Evergold Corp.

Management's Discussion and Analysis

Year Ended December 31, 2018

Introduction

The following management's discussion and analysis ("MD&A") of the financial condition and results of operations of Evergold Corp. ("Evergold" or the "Company") has been prepared by management as at September 16, 2019, and should be read in conjunction with the annual financial statements of the Company for the years ended December 31, 2018 and December 31, 2017 (the "Financial Statements") and related notes.

The Financial Statements have been prepared by management in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). All amounts are expressed in Canadian dollars unless otherwise stated. Other information contained in this document has also been prepared by management and is consistent with the data contained in the interim Financial Statements.

The Company's certifying officers are responsible for ensuring that the Financial Statements and MD&A do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made. The Company's certifying officers certify that the Financial Statements together with the other financial information included in the filings fairly present in all material respects the financial condition, financial performance and cash flows of the Company as of the date of and for the periods presented in the filings.

The Company's Audit Committee and the Board of Directors provide an oversight role with respect to all public financial disclosures by the Company. The Board of Directors approves the Financial Statements and MD&A after the completion of its review and recommendation for approval by the Audit Committee, which meets periodically to review all financial reports, prior to filing.

Forward-Looking Statements

Certain statements contained in this document constitute "forward-looking statements". All statements other than statements of historical fact contained in this MD&A, including, without limitation, those regarding the Company's future financial position and results of operations, strategy, proposed acquisitions, plans, objectives, goals and targets, and any statements preceded by, followed by or that include the words "believe", "expect", "aim", "intend", "plan", "continue", "will", "may", "would", "anticipate", "estimate", "forecast", "predict", "project", "seek", "should" or similar expressions or the negative thereof, are forward-looking statements. These statements are not historical facts but instead represent only the Company's expectations, estimates and projections regarding future events. These statements are not guarantees of future performance and involve assumptions, risks and uncertainties that are difficult to predict. Therefore, actual results may differ materially from what is expressed, implied or forecasted in such forward-looking statements.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to risks associated with: geological risks, limited operating history; inability to generate earnings or pay dividends for the foreseeable future; no current assets other than cash; uncertain ability to raise additional funds when required; reliance on a small number of key managers lacking backup; potential conflicts of interest among directors and officers of the Company; lack of liquidity for shareholders of the Company; ability to secure needed permits, ability to physically access and work the Company's property assets due to poor weather or First Nations risks, a potential lack of key contract personnel and services providers needed to execute elements of the Company's exploration plans, and market risk consisting of fluctuations in the Company's share price, metal prices, credit market conditions and investor appetite for early stage exploration companies. See "Risks and Uncertainties".

Management provides forward-looking statements because they believe such statements deliver useful guidance and information to readers when considering their investment objectives. Though management believes such statements to be as accurate as possible in the context of the information available to management at the time in which they are made, management cautions readers that the guidance and information contained in such statements may rapidly be superseded by subsequent events. Consequently, all of the forward-looking statements made in this MD&A are qualified by these cautionary statements and other cautionary statements or factors contained herein, and there can be no assurance that the actual results or developments suggested by such forward-looking statement will be realized or, even if substantially realized, that they will have the expected results, or effects upon, the Company. These forward-looking statements are made as of the date of this MD&A and the Company assumes no obligation to update or revise them to reflect subsequent information, events or circumstances or otherwise, except as required by law.

The forward-looking statements in this MD&A are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Company will operate in the future, including assumptions regarding business and operating strategies.

Description of the Business

Evergold was incorporated as a privately held junior resource company in October 2015, to serve as a vehicle for the acquisition, exploration and development of mineral properties in Canada. The Company's focus quickly turned to the province of British Columbia and the four 100%-owned property assets that now comprise its portfolio: **Snoball**, located in the heart of northwestern B.C.'s so-called "Golden Triangle"; **Golden Lion**, located in the Toodoggone region of northcentral B.C., 70 kilometres northwest of the Kemess mine; **Holy Cross**, located in central B.C., 60 kilometres due north of New Gold's Blackwater deposit; and **Spanish Lake**, located in the Cariboo region of central interior B.C., approximately 8 kilometres southeast of the Spanish Mountain gold deposit.

All four properties were acquired effective April 5, 2016, further to a Mineral Property Acquisition Agreement (the "Agreement"), between the Company and vendor C.J. Greig Holdings Ltd. of Penticton, B.C., a company controlled by Charles J. Greig. Charles J. Greig is as of the time of writing a director and the principal shareholder of, Evergold Corp. There were no staged cash payment or work commitment elements in the Agreement. The Agreement includes an area of interest provision applicable to each of the four properties extending 3 kilometres from the outermost boundaries of the claims, in which any interest in mineral tenures acquired by either party within 3 years of the Agreement may be added to the respective property by mutual election. In addition, the Agreement called for a 0.5% Net Smelter Returns ("NSR") Royalty on any future production from each of the four properties. There are no buy-back options on the NSRs.

Snoball, Golden Lion, and Holy Cross are interpreted as intrusion-related, precious and base metals-enriched systems. Each presents the potential for a variety of mineralization styles, including high-grade epithermal-style quartz-carbonate gold-silver veins, high-grade copper-gold-silver carbonate replacement/skarns, and bulk tonnage porphyry-style copper-gold-silver. Spanish Lake is a sediment-hosted vein gold prospect.

