



WINSHEAR GOLD

MANAGEMENT DISCUSSION AND ANALYSIS

For the nine months ended December 31, 2019

WINSHEAR GOLD CORP.

Management Discussion & Analysis
Quarter ended December 31, 2019

INTRODUCTION

This MD&A was prepared by management as at February 27, 2020 and has been reviewed and approved by the Board of Directors. The following discussion of performance, financial condition and future prospects should be read in conjunction with the accompanying unaudited condensed interim consolidated financial statements of Winshear Gold Corp. (“Winshear” or the “Company”) and the related notes for the quarter ended December 31, 2019, as well as the audited consolidated financial statements and notes for the year ended March 31, 2019, prepared in accordance with International Financial Reporting Standards (“IFRS”). The information provided herein supplements, but does not form part of, the financial statements. This discussion covers the quarter ended December 31, 2019 and the subsequent period up to the date of issue of this MD&A. Monetary amounts in the following discussion are in Canadian dollars unless otherwise noted.

Additional information, including annual audited consolidated financial statements and more detail on specific mineral properties discussed in this MD&A can be found on the Company’s page at www.sedar.com or on its website, <http://winshear.com/>.

This MD&A contains Forward-Looking Information.
Please read the Cautionary Statements on page 3 carefully.

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FORWARD-LOOKING INFORMATION

This MD&A contains certain forward-looking information and forward-looking statements as defined in applicable securities laws. All statements other than historical fact are forward-looking statements.

The statements reflect the current beliefs of the Company and are based on currently available information. Accordingly, these statements are subject to known and unknown risks, uncertainties and other factors which could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed in or implied by the forward-looking statements. This forward-looking information, principally under the heading "Outlook," but also elsewhere in this document, includes estimates, forecasts, plans and statements as to the Company's current expectations concerning, among other things, continuance as a going concern, rights to explore and mine, collection of receivables, the estimation of mineral resources, stability of various governments, anticipated conclusions of economic assessments of projects, requirements for additional capital, the availability of financing, and the future development and costs and outcomes of the Company's Tanzanian exploration project.

Forward-looking statements are based on a number of assumptions, including, but not limited to, ability to access sufficient funds to carry on operations, the outcome of a rescinded offer to acquire all of the outstanding shares of the Company, the outcome of negotiations with the Tanzanian government to reinstate certain of the Company's licences to explore in Tanzania and related international arbitration proceedings, conditions in financial markets, assumptions regarding general business and economic conditions, interest rates, the global and local supply and demand for labour and other project inputs, changes in commodity prices in general (in particular, the price of gold), the timing of the receipt of regulatory and governmental approvals for our exploration projects, the economic or political climate in Tanzania and Peru and globally, changes to legislation generally as well as legislation specifically applicable to the Company's retention-licence tenure in Tanzania, our ability to attract and retain skilled staff, our ability to procure equipment and operating supplies, the receipt of positive results from our exploration projects in Peru and Tanzania, our ability to obtain exploration licences and licence renewals for our operations, and our ongoing relations with governments, our employees and business partners. The foregoing list of assumptions is not exhaustive. Events or circumstances could cause actual results to vary materially.

Factors that may cause actual results to vary include, but are not limited to: actual exploration results, actual experience in collecting receivables, changes in interest and currency exchange rates, governments and the people they represent including changes to laws, regulations or attitudes, particularly towards mining, acts of foreign governments, delays in the receipt of government approvals, inaccurate geological and engineering assumptions, unanticipated future operational difficulties (including cost escalation, unavailability of materials and equipment, industrial disturbances or other job action, and unanticipated events related to health, safety and environmental matters), political risk (including the risk that the rights to advance, develop and potentially mine the properties explored in Tanzania may not be reinstated, may be further rescinded by various governments or otherwise lost), social unrest, failure of counterparties to perform their contractual obligations, the outcome of legal challenges, changes in general economic conditions or conditions in the financial markets and other risk factors as detailed from time to time in the Company's reports and public filings with the Canadian securities administrators, filed on SEDAR. The Company does not assume the obligation to revise or update forward-looking information after the date of this document nor to make revisions to reflect the occurrence of future unanticipated events, except as may be required under applicable securities laws.

