

**GOWEST GOLD LTD.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE MONTH PERIOD ENDED JANUARY 31, 2020**

This management discussion and analysis ("MD&A") of the financial condition and results of operations of Gowest Gold Ltd. ("Gowest" or the "Company") describes the operating and financial results of the Company for the three months ended January 31, 2020. This MD&A has been prepared in compliance with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. The MD&A supplements, but does not form part of the financial statements of the Company and should be read in conjunction with Gowest's audited financial statements for the years ended October 31, 2019 and 2018, together with the notes thereto. The Company prepares and files its financial statements in accordance with International Financial Reporting Standards ("IFRS"). All amounts are stated in Canadian dollars unless otherwise noted and gold is measured in fine troy ounces ("ounces").

Forward-looking Statements

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement. Specifically, this MD&A includes, but is not limited to, forward-looking statements regarding: the potential of Gowest's properties to contain economic precious and base metal deposits; the Company's ability to meet its working capital needs for the next twelve-month period, or the foreseeable future; the plans, costs, timing and capital for future exploration and evaluation of Gowest's property interests, including the costs and potential impact of complying with existing and proposed laws and regulations; management's outlook regarding future trends; sensitivity analysis on financial instruments, which may vary from amounts disclosed; prices and price volatility for precious and base metals; and general business and economic conditions.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond Gowest's ability to predict or control. These risks, uncertainties and other factors include, but are not limited to, precious and base metal deposits, price volatility, changes in debt and equity markets, timing and availability of external financing on acceptable terms, the uncertainties involved in interpreting geological data and confirming title to the Company's properties, the possibility that future exploration results will not be consistent with Gowest's expectations, increases in costs, environmental compliance and changes in environmental and other local legislation and regulation, interest rate and exchange rate fluctuations, changes in economic and political conditions and other risks involved in the precious and base metal exploration and evaluation, as well as those risk factors listed in the "Risks and Uncertainties" section below. Readers are cautioned that the foregoing list of factors is not exhaustive of the factors that may affect the forward-looking statements. 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 that may prove to be incorrect, including, but not limited to, assumptions about the following: the availability of financing for Gowest's exploration and evaluation activities; operating and exploration costs; the Company's ability to retain and attract skilled staff; timing of the receipt of regulatory and governmental approvals for exploration projects and other operations; market competition; and general business and economic conditions.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause Gowest's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-

looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements, whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

Date of MD&A

This MD&A is dated March 26, 2020.

Description of the Business and Going Concern

Gowest is in the business of exploring and evaluating properties that it believes contain mineralization that is, or will, in the future, be economically recoverable. The Company is focused on the exploration and evaluation of the North Timmins Gold Project ("NTGP"), which includes its wholly-owned Bradshaw gold deposit (formerly Frankfield East gold deposit). Gowest's 11,185-hectare (111 square kilometres) NTGP land package is located near Timmins, Ontario, in the Timmins Gold Camp, which since its discovery in the early 1900's, has produced almost half of all the gold mined in Canada.

The Company's primary objective is to advance its Bradshaw gold deposit to development and increase the resource through exploration in the NTGP. The Company also remains open to evaluating other potential opportunities to enhance shareholder value.

In addition to its focus on exploration and evaluation of its Bradshaw gold deposit, which represents approximately 50-hectare (0.5 square kilometre), the Company is exploring additional gold targets on the remainder of its land package. This land package generally surrounds, or is contiguous with, the Frankfield property and includes exploration interests along the largely undeveloped Pipestone Fault area of the Timmins Gold Camp, including a contiguous block of claims extending approximately 18 kilometres along the Pipestone Fault from the Bradshaw gold deposit southeast towards the Clavos deposit. The Company regularly evaluates the potential to increase its holdings in the vicinity of the Pipestone Fault, among other acquisition opportunities.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that planned exploration and evaluation programs will result in the development of a profitable mine. The recoverability of the amount shown for mineral properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete exploration and evaluation, and the subsequent development of a mine and upon future profitable production or proceeds from dispositions of such properties. Changes in future conditions could require material write-downs of the carrying amounts of mineral properties.

Although the Company has taken steps to verify title to its mineral property interests, in accordance with industry standards for the current stage of exploration of such property, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements, aboriginal claims, and noncompliance with regulatory and environmental requirements. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contracts, currency exchange fluctuations and restrictions and political uncertainty.

The accompanying financial statements have been prepared on the going concern assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. Due to continuing operating losses, the Company's ability to continue as a going concern is dependent upon its ability to fund its working capital and exploration requirements and eventually to generate positive cash flows, either from operations or sale of property.

In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. The ability of the Company to continue operations is dependent upon obtaining the necessary financing to complete the development of a mineral property. Management is aware, in making

its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern.

Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying financial statements.

