



GOLD TERRA RESOURCE CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS For the three and nine months ended October 31, 2021

This Management's Discussion and Analysis of Gold Terra Resource Corp. (formerly TerraX Minerals Inc.) ("Gold Terra" or the "Company") ("MD&A") provides analysis of the Company's financial results for the nine months ended October 31, 2021 and should be read in conjunction with the accompanying unaudited condensed interim financial statements and notes thereto for the three and nine months ended October 31, 2021 and with the audited consolidated financial statements and notes thereto for the year ended January 31, 2021, all of which are available at www.sedar.com. This MD&A is based on information available as at December 17, 2021.

The accompanying unaudited condensed consolidated interim financial statements for the nine months ended October 31, 2021 have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34") using accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the IFRS Interpretations Committee. All amounts are expressed in Canadian dollars, unless otherwise stated.

Certain statements made may constitute forward-looking statements. Such statements involve a number of known and unknown risks, uncertainties and other factors. Actual results, performance and achievements may be materially different from those expressed or implied by these forward-looking statements. Additional information about the Company is available at www.sedar.com and on the Company's website at www.GoldTerraCorp.com.

The Company was incorporated on August 1, 2007 pursuant to the provisions of the *Business Corporations Act* (British Columbia) under the name of TerraX Resource Corp. On March 31, 2008, the Company amended its notice of articles to change its name to TerraX Minerals Inc. and on February 14, 2020, the Company further amended its notice of articles to change its name to Gold Terra Resource Corp. The Company has one wholly-owned subsidiary, Gold Matter Corporation which was incorporated under the Business Corporations Act (Ontario). The Company trades on the TSX Venture Exchange ("TSX-V") under the symbol of "YGT" and OTCQX Market under the symbol "YGTFF".

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This MD&A may contain certain statements that may be deemed "forward-looking statements". All statements in this document, other than statements of historical fact, which address events or developments that the Company expects to occur, are forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential", "interprets" and similar expressions, or events or conditions that "will", "would", "may", "could" or "should" occur. Forward-looking statements in this document include statements regarding future exploration programs, joint venture partner participation, liquidity and effects of accounting policy changes.

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. Factors that could cause the actual results to differ materially from those in forward-looking statements include market prices, exploration success, continued availability of capital and financing, inability to obtain required regulatory or governmental approvals and general economic, market or business conditions. Readers 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, opinions or other factors should change except as required by law.

These statements are based on a number of assumptions including, among others, assumptions regarding general business and economic conditions, the timing of the receipt of regulatory and governmental approvals for the transactions described herein, the ability of the Company and other relevant parties to satisfy stock exchange and other regulatory requirements in a timely manner, the availability of financing for the Company's proposed transactions and exploration and development programs on reasonable terms and the ability of third-party service providers to deliver services in a timely manner. The foregoing list of assumptions is not exhaustive. Events or circumstances could cause results to differ materially.

OVERVIEW

Yellowknife City Gold ("YCG") property – mineral resource estimate ("MRE")

On March 16, 2021, the Company announced an updated MRE. The classification of the MRE was completed in accordance with the CIM definition standards incorporated by reference in National Instrument 43-101.

The MRE comprises data for 522 surface drill holes totaling 108,294 metres completed on the YCG property between 1945 and 2020. The Inferred resource estimate of 1,207,000 ounces, based on a gold price of US\$1,450 per ounce, consists of:

- A pit-constrained Inferred resource of 21.8 million tonnes averaging 1.25 g/t for 876,000 ounces of contained gold; and
- An underground Inferred resource of 2.55 million tonnes averaging 4.04 g/t for 331,000 ounces of contained gold.

For more details on this MRE, please view the Company's news release of March 16, 2021. The Technical Report is available on our web site at www.goldterracorp.com and can be accessed on SEDAR at www.sedar.com.

The YCG property lies within the prolific Yellowknife greenstone belt and covers the northern and southern extensions of the shear system that hosts the former high-grade Con Mine (6.1 million ounces produced) and Giant Mine (8.1 million ounces produced) for a total of 14 million ounces of gold produced. The project area contains numerous gold showings and multiple shear structures which are the recognized hosts for high-grade gold deposits in the Yellowknife gold district. Being all-season road accessible and all within 10 to 40 kilometres of Yellowknife, the YCG property is close to vital infrastructure, including transportation, service providers, hydro-electric power and skilled trades people.

For more information on the YCG property, please visit the Company's website at www.goldterracorp.com.