Property Assets and Exploration Activities

Snoball Property

The helicopter access, 3,545.12 hectare Snoball property is located in the Liard Mining Division of northwestern British Columbia, approximately 140 kilometres north-northwest of the village of Stewart, 25 kilometres northwest of the Bob Quinn Lake gravel airstrip, and 12 kilometres as the crow flies from highway 37. A 100% ownership interest in the property was acquired effective April 5, 2016, further to the Acquisition Agreement described above. That portion of the Acquisition Agreement dealing specifically with the Snoball property called for the one-time issuance to C.J. Greig Holdings Ltd. of 3 million common shares (paid) and 1.5 million, 7-year, 7.5 cent share purchase warrants (paid). These shares and warrants were restructured effective May 1, 2017 to 2,806,950 common shares plus 701,738, 7-year, 12 cent purchase warrants to reflect a property valuation carried out to that date. An incremental value of $275,686 was recorded in 2017 related to the share and warrant restructuring..

The Snoball prospect is a precious metals enriched, intrusion-related system, centred on a body of diorite emplaced along the northwest-trending, faulted contact between Stuhini Group sedimentary rocks to the west, and Hazelton Group volcanics to the east. Known mineralization styles include 1) high-grade vein-hosted gold-silver, 2) carbonate replacement/skarn, and 3) disseminated bulk tonnage style gold-silver in hornfelsed sediments overlying the intrusion. Potential also exists for bulk-tonnage porphyry-style gold-silver-copper in the intrusion itself.

The property has seen several historical work programs, including gridded geochemical sampling of soils and rocks, mapping, trenching and geophysics, culminating with drilling by Noranda in 1992 (12 holes for 1,500 metres). The great bulk of this historical work, including all of the historical diamond drilling, took place at lower elevations on this rugged property. Evergold's initial evaluation of historical sampling results suggested the actual source of a strong multi-element soil and rock anomaly developed by Noranda was up-slope to the north, at higher elevations well above the areas historically drilled. The Company's own soil and rock sampling (2016, 2017, 2018) of areas up-slope strongly reinforced this hypothesis. Recent (2018) reanalysis of the historical Newmont drill results also points to a strengthening of values in mineralized hornfelsed sediments from south (values generally <100 ppb Au in Noranda hole 92-11), to north (values ranging hundreds to occasionally thousands of ppb Au in holes 92-7 and 92-12).

The Company now believes the principal source of the multi-element anomaly lies along and below Snoball Ridge and Pyramid Peak, neither of which have ever been drilled. The next step is to deliver a NI 43-101 technical report on the Snoball property and to carry out an initial program of drilling, with a target of summer 2019 for doing so.

Golden Lion Property

The helicopter access, 5,099.52 hectare Golden Lion property is located in the Toodoggone region of northcentral British Columbia, approximately 308 kilometres north of Smithers, 70 kilometres northwest of the Kemess copper-gold mine, and 24 kilometres north of the Lawyers (Baker-Cheni Mine) project. A 100% ownership interest in the property was acquired effective April 5, 2016, further to the Acquisition Agreement described above. That portion of the Acquisition Agreement dealing specifically with the Golden Lion property called for the one-time issuance to C.J. Greig Holdings Ltd. of 2 million common shares (paid) and 1 million, 7-year, 7.5 cent share purchase warrants (paid). These shares and warrants were restructured effective May 1, 2017 to 1,350,510 common shares and 337,628, 7-year, 12 cent purchase warrants, to reflect a property valuation carried out to that date. An incremental value of $160,471 was recorded in 2017 related to the share and warrant restructuring.

The Golden Lion property exhibits high grades of gold, silver and copper in selected outcrop, and high values of a spectrum of elements in soil sampling, across three broad priority target areas known, respectively, as the "GL1", "GL2" and "GL3" Target Areas. Styles of mineralization identified to date on the property include high-grade vein-hosted epithermal gold-silver, copper-gold-silver carbonate replacement/skarn, and porphyry-style copper-gold-silver.

Evergold acquired the Golden Lion Property in May, 2016 which at that time encompassed just 190.3 hectares overlying the historical Golden Lion showing area, now constituting the core of the GL1 Target Area. The Golden Lion showing was the focus of considerable work by Newmont in the period from 1982 to 1984, including sampling, mapping, trenching, and geophysics, and culminating in the drilling of 22 holes for 2,475 metres in 1984. Evergold added another 1,336.68 hectares of claims in May 2017, following which it carried out its first exploration program that summer, concentrating on the GL1 Target Area. A second field program was carried out in 2018, this time focused on the newly-acquired claims to the east and northeast, underlying what are now the GL2 and GL3 Target Areas.

Work completed by Evergold to date has involved compilation, review, digitization and modeling of historical data, including Newmont's 1982-83 soil sampling and 1984 drill results, as well as geological mapping and prospecting, a 182 line-km airborne magnetometer survey, and rock, soil and stream sediment sampling. The results of these programs were considered highly encouraging, in consequence of which the Company again expanded the Property size early in 2019 with the staking of an additional 3,571.91 hectares. At almost 5,100 hectares, the Golden Lion Property is now about triple the size it was in May 2017.

At the GL1 Target Area, Newmont's mapping, trenching and sampling work in 1982 and 1983 identified 3 zones of mineralization (Zone 1, Zone 2, Zone 3) strung out over 1.7 kms along a linear trend oriented at 300 degrees. Follow-up drilling of Zones 2 and 3 in 1984 returned strong results, for example, 87 metres of 1.01 g/t Au in hole GL-84-20 (est. true width 35 metres), and outlined a broad, irregular, steeply eastward-dipping zone of gold-silver mineralization in stockwork veining and disseminated pyrite hosted within porphyry intrusive emplaced along the northwest-striking Toodoggone-Takla thrust fault boundary.

