P2 GOLD INC.

Management's Discussion and Analysis
For the three months ended March 31, 2021

Filed May 17, 2021

Management's discussion and analysis (MD&A) relates to the performance, financial condition and future prospects of P2 Gold Inc. ("P2 Gold" or the "Company"). This MD&A should be read in conjunction with the unaudited interim condensed financial statements for the three months ending March 31, 2021 and Notes thereto. Readers are cautioned that the MD&A contains forward-looking statements that are not historical in nature and involves risks and uncertainties. Forward-looking statements are not guarantee's as to P2 Gold's future results as there are inherent difficulties in predicting future results. Accordingly, actual results could differ materially from those expressed or implied in the forward-looking statements. Readers are encouraged to consult the Company's audited financial statements for the year ending December 31, 2020 and related notes for additional details. The unaudited interim financial statements and MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All figures are in Canadian dollars unless stated otherwise. This discussion addresses matters we consider important for an understanding of our financial condition and results of operations as of May 17, 2021 and for the three months ended March 31, 2021. The Company has adopted National Instrument 51-102F1 as the guideline in presenting the MD&A.

This MD&A was authorized for issuance by the Board of Directors of the Company on May 17, 2021

Description of Business

The Company was formed under the *Canada Business Corporations Act* as Central Timmins Exploration Corp. on November 10, 2017 by articles of incorporation. On August 31, 2020, the Company concurrently changed its name to P2 Gold Inc. and filed Articles of Amendment to continue its incorporation under the *Business Corporations Act* (British Columbia). The Company is a junior mining, exploration and development company engaged in the acquisition, exploration and development of mineral resource properties in British Columbia, Canada and the western United States and holds interests in three properties located in northwest British Columbia, BAM, Silver Reef and Todd Creek and two in southeast Oregon, Stockade and Lost Cabin. The Company's shares are listed on the TSX Venture Exchange under the symbol PGLD.

The Company does not hold any interests in producing or commercial mineral deposits. The Company has no production or other material revenue. There is no operating history upon which investors may rely. Commercial development of any kind will only occur in the event that sufficient quantities of mineral resources containing economic concentrations of minerals are discovered. If, in the future, a discovery is made, substantial financial resources will be required to establish mineral resources and/or mineral reserves. Additional substantial financial resources will be required to develop mining and processing facilities for any mineral resources and/or mineral reserves that may be discovered. If the Company is unable to finance the establishment of mineral reserves or the development of mining and processing facilities it may be required to sell all or a portion of its interest in such property to one or more parties capable of financing such development.

Additional information is accessible at the Company's website www.p2gold.com or through the Company's public filings at www.sedar.com .

As at May 17, 2021, the directors and officers of the Company are:

Marcus Chalk	Director
Neville Dastoor	Director
Olav Langelaar	Director
Ron MacDonald	Director
Joe Ovsenek	Chairman, President, Chief Executive Officer and Director
Ken McNaughton	Chief Exploration Officer and Director
Michelle Romero	Executive Vice President and Director
Tom Yip	Chief Financial Officer
Marien Segovia	Corporate Secretary

Highlights and Significant Events

- On January 28, 2021, the Company announced the appointment of Michelle Romero to its Board of Directors and as Executive Vice President and the appointment of Ken McNaughton as Chief Exploration Officer;

- On January 28, 2021, the Company also announced that, pursuant to its Stock Option Plan, it had granted stock options to an officer and certain consultants of the Company to purchase an aggregate of 175,000 common shares in the capital of the Company at an exercise price of $0.52 per share which expire on January 27, 2023;

- On February 23, 2021, the Company announced it had entered into an agreement (the "Acquisition Agreement") with Borealis Mining Company, LLC ("Waterton"), an indirect, wholly-owned subsidiary of Waterton Precious Metals Fund II Cayman, LP to acquire all of the assets that comprise the Gabbs Project located on the Walker-Lane Trend in the Fairplay Mining District of Nye County, Nevada (the "Transaction"). Under the terms of the Acquisition Agreement, the Company agreed to (a) pay US$5 million and issue 15 million shares in its capital to Waterton at closing, and (b) pay US$5 million to Waterton on the earlier of the announcement of the results of a Preliminary Economic Assessment and the 24 month anniversary of closing. Waterton also reserved for itself a 2% net smelter returns royalty on production from the Gabbs Project, of which one percent may be repurchased at any time by the Company for US$1.5 million and the remaining one percent of which may be repurchased for US$5 million;

- On February 23, 2021, the Company also announced an Inferred Mineral Resource for the Gabbs Project of 1.84 million ounces of gold equivalent or 1.26 million ounces of gold and 422.3 million pounds of copper (73.1 million tonnes grading 0.54 g/t gold and 0.26% copper) prepared by P&E Mining Consultants Inc.;

- On February 23, 2021, the Company also announced it intends to complete a private placement of 32 million subscription receipts (the "Subscription Receipts") at a price of $0.50 per Subscription Receipt for aggregate gross proceeds of $16 million (the "Private Placement");

- On March 11, 2021, the Company announced that it had filed a National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") technical report entitled "Updated Mineral Resource Estimate of the Gabbs Gold-Copper Property, Fairplay Mining District, Nye County, Nevada, USA", with an effective date of January 13, 2021 (the "Technical Report"). The Technical Report is available under the Company's profile on SEDAR at www.sedar.com and on the Company's website at www.p2gold.com and was prepared by Eugene Puritch, P.Eng., FEC, CET, Richard H. Sutcliffe, Ph.D, P.Geo., Fred Brown, P.Geo., Jarita Barry, P.Geo of P&E Mining Consultants Inc., each of whom is a "Qualified Person" as defined by NI 43-101 and independent of the Company;

- On April 6, 2021, the Company announced that it intends to complete a non-brokered private placement of units (the "Private Placement") for the acquisition and exploration of the Gabbs Project consisting of up to 32,000,000 units (the "Units") at a price of $0.50 per Unit for gross proceeds of up to $16 million. Each Unit will consist of one common share in the capital of the Company and one common share purchase warrant (a "Warrant"). Each Warrant will entitle the holder to purchase one additional common share in the capital of the Company at an exercise price of $0.85 per common share for a period of two years from the date of issue (the "Expiry Time"), provided that, if after four months from the date of issue, the closing price of the common shares of the Company on the TSX Venture Exchange (the "Exchange") is equal to or greater than $1.50 for a period of 10 consecutive trading days at any time prior to the Expiry Time, the Company will have the right to accelerate the Expiry Time of the Warrants by giving notice to the holders of the Warrants by news release or other form of notice permitted by the certificate representing the Warrants that the Warrants will expire at 4:30 p.m. (Vancouver time) on a date that is not less than 15 days from the date notice is given;

- On May 5, 2021, the Company announced that it had entered into an amending agreement (the "Amending Agreement") amending the terms of the Acquisition Agreement to provide for the Company to (a) pay US$1 million and issue 15 million shares in its capital to Waterton at closing and (b) pay US$4 million to Waterton on the 12-month anniversary of closing rather than pay US$5 million and issue 15 million shares in its capital to Waterton at closing as required under the terms of the Acquisition Agreement. The Company has also agreed, under the Amending Agreement, to enter into at closing an investor rights agreement with Waterton providing Waterton with registration rights in certain circumstances. The other terms of the Acquisition Agreement remain unchanged.

