



1911 Gold Corporation

Management Discussion and Analysis

(Expressed in thousands of Canadian dollars)

For the three months ended March 31, 2021





This Management Discussion and Analysis (“MD&A”) is an overview of all material information about the operations, liquidity and capital resources of 1911 Gold Corporation (the “Company” or “1911 Gold”) for the three months ended March 31, 2021. The MD&A was prepared as of May 26, 2021 and should be read in conjunction with the unaudited condensed interim Consolidated Financial Statements for the three months ended March 31, 2021 and 2020, the annual audited Consolidated Financial Statements for the years ended December 31, 2020 and 2019, which were prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”), as well as the annual MD&As for the years ended December 31, 2020 and 2019. In this MD&A, references to grams per tonne and ounces per ton will be shown as g/t and oz/t. Additional abbreviations that may be used include metres (“m”) and tons per day (“tpd”). All references to ounces refer to gold ounces unless otherwise specified. In addition, throughout this MD&A the reporting periods for the three months ended March 31, 2021 and 2020 are abbreviated as Q1 2021 and Q1 2020, respectively. All dollar figures are in Canadian unless otherwise stated.

Some of the statements in this MD&A are forward-looking statements that are subject to risk factors set out in the cautionary note contained herein. The Company’s common shares are listed on the TSX Venture Exchange (“TSX-V”) under the symbol “AUMB” and in the United States on the OTCQX under the stock symbol “AUMBF”. Additional information related to the Company is available on SEDAR at www.sedar.com and on the Company’s website www.1911gold.com.

OVERVIEW

1911 Gold is a junior explorer and producer that holds a highly prospective, consolidated land package totalling 55,567 hectares within and adjacent to the Archean Rice Lake greenstone belt in Manitoba, and also owns the True North mine and mill complex at Bissett, Manitoba, where it is reprocessing historic tailings on a seasonal basis. 1911 Gold believes its land package provides a prime exploration opportunity, with potential to develop a mining district centered on the True North complex. The Company also owns the Tully and Denton-Keefer projects near Timmins, Ontario, as well as the Apex property near Snow Lake, Manitoba. The Company intends to focus on both organic growth opportunities and accretive acquisition opportunities in North America.

HIGHLIGHTS

- During Q1 of 2021, the Company completed the Phase II exploration drilling program at its Rice Lake exploration properties. This drilling program included both follow up drilling (12,247 metres) of targets from the Phase I program at the Bidou and Tinney projects, as well as first pass drilling (4,779 metres) of new targets at five projects, including Tinney and Bidou, within its district-scale land position. The follow up drilling was designed to test structures confirmed during Phase I drilling both along strike and to greater depths. On key target areas at Tinney and Bidou the Company confirmed not only the widespread presence of gold but also large areas of favourable structure and host rocks conducive to the localization of gold and the development of very large gold deposits. Key highlights include:

Tinney Project Area:

- Drillhole EO-21-005 (Edna-Otter) intersected 8.1 g/t gold over 5.7 metres (includes 54.4 g/t gold over 0.5 metres and 35.2 g/t gold over 0.5 metres, within 29.9 g/t gold over 1.5 metres), followed downhole by 11.3 g/t gold over 1.6 metres, including 31.2 g/t gold over 0.5 metres.
- Drillhole CG-21-006, collared 370 metres along strike to the southeast on the Cougar target, returned 7.0 g/t gold over 1.3 metres, including 18.2 g/t gold over 0.4 metres.



- Drillhole EO-21-014 intersected four zones of gold mineralization over a drillcore length of 120 metres, including 5.6 g/t gold over 1.4 metres, 3.3 g/t gold over 1.8 metres, 32.8 g/t gold over 1.1 metres, and 3.4 g/t gold over 2.2 metres.
- Drillhole EO-21-018 intersected several zones of gold mineralization within and adjacent to the Gunnar porphyry, including a shear vein with abundant visible gold that returned 47.5 g/t gold over 1.0 metre, within 36.6 g/t gold over 1.3 metres.

Bidou Project Area:

- Drillhole BL-20-005 returned 5.99 g/t Au over 3.3 metres, including 7.98 g/t Au over 1.5 metres, from the Bidou South Target, followed 10 metres downhole by a second intercept of 1.65 g/t Au over 4.4 metres – indicating stacked zones of gold mineralization in this location.
- Drillhole BS-20-004 at the Bidou Shear Target intersected stockwork quartz veins and strong alteration over a core length of 10 metres, returning 4.73 g/t Au over 2.3 metres, including 15.1 g/t Au over 0.5 metres.
- The Company commenced the tailings reprocessing season on April 20, following the end of Q1 2021. With milder temperatures the Company was able to mobilize field equipment and crew earlier in April to begin preparations of the site for the 2021 production season. The Company expects to process between 200,000 and 240,000 tonnes in 2021 (weather dependent) with an estimated production of approximately 4,500 ounces of gold.

