Management's Discussion and Analysis

Year Ended December 31, 2020

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This Management Discussion & Analysis ("MD&A") is provided to enable the reader to assess material changes in financial condition and results of operations of VanGold Mining Corp. ("VanGold" or the "Company") for the year ended December 31, 2020. This MD&A should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2020 and 2019, prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"). This MD&A complements and supplements, but does not form part of the Company's consolidated financial statements.

This MD&A is prepared in conformity with National Instrument 51 102F1. All dollar amounts referred to in this discussion and analysis are expressed in Canadian dollars, except where indicated otherwise. This MD&A has taken into account information available up to and including April 28, 2020.

Additional information relating to the Company is available on SEDAR at www.sedar.com and the Company's website www.vangoldmining.com.

Overview

VanGold is in the business of acquiring and developing mineral properties. The Company's focus is to explore, develop and exploit mineral resources using environmentally benign mining techniques. The Company currently holds exploration and development properties near and around Guanajuato, Mexico.

The Company was incorporated under the *Business Corporations Act* of British Columbia in 1978 and is a publicly traded company on the TSX Venture Exchange ("TSX.V") under the symbol "VGLD". The Company's head office, as well as its registered and records offices, is located at Suite 2820 - 200 Granville Street, Vancouver, British Columbia, Canada, V6C 1S4.

The Company is exploring the historical El Pinguico and El Cubo Mines to evaluate its potential to support production from both stockpile and in-situ mineralized material, while continuing exploration on its other mineral concessions located in the State of Guanajuato, Mexico.

The Company has two subsidiaries: Obras Mineras El Pinguico S.A. de C.V. ("OMP"), which was incorporated on March 7, 2017, and CanMex Silver S.A. de C.V. ("CanMex Silver"), which was incorporated on January 31, 2017. OMP holds the El Pinguico, Segunda Ampliación Pinguico, Patito I and II mineral concessions located within 15 kilometres ("km") of Guanajuato, Mexico and the El Cubo Mine and Mill complex (as described in the highlights section of this document). CanMex Silver holds the Analy I and II, located 25 km east of San Miguel de Allende, as well as the El Ruso and Ysabela mineral concessions located within the state of Guanajuato, some 200 km east of Guanajuato city, and the Camila mineral concession located near the El Ruso and Ysabela claims, in the state of Queretero. See *Exploration and Development* below.

The Company also has an interest in Rossland Resources Inc. ("RRI"), a private company holding mineral claims in the Rossland, British Columbia area. The Company also retains a 3% net smelter return royalty ("NSR") a series of undeveloped mining properties held by Rossland in the Rossland, British Columbia area.

Hernan Dorado Smith, Mining Engineer, MBA and a Qualified Person by the Mineral and Metallurgical Society of America, Director and a Qualified Person of the Company under National Instrument ("NI") 43-101 *Standards for Disclosure of Mineral Projects*, has reviewed and approved the technical information presented in this MD&A.

Highlights

Acquisition of El Cubo

On December 18, 2020, the Company signed a binding letter agreement with Endeavour Silver Corp. to acquire the El Cubo mine and mill complex (the "El Cubo Complex") located 8 kilometres northeast of the Company's El Pinguico silver-gold project near Guanajuato, Mexico. On March 16, 2021, the Company signed a definitive asset purchase agreement with Endeavour to acquire the El Cubo Complex, which closed on April 9, 2021.

Total consideration for the acquisition was as follows:

a) A non-refundable down payment of $638,750 (US$500,000) cash (paid on December 18, 2020);
b) US$7,000,000 cash paid on closing;
c) 21,331,058 common shares of the Company issued on closing; and
d) A US$2,500,000 unsecured, non-interest bearing promissory note due 12 months from closing.

Endeavour agreed to a) abstain from voting its shares other than as recommended by VanGold's management for a period of two years; and b) twelve months restriction on the resale of any VanGold shares acquired in this transaction.

The Company also agreed to pay an additional US$3,000,000 in contingent payments as follows:

a) US$1,000,000 upon the Company producing 3,000,000 ounces of silver and/or gold-equivalent silver ("AgEq") from the El Cubo Complex, of which US$500,000 may be paid by the issuance of common shares of the Company;
b) US$1,000,000 if the spot price of gold closes at or above US$2,000 per ounce for 20 consecutive days within two years after closing; and
c) US$1,000,000 if the price of spot gold closes at or above US$2,200 per ounce for 20 consecutive days within three years after closing.

The Company intends to refurbish the El Cubo mill and begin processing mineralized material from both its El Pinguico and El Cubo properties at the mill beginning in in the fourth quarter of 2021 (the "Combined Project"), ramping up to a throughput of approximately 750 tonnes per day. According to the Company's recently completed PEA from Behre Dolbear and Company (USA) Inc, ("Behre") the Combined Project contains total indicated resources of 718,655 tonnes grading 160 grams per tonne ("gpt") silver ("Ag") and 1.90 gpt gold ("Au"), or 306 gpt AgEq, which equates to 7.2 M oz AgEq, and total inferred resources of 1,453,000 tonnes grading 214 gpt Ag and 2.78 gpt Au, or 435 gpt AgEq, which equates to 20.4 M oz AgEq. These estimates use a 1:80 ratio for Au and Ag prices.

Behre prepared a discounted cash flow model for the Combined Project to determine the Net Present Value (NPV), Internal Rate of Return (IRR), Initial Capital and Sustaining Capital, and payback period. Cash flow estimates were prepared on an after-tax basis and in accordance with NI 43-101 Standards of Disclosure for PEA studies, using 2 Base Case metal prices of $1,527 for gold and $19.49 for silver. The PEA considers a plan to ramp up to a 750 tonne-per-day ("tpd") operation, with an initial mine life of 7 years. On an after-tax basis, the Combined Project generates a Base Case NPV (5%) of $32.9 million and an IRR of 105%, excluding El Cubo acquisition costs. Using commodity prices of $22.41/oz Ag and $1,756/oz Au, the after-tax NPV (5%) is $79.0 million and the IRR is 344%.

Behre calculates a Base Case payback period of 1.87 years. Behre's PEA provides a high-level view of VanGold's plan to process material from both El Pinguico and El Cubo at a centrally located mill.

Option to acquire royalties

- On August 18, 2020, as amended on November 8, 2020, the Company signed a royalty purchase option agreement with Exploraciones Mineras Del Bajio S.A. de C.V. ("EMBSA") to re-purchase three underlying royalties on its El Pinguico silver and gold project. Under the terms of the agreement, the Company would pay total of $1,680,000 ($530,000 paid) and issue 3,750,000 units. Each unit will comprise one common share and one non-transferable share purchase warrant exercisable at a price of $0.175 for a five-year period.

  The option shall be exercisable by VanGold by making cash and share option payments to EMBSA as follows:

  - $200,000 cash (paid) and 3,750,000 units (issued) on or before November 20, 2020;
  - $325,000 cash on or before February 22, 2021 (paid);
  - $525,000 cash on or before February 22, 2022; and
  - $625,000 cash on or before February 22, 2023.

  Upon exercise of the option, the Company will own its undivided 100% interest in the El Pinguico silver and gold project free from royalties, except for a 15% net profit royalty on the existing above ground and underground stockpiles in mineralized material. Under the Agreement, VanGold has the option to repurchase the following royalties from EMBSA:

  - 4% NSR on all "broken material" within the above ground and underground stockpiles;
  - 3% NSR on newly established in-situ material discovered on the El Pinguico property; and
  - 5% net profits interest royalty ("NPI") on newly established in-situ material discovered on the El Pinguico property.

Financings

- On August 5, 2020, and August 11, 2020, the Company completed non-brokered private placements for total gross proceeds of $3,974,494, consisting of a total of 25,641,902 units at $0.155 per unit. Each unit consists of one common share and one-half of one share purchase warrant, where each whole warrant is exercisable at $0.25 per share for a period of 2 years. In connection with the private placement, the Company incurred $137,123, issued 214,665 shares, and issued 821,011 finders' warrants as finders' fees.

- During the year ended December 31, 2020, the Company adopted a warrant acceleration bonus program for its outstanding share purchase warrants granted in connection with the Company's 2019 non-brokered private placement financing. Under the program, holders will receive one bonus share for every 10 warrants exercised if exercised on or before June 26, 2020. During the year ended December 31, 2020, the Company issued a total of 21,363,055 common shares, which included 1,266,055 bonus shares under the warrant acceleration bonus program, pursuant to the exercise of 20,097,000 warrants at $0.10 per share for total proceeds of $2,009,700.