Highlights and Outlook

On December 20, 2019, the Company closed a private placement for aggregate proceeds of \$2,043,049. Pursuant to the offering the Company issued and sold 4,741,130 flow-through units of the Company at a price of \$0.22 per unit and 5,000,000 common share units of the Company at a price of \$0.20 per unit. Each unit is comprised of one common share and one-half of one common share purchase warrant exercisable at a price of \$0.30 per whole warrant until December 20, 2021. Two directors and a significant shareholder subscribed for proceeds of \$1,490,000. In connection with the offering the Company paid finders fees of \$34,615.

On January 16, 2020, the Company settled an aggregate of \$545,000 of indebtedness through the issuance of 2,725,000 common shares. The Company issued 1,725,000 common shares at a price of \$0.20 per share in satisfaction of director fees owing and outstanding.

On January 30, 2020, the Company closed a second tranche of the private placement for aggregate proceeds of \$1,000,000. Pursuant to the offering the Company issued and sold 5,000,000 common share units of the Company at a price of \$0.20 per unit. Each unit is comprised of one common share and one-half of one common share purchase warrant exercisable at a price of \$0.30 per whole warrant until January 30, 2022.

The Company announced that it is preparing to undertake a diamond drill program to provide critical information in preparation for extending the main ramp, locating the planned vent raise, as well as providing additional details on the first long stope.

The Company is also undertaking engineering design for construction work related to the vent and escape raises.

On January 23, 2020, the Company held an open house information session on the mine production closure plan in Timmins. The Company held the public meeting about the Bradshaw Gold Project to:

- Provide information on the plans for the Advanced Exploration and Mine Production Phases;
- Provide information about the environmental permitting and current approvals;
- Report upon ongoing Health, Safety, Environmental and Social performance; and,
- Interact with the community and obtain feedback on the Bradshaw Mine Project and the Bradshaw Mine Production Closure Plan.

The commencement of processing the Bulk Sample is subject to Northern Sun obtaining requisite governmental consents and approvals. Northern Sun has undertaken to diligently and expeditiously seek to obtain, using commercially reasonable efforts, all required governmental consents and approvals, including environmental approvals, necessary for the processing of the Bulk Sample ore pursuant to the Term Sheet.

Selected quarterly information

The following tables set out certain financial performance highlights for the last eight quarters:

	First Quarter January 31, 2019	Fourth Quarter October 31, 2019	Third Quarter July 31, 2019	Second Quarter April 30, 2019
	\$	\$	\$	\$
General and administrative (expenses)	(1,069,020)	(1,224,354)	(638,952)	(438,232)
Foreign exchange (loss) gain	(73,000)	(3,332)	131,319	(90,011)
Interest income (expense)	(490,278)	(76,548)	(187)	(2,727)
Accretion (expense)	(3,191)	(156,679)	(530,675)	(476,407)
Deferred income tax (expense) recovery	-	1,851,000	26,000	19,000
Net comprehensive (loss)	(1,635,489)	(2,055,552)	(1,012,495)	(988,377)
Net comprehensive (loss) per share, basic and diluted	(0.020)	(0.040)	(0.019)	(0.024)
Cash flow (used in) operations	(907,568)	(283,323)	(1,909,930)	(353,823)
Cash & cash equivalents, end of period	1,484,291	284,567	5,098,636	461,462
Assets	59,351,191	57,246,391	61,555,866	55,279,684
Deferred tax liabilities	1,083,000	1,083,000	2,837,000	2,863,000

	First Quarter January 31, 2019	Fourth Quarter October 31, 2018	Third Quarter July 31, 2018	Second Quarter April 30, 2018
	\$	\$	\$	\$
General and administrative (expenses)	(404,061)	(549,115)	(461,143)	(852,991)
Foreign exchange gain (loss)	3,212	(175,742)	(224,171)	(429,219)
Interest income (expense)	-	(13,038)	16	(12,831)
Accretion (expense)	(476,407)	(353,306)	(422,012)	(380,860)
Deferred income tax expense	19,000	(1,706,000)	16,000	13,000
Flow through premium (expense) recovery	(858,256)	(71,000)	-	425,855
Net comprehensive (loss) / gain	(0.02)	(2,803,701)	(1,107,310)	(1,263,046)
Net (loss) per share, basic and diluted	227,476	(0.0)	(0.03)	(0.04)
Cash flow (used in) operations	274,607	(2,061,358)	145,680	263,202
Cash & cash equivalents, end of period	54,239,671	153,174	120,457	227,113
Assets	2,882,000	53,493,001	52,770,059	52,612,761
Deferred tax liabilities		2,901,000	1,260,000	1,276,000

The following is a summary of selected audited financial information for the fiscal years of:

