GREAT BEAR RESOURCES LTD.

MANAGEMENT DISCUSSION AND ANALYSIS

For the Year Ended December 31, 2019

Dated April 27, 2020

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This management's discussion and analysis ("MD&A") for the year ended December 31, 2019 was prepared by management and approved and authorized for issue on April 27, 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 audited consolidated audited 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 2006, the Company's main business focus has been to acquire and explore mineral properties. 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 14, 2019, the Company provided a 3D model of gold mineralization drilled to-date at the Company's 100% owned Dixie project. All previously reported drill results from the Dixie Limb (DL), Hinge (DHZ), and South Limb (DSL) zones are provided, in addition to the primary geological units. Additionally, the Company reported that its fully-funded 30,000 metre, 150-drill hole program has resumed after a brief break for the holiday season. The Company will mobilize a second drill rig early in 2019 in order to more rapidly drill the known mineralized zones and simultaneously test new gold targets. Results will continue to be released in batches as received.

- On January 16, 2019, the Company reported drill results from the Hinge Zone ("DHZ") and South Limb Zone ("DSL"). Results include 1,602.73 g/t gold over 0.70 metres (approximate true width) at 150 metres vertical depth. Other results include additional gold intervals from previously reported Hinge and South Limb drill holes, identified during assaying of the entire drill holes. 8 of 19 drill holes completed in December 2018 across 220 metres strike length of the South Limb and Hinge zones intersected intervals of greater than 15 g/t gold.

- On February 21, 2019, the Company granted an aggregate of 500,000 stock options to officers, directors, advisors and consultants of the Company, exercisable at $3.72 per share for a period of five years. The options are subject to a four-month hold.

- On February 21, 2019, Great Bear reported that it has discovered one of the widest near-surface occurrences of veining and alteration hosting high-grade gold reported on the project to date, and has also successfully extended the Hinge Zone at depth. Highlights of the results included:

  - Drill hole DHZ-023 intersected a 42-metre-wide (138 feet - approximate true width) zone of increased hyrdrothermal alteration, sulphide mineralization and multiple quartz veins hosting significant gold mineralization from 121 to 158 metres vertical depth, approximately 50 metres to the west of previously reported Hinge Zone drill holes.

  - Gold-bearing vein intercepts from DHZ-023 include 3.40 metres of 31.60 g/t gold, which includes 1.75 metres of 61.05 g/t gold, and 2.80 metres of 9.91 g/t gold, which includes 1.50 metres of 17.88 g/t gold.

  - Hole DHZ-017 was drilled as a significant 50 metres down-plunge step-out from the deepest previous Hinge Zone drilling. It intersected 1.50 metres of 28.01 g/t gold including 0.50 metres of 80.44 g/t gold. This hole extends the down-plunge depth of the Hinge Zone to 281 metres.

  - All (100%) of the 38 drill holes completed by Great Bear along 330 metres of strike length of the Hinge Zone that has been drilled to date have intersected gold mineralization. 22 of 38 drill holes (58%) have intersected intervals containing greater than 10 g/t gold.

- On March 11, 2019, Great Bear reported drill results for 3 holes drilled in the Dixie South Limb Zone (DSL-016, DSL-017 and DSL-018) and 2 drill holes from the Dixie Main Showing zone (DMS-001 and DMS-002). Gold was interecepted in all 5 drill holes with highlights including 31.40 g/t gold over 0.70 metres within a 2.70 metre interval of 8.70 g.t gold in DSL-016. Also announced was the acquision of three new properties in the Red Lake District, the Dedee, Packwash and Sobel Properties.

- On March 21, 2019, the Company reported drilling results from several drill holes testing both the continuation of the Dixie Hinge Zone ("DHZ") and shallow targets from the Dixie Limb Zone ("DL"). Highlights from these results included:

  - Drill hole DHZ-031 intersecting significant gold bearing quartz veins across a 141 meter wide zone including 7.25 metres of 30.15 g/t gold, which included 1.50 metres of 130.49 g/t gold, and 4.00 metres of 11.72 g/t gold and 0.50 metres of 60.72 g/t gold.

  - Results of shallow drilling of the Dixie Limb Zone including 39.20 metres of 2.07 g/t gold, which included 0.70 metres of 20.46 g/t gold, at a vertical depth of approximately 25 metres.

- On April 1, 2019, Great Bear anounced its intention to expand the current 30,000 metre drill program to 60,000 metres as well as the addition of a third drill rig during the expanded program.