FINANCIAL AND OPERATION SUMMARY

Three months ended March 31	2021	2020
Financial Results (in thousands)		
Revenue	\$ 1,225	\$ -
Cost of sales:		
Production costs	2,823	1,873
Depreciation and depletion	604	705
	(2,202)	(2,578)
General and Administrative Costs	437	469
Exploration expense	2,966	1,278
Other (income) expenses	(550)	(445)
Net Loss and Comprehensive loss	\$ (5,055)	\$ (3,880)
Operating Results		
Gold ounces sold	500	-
Per Ounce Data		
Average realized price	\$ 2,450	\$ -
Per Share Data		
Basic and diluted loss per share	\$ (0.11)	\$ (0.10)
Weighted average common shares outstanding	46,548,395	38,123,338



Balance as of	March 31 2021	December 31 2020
Financial Position (in thousands)		
Cash and cash equivalents	\$ 5,196	\$ 10,029
Total assets	41,981	47,621
Total liabilities	5,315	5,969
Shareholder equity	36,666	41,652

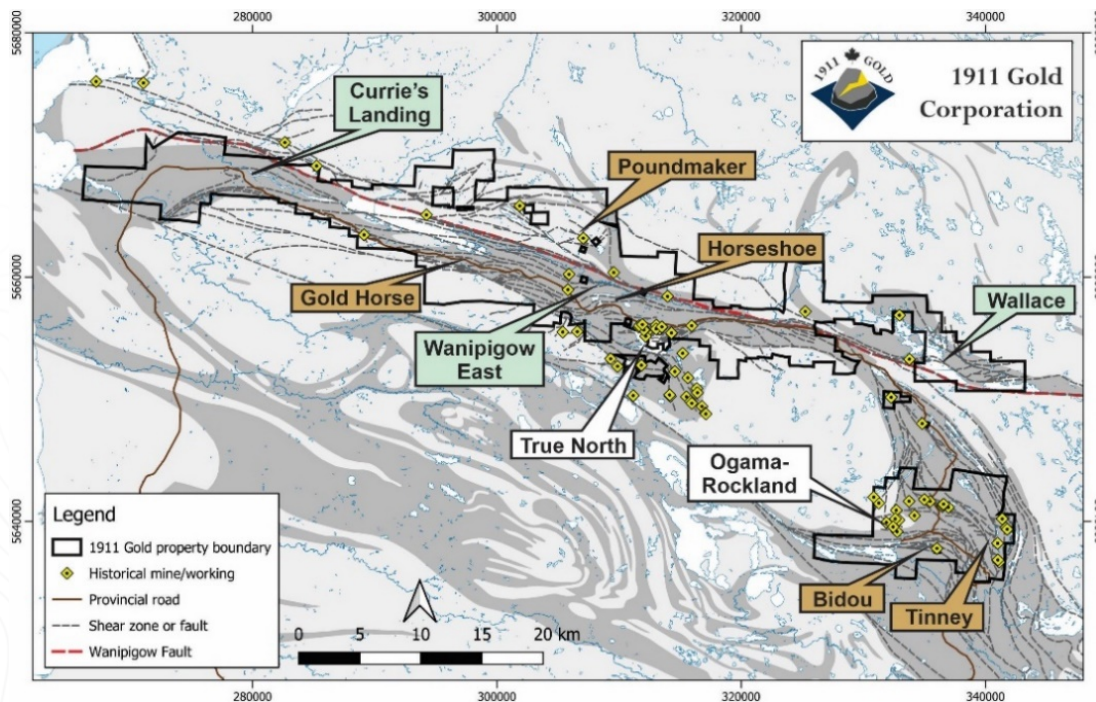
TAILINGS OPERATIONS

For Q1 2021 and the comparable quarter in 2020, the True North mill operations operated at care and maintenance levels as the seasonal shutdown (normally between December and May) of tailings re-processing continued. Early in Q1 2021 the Company sold 500 gold ounces from inventory held at Asahi for total proceeds of \$1.2 million and recorded the related cost of \$1.0 million (including \$0.2 million of depreciation and depletion) to produce these gold ounces (previously reflected in the December 31, 2020 ending inventory balance). During Q1 2021 the Company also carried out scheduled maintenance on the mill as well as advance preparation of selected areas on the tailings impoundment area, primarily consisting of trenching and stockpiling of material to provide proper drainage during the snow melt that occurs in the early spring season.