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BUSINESS OF THE COMPANY

The principal business of the Company is the exploration and development of its projects in Peru (the Gaban Gold Project & Tinka Iron Oxide Copper Gold. Project) and seeking compensation from the Government of Tanzania for the expropriation of the Company's project in Tanzania (the SMP Gold Project).

Winshear Gold Corp. (formerly "Helio Resource Corp.") is a reporting issuer in British Columbia and Alberta, and trades on the TSX Venture Exchange under the symbol WINS.

OUTLOOK & HIGHLIGHTS FOR THE QUARTER ENDED DECEMBER 31, 2019

The Company completed the quarter ended December 31, 2019 with cash of \$466,862.

On September 19, 2019 the Company acquired the Gaban Gold project and the Tinka Iron Oxide Copper Gold project ("I.O.C.G"), both located in Peru, from Palamina Corp. In conjunction with the acquisition from Palamina Corp., Winshear raised \$900,000 through a non-brokered private placement financing of 15,000,000 Units priced at 6c per Unit. Each Unit is comprised of one common share of the Company and one half-warrant. Each whole warrant is exercisable at \$0.10 to purchase one additional common share for a period of 12 months from closing. Proceeds from the offering will be used to cover the first phase of exploration on the Peruvian properties and to provide ongoing working capital to the Company. Winshear also settled \$90,000 in debts by issuing an additional 1,500,000 common shares of the Company.

On October 24, 2019, Winshear held its Annual General Meeting of Shareholders. Mr Andrew Thomson, President and Director of Palamina Corp., and Mr Alistair Waddell, a director of Palamina were formally elected to Winshear's Board of Directors. Mr Richard Williams and Mr Steve Leahy were re-elected to the Board. Mr Mark Sander replaced Mr Bradford Mills as CE Mining's representative on Winshear's Board, and Mr Grenville Thomas stood down from the Board of Directors after 15 years of service. The Company wishes to thank Mr Grenville Thomas and Bradford Mills for their many years of guidance and recognizes their contribution to the development of the SMP gold project in Tanzania.

The Company is currently active on two fronts:

- 1) exploring the Gaban Gold & Tinka I.O.C.G Projects in Peru;
- 2) seeking compensation from the Tanzanian government for expropriating the SMP Gold Project mineral rights through negotiation and, if necessary, international arbitration.

In Peru, the Company has incorporated a Peruvian operating subsidiary. Palamina is initially acting as the operator on Winshear's projects in Peru in order to maximize cost efficiencies and utilize Palamina's in-country Peruvian geological team's expertise to advance the Gaban Gold project to the drill phase.

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Additional funds will be required to meet the Company's contractual obligations for the coming 12 months. None of Winshear's properties are currently in production. The continuing advancement of exploration and development at the Company's properties is dependent upon future financings. The Company's primary focus is on exploring and permitting the Gaban Gold Property in Peru in order to carry out a preliminary drill program. The Company has also filed for arbitration in Tanzania in order to recover its investment in the SMP Gold Project.

Peru

The Company completed the acquisition of the Gaban and Tinka projects on September 19, 2019. The terms for the acquisition of the projects are described in the Company's news release dated May 15, 2019. Palamina retains a 2% Net Smelter Return (NSR) royalty on each project. Winshear will have the right to purchase 50% of each royalty by making a cash payment of \$1,000,000 to Palamina at any time prior to the commencement of commercial production.

Gaban Gold Project

On September 20, 2019, Winshear filed a NI 43-101 Technical Report on the Gaban Gold Project on Sedar. This report can be viewed on the Company's website at: <https://winshear.com/projects/in-peru/gaban-gold-project/>

The Gaban Gold Project covers an area of 18,700 hectares and surrounds the town of San Gaban in the Puno orogenic gold belt. San Gaban, sitting at an elevation of 550m above sea level, is served by excellent infrastructure and is a four hour drive via the Trans-Oceanic highway to the Puerto Maldonado airport. A nearby 206MW hydro-electric dam provides power to the town.

Gaban was staked by Palamina to locate the bedrock source of alluvial gold being exploited along the Yanamayo river, which lies wholly within the Gaban project area. At least 10 sets of alluvial mine workings are known to exist within the project area.