Option agreement to acquire the Con mine

On November 22, 2021, the Company announced that it entered into a definitive option agreement with Newmont Canada FN Holdings ULC ("Newmont FN") and Miramar Northern Mining Ltd. ("MNML"), both wholly owned subsidiaries of Newmont Corporation ("Newmont"), which grants Gold Terra the option, upon meeting certain minimum requirements, to purchase MNML from Newmont FN, which includes 100% of all the assets, mineral leases, Crown mineral claims and surface rights comprising the former Con mine, as well as the areas immediately adjacent to the former Con mine. The option agreement will immediately replace and supersede the initial exploration agreement dated September 4, 2020 (as announced by the Company on September 8, 2020), and will allow Gold Terra to fully explore 100% of the Campbell Shear structure at the former Con mine and south of it.

Transaction highlights:

- The initial exploration agreement has been replaced and superseded by the option agreement to include all (100%) of MNML and the Con mine property.
- Gold Terra has agreed to incur a minimum of \$8 million in exploration expenditures over a period of four years, which will include all exploration expenditures incurred to date under the initial exploration agreement.
- Gold Terra has spent approximately \$3.2 million in exploration expenditures to October 31, 2021.
- Gold Terra has also agreed to:
 - Complete a prefeasibility study (PFS) with a minimum of 1.5 million ounces in all mineral resource categories;
 - Obtain all necessary regulatory approvals for the purchase and transfer of MNML's assets and liabilities to Gold Terra;
 - Post a cash bond to reflect the status of the Con mine reclamation plan at the time of closing.

The closing of the transaction will then be completed with Gold Terra making a final cash payment of \$8 million.

Newmont will retain a 2% net smelter returns royalty ("NSR") on minerals produced from the Con mine property. The NSR may be reduced by 50% by the Company paying Newmont the sum of \$10 million, for a period of two years following the announcement of commercial production.

After Gold Terra exercises its option, Newmont will have a period of two years to exercise its back-in right of a 51% participating interest in MNML and the Con mine property, which can be triggered by Gold Terra delineating a minimum of 5 million ounces of gold in the measured and indicated mineral resource categories supported by a National Instrument 43-101 technical report. To be eligible to exercise the back-in right, Newmont will:

- Reimburse Gold Terra three times the amount of all of the expenditures incurred on the Con mine property from September 4, 2020;
- Refund to Gold Terra the \$8 million cash payment;
- Payment of US\$30 per ounce of gold for 51% of the total ounces reported in the technical report;
- Assume 51% of the environmental liability and its share of the posted bond.

If exercised, the back-in right is expected to be completed by a new joint venture led by Newmont. At such time, the 2% NSR would also be eliminated.

History

Gold production at the Con mine started in 1938 after the discovery of a large group of veins associated with a wide shear zone. The mine was owned and operated by Cominco Ltd. from 1939 to 1986. The Campbell shear was discovered in 1946 by Neil Campbell and brought into production in 1956, and all production after 1963 came from this very rich zone. In 1977, the Robertson shaft was sunk to access new reserves to a depth of 6,400 feet (1,950 metres) or more. In 1986, Cominco sold the Con mine to Nerco Minerals Co. Ltd., which subsequently modernized the underground operation with mechanized machinery. In 1993, Nerco sold the mine to MNML, which continued production and then closed the operation in 2003 at a time when the price of gold was at around US\$370 per ounce, which was too low and not profitable to continue production. As such, historic unmined reserves remain in the mine property along with other unexplored high-potential areas.

With this transaction, the Company has added to its large land holdings a key piece of ground with excellent potential along the Campbell shear to add high-grade resources. Currently, drilling is expanding the Yellorex zone and returning high-grade gold assays such as in hole GTCM21-014 with 5.22 grams per tonne ("g/t") over 17.86 metres including 11.21 g/t gold over 4.57 metres (see "Exploration Overview – Newmont Option" below). The option agreement provides access to multiple additional zones with historic high-grade assays such as hole Y88 (13.9 g/t gold over 5.27 metres), which remain untested in all

directions at approximately 900 metres below surface.

The transaction includes the following hard assets, which will provide future infrastructure cost savings and efficiencies: multiple existing underground access openings including the original C-1 shaft opening, and the deep Robertson shaft (1,950 metres) with a 2,000-ton-per-day capacity for future underground exploration and mining, valued for time saving and investment saving; surface infrastructure including a large 10,000-square-foot warehouse and dry storage; surface vehicles; and a \$10 million water treatment plant recently built in 2015. The Con mine property reclamation is near completion.

Over the next 24 months, the Company's strategy is to increase its drilling program mainly south of the original Con mine to a depth of 1,000 metres at a drill spacing of 100 metres and with 50-metre infill, with the objective of delineating a high-grade gold mineral resource to add to the Company's current 1.2 million ounces in the inferred MRE (see the MRE section above) and ultimately advance toward an economic assessment and feasibility. The transaction will add more than 20 square kilometres to Gold Terra's land position in the Yellowknife gold belt to consolidate the exceptional district-size holdings now totalling 820 square kilometres.