- On March 11, 2021, the Company completed a private placement for gross proceeds of $16,950,000, consisting of 56,500,000 units at $0.30 per unit. Each unit consists of one common share and one share purchase warrant, where each warrant is exercisable at $0.45 per share for a period of 2 years. In connection with the private placement, the Company paid finder's fees of $395,152, issued 518,139 common shares and issued 1,648,669 finder warrants. The warrants issued as finders' fees have the same terms as the warrants issued under the private placement.

- Subsequent to December 31, 2020, the Company issued 5,826,790 common shares on exercise of warrants for total proceeds of $1,158,705.

- Subsequent to December 31, 2020, the Company issued 771,667 common shares on exercise of stock options for total proceeds of $110,875.

Corporate matters

- Effective March 10, 2020, the Company's common shares re-commenced trading on the TSX.V and, effective March 24, 2020, the Company changed its trading symbol from "VAN" to "VGLD".
- On March 20, 2020, the Company completed a shares-for-debt transaction. The Company settled a total of $20,182 owed by issuing 403,640 common shares; 200,000 of these common shares were issued to a company owned by the Chief Executive Officer ("CEO") of the Company.
- On March 31, 2020, the Company granted incentive stock options to directors, consultants and an officer of the Company entitling them to purchase 2,700,000 common shares at $0.075 per share for a period of 3 years. The stock options vest 33% on grant, 33% on September 30, 2020, and 33% on March 31, 2021.
- On June 1, 2020, the Company granted incentive stock options to a consultant of the Company entitling them to purchase 150,000 common shares at $0.10 per share for a period of 3 years. The stock options vest 33% on grant, 33% on December 1, 2020, and 33% on June 1, 2021.
- On October 13, 2020, the Company granted incentive stock options to directors, consultants and an officer of the Company entitling them to purchase 2,225,000 common shares at $0.30 per share for a period of 3 years. The stock options vest 33% on grant, 33% on April 13, 2021, and 33% on October 13, 2021.
- On January 4, 2021, the Company granted incentive stock options to a financial consultant entitling them to purchase 150,000 common shares at a price of $0.30 per share for a period of 3 years. The stock options vest 33% on grant, 33% on July 4, 2021, and 33% on January 4, 2022.
- On February 6, 2021, the Company granted incentive stock options to a consultant entitling them to purchase 150,000 common shares at a price of $0.30 per share for a period of 3 years. The stock options vest 33% on grant, 33% on August 6, 2021, and 33% on February 6, 2022.
- On February 17, 2021, the Company granted incentive stock options to an investor relations firm entitling them to purchase 150,000 common shares at a price of $0.30 per share for a period of 3 years. The stock options vest 25% on grant, 25% on June 17, 2021, 25% on October 17, 2021, and 25% on February 17, 2022.
- On March 24, 2021, the Company granted incentive stock options to directors, consultants and an officer of the Company entitling them to purchase 6,100,000 common shares at $0.51 per share for a period of 5 years. The stock options vest 33% on grant, 33% on March 24, 2022, and 33% on March 24, 2023.
- On March 24, 2021, the Company granted incentive stock options to an investor relations firm entitling them to purchase 350,000 common shares at a price of $0.51 per share for a period of 5 years. The stock options vest 25% on grant, 25% on July 24, 2021, 25% on November 24, 2021, and 25% on March 24, 2022.

Exploration and Development

El Pinguico Mine Project

In April 2017, the Company acquired a 100% interest in the El Pinguico property, located in Guanajuato State, Mexico. Under the terms of the agreement, the Company paid consideration of $136,240 (US$100,000) and issued 5,000,000 common shares. The Company also issued 662,500 common shares as a finder's fee. The Property is subject to a 4% NSR and a 15% NPI on minerals recovered from an existing stockpile of mineralized rock and a 3% NSR and 5% NPI on all in-situ mineralization. On August

18, 2020, as amended on November 8, 2020, the Company entered into an option agreement to repurchase the 4% NSR, 3% NSR and the 5% NPI from the vendor.

In October 2017, the Company and OMP executed a Surface Land Purchase Agreement with two private landowners for 302 hectares. The surface land includes the Company's El Pinguico property and provides significant land area for mining infrastructure, development and construction.

Upon receiving the notarized Surface Land Purchase Agreement, the Company submitted the Use of Land application with the Minister of Mines in Guanajuato on September 21, 2017. On October 20, 2017, the Company received final approval from the Guanajuato municipality. The Use of Land permit provides the Company with all the rights and entitlement for initiating necessary infrastructure work and preparing the surface stockpile for production. These activities include road construction, building structures, hauling and waste dumping activities.

The first Land Use Agreement signed with a local landowner encompasses a total of 89.6 hectares covering portions of the surface of the El Pinguico mining claims. This is a two-year agreement that allows the Company to build additional roads and do what is necessary to build or re-establish a mine. Under this agreement, the Company made an initial payment of $1,693. After the first 12 months, the Company commenced making monthly payments of approximately $141. The agreement also gives the Company an option to purchase the land outright after the two-year term for a total consideration of $18,816 calculated as $210 per hectare. Subsequent to December 31, 2020 the Company exercised its option to purchase the land for $18,860 plus 15% inflation for a total purchase price of $21,680.

The second Land Use Agreement also signed with a local landowner encompasses a total of 212.98 hectares covering portions of the surface of the El Pinguico mining claims. Like the first agreement, this is a two-year agreement that allows the Company do what is necessary for the Company's operations. Under this agreement, the Company made an initial payment of $4,549. After the first 12 months, the Company commenced making monthly payments of approximately $335. The agreement also gives the Company an option to purchase the land outright after the two-year term for a total consideration of $44,727 calculated as $220 per hectare.

On February 2020, the Company signed a Surface Land Access Agreement for the mine with the Ejido Calderones, the local Ejido group. The Land Access Agreement allows for unrestricted road access for exploration and mining equipment and personnel to El Pinguico through the community of Calderones. The agreement is for a period of 15 years. Under the terms of the agreement, the Company paid $7,100 (MXP100,000) and will make annual payments of MXP 50,000 (approximately Can$3,200) adjusted for yearly inflation.

These surface access and land use agreements, together with VanGold's existing mining rights, provide the Company with all key land components necessary to carry out its planned exploration and operational activities at El Pinguico.

The historic El Pinguico mine property consists of two mining concessions covering 71 hectares, located approximately 7 km southeast of Guanajuato in Guanajuato State, Mexico, and contains the past-producing high-grade El Pinguico-El Carmen silver-gold mine. The historic mine has two main access adits: the El Carmen Adit and the Sangria del Carmen Adit. The historic El Pinguico mine runs sub-parallel to the Veta Madre (Mother Vein), and is located 2 km from Mina las Torres, owned by Fresnillo PLC.

From 1906 to 1913, the El Pinguico/Carmen mine produced 250 tonnes per day from shrinkage mining techniques, liberating high-grade silver and gold ore at cut-off grades over 15 grams per tonne ("g/t") gold equivalent ("Au eq"). Due to local and national civil unrest, the El Pinguico mine prematurely closed, abandoning what are believed to be large surface and underground stockpiles of mineralized material. The Company's NI 43-101 Technical Report dated February 28, 2017 the news release titled "VanGold Mining Corp. reports exploration results: assays up to 34 gpt AuEq from samples at El Pinguico Mine", dated June 15, 2017, contain more information about the mine. The report and news release are available at www.sedar.com.

The Guanajuato Mining District is mainly characterized by epithermal deposits associated with continental tertiary acid volcanism. The El Carmen-El Pinguico vein is considered an extension of the Veta Madre vein system, the main vein in the historic Guanajuato Silver District, and its depth extent is still unknown. The mineralization consists of a mixture of native gold and silver, polybasite, pyrargyrite, tetrahedrite, marcasite, sphalerite, galena, pyrite and chalcopyrite. The property has excellent access routes, communications, basic mining infrastructure and proximity to processing plants.

El Pinguico Shaft

During the third quarter of 2020, the Company continued its exploration program by re-entering the El Pinguico shaft. The Company has also engaged the geological consulting services of Alegre Resources Corp. to assist in computer modeling of the El Pinguico vein systems, and to generate drill targets for its autumn drill program.

