GREAT BEAR RESOURCES LTD.

MANAGEMENT DISCUSSION AND ANALYSIS

For the Six Months Ended June 30, 2020

Dated August 20, 2020

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This management's discussion and analysis ("MD&A") for the six months ended June 30, 2020 was prepared by management and approved and authorized for issue on August 20, 2020 for Great Bear Resources Ltd. (the "Company" or "Great Bear") in accordance with International Financial Reporting Standards ("IFRS"). The MD&A should be read in conjunction with the Company's condensed interim consolidated financial statements for the six months ended June 30, 2020 and the Company's audited consolidated financial statements and related notes for the year ended December 31, 2019.

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls to ensure that information used internally or disclosed externally, including the MD&A, is complete and reliable.

All amounts are in Canadian dollars unless otherwise specified.

Additional information is available on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

FORWARD-LOOKING STATEMENTS

This MD&A, which contains certain forward-looking statements, are intended to provide readers with a reasonable basis for assessing the financial performance of the Company. All statements, other than statements of historical fact, are forward-looking statements. The words "believe", "expect", "anticipate", "contemplate", "target", "plan", "intends", "continue", "budget", "estimate", "may", "will", "schedule" and similar expressions identify forward looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. Such factors include, but are not limited to, fluctuations in the currency markets such as Canadian dollar and U.S. dollar, fluctuations in the prices of precious metals, base metals, and other commodities, changes in government legislation, taxation, controls, regulations and political or economic developments in Canada, the United States or other countries in which the Company carries or may carry on business in the future, risks associated with mining or development activities, the speculative nature of exploration and development, including the risk of obtaining necessary licenses and permits, and quantities or grades of reserves. Many of these uncertainties and contingencies can affect the Company's actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, the Company. Readers are cautioned that forward-looking statements are not guarantees of future performance. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those acknowledged in such statements. Specific reference is made to the "Risk and Uncertainties" section of these MD&A for a discussion of some of the factors underlying forward-looking statements. The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except to the extent required by applicable laws.

OVERVIEW

Great Bear Resources Ltd. is a publicly traded mineral exploration company listed on the TSX Venture Exchange ("TSX-V") under the symbol "GBR". The Company was incorporated under the Company Act (British Columbia) on December 6, 2001. On January 22, 2010, the Company changed its name from Great Bear Uranium Corp. to Great Bear Resources Ltd. Since August 2106, the Company's main business focus has been to acquire and explore mineral properties. Its flagship asset is the Dixie Property located near Red Lake, Ontario. To date, the Company has not earned any revenues from its mineral property interests and is considered to be in the exploration stage.

HIGHLIGHTS AND RECENTS DEVELOPMENTS

For more details on the following highlights, please refer to the news releases available on the Company's website and SEDAR: www.sedar.com.

- On January 31, 2020, Great Bear announced that is has entered into a 2.0% net smelter return royalty agreement (the "NSR Royalty") on the Dixie Property with a newly incorporated wholly-owned subsidiary named Great Bear Royalties Corp. ("Great Bear Royalties"). Great Bear plans to transfer the NSR Royalty, approximately $1 million in marketable securities currently owned by the Company, and $0.5 million in cash into Great Bear Royalties, which together will be the initial assets for a new royalty company. Great Bear Royalties will not initially be listed on a public stock exchange but will operate as a reporting issuer. Great Bear Royalties will evaluate all strategic opportunities available to the company to enhance value.

- On January 31, 2020, the Company granted an aggregate of 710,000 stock options to employees, directors, consultants and advisors of the Company, exercisable at $8.67 per share for a period of five years. The options are subject to a four month hold period.

- On February 13, 2020, the Company announced it completed a successful "first pass" 4.2 kilometre drill test of the Dixie Property's LP Fault. All (100%) of 59 drill holes on 50 - 250 metre spacings have successfully intersected gold mineralization. A continuously mineralized zone is now interpreted, the "LP Fault zone", which remains open both along strike and at depth. Previously disclosed LP Fault zone names (Bear-Rimini, Gap, Yuma, Yauro, Auro and Viggo) will no longer be used in Great Bear's news releases. Results will be provided by drill section on a go-forward basis.
  Great Bear also announced that it is now undertaking a systematic grid drill program testing a 2.5 square kilometre "panel" of the LP Fault (5 kilometres horizontally by 500 metres vertically from surface). Drill spacing will initially average 100 metres along strike and 75 metres vertically. Additional drilling below 500 metres is also being undertaken. Up to 300 additional drill holes are required to complete this panel during 2020 and the Company is fully-funded for this work. Highlights of the results included:
  - Drill hole BR-068 intersected 10.58 g/t gold over 21.00 metres, including 48.98 g/t gold over 3.25 metres on drill section 20750. Results demonstrate apparent continuity of gold mineralization from surface to 305 metres vertical depth, and increasing gold grades and interval widths with increasing depth. BR-068 is located 1.8 kilometres southeast of the LP Fault discovery hole DNW-011.
  - Drill hole BR-067 was completed on drill section 20600, located 150 metres to the southeast of drill section 20750, and intersected 10.95 g/t gold over 6.00 metres. Results demonstrate apparent continuity of high-grade gold mineralization over 400 vertical metres and apparent continuity across the 150 metre distance to drill section 20750. Gold was intersected to 550 metres vertical depth.
  - Drill hole BR-057, which is the second most southeasterly hole intersecting the LP Fault to-date, returned 7.35 g/t gold over 3.50 metres, including 38.03 g/t gold over 0.50 metres on drill section 18750. This hole is located approximately 4.2 kilometres southeast of LP Fault discovery hole DNW-011, and 1.85 kilometres southeast of drill section 20600.

- On February 20, 2020, Great Bear reported it made significant progress in its predictive modeling of gold mineralization at the LP Fault zone, and its regional exploration program. Highlights included:
  - Identification of key geological controls to the distribution of high-grade gold mineralization along the LP Fault. High-grade gold mineralization occurs in close proximity to a steeply-dipping felsic volcanic/metasedimentary contact.
  - The Company has retained Mr. James Gray, P.Geo., an independent consultant from Advantage Geoservices Ltd., to assist Great Bear's geological team with gold mineralization modeling. Mr. Gray's experience includes resource definition drilling and geological modeling at the David Bell mine at the Hemlo gold deposit, formerly operated by Teck Corporation, and currently owned by Barrick Gold Corp.
  - An airborne SkyTEM (electromagnetic) survey was completed across the property, identifying new regional exploration drill targets. The new targets have similar geophysical characteristics to both the LP Fault zone and the Hinge and Dixie Limb zones. Follow-up drilling is required.
  - 13 reconnaissance drill holes were completed outside of previously drilled areas across 11 kilometres of the property. The primary purpose of this drilling was to identify favorable structural and geological settings for additional follow-up drilling. Six new occurrences of highly anomalous gold mineralization have been discovered in 9 of the 13 drill holes.
  - These new gold occurrences include: 1) highly deformed metasedimentary rocks (LP Fault style), and 2) quartz vein systems (Hinge zone style). The geological marker sequence (deformed meta-sedimentary rocks) previously identified at the LP Fault zone has now been intersected along approximately 7 kilometres. Drill density is insufficient at this time to determine what the gold distributions and geometries of these new gold occurrences may ultimately be. Follow-up drilling is required.
  - The Company has engaged consultants to assist with preliminary metallurgical testing of gold mineralized samples in advance of more advanced studies planned for 2021.
  - Ongoing environmental baseline studies continue on the property.

- A table of highlighted assay results, including drill locations, azimuths and dips from the central 4.2 kilometre segment of the LP Fault have now been posted to the Company's web site. The Company has also provided three dimensional. DXF files of important geological controls on mineralization.