Palamina conducted a stream sediment sampling programme over the Gaban property, collecting a total of 75 samples. Twenty one samples returned assays above detection (5 ppb). Of the 21 samples showing a gold presence, eleven originate from a 5km-long section of the Yanamayo River catchment basin, with assays ranging from 5ppb to 4,891ppb Au (median value of 117ppb Au). In addition, in 2018 Palamina completed a heli-borne magnetic / radiometric survey over the property to identify the possible structural controls for bedrock hosted gold mineralisation. See Palamina's news release of October 29, 2018 on their website at www.palamina.com/news.

In October 2019, Winshear completed its first field programme at the Gaban Gold Project, which included exposing and channel sampling of the outcropping Picitiri shear zone, located close to active artisanal gold mining operations. Results were announced on

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January 21, 2020 and included results grading 15.75g/t Au over 1m, 5.72g/t Au over 1.5m, 3.57g/t Au over 2.5m, and 5.7g/t Au over 1m. A second field programme commenced in the second week of November 2019. Results are pending and will be reported in due course.

Tinka IOCG Project, Peru

The Tinka Iron Oxide Copper Gold Project is an early stage exploration target that covers an area of 1,800 hectares. It is located 45 km southeast of the town of Ica (population 280,000) at an elevation of 2,000m, and is 300km southeast of Lima along the Pan-American highway. Winshear completed an initial reconnaissance prospecting and mapping programme on the project in late January of 2020.

SMP GOLD PROJECT DISPUTE, Tanzania

Winshear has retained LALIVE (London) LLP as legal counsel to reach a resolution with the Tanzanian government regarding breaches of Tanzania's obligations under the Canada-Tanzania BIT relating to the SMP Gold project in Tanzania. The Company, with advice from LALIVE, is seeking a funder to pay all the legal fees in return for a percentage of any settlement moving forward so that the Company may focus all of its funding on exploration of its Peruvian mineral projects.

On January 10, 2020 Winshear Gold Corp. delivered to the Attorney General of Tanzania a Notice of Intent to Submit a Claim to Arbitration ("Notice of Intent") in accordance with the 2013 Agreement for the Promotion and Reciprocal Protection of Investments (Bilateral Investment Treaty or "BIT") between Canada and Tanzania. Winshear has thereby formally notified the Tanzanian government that there exists an investment dispute between Winshear and Tanzania.

The dispute arises out of certain acts and omissions of Tanzania in breach of the BIT and international law, relating to the Company's investment in the SMP Gold Project located in SW Tanzania ("the Project").

The Company commenced exploration activities on the Project in 2006. Subsequently, the Company, through its Tanzanian subsidiary, applied for and was granted 4 Retention Licences which covered the Project's mineral resource areas (the "SMP Retention Licences").

In July 2017 the Government of Tanzania announced wide-ranging and severe amendments to the Mining Act 2010, which, inter alia, abolished the legislative basis for the Retention Licence classification with no replacement classification. On 10 January 2018 Tanzania published the Mining (Mineral Rights) Regulations 2018. Under Regulation 21 of said Regulations, Tanzania cancelled all Retention Licences issued prior to 10 January 2018 at which point they ceased to have any legal effect.

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The rights over all areas under Retention Licences, including those under the SMP Retention Licences, were immediately transferred to the government of Tanzania.

On 19 December 2019, the Mining Commission of Tanzania announced a public invitation to tender for the joint development of areas previously covered by Retention Licences, including the SMP Retention Licences (the “19 December Tender”).

The abolition of the SMP Retention Licences and the removal of the rights to the land conferred thereunder has rendered the Project valueless. Thus, as a direct consequence of the legislative, regulatory and other measures by Tanzania, the Company has lost completely its investment.

The Notice of Intent is a necessary step before the Company may initiate international arbitration under the BIT should a resolution with the Tanzanian government not be reached. The filing of the Notice of Intent initiates a 180-day consultation period between the Company and Tanzania during which time they are to attempt to settle the dispute amicably. If no amicable settlement is reached in that 180-day period, the Company may then initiate international arbitration proceedings against Tanzania in accordance with the BIT.

Winshear confirms that it is taking all necessary actions to preserve its rights and protect its investments in Tanzania. The Company’s desire is for both parties to reach a mutually acceptable outcome. If such an outcome is not achieved before the expiry of the 180-day consultation period, the Company expects it will have no alternative but to pursue its claims before an international tribunal and seek full compensation for damages the Company has suffered as a result of Tanzania’s acts and omissions. Winshear has retained LALIVE (London)LLP, an international arbitration legal firm, to advise.