EXPLORATION

The Company holds strategic exploration properties in Tier 1 mining districts in Manitoba and Ontario, Canada – areas with proven potential for world-class gold deposits – and is focused on advancing these assets to create long-term value for our shareholders.

Figure 1: Exploration projects initiated in 2019 (brown) and 2020 (green), in relation to gold deposits with published historical mineral resources (white).



The Rice Lake exploration properties, totaling 55,567 hectares, cover the most prospective portions of the Rice Lake greenstone belt, part of the same belt of greenstones that includes the world-class, high-grade Red Lake gold district, located approximately 100 kilometres to the east in Ontario. The Rice Lake belt is bound to the north along much of its length by



the crustal-scale Wanipigow Fault, which also extends to Red Lake and is considered to represent a first-order control on gold mineralization, comparable in scale to the Porcupine-Destor Fault in the world-class Timmins-Porcupine Gold Camp. The Company's consolidated land position – the largest ever assembled in the belt – provides an unprecedented opportunity to evaluate this under-explored district at belt-scale, utilizing modern exploration methods.

During Q1 2021, the Company continued to advance projects in its Rice Lake portfolio, as well as the Apex property in the Snow Lake district of Manitoba. The Phase II exploration drilling program was completed in mid-March of 2021, with 59 drillholes completed for a total of 17,026 metres in five project areas. At the Tinney and Bidou projects, the Company completed 12,247 metres of drilling in 39 drillholes to follow up on the Phase I drilling from 2019 and 2020. In addition, 4,779 metres of first pass drilling in 20 drillholes was completed on new targets at the Tinney, Bidou, Poundmaker, Horseshoe and Wanipigow East projects, on targets that had no evidence of historical drilling. Of this drilling, 17 drillholes totalling 4,134 metres were completed in Q4 2020, whereas 42 drillholes totalling 12,892 metres were completed in Q1 2021.

Tinney project

The geology of the Tinney project consists of a thick sequence of iron-rich basalt flows, gabbro sills and siliceous sedimentary units, cut by felsic porphyry intrusions, and occupying the hinge of the regional-scale fold (Beresford Lake anticline), which is partially dismembered by faults and shears. The largest felsic porphyry intrusion, the Gunnar porphyry, cuts favourable stratigraphy for 2.5 kilometres along strike and represents a highly prospective setting for vein emplacement, analogous to the 10-million-ounce Sigma-Lamaque deposit in the Val-d'Or camp of the Abitibi greenstone belt in Quebec, Canada. The southern extent of this porphyry hosts the historic Gunnar deposit, which produced approximately 100,000 ounces of gold between 1936 and 1941, from ore grading approximately 12 g/t Au. Exploration to date by the Company has been focused on the northern end of the porphyry, which has no record of previous drilling.

A total of 6,538 metres in 20 drillholes were completed after freeze up in Q1 2021 on the principal targets at Tinney, including the Edna-Otter, Cougar and Tinney Shear targets, with initial results released on March 24, 2021, highlighted by drillhole EO-21-005, which returned two significant intercepts, including 8.1 g/t Au over 5.7 metres from the Gunnar porphyry, followed downhole by 11.3 g/t Au over 1.6 metres from basalt host rocks to the porphyry. Remaining results were released on April 13, 2021 and May 11, 2021, with significant intercepts noted in drillhole EO-21-014 which intersected four zones of gold mineralization over a drillcore length of 120 metres, including 5.6 g/t gold over 1.4 metres, 3.3 g/t gold over 1.8 metres, 32.8 g/t gold over 1.1 metres, and 3.4 g/t gold over 2.2 metres and an additional high grade intercept in drillhole EO-21-018 which intersected several zones of gold mineralization within and adjacent to the Gunnar porphyry, including a shear vein with abundant visible gold that returned 47.5 g/t gold over 1.0 metre, within 36.6 g/t gold over 1.3 metres.

