

**LABRADOR GOLD CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
THREE MONTHS ENDED DECEMBER 31, 2020**

Labrador Gold Corp.
Management's Discussion and Analysis
For the Three Months Ended December 31, 2020
Discussion dated: February 26, 2021

Introduction

The following discussion and analysis of the results of operations and of the financial position of Labrador Gold Corp. ("Labrador Gold" or the "Company") is prepared as of February 26, 2021, and should be read in conjunction with the Company's condensed interim financial statements for the three months ended December 31, 2020 and the Company's audited consolidated financial statements and the notes thereto for the year ended September 30, 2020.

The financial information presented herein is expressed in Canadian dollars, except where noted.

The Company's financial statements are reported under International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

Company Information

Labrador Gold is a company involved in the acquisition and exploration of prospective gold projects in the Americas and is publicly traded on the TSX Venture Exchange ("TSX-V"). To date, the Company has not earned significant revenues and is in the exploration stage.

On September 5, 2017, and as amended December 7, 2020, the Company entered into a Letter of Intent ("LOI") that grants the Company the option to earn a 100% interest in the Ashuanipi, Nain and Hopedale properties, located in Labrador (the "Labrador Properties"). The Company is meeting the terms of the LOI in respect of Ashuanipi and Hopedale but has dropped the Nain property. Additional claims adjacent to Ashuanipi and Hopedale were staked in fiscal 2018 and are being earned under the terms of the LOI.

In December 2017, the Company changed its name to Labrador Gold to reflect its corporate focus on gold exploration in Labrador and its commitment to the systematic exploration of the Labrador Properties for gold. The Company retained the services of Roger Moss, CEO of the Company, on a full-time basis to further this corporate objective.

The Company also holds a 100% interest in the Borden Lake Extension Property (the "Borden Lake Property") located near Chapleau, Ontario, Canada.

At December 31, 2020, the Company had cash of \$11,345,842 (September 30, 2020 - \$6,298,629) and working capital of \$11,274,899 (September 30, 2020 - \$6,216,155). The Company believes it has sufficient funds to finance its planned exploration and general and administrative costs for the current fiscal year.

The Company does not anticipate generating significant revenues in the near future. As a result, the Company will be required to continue raising funds in order to finance its ongoing property evaluation program and general and administrative expenses. This will most likely be accomplished through the sale of equity.

Highlights

On October 1, 2020, the Company announced the appointment of Matthieu Lapointe as VP Exploration.

On October 8, 2020, the Company granted 450,000 share purchase options exercisable at a price of \$0.45 per share until October 8, 2025.

On October 29, 2020, the Company closed a non-brokered private placement of 7,500,000 flow-through units at a price of \$0.54 per flow-through unit, for gross proceeds of \$4,050,000. Each flow-through unit consists of one flow-through common share and one share purchase warrant, with each warrant exercisable to acquire a common share at \$0.60 until October 29, 2022. Palisades Goldcorp Ltd. purchased all of the flow-through units through a donation arrangement. As a result of the flow-through offering, Palisades Goldcorp has become an insider of the Company holding approximately 13.57% of the Company after giving effect to the offering. The Company paid a finder's fee of \$180,000 in relation to the offering.

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On December 21, 2020, the Company granted 500,000 share purchase options exercisable at a price of \$0.45 per share until December 21, 2025.

During the three months ended December 31, 2020, the Company received proceeds of \$2,629,974 from the exercise of 8,848,929 warrants.

Results of Operations

Three Months Ended December 31, 2020

The three months ended December 31, 2020 reported a net loss of \$485,804 compared to a net loss of \$37,598 for the three months ended December 31, 2019. The increase in net loss was mainly due to the increase in share-based compensation during the current year.

During the three months ended December 31, 2020, the Company incurred \$436,000 in acquisition costs and \$1,179,326 in deferred exploration expenses, capitalized as unproven mineral right interests.

From time to time, the Company may acquire or dispose of mineral right interests pursuant to the terms of option agreements. Since options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded as assets but as resource property costs or recoveries when the payments are made or received.

Liquidity and Capital Resources

Labrador Gold is a development-stage company that currently does not generate significant revenues and does not anticipate doing so in the near future.

Labrador Gold held cash of \$11,345,842 at December 31, 2020, compared to \$6,298,629 at September 30, 2020.