Winshear has written off the value of the SMP gold deposit as a result of Tanzania cancelling the SMP Retention Licences and transferring the rights there under to the government. The Company has filed the Notice of Intent to protect its substantial investment. The Company will consider any other actions necessary to ensure it is compensated in full for the loss of its investment in the SMP Gold Project.

Winshear can provide no assurance that the Tanzanian government will favour Winshear’s claims to the defined SMP Project resource areas and cautions that other companies and individuals have submitted applications and bids for licences over Winshear’s resource area.

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Capital Transactions

Property acquisition:

On September 19, 2019, Winshear issued 5,000,000 common shares valued at \$300,000 and committed to issue another 5,000,000 common shares to acquire the Gaban Gold Project and Tinka I.O.C.G Project from Palamina Corp. In addition, Winshear committed to make annual advance royalty payments to Palamina, beginning with \$25,000, and doubling every two years until Winshear has completed a total of 5,000m of drilling or has abandoned the properties. Palamina retains the right to take back any property Winshear elects to abandon.

Private Placement:

On September 19, 2019, Winshear completed a private placement financing, raising \$900,000 through the issuance of 15,000,000 units. Each unit is comprised of one common share of Winshear and one half of a warrant. Each full warrant entitles the holder to purchase one common share of the Company for \$0.10 at any time within 12 months of closing the financing.

Debt settlement:

Debts totalling \$90,000 were settled in exchange for 1.5 million shares as described in Note 9.a of the condensed consolidated interim financial statements for the quarter ended December 31, 2019.

Stock Options:

On October 24, 2019, Winshear granted 2,250,000 incentive stock options to management, directors, advisors, consultants and key employees. The options vest after 12 months, have a 5 year term and are exercisable at \$0.20 per common share.

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DISCUSSION OF OPERATIONS AND FINANCIAL CONDITION

Summary of Quarterly Results

The following table sets out selected unaudited quarterly financial information of the Company and is derived from unaudited quarterly consolidated financial statements prepared by management. The Company's condensed interim consolidated financial statements are prepared in accordance with IFRS applicable to interim financial statements and are expressed in Canadian dollars.

Quarter ended:	Income (Loss) from Operations and Net Loss	Comprehensive Income / (Loss)	Basic and Diluted Loss per Share from Operations and Net Loss per Share
December 30, 2019	\$ (231,452)	\$ (231,452)	(\$ 0.01)
September 30, 2019	(531,793)	(531,793)	(0.04)
June 30, 2019	(80,350)	(80,350)	(0.01)
March 31, 2019	(13,084)	(13,084)	0.00
December 31, 2018	7,567	7,567	0.00
September 30, 2018	(121,900)	(121,900)	(0.01)
June 30, 2018	55,196	55,196	0.01
March 31, 2018	\$ (1,451,993)	\$ (1,886,884)	(\$ 0.14)

The variation in the Company's quarterly net loss over the past eight quarters is largely due to a variation in exploration and maintenance activities on the Company's properties, which varied with the availability of funds and additional fluctuations due to periodic gains or losses. The Company also committed to make a payment of 5M common shares during the last quarter. A subsequent increase in the Company's share price caused an increase the valuation of the liability, and an increase in the net loss reflected at September 30, 2019. In addition, Winshear experienced a periodic loss during the quarter ended March 31, 2018 when the Company wrote-off its capitalised mineral property acquisition costs as a result of the licence uncertainty in Tanzania, and periodic gains in the quarters ended June 30, 2018 and December 31, 2018 when the Company recorded gains on debt settlements. Over the past eight quarters, the Company has maintained a focus on minimizing costs and preserving capital.

Three months ended December 31, 2019

When compared to the quarter ended December 31, 2018 ("Q3-18"), the quarter ended December 31, 2019 ("Q3-19") reflects the Company's renewed focus on exploring its recently acquired Peruvian projects in Q3-19, without the gain on debt settlement seen in Q3-18.

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The loss for the three months ended December 31, 2019 was \$231,452, a significant increase from the income for the three months ended December 31, 2018 of \$7,567. The primary driver of the increase in the loss was the absence of the \$114,000 gain on debt settlement in Q3-19 which was realized in Q3-18.

In addition, an increase of \$84,605 in exploration expenses in Q3-19 (due to the initial exploration of the Peruvian properties), was combined with an increase of \$21,942 in marketing costs in order to help reinvigorate the Company's brand.