- On April 9, 2020, the Company announced it completed 83 of approximately 300 planned drill holes into the Dixie Property's LP Fault target, as part of its 5 kilometre long by 500 metre deep grid drill program. Gold mineralization has been intersected in all (100%) of the drill holesfor which assays have been returned to-date. Highlights included:
    - New lateral and vertical drill spacing on 25 – 100 metre centres has confirmed apparent continuity of gold mineralization on multiple drill sections.
    - Drill hole BR-101 intersected multiple shallow mineralized intervals along 110 metres of core length. Assays include 42.70 g/t gold over 3.00 m, including 118.00 g/t gold over 0.50 metres, within a broader interval of 4.24 g/t gold over 52.15 metres.
    - Drill hole BR-102 intersected the on-strike continuation of the same shallow mineralization and is collared 143 metres to the southeast of BR-101. Assays include 23.17 g/t gold over 3.50 metres, within a broader interval of 3.10 g/t gold over 48.00 metres.
    - Previously reported drill hole BR-020 (September 3, 2019), which assayed 10.65 g/t gold over 17.25 metres, within a broader interval of 5.28 g/t gold over 42.0 metres, is the continuation of the same shallow mineralization and is collared 84 metres south of BR-101.
    - The high-grade gold mineralization intersected in BR-020, BR-101 and BR102 is apparently continuous and projects to within metres of the surface, below shallow gravel cover. Mineralization remains open to extension in all directions.
    - A series of nine drill holes were completed within a previously undrilled gap in the LP Fault system (formerly, the Gap zone). Highlights include drill hole BR-120 which intersected 9.35 g/t gold over 6.50 metres, which included 97.50 g/t gold over 0.50 metres, within a broader interval of 1.66 g/t gold over 46.10 metres.
    - Drill hole BR-121, completed on the same section as BR-120, intersected 4.91 g/t gold over 6.40 metres, which included 18.10 g/t gold over 1.00 metre, within a broader interval of 1.07 g/t gold over 73.85 metres.
    - BR-120 and 121 transect the same gold zone 130 and 240 vertical metres below previously disclosed drill hole BR-075 (December 16, 2019), which assayed 16.80 g/t gold over 4.15 metres, within a broader interval of 1.25 g/t gold over 45.50 metres.
    - Results show apparent continuity of gold mineralization over approximately 400 vertical metres from surface in this area, which remains open to extension in all directions.

- On April 24, 2020, the Company announced that Great Bear shareholders ("Shareholders") approved the plan of arrangement (the "Arrangement") with Great Bear Royalties Corp. ("Great Bear Royalties") at the special meeting of Shareholders held April 23, 2020 (the "Meeting"). Under the Arrangement, the owners of common shares of Great Bear (each a "GBR Share") are entitled to receive one fourth of a common share of Great Bear Royalties for each GBR Share held immediately prior to the closing of the Arrangement. The Arrangement was approved by 99.54% of the votes cast by Shareholders, with Shareholders holding 21,768,565 GBR Shares or 46.01% of the outstanding GBR Shares present in person or represented by proxy at the Meeting.

- On April 28, 2020, the Company announced that it received a final order from the Supreme Court of British Columbia dated April 28, 2020, and shareholder approval on April 23, 2020, for its proposed plan of arrangement to reorganize its business (originally disclosed on January 31, 2020), including the spinoff of its wholly owned subsidiary, Great Bear Royalties Corp. which holds a 2% net smelter return royalty on the Dixie Property. The Company completed the plan of arrangement on May 5, 2020.

- On May 4, 2020, the Company announced it has completed 99 of approximately 300 planned drill holes into the Dixie Property's LP Fault target, as part of its 5 kilometre long by 500 metre deep grid drill program. Drill results highlights:
    - Drill hole BR-118 on drill section 20650 was completed in the middle of a 150 metre gap in drilling. The drill hole contained two significant mineralized intervals:
        - 10.17 g/t gold over 6.80 metres, within a broader interval of 3.18 g/t gold over 56.95 metres, beginning at the bedrock surface at 30.20 metres, and
        - 18.57 g/t gold over 13.00 metres, including 132.00 g/t gold over 0.50 metres, within a broader interval of 2.67 g/t over 104.15 metres beginning at 127.15 metres.
    - Continuity of gold mineralization is suggested by similar results on both adjacent drill sections:

        - Drill section 20750, located 75 - 100 metres to the northwest of BR-118, includes previously reported drill hole BR-068 which returned 10.58 g/t gold over 21.10 metres (February 13, 2020).
        - Drill section 20600, located 50 - 75 metres to the southeast of BR-118, includes previously reported drill hole BR-037 which returned 16.60 g/t gold over 6.0 metres, and 5.60 g/t gold over 25.25 metres (October 30, 2019).
    - Other new drill highlights include drill hole BR-089 on section 21100, located 450 metres northwest of BR-118. Assays include 18.06 g/t gold over 4.75 metres, which includes 156.00 g/t gold over 0.50 metres, and 11.03 g/t gold over 6.95 metres, which includes 112.00 g/t gold over 0.5 metres. This occurs within a broader interval of 1.93 g/t gold over 52.15 metres.
    - Drill hole BR-088 on section 22000, located 900 metres to the northwest of BR-089 and 1.35 kilometres to the northwest of BR-118, intersected 0.71 g/t gold over 100.95 metres.
    - The Company also relogged and assayed historical drill hole DC-13-07, which was completed in 2007 in the immediate footwall south of the LP Fault by a previous explorer. New assays include 7.87 g/t gold over 2.00 metres, collected from un-sampled, mineralized historic drill core.

- On May 11, 2020, the Company reported further results from its Dixie Project. LP Fault drill hole BR-085 (originally reported on April 9, 2020) was extended from 524 metres to a downhole depth of 1,509 metres to intersect the adjacent Dixie Limb zone at depth. It has approximately doubled the confirmed vertical depth of the Dixie Limb zone, intersecting the zone's deepest, widest, and highest-grade interval to date. The drill hole also intersected gold bearing quartz veins that may represent the lateral and vertical extension of the Hinge zone at depth. Results suggest the Dixie Limb and Hinge zones may coalesce at depth. Drill results highlights include:
    - BR-085 intersected deep extensions of the Dixie Limb zone 740 metres below the surface and new Hinge zone style veins down to 840 metres below surface, approximately doubling the known depth of gold mineralization. These intercepts were within a few metres of where they were predicted based on the Company's geological modelling, indicating strong continuity to depth of both gold zones.
    - BR-085 intersected the widest high-grade gold interval in the Dixie Limb zone to-date, assaying 10.19 g/t gold over 19.00 metres, which included 68.59 g/t gold over 2.65 metres, which in turn included 133.50 g/t gold over 1.00 metre.
    - Results clearly demonstrate the depth potential of gold mineralization at the Dixie Project, which will be tested at all zones through additional deep drilling during 2020.

- On May 12, 2020, Great Bear announced it has entered into an agreement with Canaccord Genuity Corp. to act as lead underwriter of a syndicate of underwriters, on a bought-deal private placement basis, pursuant to which the underwriters shall purchase 1,470,600 common shares that qualify as flow-through shares of the company for the purposes of the Income Tax Act (Canada) at a price of $17 per flow-through common share, and 725,000 common shares of the Company at a price of $11.04 per common share for aggregate gross proceeds of $33,004,200. The gross proceeds from the flow-through common share offering will be used to incur Canadian exploration expenses (within the meaning of the Income Tax Act (Canada) related to Great Bear's projects in Ontario. The company will renounce these expenses to the purchasers with an effective date of no later than December 31, 2020.

- On May 19, 2020, pursuant to the agreement between Great Bear and GoldOn (Note 6b), the Company received 250,000 GoldOn shares valued at $170,000, and on May 26, 2020, the Company received a cheque for $50,000 in payment of the first-anniversary option amount.

- On May 26, 2020, Great Bear announced it has entered into an Exploration Agreement (the "Exploration Agreement") with Wabauskang First Nation ("WFN") and Lac Seul First Nation ("LSFN") in relation to Great Bear's exploration activities on its mining properties within the WFN and LSFN traditional territories. The Exploration Agreement took effect on April 28, 2020 and establishes the framework for a cooperative and mutually beneficial relationship between the parties to support Great Bear's exploration activities and the interests of WFN and LSFN in the region. The Exploration Agreement defines the protocol for meaningful communications and engagement between the parties to understand and accommodate each other's interests in relation to Great Bear's exploration activities. Through this cooperative approach, the parties seek to build a strong, positive foundation for Great Bear to proceed with its exploration activities in a manner that is informed by and respects the interests of WFN and LSFN. As part of the accommodation to LSFN and WFN under the Exploration Agreement, Great Bear issued an aggregate of one-hundred thousand (100,000) common shares ("Shares") in its capital stock to LSFN and WFN at a deemed price of $11.55 equal to the market price on May 4, 2020 the date of issue, such shares to be divided equally between LSFN and WFN. On June 17, 2020, the TSX Venture Exchange has accepted for filing the Exploration Agreement.

- On June 2, 2020, the Company announced that it has closed the bought deal private placement (the "Offering") announced on May 12, 2020. Pursuant to the Offering, the Company issued a total of 1,470,600 common shares of the Company that qualify as "flow-through shares" for the purposes of the Income Tax Act (Canada) (the "Flow- Through Shares") at a price of $17.00 per Flow-Through Share, and 725,000 common shares of the Company (the "Common Shares" and together with the Flow-Through Shares, the "Offered Shares") at a price of $11.04 per Common Share for aggregate gross proceeds of $33,004,200.