During this period the Company's crew entered the El Pinguico shaft and safely accessed the #6 adit level in order for the crews to clean and refurbish the 5th and 6th adit levels before attempting to reach accessing the 7th (or Sangria) adit level. The Company intends to sample the bottom of the underground stockpile, as well as in-situ vein material. It is anticipated that a large section of exposed vein material at the 6th level, unknown prior to this work, will be among the areas sampled by channel sampling. The shaft entrance and surrounding area were cleaned and prepared ahead of the installation of a one tonne hoist onto our metal headframe, and the installation of a large winch, which was accomplished late August. A diesel generator was installed to power the winch, and crews can begin removing debris material from the bottom of the shaft. A protective cage has also been constructed, which will allow crews to operate safely while work is done on the hoist and headframe approximately 150 metres (or "m") directly above.

At the time, access to the #7 adit was blocked approximately 75 m from its portal. The Company used a mechanized scoop-tram to aid in the removal of this material and will begin to re-enforce the back, or "roof", of the adit with steel beams at the area of the collapse.

Crews observed and sampled approximately 40 m of vertical extent of the vein extending from the 4th to the 6th levels and in close proximity to the Company's underground stockpile. This vein exposure has been channel sampled every 4 m along the vertical extent of the exposure.

The following are the results of assays of channel samples taken from safely accessible pillars and stope walls within an ore shoot of the El Pinguico vein system between the 4th and 6th levels (from approximately 130 m to 185 m below surface), covering an area approximately 55 m in height, by 60 m in width and where the stopped-out area, plus remaining vein material, ranges from 1.5 m to 5.5 m wide. This exposure is adjacent to the El Pinguico shaft where crews continued to remove material blocking access to the #7 adit level.

Sample number	Sample Length	Gold - gpt	Silver - gpt	AuEq - gpt*	AgEq - gpt*
Q96141	1.6m	1.72	629.6	9.59	767.2
Q96230	1.8m	0.80	273.7	4.22	337.7
Q96231	1.3m	0.84	146.3	2.67	213.3
Q96232	1.3m	4.00	403.6	9.05	723.6
Q96233	0.9m	3.22	480.5	9.23	738.1
Q96235	1.0m	1.68	280.0	5.18	414.4
Q96236	1.0m	4.11	430.7	9.49	759.5
Q96237	1.2m	2.15	304.0	5.95	476.0
Q96238	1.6m	0.80	157.0	2.77	221.3
Q96239	1.2m	4.59	465.9	10.41	833.1
Q96240	0.4m	2.43	599.4	9.92	793.8
Weighted Average Grades		**2.50**	**363.0**	**6.71**	**536.8**
		gpt Au	gpt Ag	gpt AuEq	**gpt AgEq**

*Gold equivalent and silver equivalent numbers are calculated at 80:1 silver to gold price ratio.

On December 1, 2020, the Company reported assays form underground channel sampling at El Pinguico project.

267 channel samples ranging in sample width from 0.4m to 2.2m and averaging 1.1m were taken from vein exposures of the Pinguico vein along adit level 4, and from the San Jose vein along crosscuts parallel to adit level 4. These samples were assayed for silver and gold in order to isolate target areas for the Company's upcoming underground drill program.

Sampling of Adit Level 4:

Significant silver and gold values from this sampling tend to be located in 'clusters' and are more meaningful when the higher-grade samples are grouped over significant strike lengths of the vein. These runs of noteworthy assays over material distances form continuous channel samples which are shown in the table below. Stopes above adit level 4 were generally mined out historically between c.1902 and 1913. This recent sampling suggests that good grades by today's standards exist below adit level 4 and were passed over by the historical miners as the grades they encountered did not exceed the very high cutoff grade utilized at that time. The Company's sampling established drill targets that may form pillars of mineralization between adit level 4 and adit Level 7 and will be the focus of the Company's upcoming drill campaign which initially will be conducted entirely within the Company's "Don Ricardo" target area.

Adit Level 4 – from north to south

'Pillar' Target area	Strike length (m)	Vein Name	Grade Weighted Average Silver- gpt	Grade Weighted Average Gold - gpt	Grade Weighted Average AgEq-gpt
Pinguico North	47	Pinguico	256	1.7	394
Pinguico Shaft	15	Pinguico	733	5.0	1136
Pinguico South A	13	Pinguico	209	1.35	230
Pinguico South B	30	Pinguico	98	1.37	207
Pinguico South C	18	Pinguico	100	1.84	268
Pinguico South D	37	Pinguico	66	0.83	132
Pinguico South E	13	Pinguico	131	1.22	215

Sampling of San Jose Vein:

The San Jose Vein runs approximately 60m to the east and roughly parallel with the Pinguico vein, before the two veins merge further north. Material sampled from the San Jose vein appears to have more erratic values, however some of the assays have excellent grades. New historical data recently discovered by the Company suggests that the San Jose vein runs parallel to the Pinguico vein to the south for close to 700m in strike length. This theory will be tested by the Company's upcoming drill campaign.

San Jose #1 parallel drift – north to south:

'Pillar' Target area	Strike length (m)	Vein Name	Grade Weighted Average Silver- gpt	Grade Weighted Average Gold - gpt	Grade Weighted Average AgEq-gpt
San Jose NW Pillar	25	San Jose	154	1.9	303
San Jose Pillar	30	San Jose	86	1.0	163
San Jose East Pillar	13	San Jose	131	1.2	216

Clearing of El Pinguico Shaft:

During the month of December 2020, the company completed clearing the Pinguico shaft of fallen rocks and debris to adit Level 7 in order to access this area of the El Pinguico mine. This shaft was one of three exterior shafts that were used historically at the mine prior to production ending in 1913.

Within Level 7, crews can now advance about 40m north of the Pinguico shaft before a rockfall of underground stockpile material blocks our advance; however, a continuation of the Level 7 adit to the north can be observed through the fallen rock. Crews will remove this rock and stabilize the area before advancing north with the plan of sampling the bottom of the underground stockpile through historic draw points off of the main El Pinguico stope.

With the Pinguico shaft now cleared, the Company will also inspect adit Level 7 to the south. Similar to the blockage in the north, there is a rockfall blocking immediate access to the south approximately 80m south of the Pinguico shaft, but as in the north, the continuation of the adit to the south can be seen through this rockfall. crews will work to clear this material as this southern extension of the adit may provide a potentially safe and inexpensive haulage way to bring the underground stockpile material as well as in-situ vein material to surface for onward delivery to a nearby mill for processing. The Company will study this approach for bringing the underground material out of the mine; however fully refurbishing the El Pinguico shaft is also a potential alternative.

The underground stockpile consists of material that in 2012 the Mexican Geological Survey (SGM) agency determined to be 148,966 tonnes in size. In 2017, the Company conducted a trenching program at the top of the underground stockpile. This program resulted in a weighted average of all of the trench samples of 1.75 gpt Au and 183 gpt Ag, (323 gpt AgEq), which is similar to the grades quoted in 2012 by SGM of 1.66 gpt Au and 143 gpt Ag.[2] We are now in a position to properly sample the bottom of the underground stockpile and determine whether the silver and gold grades, established by the Company's trenching in 2017 on the top of the stockpile, extend to the bottom of the stockpile.