At December 31, 2020, the Company had working capital of \$11,274,899 (September 30, 2020 - \$6,216,155).

The Company is not subject to debt covenants.

Off-Balance Sheet Arrangements

As of the date of this filing, the Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company including, without limitation, such considerations as liquidity and capital resources that have not previously been discussed.

Unproven Mineral Right Interests

Ownership in mineral right interests involves certain inherent risks due to the difficulties of determining and obtaining clear title to claims as well as the potential for problems arising from the ambiguous conveyance history of many mineral right interests. The Company has investigated ownership of its mineral right interests and, to the best of its knowledge, ownership of its interests are in good standing.

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	December 31, 2020	September 30, 2020
Labrador Properties		
Acquisition	\$ 1,610,952	\$ 1,174,952
Deferred exploration	4,314,935	4,311,730
	5,925,887	5,486,682
Borden Lake Property		
Acquisition	314,185	314,185
Deferred exploration	615,950	612,209
	930,135	926,394
Kingsway Property		
Acquisition	465,800	465,800
Deferred exploration	1,646,780	474,400
	2,112,580	940,200
	\$ 8,968,602	\$ 7,353,276

Labrador Properties

On September 5, 2017, the Company entered into a Letter of Intent (“LOI”) that grants the Company the option to earn a 100% interest in the Ashuanipi, Nain and Hopedale properties, located in Labrador (the “Labrador Properties”). The terms of the LOI are the following:

- On receipt of TSX-V approval: payment of \$75,000 and issuance of 450,000 shares in respect of each of the three Labrador Properties (completed);
- On or before September 5, 2018: payment of \$100,000 and issuance of 300,000 shares in respect of each property (completed with the payment of \$200,000 and issuance of 600,000 shares on the Ashuanipi and Hopedale properties, as the Company dropped its option on the Nain property);
- On or before September 5, 2019: payment of \$75,000 and issuance of 175,000 shares in respect of the Ashuanipi property and payment of \$150,000 and issuance of 350,000 shares in respect of the Hopedale property (paid and issued);
- On or before September 5, 2020: payment of \$50,000 and issuance of 400,000 shares in respect of each of the Ashuanipi and Hopedale properties (completed with the payment of \$100,000 and issuance of 800,000 shares on the Ashuanipi and Hopedale properties);
- On or before September 5, 2021: payment of \$100,000 and issuance of 675,000 shares in respect of the Ashuanipi property and payment of \$100,000 and issuance of 500,000 shares in respect of the Hopedale property;
- On or before September 5, 2022: payment of \$150,000 each in respect of each of the Ashuanipi and Hopedale properties; and
- On or before September 5, 2023: payment of \$200,000 in respect of the Ashuanipi property and \$125,000 in respect of the Hopedale property.

The vendors of the Labrador Properties retain a 2% net smelter return (“NSR”) royalty, half of which may be bought back by the Company at any time for \$2 million plus \$1 per ounce of gold in measured and indicated resources. An advance royalty of \$25,000 per annum for each property will be payable starting in 2024.

In January 2018, additional claims contiguous to the Ashuanipi property were staked and are being earned by the Company under the terms of the LOI.

In May 2018, additional claims at the Hopedale property were staked and are being earned by the Company under the terms of the LOI.

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Kingsway Property

On March 3, 2020, the Company announced it had acquired an option to earn a 100% interest in the Gander Property, subsequently renamed the Kingsway Property, ("Kingsway") near Gander, Newfoundland. To exercise the option, the Company must complete the following:

- As consideration for the option: payment of \$250,000 and issuance of 400,000 common shares (paid and issued);
- On or before March 3, 2021: payment of \$150,000 cash and issuance of 250,000 common shares;
- On or before March 3, 2022: payment of \$150,000 cash and issuance of 300,000 common shares;
- On or before March 3, 2023: payment of \$200,000 cash and issuance of 350,000 common shares;
- On or before March 3, 2024: payment of \$250,000 cash and issuance of 400,000 common shares;
- On or before March 3, 2025: payment of \$250,000 cash and issuance of 300,000 common shares;
- Incur \$750,000 in expenditures on each of two licenses (\$1.5 million total) over the first four years of the option; and
- Complete additional payments totaling \$2.25 million based on exploration expenditures incurred, as follows:
 - \$750,000 upon incurring an aggregate of \$10 million in expenditures on one of the licenses;
 - \$750,000 upon incurring an aggregate of \$20 million in expenditures on one of the licenses; and
 - \$750,000 upon incurring an aggregate of \$30 million in expenditures on one of the licenses.