- On June 8, 2020, Great Bear reported results from its Dixie Project. The Company has completed 111 of approximately 300 planned drill holes into the LP Fault target, as part of its 5 kilometre long by 500 metre deep grid drill program. Highlights of the results included:
  - New drill hole BR-133 on section 20050 was completed in a 140 metre gap in drilling. It contained multiple mineralized intervals, highlights of which include:
    - 30.51 g/t gold over 12.40 metres, including 103.56 g/t gold over 1.10 metres, within a broader interval of 15.45 g/t gold over 25.15 metres, beginning at 163.35 metres down hole.
    - This is the widest, highest-grade gold interval drilled at the LP Fault to date. Mineralization is present at the bedrock surface.
    - Previously disclosed drill hole BR-118 (May 4, 2020), which assayed 18.57 g/t gold over 13.00 metres, was formerly considered one of the best high-grade intervals along the LP Fault zone prior to BR-133. These holes are 600 metres apart and both intersect the same gold zone.
  - Continuity of gold mineralization is suggested by deeper drilling on the same section as BR-133:
    - New drill hole BR-134 intersected the same mineralized zone 75 metres vertically below BR-133. Assays include 11.16 g/t gold over 18.50 metres, including 47.95 g/t gold over 1.50 metres, within a broader interval of 3.62 g/t gold over 63.65 metres, beginning at 158.35 metres down hole.
  - Continuity of gold mineralization is also suggested by similar results on both adjacent sections to BR-133 and 134:
    - Drill section 20100, located 50 metres to the northwest of BR-133, includes previously reported drill hole BR- 020 which returned 10.65 g/t gold over 17.25 metres (September 3, 2019).
    - Drill section 19950, located 90 - 100 metres to the southeast of BR-133, includes previously reported drill hole BR-065 which returned 48.67 g/t gold over 8.70 metres (December 16, 2019).
  - Extension of high-grade gold:
    - New drill hole BR-127 was completed near the northwestern limit of LP Fault drilling on section 22450, approximately 2,400 metres northwest of BR-133 in the on-strike continuation of the same mineralized zone. The drill hole intersected the gold zone at greater depth than previous drilling on this section.
    - Results are significantly better than shallower drilling on this section, and include 10.28 g/t gold over 3.90 metres, within a broader interval of 5.04 g/t gold over 10.10 metres at a depth of approximately 375 vertical metres.
    - Results extend drill-confirmed high-grade gold mineralization by approximately 100 metres to the northwest and demonstrate increased grade and thickness of gold mineralization at greater depth. Further deeper drilling is required in this area. Increased gold mineralization at greater depth was also recently reported at the adjacent Dixie Limb zone (May 11, 2020), and is a common feature of mesothermal gold deposits in northwestern Ontario.
  - Other drill results:
    - Additional drilling continues to successfully intersect gold mineralization along all points of the LP Fault.
    - New drill hole BR-109, located 150 metres northwest of BR-133 on drill section 20200 intersected 14.48 g/t gold over 4.00 metres, within a broader interval of 3.23 g/t gold over 27.25 metres.

    - New drill hole BR-108, located on the same drill section as BR-109, intersected multiple gold-bearing intervals along 228.80 metres of core length, including 14.97 g/t gold over 1.00 metres, within a broader interval of 1.04 g/t gold over 71.50 metres.

- On June 11, 2020, the Company reported results from its Dixie Project. The Company has completed 115 of approximately 300 planned drill holes into the LP Fault target, as part of its 5 kilometre long by 500 metre deep grid drill program. Drill highlights include:

- New drill hole BR-137 on section 20000 was completed in a 90 metre gap in drilling. It intersected multiple mineralized intervals along 258.40 metres of core length, highlights of which include:
  - 576.00 g/t gold over 1.00 metre, within a broader interval of 31.33 g/t gold over 20.55 metres. The total mineralized interval is 14.65 g/t gold over 45.10 metres.
  - Mineralization is present at the bedrock surface, and this is the widest, highest-grade gold interval drilled at the LP Fault to date.
  - Intense alteration and deformation in BR-137 and surrounding drill holes includes strong silicification and partial to complete obliteration of primary rock textures. Gold mineralization occurs within disseminated planes or sheets that are parallel to the dominant structural fabric and appear to be vertically and laterally continuous between drill holes on the same drill sections, and across adjacent drill sections.
- Continuity of gold mineralization is suggested by deeper drilling on the same section as BR-137:
  - New drill hole BR-138 intersected the same mineralized zone 50 - 75 metres vertically below BR-137. Assays include 33.84 g/t gold over 2.40 metres, including 100.00 g/t gold over 0.50 metres, within a broader interval of 5.13 g/t gold over 26.00 metres. The total mineralized interval returned 3.52 g/t gold over 39.00 metres.
  - The LP Fault gold mineralized zone on section 20000 has currently been drilled from bedrock surface to 250 metres vertical depth, and remains open to extension.
- High-grade gold has been extended at depth on the adjacent drill section to the northwest:
  - New drill holes BR-135 and BR-136 were completed 100 metres and 150 metres respectively vertically below previously released drill holes BR-133 and BR-134 (June 8, 2020). All four of these drill holes are located on drill section 20050, 50 metres to the northwest of BR-137 and BR-138.
  - BR-135 intersected 35.56 g/t gold over 2.00 metres, within a broader interval of 5.19 g/t gold over 16.65 metres. The total mineralized interval returned 2.92 g/t gold over 32.50 metres.
  - BR-136 intersected 24.22 g/t gold over 2.10 metres, which included 99.70 g/t gold over 0.5 metres, within a broader interval of 3.37 g/t gold over 39.00 metres. The total mineralized interval returned 1.95 g/t gold over 72.00 metres.
  - The LP Fault gold mineralized zone on section 20050 has currently been drilled from bedrock surface to 350 metres vertical depth, and remains open to extension.

- Continuity of gold mineralization is also observed on the adjacent drill section to the southeast:
  - Drill section 19950, located 40 - 50 metres to the southeast of BR-133, includes previously reported drill hole BR-065 which returned 48.67 g/t gold over 8.70 metres (December 16, 2019).
- Approximately 185 drill holes remain to be completed as part of the Company's ongoing 2020 LP Fault drill program. Additional drill holes are also planned into the Dixie Limb and Hinge zones, in addition to other regional targets. The Company remains fully funded for this work and does not anticipate requiring further financing until 2022.

- On June 18, 2020, the Company reported results from its Dixie Project. Drill Results Highlights include:
  - New drill hole REG-002 was completed 1.2 kilometres to the west-northwest of the Hinge zone. Highlights include:
    - 19.32 g/t gold over 2.10 metres, including 50.00 g/t gold over 0.75 metres, within a broader interval of 3.00 g/t gold over 15.00 metres.
    - Three mineralized intervals were intersected along 435.55 metres of core length.
    - Gold mineralization was present at significant changes in rock type. In particular, high-grade gold within quartz veins was best developed at the contact between a high iron tholeiitic pillow basalt and a massive basalt. This is the same type of geological contact that is highly mineralized at the Hinge and Dixie Limb zones, however the Arrow zone occurs at a different stratigraphic position.
    - The Arrow zone veins strike 280 degrees and dip steeply to the northeast, similar to the Hinge zone veins. The regional D2 fold axis that is adjacent to the Hinge, Dixie Limb and Arrow zones extends for approximately 3.7 kilometres to the west-northwest from the Hinge Zone, before being terminated by a granitic batholith. The Arrow zone marks the westernmost drilling along this trend to date.
  - New drill hole REG-001 was completed to the northeast of RE-002 on the same drill fence. It intersected anomalous mineralization returning 0.51 g/t gold over 2.20 metres.
  - Oriented structural data suggests the mineralized interval in REG-001 is the same mineralization intersected at the top of drill hole REG-002 (1.09 g/t gold over 1.00 metres and 1.80 g/t gold over 1.30 metres), as shown on The vertical distance between the upper intercepts in REG-002 and REG-001 is approximately 300 metres.

These results suggest significant potential vertical continuity in the Arrow zone, as has been observed at the other zones across the Dixie property.

- The Arrow zone was targeted by projecting established gold mineralization trends observed within the LP Fault, Dixie Limb and Hinge zones along strike into the discovery area. While all three of these zones exhibit different geological controls and alteration signatures, they also all have a population of quartz veins with an approximately east-west orientation which often contain high-grade gold. The trends from the three zones intersect in several areas near the Arrow zone and for this reason two exploratory drill holes were completed to cross two of these projected trends, resulting in the new discovery.

