of \$1,294,150.

19. 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.

20. Corporate Directory

Directors

Joseph Hamilton
Charles Page
Joseph Del Campo
Jean Marc Lacoste
Normand Tremblay
Jose Acero
Ruben Padillo

Officers

Joseph Hamilton, Chairman and CEO
Donna McLean, CFO
Wes Hanson, 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

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Telephone: 416.866.8157

E-mail: unigold@unigoldinc.com

Shareholder Information

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1 800 564-6253

Web Contact Form:

www.investorcentre.com/service

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

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