Soil sampling carried out in 2013 by C.J. Greig & Associates, and 3D modeling by Evergold of Newmont's 1984 drill results demonstrates that the linear 300 degree mineralized trend encompassing GL1 Zones 1, 2 and 3 is open to the northwest, to the southeast, and to depth. Moreover, modeling of the combined soil geochemical results from the Newmont 1982, C.J. Greig 2013 and Evergold 2017 soil sampling programs clearly reveals two trends: the NW-SE trend which was the focus of the historical Newmont drilling, and the second, never drilled, E-W trend. These two trends intersect in a 200-metre undrilled gap between Newmont hole GL-84-20 in the north, the best hole of the 1984 program, and Newmont holes GL-84-10 and GL-84-11 to the south. The most significant near-term exploration potential on GL1 Zones 2 and 3 is therefore believed to lie in this gap between the two, and also down dip to the east, where a larger coalescing system of mineralized fault breccias may exist. The Company concludes these should be a priority for drilling in the next phase of work. Drilling should also test the east-west, strongly anomalous soil geochemical trend identified by work programs in 2013 and 2017.

At the broad new GL2 Target Area, located to the northeast of GL1, Evergold personnel in 2018 sampled porphyry-style Cu-Ag and high-grade epithermal Au-Ag mineralization at the **GL2 EP Zone** target. Rock samples collected from quartz carbonate veins within and around the intrusion returned highs in epithermal-style veining to 18.4 g/t Au, 3180 g/t Ag, 2.1% Cu, 345 ppm Mo, 0.12% Pb and 5.3% Zn (GLVB18-031R), and 2.2% Cu, 10.7 g/t Ag, and 0.70 g/t Au in quartz-veined porphyry intrusive (GLLG18-003R). Several hundred metres to the north, on the other side of an intervening ridge (**"GL2 Ridge"**), the Company also sampled high-grade Cu-Ag-Au carbonate replacement style mineralization at the **GL2 Skarn** target, including highs to 13.5% Cu, 122 g/t Ag, 2.47 g/t Au, 0.1145% Zn and 0.0691% Pb in sample GLAA18-036R. Both the GL2 Skarn and GL2 EP Zone targets appear spatially related to areas of propylitic and lesser phyllic alteration and/or strongly anomalous multi-element soil and rock geochemical anomalies overlying the adjacent crest and slopes of GL2 Ridge, and/or associated with outcropping granodiorite intrusive in the valleys and glacial bowls adjacent to GL2 Ridge.

The GL3 Target Area is centred on the crest of a broad northeast-trending ridge located approximately 1 kilometre southeast and across the intervening valley from, the GL2 Target Area. Soil sample results indicate that, in contrast to GL2, this target is predominantly gold-silver-lead in character. A pronounced high is visible in the magnetic data, directly coincident with the strong soil geochemistry. These geochemical and geophysical results, combined with topographic analysis, suggest a mineralized source directly below.

The next step is to deliver a NI 43-101 technical report on the Golden Lion property and to carry out, with a target of summer 2019, initial drilling focused on 1) the untested gap between GL1 Zones 2 and 3 as well as the untested E-W anomaly; 2) the outcropping GL2 Skarn, the adjacent GL2 Ridge crest and its south-facing slopes, and the EP Zone target in the bowl on its south side, and 3) the GL3 Target Area.

Holy Cross Property

The road accessible, 1,872.15 hectare Holy Cross property is located in central British Columbia, Canada, approximately 30 kilometres south of the community of Fraser Lake, and north of the Blackwater gold deposit. A 100% ownership interest in the property was acquired effective April 5, 2016, further to the Acquisition Agreement described above. That portion of the Acquisition Agreement dealing specifically with the Holy Cross property called for the one-time issuance to C.J. Greig Holdings Ltd. of 2 million common shares (paid) and 1 million, 7-year, 7.5 cent share purchase warrants (paid). These shares and warrants were restructured effective May 1, 2017 to 671,190 common shares and 167,798, 7-year, 12 cent purchase warrants, to reflect a property valuation carried out to that date. An incremental value of $130,054 was recorded in 2017 related to the share and warrant restructuring.

The primary target type on the Holy Cross property is high-grade and/or bulk-tonnage intrusion-related gold+/-silver+/-copper. The property is predominantly underlain by volcanic rocks of the Middle Jurassic to Eocene age Ootsa Group, which have been intruded by a large Jurassic age quartz monzonite stock on the northern portion of the tenures.

Historically mapped, trenched, sampled and surveyed by Noranda (1987-89) with encouraging results (e.g. 1 g/t Au over 8.5 metres in chips, and 24.02 g/t Au and 20.8 g/t Ag from grabs), but never drilled, Holy Cross hosts a robust siliceous alteration system carrying locally elevated gold, copper and silver values over a large area, with attractive coincident geochemical-geophysical anomalies. Part of the property's allure is the heavy glacial drift coverage, which has camouflaged the underlying bedrock.

Geophysical surveying carried out in 2015 identified shallow IP anomalies coincident with geochemical anomalies in the overburden. The next step is to drill, possibly in winter 2019-20.

Spanish Lake Property

The road accessible, 1,572.79 hectare Spanish Lake property is located in the Cariboo Mining District of central British Columbia, Canada, some 80 kilometres east-northeast of Williams Lake and approximately 8 kilometres southeast along strike from the Spanish Mountain gold deposit. A 100% ownership interest in the property was acquired effective April 5, 2016, further to the Acquisition Agreement described above. That portion of the Acquisition Agreement dealing specifically with the Spanish Lake property called for the one-time issuance to C.J. Greig Holdings Ltd. of 2 million common shares (paid) and 1 million, 7-year, 7.5 cent share purchase warrants (paid). These shares and warrants were restructured effective May 1, 2017 to 1,089,650 common shares and 272,413, 7-year, 12 cent purchase warrants, to reflect a property valuation carried out to that date. An incremental value of $148,791 was recorded in 2017 related to the share and warrant restructuring.