- On June 23, 2020, Great Bear granted an aggregate of 150,000 stock options to a director of the Company, exercisable at $16.28 per share for a period of five years. The options are subject to a four month hold period.

- On June 24, 2020, the Company announce the addition of Mr. Michael Kenyon to its Board of Directors. Mr. Kenyon has over 40 years experience in the international mining industry. He holds B.Sc. and M.Sc. degrees in Geology from the University of Alberta. Mr. Kenyon has been a founding director of a number of mining companies including Sutton Resources Ltd. (acquired by Barrick Gold Corp.), Cumberland Resources Ltd. (acquired by Agnico Eagle Mines Ltd.), and Canico Resource Corp. (acquired by Vale S.A.). Most recently he was Chairman and Interim CEO of Detour Gold Corp. (later acquired by Kirkland Lake Gold Ltd.) and Senior Independent Director of Acacia Mining plc. In 2005 Mr. Kenyon received the Developer of the Year award from the PDAC in recognition of excellence in mining developments. Important projects Mr. Kenyon helped develop include the Bulyanhulu project in Tanzania, the Meadowbank project in Nunavut, Canada, the Onca Puma project in Brazil, and the Detour Lake project in Ontario, Canada.

- Subsequent to the six months ended June 30, 2020, additional 44,990 shares were issued upon exercise of warrants for the total proceeds of $78,733 and 190,500 shares were issued upon exercise of options for the total proceeds of $342,615.

- On July 6, 2020, Great Bear reported results from its Dixie Project. Drill Results Highlights include:
  - New drill hole BR-129 is the deepest drill hole on section 20000. It intersected multiple mineralized intervals along 173.10 metres of core length, highlights of which include:
    - 559.00 g/t gold over 0.50 metres, within a broader interval of 10.06 g/t gold over 31.25 metres. The total mineralized interval is 4.07 g/t gold over 80.50 metres.
    - The 10+ g/t gold interval over more than 30 metres is the widest high-grade gold interval drilled at the LP Fault to date. Results suggest the mineralized zone is expanding at depth.
    - BR-129 extends known mineralization on this section from bedrock surface to approximately 400 metres vertical depth. This is one of the deepest drill holes intersecting the LP Fault to date.
  - Continuity of gold mineralization is demonstrated by shallower drilling on the same section as BR-129:
    - New drill hole BR-139 intersected the same mineralized zone 100 metres vertically above BR-129. Assays include 32.41 g/t gold over 3.75 metres, within a broader interval of 13.18 g/t gold over 9.75 metres.
    - Previously reported drill hole BR-137 (June 8, 2020) intersected the same zone 100 metres vertically above BR-139, assaying 31.33 g/t gold over 20.55 metres.
    - All four of the drill holes on section 20000 contain mineralized intervals of approximately 100 g/t gold over at least 0.50 metres, with two of the drill holes having intervals of greater than 500 g/t gold over at least 0.50 metres width. The mineralized zone projects to the bedrock surface and remains open at depth.
  - A significant increase in apparent thickness of the LP Fault gold mineralized zone was drilled 600 metres to the northwest of BR-129 on drill section 20600:
    - New drill hole BR-142 was completed in a 240 vertical metre gap in drill section 20600.
    - BR-142 intersected multiple gold intervals along 454.45 metres of core length.
    - Together with previously reported drill hole BR-067 (February 13, 2020), drilling suggests a significant apparent thickening of the LP Fault gold system on this section at increasing depth.
    - Highlight intervals include:
      - 32.39 g/t gold over 4.25 metres, which included 112.00 g/t gold over 0.50 metres, and
      - 26.49 g/t gold over 8.85 metres, which included 197.00 g/t gold over 1.00 metre.
      - Both intervals above occur within a broader interval of 7.26 g/t gold over 53.50 metres.

        - Additional gold intervals include 1.41 g/t gold over 26.00 metres, which includes 4.22 g/t gold over 4.50 metres, and 1.54 g/t gold over 37.50 metres, which includes 4.85 g/t gold over 4.55 metres
      - Previously reported drill hole BR-037 is located on the same section 100 metres vertically above BR-142. It contained multiple gold intervals along 366.95 metres of core length, including 16.60 g/t gold over 6.0 metres, 35.96 g/t gold over 1.73 metres within a broader interval of 2.01 g/t gold over 66.06 metres, and 59.05 g/t gold over 1.60 metres within a broader interval of 5.60 g/t gold over 25.25 metres (October 30, 2019).
      - All four drill holes on section 20600 intersected similar gold mineralization. Results suggest strong apparent continuity of gold mineralization along approximately 500 vertical metres which remains open at depth.
  - The deepest drilling completed to date at the LP Fault has intersected increased apparent thicknesses of gold mineralization at greater depths, and discovered a new gold zone in the hanging wall of the LP Fault:
      - New drill hole BR-140 intersected multiple gold intervals along 725.00 metres of core length.
      - Highlights include 15.45 g/t gold over 3.50 metres, within a broader interval of 2.09 g/t gold over 66.00 metres, and 6.61 g/t gold over 4.50 metres, within a broader interval of 1.61 g/t gold over 36.00 metres.
      - At 867.00 to 877.00 metres down hole, corresponding to a vertical depth of approximately 750 metres, drill hole BR-140 intersected a new gold zone within the mafic hanging wall rocks immediately adjacent to the LP Fault zone, assaying 7.20 g/t gold over 1.50 metres, within a broader interval of 1.15 g/t gold over 10.00 metres.
      - Future drilling of the LP Fault will include similar drill holes that penetrate into the LP Fault hanging wall at depth, in order to test for extensions to this new zone, and potential additional parallel zones.
      - New drill hole BR-141 intersected the LP Fault zone 100 metres vertically below BR-140 and returned multiple gold intervals along 482.90 metres of core length. Highlight intervals include:
          - 28.60 g/t gold over 2.00 metres, within a broader interval of 3.58 g/t gold over 22.00 metres; and
          - 61.91 g/t gold over 1.00 metre, within a broader interval of 2.47 g/t gold over 77.70 metres; and
          - 5.29 g/t gold over 7.50 metres.
      - Drill section 20650 also includes previously reported drill hole BR-118 which returned 18.57 g/t gold over 13.00 metres, including 132.00 g/t gold over 0.50 metres, within a broader interval of 2.67 g/t over 104.15 metres (May 4, 2020).
      - All three drill holes on section 20650 intersected similar gold mineralization. Results suggest strong apparent continuity of gold mineralization along approximately 400 vertical metres which remains open at depth.

- On July 13, 2020, the Company reported a return to pre-pandemic levels of drill activity at its Dixie Project.

- On August 4, 2020, Great Bear reported results from its Dixie Project. Drill Results Highlights include:
  - Two drill sections were completed within a previously undrilled 140 metre long gap along the LP Fault; sections 20500 and 20450. High-grade gold and wider intervals of moderate gold grades were seen in both sections. New assay results include:
      - Drill hole BR-146 on drill section 20500 intersected 209.42 g/t gold over 3.95 metres, within a broader interval of 81.22 g/t gold over 10.50 metres. Mineralization began at the bedrock surface, at a down-hole depth of 35.75 metres.
      - A deeper interval in the same drill hole returned 2.08 g/t gold over 33.10 metres at a downhole depth of 210.90 metres.
      - Continuity of gold mineralization was demonstrated on the same drill section with drill holes BR-143 and BR-145 intersecting gold mineralization 120 and 160 metres vertically below BR-146, respectively.
      - Highlights from BR-143 include 9.34 g/t gold over 4.55 metres, within a broader interval of 3.24 g/t gold over 21.00 metres, and 70.60 g/t gold over 0.50 metres, within a broader interval of 1.50 g/t gold over 24.00 metres.
      - Highlights from BR-145 include 15.25 g/t gold over 3.50 metres, within a broader interval of 11.47 g/t gold over 11.30 metres.