There were no capital expenditures during either quarter, apart from the acquisition of the Peruvian properties in exchange for shares as previously described.

Nine months ended December 31, 2019

When compared to the nine months ended December 31, 2018 ("YTD-18"), the nine months ended December 31, 2019 ("YTD-19") reflect the Company's continued focus on minimizing costs, and the initial exploration of the Peruvian properties, coupled with the impact of a non-recurring gain in YTD-18 and a revaluation loss in YTD-19.

The loss for the nine months ended December 31, 2019 was \$843,795, a significant increase from the loss for the nine months ended December 31, 2018 of \$59,137. The primary driver of the increased loss in YTD-19 was the absence of the YTD-18 gain on debt settlement of \$304,201, and the \$375,000 loss on revaluation of a debt payable in shares, which was due to an increase in the Company's share price. In addition, an increase in exploration costs of \$159,164 was offset by a decrease in professional fees of \$49,714 and a decrease in salaries, director's fees and consulting of \$76,601, due to management, directors and legal counsel voluntarily foregoing their salary and fees.

The only capital expenditures during the quarters, was the acquisition of the Peruvian properties in exchange for shares as previously described.

Liquidity, Capital Resources and Cash Flow Analysis

The Company's primary sources of funding have been from the issuance of common shares and the exercise of share purchase warrants, the sale of equipment, and the sale of exploration projects. Management is reviewing all options available to it with regards to future financing options; however, management remains concerned about the Company's ability to raise additional funding, and management continues to look at ways to cut costs, secure compensation for the expropriation of the Tanzanian retention licence areas, and preserve its mineral assets in good standing.

The increase in cash over the period reflects an increase in liquidity, however, the Company will still need to seek additional funding as additional funds will be required in order to meet the Company's contractual obligations over the coming 12 months.

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Financial Instruments

The Company's financial instruments consist of cash, receivables, security deposits, marketable securities, accounts payable, due to related parties, and accrued liabilities. It is management's opinion that the Company is not exposed to significant interest risk arising from the financial instruments. The Company is exposed to credit risk in relation to the VAT receivables balances, particularly those receivables from the Tanzania Revenue Authority. A full provision has been taken in relation to those receivable amounts as they have been outstanding for an extended period of time. Interest risk and credit risk are managed for short-term deposits by maintaining them in redeemable GIC's or Savings Accounts belonging to a major Canadian bank or credit union. Credit risk is managed for receivables by seeking prompt payment, monitoring the age of receivables, and making follow up inquiries when receivables are not paid in a timely manner. The Company manages its currency risk, when possible, by periodically adjusting the principal foreign currency cash balances to approximately match foreign currency liabilities. This helps to reduce the Company's gains and losses as a result of fluctuations in foreign exchange rates. Interest on short-term deposits is classified as interest income on the Consolidated Statement of Comprehensive Loss. There are no gains, losses or expenses associated with this financial instrument. The Company does not engage in any hedging activities. Other financial instruments do not generally expose the Company to risk that is significant enough to warrant reducing via purchasing specific insurance or offsetting financial instruments. Further discussion of these risks is presented in Note 6 of the audited consolidated financial statements for the year ended March 31, 2019.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

The Company has provided a breakdown of expensed exploration costs in Note 8 of the unaudited condensed interim consolidated financial statements for the quarter ended December 31, 2019. In addition, significant components of general and administrative expenses are shown separately on the *Consolidated Statements of Loss and Comprehensive Loss*, also part of the unaudited condensed interim consolidated financial statements for the quarter ended December 31, 2019.

RISK FACTORS

The Company is exposed to the following risks, in addition to those risks noted elsewhere in this MD&A.

Macroeconomic Risk

The significant outflow of capital from the resource sector, particularly the exploration sector, has led to a substantial reduction in the availability of funding for exploration companies. This situation has severely affected the ability for exploration companies to access capital through traditional means. If these factors persist over the long term,

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companies will become insolvent, and / or projects will take longer to develop, or may not be developed at all.