	2019	2018	2017
	\$	\$	\$
General and administrative expenses	2,705,599	2,162,293	2,348,697
Foreign exchange (loss) / gain	41,188	(443,640)	87,036
Interest, other (expense) / income	(79,462)	(25,836)	17,583
Accretion (expense)	(1,640,168)	(1,527,089)	(1,017,112)
Deferred income tax (expense) / recovery	1,915,000	(1,665,000)	185,000
Net loss for the year	(4,913,180)	(4,782,716)	(3,076,190)
Net comprehensive loss for the year	(4,914,680)	(4,784,216)	(3,073,940)
Net loss per share, basic and diluted	(0.103)	(0.134)	(0.0101)
Cash flow (used in) operations	(2,319,600)	(596,880)	(2,628,259)
Cash & cash equivalents, end of year	284,567	153,174	2,590,753
Assets	57,246,391	53,493,001	44,547,013
Long term debt	13,160,000	7,862,935	6,830,227
Deferred tax liabilities	1,083,000	2,901,000	1,301,000

Results of Operations

The Company's activities during the three month period ended January 31, 2020, produced a net comprehensive loss of (\$1,635,489) as compared to a net comprehensive loss of (\$858,256) for the comparable prior year period.

The expenditures listing below are followed by a brief discussion of significant line items in expenses.

Expenses	Three Months Ended January 31, 2020	Three Months Ended January 31, 2019
	\$	\$
General and administrative	251,277	186,238
Professional fees	168,882	173,424
Investor relations	7,500	7,500
Shareholder communications	1,778	467
Transfer agent and exchange fees	7,038	2,565
Amortization	32,545	33,867
Mill Stand by Charge	600,000	-
<i>Total General and administration</i>	<i>1,069,020</i>	<i>404,061</i>
Accretion	3,191	476,407
Foreign exchange loss /(gain)	73,000	(3,212)
Interest and other (expenses)	490,278	-
Total Loss before taxes	(1,635,489)	(877,256)

General and Administrative Expenses – The increase in the current three month period as compared to the prior year comparable period reflects an increase in the ongoing corporate and administrative expense provisions associated with additional corporate management services fees.

Professional Fees – The current three month period reflects the cost for the monthly arrangement fee associated with the pre-payment of the gold concentrate and fees associated with the financing initiatives of the Company.

Shareholder Communications – The shareholder communication expenses during the current month period reflect costs associated with the public news releases.

Transfer agent and regulatory fees – Transfer agent and regulatory fees for the current three month period reflects costs associated with exchange filing fees and ongoing shareholder management.

Mill Stand by Charge – The stand by charge is associated with the signing of the term sheet on October 30, 2019, with Northern Sun Mining with respect to the processing of Gowest ore at the Redstone Mill. The Company is responsible for certain care and maintenance costs until the Mill is available for processing.

Accretion - Accretion expense on long-term debt for the current three month period reflects accretion recorded for the present value of the future rehabilitation liability as compared to the prior year period which

recorded the effective interest on the Prepaid Forward Gold Agreement that was settled in October 2019 and accretion for the present value of the future rehabilitation liability..

Foreign Exchange – The foreign exchange loss in the current three month period reflects the revaluation of the current Prepaid Forward Gold Agreement debt and the Prepayment for gold concentrate from Shandong Humon Smelting both denominated in US dollars re-valued at the closing rate at the end of the period.

Liquidity and Capital Resources

The activities of the Company, which are primarily the acquisition, exploration and evaluation of mineral properties that it believes contain mineralization, are financed through the completion of equity transactions such as equity offerings and the exercise of stock options and warrants. There is no assurance that equity capital will be available to the Company in the required amounts, with acceptable terms or at the time required. See “Risk Considerations” below.

As at January 31, 2020 and October 31, 2016, the Company reported a cash and cash equivalent position of \$1,484,291 and \$284,567 respectively, and working capital deficit of \$7,957,901 and \$9,083,442 respectively. Included in the current period working capital are costs associated deferred fees and equipment rentals and fees associated with the monthly Humon arrangement fee.

The Company’s cash used by operating activities was (\$907,567) for the three month period ended January 31, 2020. Cash used in investing activities was (\$901,151) for the three month period ended January 31, 2020 reflecting costs attributed to the advanced exploration activities including, care and maintenance during the suspension of bulk sample mining, engineering and permitting and a closure for the ore-sorting area.

The Company’s cash provided by financing activities was \$3,008,443 for the three month period ended January 31, 2020, reflecting the net proceeds from private placement financings in December 2019 and January 2020. The Company is assessing its future funding requirements to advance on the development of Bradshaw. The Company expects funding to complete the development of Bradshaw through equity transactions such as equity offerings, exercise of stock options and warrants. The Company will continue to explore various alternative methods to continue the advancement of its projects.