        - Continuity of gold mineralization was also demonstrated on adjacent drill section 20450, located 50 metres to the southeast of BR-146.
        - Drill hole BR-144 intersected 23.46 g/t gold over 8.80 metres, including a higher-grade sub-interval of 231.00 g/t gold over 0.50 metres. The total mineralized interval was 3.73 g/t gold over 65.00 metres.
    - Additional drill results were returned from the same mineralized zone on drill section 20900, located 400 metres to the northwest of drill hole BR-146. Highlights include:
        - Drill hole BR-160 returned 18.31 g/t gold over 2.50 metres, within a broader interval of 4.62 g/t gold over 12.15 metres.
    - Repeated intersection of high-grade gold mineralization during 2020 LP Fault drilling has led to a new geological model being prepared by the Company. To date, two discrete high-grade corridors extending to the depths of current drilling, have been identified through interpretation and re-logging of drill core from within the LP Fault:
        1. "Upper Vein Zone" - A discrete zone containing up to 60% deformed and transposed quartz veins. Gold occurs in both veins and wall rock and is interpreted through multiple drill holes to extend for more than 700 metres of strike, which remains open to extension in all directions.
        2. "High Strain Zone" – A discrete zone of increased foliation parallel strain where gold has been observed along foliation planes (without quartz veining). In addition to the high degree of strain, the zone is also marked by an increase in silicification and local sulphide mineralization and is interpreted through multiple drill holes to extend along a strike length of at least 1.1 kilometres, which remains open to extension in all directions.
    - Additional high-grade zones within the LP Fault are also being interpreted and tested with on-going drilling.

- On August 18, 2020, the Company agreed to accept 620,000 common shares of Mountain Boy Minerals Ltd. ("MTB") in lieu of $350,000 in cash as MTB's final payment per the 2017 BA/Surprise Creek Agreement.

MINERAL PROPERTIES

The Company's exploration and evaluation assets include its flagship asset, the Dixie Property, as well as the West Madsen claims in the Red Lake district of Ontario. In addition the Compay holdsa 50% interest in the BA and Surprise Creek Properties located in the Skeena Mining Division in the province of British Columbia. The Company has recently earned a 100% royalty-free interest in the Dixie property, covering 9,140 hectares and a 100% royalty-free interest in its West Madsen properties, which total 3,860 hectares. The resource properties agreements are summarized below. For more details on the properties, please refer to the Company's condensed interim consolidated financial statements and related notes for the six months ended June 30, 2020 and the annual audited consolidated financial statements for the year ended December 31, 2019.

a) Dixie Property, Ontario

Located in Northwestern Ontario, Canada, the Dixie Project is just fifteen kilometres southeast of the town of Red Lake. Historically known as a mining town, Red Lake is the site of the Red Lake gold mine, one of the most prolific producing gold mines in the world. As a result of active mining, mineral exploration, small-scale forestry and tourism, Red Lake has developed an efficient supply chain network, industrial infrastructure, and a skilled local labour force. Travel in and out of Red Lake is either via a well-maintained highway or on one of the daily flights out of the Red Lake Airport.

Spanning an area of 9600 hectares, The Dixie Projects consists of 494 contiguous Mining Claims that are 100% owned and operated by Great Bear Resources. Historical exploration proceeding Great Bear's acquisition of the Dixie property dates back to 1944 with prospecting, sampling and over 32000 metres of drilling. Since acquiring the property in 2017, Great Bear has drilled over 280 new holes totalling more than 110000 metres. Exploration is focused on the central and southwestern portion of the property with three main gold targets that Great Bear continues to define and expand on.

Historical drilling was focused on what is referred to as the Dixie Limb and Dixie Hinge Zones which were also the initial targets for Great Bear from 2017 to 2019. Both hosted in mafic rock packages, gold in the Dixie Limb is replacement style mineralization associated with sulphide zones, while gold in the Hinge Zone is hosted in stacked and anastomosing vein sets of the more typical "Red Lake" style. In the spring of 2019, gold was discovered associated with the LP fault, a property wide, mantle rooted structure, identified in a 2006 Lithoprobe survey. Gold in the LP Fault zone is hosted in a felsic rock and medisediment package and is both structurally and lithologically controlled.

Current exploration extents of the three targets include:

- Limb Zone: strike length of 500 metres, depth of 748 metres
- Hinge Zone: strike length of 500 metres, depth of 840 metres
- LP Fault Zone: strike length of 5 kilometres, depth of 500 metres

All three zones are open along strike and at depth. Results from deep drilling by Great Bear in the spring of 2020 suggest that the Limb and Hinge Zones may be coming together at depth.

On November 20, 2015 the Company entered into an agreement to acquire the Dixie mining claims in the Red Lake gold district of Ontario, consisting of a 67% interest in 45 mining claims and a 100% interest in 4 newly staked mining claims.

In order to acquire the interest, the Company was required to make the following cash payments and share issuances:

Due Date	**Cash**	**Common Shares of the Company**
November 2, 2015 (paid on November 2, 2015)	$ 4,000 (paid)	-
Within 7 days of executing the acquisition agreement	$ 16,000 (paid)	-
Within 30 days of executing the acquisition agreement	-	20,000 (issued)
November 20, 2016 (paid on November 2, 2016)	$ 20,000 (paid)	-
November 20, 2017 (paid on November 2, 2017)	$ 20,000 (paid)	-
November 20, 2018	$ 30,000 (paid) *	-
November 20, 2019	$ 40,000 (paid) *	-
	$ 130,000	**20,000**

On July 12, 2017, the Company entered into a Purchase Agreement with Newmont Canada Holdings, ULC ("Newmont") to acquire Newmont's 33% interest in the Dixie project, located in the Red Lake district of Ontario, by paying $80,000 over four years.

Due Date	**Cash**
July 12, 2017	$ 20,000 (paid)
July 12, 2018	$ 20,000 (paid)
July 12, 2019	$ 20,000 (paid) *
July 12, 2020	$ 20,000 (paid) *
Total	**$ 80,000**

* The purchase was accelerated on November 19, 2018, when the Company accelerated the remaining payments totalling $110,000 to acquire 100% in Dixie Property.

The Company expanded its Dixie property through the staking of an additional 26 mineral claims totalling 5,358 hectares in September of 2017. These new claims cover interpreted strike extension of regional structures and favourable stratigraphy similar to those identified at the Dixie gold zone.

b) West Madsen, Ontario, Canada

On December 29, 2016, the Company signed a purchase agreement to acquire 100% ownership of the West Madsen gold project in the Red Lake Gold District of Ontario. The property consists of two separate claim blocks, the "A" block which lies immediate west of the Madsen property of Pure Gold Mining Inc. (TSX-V: PGM; "Pure Gold"), a past-producing high grade gold mine that is currently in re-development, and the "B" block, which is situated to the west of the "A" block. On August 29, 2017, the Company entered into an amending agreement to the above Purchase Agreement. On August 30, 2017, the Company signed a purchase agreement to acquire 100% ownership of additional claims expanding the West Madsen gold project. Following this acquisition, the West Madsen project expanded to 2,725 hectares and is now directly contiguous with Pure Gold Mining Inc.'s Madsen property, where Pure Gold is currently drilling the Wedge Zone discovery less than 1.5 kilometers from the Company's West Madsen property boundary.

Under the above mentioned agreements, the Company will pay aggregate cash and in shares as follows:

Due Date	Cash	Common Shares
December 2016	$ 12,000 (paid)	
April 7, 2017 issued		100,000 (issued)
Within 7 business days as of August 29, 2017	$ 12,000 (paid)	-
Within 7 business days of TSX approval	-	300,000 (issued)
December 29, 2017	$ 10,000 (paid)	-
August 29, 2018	$ 12,000 (paid)	-
December 29, 2018	$ 12,000 (paid)	-
August 29, 2019	$ 14,000 (paid)	-
December 29, 2019	$ 16,000 (paid)	-
August 29, 2020	$ 16,000 (paid) *	-
December 29, 2020	$ 20,000	-
August 29, 2021	$ 20,000	-
	$ 144,000	**400,000**

The Company also purchased all Net Smelter Royalties (“NSR”) on the West Madsen project by issuing 200,000 shares. On June 7, 2018, the Company announced that an additional 1,136 hectares were staked to expand the Company’s West Madsen project, the on-strike extensions of prospective geological contacts, and linking the Company's West Madsen A and B blocks. The West Madsen property now covers 3,860 hectares.

In 2019, the Company paid $30,000 to 1544230 Ontario Inc. pursuant to the option agreement.

* Subsequent to the six months ended June 30, 2020, the Company paid $16,000 pursuant to the option agreement. Total remaining payments under the original and amended Agreements are $40,000 over two years.

On May 22, 2019, Great Bear entered into an agreement with GoldON Resources Ltd. (TSX-V: GLD, “GoldON”) wherein GoldON has the option to earn an initial 60% interest, and a subsequent 100% interest in Great Bear’s West Madsen property.