- On April 9, 2019, the Company announced that the Company's exploration team had been awarded the 2018 "Bernie Schnieders Discovery of the Year Award" for the discovery of high-grade gold zones at its 100% owned Dixie Property in Red Lake, Ontario, Canada.

- 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;
  (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)
  (I) $50,000 on or before the date that is 10 days after the first anniversary of the Definitive Agreement; and
  (II) $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:

  (II) 250,000 Shares within 10 days of signing the Definitive Agreement; (received)
  (III) 250,000 Shares on or before the date that is 10 days after the first anniversary of the Definitive Agreement; and
  (IV) 375,000 Shares on or the date that is 10 days after the second anniversary of the Definitive Agreement.

  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.

- On May 7, 2019, the Company announced the results of a recently completed 30 metre and 100 metre step-down drill holes along the projected plunge and dip of two high-grade gold trends within the DHZ. Both hit identical styles of high-grade gold mineralization as above. The Hinge Zone appears to have significant high-grade depth potential. Highlights of current DHZ drilling included:

  - Drill hole DHZ-039 intersected 3.70 metres of 28.37 g/t gold, including a very high grade interval of 0.5 metres of 200.25 g/t gold (1.64 feet of 6.44 oz/t) at 247 metres vertical depth. This is the deepest high grade intercept in the DHZ to date.

  - DHZ-039 is a 28 metre step-down along the down-plunge projection of the gold intercept in drill hole DHZ-029, which had returned 1.30 metres of 21.02 g/t gold as disclosed on March 21, 2019.

- Drill hole DHZ-033 intercepted multiple high-grade gold-bearing veins. Vein 1: 13.58 g/t gold over 3.10 metres, including 0.80 metres of 29.30 g/t gold. Vein 2: 4.10 metres of 8.22 g/t gold, including 0.55 metres of 46.57 g/t gold. Vein 3: 5.80 metres of 2.46 g/t gold, including 1.70 metres of 7.49 g/t gold.

- Drill hole DL-043 was drilled across the adjacent Dixie Limb Zone and into the Hinge Zone approximately 100 metres down-dip of previous DHZ drilling.

- DL-043 returned 1.50 metres of 11.65 g/t gold, including 0.50 metres of 34.07 g/t gold.

- 32 of 51 drill holes (63%) completed by Great Bear within the DHZ to date have intersected intervals containing greater than 15 g/t gold.

- On May 28, 2019, the Company reported a new high-grade gold discovery, the "Bear-Rimini Zone".

  - The Bear-Rimini Zone is located 2.5 kilometres northwest of the Hinge Zone.

  - The new discovery is hosted by a new exploration target, the "LP Fault", and adjacent lithologies. Airborne geophysics completed by Great Bear shows the LP Fault and a parallel structure, the “North Fault”, are interpreted to transect the property for 18 kilometres of strike lenght.

  - DNW-011 intersected intervals of gold mineralization across 110 metres of core length and were strongest in a coarse quartz crystal lapilli tuff unit in the northern footwall of the fault. This is the first drill hole in the project's history to target this tuff unit.

  - The LP Fault is interpreted as a major gold mineralization control and hydrothermal fluid conduit during Archean age gold mineralization. The generally 1 kilometre wide area between the LP and North Faults may represent a significant structural dilation zone where gold rich hydrothermal fluids accumulated.

  - The LP Fault has a projected depth of 14 kilometres, extending to the base of the continental crust/upper mantle as defined by the Lithoprobe Survey of the Red Lake district. A similar deep-seated structural feature was interpreted by the Survey to be spatially and genetically associated with the majority of gold mineralization along the main Red Lake mine trend (Zeng and Calvert, 2006) where over 30,000,000 ounces of gold have been produced.

  - The LP Fault parallels highway 105, the main access corridor to Red Lake, is 1 to 3 kilometres from a powerline and paved road, and is a 30 minute drive from the main Red Lake gold mine operated by Newmont Goldcorp Corp.

- On July 3, 2019, the Company closed a “bought-deal” private placement financing. The Company issued 2,000,000 common shares that qualify as "flow-through shares" for the purposes of the Income Tax Act (Canada) at a price of $5.45 per flow-through share, for aggregate gross proceeds to the Company of $10,900,000.

- On July 10, 2019, Great Bear reported a significant expansion of the Hinge Zone high-grade gold discovery. Highlights of the most recent Hinge Zone drill results included:

  - All 11 drill holes (100%) intersected from 1 to 5 gold-bearing quartz veins.

  - Drill hole DHZ-042 intersected 3.00 metres of 23.21 g/t gold including 1.00 metre of 50.66 g/t gold at 229 metres vertical depth.