Political Policy Risk

Numerous governments around the world are looking at ways to secure additional benefits from mining companies, an approach recognized as “*Resource Nationalism*.” The Tanzanian government has taken steps in this direction over the past three years. Mechanisms used by governments include increases to royalty rates and corporate tax rates, implementation of “windfall or super taxes”, and rewriting mining laws retroactively to significantly reduce or eliminate the rights of mining companies, including by adding carried or free-carried interests to the benefit of the state. Extreme cases in Tanzania, Venezuela and Argentina have resulted in the nationalization of active mining interests and exploration licences. Such changes are viewed negatively in the investment community and can lead to share price erosion, and difficulty in accessing capital to advance projects.

Licensing Risk

The Company is reliant on the respective Ministries of Mines in the jurisdictions in which it operates in order to properly track licences granted to explore certain regions. The Company routinely needs to obtain new licences, renew existing licences or convert licences from one type to another, and occasionally needs to register a change in a licence owner when earn-in requirements have been met. The Company must rely on the Ministries to complete these transactions accurately, promptly and properly.

The Company is also reliant on governments to uphold their laws around mineral tenure, to make changes to legislation prospective in order to prevent infringing on valid rights previously granted, and to honor rights granted to the Company through mineral licences or otherwise.

In 2017 the Tanzanian government removed the definition of Retention Licences from the mining law and subsequently expropriated the Company’s four Retention Licences. As a result the Company has written off the amount capitalised as mineral property acquisition costs for the SMP Gold project.

Exploration Risk

Mineral exploration and development involve a high degree of risk and few projects are ultimately developed into producing mines. There is no assurance that the Company’s future exploration and development activities will result in the definition of a commercial ore body. Whether an ore body will be commercially viable depends on a number of factors including the particular attributes of the deposit such as size, grade and proximity to infrastructure, as well as mineral prices and government regulations, including environmental regulations.

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Financial Capability and Additional Financing

The Company has limited financial resources, has no source of operating income and has no assurance that additional funding will be available to it for further exploration and development of its projects. Although the Company has been successful in the past in financing its activities through the issuance of equity securities, there can be no assurance that it will be able to obtain sufficient financing in the future to execute its business plan, particularly with ongoing uncertainty in the global financial markets, and the prevailing investment climate of risk aversion. A discussion of risk factors particular to financial instruments is presented in Note 6.b of the audited consolidated financial statements for the period ended March 31, 2019.

The Company has not commenced commercial mining operations and has no assets other than cash, short term deposits, receivables, a small amount of prepaid expenses, a small amount of marketable securities, and the Peruvian exploration licences. The Company has no history of earnings, and is not expected to generate earnings or pay dividends unless and until one of the Company's exploration projects is sold or taken into production.

Commodity Prices

The strength of the mineral industry varies with the price of metals. The prices of gold and other commodities have fluctuated widely in recent years and are affected by factors beyond the control of the Company including, but not limited to, international economic and political trends, currency exchange fluctuations, economic inflation and expectations for the level of economic inflation in the consuming economies, interest rates, global and local economic health and trends, speculative activities and changes in the supply of gold due to new mine developments, mine closures as well as advances in various production and use technologies of gold. All of these factors will have impacts on the viability of the Company's exploration projects that are impossible to predict with certainty.

Environment

Both the exploration and any future production phases of the Company's operations will be subject to environmental protection regulations in the jurisdictions in which Winshear operates. Globally, environmental legislation is evolving towards stricter standards and enforcement, more stringent environmental impact assessments of new mining projects and increasing liability exposure for companies and their directors and officers. There is no assurance that future environmental regulations will not adversely affect the Company's operations.

Financial Instrument Risk

As a result of its use of financial instruments, the Company is subject to credit risk, interest rate risk, currency risk, liquidity risk and other price risk. Apart from currency and credit risk, these risks are considered to be small. These risks are discussed comprehensively in Note 6.b of the audited consolidated financial statements for the year ended March 31, 2019. In addition, there have been discussions with the tax authority in Tanzania

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pertaining to the refundability of VAT amounts that the Company is claiming. As a result, a provision has been taken to reduce the VAT receivable to \$nil. While collection of some of this "\$nil" amount is possible, there also exists the potential for tax assessments to be raised that could exceed the amount that has been provided.

Liquidity of Common Shares

There can be no assurance that an active and liquid market for the Company's common shares will develop or continue to exist, and an investor may find it difficult to resell the Company's common shares. In addition, trading in the common shares of the Company may be halted at other times for other reasons, including for failure by the Company to submit documents to the Exchange in the time periods required.