Bulk sample and metallurgical test

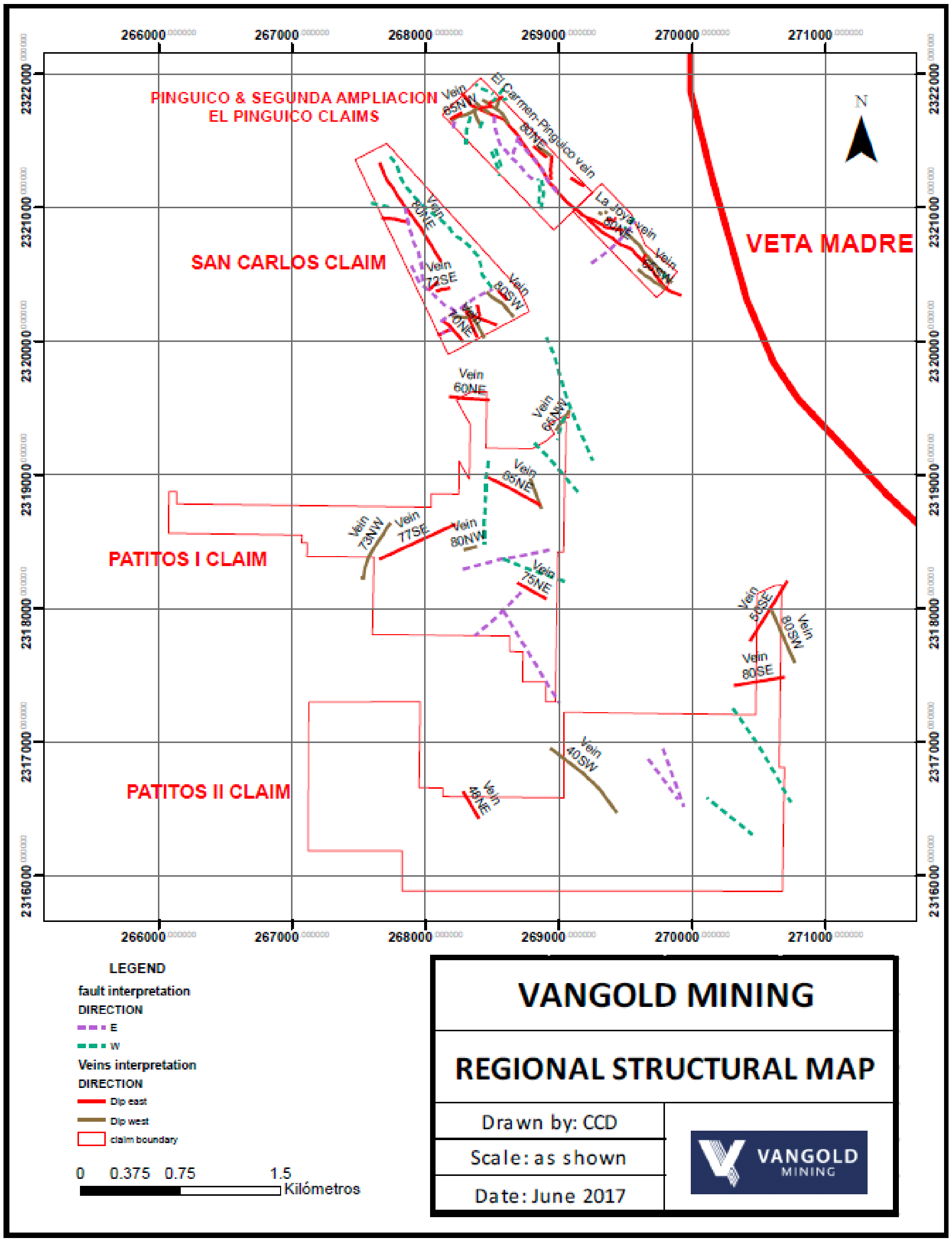
On June 2, 2020, VanGold completed its bulk sample and metallurgical test, which consisted of delivering a total of 1,039 wet tonnes of mineralized material from its El Pinguico silver and gold project for processing at Endeavour Silver Corp.'s (TSX: EDR) nearby Bolanitos mill.

The material used for this test came exclusively from the Company's surface stockpile of waste material, which was left behind when mining ceased at El Pinguico in 1913. The material has been exposed to the elements since that time and was therefore somewhat oxidized. Despite this, recoveries of gold and silver were very good. Average recoveries were: Gold: 75.18%; Silver: 60.36% At times during the milling process the Company observed even higher gold and silver recoveries – up to 77.68% for gold and 67.19% for silver. The different grinding size and residency time within different circuits at the Bolanitos' mill accounts for much of these differences. The entire process helped gain a better understanding of how these higher recoveries were reached, and how they can be replicated in the future. The Company may also pursue additional lab tests in order to replicate the higher numbers and potentially apply that knowledge at it's El Cubo mill.

Purchase of Underground Drill Rig

On September 24, 2020, VanGold announced that it had purchased its own portable drill rig for use underground at El Pinguico. The Company decided to order an Explorer - 75E core drill rig from Grupo Ingetrol S.A de C.V. of Torreon, Mexico. Among other desirable attributes, this drill is small enough to fit into many of the adits, drifts, and galleries of El Pinguico's old workings, while still being able to target the long strike length of potential new in-situ material of the main El Pinguico and San Jose vein systems. The machine is rated capable for drilling 200 meters of HQ size core, or 430 meters of NQ size core. The Company has also purchased 200m and 430m, respectively, of the corresponding drill casing in order to have the capacity to drill holes of those lengths.

This drill rig was delivered during the month of January 2021, and the Company drilled 2 short test holes from surface, to allow the Company's drillers to accustom themselves to this drill's particular design specifications. The drill will then be transported to drill stations located in underground galleries that have been prepared for the drill, where drilling will principally target the El Pinguico and San Jose veins, and within the "Don Ricardo" target area.



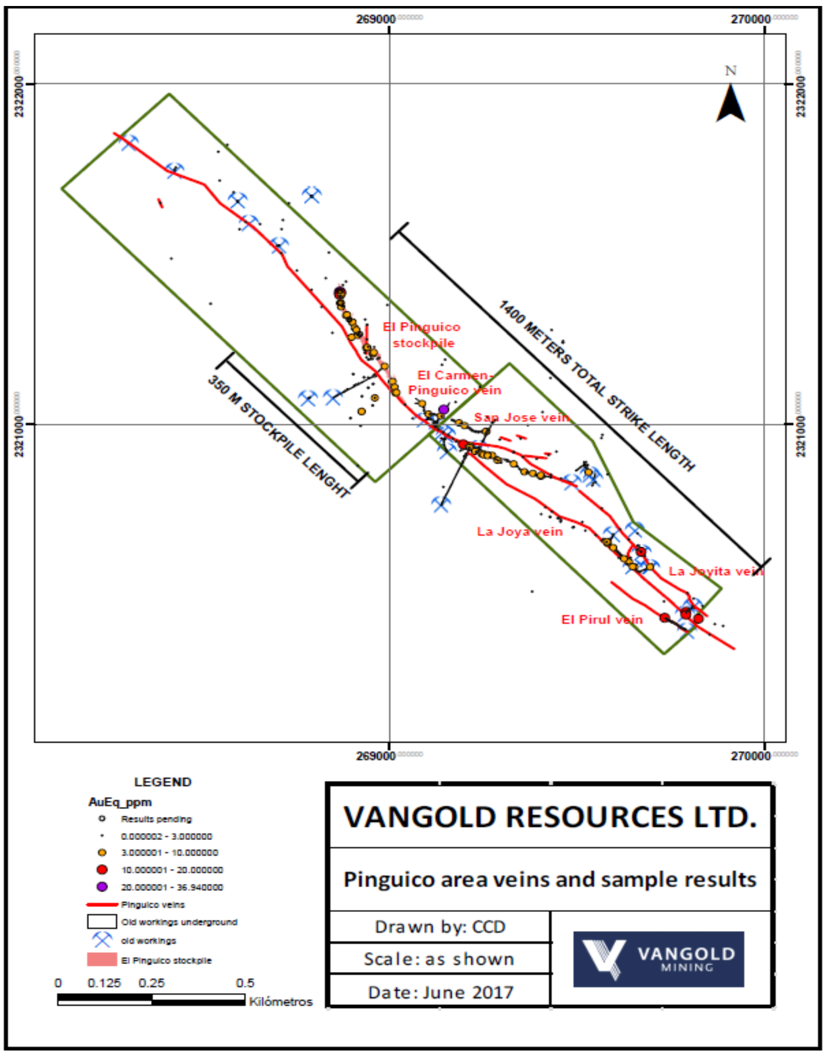
Prior Years' Exploration Work at El Pinguico

In April 2017, the Company released a NI 43-101 Technical Report on the El Pinguico mine, prepared by Carlos Cham Domínguez, C.P.G., an independent Qualified Person (as that term is defined in NI 43-101). The report is available on www.sedar.com.

The Company retained FindOre S.A. de C.V., a geological exploration services company, to continue with its recommended work program, which included extensive surface and underground mapping, surveying, rock sampling and trenching.