Bidou project

The Bidou project area demonstrates stratigraphic and structural similarities to the 3-million-ounce True North deposit on the opposite (northwest) margin of the Ross River pluton yet has seen only limited previous exploration and drilling. At Bidou, a series of kilometre-scale structures, interpreted from aeromagnetic and LiDAR data, trend east or northeast through a sequence of basalt flows, gabbro sills, sedimentary rocks and felsic porphyry dikes. Where exposed in outcrop, these structures are similar in orientation, deformation style and sense of movement to the prolific '16-type' structures that hosted high-grade ore at True North.

Drilling prior to freeze-up in Q4 2020 at the Bidou project included follow up drilling of the Bidou South, Bidou Shear and Janet targets, totaling 2,956 metres in 10 drillholes, as well as first-pass drilling of 2 drillholes totalling 403 metres on the newly discovered Woodchuck target. Highlights from this drilling (news releases dated January 18 and March 2, 2021) include:



- Drillhole BL-20-005 returned 6.0 g/t Au over 3.3 metres, including 8.0 g/t Au over 1.5 metres, from the Bidou South target, followed 10 metres downhole by a second intercept of 1.7 g/t Au over 4.4 metres – indicating parallel zones of gold mineralization in this location
- At the Bidou Shear target, drillhole BS-20-004 intersected stockwork quartz veins and strong alteration over a core length of 10 metres, returning 4.7 g/t Au over 2.3 metres, including 15.1 g/t Au over 0.5 metres
- At Woodchuck, drillhole WC-20-001 returned 2.3 g/t Au over 3.3 metres, including 6.1 g/t Au over 0.6 metres from stockwork quartz-tourmaline veins associated with structures cutting felsic porphyry intrusions.
- At Janet, four drillholes yielded numerous intercepts, including localized high-grade gold associated with quartz-tourmaline veins, and wider zones of pervasive alteration, yielding up to 0.65 g/t Au over 11.2 metres in drillhole JT-20-006

Follow-up drilling after freeze up on the Bidou South and Janet targets, including lake-based drilling at the latter, was completed in Q1 2021, with 2,753 metres of drilling in 9 drillholes. One additional first pass drillhole on the Woodchuck target, totalling 200 metres, was also completed after freeze up in Q1 2021. Drilling at Woodchuck and Janet returned several minor intercepts of gold mineralization; results from seven drillholes completed after freeze-up at Bidou South are pending release in Q2 2021.

Other Rice Lake projects

During the Phase II exploration drilling program, the Company tested a number of early-stage structural targets at the Poundmaker, Horseshoe and Wanipigow East projects.

At Poundmaker, located 9 kilometres northwest of the True North complex, the Company tested three separate, kilometre-scale structures in areas with localized high-grade gold mineralization at surface. Nine wide-spaced drillholes, totalling 1,905 metres, tested these structures to depths of up to 150 metres. Despite confirming continuity of structure to depth, these drillholes did not intersect significant vein systems or alteration, and the first six of these drillholes released in Q1 2021 did not contain significant gold intercepts (the remaining three drillholes are pending release in Q2 2021). However, the structures are adjacent and parallel to kilometres-long topographic lineaments that have not been drill tested, providing ample scope for additional exploration.

Drilling at Horseshoe Lake (located 4.5 kilometres northwest of the True North complex) targeted a key geological contact at the base of a Temiskaming-like sedimentary basin, in locations where the contact is intersected by a series of structures comparable to the main ore-hosting structures at the True North mine. Three drillholes, totalling 872 metres, completed from ice pads on Horseshoe Lake failed to establish the location of the key contact, which is poorly constrained in this area due to the absence of exposure; hence, the principal targets at Horseshoe remain untested and will be re-evaluated in light of the new drilling data.

The Wanipigow East target, located 5.5 kilometres northwest of the True North complex, is centered on a kilometres-scale fold structure defined by iron formation along the Wanipigow Fault, with coincident induced-potential, electromagnetic and magnetic anomalies inferred to reflect sulphide replacements of the type often associated with iron-formation hosted gold deposits. The Company completed three drillholes, totalling 1,038 metres to test well-constrained geophysical targets within this large-scale fold structure, with no significant gold intercepts.

Also in Q1 2021, the Company completed very high-resolution drone-based aeromagnetic surveys over its properties in the Rice Lake and Wallace Lake areas. The combined surveys totaled 1,000 line kilometres, with a typical terrain clearance of less than 30 metres and line spacing of less than 25 metres, providing unparalleled resolution of key geological features, including favourable rock types and structures. This new data will be used to inform drill planning in both areas (similar



surveys, totaling 885 line kilometres, were completed over parts of the Company's Bidou and Currie's Landing project areas in Q4 2020).