The Spanish Lake property has excellent potential for a sediment-hosted vein gold system akin to that at the nearby Spanish Mountain deposit. Indeed, commencing in 2007, a previous operator, Dajin Resources, identified several areas on the Spanish Lake property of precious metal and pathfinder element enrichment along 1,500 metres of strike in favorable geology, specifically the Nicola Group black phyllite, carbonaceous shale to graphitic mudstone and siliceous siltstone, and exhibiting alteration and structural features similar to that seen at Spanish Mountain.

Follow-up drilling by Dajin in 2011 (12 NQ2 diametre core holes for 2,484 metres) intercepted long intervals of low-grade Spanish Lake-style gold (i.e. sediment-hosted, with abundant microstructures and veining). Best results were achieved from the most southerly group of holes, with AD1-2011-7, 8, 11 and 12 each ending in mineralization, and the two southwestern-most holes AD1-2011-11 and 12 returning long intervals of 92 and 85.2 metres respectively. True thicknesses are not yet known. The results suggest that only the fringes of the newly discovered zone have been tested.

Facing a major industry downturn, Dajin walked away from the property without filing an assessment report. In 2016 Evergold acquired the property, expanded its size and, in 2017, completed a report on the 2011 work.

As grade and intersection lengths increase to the south and west in the southern 2011 drill pattern, it is proposed that a program of IP and auger soil geochemical sampling target this under-explored, till-covered area. If results of this work are found to be encouraging, drilling would follow.

Overall Performance

All four of the Company's properties are at an early stage of exploration. None of them host discoveries, NI 43-101 compliant mineral resources, nor any zones of mineralization that might potentially become economic to mine. As such, the Company's only source of funds is derived from the issuance of equity, plus whatever interest it may earn from cash balances and the investment of that portion of the proceeds of such equity issuances not otherwise immediately required for exploration purposes, in short-term investments and money market instruments.

The Company's ability to appeal to investors and raise money for its plans is predicated upon a combination of factors including: 1) having strong properties with significant discovery potential that appeal to investors, 2) having management with a track record of success who can effectively promote those properties to the market, 3) having a sound capital structure, 4) offering specific terms on particular financings that are reasonable and offer investors reasonable prospects for gain, and 5) the absence of major economic calamity, reasonably strong metal prices, and a generally positive risk appetite in broader markets at the time the Company seeks to raise additional funds.

Notwithstanding these varied challenges, the Company has to date been successful in its efforts to raise capital, and believes it can continue to do so in future. A portion of the money raised since the Company was incorporated in 2015 has been carefully spent on exploration activities designed to add value to each of its four properties. This value-added has come in the form of the development of specific drill-ready targets on selected properties, targets that did not exist before, and are believed to offer strong discovery potential.

Performance to date overall, therefore, is considered strong: capital raised has been deployed to good effect in terms of generating specific, new, drill-ready targets.

Selected Annual Financial Information

The following is a summary of exploration expenditures by property for 2018:

Category	Snoball $	Golden Lion $	Holy Cross $	Spanish Lake $	Total $
Aircraft	7,501	10,857	-	-	18,358
Geochemical	3,820	38,410	-	-	42,230
Geological	18,988	27,900	4,400	-	51,287
Miscellaneous	-	550	-	69	619
Total	**30,309**	**77,717**	**4,400**	**69**	**112,494**

The following is a summary of exploration expenditures by property for 2017:

Category	Snoball $	Golden Lion $	Holy Cross $	Spanish Lake $	Total $
Aircraft	5,065	2,387	-	-	7,452
Geochemical	2,586	8,250	17,889	-	28,725
Camp & lodging	-	2,800	-	-	2,800
Geological	62,370	4,797	22,166	54,428	143,761
Geophysical	-	18,561	-	-	18,561
Drilling	66,915	51,192	-	-	118,107
Total	**136,936**	**87,987**	**40,055**	**54,428**	**319,406**

Fiscal Year	2018 $	2017 $	2016 $
Operating expenses	134,662	324,714	491,170
Loss from operations	134,662	324,714	491,170
Net loss for the year	134,662	324,714	491,170
Loss per share – basic and diluted	0.01	0.02	0.00
Total assets	339,030	421,740	159,330
Total liabilities	37,646	693	636

Results of Operations

Three months ended December 31, 2018 compared to three month ended December 31, 2017

Total operating expenses and net loss were $43,292 for the three months ended December 31, 2018 compared to $29,502 in the comparative period in 2017, an increase of $13,790. The increase was the result of increased exploration activity on the Company's Golden Lion property, partially offset by lower expenditures on the Snoball and Holy Cross properties.

General and administrative expenses totaled $7,594 in the fourth quarter of 2018, compared to $3,354 in the prior year period.

Year ended December 31, 2018 compared to year ended December 31, 2017

The net loss for the year ended December 31, 2018 was $134,662 compared to $324,714 for the year ended December 31, 2017. The large expenditures in 2017 were primarily related to the common share restructure, which resulted in an increase in exploration expenditures. Expenditures on the Company's Snoball property totaled $30,309, and included $3,820 spent on geochemical (2017 - $2,586), $18,988 spent on geological (2017 - $62,370), and $nil on drilling (2017 - $66,915). Expenditures on the Golden Lion property totaled $77,717 (2017 - $87,987), and primarily consisted of $38,410 (2017 - $8,250) on geochemical, and $27,900 (2017 - $4,797) on geological expenses. Exploration expenditures on the Company's Holy Cross property were $4,400 (2017 - $40,055). Spanish Lake expenditures were $69 compared to $54,428 in the prior year. General and administrative expenses amounted to $22,168 compared to $5,308 as a result of higher professional fees in 2018 as the Company prepares for its initial public offering.

The following table sets out selected quarterly results of the Company for the eight quarters prior to the effective date of this report. The information contained herein is drawn from the unaudited interim financial statements of the Company.