- On May 17, 2021, the Company announced that it has closed the Private Placement for gross proceeds of $5.949 million and the acquisition of all of the assets that comprise the Gabbs Project.

Covid-19 Pandemic

During 2020, there was a global outbreak of COVID-19 ("Coronavirus"). P2 Gold's business, operations and financial condition, and the market price of its common shares, could be materially and adversely affected by the outbreak of epidemics or pandemics or other health crises, including the outbreak of COVID-19. To date, there have been a large number of temporary business closures, quarantines and a general reduction in consumer activity in a number of countries including Canada and the United States. The outbreak has caused companies and various international jurisdictions to impose travel, gathering and other public health restrictions. While these effects are expected to be temporary, the duration of the various disruptions to businesses locally and internationally and the related financial impact cannot be reasonably estimated at this time. Similarly, the Company cannot estimate whether, or to what extent, this outbreak and the potential financial impact may extend to countries outside of those currently impacted. Such public health crises can result in volatility and disruptions in the supply and demand for metals and minerals, global supply chains and financial markets, as well as declining trade and market sentiment and reduced mobility of people, all of which could affect commodity prices, interest rates, credit ratings, credit risk, share prices and inflation.

The risks to P2 Gold of such public health crises also include risks to employee health and safety, a slowdown or temporary suspension or reduced availability of services and contractors of operations in geographic locations impacted by an outbreak, increased labour and fuel costs, regulatory changes, political or economic instabilities or civil unrest. At this point, the extent to which COVID-19 will or may impact the Company is uncertain and these factors are beyond the Company's control; however, it is possible that COVID-19 and its related impacts may impact the Company's ability to raise additional funds in the short term, and over a longer term may have a material adverse effect on the Company's business, results of operations and financial condition and the market price of its common shares.

Operational Highlights

The following paragraphs provide an analysis of the financial condition of the Company, results of operations, trends, events, uncertainties, and industry and economic factors that affect the Company's performance for the three months ended March 31, 2021.

Total exploration and evaluation costs were $247,737 for the three months ended March 31, 2021 compared to $66,173 for the three months ended March 31, 2020. The Company's exploration activities increased in the first quarter of 2021 with the change of its exploration focus to British Columbia and the Western US from the Timmins, Ontario area.

As at March 31, 2021, the Company had 29,518,331 common shares outstanding.

As at March 31, 2021, the Company's cash position was $1,198,821 (December 31, 2020 - $1,634,964).

Key Activities for the three months ending March 31, 2021

On January 29, 2021, pursuant to its Stock Option Plan, the Company granted stock options to an officer and certain consultants of the Company to purchase an aggregate of 175,000 common shares in the capital of the Company at an exercise price of $0.52 per share which expire on January 27, 2023.

On February 23, 2021 the Company announced that it had entered into an agreement with Borealis Mining Company, LLC ("Waterton"), an indirect, wholly-owned subsidiary of Waterton Precious Metals Fund II Cayman, LP to acquire all of the assets that comprise the Gabbs Project located on the Walker-Lane Trend in the Fairplay Mining District of Nye County, Nevada (the "Transaction"). The closing of the Transaction remains subject to the satisfaction of customary closing conditions for a transaction of such nature, including acceptance by the TSX Venture Exchange (the "Exchange") and the completion of the Gabbs Private Placement (defined below). The Transaction will be an arm's length transaction under Exchange policies.

The Gabbs Project is comprised of 355 unpatented lode mining claims and one patented lode mining claim covering four known zones of mineralization and comprising approximately 2,800 hectares. Nevada Highway 361, Gabbs Pole Line Road and a powerline cross the Gabbs Project. The gold-copper mineralization at three of the zones, Sullivan, Lucky Strike and Gold Ledge, is hosted within what are interpreted to be sills associated with an alkaline gold/copper porphyry. The gold mineralization at the fourth zone, Car Body, is interpreted to be low-sulphidation epithermal mineralization. The Company retained P&E Mining Consultants Inc. ("P&E") to prepare a Mineral Resource Estimate for the Gabbs Project based on 494 drill holes completed by prior project operators between 1970 and 2011.

The Gabbs Project has an Inferred Mineral Resource of 1.84 million ounces of gold equivalent or 1.26 million ounces of gold and 422.3 million pounds of copper (73.1 million tonnes grading 0.54 g/t gold and 0.26% copper).

Under the terms of an asset purchase agreement, The Company agreed (a) to pay US$5 million and issue 15 million shares in its capital to Waterton at closing, and (b) to pay an additional US$5 million to Waterton on the earlier of the announcement of the results of a Preliminary Economic Assessment and the 24 month anniversary of closing. Waterton also reserved for itself a 2% net smelter returns royalty on production from the Gabbs Project, of which one percent may be repurchased at any time by the Company for US$1.5 million and the remaining one percent of which may be repurchased for US$5 million. Following completion of the Transaction and the Private Placement (as defined below) Waterton will be an Insider of the Company.

On March 11, 2021 the Company reported that, further to its news release dated February 23, 2021, announcing the acquisition of the Gabbs Project, an updated Mineral Resource for the Gabbs Project and a private placement, the Company filed a National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") technical report entitled "Updated Mineral Resource Estimate of the Gabbs Gold-Copper Property, Fairplay Mining District, Nye County, Nevada, USA", with an effective date of January 13, 2021 (the "Technical Report"). The Technical Report is available under the Company's profile on SEDAR at www.sedar.com and on the Company's website at www.p2gold.com. The Technical Report was prepared by Eugene Puritch, P.Eng., FEC, CET, Richard H. Sutcliffe, Ph.D, P.Geo., Fred Brown, P.Geo., Jarita Barry, P.Geo of P&E Mining Consultants Inc., each of whom is a "Qualified Person" as defined by NI 43-101 and independent of the Company.