Timmins properties

The Company holds two highly prospective 100% owned properties in the Timmins-Porcupine Gold Camp of the Abitibi greenstone belt. The properties are located within a 30 kilometre radius of the city of Timmins, Ontario, in the prolific district of the same name – one of the richest goldfields in the world with over 70 million ounces of past gold production from deposits arranged along the crustal-scale Porcupine-Destor Fault.

The Tully property, 458 hectares in area, is located 25 kilometres northeast of Timmins and has areas of mineralization that have been the focus of several drilling campaigns since its discovery in 1969. The mineralization at Tully appears to be located along a major splay of the Porcupine-Destor Fault, referred to as the Pipestone Fault, and is located 2 kilometres southwest of the Bradshaw Gold Project of Gowest Gold Ltd., currently being evaluated for development. The Company is currently evaluating options to advance this project.

The Denton-Keefer property, located 30 kilometres southwest of Timmins, is immediately adjacent to paved highway 101. The property (2,106 hectares in area) covers a 6.5-kilometre-long section of the Abitibi greenstone belt, including a portion of the Porcupine-Destor Fault. It is thus situated in a highly-prospective setting, geologically similar to those hosting supergiant gold deposits in the Timmins-Porcupine Gold Camp, and is strategically positioned between Pan American Silver's Timmins West mine and GFG Resources' Pen Gold exploration project. In early 2020, the Company initiated a comprehensive compilation of available data for both properties in order to guide corporate strategy and future exploration.

In part due to the COVID-19 pandemic, the Company delayed exploration activities on both properties in the Timmins district for 2020 and early 2021 and has been granted an Exclusion of Time for assessment work in 2021 under Ontario's relief plan relating to COVID-19; however, compilations are continuing for both properties in order to guide the design and implementation of future exploration programs.

Apex property

The 100% owned Apex exploration property is located 15 kilometres southeast of the town of Snow Lake (570 kilometres north of Winnipeg) in north-central Manitoba and consists of 5 mining claims, totaling 752 hectares. The Apex property is situated in the Paleoproterozoic Flin Flon greenstone belt, one of the most prolific mining districts in the world, with world-class gold-rich volcanogenic massive sulphide (VMS) and orogenic gold deposits. The Apex property contains two significant gold occurrences spatially associated with the contact between the Burntwood assemblage and the Rex Lake pluton, with most of the mineralization discovered to date hosted within or adjacent to the outer margin of the pluton. Two distinct styles of mineralization are apparent.

In 2019, the Company completed a small program of geological mapping, prospecting and surficial geochemical surveys (humus and black spruce bark), focused on historical showings on the Apex Property. The Company also completed an inversion of very high-resolution aeromagnetic data acquired by a previous operator, which provides important new information on the geology and structure of the property to depth. Reconnaissance grab samples yielded a number of high-grade gold assays, demonstrating that there is considerable potential for high-grade gold mineralization on the property, comparable to the adjacent Laguna property to the immediate south, on the opposite side of the Crowduck Bay Fault. The Laguna property includes the historic Rex-Laguna gold mine, which produced 60,000 ounces of gold between 1936 and 1940, with an average grade of 16.7 g/t Au, making it the highest-grade gold mine in Manitoba.

In Q1 2021 the Company expanded the Apex property from 752 to 2,200 hectares by ground staking to cover a major geological/structural contact, and completed line cutting and a 17 line-kilometre IP geophysical survey over the most prospective structural trends on the property to evaluate potential for zones of sulphide mineralization of the type associated with gold mineralization on surface. Results from this geophysical survey are expected in Q2 2021.



REVIEW OF FINANCIAL RESULTS

During the three months ended March 31, 2021, the Company incurred a loss of \$5.1 million compared to a loss of \$3.9 million in 2020, primarily due to a \$1.7 million increase in exploration expense as the Company significantly increased drilling activity with a total of 12,892 metres drilled in Q1 2021 compared with 5,499 during the same period in 2020. Production costs were also \$1.0 million higher in Q1 2021, excluding depreciation, resulting from the recognition of \$1.0 million in costs from the December 31, 2020 ending inventory as the Company sold 500 ounces in early January 2021. This was offset by the \$1.2 million in revenue recognized (Q1 2020 – nil) for the sale of the 500 ounces.