Calendar Year	**2018**	**2018**	**2018**	**2018**
Quarter	**December 31**	**September 30**	**June 30**	**March 31**
Revenue	$nil	$nil	$nil	$nil
Working capital	286,385	329,677	385,806	415,485
Operating expenses	43,292	56,129	29,680	5,561
Net loss	43,292	56,129	29,680	5,561
Net loss per share (1)	0.00	0.01	0.00	0.00

Calendar Year	**2017**	**2017**	**2017**	**2017**
Quarter	**December 31**	**September 30**	**June 30**	**March 31**
Revenue	$nil	$nil	$nil	$nil
Working capital	421,047	450,549	156,177	156,693
Operating expenses	29,502	25,980	265,518	3,714
Net loss	29,502	25,980	265,518	3,714
Net loss per share (1)	0.00	0.00	(0.03)	0.00

Notes:

(1) Net loss per share on a diluted basis is the same as basic net loss per share as all factors which were considered in the calculation are anti-dilutive.

Operations to date have established and/or enhanced the technical foundation for the proposed Phase I exploration programs for the Snoball and Golden Lion Properties by defining drill targets and allowing for a scoping of the Phase I metrics in terms of the number of holes and metres to be drilled. To date, the Company has made the following expenditures to further these goals for the Snoball and Golden Lion Properties:

a. Snoball Property

The Company has spent $317,247 on the Snoball Property to prepare for the Phase I exploration program. The expenditures on the Snoball Property to date have allowed the Company to have enough understanding to commence a Phase I exploration program. The Phase I exploration program for the Snoball Property will cost approximately $694,500. Following completion of the Company's initial public offering, the Company expects to commence the Phase I exploration program for the Snoball Property, subject to receiving necessary permits. For a description of the Snoball Property, please refer to "*Property Assets and Exploration Activities – Snoball Property*".

b. Golden Lion Property

The Company has spent $265,704 on the Golden Lion Property to prepare for the Phase I exploration program. The expenditures on the Golden Lion Property to date have allowed the Company to have enough understanding to commence a Phase I exploration program. The Phase I exploration program for the Golden Lion Property program will cost approximately $887,500. Following completion of the Company's initial public offering, the Company expects to commence the Phase I exploration program for the Golden Lion Property, subject to receiving necessary permits. For a description of the Golden Lion Property, please refer to "*Property Assets and Exploration Activities – Golden Lion Property*"."

Related Party Transactions

Evergold entered into the following transactions with related parties:

	Years Ended		**Amount Payable as at**	
	December 31, 2018	**2017**	**December 31, 2018**	**December 31, 2017**
	$	**$**	**$**	**$**
Consulting fees paid or accrued to the Company's Chief Executive Officer	-	-	702	693
Exploration expense paid or accrued to a company controlled by a Director	76,696	301,534	32,604	-
Consulting fees paid or accrued to the Company's Chief Financial Officer	3,000	-	3,390	-
Totals	79,696	301,534	36,696	693

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 directors (executive or non-executive) of the Company.

Liquidity, Capital Resources, and Outlook

The Company is an exploration-stage company and does not generate revenues. As such, it finances all of its operations and the exploration of its mineral properties entirely through the issuance of share capital. Although Evergold has to date been successful in its attempts to raise capital, there can be no assurance that its future efforts will likewise be successful. The mineral exploration business is high risk and the vast majority of exploration projects will not result in producing mines. The success of future financings will depend on a variety of factors including geological success – i.e. obtaining superior results from exploration; a positive investment climate encompassing strong metal prices, solid stock market conditions, and a "risk-on" appetite among investors; and the Company's track record and the ability and experience of management. If such financing is unavailable, Evergold may be unable to retain its mineral interests and execute its business plans.

As at December 31, 2018, the Company had working capital of $286,385 compared to $421,047 at December 31, 2017.

Notwithstanding considerable uncertainty in the global economic outlook, management has been encouraged by market interest in the Company's properties and its proposed exploration plans. Markets appear receptive and management views the outlook for 2019 as promising. Accordingly, subject to Exchange and regulatory approvals, the Company intends to seek an initial public offering in FY 2019, and a listing on the TSX Venture Exchange. If successful, the offering will materially improve the Company's working capital position, and prospects.

Off-Balance Sheet Arrangements

The Company had no off-balance sheet arrangements as at December 31, 2018.

Critical Accounting Estimates and Policies

The Company's significant accounting policies and the adoption of new accounting policies are disclosed in Note 3 to the annual financial statements prepared for the year ended December 31, 2018.

Critical accounting estimates used in the preparation of the financial statements include the Company's estimate of the recoverable value of its mineral exploration properties and related deferred exploration and evaluation expenditures, as well as the value of stock-based compensation. These estimates involve considerable judgment and are, or could be, affected by significant factors that are out of the Company's control.

The factors affecting stock-based compensation include estimates of when stock options and compensation warrants might be exercised and stock price volatility. The timing for exercise of options is out of the Company's control and will depend on a variety of factors, including the market value of the Company's shares and financial objectives of the share- based instrument holders. The Company used historical data to determine volatility in accordance with the Black-Scholes option pricing model. However, the future volatility is uncertain and the model has its limitations.

The Company's recoverability of its recorded value of its mineral exploration properties and associated deferred exploration and evaluation expenses is based on current market conditions for minerals, underlying mineral resources associated with the properties and future costs that may be required for ultimate realization through mining operations or by sale. The Company operates in an industry that is dependent on a number of factors including environmental, legal and political risks, the existence of economically recoverable reserves, and the ability of the Company to obtain necessary financing to complete the development, and future profitable production or the proceeds of disposition thereof.

Future Accounting Changes

The Company has not yet adopted certain new IFRS standards, amendments and interpretations to existing standards, which have been published but are only effective for its annual periods beginning on or after January 1, 2019. These include:

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.