EXPLORATION OVERVIEW – NEWMONT OPTION

2020-21 Winter Drill Program

On November 12, 2020, the Company started a 10,000 metre drilling program to test the Campbell Shear, south of the former producing Con Mine, on the Company's recently optioned property from Newmont adjacent to its YCG property in the Northwest Territories.

Data compilation work completed by the Company in 2020, including an integrated three dimensional model of 13,699 historical drill holes from underground and surface exploration of the Campbell Shear, highlighted the prospectivity of the southern extension of the Campbell Shear. In particular, some very good historical intersections were previously drilled on the Campbell Shear southern extension with limited follow-up drilling. With the Southbelt property (100% Gold Terra) and the option on the Newmont ground, the Company is able to test the Campbell Shear, which remains relatively underexplored south of the Con Mine and at depth.

During the 2021 winter drill program (Phase 1), the Company drilled 13 holes totalling 7,252 metres on the optioned Newmont Exploration Property, testing over 2.0 kilometres of strike extension of the Campbell Shear at greater than 150 metre spacing along strike, and to vertical depths between 250 and 400 metres. Holes were extended through to the footwall of the Campbell Shear to cross the entire width of the mineralized structure.

The Company announced the drill results on March 23, 2021, April 6, 2021, April 27, 2021, May 18, 2021 and June 14, 2021 and are summarized in the following bullets:

- Hole GTCM21-003 intersected **10.85 g/t Au over 4.35 metres**, including 25.4 g/t Au over 1.55 metres.
- Hole GTCM21-001 drilled 550 metres along strike south of GTCM21-003 intersected 2.35 g/t Au over 1.10 metres.
- Hole GTCM21-002 drilled 650 metres south of GTCM21-003 intersected 1.4g/t Au over 0.60 metres.
- Hole GTCM21-005 intersected **5.77 g/t Au over 12.35 metres**, including **14.09 g/t Au over 4.65 metres**.
- Hole GTCM21-004 drilled 800 metres south of GTCM21-005 intersected 5.69 g/t Au over 1.50 metres and 0.871 g/t Au over 3 metres.
- Hole GTCM21-006, located a further 200 metres south of GTCM21-004, intersected very anomalous gold (0.29 g/t Au over 20.50 metres) and other markers of the Con Mine mineralization.
- Hole GTCM21-007 intersected 1.14 g/t Au over 11.05 metres, including 2.99 g/t Au over 3.30 metres.

- Hole GTCM21-008 intersected only minor gold mineralization with a best assay result of 1.26 g/t Au over 0.74 metres.
- Hole GTCM21-009 intersected 238 metres of the Campbell Shear and a good alteration halo that graded 0.6 g/t Au over 7.5 metres, including 1.18 g/t Au over 2.5 metres, as well as other narrow zones of 0.5 to 1.5 g/t Au in the hanging wall and footwall of the Campbell Shear.
- Hole GTCM21-010 intersected 1.80 g/t Au over 3.07 metres within the Campbell Shear structure.
- Hole GTCM21-011 intersected 1.32 g/t Au over 9.20 metres including 5.99 g/t Au over 1.45 metres within the Campbell Shear structure.
- Hole GTCM21-012 was located between holes GTCM21-007 and 011 and intersected 1.10 g/t Au over 4.95 metres within the Campbell Shear structure.
- Hole GTCM21-013 intersected 0.71 g/t Au over 4.40 metres and 2.94 g/t Au over 0.80 metres within the Campbell Shear structure.

2021 Phase 2 Summer Drill Program

On July 20, 2021, the Company announced the start of fully-funded 10,000 metre Phase 2 drilling program focussing on the Yellowrex zone along the Campbell shear. The objective of this phase 2 program is to delineate a larger gold mineral resource of high grade mineralization and to add to its current 1.2 million ounce Inferred resource. The drilling is focused on the Campbell Shear at the Yellowrex zone where significant high-grade gold zones were intersected during the Phase 1 drilling as noted in the above summary bullets.

On September 7, 2021, the Company announced assay results for the first hole of Phase 2 drilling program at the Newmont Option property. Hole GTCM21-014 intersected **5.22 g/t over 17.86 metres** including **11.2 g/t gold over 4.57 metres** in a very strongly altered and sericitized sheared portion of the Campbell Shear, and approximately 80 metres below hole GTCM-21-05.

On October 13, 2021, the Company announced assay results for two holes, GTCM21-015 and 16. Hole GTCM21 -16 intersected **5.07 g/t over 8.35 metres** including **11.87 g/t gold over 3.08 metres** in a strongly strained and sericitized portion of the Campbell Shear. Drill hole GTCM21-015 which was drilled to target the Campbell Shear mineralized zone around 300 metres vertical depth and test the northern extent of the zone did intersect visible gold at 351.60 to 352.60 metres within a zone of intense white quartz and ankerite veining, followed by a weaker mineralized 13.0 metre zone.

On December 8, 2021, the Company announced assay results for the five holes, GTCM21-017, 18, 19, 20 and 21.