Key Activities Subsequent to March 31, 2021

On April 6, 2021, the Company announced that it intends to complete a non-brokered private placement of 32 million units at a price of $0.50 per unit for aggregate gross proceeds of $16 million (the "Private Placement"). Each Unit will consist of one common share in the capital of the Company and one common share purchase warrant (a "Warrant"). Each Warrant will entitle the holder to purchase one additional common share in the capital of the Company at an exercise price of $0.85 per common share for a period of two years from the date of issue (the "Expiry Time"), provided that, if after four months from the date of issue, the closing price of the common shares of the Company on the TSX Venture Exchange (the "Exchange") is equal to or greater than $1.50 for a period of 10 consecutive trading days at any time prior to the Expiry Time, the Company will have the right to accelerate the Expiry Time of the Warrants by giving notice to the holders of the Warrants by news release or other form of notice permitted by the certificate representing the Warrants that the Warrants will expire at 4:30 p.m. (Vancouver time) on a date that is not less than 15 days from the date notice is given. The net proceeds of the Private Placement will be used to fund the acquisition of the Gabbs Project, the Phase 1 exploration of the Gabbs Project and for general corporate purposes.

The Private Placement will be offered to accredited investors in all Provinces of Canada pursuant to applicable securities laws. In connection with the Private Placement, the Company may pay finders' fees as permitted by the policies of the Exchange. All securities issued pursuant to the Private Placement will be subject to a four-month hold period.

The securities to be offered in the Private Placement have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") or any U.S. state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, United States persons absent registration or any applicable exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

On May 5, 2021; the Company announced that it has entered into an amending agreement (the "Amending Agreement") with Borealis Mining Company, LLC ("Waterton"), an indirect, wholly-owned subsidiary of Waterton Precious Metals Fund II Cayman, LP amending the terms of the agreement (the "Acquisition Agreement") for the acquisition of all of the assets that comprise the Gabbs Project located on the Walker-Lane Trend in the Fairplay Mining District of Nye County, Nevada (the "Transaction"). The closing of the Transaction remains subject to the satisfaction of customary closing conditions for a transaction of such nature, including acceptance by the TSX Venture Exchange (the "Exchange") and the completion of the Private Placement. The Transaction will be an arm's length transaction under Exchange policies.

Under the terms of the Amending Agreement, P2 Gold will (a) pay US$1 million and issue 15 million shares in its capital to Waterton at closing and (b) pay US$4 million to Waterton on the 12-month anniversary of closing rather than pay US$5 million and issue 15 million shares in its capital to Waterton at closing as required under the terms of the Acquisition Agreement. The Company has also agreed, under the Amending Agreement, to enter into at closing an investor rights agreement with Waterton providing Waterton with registration rights in certain circumstances. The other terms of the Acquisition Agreement remain unchanged.

Accordingly, in order to acquire the Gabbs Project, the Company will (a) pay US$1 million and issue 15 million shares in its capital to Waterton at closing, (b) pay US$4 million to Waterton on the 12-month anniversary of closing and (c) pay US$5 million to Waterton on the earlier of the announcement of the results of a Preliminary Economic Assessment and the 24-month anniversary of closing. Waterton has reserved for itself a 2% net smelter returns royalty on production from the Gabbs Project, of which one percent may be repurchased at any time by P2 Gold for US$1.5 million and the remaining one percent of which may be repurchased for US$5 million. Following completion of the Transaction and the Private Placement, Waterton will be an Insider of the Company and expected to own approximately 27% of the issued and outstanding shares of the Company.

On May 17, 2021, the Company announced that it has closed the Private Placement for gross proceeds of $5.949 million and the acquisition of all of the assets that comprise the Gabbs Project.

Acquisition, Exploration and Development Summary

Silver Reef Property

The Silver Reef Property covers an area of over 23,000 hectares approximately 85 kilometers north of Hazelton, BC and to the east of the Golden Triangle.

Acquisition Terms

Under the terms of the Silver Reef Option Agreement, the Company can acquire up to a 70% interest in Silver Reef over a three-year option period by paying to the vendor:

1. $50,000 (paid) and 200,000 shares in its capital on the signing of the agreement (issued);
2. $200,000 and 200,000 shares in its capital on the first anniversary of the agreement; and
3. $500,000 and 800,000 shares in its capital on the second anniversary of the agreement.

To maintain the option, the Company is also required to incur exploration expenditures of $250,000 before the first anniversary of the agreement (completed), $750,000 of cumulative exploration expenditures by the second anniversary of the agreement (completed) and $2 million of cumulative exploration expenditures by the third anniversary of the agreement. Following exercise of the option, the Company has the right for a period of 120 days to acquire the remaining 30% interest in Silver Reef, for a 100% total interest, on payment of $7.5 million of which up to $4 million may be paid in shares of the Company at its election. If the Company elects to not purchase the remaining 30% interest, the Company and the vendor shall form a joint venture, with the Company appointed the operator. During the first three years of the joint venture, the Company will fund the vendor's participating interest in the joint venture. If the vendor fails to sell its interest in the joint venture during such three-year period, the vendor's interest will convert to a 3% net smelter returns royalty, provided that the Company will have the opportunity to purchase the vendor's interest prior to such conversion for $7.5 million.

Silver Reef Property Description

Silver Reef is a new discovery where limited exploration was carried out prior to the Company's 2020 exploration program. The exploration target at Silver Reef is similar to the Coeur d'Alene district in Idaho, and more locally the historic and high-grade Silver Standard Mine located approximately 80 kilometers to the south. At Silver Reef, sulphide mineralization with quartz/carbonate veins and stockwork are associated with a regional shear zone that cuts through the alteration halo of a large granitic intrusive. At the time the Company optioned Silver Reef in June of 2020, a total of 51 rock grab samples have been collected on the property with the highest-grade grab sample yielding 1,892 grams per tonne silver, 2.01 grams per tonne gold, 4.46% lead, and 2.7% zinc from a massive sulphide vein subcrop. Grab samples are collected as niche samples of rock material of specific style or character of interest and are not necessarily representative of the mineralization hosted on the property.

The Company completed the 2020 Silver Reef exploration program in September, which consisted of airborne geophysics, a two-phase drill program and prospecting and mapping. The Silver Reef Phase One exploration drill program, consisted of 10 holes totaling 1,315 meters. Eight of the drill holes targeted the Main Zone, with the remaining two holes targeting the Northwest Zone. Both zones host silver/gold/lead/zinc mineralization within and on the margins of graphitic shears that are proximal to an altered felsic dyke (*See news release September 29, 2020*).

The Phase Two exploration drill program consisted of four holes totaling 374 meters. Two of the drill holes targeted the Main Zone, with the other two holes targeting the Northwest Zone. *(See News Releases dated September 28, 2020, December 9, 2020 and December 10, 2020).*

Drilling demonstrated that the Main Zone and Northwest Zone structures are well defined with mineralization typical of silver deposits within the silver belt that runs from Idaho through British Columbia into Yukon. Select drill results include:

- Hole SR-004 (Main Zone) intersected 1.18 g/t gold, 521.0 g/t silver, 0.71% lead and 2.17% zinc over 0.5 meters within a 1.3 meter interval grading 0.93 g/t gold, 245.25 g/t silver, 0.33% lead and 0.98% zinc; and
- Hole SR-011 (Northwest Zone) intersected 0.55 g/t gold, 410.69 g/t silver, 2.38% lead and 3.18% zinc over 1.68 meters within a 7.49 meter interval grading 0.24 g/t gold, 188.5 g/t silver, 0.99% lead and 1.51% zinc.