IFRIC 23 - *Uncertainty Over Income Tax Treatments* ("IFRIC 23") was issued in June 2017 and clarifies the accounting for uncertainties in income taxes. The interpretation committee concluded that an entity shall consider whether it is probable that a taxation authority will accept an uncertain tax treatment. If an entity concludes it is probable that the taxation authority will accept an uncertain tax treatment, then the entity shall determine taxable profit (tax loss), tax bases, unused tax losses and credits or tax rates consistently with the tax treatment used or planned to be used in its income tax filings. If an entity concludes it is not probable that the taxation authority will accept an uncertain tax treatment, the entity shall reflect the effect of uncertainty in determining the related taxable profit (tax loss), tax bases, unused tax losses and credits or tax rates. IFRIC 23 is effective for annual periods beginning on or after January 1, 2019. Earlier adoption is permitted.

New IFRS standards adopted:

IFRS 9 – Financial Instruments ("IFRS 9") was issued by the IASB in November 2009 with additions in October 2010 and May 2013 and will replace IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9, except that an entity choosing to measure a financial liability at fair value will present the portion of any change in its fair value due to changes in the entity's own credit risk in other comprehensive income, rather than within profit or loss. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 3. IFRS 9 was early adopted by the Company on January 1, 2017.

Commitments and Contingencies

Environmental Contingencies

The Company's exploration activities are subject to various provincial and federal laws and regulations governing the protection of archaeological heritage and the environment. Prior to the execution of any exploration programs involving site disturbance, such as on-site camps and drilling operations, application must be made to the appropriate B.C. government ministries for an exploration permit. Permit applications must provide specific detail with regard to the Company's plans, including among other things the nature and estimated total area of surface disturbance, impacts on wildlife, surveys for cultural artifacts, plans for waste disposal, use of locally-sourced water etc. Prior to the start of work, reclamation bonds must be posted with the BC Government to cover remediation of disturbed sites following program completion. The

Company anticipates posting in 2019 with the BC Government two reclamation bonds covering work on two of its four properties, at an estimated total cost of $30,000.

Financial Instruments & Risks

The Company's financial instruments consist of cash, other receivables, reclamation deposits, trade and other payables, accrued liabilities and amounts due to related parties.

The Company's activities expose it to a variety of financial risks: liquidity risk, market risk (including interest rate, foreign exchange rate and price risk) and credit risk.

Risk management is carried out by the Company's management team with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

Credit Risk

The Company's credit risk is primarily attributable to cash and cash equivalents and receivables included in amounts receivable and prepaid expenses. The Company has no significant concentration of credit risk arising from operations. Financial instruments included in amounts receivable and prepaid expenses consist of goods and services tax due from the Federal Government of Canada. Accordingly, management believes that the credit risk associated with these financial instruments is low.

Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient capital on hand to meet liabilities when due. The Company's financial liabilities generally have contractual maturities of less than 30 days and are subject to normal trade terms. As at December 31, 2018, the Company had a more than sufficient cash and cash equivalents balance of $176,394 (2017 - $265,786) to settle current liabilities of $52,645 (2017 - $693). However, because the Company intends to expand the scale of its exploration activities in the year ahead, its ability to continue as a going concern and to fund the expanded level of exploration expenditures will be dependent upon securing additional financing. Subject to Exchange and regulatory approvals, the Company intends to seek a listing on the TSX Venture Exchange through an Initial Public Offering ("IPO") process, tentatively timed for mid-summer. A successful listing would secure the Company sufficient funds to considerably expand it exploration efforts in summer and fall 2019, while concurrently ensuring the Company has adequate capital for at least the further 12 months beyond the IPO.

Interest Rate Risk

The Company has cash, cash equivalents and short-term investment balances accruing interest, but has zero debt, other than routine short-term payables. Management therefore does not believe the Company is exposed to significant interest rate risk.

Foreign Currency Risk

The Company's functional currency is the Canadian dollar and the vast majority of its purchases are transacted in Canada, in Canadian dollars. The Company is not exposed to foreign exchange risk.

Price Risk

Though not generally impacting day-to-day operations, the Company is exposed to price risk arising from fluctuating commodity prices, with lower metal prices in particular having the potential to negatively impact the prospect for successful future financings and the viability of proposed projects. Under strong economic conditions, price inflation can also negatively impact the viability of planned exploration programs and project development plans. Accordingly, the Company monitors commodity prices, economic conditions and rates of inflation on a regular basis, to keep appraised of trends.

Capital Management

When managing capital, the Company's foremost objective is to generate optimal returns for shareholders. This requires first ensuring that Evergold continues as a going concern and, second, that capital resources are deployed cost-effectively into only those properties and those specific exploration activities, which management believes have the greatest potential to generate positive returns for shareholders. As the Company is essentially a capital pool established to carry out high-risk / potential high reward exploration, with no short or medium-term prospect whatsoever of generating revenues or profits, management seeks instead to deliver positive returns for shareholders through the share price appreciation and capital gains opportunities that usually go hand-in-hand with significant new mineral discoveries, and the further advancement of those discoveries. Management seeks to have sufficient capital on hand to achieve its near-term exploration objectives and to advance discoveries when achieved, as expeditiously as possible. In doing so, it seeks a balance between minimizing shareholder dilution and maintaining an attractive capital structure on the one hand, and the need to achieve and advance discoveries of merit on the other. Management cannot deliver sustainable shareholder returns, in the absence of discoveries of merit.

Given the nature of the business, the Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management team to generate discoveries and attendant share price appreciation. The Company considers its capital to be equity, which is comprised of capital stock, share purchase warrants, broker compensation warrants, contributed surplus and deficit.

The Company's four properties are all in the exploration stage and it has neither revenues nor profits. As such the Company is wholly dependent on external financing to fund its planned exploration programs and administration costs. The Company will therefore spend its existing working capital and raise additional amounts when conditions permit it to do so.