In order to earn an initial 60% interest in the property, GoldON must:

(a) incur minimum Exploration Expenditures on the Property, as follows:
- (I) $100,000 on or before the first anniversary of the Definitive Agreement (completed);
- (II) a cumulative total of not less than $350,000 on or before the second anniversary of the Definitive Agreement; and
- (III) a cumulative total of not less than $750,000 on or before the third anniversary of the Definitive Agreement; and

(b) pay cash to Great Bear as follows:
- (I) $50,000 within 10 days of signing a Definitive Agreement; (received) **
- (II) $50,000 on or before the date that is 10 days after the first anniversary of the Definitive Agreement; and (received) *
- (III) $75,000 on or the date that is 10 days after the second anniversary of the Definitive Agreement; and

(c) issue common shares of GoldON to Great Bear as follows:
- (I) 250,000 Shares within 10 days of signing the Definitive Agreement; (received) **
- (II) 250,000 Shares on or before the date that is 10 days after the first anniversary of the Definitive Agreement; and (received) *
- (III) 375,000 Shares on or the date that is 10 days after the second anniversary of the Definitive Agreement.

** During the six months ended June 30, 2020, the Company received 250,000 GoldOn shares valued at $170,000, and on May 26, 2020, the Company received a cheque for $50,000 in payment of the first-anniversary option amount.

In order to earn an additional 40% interest, for a total of 100% interest, GoldON must:

(a) incur additional Exploration Expenditures on the Property of at least $750,000 on or before the fourth anniversary of the Definitive Agreement, and

(b) pay $500,000 cash or issue 500,000 Shares to Great Bear at GoldON's election on or the date that is 15 days after the third anniversary of the Definitive Agreement.

Great Bear will retain a 2.5% Net Smelter Return royalty after GoldON completes the initial 60% earn-in. GoldON shall have the right to buy back 1% of the Royalty for $500,000 at any time prior to a production decision being made on all or part of the Property.

c) The BA and Surprise Creek Properties, British Columbia

Pursuant to an option and joint venture agreement with Mountain Boy Minerals Ltd. ("Mountain Boy") dated January 28, 2010 and amended on December 31, 2013, the Company acquired a 50% interest in the BA Property located in the Skeena Mining Division in the province of British Columbia.

The Company owns 50% of the Surprise Creek Property subject to a 1% NSR, which may be purchased by the Company. The Surprise Creek Property is also in the Skeena Mining Division in the province of British Columbia and consists of 19 mineral claims totaling 7,472 hectares.

On October 25, 2010, the Company entered into an amending agreement to the above Option and Joint Venture Agreement relating to the BA Property whereby the Surprise Creek Property was included under the terms of the Joint Venture Agreement and acquisition costs for the Surprise Creek Property borne entirely by the Company were applied against its earn-in requirement towards the BA Property.

The Company earned an initial 50% interest in the BA Property by paying $158,000 and by incurring $5.5 million in exploration expenditures before December 31, 2013.

In October 2016, the Company amended its agreements with Mountain Boy Minerals Ltd. and entered into new Joint Venture agreements with Mountain Boy for each of the BA and Surprise Creek properties (the "2016 Agreements"). The October 2016 agreements require the Company and Mountain Boy to conduct annual minimum work programs of $250,000 on each project. Management has determined the terms of this arrangement do not provide joint control of the relevant activities of exploring and evaluating this property and accordingly only those costs incurred by the Company have been capitalized.

On June 1, 2017, the Company entered into an Agreement to grant an option to Mountain Boy to acquire the Company's 50% interest in and to each of the BA Property and Surprise Creek Property. Under the option agreement, Mountain Boy will pay option payments and issue shares as follows:

Due Date	Cash		Post-Consolidation Common Shares of Mountain Boy	
August 20, 2017	$ 150,000	received	-	
September 1, 2017 (TSX approval date)	-		500,000	received
November 20, 2017	150,000	received	-	
April 15, 2018	-		500,000	received
August 20, 2018	300,000	received*	-	
April 15, 2019	-		500,000	received
August 20, 2019	350,000	received**	-	
April 15, 2020	-		500,000	received
August 20, 2020	350,000	***	-	
On completion of a Mineral Resource on the Surprise Creek Property	200,000		-	
On completion of a Mineral Resource on the BA Property	400,000		-	
On completion of a Pre-Feasibility Study	200,000		-	

on the Surprise Creek Property		
On completion of a Pre-Feasibility Study on the BA Property	500,000	-
On commencement of constructing a mine to extract ore to produce minerals from the Surprise Creek Property	800,000	-
On commencement of constructing a mine to extract ore to produce minerals from the BA Property	1,600,000	-
	$ 5,000,000	2,000,000

* Deferred to March 20, 2019 in exchange for additional Mountain Boy shares. On March 15, 2019 the Company received 323,000 shares of Ascot Resources Ltd ("Ascot") in settlement of the $300,000 due from Mountain Boy to Great Bear. The fair value of these shares was $293,930.
** In 2019, the Company and Mountain Boy entered into an agreement to settle the cash payment of $350,000 due on August 20, 2019 by the delivery to Great Bear of 425,000 freely tradeable shares of Ascot. Great Bear agreed to accept the Ascot shares as full settlement for the August 2019 payment. The fair value of these shares on the date of issuance was $216,750.
*** On August 18, 2020, the Company agreed to accept 620,000 common shares of Mountain Boy in lieu of cash payment. The share payment will be made upon TSX.V approval.

The 2016 Agreements are suspended during the period of the 2017 Agreement, and if Mountain Boy elects not to exercise an option or fails to make any payments or share issuances to the Company in respect of either optioned property, the 2016 Agreements between the Company and Mountain Boy will resume in respect of the properties at 50% interest owned by each company.

In September 2017, the Company received its final approval of the TSX Venture Exchange to grant the option to its joint venture partner, Mountain Boy, to acquire the Company's 50% interest in and to each of the BA and Surprise Creek associated properties.

In April 2018, the Company received 500,000 (2,500,000 pre-consolidation) Mountain Boy shares valued at $137,500. They were recorded as a recovery to offset expenditures for BA and Surprise Creek Properties.

On October 18, 2018, Mountain Boy issued 120,000 (600,000 pre-consolidation) common shares to Great Bear in consideration for extending a cash payment due August 20, 2018 to March 20, 2019.

On October 26, 2018, Mountain Boy announced a share consolidation of five-old-for-one-new (5:1) common share in Mountain Boy. Trading on a post-consolidated basis began on November 12, 2018.

On April 15, 2019, the Company received 500,000 (2,500,000 pre-consolidation) Mountain Boy shares valued at $95,000.

On February 25, 2020, the Company received 500,000 (2,500,000 pre-consolidation) Mountain Boy shares valued at $120,000.

d) Red Lake District, Ontario, Canada ("DPS Property")

Effective March 1, 2019, the Company acquired three properties in the Red Lake District of Northwest Ontario pursuant to the following terms:

	Dedee Property	**Pakwash Property**	**Sobel Property**	**Total**
Signing of agreement	$ 6,000 (paid)	$ 10,000 (paid)	$ 10,000 (paid)	$ 26,000 (paid)
Within 7 days of TSX Acceptance	15,000 shares (issued)	25,000 shares (issued)	30,000 shares (issued)	70,000 shares (issued)
One year after effective date	$ 10,000	$ 8,000	$ 12,000	$ 30,000 (paid) *
Two years after effective date	$ 12,000	$ 12,000	$ 20,000	$ 44,000
Three years after effective date	$ 16,000	$ 15,000	$ 20,000	$ 51,000

Four years after effective date	$ 24,000	$ 20,000	$ Nil	$ 44,000

On March 11, 2019, the Company paid $26,000 pursuant to the option agreement.

On April 5, 2019, the Company issued 70,000 shares pursuant to the option agreement.

The Company elected to buy out all the outstanding royalties on the newly optioned properties for total consideration of 38,500 shares of Great Bear. These shares were issued on April 5, 2019.

The schedule of optional payments for all of the optioned properties can be accelerated at any time at the Company's discretion in order to achieve full ownership at an earlier date. The options may also be terminated at any time subsequent to the initial cash and share payment.

During the six months ended June 30, 2020, the Company paid $30,000 pursuant to the option agreement.

The scientific and technical data contained in the property descriptions were reviewed by Ms. Andrea Diakow P.Geo, Exploration Manager for Great Bear, who is responsible for ensuring that the geologic information provided in this section of the Management Discussion and Analysis is accurate and acts as a "qualified person" under National Instrument 43-101 Standards of Disclosure for Mineral Project.