Revenue

During the three months ended March 31, 2021, the Company sold 500 ounces from remaining gold inventory from 2020 held at Asahi Refining Canada (“Asahi”) at an average realized price of \$2,450 per ounce for total proceeds of \$1.2 million. There were no comparable sales in Q1 2020 as the Company did not have inventory on hand to sell and tailings production did not commence until mid-May of 2020. As of March 31, 2021, an additional 68 ounces remained on account and available for sale at Asahi.

Cost of sales

Cost of sales includes periods where the mill is on seasonal care and maintenance and, in years prior to 2020, the cost of maintaining the underground mine. For the three months ended March 31, 2021 the Company incurred \$3.4 million in operating costs, including \$0.6 million of depreciation and depletion, compared with \$2.6 million (including \$0.7 million of depreciation and depletion) during the three months ended March 31, 2020. The increase arises from the recognition of \$1.0 million in costs contained in the ending gold inventory as at December 31, 2020, recorded in connection with the sale of 500 ounces in early January 2021. This was offset by the \$0.1 million decrease in depreciation and depletion costs arising from the reduced asset base amortized during Q1 2021.

General and administrative costs

General and administrative costs of \$0.4 million for the three months ended March 31, 2021 were comparable to the \$0.5 million in costs recorded in Q1 2020, with the decrease primarily arising from the stronger Canadian dollar reducing the cost of US dollar denominated personnel costs.

Other expense

Flow through premium recovery

The Company recognized a flow-through premium recovery of \$0.6 million during the three months ended March 31, 2021 from the qualifying Canadian exploration expenses incurred related to the July 14, 2020 private placement (the three months ended March 31, 2020 - \$0.5 million related to the March 5, 2019 private placement).

QUARTERLY RESULTS

The following selected financial information is a summary of the eight most recently completed quarters up to March 31, 2021.

Quarter Ended (\$ amounts in '000's)	Mar 31, 2021	Dec 31, 2020	Sep 30, 2020	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019	Sept 30, 2019	Jun 30, 2019
Gold sold (ounces)	500	2,140	2,035	–	–	2,711	3,133	370
Revenues	\$ 1,225	\$ 5,277	\$ 5,219	\$ 272	\$ –	\$ 5,320	\$ 6,181	\$ 669
Comprehensive (loss) income	\$ (5,055)	\$ (215)	\$ 526	\$ (2,532)	\$ (3,880)	\$ (1,180)	\$ 1,230	\$ (3,858)



During the first three months of 2019 the Company continued the seasonal shutdown of the tailings operations, carrying out required maintenance as well as a full clean-out of the mill facilities, recovering 470 ounces for net proceeds of \$0.9 million (received in Q3 2019). The Company also completed aeromagnetic and LiDAR surveys on the Rice Lake properties to combine with historical data and provide complete, levelled datasets. Tailings operations recommenced on April 26, 2019 as well as the first field exploration season on the target areas identified from the mapping and data compilation work. Field exploration was completed in early September and tailings operations were shut down on November 1, 2019 due to the early onset of winter conditions. During the five months of operations True North processed 201,517 tonnes and shipped a total of 5,653 ounces of gold. During Q4 2019 the Company commenced Phase I drilling on key target areas within the Bidou and Tinney project areas, both located within the Central Manitoba property, approximately 30 km southeast of Bisset.

As in 2019, the Company operated at care and maintenance levels for the first four months of 2020, completing annual maintenance on the mill facility and surface equipment. This included the cleanup and recovery of residual gold ounces in areas that had not been covered in the 2019 cleanup, providing net proceeds of \$0.3 million from the recovery of 194 ounces of gold. The Company also completed the Phase I drilling program, testing a total of seven target areas with 28 drill holes (8,086 metres). On March 20, 2020, in response to the increasing risk of outbreak of Sars-CoV-2, the Company reduced on site personnel to minimum care and maintenance levels and initiated a work from home policy for all corporate and exploration personnel. A phased return to site was implemented in May, based on the significant reduction in COVID-19 cases within Manitoba, with the 2020 field exploration season commencing on May 1, 2020 and the tailings re-processing season commencing on May 21, 2020.