Assay highlights include:

- Drill hole GTCM21-21 intersected **1.24 g/t over 11.00 metres** extending the north-east limit of the Yellowrex gold-bearing zone by about 50 metres along strike.
- Drill hole GTCM21-20 intersected **2.38 g/t over 4.70 metres** including **12.95 g/t gold over 0.55 metres**.
- Drill hole GTCM21-19 intersected **2.46 g/t over 4.70 metres** including **5.13 g/t gold over 1.90 metres** in strong sericite alteration on a deeper portion of the southern limit of the Yellowrex zone.
- Drill hole GTCM21-017, a shallow hole drilled on the south limit of the Yellowrex zone intersected **1.94 g/t over 3.00 metres** including **10.40 g/t gold over 0.50 metres** in strong sericite alteration.

EXPLORATION OVERVIEW – YCG PROPERTY

2020-2021 Winter Drill Program

Crestaurum Drilling Campaign

On January 13, 2021, the Company announced assays for nine holes at the high-grade Crestaurum gold deposit on the YCG property. The nine holes totaling 1,062 metres tested the main Crestaurum shear structure at shallow depths across 900 metres of strike length, and also tested high-grade secondary shears and splays in the hanging wall and footwall of the main shear. On July 20, 2021, the Company announced assay results from five more drill holes completed in April and March 2021. Assay highlights include:

- Hole GTCR20-104 intersected 9.03 g/t Au over 5 metres, including 23.7 g/t Au over 1.0 metre, within a mineralized shear zone containing quartz veins with visible gold.
- Hole GTCR20-105 intersected 5.84 g/t Au over 2 metres, approximately 75 metres up dip of GTCR20-104.
- Hole GTCR20-102 had a narrow low-grade intersection of 2.66 g/t Au over 0.80 metre.
- Hole GTCR20-106 was designed to test both the main shear and a hangingwall vein and intersected 3.23 g/t Au over 0.75 metres in the hangingwall vein and 1.75 g/t Au over 2.70 metres in the main shear.
- Hole GTCR20-107 intersected 2.31 g/t Au over 4.10 metres, including 10.55 g/t Au over 0.80 metre.
- Hole GTCR20-108 intersected 8.19 g/t Au over 1.95 metres.
- Hole GTCR20-109 intersected 3.43 g/t Au over 3.90 metres, including 7.11 g/t Au over 1.75 metres.
- Hole GTCR20-111 failed to intersect significant mineralization in the main shear and had 2 g/t Au level assays in the hangingwall of the shear.
- Hole GTCR20-110 was drilled south of the Daigle Fault to determine the location of the southern extension of the Crestaurum Shear beyond the fault. The shear structure was successfully intersected but was low grade (0.86 g/t Au over 3.0 metres).
- Holes GTCR21-113 and GTCR21-114 targeted a north-northwest-trending vein set on the footwall side of the Crestaurum shear that contains various high-grade surface grab samples (up to 157.5 g/t Au). Both holes intersected various styles of veining. Hole GTCR21-114 intersected considerably more (six) individual veins with assay results ranging from 0.118 g/t to 0.394 g/t Au over 0.74 metre to 1.50 metres.
- Hole GTCR21-115 was drilled on the northern end of the Crestaurum shear in efforts to intersect the hangingwall structure and further define the main Crestaurum shear. The hangingwall assayed 1.46 g/t Au over 1.00 metre while the Crestaurum shear contained 1.56 g/t Au over 3.00 metres, including 3.24 g/t Au over 1.00 metre. The hangingwall structure is a less-than-one-to-four-metre-wide northeast-/southwest-trending structure with prominent biotite alteration and wispy calcite veining, with boudinaged glassy grey quartz veining and sulphides (pyrite and arsenopyrite) plus or minus visible gold, that intersects the Crestaurum shear at an oblique angle.

EXPLORATION EXPENDITURES

During the nine months ended October 31, 2021, the Company incurred \$2,905,907 in exploration expenditures mainly on the Newmont Exploration Property and YCG Property. The main components of the exploration expenditures are as follows:

| | Northbelt | Southbelt | Eastbelt | Quyta-Bell | Newmont | Stewart | Mulligan | Total |
|-----------------------------|---------------|------------|--------------|------------|--------------|--------------|--------------|---------------|
| Balance at January 31, 2021 | \$ 31,886,629 | \$ 578,286 | \$ 1,619,549 | \$ 441,269 | \$ 793,476 | \$ 1,082,458 | \$ 1,369,122 | \$ 37,770,790 |
| Acquisition costs | 13,925 | - | 10,614 | 16,103 | - | - | - | 40,642 |
| Exploration costs: | | | | | | | | |
| Assays and drilling | 274,514 | - | - | - | 2,366,599 | - | 12,402 | 2,653,516 |
| Community | 9,818 | - | - | - | 3,632 | - | - | 13,449 |
| Consulting | 65,439 | - | 300 | 450 | 30,500 | - | - | 96,689 |
| Environmental | 1,792 | - | - | - | 13,518 | - | - | 15,310 |
| Field expenses | 80,891 | 198 | 23 | 13,629 | 32,203 | - | - | 126,943 |
| Geophysical | - | - | - | - | - | - | - | - |
| | 432,454 | 198 | 323 | 14,079 | 2,446,452 | - | 12,402 | 2,905,907 |
| Impairment | - | - | - | - | - | - | - | - |
| Recoveries | - | - | - | - | - | - | - | - |
| Balance at October 31, 2021 | \$ 32,333,008 | \$ 578,484 | \$ 1,630,486 | \$ 471,451 | \$ 3,239,927 | \$ 1,082,458 | \$ 1,381,525 | \$ 40,717,339 |

The technical information contained in this MD&A has been reviewed and approved by Joseph Campbell, Chief Operating Officer of the Company, a Qualified Person as defined in "National Instrument 43-101, Standards of Disclosure for Mineral Projects".

CORPORATE OVERVIEW

Annual General Meeting

At the Annual General and Special Meeting of the Company held on June 15, 2021 (the "Meeting"), the shareholders elected Gerald Panneton (Executive Chair), David Suda, Louis Dionne, Laurie Gaborit, Elif Lévesque, Stuart Rogers, and Hellen Siwanowicz as directors of the Company for the forthcoming year.

Changes in Directors

On August 16, 2021, the Company announced the appointment of Ms. Patsie Ducharme, CPA, CGA as a director of the Company and Chair of the Audit Committee. The Company also announced the resignation of Ms. Elif Lévesque as a director.

Grant and Expiration of Stock Options and Warrants

On June 15, 2021, 1,250,000 stock options expired unexercised.

On June 26, 2021, 339,144 warrants expired unexercised.

On August 16, 2021, the Company granted 200,000 stock options to a new director that can be exercised at \$0.26 per share until August 16, 2026.

On November 17, 2021, 5,887,500 warrants expired unexercised.

Financing

On March 4, 2021, the Company completed a non-brokered private placement of 8,000,000 flow-through common shares of the Company (the "FT Shares") at a price of \$0.36 per FT Share for gross proceeds of \$2,880,000. Share issuance costs of \$34,007 were incurred with respect to this placement.

On December 3, 2021, the Company announced that it had completed the strategic investment by Newmont, issuing 7,142,857 common shares at a price of \$0.21 per share for gross proceeds of \$1.5 million, resulting in Newmont holding less than 5% of the issued and outstanding common shares of the Company. The proceeds from this investment are planned to be used primarily for exploration

expenditures on the Con mine property, recently optioned from Newmont (see “Option agreement to acquire the Con Mine” section above). The common shares are subject to a statutory hold period expiring four months and one day from the closing, being April 4, 2022.

Use of Proceeds from Flow-through Financing

Flow-through (“FT”) Shares require the Company to incur an amount equivalent to the proceeds of the issued FT Shares on Canadian qualifying exploration expenditures. The Company may be required to indemnify the holders of such shares for any tax and other costs payable by them in the event the Company has not incurred the required exploration expenditures. Under the IFRS framework, the increase to share capital when FT Shares are issued is measured based on the current market price of the common shares. The incremental proceeds, or “premium”, are recorded as a flow-through liability.

On March 4, 2021, the Company received a total of \$2,880,000 from the issuance of 8,000,000 FT Shares described in more detail above. These FT Shares were issued at a premium to market, for a total premium of \$880,000. The Company has accounted for this deferred premium on flow-through shares as a liability in its financial statements.

During the nine month period ended October 31, 2021, the Company incurred and renounced expenditures of \$2,753,143 with respect to the flow-through financing and reduced the deferred premium on flow-through shares by \$833,429 as a result.

CURRENT ECONOMIC CONDITIONS

During the calendar year 2020 and into 2021, ongoing global economic weakness made for volatile capital markets characterized by weaker equity prices for mineral exploration companies and an environment in which limited opportunities exist to raise additional capital. While periods of stronger commodity prices have provided financing opportunities which Gold Terra has capitalized on in the past to augment its working capital, management of the Company remains cautious and will continue to take the necessary precautions to maintain its cash reserves. The Company has commitments in the future (in 2021 and beyond) on its mineral properties and the Company may be forced to abandon and write-off one or more of these properties if the Company does not have the means to meet these commitments or does not feel it is fiscally prudent to do so.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company’s business or ability to raise funds.

With the closing of the March 4, 2021 non-brokered private placement and the strategic investment by Newmont, the Company anticipates having sufficient cash to meet all of its corporate obligations through to the end of the calendar year 2021 and into 2022. The Company continues to review its mineral property commitments as well as its working capital position on an ongoing basis. While management does not believe that the abandonment of any of the Company’s mineral properties is required at this time, management may elect to abandon properties when obligations become due if deemed necessary in order to maintain the long-term viability of the Company.