Mineral Properties

According to Gowest’s Exploration and Evaluation Properties as at January 31, 2020, accumulated costs related to the Company’s interest in mineral properties owned, leased, under consideration to be acquired or under option, were as follows:

	Opening Net Book Value November 1, 2019	Expenditures For the Period Ended January 31, 2020	Closing Net Book Value January 31, 2020
	\$	\$	\$
Frankfield Property	51,115,403	831,416	51,946,819
Pipestone Property	1,935,715	-	1,935,715
Tully Property	912,425	-	912,425
Whitney Property	114,475	-	114,475
	54,078,018	831,416	54,909,434

	Frankfield Property		Pipestone Property		Tully Property		Whitney Property		Total	
	Three Months Ended									
	Jan 31, 2020	Jan 31, 2019	Jan 31, 2020	Jan 31, 2019	Jan 31, 2020	Jan 31, 2019	Jan 31, 2020	Jan 31, 2019	Jan 31, 2020	Jan 31, 2019
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Opening Balance, Beginning of period	51,115,403	46,840,456	1,935,715	1,924,443	912,425	906,375	114,475	114,475	54,078,018	49,785,749
Acquisition and holding costs	-	-	-	-	-	-	-	-	-	-
Property upgrades, site infrastructure, site clearing and ramp development	-	-	-	-	-	-	-	-	-	-
Mining	-	-	-	-	-	-	-	-	-	-
Asset retirement obligation	-	-	-	-	-	-	-	-	-	-
Office, Camp, Engineering, Study, Consultation, Permitting, Care & Exploration, Drilling and Geophysics	785,209	592,041	-	-	-	-	-	-	785,209	592,041
	46,207	-	-	-	-	-	-	-	46,207	-
Closing Balance, End of Period	51,946,819	47,432,497	1,935,715	1,924,443	912,425	906,375	114,475	114,475	54,909,434	50,377,790

Exploration and Development Expenditures

Gowest's North Timmins Gold Project (NTGP) currently covers one patented mining claim, 11 mining leases and 56 unpatented mining claims over a total of 11,185 hectares (111 square kilometres) in Evelyn, Gowan, Little, Prosser, Tully, and Wark Townships in the Timmins gold camp. This includes 26 unpatented mining claims (3,302 hectares) held under joint venture with Transition Metals Corp. (Transition). The project is comprised of three main properties: Frankfield, Tully and Pipestone.

The project is located approximately 32 km north-northeast of the City of Timmins, Ontario. Gowest owns a 100% interest in all of the claims that are not part of the Transition joint venture.

(i) Frankfield Property

The Frankfield Property covers an area of 837 hectares and is comprised of nine mining leases. The property hosts the Bradshaw deposit that currently contains approximately 422,059 ounces of Au in the indicated category (2.1 million t at a grade of 6.2 g/t) and 754,583 oz. Au in the inferred category (3.6 million t at a grade of 6.5 g/t Au).

In March, 2009, Gowest acquired a 100% interest in the Frankfield project in Ontario. In consideration for New Texmont Exploration Ltd.'s ("New Texmont") 50% interest in the Frankfield project, the Company issued 15,000,000 common shares to New Texmont and also granted New Texmont a sliding scale Net Smelter Royalty (the "NSR"). In December 2015, the Company purchased the NSR from New Texmont with one-time payment with the issuance of 10,000,000 common shares (estimated grant date fair value of \$800,000 based on the quoted market price of the Company's shares) at a deemed price of \$0.10.

In February, 2010, the Company completed an agreement with Goldcorp Canada Ltd. and Goldcorp Inc. (collectively "Goldcorp"), for the purchase of Goldcorp's properties in Tully Township adjacent to the Company's 100% owned Frankfield Project. Consideration for this acquisition included a 2% NSR derived from future production specifically from the Goldcorp leased claims, a 1% NSR derived from future production specifically from the Goldcorp unpatented claims and \$100,000 in cash (paid). The Company will maintain an NSR buyout option for both the Goldcorp leased claims and Goldcorp unpatented claims valued at \$500,000 for each 0.5% of the desired NSR. Goldcorp may elect not to sell the final 0.5% portion of its NSR.

In December, 2010, the Company completed its acquisition of a 100% interest of the Dowe property in Tully Township, Ontario adjacent to the Company's 100% owned Frankfield Gold Property. In consideration for this acquisition, the Company paid \$16,000 in cash, issued 70,000 common shares (estimated grant date fair value of \$18,200 based on the quoted market price of the Company's shares) of the Company and agreed to a 0.5% NSR at gold prices of less than US\$950 per ounce or 0.75% NSR at gold prices equal to or greater than US\$950 per ounce. The Company maintains an NSR buyout option valued at \$125,000 for each 0.25% of the NSR.

During the year ended October 31, 2017, the Company increased its previously placed financial assurance bond by \$773,877 for a total of \$854,298 with the Ministry of Northern Development and Mines for the Bradshaw project advanced exploration closure plan, which is refundable once certain conditions are met.

During the year ended October 31, 2017, the Company initiated and proceeded with the advanced exploration program on the Bradshaw with extensive surface preparation work for the Bulk Sample Program. Gowest started underground development at the Bradshaw mine site on May 11, 2017, when the first blast was executed at the portal, which is located at the east side of the outcrop.

During the initiation of the bulk sample program, the Company has driven over 2,100 metres of the main decline to the south with development on the 30 and 45 metre levels near completion for stoping and development extending to the 60 metre level. Crews were working on the decline in two shifts since the middle of May 2017 and one shift from end of December 2017 to April 2018. The Company currently has over 28,000 tonnes of development material stockpiled on surface for sorting, milling and sale as concentrate.

