

**LABRADOR GOLD CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
THREE AND SIX MONTHS ENDED
MARCH 31, 2021**

Labrador Gold Corp.
Management's Discussion and Analysis
For the Three and Six Months Ended March 31, 2021
Discussion dated: May 28, 2021

Introduction

The following discussion and analysis of the results of operations and of the financial position of Labrador Gold Corp. ("Labrador Gold" or the "Company") is prepared as of May 28, 2021, and should be read in conjunction with the Company's condensed interim financial statements for the three and six months ended March 31, 2021 and the Company's audited consolidated financial statements and the notes thereto for the year ended September 30, 2020.

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

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

Company Information

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

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

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

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

At March 31, 2021, the Company had cash of \$10,989,905 (September 30, 2020 - \$6,298,629) and working capital of \$11,025,269 (September 30, 2020 - \$6,216,155). The Company believes it has sufficient funds to finance its planned exploration and general and administrative costs for the current fiscal year.

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

Highlights

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

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

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

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

During the six months ended March 31, 2021, the Company received proceeds of \$3,017,266 from the exercise of 10,234,022 warrants and 340,000 options.

Results of Operations

Six Months Ended March 31, 2021

The six months ended March 31, 2021 reported a net loss of \$622,591 compared to a net loss of \$87,373 for the six months ended March 31, 2020. The increase in net loss was mainly due to the increase in share-based compensation during the current year.

During the six months ended March 31, 2021, the Company incurred \$689,820 in acquisition costs and \$1,506,440 in deferred exploration expenses, capitalized as unproven mineral right interests.

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

Liquidity and Capital Resources

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

Labrador Gold held cash of \$10,989,905 at March 31, 2021, compared to \$6,298,629 at September 30, 2020.

At March 31, 2021, the Company had working capital of \$11,025,269 (September 30, 2020 - \$6,216,155).

The Company is not subject to debt covenants.

Off-Balance Sheet Arrangements

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

Unproven Mineral Right Interests

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

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	March 31, 2021	September 30, 2020
Labrador Properties		
Acquisition	\$ 1,610,952	\$ 1,174,952
Deferred exploration	4,314,935	4,311,730
	5,925,887	5,486,682
Borden Lake Property		
Acquisition	314,185	314,185
Deferred exploration	615,950	612,209
	930,135	926,394
Kingsway Property		
Acquisition	702,050	465,800
Deferred exploration	1,973,894	474,400
	2,675,944	940,200
Scotch Property		
Acquisition	17,570	-
	17,570	-
	\$ 9,549,536	\$ 7,353,276

Labrador Properties

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

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

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

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

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

Kingsway Property

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

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

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

Borden Lake Property

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

Scotch Property

The Company has a 100% undivided interest in the Scotch Property (the "Scotch Property") acquired by staking in March 2021. The Scotch Property is located approximately 71 kilometres southwest of Moncton, New Brunswick and consists of 6 claims covering an area of approximately 61 square kilometres.

Exploration Activity - Three Months Ended March 31, 2021

Roger Moss, Ph.D, P.Geo, a Qualified Person under National Instrument 43-101 has approved the scientific and technical disclosure in this Management's Discussion and Analysis, and has verified the data disclosed.

During Q2-2021, Labrador Gold continued to receive outstanding assays from the 2020 exploration program and began preparations for the Company's initial diamond drilling program.

On January 21, 2021 announced the latest high-grade assay results from samples collected near the area of visible gold at the Big Vein target. Assays from 134 grab samples taken over a 250-metre strike length of quartz vein ("Big Vein") ranged from below detection (<5ppb) to 184.7g/t Au in sample 526169 which contained visible gold. Samples 526170, 526171 and 526172 also contained visible gold. Significant (+1g/t Au) assays in the vicinity of the initial visible gold samples have now been reported from samples up to 29 metres north and 70 metres to the southwest. Highlights of the results are given in the table below.

Prospecting and mapping have shown that Big Vein strikes northeast-southwest over a distance of 400 metres.

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The vein lies within a larger corridor of intermittently exposed quartz veining over a strike length of 7.5km. Mapping indicates that quartz veining within the corridor is hosted by dark grey-black shales of the Davidsville Group, a stratigraphic horizon which hosts several gold occurrences in central Newfoundland.