The Company will also grant a 1% NSR to the Vendor plus \$1 per ounce of gold in a measured and indicated resource. An advance royalty of \$50,000 per annum for each property will be payable starting in 2026.

Borden Lake Property

The Company has a 100% undivided interest in the Borden Lake Property (the "Borden Lake Property") located near Chapleau Ontario. The 1,598-hectare property lies immediately east of, and adjacent to, Newmont-Goldcorp's Borden Lake gold project. The original vendors of the Borden Lake Property retain a 2% NSR royalty, half of which may be bought back by the Company for \$1 million at any time.

Exploration Activity - Three Months Ended December 31, 2020

Roger Moss, Ph.D, P.Geo, a Qualified Person under National Instrument 43101 has approved the scientific and technical disclosure in this Management's Discussion and Analysis, and has verified the data disclosed.

During the first quarter of the 2021 fiscal year, Labrador Gold completed its summer-fall exploration program on the Kingsway Gold Project near Gander, Newfoundland.

Following receipt of permits for the proposed exploration, field work began on the Kingsway property in August 2020 and consisted of detailed soil geochemistry on 16 grids covering most of the licenses to follow up on results of the historical work as well as geological mapping and prospecting. A ground magnetic-VLF-EM survey and a controlled source audio magnetotelluric (CSAMT) survey were undertaken to target structures with the potential for localizing gold mineralization. In addition, a rotary air blast (RAB) drilling program began in October 2020.

Results of the CSAMT survey carried out over the Appleton Fault Zone show a zone of extremely conductive rocks that appear to be bounded by ENE trending structures, one of which likely represents the trace of the Appleton Fault Zone. In addition, several northwest trending features are apparent that may represent faults crosscutting the ENE trending structures. Several resistive areas are also apparent that may reflect zones of silicification and/or quartz veining. Highly anomalous soil samples occur in both high and low resistive areas and significant anomalous clusters occur in areas of high resistivity close to intersections of interpreted structures.

Prospecting and mapping resulted in the discovery of five occurrences of visible gold associated with a quartz vein named Big Vein. The vein has now been traced along strike to the northeast and southwest of the occurrences for over 400 metres. This lies within a larger quartz vein corridor of intermittent quartz veining that has been traced over 7.5 km adjacent to the Appleton Fault Zone.

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Assays from grab samples of rock taken over a 175 metre strike length of Big Vein northeast and southwest of the visible gold samples range from below detection (<5ppb) to 1,065 g/t Au in sample 526089 containing visible gold. In addition, 27 samples assayed over 1g/t Au and 39 samples assayed over 0.1g/t Au. Highlights of the results are given below.

Highlights of 2020 Big Vein sampling – Kingsway Project

Sample ID	Sample Medium	Sample Type	Au (g/t)
526089	Subcrop	Grab*	1,065.4
526169	Float	Grab	184.68
526171	Float	Grab	65.94
526138	Float	Grab	38.47
526073	Outcrop	Grab	16.1
526136	Subcrop	Grab	8.50
526077	Outcrop	Grab	7.2
526090	Angular Float	Grab	5.4
526084	Subcrop	Grab	5.4
526111	Subcrop	Grab	5.3
526125	Outcrop	Grab	5.26
526097	Angular Float	Grab	4.9
526113	Subcrop	Grab	3.8
526128	Outcrop	Grab	3.64
526172	Float	Grab	3.43
1834193	Outcrop	Grab	3.2
526096	Angular Float	Grab	2.2
526075	Subcrop	Grab	2.1
526081	Outcrop	Grab	1.8
526170	Float	Grab	1.87
526076	Outcrop	Grab	1.7
1834191	Outcrop	Grab	1.6
526135	Subcrop	Grab	1.60
526471	Subcrop	Grab	1.32
526112	Subcrop	Grab	1.3
526114	Subcrop	Grab	1.3
526139	Float	Grab	1.13

*Note that grab samples are select samples and are not necessarily representative of gold mineralization found on the property.