Prospecting has shown that the Main Zone is now at least four kilometers long, and that the Northwest Zone is a separate, parallel trend that is at least two kilometers long. In addition, prospecting also identified several other showings between these two primary trends suggesting the property hosts a stacked system of multiple zones. This more than doubles the known strike extent of the mineralization, which remains open in all directions.

Amanda Tuck, P.Geo is the qualified person responsible for the Silver Reef Property and has reviewed, verified and approved the scientific and technical information.

BAM Property

The BAM Property consists of ten mineral tenures that cover an area of over 8,100 hectares, located approximately 150 kilometers northwest of Stewart, BC. Highway 37 and the Northwest Transmission Line are approximately 35 kilometers to the east of the property, and the Galore Creek Project access road is 1.7 kilometers to the southeast.

Acquisition Terms

Under the terms of the BAM Option Agreement, the Company can acquire up to a 70% interest in the BAM Property over a three year option period by paying to the vendor: $60,000 (paid) and 200,000 shares in its capital (issued) on the signing of the agreement; $150,000 and 200,000 shares in its capital on the first anniversary of the agreement; $200,000 and 200,000 shares in its capital on the second anniversary of the agreement and $550,000 and 800,000 shares in its capital on the third anniversary of the agreement.

To maintain the option, the Company is also required to incur exploration expenditures of $150,000 before the first anniversary of the agreement (completed), $400,000 of cumulative exploration expenditures by the second anniversary of the agreement (completed) and $750,000 of cumulative exploration expenditures by the third anniversary of the agreement. Following exercise of the option, the Company has the right for a period of 120 days to acquire the remaining 30% interest in the BAM Property, for a 100% total interest, on payment of $7.5 million of which up to $4 million may be paid in shares of the Company at its election. If the Company elects to not purchase the remaining 30% interest, the Company and the vendor shall form a joint venture, with the Company appointed the operator.

During the first three years of the joint venture, the Company will fund the vendor's participating interest in the joint venture. If the vendor fails to sell its interest in the joint venture during such three-year period, the vendor's interest will convert to a 2% net smelter returns royalty ("NSR"), provided that the Company will have the opportunity to purchase the vendor's interest prior to such conversion for $7.5 million. Following the conversion of the vendor's interest to a 2% NSR, the Company may purchase 1% of the the NSR for $2,000,000 (inflation adjusted from 2020).

The vendor has also agreed to assign to the Company two claims that form part of the BAM Property for $40,000 and a 2% NSR, 100% of which can be purchased by the Company for $1,125,000 prior to commercial production on such claims and 1% of which can be purchased for $300,000 (inflation adjusted from 2020) after commercial production is achieved on such claims.

BAM Property Description

The BAM Property was discovered in the 1960s when regional exploration that was focused on copper mineralization resulted in the discovery of the Galore Creek deposit, approximately 35 kilometers to the west, and the Schaft Creek deposit, approximately 20 kilometers to the northwest; both deposits are large copper-gold porphyry mineralizing systems. On the BAM Property, drilling in 1967 identified a sizeable area of copper mineralization with minor silver in a replacement zone hosted by brecciated Lower Permian limestone and dolomite.

More recently, exploration efforts on the BAM Property have focused on gold. This work started in the mid-1980s when Radcliffe Resources discovered quartz veins that assayed up to 212 grams per tonne gold in grab samples, and when Chevron Canada Resources Limited collected channel samples from trenches that returned up to 7.4 grams per tonne gold over 19.3 meters. Sporadic work since that time has identified numerous other showings, several of which were drill tested and found to host discontinuous mineralized quartz veins.

A systematic exploration program of the BAM property was completed by the Company in September 2020, which included airborne and ground geophysical programs and a soil geochemical sampling, geologic mapping and prospecting program.

The soil geochemical sampling program defined a sinuous gold anomaly measuring approximately 3.6 kilometers long, originating at the newly-defined Monarch Gold Zone near the north end of the grid and passing through the historical Jan Copper Zone and ending at the historical BAM 10 Gold Zone in the south. The Monarch Gold Zone measures 1,100 meters by 600 meters and covers a hornfelsed calcareous sediment in contact with a granitic batholith. The zone is defined by numerous samples with greater than 25 ppb (0.025 g/t) gold, of which 16 samples assay greater than 500 ppb (0.50 g/t) gold with the highest sample assaying 5,730 ppb (5.73 g/t gold). These soil samples are considered very high-grade as gold soil anomalies are typically defined by soil samples with values in the 10 ppb (0.01 g/t) to 50 ppb (0.05 g/t) range. The zone also hosts highly anomalous values in arsenic, antimony, copper, mercury and tellurium that, in combination with the size and location of the anomaly, are indicative of a robust epithermal system.

The soil geochemical sampling program consisted of approximately 60-line kilometers of survey lines covering an area measuring 4.8 kilometers by 2.0 kilometers. The main survey lines were spaced at 200-meter centers running east-west, with shorter infill survey lines spaced at 100-meter centers locally covering areas with historical anomalies. Soil samples were collected every 50 meters along each of the survey lines. Approximately 1,100 samples were collected and assayed. *(See News Release dated October 8, 2020).*

The 2020 exploration program at the BAM Property also included airborne magnetic and radiometric surveys, a 15-kilometer IP geophysical survey and geological mapping and prospecting.

Amanda Tuck, P.Geo is the qualified person responsible for the BAM Property and has reviewed, verified and approved the scientific and technical information.

Todd Creek Property

The Todd Creek Property covers an area of over 32,000 hectares and is located within the Golden Triangle, approximately 35 kilometers northeast of Stewart, BC and bordering the east side of Pretium Resources Inc.'s Bowser Claims. Highway 37A connecting Stewart to Highway 37 and the transmission line providing power to Stewart pass through the southern portion of the property.

Acquisition Terms

Under the terms of the Todd Creek Option Agreement, the Company can acquire (the "First Option") up to a 51% interest in the Todd Creek Property over a five year option period by paying to ArcWest: $100,000 (paid) and 200,000 shares in its capital on the signing of the agreement (issued); $150,000 on the first anniversary of the agreement; $200,000 on the second anniversary of the agreement; $200,000 on the third anniversary of the agreement; $250,000 on the fourth anniversary of the agreement and $250,000 on the fifth anniversary of the agreement.