The geological exploration program was extensive, covering over 800 hectares. Results from the exploration program expanded the potential for Au and Ag mineralization beyond the known El Pinguico and El Carmen veins. Highlights from the exploration program include:

- Collected a total of 512 rock grab and chip samples from surface outcrops and historical workings.
- 12 samples over 10 g/t (Au eq; calculated at US$1,250 gold and US$18 silver) and three over 20 g/t (Au eq) were collected in the existing workings.
- Over 70 samples with over 3 g/t (Au eq).
- Confirmation the El Carmen/Pinguico vein-related mineralization potentially extends over 1.5 km to southern claim limit.
- Completion of detailed mapping illustrates multiple parallel and perpendicular vein systems across the property, as illustrated in the El Pinguico map below.
- Surface stockpile with a surveyed area of over 15,000 m^2 and over 92,000 m^3 of rock with grades ranging from 0.14 g/t Au eq to 4.36 g/t Au eq.
- Specific gravity tests have been done in the in-situ veins sampled providing an average SG of 2.56.



The exploration program provided the Company detailed knowledge of the parallel vein structures within the El Pinguico/El Carmen concession, such as Pachuca, San Jose and El Pirul veins, and observed vein thickness ranging from 0.30 m to 3.0 m over several hundred metres in length. Perpendicular veins are believed to also hold significant discovery potential with La Joya and La Joyita veins at surface and potential intersection with the Veda Madre (Mother Vein) at depth.

El Cubo Mine Project

On April 9, 2021 the Company acquired El Cubo mine and mill complex for total consideration of US$15,000,000. The El Cubo and El Pinguico properties are within the major epithermal mineral vein system common to the Guanajuato area and share many of the same geological, mineralogical, metallurgical characteristics, and mining methods. El Cubo is approximately 8 kilometers (km) from El Pinguico. It is anticipated that both properties will utilize El Cubo's existing mill infrastructure and administration facilities, processing blended mineralized material from El Cubo and the El Pinguico projects.

The El Pinguico property is located approximately 7 km southeast of the City of Guanajuato and 8 km southwest by road of the El Cubo property. The El Cubo and El Pinguico properties are approximately 8 km apart by road. Due to the vicinity of Guanajuato, the area offers excellent infrastructure with paved district roads, local grid power to both projects, as well as a local skilled labor force.

Mining on the El Cubo property has occurred since the 17th Century. In the 19th and 20th Centuries, mining at El Cubo focused on northwest striking veins known as the Villalpando, Dolores, La Loca, and La Fortuna.

In 2012, Endeavour Silver acquired the El Cubo property for US$200 million in cash and shares and spent an additional US$40 million to expand the mine and mill capacity. Saleable silver and gold production through 2019 totaled 12,112,892 ounces of silver and 144,100 ounces of gold. Endeavour Silver ceased production at El Cubo in November 2019.

The Mineral Resource estimate used as the basis for this PEA was derived from the previous NI 43-101 Technical Report and computer models developed by Endeavour Silver in 2016 for the El Cubo property and the NI 43-101 Technical Report for the El Pinguico property by VanGold in 2017. The Qualified Person (QP) has reviewed the information, estimation methods, and the estimates and is of the opinion that the estimates are reasonable and can be utilized, albeit with some adjustments, for this PEA.

The remaining Mineral Resources, in 2021 at El Cubo, are shown in Table below and total approximately 1.96 million tonnes.

Table 1.1.
Estimate of the Remaining El Cubo Mineral Resources as of 31 January 2021

Classification	Tonnes	Silver		Gold		Silver Eq
		g/t	Oz	g/t	Oz	g/t
Measured	None					
Indicated	508,055	194	3,169,000	2.44	39,860	389
Inferred	1,453,000	214	10,004,000	2.78	129,900	435

Notes:
1. Silver Equivalent calculated using 1 ounce of gold is equal to 80 ounces of silver, on the basis of the average 5-year historic silver and gold prices.
2. Numbers have been rounded.

The El Cubo and El Pinguico Mines are similar mineralogically and typical of the Guanajuato Mining District. Mineralization is open-ended due to a lack of exploration drilling and development. Vein mineralization is normally 1 to 2 m wide, with mineralized breccia zones of up to 10 m wide. Typical of this style of mineralization, economic concentrations of silver and gold occur in ore shoots distributed vertically and laterally between barren or weakly mineralized portions of the veins. Bonanza grades may occur at the site of vein intersections, such as the nearly perpendicular San Nicolas-Villalpando vein intersection.

El Cubo and El Pinguico mineralization is typical of the classic high-grade silver-gold, banded epithermal vein deposits with low sulfidation mineralization. Silver occurs in dark sulfide and sulfosalt-rich bands within the veins with little mineralization but significant alteration minerals in the surrounding wall rocks. Native silver occurs primarily in the near surface oxidized zones while at depth, the ores contain lead, zinc, and copper sulfides.

PEA results for the combined El Cubo and El Pinguico project

During the month of February 2021, a Preliminary Economic Assessment ("PEA") on the combined El Cubo and El Pinguico project was completed by Behre Dolbear & Company (USA), Inc., an independent mineral industry advisory. Particulars of the PEA are as follows:

Base Case metal prices used in the PEA are US$1,527 per gold ("Au") ounce ("oz") and US$19.49 per silver ("Ag") oz. These prices are based on long-term consensus average prices. A silver equivalent ("AgEq") price ratio of 1:80 (Au:Ag) applies throughout to Mineral Resources and production.

Highlights:

- Mineral Resource Estimate Total Indicated Mineral Resources for the Combined Project are 718,655 tonnes grading 160 gpt Ag and 1.90 gpt Au, or 306 gpt AgEq, which equates to 7.2 M oz AgEq using a conversion ratio of 1 oz of Au is equivalent to 80 oz of Ag.

  Total Inferred Mineral Resources for the Combined Project are 1,453,000 tonnes grading 214 gpt Ag and 2.78 gpt Au, or 435 gpt AgEq, which equates to 20.4 M oz AgEq using a conversion ratio of 1 oz of Au is equivalent to 80 oz of Ag.

- 7 Year Economics – Behre prepared a discounted cash flow model for the Combined Project to determine the Net Present Value (NPV), Internal Rate of Return (IRR), Initial Capital and Sustaining Capital, and payback period. Cash flow estimates were prepared on an after-tax basis and in accordance with NI 43-101 Standards of Disclosure for PEA studies. The PEA considers a plan to ramp up to a 750 tonne-per-day ("tpd") operation, with an initial mine life of 7.0 years. On an after-tax basis, the Combined Project generates a Base Case NPV (5%) of US$32.9 million and an IRR of 105%, excluding El Cubo acquisition costs. Using commodity prices of US$22.41/oz Ag and US$1756/oz Au, which are +15% above the Base Case, the after-tax NPV(5%) is US$79.0 million and the IRR is 344%. Behre calculates a Base Case payback period of 1.87 years.

- Operating Costs – Dividing Behre's Total Operating Costs of US$124.4 million by the life of mine ("LOM") AgEq oz of 13.2 M to be recovered from the Combined Project, gives VanGold an operating cost per AgEq ounce of US$9.42 over seven years of production, positioning VanGold's operation to be attractive in nearly all commodity price scenarios.

- Opportunities to Grow and Optimize – Given that planning for the Combined Project has been advanced through the PEA stage within only a five (5) month period, numerous opportunities remain for growth and optimization. The most significant immediate opportunities are the potential to expand the Company's Mineral Resources - both at El Cubo and El Pinguico through exploration drilling and development, which is now ongoing at El Pinguico. Other noteworthy opportunities include optimization of the surface stockpile metallurgy and recoveries, which the Company remains confident can be improved during the mill's recommissioning process.

Please refer to News release dated February 16, 2021 and the Company's 43-101 filed April 5, 2021 for more details.

Mexican Silver Belt Claims

On April 28, 2017, the Company entered into asset acquisition agreements to acquire 100% of seven mining concessions to strategically improve its mineral holdings within the Mexican Silver Belt. On

June 27, 2017, the TSX.V approved the arm's length transaction. The new mining concessions were divided between the Company's two subsidiaries.

OMP acquired the Patito I and Patito II concessions to expand its land position adjacent to the El Pinguico mine project. The remaining five concessions are owned by CanMex Silver. Under the terms of the agreement, the Company paid $10,000 and issued 3,125,000 common shares. The vendors retain a 2.5% NSR of which 1.25% (one-half) may be repurchased for $500,000 by one or both of the subsidiaries, dependent on the economic development of the concession.

Patito I and Patito II

Providing additional mineral rights to the El Pinguico Project, these claims are in close proximity to and along strike from the Veta Madre (Mother Vein) system. Several vein/lode structures are present, possibly representing a parallel vein system to the Veta Madre and El Pinguico veins. The host rocks are sub-aerial acid volcanics. Numerous Au-Ag rock chip anomalies have been identified by historical sampling. The mineralization is associated with brecciation and mesothermal/epithermal quartz veining/stockwork and silicification controlled by narrow structures 0.3 m to 1.5 m wide at surface with potential to open at depth, as has been observed in historical mines in the district.