RESULTS OF OPERATIONS

Results of Operations – Three months ended October 31, 2021

Operating expenses for the three months ended October 31, 2021 (the “current period”) totaled \$570,745 as compared to \$596,338 incurred during the three months ended October 31, 2020 (the “comparative period”). The variances in expenditures were as follows:

Consulting expense decreased to \$Nil during the current period from \$21,292 incurred during the comparative period due to a reduction in the number of contract staff engaged during the current period.

Director fees increased to \$19,280 during the current period from \$8,582 incurred during the comparative period, due to more board meetings held to discuss operations during the current period.

Office, rent and miscellaneous expense decreased to \$24,426 during the current period from \$37,289 incurred during the comparative period mainly due to the Company incurring no rent and having less administrative expenses in the current period to support the Company's exploration activities.

During the current period, the Company incurred \$94,198 for share-based payments expense (a non-cash expense) for stock options granted during prior fiscal periods and vested during the current period. This is a decrease from share-based payment expense of \$116,573 incurred during the comparative period when more options vested.

Transfer agent, filing fees and shareholder communications expenses decreased to \$179,536 during the current period from the \$221,515 incurred during the comparative period due to a decrease in marketing activities and virtual conference participation versus in-person during the current period.

The Company recorded \$305,934 for flow-through share premium reversal during the current period compared to \$452,421 during the comparative period as a result of the timing of the exploration expenditures incurred and the date of such flow-through financings during each of the fiscal periods.

As a result of the foregoing, the Company recorded a comprehensive loss for the current period of \$264,811 as compared to a loss of \$141,777 incurred during the comparative period.

Results of Operations – Nine months ended October 31, 2021

Operating expenses for the nine months ended October 31, 2021 (the "current period") totaled \$1,707,018 as compared to \$1,944,568 incurred during the nine months ended October 31, 2020 (the "comparative period"). The significant variances in expenditures were as follows:

Consulting expense decreased to \$1,820 during the current period from \$175,432 incurred during the comparative period due to a reduction in the number of contract staff engaged during the current period.

Depreciation expense of \$Nil was incurred for a right-to-use asset during the current period compared to \$3,973 during the comparative period. The decrease is due to the Company's decision to sublease its rented office.

Director fees increased to \$57,780 during the current period from \$41,444 incurred during the comparative period due to more board meetings held to discuss operations during the current period.

Office, rent and miscellaneous expense decreased to \$38,954 during the current period from \$159,871 incurred during the comparative period mainly due to the Company incurring no rent and having less administrative expenses in the current period to support the Company's exploration activities.

Professional fees decreased to \$149,312 during the current period from \$177,810 incurred during the comparative period due to a reduction in the number of professional staff engaged during the current period.

During the current period, the Company incurred \$329,221 for share-based payments expense (a non-cash expense) for stock options granted during prior fiscal periods and vested during the current period. This is an increase from share-based payment expense of \$284,552 incurred during the comparative period when fewer options vested.

Travel expenses decreased to \$10,009 during the current period from the \$50,635 incurred during the comparative period due to a reduction in executive travel as a result of the COVID-19 pandemic.

The Company recorded \$833,429 for flow-through share premium reversal during the current period compared to \$466,791 during the comparative period as a result of the timing of the exploration expenditures incurred and the date of such flow-through financings during each of the fiscal periods.

As a result of the foregoing, the Company recorded a comprehensive loss for the current period of \$873,589 as compared to a loss of \$1,461,677 incurred during the comparative period.

Summary of Quarterly Results

| Three months ending | October 31, 2021 | July 31, 2021 | April 30, 2021 | January 31, 2021 | October 31, 2020 | July 31, 2020 | April 30, 2020 | January 31, 2020 | October 31, 2019 |
|---------------------|------------------|---------------|----------------|------------------|------------------|---------------|----------------|------------------|------------------|
| Net loss (\$) | 264,811 | 382,558 | 226,220 | 398,420 | 141,777 | 639,698 | 680,202 | 868,714 | 63,361 |
| Per share (\$) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.01 | 0.00 |

The loss for the three months ending October 31, 2019 was reduced to \$63,361 from the loss of \$208,528 incurred during the three months ending July 31, 2019 primarily due to an increase in the FT share premium reversal to \$314,501 from \$187,091 during the prior quarter.

The loss for the three months ending January 31, 2020 increased to \$868,714 from the loss of \$63,361 incurred during the three months ending October 31, 2019 primarily due to write-down of exploration and evaluation assets of \$540,029 as well as a deferred income tax expense of \$195,000 during January 31, 2020 quarter while no such expenses were recorded in the prior quarter.