Sample #	Sample Type	Sample Type	Rock Type	Au (g/t)
526169	Float	Grab*	Quartz vein with visible gold	184.68
526171	Float	Grab	Quartz vein with visible gold	65.94
526138	Float	Grab	Quartz vein with py	38.47
526136	Subcrop	Grab	Quartz vein with py and cpy	8.50
526125	Outcrop	Grab	Quartz vein with py	5.26
526128	Outcrop	Grab	Quartz vein with py and cpy	3.64
526172	Float	Grab	Quartz vein with visible gold	3.43
526170	Float	Grab	Quartz vein with visible gold	1.87
526135	Subcrop	Grab	Quartz vein with py and cpy	1.60
526471	Subcrop	Grab	Quartz vein	1.32
526139	Float	Grab	Quartz vein with py	1.13

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

On February 2, 2021, the Company announced an initial 10,000 metre diamond drill program to test high-grade gold targets at the Big Vein prospect. The drill program, anticipated to consist of 43 holes, is designed to test the entire 400 metre strike length of Big Vein. Initial drilling will test shallow mineralization below the original visible gold showing, a grab sample from which assayed 1,065 g/t Au. Receipt of permits for the drilling program was announced on March 19 and mobilization of the drill to site on March 25, 2021.

Final results of the 2020 program were announced on March 19 and included rock samples, till samples and RAB (rotary air blast) drill samples. Assays of the remaining rock samples taken during the 2020 field season showed encouraging gold values along the quartz vein corridor to the southwest of Big Vein, including a grab sample of quartz vein subcrop returning 16g/t Au. This sample was collected 1.2 kilometres southwest of the visible gold showing at Big Vein. Gold anomalies also occur to the northeast of Big Vein with a grab sample of quartz vein subcrop assaying 1.0g/t Au collected approximately 1.6km to the northeast. Note that grab samples are selective samples and may not be representative of the mineralization on the property.

A test program of till sampling was carried out down ice of the Big Vein discovery at the end of the 2020 season and samples were submitted to Overburden Drilling Management for gold grain analysis. Results show a sample taken directly down ice of Big Vein contained 165 grains of gold most of which were pristine indicating that the visible gold in Big Vein was the likely source. Another sample containing 165 grains of gold, of which 159 are pristine, was collected 900 metres north of the visible gold occurrence. The pristine nature of the grains suggests a source other than Big Vein and closer to that sample site. Another six till samples showed between 0 and 48 gold grains. Collectively, this till data suggests that there is potential for additional high-grade mineralization adjacent to the Big Vein trend in an area where a geochemical anomaly has already been defined from the 2020 soil data.

Results of both the rock and till sampling highlight the potential of the quartz vein corridor to host significant gold mineralization both northeast and southwest of Big Vein. The Company intends to follow up these results during Q3 with the same aggressive mapping and sampling program that led to the discovery of the visible gold at Big Vein.

The remaining assays from reconnaissance RAB drilling highlighted a region of anomalous gold in the Midway area. Values up to 2.0 g/t over 3.05 metres from 50.29 metres were returned from a strongly altered and sulphidized interval in hole KINRAB20-11 within a larger interval of 1.06 g/t over 7.63 metres from 47.24 metres downhole. These are the highest gold values reported in RAB drilling from the property to date. Hole 11 is located at the southwest end of an anomalous gold zone (with additional values from 0.2 to 1.11g/t at similar depths) stretching over 360m and which remains open to the northeast and southwest. Anomalous intervals are typically altered gabbro with variable pyrite and arsenopyrite mineralization. The anomalous zone is located approximately 2.8 kilometres north of Big Vein.

Subsequent to the quarter end, the start of drilling was announced on April 8, 2021, and partial results from the first two

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holes drilled at the Big Vein target were announced on May 5, 2021. The holes contain significant quartz veining and sulphide mineralization. Assay highlights include 1.11 g/t Au over 5.50 metres, 5.0 g/t Au over 0.9 metres, 2.26 g/t Au over 7.0 metres including 8.66 g/t Au over 1 metre in Hole K-21-01 and 1.72 g/t Au over 3.0 metres in Hole K-21-02. These last two intervals are from a newly discovered deeper zone named the HTC Zone.

Hole ID	Assay highlights of samples from the first two holes			
	From (m)	To (m)	Thickness (m)	Au (g/t)
K-21-01	46.50	66.00	19.50	0.53
including	46.50	52.00	5.50	1.11
	81.00	81.90	0.90	5.00
	118.00	125.00	7.00	2.26
including	119.00	120.00	1.00	8.66
k-21-02	12.80	31.00	18.65	0.30
	192.00	195.00	3.00	1.72

All intersections are downhole length as there is insufficient information to calculate true width.