To maintain the option, the Company is also required to incur exploration expenditures of $500,000 before the first anniversary of the agreement (with a minimum of 1,000 meters of drilling) (completed), $3,000,000 of cumulative exploration expenditures by the second anniversary of the agreement, $6,500,000 of cumulative exploration expenditures by the third anniversary of the agreement, $10,000,000 of cumulative exploration expenditures by the fourth anniversary of the agreement and $15,000,000 of cumulative exploration expenditures by the fifth anniversary of the agreement.

Following exercise of the First Option, the Company has the right for a period of 60 days to acquire (the "Second Option") an additional 19% interest in the Todd Creek Property, for a 70% total interest, by completing a feasibility study within three years of the exercise of the First Option and paying to ArcWest $250,000 on each anniversary of the exercise of the First Option until the feasibility study is completed. ArcWest has the right, at its election, to receive any payment from the Company as cash, common shares in the Company's capital, or a combination of 50% cash and 50% common shares in the Company's capital. If ArcWest elects to receive any payment in common shares in the Company's capital, the common shares will be priced at the Company's 30-day volume weighted average price.

On exercise of the Second Option (or the First Option, if the Company does not elect to increase its interest to 19%), the Company and ArcWest will form a joint venture, with the Company appointed the operator. Until commercial production is achieved on the property, the Company will fund the first $100,000 of joint venture expenditures. If either party's joint venture interest is diluted to less than 10%, its joint venture interest will convert to a 2% net smelter returns royalty, one percent of which may be purchased by the other party for $5,000,000 at any time. If a production decision is made by the joint venture to place the property into production, the Company will arrange project financing for the joint venture, the repayment of which shall be made out of cash flows from the property in priority to distributions to the joint venture participants.

Todd Creek Property Description

The western side of the Todd Creek Property covers a 12-kilometer by 3-kilometer corridor of altered lower Jurassic volcanic rocks which host at least four zones of gold-copper mineralization, known as Fall Creek, Ice Creek, Yellow Bowl and South zones. These zones are found in the same stratigraphy that hosts the nearby Brucejack, Snowfield, and Goldstorm deposits. On the eastern side of the property, a zone of VMS mineralization has been discovered in the Iskut River formation, which is the same formation that hosts the Eskay Creek deposit.

Historically, Newmont Mining Corporation discovered epithermal copper-gold mineralization at the South zone in 1959. In the late 1980s, a joint venture led by Noranda drilled several zones on the property which returned significant gold mineralization. These intersections included 7.61 grams per tonne gold and 1.58% copper over 12.65 meters at the Fall Creek Zone, 2.73 grams per tonne gold and 0.59% copper over 13 meters at the Ice Creek Zone and 3.61 grams per tonne gold and 0.27% copper over 29.75 meters (including 6.91 grams per tonne gold and 0.36% copper over 8.15 meters) at the South Zone. Work by the Noranda joint venture defined a non-43-101 compliant historic gold resource reported by Hemlo Gold Mines Inc. (a joint venture member) in 1988. The Company believes these historic results are strong evidence of the excellent exploration potential of the Todd Creek Property and will form the basis to guide future exploration.

More recently, ArcWest focused on the Yellow Bowl Zone which covers a 4-kilometer-long gossan zone which hosts copper-gold mineralized intrusions, and magmatic-hydrothermal and hydrothermal breccias which have never been drill tested. ArcWest's initial 50 rock chip and grab samples at Yellow Bowl in 2018 averaged 0.68% copper (see ArcWest news release December 22, 2018). In addition, a phase one induced polarization survey outlined a significant chargeability anomaly underlying the mineralized zone (see ArcWest news release November 2, 2018).

The 2020 Todd Creek drill program consisted of three drill holes totaling 1,027 meters. Drill holes 1 and 2, totaling 802, meters targeted the Yellow Bowl Zone, a lenticular sericite-rich gossan measuring one kilometer by three kilometers which hosts numerous structurally- controlled copper and gold showings. Drill hole 3, 225 meters, tested a series of closely-spaced copper/gold showings in a zone located five kilometers southeast of Yellow Bowl.

Drilling demonstrated that mineralization identified on surface is hosted in veins that are well defined and remain open at depth, with copper and gold grades appearing to improve with depth, select results include:

- Hole TC-002 (Yellow Bowl Zone) intersected 1.48% copper, 0.04 g/t gold and 30.62 g/t silver over 1.2 meters within an 8.8-meter interval grading 0.53% copper, 0.01 g/t gold and 10.63 g/t silver; and

- Hole TC-002 (Yellow Bowl Zone) intersected 4.19% copper, 0.19 g/t gold and 4.90 g/t silver over 1.8 meters within a 3.3-meter interval grading 3.03% copper, 0.20 g/t gold and 7.15 g/t silver.

The 2020 exploration program at Todd Creek also included an airborne magnetic and radiometric survey over the northwest portion of the property and a satellite hyperspectral survey.

Amanda Tuck, P.Geo is the qualified person responsible for the Todd Creek Property and has reviewed, verified and approved the scientific and technical information.

Stockade Property

The Stockade Property consists of 261 unpatented lode mining claims that cover an area of over 6,790 acres, located in Malheur County, Oregon approximately 85 kilometers southeast of Burns Oregon, or 150 kilometers southwest of Boise Idaho.

Acquisition Terms

Under the terms of the Stockade Mineral Lease and Option Agreement, the Company has the right to use the property for exploration and mining for a minimum of 50 years provided it continues to make the following preproduction payments:

1. US$20,000 (paid) and 100,000 common shares in the capital of the Company (issued) on signing the agreement (the "Effective Date");

2. US$10,000 six-months after the Effective Date;
3. US$10,000 12-months after the Effective Date;
4. US$15,000 18-months after the Effective Date;
5. US$15,000 24-months after the Effective Date; and
6. US$25,000 30-months after the Effective Date and every six months thereafter.

The term of the agreement may continue after 50 years provided active mining operations are being conducted on the property.

To maintain the option, the Company is also required to incur minimum work expenditures on the property of US$30,000 in the first year (completed) and a minimum of 2,000 meters of drilling in the second year. On achievement of production on the property, a production royalty of 2% of net smelter returns is payable on claims owned by BMR and 0.5% of net smelter returns is payable on third party claims and claims acquired within the area of influence, provided that a minimum production royalty of US$25,000 is payable quarterly. On payment to BMR of US$10,000,000 in any combination of preproduction payments, production royalties and minimum royalties, the production royalty on claims owned by BMR reduces to 1% and on third-party claims and claims acquired within the area of influence to 0.25%.

Stockade Property Background

The Stockade Property was explored by BHP, Phelps Dodge and Placer Dome with only shallow drill holes targeting bulk tonnage potential in the 1980s and 90s. A NI 43-101 technical report compiling the historical field work and drill results is underway and an airborne geophysical program has been completed.