While the Company reviewed and evaluated its options for processing ore from its Bulk Sample, and given the uncertainty of the timing surrounding the processing of the Bulk Sample and the fact that there was no further capacity at the mine site to store any further underground mined material, the Company determined to suspend mining operations in April 2018, but only to the extent that will ensure there will be no delay in the renewal of the development of the mine when conditions warrant

To date, the Company completed 3,871 metres of ramp infill drilling for a total of 30 holes and metallurgical test holes in the area where the bulk sample will be collected. All holes in the drill program intersected gold mineralization. The advanced exploration drill program has been designed to refine the geological model and the stope design in the upper portion of the Bradshaw deposit.

In January 2020, the Company announced that it is preparing to undertake a diamond drill program to provide critical information in preparation for extending the main ramp, locating the planned vent raise, as well as providing additional details on the first long stope.

In anticipation of processing the bulk sample ore at the Redstone Mill and moving towards mine production beginning mid-2020, the Company has been preparing a new Production Closure Plan for submission to the provincial ministry of Energy, Northern Development and Mines.

Currently, all environmental approvals are in place for the Mine Production phase, with the exception of the Mine Production Closure Plan, which is the subject of this meeting. The Bradshaw site was designed and developed for eventual mine production, with a minimal surface footprint. No ore processing will occur at the mine site.

The main project infrastructure that will be required for the Mine Production Stage includes:

- Advancement of underground mine workings;
- Construction of a new vent raise and escapeway; and,
- Some additional ancillary buildings and storage areas.

All interested persons are encouraged to actively provide input into the Production Mine Closure Plan.

Reclamation and Closure Cost Obligations

Pursuant to the Bradshaw Project Closure Plan, the Company is obligated to rehabilitate the Bradshaw site. Each period the Company reviews cost estimates and other assumptions used in the valuation of the obligations at each of its mining properties and development properties to reflect events, changes in circumstances and new information available. Changes in these cost estimates and assumptions have a corresponding impact on the fair value of the obligation. The fair values of the obligations are measured by discounting the expected cash flows using a discount factor that reflects the risk-free rate of interest. The Company prepares estimates of the timing and amount of expected cash flows when an obligation is incurred. Expected cash flows are updated to reflect changes in facts and circumstances. The principal factors that can cause expected cash flows to change are: the construction of new processing facilities; obligations realized through additional ore bodies mined; changes in the quantities of material in reserves and a corresponding change in the Life of Mine; changing ore characteristics that impact required environmental protection measures and related costs; changes in water quality that impact the extent of water treatment required; and changes in laws and regulations governing the protection of the environment. Assumptions, including an inflation rate of 1.15% (2019 – 1.15%) and a discount rate of 1.42% (2019 – 1.42%), and an expected time to completion of 9 years (2019 – 9 years) have been made which management believes are a reasonable basis upon which to estimate the future liability.

The present value of the future rehabilitation liability was estimated at \$901,860 as at January 31, 2020.

(ii) Pipestone Property

The Pipestone Property (7,577 hectares) is comprised of two blocks, namely the East Pipestone and the West Pipestone, both east and west of the Frankfield Property, respectively. The East Pipestone block consists of 21 wholly owned unpatented mining claims (4,274 hectares) and 12 unpatented mining claims (2,218 hectares), held by Gowest under a joint-venture agreement with Transition Metals Corp.

The Pipestone West Property consists of 15 unpatented mining claims (1,085 hectares), held by Gowest under a joint-venture agreement with Transition Metals Corp.

On April 26, 2011, the Company entered into an option and joint venture agreement (the "Option Agreement") with Transition Metals Corp. ("TMC") to explore and earn an interest in an additional 3,400 hectares in the Porcupine mining district in Ontario (the "Pipestone Property"). The Company completed its earn-in option for a 60% interest in the properties on April 26, 2016. Upon earning the 60% interest, as applicable, a joint venture automatically formed between Gowest and TMC, pursuant to which the companies will continue to explore and develop the Pipestone Property as warranted. Should either party's joint venture interest be diluted below 10%, its interest will be converted to a 2% NSR.

During the twelve month period ended October 31, 2018, the Company completed an Induced Polarization (IP) survey on the Pipestone property, as part of the Transition JV work program. The Company is evaluating the results and developing the next steps for the program which it expects to initiate during the fourth quarter of the Company's fiscal twelve months.

As at January 31, 2020, the Company's interest in the properties is 67.7%.

(iii) Tully Property

The Tully Property consists of two claim blocks totalling 2,513 hectares in Tully Township. The North block is located 3 km northeast of the Bradshaw Gold deposit and is comprised of one mining lease and one unpatented claim totalling 228 hectares. The Tully East Property, which consists of one patented claim, one mining lease and six unpatented mining claims covering 2,285 hectares, is contiguous to and east of the Frankfield Property.