Related Party Transactions

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

As at March 31, 2021, the Company's related parties consist of a proprietorship controlled by the Company's Chief Executive Officer ("CEO") and a company of which the Company's Chief Financial Officer ("CFO") is an employee.

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

The Company entered into the following transactions with related parties:

During the three and six months ended March 31, 2021, the Company incurred management and consulting fees of \$21,720 and \$44,220, respectively (three and six months ended March 31, 2020 - \$25,600 and \$45,430, respectively) and geological consulting fees of \$14,280 and \$27,780, respectively (three and six months ended March 31, 2020 - \$4,801) for services provided by a company controlled by the Company's CEO.

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

For the three and six months ended March 31, 2021, the Company paid or accrued \$11,815 and \$18,740, respectively, in professional fees (three and six months ended March 30, 2020 - \$nil and \$nil, respectively) to Marrelli Support Services Inc. ("Marrelli") for Eric Myung, an employee of Marrelli, to act as the CFO of the Company. As at March 31, 2021, \$3,120 (September 30, 2020 - \$1,471) is included in accounts payable and accrued liabilities with respect to the fees. These amounts are unsecured, non-interest bearing, with no fixed terms of repayment.

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

Subsequent Events

On April 16, 2021, the Company closed a non-brokered private placement of 14,000,000 flow-through units at a price of \$0.70 per unit for gross proceeds of \$9,800,000. Each unit consisted of one flow-through common share and one half non-flow through share purchase warrant, with each full warrant exercisable to acquire a common share at \$0.75 until

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April 16, 2023. Newfound Gold Corp ("Newfound Gold") and Mr. Eric Sprott each subscribed for 7,000,000 units in the offering.

On May 18, 2021, the Company closed a non-brokered private placement of 16,666,667 units at a price of \$0.90 per unit for gross proceeds of \$15,000,000. Each unit consisted of one common share and one half a share purchase warrant, with each full warrant exercisable to acquire a common share at \$1.05 until May 18, 2023. Newfound Gold subscribed for 5,555,556 units and Mr. Eric Sprott subscribed for 11,111,111 units in the offering.

Subsequent to March 31, 2021, the Company received proceeds of \$1,480,249 from the exercise of 5,073,771 warrants.

Critical Accounting Estimates

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

Risk factors

COVID-19 Risks

The worldwide emergency measures taken to combat the COVID-19 pandemic may continue, could be expanded, and could also be reintroduced in the future following relaxation. As governments implement monetary and fiscal policy changes aimed to help stabilize economies and capital markets, we cannot predict legal and regulatory responses to concerns about the COVID-19 pandemic and related public health issues and how these responses may impact our business. The COVID-19 pandemic, actions taken globally in response to it, and the ensuing economic downturn has caused significant disruption to business activities and economies. The depth, breadth and duration of these disruptions remain highly uncertain at this time. Furthermore, governments are developing frameworks for the staged resumption of business activities. As a result, it is difficult to predict how significant the impact of the COVID-19 pandemic, including any responses to it, will be on the global economy and our business. We have outlined these risks in more detail below.

Other MD&A Requirements

As of May 28, 2021, the Company has outstanding a total of 148,238,635 shares, 7,120,000 options with a weighted average price of \$0.34 per share and 44,911,012 warrants with a weighted average exercise price of \$0.36 per share. Additional information is available at the Company's website at www.labradorgold.com. To view the public documents of the Company, please visit the Company's profile on the SEDAR website at www.sedar.com.

Cautionary Statement on Forward Looking Information

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

- our strategies and objectives;
- prices and price volatility for commodities and of materials we use in our operations;
- the demand for and supply of commodities and materials that we use and plan to produce and sell;
- our financial resources;
- interest and other expenses;
- domestic laws affecting our operations;

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

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

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

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

We caution you that the foregoing list of important factors and assumptions is not exhaustive. Other events or

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circumstances could cause our actual results to differ materially from those estimated or projected and expressed in, or implied by, our forward-looking statements. Except as required by law, we undertake no obligation to update publicly or otherwise revise any forward-looking statements or the foregoing list of factors, whether as a result of new information or future events or otherwise.