Lost Cabin Property

The Lost Cabin Property consists of 106 unpatented lode mining claims that cover an area of over 2,190 acres, located in Lake County, Oregon.

Acquisition Terms

Under the terms of the Lost Cabin Option Agreement, the Company has the right to use the Lost Cabin Property for exploration and mining for a minimum of 50 years provided it continues to make the following preproduction payments:

1. US$5,000 (paid) and 100,000 Common Shares (issued) in the capital of the Company on signing the agreement;
2. US$5,000 six-months after the Effective Date;
3. US$10,000 12-months after the Effective Date;
4. US$10,000 18-months after the Effective Date;
5. US$15,000 24-months after the Effective Date; and
6. US$20,000 30-months after the Effective Date and every six months thereafter.

The term of the Lost Cabin Option Agreement may continue after 50 years provided active mining operations are being conducted on the Lost Cabin Property.

To maintain the option, the Company is also required to incur minimum work expenditures on the Lost Cabin Property of US$30,000 in the first year (completed) and a minimum of 2,000 meters of drilling in the second year. On achievement of production on the property, a production royalty of 2% of net smelter returns is payable on claims owned by La Cuesta and 0.5% of net smelter returns is payable on third party claims and claims acquired within the area of influence, provided that a minimum production royalty of US$25,000 is payable quarterly. On payment to La Cuesta of US$10,000,000 in any combination of preproduction payments, production royalties and minimum royalties, the production royalty on claims owned by La Cuesta reduces to 1% and on third-party claims and claims acquired within the area of influence to 0.25%.

Lost Cabin Property Background

The property is located along a major-northwest-trending structural lineament and hydrothermal alteration associated with silicic volcanism, with limited exploration activities carried out to date. An airborne geophysical program has been completed.

Timmins Property

In 2020, the Company's exploration focus turned to British Columbia, Canada and the western United States, it determined that the Timmins Project was non-core and decided to divest the Timmins Project. The Company entered into an agreement with a private corporation for the sale of all of its interest in the Timmins Project, which was completed on April 29, 2021.

Trends

There are no unusual trends, events or uncertainties presently known or identifiable to management that are reasonably expected to have a material effect on the Company's business, financial condition or results of operations. The nature of the Company's business is demanding of capital for property acquisition costs, exploration and holding costs. The Company may stake ground as it becomes available for exploration and will drop claims from time to time if claims are deemed to have low potential for discovery. The Company intends to utilize cash on hand to meet its obligations and will continue to raise funds primarily by equity financings as necessary to augment this cash position as it does not have any operating cash flow.

Management and Consulting Fee Commitment

The Company is committed to monthly payments under the terms of operating agreements for management and consulting fees. The aggregate remaining payments per year are as follows:

2021	$	35,685

Review of Operations

Three Months Ended March 31, 2021 and 2020

The Company had a net loss of $630,838 or $0.021 per share for the three months ended March 31, 2021, compared to $165,114 or $0.019 per share for the three months ended March 31, 2020. The Company has acquired precious metal exploration properties to explore and develop in British Columbia, Canada and the western United States and preliminary exploration and evaluation programs have commenced.

Professional fees were $88,378 for the three months ended March 31, 2021 compared to $53,185 for the three months ended March 31, 2020. Fees were higher in the current period mainly due to an increase in legal fees and consulting fees and an increase in audit fees for the review of the interim financial statements. These fees were routine professional and are expected to continue to increase on a going forward basis as the Company becomes more active including raising additional funds.

General and administrative costs were $96,959 for the three months ended March 31, 2021 compared to $16,679 for the three months ended March 31, 2020. These expenses increased from the previous year due to an increase in insurance expenses and the rental of an office in the current year. These expenses will increase on a going forward basis as the Company becomes more active.

Shareholder information costs were $21,625 for the three months ended March 31, 2021 compared to $15,098 for the three months ended March 31, 2020. These expenses increased from the previous year period due to an increase in filing fees, transfer agent costs and the costs relating to the Annual Shareholder Meeting. These expenses are expected to increase going forward as the Company becomes more active and starts to incur increased disclosure and filing costs.

Investor relations and travel costs were $6,712 for the three months ended March 31, 2021 compared to $273 for the three months ended March 31, 2020. The increase is due to increased project related travel expenses and virtual investor conferences fees during the current year period.

Total exploration and evaluation costs were $247,737 for the three months ended March 31, 2021 compared to $165,114 for the three months ended March 31, 2020. The Company's exploration activities increased in the first quarter of 2021 with the change of its exploration focus to British Columbia and the Western US from the Timmins, Ontario area.

Selected Quarterly Financial Data

Three Months Ended	Total Revenue ($)	Income (loss) Total ($)	Income (loss) Per Share ($)	Total Assets ($)
March 31, 2021	-	(630,838)	(0.021)	1,712,726
December 31, 2020	-	(1,078,073)	(0.070)	1,860,366
September 30, 2020 (restated)	-	(3,428,945)	(0.150)	1,355,868
June 30, 2020	-	(340,189)	(0.020)	643,271
March 31, 2020	-	(165,114)	(0.020)	405,105
December 31, 2019	-	(122,012)	(0.014)	664,435
September 30, 2019	-	(335,363)	(0.042)	726,710
June 30, 2019	-	(385,360)	(0.042)	1,129,290
March 31, 2019	-	(461,896)	(0.054)	1,843,541
December 31, 2018	-	(549,088)	(0.108)	2,157,417
September 30, 2018	-	(172,485)	(0.036)	209,796
June 30, 2018	-	(207,227)	(0.042)	431,805

Liquidity and Capital Resources

The mineral properties of the Company are in the exploration and development stage and, as a result, the Company has no source of operating cash flow. The exploration and development of the Company's properties depends on the ability of the Company to obtain financing.

If the Company's exploration programs are successful, additional funds will be required to develop the Company's properties and to place them into commercial production. The only source of future funds presently available to the Company is through the issuance of share capital, or by the sale of an interest in any of its properties in whole or in part. The ability of the Company to arrange such financing or sale of an interest in the future will depend in part upon the prevailing market conditions as well as the business performance of the Company. There can be no assurance that the Company will be successful in its efforts to arrange additional financing, if needed, on terms satisfactory to the Company. If additional financing is raised through the issuance of shares, control of the Company may change and shareholders may experience dilution. If adequate financing is not available, the Company may be required to delay, reduce the scope of, or eliminate one or more exploration activities or relinquish rights to certain of its interests. Failure to obtain additional financing on a timely basis could cause the Company to forfeit its interests in some or all of its properties and reduce or terminate its operations.