Management has chosen to mitigate the risk and uncertainty associated with raising additional capital in current economic conditions by:

(i) ensuring cost-effective deployment of existing funds, generally through competitive bidding;
(ii) avoiding project "overstretch" – i.e. too many properties and projects, and too many commitments;
(iii) minimizing discretionary disbursements;
(iv) reducing or eliminating exploration expenditures that are of limited value;
(v) maintaining a liquidity cushion in order to address any potential disruptions or industry downturns; and
(vi) exploring alternative sources of liquidity.

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

The Company is not presently subject to any capital requirements imposed by a regulator or lending institution body. The Company expects that its current capital resources are sufficient to discharge its liabilities as at December 31, 2018. Subject to Exchange and Regulatory approvals, the Company intends to seek an initial public offering of its shares on the TSX Venture Exchange in 2019 to provide the capital required to fund initial drilling in 2019 of its two flagship properties, Snoball and Golden Lion, and to advance exploration on its other two properties also.

Disclosure of Outstanding Share Data (as at September 16, 2019)

The following is a description of the outstanding equity securities and convertible securities previously issued by the Company:

Common Shares

Authorized: Unlimited number of common shares. Outstanding: 10,371,467 common shares.

Warrants

A summary of the Company's warrants outstanding and exercisable at September 16, 2019 is presented below:

Exercise price	Warrants outstanding	Warrants exercisable	Expiry date
$0.12	2,047,075	2,047,075	May 1, 2022
$0.18	1,091,584	1,091,584	July 12, 2021
Total	3,138,659	3,138,659	

Risks and Uncertainties

The Company's securities should be considered high risk and highly speculative due to the nature of its business.

Capitalization and Commercial Viability

The Company will require additional funds to further explore and, conditional upon exploration success, potentially develop and mine its properties. The Company has limited financial resources, and there is no assurance that additional funding will be available to it to carry out the completion of all proposed activities, for additional exploration, or for financing the high-cost development typically required to place a property into commercial production. Although the Company has in the past been successful in obtaining financing through the sale of equity securities, there can be no assurance that it will in the future be able to obtain adequate financing on acceptable terms. Failure to obtain additional financing could result in the delay or indefinite postponement of further exploration and development of its properties, and the loss of part or all of its ownership position in its properties.

Global Financial Conditions

Global financial conditions have in recent years been, and continue to be, subject to heightened instability and increased volatility. Access to public capital markets for junior exploration companies has at times been restricted and/or cut off entirely. These factors may negatively impact the ability of the Company to in the future obtain equity or debt financing on terms favourable to the Company, if at all.

Exploration and Development

Mineral exploration and development involves a very high degree of risk. Very few properties which are explored, ultimately develop into producing mines.

The Company's properties do not presently contain mineral "resources" or "reserves", as those terms are defined in National Instrument 43-101, nor is there any guarantee that they ever shall. The process of confirming, or alternatively disproving, the presence of resources or reserves on the Company's properties will require following an exploration and development pathway comprised of sequential steps, the execution of each of which is fraught with risk and predicated on successful results from the step immediately prior to it. Failure at any step generally, though not always, puts an end to exploration or development activities. As the exploration and development pathway is followed, the metal or mineral content of the area under exploration is quantified and assessed to an increasing degree of certainty, generally by increasing the density of drilling and the amount of sampling and assaying, coupled with volume and grade modelling. With increasing certainty comes, initially, "Inferred" level resources, followed by resources in the "Indicated" and "Measured" categories, none of which have demonstrated economic viability. Only through the later application of technical (metallurgical, mining, processing, environmental etc.) and economic parameters appropriate to the resources under study, and the completion of pre- feasibility and ultimately, feasibility studies by qualified geologists, engineers and geoscientists, can resources potentially be converted to "reserves" ("ore"), which by definition would be potentially economic to mine and process, under the technical and economic criteria utilized in the feasibility study or studies applied to them. These steps and activities are costly. Should ore reserves ultimately be demonstrated to exist on the Company's properties, a positive decision to take the ore reserves thus demonstrated to commercial production would not be a given. In addition to the steps and studies detailed above, a positive production decision would require environmental approvals, the securing of various permits, and consideration and evaluation of additional factors including, but not limited to: (1) the cost of construction of production facilities; (2) the availability and cost of financing; (3) anticipated ongoing costs of production; (4) market prices for the minerals to be produced; (5) environmental compliance regulations and restraints (including potential environmental liabilities associated with historical exploration activities); and (6) the political climate and/or governmental regulation and control.

The ability of the Company to profit from the sale of any eventual production from any of the Company's properties will be subject to the prevailing conditions in the marketplace at the time of sale. Many of these factors are beyond the control of the Company and therefore represent a market risk which could impact the long-term viability of the Company and its operations.

Title Matters, Surface Rights and Access Rights

While the Company has performed its own due diligence with respect to title of its four properties, this should not be construed as a guarantee of title. The properties may be subject to prior unregistered agreements of transfer or indigenous land claims, and title may be affected by undetected defects. Until any such competing interests have been determined, there can be no assurance as to the validity of title of the properties.

Although the Company acquires the rights to minerals in the ground subject to the tenures that it acquires, or has a right to acquire, it does not thereby acquire any rights to, or ownership of, the surface to the areas covered by its mineral tenures. In such cases, applicable mining laws usually provide for rights of access to the surface for the purpose of carrying on mineral exploration and development activities, however, the enforcement of such rights can be costly and time consuming. In areas where there are local populations or land owners, it is necessary, as a practical matter, to negotiate surface access. There is a risk that local communities or affected groups may take actions to delay, impede or otherwise terminate the contemplated activities of the Company. There can be no guarantee that the Company will be able to negotiate a satisfactory agreement with any such existing landowners/occupiers for such access, and therefore it may be unable to carry out significant exploration and development activities. In addition, in circumstances where such access is denied, or no agreement can be reached, the Company may need to rely on the assistance of local officials or the courts in such jurisdiction, which assistance may not be provided or, if provided, may not be effective. There can be no assurance that the Company will be successful in acquiring any such rights.