Analy I and Analy II

These claims represent a total land area of 723 hectares, located within 50 km of Guanajuato, in the middle of the prolific Silver Belt. The claims are located in an old Ag-Pb-Zn mining area that has never been explored using modern methods, providing potential for new discoveries.

El Ruso

The El Ruso claim area is located adjacent to an old mercury ("Hg") prospecting pit and several other small historical Hg and Au-Ag mines are present in the area, including the El Nacimiento skarn deposit. No historical production/grade records are available. Historical and current fieldwork have returned high-grade Au and Ag assays.

Ysabela and Camila

These are granted claims in an old Ag-Pb-Zn-Au mining area in the Sierra Madre Oriental. The Camila claim boundary is located on the abandoned Santa Ana Ag-Pb-Zn mine, a manto or skarn deposit that operated intermittently from the late 1800s to 1995. Several other abandoned Ag-Pb-Zn mines are located on the claim boundary, including the Guadalupe Mine, an Ag-Pb-Zn mine that operated intermittently from the late 1800s to about 1985, with maximum production prior to closure of 1,000 tonnes per day. A 200 m deep shaft is connected to a lower 530 m long haulage and ventilation tunnel. An inactive mill site occurs within the claim. The area has never been explored using modern exploration methods and has never been drilled, offering significant mineralization potential. The area is easily accessible by road and the terrain is amenable to rapid screening by conventional reconnaissance exploration techniques.

Rossland, British Columbia, Canada

South Belt

At December 31, 2020, VanGold holds a 25% interest, and a 1.5% NSR, in certain mineral claims within the historic Rossland gold camp in southeastern British Columbia. The Company has previously written off all costs associated with the South Belt property.

Exploration Outlook

The Company is in the business of exploration and development of mineral properties. Currently, the Company's primary focus is on advancing the El Pinguico property through exploration programs and developing a low risk drilling campaign to delineate the lower extension of the El Pinguico vein.

The Company continues to evaluate the grade distribution, volumetric parameters and metallurgical characteristics of its Mexican project to assess the potential for processing surface stockpile material and for extracting and processing underground stockpile material.

Financial

Results of Operations and Selected Annual Information

	For the year ended		
	December 31, 2020 $	December 31, 2019 $	December 31, 2018 $
Loss for the year	(2,200,361)	(509,776)	(1,348,411)
Loss per share, basic and diluted	(0.03)	(0.01)	(0.04)
Total assets	10,242,223	2,369,698	1,706,715
Total financial liabilities	(274,861)	(330,931)	(429,696)

<u>For the year ended December 31, 2020, compared to the year ended December 31, 2019</u>

During the year ended December 31, 2020, the Company incurred loss and comprehensive loss of $2,200,361 (2019 - $509,776).

Management and consulting fees had an increase of $93,837 to $295,950 (2019 - $202,113). The increase is as a result of the Company hiring consultants as it resumes operations.

Exploration and evaluation expenditures increased by $382,934 to $397,721 (2019 - $14,787), as the Company resumed operation in its Mexican property. Expenditures incurred include payment of mineral claims, entering in to surface agreements, land permits, geological consulting, assaying, as well as filed operations expenses.

Professional fees increased by $99,055 to $259,025 (2019 - $159,970) the increase is mostly due to legal fees incurred to bring the Company back trading, as well as dealing with various contracts entered into related to operations in its Mexican property as well as steps to acquire El Cubo Mine and Mill Complex.

Advertising and promotion increased by $209,985 to $237,375 (2019 - $27,390), as the Company increases its efforts to attract potential investors and make the company more visible.

Transfer agent fees had a decrease of $4,332 to $42,625 (2019 - $46,957). During 2019, the Company incurred fees as it reinstated its trading status, during 2020 the Company incurred amounts in relation to the warrant acceleration bonus program as well as two private placements.

Share-based payments increased by $510,157 to $522,654 (2019 - $12,497) as a result of options issued in the current year. No options were granted in the prior year.

<u>For the three months ended December 31, 2020, compared to the three months ended December 31, 2019</u>

During the three months ended December 31, 2020, the Company incurred loss and comprehensive loss of $889,634 (2019 - $65,213).

Management and consulting fees increased by $60,239 to $73,903 (2019 - $13,664). The increase is as a result of the Company hiring consultants as it resumes operations.

Exploration and evaluation expenditures increased by $39,774 to $27,394 (2019 – recovery of $12,380). During 2020 operations were not significant as the Company was awaiting assay and drilling results as well as concentrating on the acquisition of El Cubo while, for the three month period ended December 31, 2019 the Company showed a recovery due to the reversal of previously expensed cost related to the acquisition of Aventura which were terminated and an agreement was entered into for the Company to be reimbursed for certain, previously incurred, expenditures.

Professional fees increased by $52,178 to $102,285 (2019 - $50,107) related mostly to legal fees incurred as the company was taking steps to acquire El Cubo, as well as dealing with various contracts entered into related to operations in its Mexican property.

Transfer agent fees decreased by $11,860 to $8,752 (2019 - $20,612). During 2019, the Company incurred fees related to reinstating the company back trading while during the current year fees were minimal as all significant transactions the Company has entered in the last quarter of 2020 closed subsequent to December 31, 2020.

Share-based payments increased by $340,479 to $339,938 (2019 - $(541)) as a result of options issued in the current year. No options were granted in the prior year.

Results of Operations and Summary of Quarterly Results

The Company is an exploration stage company and has not generated any sales or revenues, nor has it had any extraordinary items or discontinued operations in the most recent eight fiscal quarters. The following is a summary of the Company's financial results for the eight most recent quarters:

	Revenues	Net income (loss)	Basic and fully diluted earnings (loss) per share
Quarter ended:	$	$	$
March 31, 2019	-	(149,137)	(0.00)
June 30, 2019	-	(153,638)	(0.00)
September 30, 2019	-	(141,788)	(0.00)
December 31, 2019	-	(65,213)	(0.00)
March 31, 2020	-	(197,178)	(0.00)
June 30, 2020	-	(297,884)	(0.00)
September 30, 2020	-	(815,665)	(0.01)
December 31, 2020	-	(889,634)	(0.01)

Variations in the Company's losses and expenses for the periods above resulted primarily from the following factors:

- During the quarter ended December 31, 2020, the Company's loss increased as the Company continues expanding its exploration operations in its Mexican property and prepares for the acquisition of the El Cubo Mine and Mill Complex. Among the expenditures the Company incurred this quarter are increased exploration expenditures, including geologist expenses, advertising and promotion to increase public awareness of the Company and its activities as well as legal and consulting fees related to the acquisition of El Cubo. Non-cash expenditures include stock-based compensation related to options granted during the current period.
- During the year ended December 31, 2019, management concentrated efforts to reduce costs and negotiate with existing debt holders as measures to manage its capital while it continued to work in advancing its existing projects and looking for new opportunities.
- During the three months ended March 31, 2020 and June 30, 2020, the Company re-commenced trading and resumed operations in its Mexican property. As a result, it incurred substantial legal fees, as well expenditures for its local operations in Mexico.

Sources and Use of Cash

For the year ended	December 31, 2020 $	December 31, 2019 $
Cash and cash equivalents used in operating activities	(2,073,894)	(588,362)
Cash and cash equivalents used in investing activities	(1,030,353)	(167,408)
Cash and cash equivalents provided by financing activities	7,880,927	1,259,027
Effects of foreign exchange on cash and cash equivalents	968	-
Net increase in cash and cash equivalents	4,777,648	503,257
Ending cash and cash equivalents balance	5,321,927	544,279

Cash and cash equivalents used in operating activities during the year ended December 31, 2020 is comprised of loss, add-back of non-cash expenses and net change in non-cash working capital items. Cash and cash equivalents used in operating activities increased by $1,485,532 to $2,073,894 (2019 - $588,362) primarily due to an increase in loss for the year.

Cash and cash equivalents used in investing activities during the year ended December 31, 2020 was $1,030,353 (2019 - $167,408) increases for the current year include the deposit made related to the acquisition of El Cubo, as well option payments to acquire back royalties on the El Pinguico property, acquisition of equipment for the mine and mine development costs.