As at March 31, 2021, the Company had cash of $1,198,821 (December 31, 2020 - $1,634,964) to settle current liabilities of $246,387 (December 31, 2020 - $118,007). All of the Company's financial trade liabilities have contractual maturities of less than one year and are subject to normal trade terms.

As at March 31, 2021, the Company had working capital of $1,049,860 (December 31, 2020 - $1,742,359). In order to meet its longer-term working capital needs and property exploration expenditures, the Company intends on securing additional financing to ensure that those obligations are properly discharged. As such, management believes that the Company will then have sufficient working capital to discharge its current and anticipated obligations for a minimum of one year. There can be no assurance that P2 Gold will be successful in its efforts to arrange additional financing on terms satisfactory to the Company. If additional financing is raised through the issuance of shares from the treasury of the Company, control of P2 Gold may change and shareholders may experience additional dilution. If adequate financing is not available or cannot be obtained on a timely basis, the Company may be required to delay, reduce the scope of, or eliminate one or more of its exploration activities or relinquish some or all of its rights to certain of its interests in mineral properties.

Share Data

As at March 31, 2021 there were 29,518,331 shares issued and outstanding and 8,176,666 warrants outstanding. As at May 17, 2021, there were 29,518,331 shares issued and outstanding and 8,176,666 warrants outstanding.

Options – As at March 31, 2021 there were 2,834,999 options outstanding at an average exercise price of $0.484. As at May 17, 2021 there were 2,834,999 options outstanding at an average exercise price of $0.484.

Warrants - As at March 31, 2021 there were 8,176,666 warrants outstanding at an average exercise price of $0.706. As at May 17, 2021 there were 8,176,666 warrants outstanding at an average exercise price of $0.706.

Transactions with Related Parties

As at March 31, 2021, the trade and other payables balance includes related party amounts of $18,760 (December 31, 2020 - $12,870). The related parties are directors and officers of the Company, an individual who is related to the former President and CEO of the Company and entities over which executive management and directors have control or significant influence. The amounts are for services rendered during the year and arose as a result of transactions entered into with the related parties in the ordinary course of business.

Compensation of key management personnel of the Company

The remuneration of directors and other members of key management personnel during the three months ended March 31, 2021 and 2020 were as follows:

	For three months ended March 31,	
	2021	2020
	$	$
Management and consulting fees	**20,527**	36,000
Exploration and evaluation expenditures	**-**	18,000
Share-based compensation	**131,316**	-

Other Information

Additional Disclosure for Venture Companies without Significant Revenue

The following is additional financial information for the period regarding the Company as required by National Instrument 51-102 – Continuous Disclosure Obligations, for TSX-V issuers.

	March 31, 2021	March 31, 2020
Exploration and evaluation expenditures	**$ 247,737**	$ 66,173
Administrative expenses	**$ 383,101**	$ 98,941
Total assets	**$ 1,712,726**	$ 405,105

Exploration and evaluation expenditures	*For the three months ended March 31, 2021* Expensed	*For the three months ended March 31, 2020* Expensed
Acquisition costs	**$ 47,142**	$ -
Assessment reports	**9,505**	-
Technical Reports (NI 43-101)	**16,489**	-
Consulting	**149,875**	50,000
Other exploration and evaluation expenditures	**24,726**	16,173
Total exploration and evaluation expenditures	**$ 247,737**	$ 66,173

Administrative Expenses	*For the three months ended March 31, 2021*	*For the three months ended March 31, 2020*
Interest income	**$ (1,206)**	$ (909)
General and administrative	**96,959**	16,679
Depreciation	**30,670**	13,554
Share-based payments	**131,316**	-
Interest expense	**8,647**	1,061
Professional fees	**88,378**	53,185
Shareholder information	**21,625**	15,098
Investor relations and travel	**6,712**	273
	$ 383,101	$ 98,941

Outstanding share data	**As at March 31, 2021**	As at March 31, 2020
Issued and outstanding common shares	**29,518,331**	8,558,331

Dividends

The Company has neither declared nor paid any dividends on its common shares. The Company intends to retain its earnings, if any, to finance growth and expand its operations and does not anticipate paying any dividends on its common shares in the foreseeable future.

ACCOUNTING CHANGES

Critical Accounting Policies

Going Concern

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 interest in mineral properties and the Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable mineral resources and reserves, the achievement of profitable operations, or the ability of the Company to raise additional financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis. Changes in future conditions could require material write-downs to the carrying values.

The Company has historically relied on equity financing to raise capital and future raises may be impacted by the current global situation and economic uncertainties. Management has considered how these conditions may impact the Company's viability given its current capital structure and considers that until the outcome of financing activities is known there is significant doubt about the Company's ability to continue as a going concern.

Although the Company 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 stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements, aboriginal claims, unregistered claims, and non-compliance with regulatory and environmental requirements.

Management plans to secure the necessary financing through the issuance of new equity or debt instruments, and/or by entering into joint venture arrangements. Nevertheless, there is no guarantee that these initiatives will be successful.

The Company will require substantial additional funds to further explore and, if warranted, develop its exploration properties. The Company has limited financial resources and no current source of recurring revenue, and there is no assurance that additional funding will be available to the Company to carry out the completion of its planned exploration activities. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and property development. The terms of any additional financing obtained by the Company could result in substantial dilution to the shareholders of the Company.

Financial Risk Factors

Financial Instruments

The Company classifies financial instrument fair values in a hierarchy comprising three levels reflecting the significance of the inputs used in making the measurements, described as follows:

Level 1: Valuations based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2: Valuations based on directly or indirectly observable inputs in active markets for similar assets or liabilities, other than Level 1 prices, such as quoted interest or currency exchange rates; and
Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.
Cash is classified as level 1.

The following table summarizes the classification and measurement under IFRS 9 for each financial instrument:

Classification	**IFRS 9**
Cash	Amortized Cost
Trade and other payables	Amortized Cost

Risks

A summary of the Company's risk exposures as it relates to financial instruments are reflected below:

(i) Credit Risk

Credit risk is the risk of loss associated with a counter-party's inability to fulfill its payment. The Company's credit risk is primarily attributable to cash and receivables and other assets included in current assets. The Company has no material concentration of credit risk arising from operations. Cash consists of bank deposits, which are held by a Canadian chartered bank, and management believes the risk of loss is remote.

The Company's maximum exposure to credit risk as at March 31, 2021 is the carrying value of cash.

(ii) Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due and ensuring an adequate supply of funds to enable the Company to carry out its intended programs. As at March 31, 2021, the Company had a cash balance of $1,198,821

(December 31, 2020 - $1,634,964) to settle current liabilities of $246,387 (December 31, 2020 - $118,007). All of the Company's financial trade liabilities have contractual maturities of less than one year and are subject to normal trade terms. Working capital for the Company as at March 31, 2021 was $1,049,860 (December 31, 2020 - $$1,742,359).