First Nation Rights and Title

The nature and extent of First Nation rights and title remains the subject of active debate, claims and litigation in Canada and including with respect to intergovernmental relations between First Nation authorities and federal, provincial and territorial authorities. There can be no guarantee that such claims will not cause permitting delays, unexpected interruptions or additional costs for the Company's projects.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants which affect capital and operating costs. The Company's properties lie in remote areas with limited infrastructure. In addition, unusual or infrequent weather phenomena, terrorism, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect operations on these properties and the Company's operations, financial condition and results of operations.

Competition

The mining industry is highly competitive, both for mineral properties and key personnel. Many of the Company's competitors for the acquisition, exploration and development of mineral properties, and for capital to finance such activities, will include companies that have greater financial and personnel resources available to them than the Company.

Environmental Risks

All phases of the exploration and mining business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of international conventions and provincial and municipal laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with exploration and mining operations. The legislation also requires that exploration and mine sites be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in exploration and mining operations may be required to compensate those suffering loss or damage by reason of the exploration and mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

Amendments to current laws, regulations and permits governing operations and activities of mineral resource companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at any future producing properties or require abandonment or delays in the development of new mining properties.

Reliance on Key Employees

The success of the Company will be largely dependent upon the performance of its management and key employees. Potential investors should realize that they are relying on the experience, judgment, discretion, integrity and good faith of the management of the Company. The Company does not maintain life insurance policies in respect of its key personnel. The Company could be adversely affected in the event such individuals do not remain with the Company.

Permits and Licenses

The exploration operations of the Company will require various licenses and permits from various government authorities which are or may be granted subject to various conditions and may be subject to renewal from time to time. There can be no assurance that the Company will be able to comply with such conditions and obtain or retain all necessary licenses and permits that may be required to carry out exploration, development and mining operations at its projects. Failure to comply with these conditions may render the licenses liable to forfeiture.

The activities of the Company are subject to government approvals, various laws governing prospecting, development, land resumptions, production taxes, labour standards and occupational health, mine safety, toxic substances and other matters, including issues affecting local First Nation populations. Although the Company believes that its activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration, production or development. Amendments to current laws and regulations governing operations and activities of exploration and mining, or more stringent implementation thereof, could have a material adverse impact on the business, operations and financial performance of the Company. Further, the exploration and mining licenses and permits issued in respect of its projects may be subject to conditions which, if not satisfied, may lead to the revocation of such licenses. In the event of revocation, the value of the Company's investments in such projects may decline.

No History of Earnings

The Company has no history of earnings, and there is no assurance that any of its mineral properties will generate earnings, operate profitably or provide a return on investment in the future. The Company expects to incur losses and negative operating cash flow for the foreseeable future as it conducts its exploration activities on its properties. The Company has not paid dividends in the past and has no plans to pay dividends for the foreseeable future. The future dividend policy of the Company will be determined by its directors.

Negative Operating Cash Flow

Since inception, the Company has had negative operating cash flow and incurred losses. The negative operating cash flow and losses are expected to continue for the foreseeable future. The Company may never achieve positive operating cash flow.

Uninsurable Risks

In the course of exploration, development and production of mineral properties, several risks and, in particular, unexpected or unusual geological or operating conditions, may occur. It is not always possible to fully insure against such risks, and the Company may decide not to take out insurance against such risks as a result of high premiums or other reasons. Should such liabilities arise they could reduce or eliminate any future profitability and result in an increase in costs and a decline in value of the securities of the Company.

The Company is not insured against most environmental risks. Insurance against environmental risks (including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration and production) has not been generally available to companies within the industry. The Company periodically evaluates the cost and coverage of the insurance against certain environmental risks that is available to determine if it would be appropriate to obtain such insurance. Without such insurance, and if the Company becomes subject to environmental liabilities, the payment of such liabilities would reduce or eliminate its available funds or could exceed the funds the Company has to pay such liabilities and result in bankruptcy. Should the Company be unable to fully fund the remedial cost of an environmental problem it might be required to enter into interim compliance measures pending completion of the required remedy.

Litigation Risk

Litigation risks to the Company may include, but are not limited to, contesting development or regulatory approvals, traditional title claims, land tenure disputes, environmental claims, and occupational health and safety claims.

Contractual Risk

The Company will become a party to various contracts and it is always possible that contracts to which it is a party will not be fully performed by other contracting parties.

Force Majeure

The Company's projects now or in the future may be adversely affected by risks outside the control of the Company, including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

Unforeseen Expenses

While the Company is not aware of any expenses that may need to be incurred that have not been taken into account, if such expenses were subsequently incurred, the expenditure proposals of the Company may be adversely affected.

Disclosure of Internal Controls

Management has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence that (i) the audited annual financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the audited annual financial statements and (ii) the audited annual financial statements fairly present in all material respects the financial condition, results of operations and cash flow of the Company, as of the date of and for the years presented.

The Company is not required to certify the design and evaluation of the Company's disclosure controls and procedures ("**DC&P**") or its internal control over financial reporting ("**ICFR**"). There are inherent limitations on the ability of the certifying officers of the Company to design and implement on a cost effective basis DC&P and ICFR for the Company, which may result in risks to the quality, reliability, transparency, and timeliness of interim and annual filings and other reports required under applicable securities legislation."

Additional Information

Additional information relating to the Company will be available in the near future at www.evergoldcorp.ca.