Gold values in soil samples taken over the property range from below detection (<0.5ppb) to 9,946ppb (9.9g/t Au). The gold in soil anomalies tend to be associated with interpreted structures, including the Appleton Fault zone, Dog Bay line and splays or cross faults to these major crustal structures. The highest gold assay together with three other samples assaying greater than 1,000ppb (1g/t Au) occur between 100 and 300 metres to the southwest of the visible gold locations and suggest the potential for additional gold mineralization in this area.

Assays for the first nine holes (total of 588 metres) received from the rotary air blast (RAB) program indicated anomalous gold values (>0.1 g/t) in 5 holes, including a high of 0.84 g/t over 1.5 metres in hole KINRAB20-06 drilled in the Midway area. Three of the remaining four holes did not intersect the target gabbro.

A total of 114 lines comprising 233.3 line kilometres of ground magnetics-VLF-EM (very low frequency electromagnetics) were completed over 5 grids. Lines were spaced at 100 metres with readings taken every 5m along the lines. Results of the survey have proved useful in defining structures and possible alteration zones. A high resistivity anomaly that essentially bounds the quartz vein corridor indicates the possible presence of widespread silicification associated with the quartz veining. Several other resistive zones have been detected by the VLF-EM surveys carried out on the other four grids. These anomalies are currently being compiled together with the results of the soil survey and historical geochemistry to prioritize follow up.

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Subsequent to the end of the quarter, on February 3, 2021, the Company announced a 10,000 metre diamond drilling program, anticipated to consist of 43 holes, and designed to test a 350-metre strike length of Big Vein. Initial drilling will test shallow mineralization below the original visible gold showing, a grab sample from which assayed 1,065 g/t gold. Currently the Company is awaiting permits for the drilling program. Once approvals are received, the Company expects to mobilize crews to the field quickly since preparations for the program are well advanced.

Related Party Transactions

Related parties include the Board of Directors, close family members and enterprises which are controlled by these individuals as well as certain persons performing similar functions.

As at December 31, 2020, the Company's related parties consist of a proprietorship controlled by the Company's Chief Executive Officer ("CEO") and a company of which the Company's Chief Financial Officer ("CFO") is an employee.

Entity	Nature of Transaction
Moss Explorations Services	Management
Marrelli Support Services Inc.	Management

The Company entered into the following transactions with related parties:

During the three months ended December 31, 2020, the Company incurred management and consulting fees of \$22,500 (three months ended December 31, 2019 - \$19,830) and geological consulting fees of \$13,500 (three months ended December 31, 2019 - \$4,801) for services provided by a company controlled by the Company's CEO.

Management fees to the Company's CEO are paid pursuant to a 2018 consulting agreement under which Moss Exploration Services received a monthly fee of \$8,000, increased to \$9,000 as of April 1, 2019 and to \$12,000 as of September 1, 2020. The Company can terminate the agreement with three months' notice, or payment of the fees during the termination period in lieu of notice.

For the three months ended December 31, 2020, the Company paid or accrued \$6,925, in professional fees (three months ended December 31, 2019 - \$nil) to Marrelli Support Services Inc. ("Marrelli") for Eric Myung, an employee of Marrelli, to act as the CFO of the Company. As at December 31, 2020, \$1,469 (September 30, 2020 - \$1,471) is included in accounts payable and accrued liabilities with respect to the fees. These amounts are unsecured, non-interest bearing, with no fixed terms of repayment.

Amounts due to related parties are unsecured, non-interest bearing and due on demand.

Critical Accounting Estimates

The most significant estimates are related to the physical and economic lives of unproven mineral right interests and their recoverability.

Risk factors

COVID-19 Risks

The worldwide emergency measures taken to combat the COVID-19 pandemic may continue, could be expanded, and could also be reintroduced in the future following relaxation. As governments implement monetary and fiscal policy changes aimed to help stabilize economies and capital markets, we cannot predict legal and regulatory responses to concerns about the COVID-19 pandemic and related public health issues and how these responses may impact our business. The COVID-19 pandemic, actions taken globally in response to it, and the ensuing economic downturn has caused significant disruption to business activities and economies. The depth, breadth and duration of these

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disruptions remain highly uncertain at this time. Furthermore, governments are developing frameworks for the staged resumption of business activities. As a result, it is difficult to predict how significant the impact of the COVID-19 pandemic, including any responses to it, will be on the global economy and our business. We have outlined these risks in more detail below.