Critical Accounting Estimates

The preparation of financial statements in conformity with IFRS requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenue and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions.

The most significant estimates and judgments relate to, but are not limited to, the following:

- the calculation of the fair value of share-based payments requires the use of estimates of inputs in the Black-Scholes option pricing valuation model;
- incremental borrowing rate to obtain an asset of similar value to the right-of-use asset;

Industry Risks

The Company is subject to numerous risk factors that may affect its business prospects in the future. These include risks inherent to exploration, development and operating companies, dependence on key personnel, commodity prices, and availability of capital, environmental and permitting risks, acquisition risks, competition and potential risks relating to land titles.

There are certain risk factors that could have material effects on the Company that are not quantifiable at present due to the nature of the Company's industry segment and other considerations.

Additional Capital

The exploration and development activities of the Company may require substantial additional financing. Failure to obtain sufficient financing may result in delaying or indefinite postponement of exploration and development of any of the Company's properties. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financings will be favourable to the Company. In addition, low commodity prices may affect the Company's ability to obtain financing.

Exploration Development and Operating Risk

Mineral exploration involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration and development, any of which could result in work stoppages, damage to property, and possible environmental damage. None of the properties in which the Company has an interest have a known body of commercial ore. Development of the Company's mineral properties will follow upon obtaining satisfactory exploration results. Mineral exploration and development involve a high degree of risk and few properties that are explored are ultimately developed into producing mines. There is no assurance that the Company's mineral exploration and development activities will result in any discoveries of commercially viable bodies of ore. The long-term profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish mineral resources and reserves through drilling, to develop process flow sheets, to extract the metal from the resources and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis.

Business Risk

The success of the operations and activities of P2 Gold is dependent to a significant extent on the efforts and abilities of its management, outside contractors, experts and other advisors. Investors must be willing to rely to a significant degree on management’s discretion and judgment, as well as the expertise and competence of the outside contractors, experts and other advisors. The Company does not have a formal program in place for succession of management and training of management. The loss of one or more of the key employees or contractors, if not replaced on a timely basis, could adversely affect the Company’s operations and financial performance.

Commodity Prices

The price of the Company’s common shares, its financial results, and exploration and development activities have been, or may in the future be, adversely affected by declines in the price of gold and/or other metals. Gold prices fluctuate widely and are affected by numerous factors beyond the Company’s control such as the sale or purchase of commodities by various central banks, financial institutions, expectations of inflation or deflation, currency exchange fluctuations, interest rates, global or regional consumptive patterns, international supply and demand, speculative activities and increased production due to new project developments, improved production methods and international economic and political trends. The Company’s revenues, if any, are expected to be in large part derived from mining, precious and base metals or interests related thereto. The effect of these factors on the price of metals, and therefore the economic viability of any of the Company’s exploration projects, cannot accurately be predicted.

Environmental and Permitting

All phases of the Company’s operations are subject to environmental regulation in the various jurisdictions in which it operates. These regulations, among other things, mandate the maintenance of air and water quality standards, land reclamation, transportation, storage and disposal of hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors, and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company’s operations.

To the Company’s knowledge, there are no liabilities to date which relate to environmental risks or hazards with the exception of certain potential liabilities associated with the Faymar Mine property.

The Company is the owner of the Faymar Mine property in Timmins, Ontario. The Ontario Ministry of Energy Northern Development and Mines (“ENDM”) requires the Company to establish rehabilitation measures to restrict access to the area of the Faymar Mine crown pillar. The Company is preparing a rehabilitation plan to restrict access to the area of the Faymar Mine crown pillar, which will be submitted to ENDM for approval prior to implementation. The Company does not anticipate the costs associated with the rehabilitation plan to be material. The Faymar Mine property is not material to the Company and the Company does not anticipate incurring any expenditures in respect of the property other than as required by the ENDM. The Company has entered into an agreement with a private corporation for the sale of all of its interest in the Timmins Project, subject to the satisfaction of certain conditions.

Risks Related to Environmental, Mining and Other Regulations

P2 Gold and its prospective customers are subject to extensive environmental, health and safety regulations that impose, and will continue to impose, significant costs and liabilities. In addition, future regulations, or more stringent enforcement of existing regulations, could increase those costs and liabilities, which could adversely affect the Company’s results of operations.

Acquisition

The Company uses its best judgment to acquire mineral properties for exploration and development. In pursuit of such opportunities, the Company may fail to select appropriate acquisition candidates or negotiate acceptable agreements, including arrangements to finance the acquisitions and development, or integrate such opportunity and their personnel with the Company. P2 Gold cannot assure that it can complete any acquisition that it pursues, or is currently pursuing, on favourable terms, or that any acquisition completed will ultimately benefit the Company. The Company’s management and directors have experience globally, thus, potential acquisitions may be outside of Canada.

Competition
The mining industry is intensely competitive in all of its phases, and the Company competes with many companies possessing greater financial resources and technical facilities than itself. Competition in the mining business could adversely affect the Company's ability to acquire suitable producing properties or prospective properties for mineral exploration and development in the future.

Land Title
The Company has not sought formal title opinions on its mineral property interests. Any of the Company's properties may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by undetected defects. The Company has no present knowledge of any material defect in the title of any of the properties in which the Company has or may acquire an interest.

Forward-looking Statements
This Management's Discussion and Analysis includes "forward-looking statements", within the meaning of applicable securities legislation, which are based on the opinions and estimates of Management and are 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 statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar words suggesting future outcomes or statements regarding an outlook. Such risks and uncertainties include, but are not limited to, risks associated with the mining industry (including operational risks in exploration, development and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of mineral resources and reserve estimates; the uncertainty of estimates and projections in relation to production, costs and expenses; the uncertainty surrounding the ability of P2 Gold to obtain all permits, consents or authorizations required for its operations and activities; and health safety and environmental risks), the risk of commodity price and foreign exchange rate fluctuations, the ability of P2 Gold to fund the capital and operating expenses necessary to achieve the business objectives of P2 Gold, the uncertainty associated with commercial negotiations and negotiating with foreign governments and risks associated with international business activities, as well as those risks described in public disclosure documents filed by P2 Gold. Due to the risks, uncertainties and assumptions inherent in forward-looking statements, prospective investors in securities of P2 Gold should not place undue reliance on these forward-looking statements. Statements in relation to "reserves" are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described can be profitably exploited in the future.

Readers are cautioned that the foregoing lists of risks, uncertainties and other factors are not exhaustive. The forward-looking statements contained in this document are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or in any other documents filed with Canadian securities regulatory authorities, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws. The forward-looking statements are expressly qualified by this cautionary statement.

Dated May 17, 2021

"Joseph Ovsenek"
President and CEO, Chairman