(iv) Whitney Property

The Gowest Whitney Property consists of nine patented claims (mining and surface rights) totalling approximately 144 hectares. It is located in the centre of the Timmins Gold Camp, 10 km west of downtown Timmins, Ontario and 25 km south of the Bradshaw gold deposit.

The Company had a historic interest in 5 patented claims and on July 22, 2015, the Company entered into an agreement to acquire a 100% interest in 4 additional patented claims from the Crown for shares and cash. In accordance with the terms of the agreement, the Company has paid \$25,000 in cash and issued 1,000,000 common shares (estimated grant date fair value of \$75,000 based on the quoted market price of the Company's shares) of the Company on August 25, 2015.

Next Steps

The Company's primary objective is to complete the Bradshaw gold deposit 30,000 tonne bulk sample from the primary gold zones in the underground mining area, towards production. To that end, the Company has received all the necessary permits for the advanced exploration at the Bradshaw from the various provincial government ministries. The Company has undertaken the application for a mining permit and continues to consult with the various First Nation communities on obtaining a Resource Development Agreement.

In addition, the Company continues to review opportunities to increase the resource through exploration on the NTGP and other potential opportunities to enhance shareholder value.

On a quarterly and annual basis, the management of the Company reviews exploration costs to ensure deferred expenditures include only costs and projects that are eligible for capitalization.

Commitments and Contingencies

The Company is party to a management and consulting contract. The contract contains clauses requiring additional payments of \$617,000 to be made upon the occurrence of certain events such as a change of control or termination. As of January 31, 2020, no triggering event has occurred, and the contingent payment has not been reflected in these financial statements.

The Company is committed to minimum amounts under one operating lease agreement for premises, which expires on November 30, 2023. Minimum commitments remaining under this lease are approximately \$244,500, of which approximately \$65,000 are due within a one year period.

Minimum payments due under operating leases in respect of office space are set out below:

2020 - \$ 48,500
2021 - \$ 67,000
2022 - \$ 67,000
2023 - \$ 62,000

The Company's exploration and evaluation activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

On December 20, 2019, the Company issued \$1,043,058 in flow-through shares. As at January 31, 2020, the Company had expended \$189,666 of the related commitments to these flow-through funds. The Company has indemnified the subscribers of current and previous flow-through share offerings against any tax related amounts that become payable by the shareholder as a result of the Company not meeting its expenditure commitments.

On October 30, 2019, the Company announced that it has entered into a binding term sheet with Northern Sun Mining Corp. ("Northern Sun") with respect to the processing at Northern Sun's Redstone Mill in Timmins,

Ontario of up to 30,000 tonnes of ore developed from the Company's Advanced Exploration Bulk Sample program. Pursuant to the term sheet, which expires September 30, 2020, Gowest is responsible for certain care and maintenance costs of the Redstone Mill, in the form of a standby fee of CDN\$200,000 per month (which may be reduced to CDN\$150,000 in certain circumstances). In connection with the signing of the term sheet with Northern Sun the Company terminated its agreement with QMX on October 30, 2019. See Note 14.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Transactions with Related Parties

The remuneration of directors and key management of the Company for the three months ended January 31 is as follows:

	<u>2019</u>	<u>2019</u>
	\$	\$
Aggregate cash compensation	95,500	95,500

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

During the three month period ended January 31, 2020, officers, directors and insiders subscribed for 2,227,273 units in the private placement for proceeds of \$490,000, and Fortune Future Holdings Limited, a significant shareholder of the Company with three nominated director subscribed for 5,000,000 units in the private placement for proceeds of \$1,000,000 (October 31, 2019 – 1,250,000 units for proceeds of \$625,000 and Fortune Future Holdings Limited. subscribed for 17,777,777 common shares in a private placement for proceeds of \$8,000,000. Included in long term debt is a loan from Greenwater Investment in the amount of \$9,263,100 of which a director of Gowest, Meirong Yuan, is also a director and included in Commitments is an obligation to Northern Sun of which Meirong Yuan is also a director. See Notes 11 and 15).

During the three month period ended January 31, 2020, \$27,600 was recorded to Mr. Wu, a director who provided geological services to the Company (October 31, 2019 - \$36,800) and \$64,717 was recorded to Mr. Yuan a director who provided Corporate Development services to the Company (October 31, 2019 - \$50,400).

Included in accounts payable and accrued liabilities as at January 31, 2020 is \$26,917 (October 31, 2019 - \$380,900) owing to management, directors and officers of the Company of which the amount payable is unsecured, non-interest bearing with no fixed terms of repayment and \$17,764 owing to a director.

Proposed Transactions

There are no material decisions by the board of directors of the Company with respect to any imminent or proposed transactions that have not been disclosed.

Significant Accounting Judgements, Estimates

The preparation of the condensed interim financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the condensed interim financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The condensed interim financial statements include estimates that, by their nature, are uncertain. The impact of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future

events that are believed to be reasonable under the circumstances. The key sources of estimation uncertainty that have a significant risk of causing material adjustment to the amounts recognized in the financial statements are: capitalization of exploration and evaluation expenditures, impairment of exploration and evaluation properties, share-based payments, income taxes and recoverability of potential deferred tax assets and flow-through shares, valuation of the reclamation and closure cost obligation and classification and measurement of long-term debt.