SELECTED FINANCIAL INFORMATION

Selected information for the three most recent fiscal years ended December 31, 2019, 2018, and 2017 is provided below:

	As at and year ended December 31, 2019	**As at and year ended December 31, 2018**	**As at and year ended December 31, 2017**
Total assets	$ 49,512,105	$ 18,771,930	$ 2,678,756
Total liabilities	$ 6,188,362	$ 1,332,032	$ 449,925
Write-down of resource properties	Nil	Nil	Nil
Other income (loss)	$ 3,211,081	$ 557,170	$ 1,199
Net loss for the year	$ (2,443,708)	$ (3,294,528)	$ (540,197)
Loss per share	$ (0.05)	$ (0.13)	$ (0.04)

SUMMARY OF QUARTERLY RESULTS

	Other income (loss)	Net income (loss)	Gain (loss) per share
June 30, 2020	$1,525,481	$(1,938,080)	$(0.10)
March 31, 2020	$1,358,791	$(4,296,894)	$(0.10)
December 31, 2019	$1,183,028	$212,928	$0.01
September 30, 2019	$909,067	$(1,145,350)	$(0.03)
June 30, 2019	$236,584	$(612,184)	$(0.02)
March 31, 2019	$882,402	$(899,102)	$(0.02)
December 31, 2018	$318,143	$(140,535)	$(0.01)
September 30, 2018	$120,573	$(2,532,385)	$(0.08)

RESULTS OF OPERATIONS

As at June 30, 2020, exploration and evaluation assets totalled $31,620,975 (December 31, 2019 - $19,028,086). The details of the cost breakdown are contained in the schedule of Exploration and Evalluation Assets in the notes to the financial statements for the six months ended June 30, 2020.

For the Six and Three Months Ended June 30, 2020 and 2019

For the three months ended June 30, 2020, operating expenses totaled $3,463,561 (2019 - $848,768) with net loss of $1,938,080 (2019 – $612,184).

For the six months ended June 30, 2020, operating expenses totaled $9,119,246 (2019 - $2,630,272) with net loss of $6,234,974 (2019 – $1,511,286).

The increase is mainly due to non-cash share-based compensation expense of $7,187,946 (2019 - $1,232,974) due to a significantly higher volatility as compared to the quarter ended June 30, 2019.

Management fees of $458,000 (2019 - $354,000), transfer agent and filing fees of $186,958 (2019 - $37,874), and professional fees of $513,748 (2019 – $83,308) also grew significantly, as compared to the quarter ended June 30, 2019, due to salary increases and bonuses, filing and legal fees related to the plan of arrangement.

LIQUIDITY AND CAPITAL RESOURCES

The Company is in the process of exploring its resource properties and has not yet determined whether the resource properties contain reserves that are economically recoverable. The business of mining and exploring for resources involves a high degree of risk and there can be no assurance that planned exploration and development programs will result in profitable mining operations.

The recoverability of amounts capitalized for the resource properties and related deferred exploration costs are dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain necessary financing to complete the development of the properties and upon future profitable production or proceeds from the disposition thereof. Changes in future conditions could require material write-downs of the carrying values of resource properties.

Management is actively targeting sources of additional financing through alliances with financial, exploration and mining entities, and other business and financial transactions that would assure continuation of the Company's operations and exploration programs. In addition, management closely monitors commodity prices of precious metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company if favorable or adverse market conditions occur.

The Company's working capital was as at June 30, 2020 was $36,565,576 (December 31, 2019 - $24,295,657). The Company's approach to managing liquidity risk is to ensure that it will have sufficient funds to meet liabilities when due. At June 30, 2020, the Company had cash of $48,935,784 (December 31, 2019 - $28,515,877) to settle current liabilities of $13,570,836 (December 31, 2019 - $6,188,362). All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

Cash Used in Operating Activities

Net cash used in operating activities during the six months ended June 30, 2020 was $2,123,488 (2019 - $1,466,010). Cash was mostly spent on technical work, management, consulting, and general and administrative costs.

Cash Used in Investing Activities

Total cash used in investing activities during the six months ended June 30, 2020 was $10,041,812 (2019 - $4,112,804), related to exploration work and related costs.

Cash Generated by Financing Activities

Total net cash generated by financing activities during the six months ended June 30, 2020 was $32,585,207 (2019 - $1,942,036). This number includes $1,249,564 obtained through the issuance of 1,215,941 shares upon warrant exercises, funds of $544,250 for 345,000 options exercised and $30,793,151 obtained through the issuance 2,195,600 shares from a private placement closed on June 2, 2020.

RISKS AND UNCERTAINTIES

Resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits, which, though present, are insufficient in quantity and quality to return a profit from production.

The marketability of minerals acquired or discovered by the Company may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations of metal prices, the proximity and capacity of milling facilities, mineral markets, processing reagents and equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environment protection, the combination of which factors may result in the Company not receiving an adequate return on investment capital.

During the six months ended June 30, 2020, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on Great Bear as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may/ be put, in place by Canada and other countries to fight the virus.

OUTSTANDING SHARE DATA

The Company's authorized share capital consists of an unlimited number of voting common shares without par value.

At June 30, 2020 there were 50,706,954 shares issued and outstanding (46,850,413 shares at December 31, 2019), which were issued for an aggregate consideration of $81,174,106, net of issuance costs and flow-through premium liability. As of the date of this MD&A (August 20, 2020), the following shares, warrants and options were outstanding:

	Number of Shares/Options/Warrants	Exercise price	Expiry date
Issued and Outstanding Shares	50,942,444		
Warrants	1,900,514	$ 1.75	September 11, 2020
Options	680,000	$ 0.22 *	September 1, 2021
	170,000	$ 0.35 *	October 11, 2022
	445,000	$ 0.50 *	March 1, 2023
	268,500	$ 0.54 *	July 11, 2023
	804,000	$ 1.83 *	September 20, 2023
	385,000	$ 3.69 *	February 21, 2024
	387,500	$ 5.27 *	July 24, 2024
	17,000	$ 7.63 *	October 10, 2024
	125,000	$ 6.52 *	November 18, 2024
	710,000	$ 8.61 *	January 31, 2025
	150,000	$16.28	June 24, 2025
Fully Diluted at August 20, 2020	**56,984,958**		

* ADJUSTED TO TAKE INTO ACCOUNT THE SPIN-OUT OF GREAT BEAR ROYALTIES CORP.

COMMITMENTS

a) Plan of Arrangement - Madalena Ventures Inc.

In March of 2006, the Company entered into an agreement with Madalena Ventures Inc. ("Madalena"), a public company listed on TSX Venture Exchange, in which Madalena agreed to distribute its mineral exploration business and certain marketable securities associated with the business to the Company.

Each shareholder of Madalena received one-fifteenth of a common share of the Company for each common share of Madalena owned by such shareholder at August 22, 2006. The Company assumed all of Madalena's obligations in respect to a dividend in specie declared by Madalena on November 15, 2004, which was payable in the form of Planet Mining Exploration Inc. ("Planet") shares.

The remaining 962,861 Planet shares and the dividend obligation that were transferred to the Company as part of the Arrangement are not included in the Company's balance sheet as the shares are held in trust by the Company for shareholders of Madelena at the declaration date. As at December 31, 2015, the Company held 962,861 Planet shares for distribution.The dividend entitlement still exists, but will ultimately expire pursuant to the provisions of the Unclaimed Property Act (B.C.), after which any unclaimed Planet shares (or any cash realized from their disposition prior to then) will become the property of the Company. As these Planet shares are held in a trust account for distribution to eligible shareholders, the shares have been derecognized from the Company's balance sheet.

b) During July 2019, the Company issued 2,000,000 flow-through shares and, as a result, committed to spend $10,900,000 in qualifying expenditures in 2019 and 2020. As at June 30, 2020, 100% of this commitment was fulfilled (Note 9).

During November 2019, the Company issued 2,000,000 flow-through shares and, as a result, committed to spend $16,700,000 in qualifying expenditures in 2019 and 2020. As at June 30, 2020, 46% of this commitment was fulfilled (Note 9).

During June 2020, the Company issued 1,470,600 flow-through shares and, as a result, committed to spend $25,000,200 in qualifying expenditures in 2020 and 2021. As at June 30, 2020, none of this commitment was fulfilled (Note 9).

c) The Company has entered into an employment agreement with a director and officer of the Company. If this agreement is terminated by the Company without just cause, the Company is required to make a payment equal to the employee's annual base salary then in effect plus 50% of the most recently granted bonus. If there is a change in control and either party terminates this agreement within 12 months of the change in control, the Company is required to pay the employee an amount equal to 36 months of the employee's base salary and 50% of the most recent bonus granted to the employee.

The Company has entered into a consulting agreement with a director and officer of the Company. If this agreement is terminated by the Company without just cause, the Company is required to make a payment equal to the officer's annual base fee then in effect. If there is a change in control and either party terminates this agreement within 12 months of the change in control, the Company is required to pay the officer an amount equal to 36 months of the officer's base fee.