RECENT ACCOUNTING PRONOUNCEMENTS

Certain new accounting standards, amendments and interpretations were adopted by the Company for the first time in the current year. The adoption of these new standards has not had a significant impact on the Company's financial statements:

The new standards adopted are more fully described in Note 3.c) of the unaudited condensed interim consolidated financial statements for the quarter ended December 31, 2019.

Upcoming Changes in Accounting Standards

There are changes expected to IFRS. Those that have been announced and are most likely to have some impact on the Company are described in detail in Note 3.n) of the audited consolidated financial statements for the year ended March 31, 2019. The Company is currently reviewing the impact of these changes. They are not anticipated to have a material impact on the Company's financial statements, but may result in additional disclosures in future years.

RELATED PARTY TRANSACTIONS

The amounts charged to the Company for the services provided have been determined by negotiation among the parties and, in certain cases, are covered by signed agreements. Amounts due to related parties are included in accounts payable and accrued liabilities.

a) Legal services

During the nine months ended December 31, 2018, the Company received legal services of approximately \$12,000 from MOI Solicitors LLP, and Bennet Jones LLP, law firms in which the former Corporate Secretary of the Company was a partner. This amount has since been paid. The partner of the law firms is no longer the Corporate Secretary of the Company and so is no longer a related party.

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b) Key management personnel

Key management personnel are those persons that have the authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management includes the Company's directors and members of the senior management group. Details of key management personnel compensation is as follows:

Nine months ended	December	
	31, 2019	31, 2018
Salaries accrued	\$ 40,000	\$ 61,716
Salaries forgiven	(43,000)	Nil
Directors' fees earned (forgiven)	Nil	14,000
	<u>\$ (3,000)</u>	<u>\$ 75,716</u>

For a number of months in 2018 and 2019, in order to assist the Company, related parties were paying for the expenses of the Company, and did not draw or accrue salary or director's fees for portions of the 2018 and 2019 calendar years. In addition, officers forgave all salary amounts owed to them at a point in 2019. Following the private placement in December 2019, a portion of these expenses were paid, and officers resumed drawing salary at a much-reduced level. As a result, at December 31, 2019, \$54,966 (March 31, 2019 - \$110,843) was payable to related parties for unpaid 2019 salary as well as for costs paid on behalf of the Company.

Officers and directors participated in the Company's settlement on September 19, 2019 of certain amounts previously carried in accounts payable, agreeing to settle a total of \$36,000 in amounts owed in exchange for a total of 600,000 common shares of the Company. On the same date, officers, directors and other related parties also participated in the private placement of units described in Note 9a, subscribing for a total of 2,550,000 units at \$0.06.

In addition, as described in Notes 7a and 9a, on September 19, 2019, Winshear acquired the Gaban Gold project and the Tinka Iron Oxide Copper Gold project, both located in Peru, from Palamina Corp. in exchange for agreeing to make specified advance royalty payments and share payments to Palamina over time. As a result of this transaction, Palamina became a related party. At December 31, 2019, the Company is indebted to Palamina in the amount of \$24,828 as reimbursement for exploration expenditures in Peru.

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OFF-BALANCE SHEET ARRANGEMENTS

The Company is not a party to any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future material effect on the Company's financial condition, changes in financial condition, revenues, expenses, results of operations, liquidity, capital expenditures or capital resources.

OUTSTANDING SHARE DATA

The following section updates the Outstanding Share Data provided in the condensed interim consolidated financial statements for the three months ended December 31, 2019.

Common Shares:

Shares outstanding at December 31, 2019 and February 27, 2020	32,449,318
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Note that a commitment to issue #5M shares to Palamina Corp. prior to September 19, 2021 remains outstanding.

Stock Options:

Options outstanding at December 31, 2019 and February 27, 2020	2,250,000*
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* Exercisable after October 24, 2020 until October 24, 2024 at a price of \$0.20 per common share.

Warrants:

Warrants outstanding at December 31, 2019 and February 27, 2020	7,500,000
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APPROVAL

Richard D. Williams, M.Sc., P.Geo., Winshear's CEO and a Qualified Person under National Instrument 43-101 has reviewed and approved the technical information contained in this document.

The Board of Directors of the Company has approved the disclosure contained in this MD&A.

ADDITIONAL INFORMATION

Additional information relating to the Company is on SEDAR at www.sedar.com