Change in Accounting Policy

The basis of presentation, and accounting policies and methods of their application in the January 31, 2020 financial statements are consistent with those used in the Company's annual financial statements for the year ended October 31, 2019.

New accounting standards and interpretations effective in future periods

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods beginning after November 1, 2019 or later periods. Many are not applicable or do not have a significant impact to the Company and have been excluded from the list below. The following have not yet been adopted and are being evaluated to determine the impact on the Company.

(i) IFRS 10 – Consolidated Financial Statements (“IFRS 10”) and IAS 28 – Investments in Associates and Joint Ventures (“IAS 28”) were amended in September 2014 to address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business. The effective date of these amendments is yet to be determined; however early adoption is permitted.

(ii) IFRS 16 – Leases (“IFRS 16”) was issued in January 2016 and replaces IAS 17 – Leases as well as some lease related interpretations. With certain exceptions for leases under twelve months in length or for assets of low value, IFRS 16 states that upon lease commencement a lessee recognises a right-of-use asset and a lease liability. The right-of-use asset is initially measured at the amount of the liability plus any initial direct costs. After lease commencement, the lessee shall measure the right-of-use asset at cost less accumulated depreciation and accumulated impairment. A lessee shall either apply IFRS 16 with full retrospective effect or alternatively not restate comparative information but recognise the cumulative effect of initially applying IFRS 16 as an adjustment to opening equity at the date of initial application. IFRS 16 requires that lessors classify each lease as an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Otherwise it is an operating lease. IFRS 16 is effective for annual periods beginning on or after January 1, 2019. Earlier adoption is permitted if IFRS 15 has also been applied.

Capital Management

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and evaluation of mineral properties. The Board of Directors does not establish a quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The properties in which the Company currently has an interest are in the exploration stage with the Bradshaw moving into development stage; as such the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed.

The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the three month period ended January 31, 2020.

The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than of the TSX Venture Exchange ("TSXV") which requires adequate working capital or financial resources of the greater of (i) \$50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months. As of January 31, 2020, the Company may not be compliant with the policies of the TSXV. The impact of this violation is not known and is ultimately dependent on the direction of the TSXV.

Refer to Note 3 in the financial statements.

Risk Considerations

Gowest's business of exploring for mineral resources involves a variety of operational, financial and regulatory risks that are typical in the natural resource industry. The Company attempts to mitigate these risks and minimize their effects on its financial performance, but there is no guarantee that the Company will be profitable in the future, and Gowest common shares should be considered speculative.

For a discussion of certain risk exposures and the impact on the Company, refer to Note 4 of the Company's financial statements for the three month period ended January 31, 2020. In addition to the risk exposures and the impact to the Company the following are additional considerations for the Company.

Exploration and Development Risks

The Company's activities are directed towards the exploration and development of the Bradshaw project.

Resource exploration and mineral development is a highly speculative and extremely volatile business. The Company's exploration and initial development activities involve significant risks that cannot be eliminated or adequately mitigated, even with careful and prudent planning and evaluation, experience, knowledge and operational know-how. In general, the discovery of ore bodies may result in substantial rewards. However, few properties which are explored are ultimately developed into producing mines. Exploration for gold involves many risks and uncertainties and success in exploration is dependent on a number of factors, including the quality of management, quality and availability of geological expertise and the availability of exploration capital. Substantial expenditures are required to (i) establish mineral resources and mineral reserves (ii) complete drilling and to develop metallurgical processes to extract the minerals, (iii) develop mining and processing facilities and suitable infrastructure at any site chosen for mining, and (iv) establish commercial operations. Also, substantial expenses may be incurred on exploration projects which are subsequently abandoned due to poor exploration results or the inability to define reserves which can be mined economically. Even if an exploration program is successful and economically recoverable gold is found, it can take a number of months from the initial phases of drilling and identification of the mineralization until production is possible, during which time the economic feasibility of extraction may change and gold that was economically recoverable at the time of discovery ceases to be economically recoverable. There can be no assurance that gold recovered in small scale tests will be duplicated in large scale tests under on-site conditions or in production scale operations. The Company cannot ensure or provide any comfort that the exploration or development programs planned by the Company will result in a profitable commercial mining operation in respect of the Bradshaw Project.

The commercial viability of the Bradshaw Project depends upon on a number of factors, all of which are beyond the control of the Company, including: the particular attributes of a deposit, such as size, grade, metallurgy and proximity to infrastructure, market fluctuations in the price of metals (which are highly volatile), general and local labour market conditions, the proximity and capacity of milling facilities, and local, provincial, federal and international government regulation, including regulations relating to prices, taxes, royalties, land tenure, land use, and the importing and exporting of minerals and environmental protection. The effect of these factors, either alone or in combination, cannot be accurately predicted and their impact may result in the Company not being able to economically extract minerals from any identified mineral resource or mineral reserve which, in turn, could have a material and adverse impact on the Company's cash flows, earnings, results of operations and financial condition and prospects. The Company

cannot provide any certainty that its planned expenditures will result in the successful operation of the Bradshaw Project.