RELATED PARTY TRANSACTIONS

Key management compensation paid and accrued to directors, officers and companies in which directors and officers are shareholders and employees during the six months ended June 30, 2020 and 2019 are as follows:

Related Party	**Nature of Relationship**
Chris Taylor Geological Ltd.	Company, controlled by CEO
GSBC Financial Management Inc.	Company, controlled by CFO
North Face Software Ltd.	Company, controlled by VP of Exploration
Nicmar Capital Corp.	Company, controlled by Director
Vinland Holdings Inc.	Company, controlled by Director

Payee	**Nature of the transaction**	**Six Months ended June 30, 2020**	**Six months ended June 30, 2019**
	Management and consulting fees	$ 275,000	$ 275,000
Chief Executive Officer (CEO)	Geological fees	-	-
	Share-based compensation	794,039	166,618
Chief Financial Officer (CFO)	Management and consulting fees	6,000	4,000
VP of Exploration	Management and consulting fees	150,000	150,000

Payee	Nature of the transaction	Six Months ended June 30, 2020	Six months ended June 30, 2019
	Geological fees	116,667	112,500
	Share-based compensation	786,177	166,618
VP of Corporate Development	Management and consulting fees	90,000	-
	Share-based compensation	612,474	-
Directors	Director fees	15,500	15,000
	Share-based compensation	2,487,350	99,971
Companies, controlled by Directors	Consulting fees	15,500	15,000
	Director fees	15,500	15,000
	Share-based compensation	786,178	199,942
Total		$ 6,150,385	$ 1,219,649

As at June 30, 2020, $194,206 (December 31, 2019 - $2,625) is payable to officers and directors of the Company. The accrued liabilities included $153,125 (December 31, 2019 - $3,125), owing to various officers and directors of the Company and companies, controlled by, or having common officers and/or directors. These balances are non-interest bearing with no specific terms of repayment and are unsecured.

OFF- BALANCE SHEET TRANSACTIONS

The Company has not entered into any off-balance sheet arrangements.

FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, investments in equity instruments, receivables, and accounts payable and accrued liabilities.

The Company is exposed in varying degrees to a variety of risks related to financial instruments. The Board approves and monitors the risk management processes:

Credit Risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to cash and receivables. The Company maintains its cash with high-credit quality financial institutions, thus limiting its exposure to credit risk on such financial assets.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company maintains sufficient cash balances to meet current working capital requirements. The Company is considered to be in the exploration and evaluation stage. Thus, it is dependent on obtaining regular financings in order to continue its exploration and evaluation programs. Despite previous success in acquiring these financings, there is no guarantee of obtaining future financings. The Company's cash is available on demand for the Company's programs and is not invested in any asset-backed commercial paper.

Interest Rate Risk

The Company's exposure to interest rate risk arises from the interest rate impact on its cash. The Company's practice has been to invest cash at floating rates of interest, in cash equivalents, in order to maintain liquidity, while achieving a satisfactory return for shareholders. There is minimal risk that the Company would recognize any loss as a result of a decrease in the fair value of any guaranteed bank investment certificates included in cash, and restricted cash as they are generally held with large financial institutions.

Price Risk

Investments in equity instruments which are classified as fair value through other comprehensive income and are measured at fair value, are listed on public stock exchanges, including TSX-V and OTC-QB. Recently, the markets have experienced extreme volatility. Therefore, sensitivity analysis is performed using 15%. For such investments, a 15% increase in equity prices as at June 30, 2020 would have increased investments in equity instruments by $51,375. An equal change in the opposite direction would have had the equal but opposite effect on the amounts shown above.

Financial assets are classified at initial recognition as either: measured at amortized cost, Fair value through profit or loss (“FVTPL”), or fair value through other comprehensive income ("FVTOCI"). The classification depends on the Company’s business model for managing the financial assets and the contractual cash flow characteristics. For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI.

Fair value through profit or loss (“FVTPL”) – Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the income statement. Realized and unrealized gains and losses arising from changes in the fair value of the financial asset held at FVTPL are included in the income statement in the period in which they arise. Derivatives are also categorized as FVTPL unless they are designated as hedges.

Fair value through other comprehensive income (“FVTOCI”) - Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income. There is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment.

Financial assets at amortized cost - A financial asset is measured at amortized cost if the objective of the business model is to hold the financial asset for the collection of contractual cash flows, and the asset's contractual cash flows are comprised solely of payments of principal and interest. They are classified as current assets or non-current assets based on their maturity date and are initially recognized at fair value and subsequently carried at amortized cost less any impairment.

Derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never separated. Instead, the hybrid financial instrument as a whole is assessed for classification.

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL or the Company has opted to measure at FVTPL.

Under IFRS 9, the Company classifies its financial instruments as follows:

Cash	Amortized cost
Marketable securities	Fair value through other comprehensive income
Accounts payable, Accrued liabilities	Amortized cost

CRITICAL ACCOUNTING ESTIMATES

Our significant accounting policies are presented in Note 3 of the audited financial statements for the year ended December 31, 2019 and Note 3 of the condensed interim consolidated financial statements for the period ended June 30, 2020. Note 3 provides that the preparation of the Company’s financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Information about significant areas of estimation uncertainty in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are noted below.

KEY SOURCES OF ESTIMATION UNCERTAINTY

Exploration and evaluation assets

Exploration and evaluation costs are initially capitalized as intangible exploration assets with the intent to establish commercially viable reserves. The Company is required to make estimates and judgments about the future events and circumstances regarding whether the carrying amount of intangible exploration assets exceeds its recoverable amount. Recoverability is dependent on various factors, including the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development, and upon future profitable production or proceeds from the disposition of the exploration and evaluation assets themselves.

Additionally, there are numerous geological, economic, environmental and regulatory factors and uncertainties that could impact management’s assessment as to the overall viability of its properties or the ability to generate future cash flows necessary to cover or exceed the carrying value of the Company’s exploration and evaluation assets.

Deferred tax assets and liabilities

The measurement of a deferred tax provision is subject to uncertainty associated with the timing of future events and changes in legislation, tax rates and interpretations by tax authorities. The estimation of taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company’s ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income, which in turn is dependent upon the successful discovery, extraction, development and commercialization of mineral reserves. To the extent that management’s assessment of the Company’s ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets, and future tax provisions or recoveries could be affected.

Share-based payments

The Company measures share-based payments expense by reference to the fair value of the stock options at the date at which they are granted. Estimating fair value for granted stock options requires determining the most appropriate valuation model which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the option, volatility, dividend yield, and rate of forfeitures.

Capital stock

Common shares are classified as shareholders’ equity. Incremental costs directly attributable to the issue of common shares and stock options are recognized as a deduction from equity. Common shares issued for consideration other than cash, are valued based on their market value at the date the shares are issued. The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The Company considers the fair value of common shares issued in the private placements to be the more easily measurable component and the common shares are valued at their fair value, as determined by the closing market price on the announcement date. The balance, if any, is allocated to the attached warrants. Any fair value attributed to the warrants is recorded as reserves.

CAPITAL MANAGEMENT

The Company manages its capital to safeguard the Company's ability to continue as a going concern, so that it can continue to provide adequate returns to shareholders and benefits to other stakeholders, and to have sufficient funds on hand for business opportunities as they arise.

The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares through short-form prospectuses, private placements, sell assets, incur debt, or return capital to shareholders. There were no changes in the Company’s approach to capital management during the six months ended

June 30, 2020. In the management of capital, the Company includes the components of shareholders' equity, as well as cash.

As at June 30, 2020, the Company is not subject to externally imposed capital requirements.

DISCLOSURE CONTROLS AND PROCEDURES

Management has assessed the effectiveness of the Company's disclosure controls and procedures used for the condensed interim consolidated financial statements and MD&A as at June 30, 2020, and concluded that the disclosure controls are effective in ensuring that all material information required to be filed has been made known to them in a timely manner.

The required information was effectively recorded, processed, summarized and reported within the time period necessary to prepare the filings. The disclosure controls and procedures are effective in ensuring that information required to be disclosed pursuant to applicable securities laws are accumulated and communicated to management as appropriate to allow timely decisions regarding required disclosure.

The Company's management, including its CEO and CFO, believe that any disclosure controls and procedures and internal controls over financial reporting, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgments in decision making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override to the future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

There have been no changes in the Company's internal controls over financial reporting during the six months ended June 30, 2020, that have materially affected, or are reasonably likely to materially affect, the Company's internal controls over financial reporting.

Additional disclosures pertaining to the Company's material change reports, press releases and other information are available on the SEDAR website at www.sedar.com.