For Q1 2021 the Company continued the seasonal shutdown although work continued during the month of January to prepare the planned working areas on the tailings impoundment. The work primarily consisted of trenching to allow for better drainage when the snow melt occurs in early spring but also to prepare stockpiles in advance that could be used at the start of the tailings production season. The Company also completed the Phase II drilling program, drilling another 12,892 metres over 5 project areas, focusing primarily on the Edna Otter and Cougar target areas along the northern portion of the Gunnar porphyry. The Company also complete aerial surveys using drone technology

LIQUIDITY AND CAPITAL RESOURCES

<i>(\$ amounts in '000's)</i>	March 31 2021	December 31 2020
Cash	\$ 5,196	\$ 10,029
Total current assets	7,919	13,320
Total assets	41,981	47,621
Total current liabilities	2,459	3,150
Total liabilities	5,315	5,969
Total equity	36,666	41,652

The Company is currently focused on a district scale exploration program on the Rice Lake properties while continuing to maximize cashflow by re-processing tailings to support the ongoing maintenance costs of True North and the Company's General and Administrative costs. Tailings re-processing operations are seasonal, running primarily from April to November, and production ranges between 200,000 and 240,000 tonnes during that period. The average grade will gradually decline over the next three to four years of production as the Company continues to prioritize the higher-grade sections earlier.

During Q1-2021 the Company continued the seasonal shutdown of tailings operations but personnel remained on site to carry out maintenance in preparation for the 2021 tailings season, spending \$2.3 million (March 31, 2020 - \$2.3 million) to support operating and corporate costs, excluding the recognition of costs related to the gold inventories sold during the



period. The Company primarily focused on completing the Phase II drilling program which included 12,2147 metres of follow up drilling at Tinney and Bidou as well as 4,779 metres of first pass drilling at new target areas. Exploration expense of \$3.0 million was fully funded from the July 2020 flow-through financing. The Company expects the negative cashflow to continue for the first two months of Q2 2020, as the first shipment of gold is scheduled for early June.

Material increases or decreases in the Company's liquidity and capital resources will be substantially determined by the success or failure of the Company's tailings operations, the amount of exploration planned, future development programs, the ability to obtain equity or other sources of financing, and the price of gold. To date, exploration on the Company's mineral claims in the Rice Lake district has been funded primarily from funds raised in financing activities. This exploration activity is expected to identify additional resources to provide future sources of ore feed for the True North milling facility.

As at March 31, 2021, the Company had cash and cash equivalents of \$5.2 million (December 31, 2020 – \$10.0 million) and working capital of \$5.5 million (December 31, 2020 – \$10.2 million). Cash utilized in operating activities during the three months ended March 31, 2021 was \$4.7 million, including changes in working capital (March 31, 2020 - \$3.6 million). Cash used in investing activities during the three months ended March 31, 2021 was \$0.2 million (March 31, 2020 – Immaterial), mainly for purchases of equipment and installation of fire suppression upgrades.

Management considers the Company's liquidity position at March 31, 2021, comprised of cash and cash equivalents, together with cash flows from operations, enough to support the Company's normal operating requirements, exploration plans, and capital commitments for the next 12 months.

Outstanding Share Data

Authorized: an unlimited number of common shares without par value	Common shares issued and outstanding	Stock Options	Warrants
Outstanding as at May 26, 2021	46,615,726	3,981,668	2,990,233

FINANCIAL INSTRUMENTS

The Company's activities potentially expose it to a variety of financial risks, including liquidity risk, interest rate risk, foreign exchange risk, and commodity price risk.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations when they become due. As at March 31, 2021, the Company had working capital (current assets less current liabilities) of \$5.5 million. Management believes that the Company has sufficient financial resources to meet its obligations as they come due.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company has cash balances, interest-bearing bank accounts and no interest-bearing debt.

Foreign Exchange Risk

The Company's Canadian entities have a Canadian dollar functional currency. Foreign exchange risk is the risk that future cash flows will fluctuate because of changes in foreign exchange rates. The Company's foreign currency gains and losses primarily relate US dollar transactions with vendors.

Commodity Price Risk

The Company is exposed to the risk of fluctuations in prevailing market commodity prices on the gold it produces. As of March 31, 2021, the Company had not entered into any agreements to mitigate its exposure to market price risk.



CONTRACTUAL OBLIGATIONS

The following table provides our gross contractual obligations as of March 31, 2021 (in thousands):

	Less than 1 year	1-3 years	3-5 years	More than 5 years	Total
Reclamation obligation	-	-	-	\$ 7,449	\$ 7,449

The amounts shown above represent undiscounted amounts not reflective of inflation, see Note 9 Reclamation obligation for additional details.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

The key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

During the three months ended March 31, 2021 and 2020, the Company incurred the following charges by directors and officers of the Company and by companies controlled by directors and officers of the Company. All fees have been reported as general and administrative expenses, with the exception of \$49 of salaries and wages that was included in exploration expense (2020 - \$48).