Estimates of reserves, mineral deposits and production costs can also be affected by such factors as environmental permitting, social activism, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations, and work interruptions. In addition, the quantity or grade of minerals ultimately extracted may differ from the quantity or grade indicated by drilling results. Short term factors relating to reserves, such as the need for orderly development of ore bodies or the processing of new or different grades, may also have an adverse effect on mining operations and on results from operations. Any material changes in ore reserves, grades, stripping ratios or recovery rates may affect the economic viability of the Bradshaw Project and the viability of the Company may be negatively affected.

Obtaining and Renewing of Government Permits

In the ordinary course of business, the Company is required to obtain or renew governmental permits for mineral exploration. Obtaining or renewing the necessary governmental permits is a complex and time-consuming process involving numerous agencies which can often involve public hearings and costly undertakings. The duration and success of the Company's efforts to obtain or renew permits are contingent upon many variables not within the Company's control, including the interpretation of applicable requirements implemented by the permitting authority or potential legal challenges from various stakeholders such as environmental groups, nongovernmental organizations, aboriginal groups or other claimants. The Company may not be able to obtain or renew permits that are necessary to its operations, or the cost to obtain or renew permits may exceed what the Company believes it can recover from the Bradshaw Project once in production. Any unexpected delays or costs associated with the permitting process could delay the development or impede the operation of a mine, which could have a material adverse effect on the Company's operations and profitability.

Employee Recruitment and Key Personnel

Recruiting and retaining qualified personnel is critical to the success of the Company. The number of persons skilled in acquisition, exploration and development of mining properties is limited and competition for such persons is intense. As the Company's business activity grows, the Company will require additional key executive, financial, operational, administrative and mining personnel. There can be no assurance that the Company will be successful in attracting, training and retaining qualified personnel. If the Company is not successful in attracting and training qualified personnel, the efficiency of its operations could be affected, which could have a material adverse effect on the Company's results of operations and profitability. The Company's business involves a certain degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. As such, the Company's success is dependent on the services of its senior management. The loss of one or more of the Company's key employees could have a material adverse effect on the Company's operations and business prospects. In addition, the Company's future success depends on its ability to attract and retain skilled technical, management, sales and marketing personnel. There can be no assurance that the Company will be successful in attracting and retaining such personnel and the failure to do so could have a material adverse effect.

Disclosure Controls and Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported to senior management, including the Company's President and Chief Executive Officer and Chief Financial Officer, on a timely basis so that appropriate decisions can be made regarding public disclosure.

As at January 31, 2020, Gowest management, with the participation of the President, Chief Executive Officer and the Chief Financial Officer, evaluated the effectiveness of the Company's disclosure controls and procedures as required by Canadian securities laws. Based on that evaluation, the President, Chief Executive Officer and the Chief Financial Officer have concluded that, as of the end of the period covered by this management's discussion and analysis, the disclosure controls and procedures were effective to

provide reasonable assurance that material information required to be disclosed in the Company's annual filings and interim filings (as such terms are defined under Multilateral Instrument 52-109 – Certification of Disclosure in Issuers' Annual and Interim Filings) and other reports filed or submitted under Canadian securities laws is recorded, processed, summarized and reported within the time periods specified by those laws and that material information is accumulated and communicated to management of the Company, including the President and Chief Executive Officer and the Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Internal Control Over Financial Reporting

Management of the Company is responsible for designing internal controls over financial reporting or causing them to be designed under their supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with IFRS.

There are inherent weaknesses in the systems of internal control due to the small size of the Company and its inability to segregate incompatible functions. The Company plans to remediate this weakness by expanding the number of individuals involved in the accounting function as the Company incurs future growth.

Outstanding Share Data

Common Shares:

The Company has authorized an unlimited number of common shares and 2,000,000 special shares, redeemable, voting and non-participating. The Company has 78,101,031 common shares issued and outstanding, on a post consolidation basis, as of the date hereof.

Gowest shares are traded on the TSX Venture Exchange under the symbol GWA.

Share Purchase Warrants:

As of the date hereof, the Company has 9,067,390 common share purchase warrants outstanding, on a post consolidation basis, with an average exercise price of \$0.44 expiring between July 2020 and January 2022.

Stock Options:

As of the date hereof, the Company has 932,500 options outstanding under the Company's stock option plan for employees, directors, officers and directors, on a post consolidation basis, with exercise prices of between \$0.80 and \$1.60 expiring from June 2020 to October 2022.

Additional Information

Additional information relating to the Company is available on the Internet at the SEDAR website located at www.sedar.com and at <http://www.gowestgold.com/index.html>.