The loss for the three months ending April 30, 2020 decreased to \$680,202 from the loss of \$868,714 incurred during the three months ending January 31, 2020 primarily due to the elimination of an impairment expense of \$540,029 recorded during the prior period for a write-down of certain exploration and evaluation assets. This was partially offset by an increase in management and professional fees and office expenditures in the quarter ended April 30, 2020.

The loss for the three months ending July 31, 2020 decreased to \$639,698 from the loss of \$680,202 incurred during the three months ending April 30, 2020 primarily due to a reduction in travel expense as a result of the COVID-19 pandemic and consulting expense due to a reduction in the number of contract staff. This was partially offset by an increase in professional fees and investor relations expenditures in the April 30, 2020 quarter.

The loss for the three months ending October 31, 2020 decreased to \$141,777 from the loss of \$639,698 incurred during the three months ending July 31, 2020 primarily due to a reversal of flow-through share premium, a reduction in travel expense as a result of the COVID-19 pandemic and decreased consulting expense due to a reduction in the number of contract staff. This was partially offset by an increase in professional fees and investor relations expenditures in the July 31, 2020 quarter.

The loss for the three months ending January 31, 2021 increased to \$398,420 from the loss of \$141,777 incurred during the three months ending October 31, 2020 primarily due to an increase in management compensation, share-based compensation, and shareholder communications expenses.

The loss for the three months ending April 30, 2021 decreased to \$226,220 from the loss of \$398,420 incurred during the three months ending January 31, 2021 primarily due to a decrease in consulting expenses, management compensation, office expenses and professional fees.

The loss for the three months ending July 31, 2021 increased to \$382,558 from the loss of \$226,220 incurred during the three months ending April 30, 2021 primarily due to a lower flow-through share premium reversal although operating expenses for the three months ending July 31, 2021 were lower than the operating expenses for the three months ending April 30, 2021.

The loss for the three months ending October 31, 2021 decreased to \$264,811 from the loss of \$382,558 incurred during the three months ending July 31, 2021 primarily due to a decrease in consulting expenses and professional fees, and a higher flow-through share premium reversal.

Liquidity and Solvency

Gold Terra is in the exploration stage and therefore has no regular cash flow. As of October 31, 2021, the Company had working capital of \$1,549,552 excluding the deferred premium on flow-through shares of \$184,270 (January 31, 2021 – working capital of \$2,883,854), and inclusive of cash and cash equivalents of \$1,717,031 (January 31, 2021 – \$3,281,202).

At October 31, 2021, the Company had current assets of \$1,856,565, total assets of \$42,724,262 and total liabilities of \$491,283, inclusive of a security deposit from sublease of \$25,000 and the deferred

premium on flow-through shares of \$184,270. The Company has no other long-term debt. There are no regular trends in the Company's liquidity or capital resources.

The principal assets of the Company are its mineral exploration properties, amounting to \$40,709,339 as at October 31, 2021.

The decrease in cash and cash equivalents during the nine months ended October 31, 2021 of \$1,564,171 was due to cash used for investing activities of \$3,063,305 and cash used in operating activities of \$1,346,859 while offset by net cash provided by financing activities of \$2,845,993.

The development of the Company in the future will depend on the Company's ability to obtain additional financings. In the past, the Company has relied on the sale of equity securities to meet its expenditure requirements. Future expenditures, in excess of funds on hand, will depend on the Company's ability to obtain financing through joint venturing of projects, debt financing, equity financing or other means. There can be no assurances that the Company will be successful in obtaining any such financing or in joint venturing its property and failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and development of the Company's properties.

Commitments

The Company has no commitments for capital expenditures other than optional expenditures to earn property interests.

Risk, Uncertainties and Outlook

The business of mineral deposit exploration and extraction involves a high degree of risk. Few properties that are explored ultimately become producing mines. At present, none of the Company's properties has a known commercial ore deposit. Other risks facing the Company include competition for mineral properties, environmental and insurance risks, fluctuations in metal prices, fluctuations in exchange rates, share price volatility and uncertainty of additional financing.

Going concern

The Company is in the exploration stage and has no revenue or income from operations. The Company has limited capital resources and has to rely upon the sale of equity and/or debt securities for cash required for exploration and development purposes, for acquisitions and to fund the administration of the Company. Since the Company does not expect to generate any revenues from operations in the near future, it must continue to rely upon the sales of its equity or debt securities or joint venture agreements to raise capital. It follows that there can be no assurance that financing, whether debt or equity, will be available to the Company in the amount required by the Company at any particular time or for any period and that such financing can be obtained on terms satisfactory to the Company.

The Company's unaudited condensed consolidated interim financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to obtain the necessary financing to meet its ongoing commitments and further its mineral exploration programs.