(\$ amounts in '000's)	Three months ended March 31	
	2021	2020
Salaries and wages	\$ 304	\$ 311
Professional fees	5	-
Directors' fees	39	46
Share-based payments	22	31
TOTAL	\$ 370	\$ 388

OUTLOOK

The Company will continue to take a systematic, multi-disciplinary approach to advance its exploration properties in Manitoba and Ontario. The methodology employed at the Rice Lake properties has proven to be highly successful in identifying viable drill targets and results from the Phase II program will be incorporated into the model to further refine and prioritize targets. Significant gold intercepts encountered in the Bidou and Tinney target areas during both the Phase I and Phase II drilling program provide further evidence of a major gold system in these areas. As well, the high-grade surface grab samples in 2020 (up to 858 g/t) not only supports the exploration model but also confirms the exploration potential of these areas.



Near-term, the Company will continue to focus on the priority target areas within the Rice Lake exploration property. With the Phase II drilling program completed on March 15, 2021, the exploration team is focussed on incorporating the drill hole data and assay results as they are received into the existing database and on planning for the Phase III drilling program. The 2021 field exploration season will be focused on advancing the projects drilled to date and on identifying new targets for drill testing. The Company's focus will be on quickly identifying one or more potential resources in these areas and develop a work plan designed to advance these projects to development on a shortened timeframe to provide one or more additional sources of ore for the Company's milling operations.

The 2021 tailings re-processing operations commenced on April 19, 2021 – an early restart to the operations due to favourable weather conditions and advance preparations undertaken at the end of the previous year's tailings season. The Company expects to process between 200,000 and 240,000 tonnes in 2021, at an average grade of 0.7 g/t, producing approximately 4,500 ounces for the year, comparable to 2020. The Company will be evaluating equipment for pre-screening and de-watering material at the tailings impoundment area, which, if shown to be successful, will significantly increase the tonnes processed in 2021 as well as corresponding ounces produced.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the Company's consolidated financial statements requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities; the disclosure of contingent assets and liabilities; as well as the reported expenses during the reporting period. Such estimates and assumptions affect the determination of the carrying value and the recoverability of exploration and evaluation assets and the inputs used in calculating the fair value of share-based payment expense. Management re-evaluates its estimates and assumptions on an ongoing basis; however, due to the nature of estimates, actual amounts could differ from its estimates. The most critical accounting estimates upon which the Company depends are those requiring estimates of reserves and resources, future recoverability of assets, future costs for reclaiming areas of operations, and assumptions around future commodity prices.

DISCLOSURE CONTROLS AND PROCEDURES

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in their certificates regarding the absence of misrepresentations and fair disclosure of financial information. Investors should be aware that inherent limitation on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis disclosure controls and procedures and as well as internal controls over financial reporting, as defined in National Instrument 52-109, may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

RISKS AND UNCERTAINTIES

In conducting its business, the Company faces a number of risks and uncertainties, many of which are beyond its ability to control or predict. Because of these risks and uncertainties, actual results may differ materially from those expressed or implied by forward-looking statements, and investors are cautioned not to place undue reliance on such statements, which speak only as of the date hereof. Investors are urged to review the discussion of risk factors associated with the Company's business as set out in the Company's Management Discussion and Analysis for the year ended December 31, 2020 as well as in Note 13 of the Company's audited consolidated financial statements for the year ended December 31, 2020, as filed on the SEDAR website at www.sedar.com.



FORWARD LOOKING INFORMATION

This MD&A provides management's analysis of 1911 Gold's historical financial and operating results and provides estimates of 1911 Gold's future financial and operating performance based on information currently available. Actual results will vary from estimates and the variances may be significant. Readers should be aware that historical results are not necessarily indicative of future performance.

Certain information set forth in this MD&A, including management's assessment of the Company's future plans and operations, contains forward-looking information. By their nature, forward-looking information is subject to numerous risks and uncertainties, some of which are beyond the Company's control, including the impact of general economic conditions, impacts arising from the global disruption caused by the COVID-19 outbreak, industry conditions, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other industry participants, the lack of availability of qualified personnel or management, stock market volatility and ability to access sufficient capital from internal and external sources. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be inaccurate and, as such, undue reliance should not be placed on forward-looking information. 1911 Gold's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking information will transpire or occur or, if any of them do so, what benefits 1911 Gold will derive there from. 1911 Gold disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise except as required by applicable law.