Cash and cash equivalents from financing activities increased during the year ended December 31, 2020 compared to the comparative year, as the Company raised net funds of $7,880,927 (2019 - $1,259,027) through various means including private placements, exercise of warrants and subscriptions received for a private placement that closed subsequent to December 31, 2020.

Liquidity and Capital Resources

Liquidity Outlook

As of December 31, 2020, the Company had $5,321,927 (2019 - $544,279) in cash and cash equivalents, and received additional financing proceeds subsequent to December 31, 2020 as it closed its $16,950,000 private placement and received proceeds from the exercise of options and warrants. These funds are being used for the purchase of El Cubo, to refurbish the El Cubo Mill and for 2021 operations. The Company does not have any cash flow from operations due to the fact that it is an exploration stage company, and therefore, financings have been the sole source of funds in past years. In addition, the Company expects to commence generating revenues in the fourth quarter of 2021 from existing stock pile as it processes it through the El Cubo Mill.

In the opinion of management, the Company's cash and the expected revenue to be generated in Q4 of 2021 will be sufficient to support the Company's general administrative and corporate operating requirements and exploration activities for the coming year.

The Company continues to incur exploration, evaluation, and administrative expenses, which are being expensed. Consequently, the Company's net loss is not a meaningful indicator of its performance or potential. The key performance driver for 2021 and future years will be the successful extraction and processing of resources of the El Pinguico and El Cubo properties and the operation of the El Cubo mill.

This outlook is based on the Company's current financial position and is subject to change if the financial or political environment in Mexico changes.

Related Party Transactions

For the year ended December 31, 2020, the Company incurred management and consulting fees of $141,000 (2019 - $87,500) to a company controlled by James Anderson, the CEO of the Company. As of December 31, 2020, the amount of $nil (2019 - $10,000) was owed to a company controlled by the CEO of the Company, which is included in accounts payable and accrued liabilities. The amount owed is non-interest-bearing, unsecured and due on demand.

For the year ended December 31, 2020, the Company incurred management and consulting fees of $nil (2019 - $45,000) to a company controlled by the former CEO of the Company.

For the year ended December 31, 2020, the Company incurred administrative fees of $35,000 (2019 - $nil) to a company controlled by a director of the Company.

For the year ended December 31, 2020, the Company incurred directors fees totalling $7,500 (2019 - $nil) to directors of the Company. As at December 31, 2020, the Company owed $2,500 (2019 - $nil) to Hernan Dorado Smith, a director of the Company, which is included in accounts payable and accrued liabilities. The amount is unsecured, non-interest bearing and due on demand.

For the year ended December 31, 2020, the Company incurred share-based compensation of $198,499 (2019 - $4,833) to directors and officers of the Company, which resulted from the amortization of unvested options granted in prior periods.

Financial Instruments

(a) Fair Values

Assets and liabilities measured at fair value on a recurring basis were presented on the Company's consolidated statement of financial position as at December 31, 2020 as follows:

The carrying value of cash and cash equivalents is measured at fair value using level 1 inputs as the basis for measurement in the fair value hierarchy. The carrying values of other financial instruments, which include amounts receivable, advance receivable, deposit, and accounts payable and accrued liabilities, all of which are carried at amortized cost, approximate their fair values due to the nature of these instruments.

(b) Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents, advance receivable and deposit. The Company deposits its cash and cash equivalents with high credit quality major Canadian and Mexican financial institutions as determined by ratings agencies. The advance receivable is due upon an event which has not yet occurred, and the deposit will be applied as part of the purchase price towards as subsequent transaction. The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the maximum exposure to credit risk.

(c) Foreign Exchange Risk

Foreign exchange risk is the risk that the Company's financial instruments will fluctuate in value as a result of movements in foreign exchange rates. The Company operates in Canada and Mexico, but has the majority of its cash and equivalents held in Canada in Canadian dollars. The Company is exposed to foreign currency risk to the extent that monetary assets and liabilities held by the Company are not denominated in Canadian dollars. As at December 31, 2020, the Company is exposed to currency risk as some transactions and balances are denominated in Mexican Pesos, as well as United States dollars. As at December 31, 2020, a 10% change of the Canadian dollar relative to the Mexican Peso would have net financial impact of approximately $27,000 (2019 - $600) and a 10% change of the Canadian dollar relative to US dollar would have net financial impact of approximately $69,000 (2019 - $1,250). The Company does not use derivative instruments to hedge exposure to foreign exchange rate risk.

(d) Interest Rate Risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's cash is held mainly in a bank account at a Canadian bank. Fluctuations in market rates do not have a significant impact on estimated fair values as of December 31, 2020.

The Company's interest rate risk principally arises from the interest rate impact on interest charged on its loan payable. The Company's loan payable is subject to a fixed interest rate thus any change in external interest rates would not result in a significant impact on the Company's net loss.

(e) Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. The Company attempts to manage liquidity risk by maintaining sufficient cash balances. Liquidity requirements are managed based on expected cash flows to ensure that there is sufficient capital in order to meet short-term obligations. As of December 31, 2020, the Company had cash and cash equivalents of $5,321,927 to settle current liabilities of $255,342. Subsequent to December 31, 2020, the Company completed a private placement of shares for gross proceeds of $16,950,000.

(f) Price Risk

The Company is exposed to price risk with respect to commodity prices. T. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

New Accounting Standards Issued but not yet Effective

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not early-adopted any of these standards and these standards are not expected to have a material impact to the Company in the current or future reporting periods and have not been discussed or presented.

Risks and Uncertainties

The Company is engaged in the business of acquiring and exploring mineral properties with the expectation of locating economic deposits of minerals. All of the Company's properties are without proven ore deposits and there is no assurance that the Company's exploration programs will result in proven ore deposits, nor can there be any assurance that economic deposits can be commercially mined. As a consequence, any forward-looking information is subject to known and unknown risks and uncertainties as follows, but not limited thereto:

- Exploration and development of mining properties is highly speculative in nature and involves a high degree of risk.
- Timing delays in exploration and development and delays in funding may result in delays and postponement of projects.
- Many competitors are in the same business, some of which have greater financial, technical and other resources than the Company.
- Mining involves many hazards and risks in the field, such as unexpected rock formations, seismic activity, cave-ins, adverse weather conditions, unstable political conditions and many other conditions.
- Lack of assurance that the Company will be able to obtain all necessary permits and approvals to conduct its affairs or that future tax, environmental or other legislation will not cause additional expenses, delays or postponements.

- Operations of the Company are subject to environmental regulation, a breach of which may result in imposition of enforcement actions. Environmental hazards may exist on current properties, which are presently unknown to the Company, and regulations and laws change over time.
- World prices for metals can be unstable and unpredictable and may materially affect the Company's operations, as well as economic conditions that may change the demand for minerals.
- The securities markets worldwide can experience high price and volume volatility.
- The Company is dependent on the services of several key individuals, the loss of which could significantly affect operations.
- There is potential for officers and directors of the Company to have conflicts of interest with other entities.
- Uncertainties as to the development and implementation of future technologies.
- Changes in accounting policies and methods may affect how the financial condition of the Company is reported.
- Breaches of contracts, such as property agreements, could result in significant loss.
- Mine or exploration project closings or delays due to health pandemics, war, terrorism, or other yet unknown global or regional man made or natural catastrophes.
- Foreign currency risk, as the Company operates in several foreign jurisdictions.
- The Company has investigated the right to explore and exploit its properties and to the best of its knowledge there are no known encumbrances. However, the Company's investigation should not be construed as a guarantee of title.

Since December 31, 2019, the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and physical distancing, have caused material disruption to business globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company in future periods. As at December 31, 2020, and the date of this MD&A, we have not observed any material impairments of our assets or a significant change in the fair value of assets, due to the COVID-19 pandemic.

Capital Management

The Company considers its capital to consist of its share capital, equity reserves and deficit. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support exploration and development of exploration and evaluation assets. The Board of Directors has not established quantitative capital structure criteria management, but will review on a regular basis the capital structure of the Company to ensure its appropriateness to the stage of development of the business.

The Company's objectives when managing capital are:

- To maintain and safeguard its accumulated capital in order to provide an adequate return to shareholders by maintaining a sufficient level of funds, to support continued evaluation and maintenance at the Company's existing properties, and to acquire, explore and develop other precious and base metal deposits.
- To invest cash on hand in highly liquid and highly rated financial instruments with high credit quality issuers, thereby minimizing the risk and loss of principal.
- To obtain the necessary financing to complete exploration and development of its properties, if and when it is required.