The Company may encounter difficulty sourcing future financing in light of the recent economic downturn. The current financial equity market conditions and the inhospitable funding environment make it difficult to raise capital through the private placements of shares. The junior resource industry has been severely affected by the world economic situation and the effects of COVID-19 as it is considered speculative and high-risk in nature, making it even more difficult to fund.

While the Company is using its best efforts to achieve its business plans by examining various financing alternatives, there is no assurance that the Company will be successful with any financing ventures.

Related Party Transactions

Related Party Balances

As at October 31, 2021, \$34,418 (January 31, 2021 – \$30,740) was due to directors of the Company or to companies controlled by officers of the Company and recorded in trade payables and accrued liabilities (see table below). These amounts are unsecured and non-interest bearing with no fixed terms of repayment.

Key Management Compensation

The Company's related parties include key management. Key management includes executive directors and non-executive directors. The remuneration to key management of the Company and the payments to companies controlled by officers of the Company as defined above were as follows:

| | Due to Related Parties | | | |
|--|-------------------------------|---------------------|--------------------|--------------------|
| | Nine months ended | | As at | As at |
| | October 31, | October 31, | October 31, | January 31, |
| | 2021 | 2020 | 2021 | 2021 |
| Consulting fees | \$ - | \$ 57,913 | \$ - | \$ - |
| Directors' fees | 57,780 | 42,444 | - | - |
| Geological consulting - exploration and evaluation assets ^(a) | 59,181 | 414,372 | 13,964 | 16,747 |
| Management compensation | 450,000 | 465,000 | - | - |
| Management expense reimbursement | - | - | 9,954 | 3,493 |
| Professional fees ^(b) | 90,000 | 100,000 | 10,500 | 10,500 |
| Share-based payments | 149,797 | 183,435 | - | - |
| | \$ 806,758 | \$ 1,263,164 | \$ 34,418 | \$ 30,740 |

^(a) The Company incurred \$59,181 (2020 - \$414,372) of geological consulting fees for its exploration and evaluation assets with a company, Geovector Management Inc., related to the former Executive Chairman and current Chief Operating Officer of the Company.

^(b) The Company paid \$90,000 (October 31, 2020 - \$100,000) to a company controlled by the Chief Financial Officer.

Financial Risk Management

The Company is exposed in varying degrees to a variety of financial risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

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. The Company's primary exposure to credit risk is on its cash held in bank accounts and its receivables. The majority of cash is deposited in bank accounts held with major banks in Canada. As most of the Company's cash is held by two banks there is a concentration of credit risk. This risk is managed by using major banks that are high credit quality financial institutions as determined by rating agencies. The Company's receivables are mostly tax receivables from the government. The risk related to receivables is assessed low.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash and cash equivalents.

Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding. Liquidity risk is, therefore, assessed as high.

Foreign exchange risk

Foreign currency risk is the risk that a variation in exchange rates between the Canadian dollar and other foreign currencies will affect the Company's operations and financial results. The Company operates in Canada and is, therefore, not exposed to foreign exchange risk arising from transactions denominated in a foreign currency.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has positive cash balances at October 31, 2021 and no interest bearing debt, therefore, interest rate risk is nominal.

Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of equity, comprising share capital, net of accumulated deficit.

There were no changes in the Company's approach to capital management during the period.

The Company is not subject to any externally imposed capital requirements.

Classification of Financial Instruments

Financial assets included in the statement of financial position are as follows:

| | October 31, 2021 | January 31, 2021 |
|---------------------------|---------------------|---------------------|
| Amortized cost: | | |
| Cash and cash equivalents | \$ 1,717,031 | \$ 3,281,202 |
| | \$ 1,717,031 | \$ 3,281,202 |

Financial liabilities included in the statement of financial position are as follows:

| | October 31, 2021 | January 31, 2021 |
|---------------------------------------|---------------------|---------------------|
| Non-derivative financial liabilities: | | |
| Trade payables | \$ 282,013 | \$ 422,274 |
| | \$ 282,013 | \$ 422,274 |

Fair Value

The fair value of the Company's financial assets and liabilities approximates the carrying amount.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The following is an analysis of the Company's financial assets measured at fair value as at October 31, 2021 and January 31, 2021:

| | As at October 31, 2021 | | |
|---------------------------|-------------------------------|----------------|----------------|
| | Level 1 | Level 2 | Level 3 |
| Cash and cash equivalents | \$ 1,717,031 | \$ - | \$ - |

| | As at January 31, 2021 | | |
|---------------------------|-------------------------------|----------------|----------------|
| | Level 1 | Level 2 | Level 3 |
| Cash and cash equivalents | \$ 3,281,202 | \$ - | \$ - |

Contingencies

The Company is not aware of any contingencies or pending legal proceedings as of the date of this MD&A.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Equity Securities Issued and Outstanding

The Company had 196,471,494 common shares issued and outstanding as of the date of this MD&A. In addition, there were 5,916,250 incentive stock options outstanding as of the date of this MD&A.