Other MD&A Requirements

As of February 26, 2021, the Company has outstanding a total of 110,948,747 shares, 7,220,000 options with a weighted average price of \$0.34 per share and 35,850,900 warrants with a weighted average exercise price of \$0.36 per share. Additional information is available at the Company's website at www.labradorgold.com. To view the public documents of the Company, please visit the Company's profile on the SEDAR website at www.sedar.com.

Cautionary Statement on Forward Looking Information

This MD&A contains certain forward-looking information and statements as defined in applicable securities laws (collectively referred to as "forward-looking statements"). These statements relate to future events or our future performance. All statements other than statements of historical fact are forward-looking statements. The use of any of the words "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "should", "believe" and similar expressions is intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. These statements speak only as of the date of this MD&A. These forward-looking statements include but are not limited to, statements concerning:

- our strategies and objectives;
- prices and price volatility for commodities and of materials we use in our operations;
- the demand for and supply of commodities and materials that we use and plan to produce and sell;
- our financial resources;
- interest and other expenses;
- domestic laws affecting our operations;
- our tax position and the tax rates applicable to us;
- decisions regarding the timing and costs of construction and production with respect to, and the issuance of, the necessary permits and other authorizations required for any proposed projects;
- our planned future production levels;
- potential impact of production and transportation disruptions;
- our planned capital expenditures and estimates of costs related to environmental protection;
- our future capital and production costs, including the costs and potential impact of complying with existing and proposed environmental laws and regulations in the operation and closure of our operations;
- our financial and operating objectives;
- our environmental, health and safety initiatives;
- the outcome of legal proceedings and other disputes in which we may be or become involved; and
- general business and economic conditions.

Inherent in forward-looking statements are risks and uncertainties beyond our ability to predict or control, including risks that may affect our operating or capital plans; risks generally encountered in the permitting and development of mineral projects such as unusual or unexpected geological formations, unanticipated metallurgical difficulties, delays associated with permit appeals, ground control problems, adverse weather conditions, process upsets and equipment malfunctions; risks associated with labour disturbances and availability of skilled labour and management; fluctuations in the market prices of our principal commodities, which are cyclical and subject to substantial price fluctuations; risks created through competition for mining projects and properties; risks associated with lack of access to markets; risks associated with mine plan estimates; risks posed by fluctuations in exchange rates and interest rates, as well as general economic conditions; risks associated with environmental compliance and changes in environmental legislation and regulation; risks associated with our dependence on third parties for the provision of critical services; risks associated with non-performance by contractual counterparties; title risks; social and political risks associated with our

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operations; risks of changes in laws affecting our operations or their interpretation; and risks associated with tax reassessments and legal proceedings.

Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A. Such statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about:

- general business and economic conditions;
- interest rates;
- changes in commodity prices;
- acts of government and the outcome of legal proceedings;
- the supply and demand for, deliveries of, and the level and volatility of commodities and products used in our operations;
- the timing of the receipt of permits and other regulatory and governmental approvals;
- changes in credit market conditions and conditions in financial markets generally;
- the availability of funding on reasonable terms;
- our ability to procure equipment and operating supplies in sufficient quantities and on a timely basis;
- the availability of qualified employees and contractors for our operations;
- our ability to attract and retain skilled staff;
- engineering and construction timetables and capital costs for our projects;
- costs of closure of various operations;
- market competition;
- the accuracy of our mine plan estimates (including, with respect to size, grade and recoverability) and the geological, operational and price assumptions on which these are based;
- tax benefits and tax rates;
- the resolution of environmental and other proceedings or disputes; and
- our ability to obtain, comply with and renew permits in a timely manner.

We caution you that the foregoing list of important factors and assumptions is not exhaustive. Other events or circumstances could cause our actual results to differ materially from those estimated or projected and expressed in, or implied by, our forward-looking statements. Except as required by law, we undertake no obligation to update publicly or otherwise revise any forward-looking statements or the foregoing list of factors, whether as a result of new information or future events or otherwise.