The properties in which the Company currently holds an interest are in the exploration stage and the Company is dependent on external financing to fund its activities. In order to carry out planned exploration and pay for administrative costs, management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

In addition, the Company may issue new equity, incur additional debt, option its exploration and evaluation assets for cash and/or expenditure commitments from optionees, enter into joint venture arrangements or dispose of certain assets. When applicable, the Company's investment policy is to hold cash in interest-bearing accounts at high credit quality financial institutions to maximize liquidity. In order to maximize ongoing development efforts, the Company does not pay dividends.

There were no changes in the Company's approach to capital management during the year ended December 31, 2020 compared to the year ended December 31, 2019. The Company is not subject to externally imposed capital requirements.

Management's Responsibility for the Financial Statements

The preparation and presentation of the accompanying consolidated financial statements, MD&A and all financial information in the consolidated financial statements are the responsibility of management and have been approved by the Audit Committee of the Board of Directors. The consolidated financial statements have been prepared in accordance with IFRS. Financial statements, by nature are not precise since they include amounts based upon estimates and judgments. When alternative treatments exist, management has chosen those it deems to be the most appropriate in the circumstances.

Management, under the supervision of and with the participation of the CEO and the Chief Financial Officer ("CFO"), have a process in place to evaluate disclosure controls and procedures and internal control over financial reporting as required by Canadian securities regulations. The CEO and CFO will certify the annual filings with the Canadian Securities Administrators as required in Canada by NI 52-109 *Certification of Disclosure in an Issuer's Annual and Interim Filings*. The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board of Directors carries out this responsibility principally through its Audit Committee, which is independent from management. The Audit Committee is appointed by the Board of Directors and reviews the consolidated financial statements and MD&A; considers the report of the external auditors; assesses the adequacy of management's assessment over internal controls described below; examines and approves the fees and expenses for the audit services; and recommends the independent auditors to the Board of Directors for the appointment by the shareholders. The independent auditors have full and free access to the Audit Committee and meet with it to discuss their audit work, internal control over financial reporting and financial reporting matters. The Audit Committee reports its findings to the Board of Directors for consideration when approving the consolidated financial statements for issuance to the shareholders and also management's report on Internal Control over Financial Reporting. Management is responsible for establishing and maintaining adequate internal control over financial reporting.

Cautionary Statement on Forward-looking Information

Forward-looking statements in this document include statements regarding future exploration programs, joint venture partner participation, liquidity and effects of accounting policy changes, risks and uncertainties relating to the interpretation of drill results and the estimation of mineral resources, the geology, grade and continuity of mineral deposits, the possibility that future exploration and development results will not be consistent with the Company's expectations, accidents, equipment breakdowns, title matters and surface access, labour disputes, the potential for delays in exploration activities, the potential for unexpected costs and expenses, commodity price fluctuations, currency fluctuations, failure to obtain adequate financing on a timely basis, and other risks and uncertainties. In addition, forward-looking statements are based on various assumptions, including, without limitation, the expectations and beliefs of management, the assumed long-term price of gold, that the Company will receive required permits and access to surface rights, that the Company can access financing, appropriate equipment and sufficient labour, and that the political environment within Mexico and Canada will continue to support the development of environmentally safe mining projects. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in forward-looking statements.

Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. Forward-looking statements are based on the beliefs, estimates and opinions of the Company's management on the date the statements are made. The Company undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors should change, except as required by law.

Additional Disclosure for Venture Issuers without Significant Revenue

Additional disclosure concerning VanGold's general and administrative expenses, and exploration and evaluation assets and expenditures are provided in its audited consolidated financial statements for the year ended December 31, 2020 and 2019, available on VanGold's website at www.vangoldmining.com or under the Company's profile on www.sedar.com.

Outlook

The Company expects to obtain financing in the future primarily through further equity financing, as well as through joint venturing and/or optioning out its properties to qualified mineral exploration companies. There can be no assurance that the Company will succeed in obtaining additional financing, now or in the future. Failure to raise additional financing on a timely basis could cause the Company to suspend its operations and eventually to forfeit or sell its interest in its properties.

The Company is focused on developing and building its asset base in Mexico and is considering several options for the Canadian properties. The Company is considering outright sale to interested third parties, which would reduce short-term debt, obligated exploration and continued property payments.

Share Capital

Outstanding Share Information

As at the date of this MD&A, the Company has:

- 195,985,005 (December 31, 2020 – 111,037,351) common shares issued and outstanding.
- 12,540,833 (December 31, 2020 – 6,412,500) stock options.
- 56,964,891 (December 31, 2020 – 32,893,012) share purchase warrants.

Common Shares

- On March 18, 2020, the Company issued a total of 403,640 common shares with a fair value of $20,182 to settle accounts payable of $10,182 owed to a vendor and $10,000 owed to a company controlled by the CEO of the Company.

- On August 5, 2020, and August 11, 2020, the Company completed non-brokered private placements for total gross proceeds of $3,974,494, consisting of a total of 25,641,902 units at $0.155 per unit. Each unit consists of one common share and one-half of one share purchase warrant, where each whole warrant is exercisable at $0.25 per share for a period of 2 years.

- On November 30, 2020, the Company issued 3,750,000 units with a fair value of $1,703,085 pursuant to an option to acquire royalties (Note 5), consisting of common shares with a fair value of $862,500 and warrants with a fair value of the warrants was $840,585. Each unit consists of one common share and one non-transferable share purchase warrant, which is exercisable at $0.175 per share for a term of 5 years.

- During the year ended December 31, 2020, the Company adopted a warrant acceleration bonus program for its outstanding share purchase warrants granted in connection with the Company's 2019 non-brokered private placement financing. Under the program, holders would receive one bonus share for every 10 warrants exercised if exercised on or before June 26, 2020. During the year ended December 31, 2020, the Company issued a total of 21,363,055 common shares, which included 1,266,055 bonus shares under the warrant acceleration bonus program, pursuant to the exercise of 20,097,000 warrants at $0.10 per share for total proceeds of $2,009,700.

- On March 11, 2021, the Company completed a private placement for gross proceeds of $16,950,000, consisting of 56,500,000 units at $0.30 per unit. Each unit consists of one common share and one half of a share purchase warrant, with each whole warrant being exercisable $0.45 per share for a period of 2 years. In connection with the private placement, the Company paid $395,152, issued 518,139 common shares and issued 1,648,669 warrants as finders' fees. The warrants issued as finders' fees have the same terms as the warrants issued under the private placements.

- Subsequent to December 31, 2020 issued 21,331,058 shares as consideration of the acquisition of El Cubo.
- Subsequent to December 31, 2020, the Company issued 5,826,790 shares on exercise of warrants for total proceeds of $1,158,705.
- Subsequent to December 31, 2020, the Company issued 771,667 shares on exercise of options for total proceeds of $110,875.

Warrants

During the year ended December 31, 2020:

- the Company issued 13,641,962 warrants at a price of $0.25 in connection with private placements, and 3,750,000 warrants at $0.18 per share in connection with an option to acquire royalties.
- 20,097,000 warrants were exercised
- 11,601,862 warrants expired unexercised

Subsequent to December 31, 2020,

- the Company issued 28,250,000 warrants in connection with a private placement
- the Company issued 1,648,669 finder's warrants in connection with a private placement
- the Company issued 5,826,790 shares on exercise of warrants

Stock Option plan

The Company has established a stock option plan ("Plan") whereby the Company's Board may from time to time grant stock options to employees and non-employees. The total number of options issued and outstanding at any time. The Plan is a 10% rolling stock option plan in accordance with the policies of the TSXV pursuant to which the number of Shares issuable under the plan shall not exceed, on a rolling basis, 10% of the Company's issued and outstanding shares at the time of grant.

During the year ended December 31, 2020:

- granted 2,700,000 stock options at an exercise price of $0.075 for a three year period
- granted 150,000 stock options at an exercise price of $0.10 for a three year period
- granted 2,225,000 stock options at an exercise price of $0.30 for a three year period

Subsequent to December 31, 2020,

- the Company issued 771,667 shares on exercise of stock options

- granted 6,450,000 stock options at an exercise price of $0.51 for a five year period
- granted 450,000 stock options at an exercise price of $0.30 for a three year period