  - Drill hole DL-048 intersected 3.90 metres of 18.09 g/t gold including 1.00 metre of 69.97 g/t gold at 342 metres vertical depth, 150 metres down-plunge of previous high-grade intercepts.

- On July 16, 2019, Great Bear reported the discovery of the new highgrade “Yuma" gold zone. Highlights of this discovery included:

- Historic drill hole DC-12-07 (drilled in 2007 by past operators) is a 1.4 kilometre step-out to the southeast along the LP Fault from Great Bear's Bear-Rimini discovery hole DNW-011, and was the only other hole to be drilled to-date into the footwall of the LP Fault.

- The final metres of DC-12-07 intersected silicified volcanic rocks visibly similar to those which yielded high-grade gold at the Bear-Rimini discovery. Lower-grade gold mineralization was also intersected higher up the hole within the LP Fault, as was also the case in the Bear-Rimini Zone.

- Great Bear's geologists noted sparse fine visible gold within strongly silicified felsic volcanic rocks towards the end of DC-12-07, where the Company projected the Bear-Rimini Zone's on-strike gold mineralization could occur. Past operators had recorded this interval as un-mineralized and it had not been sampled.

- Great Bear sampled the previously uncut core, which assayed 5.5 metres of 4.07 g/t gold beginning at 193.50 metres down-hole, including 2.0 metres of 10.57 g/t gold and including 0.5 metres of 36.90 g/t gold. The historical hole had been terminated prematurely.

- Two historical drill holes were subsequently re-entered and extended by Great Bear. Both holes intersected similar silicified geology to drill hole DC-12-07 and assays are pending.

- On July 24, 2019, Great Bear reported the confirmation through drilling of predicted high-grade structural gold controls in the Dixie Limb Zone. Highlights of these results included:

  - Thickened zone widths near a predicted intersection of the Hinge Zone vein swarm with the Dixie Limb, including 12.10 metres of 5.87 g/t gold, which includes a high-grade core of 4.60 metres of 14.32 g/t gold.

  - Higher gold grades at these predicted intersections of up to 1.00 metre of 54.51 g/t gold and 0.60 metres of 73.33 g/t gold.

- On August 1, 2019, Great Bear announced its intent to explore the new “LP Fault” Gold-Bearing Structure as well as the completion of collecting over 2100 samples for a soil geochemical survey. Highlights of current exploration activities included:

  - All three drill rigs had now been deployed along the LP Fault.

  - The Company tested a new geochemical survey technique - Spaciotemporal Geochemical Hydrocarbon (“SGH”) - that successfully located bedrock gold mineralization below glacial till cover in the Hinge and Dixie Limb areas.

  - An extensive SGH survey consisting of 2,100 samples was subsequently completed over 4 kilometres of strike length of the LP Fault, as the area is also covered by thin till cover.

- On August 21, 2019, the Company reported the most recent drill results from the Hinge and Dixie Limb Zones. Highlights of the most recent results included:

  - A new steeply plunging high-grade sub-zone was discovered to the west of, and above, most previous drilling in the Hinge Zone. Results include 30.81 g/t gold over 2.50 metres within a broader zone of 7.40 g/t gold over 13.20 metres, at only 68 metres vertical depth.

  - The new Hinge Zone sub-zone was also tested to approximately 140 metres vertical depth, where assays returned 20.41 g/t gold over 2.20 metres, within a wide interval of 2.07 g/t gold over 29.80 metres. Gold-bearing quartz veins are strongly developed adjacent to a newly defined sediment contact within the same high-iron tholeiitic pillow basalt that hosts the original Hinge Zone discovery.

  - Recent Dixie Limb drill results include 21.54 g/t gold over 2.35 metres within a broader interval of 9.68 g/t gold over 5.60 metres. Drilling continued to encounter high-grade gold intervals near the predicted intersections of Hinge-Zone style gold-bearing veins with the Dixie Limb contact. Broad intervals of low to moderate gold grades are also present at all locations drilled.

- On September 3, 2019, the Company reported multiple gold discoveries along 3.2 kilometres strike length of the approximately 18-kilometre-long LP Fault target Highlights of the drill results included:
  - All drill holes that have intersected the LP Fault to-date have successfully intersected gold mineralization along 3.2 kilometres of strike length. The new high-grade "Auro" Zone was drilled at a 2.6-kilometre step-out to the southeast of the Bear-Rimini Discovery area.
  - New high-grade gold intercepts include: 101.70 g/t gold over 1.50 metres, within 10.65 g/t gold over 17.25 metres at the Auro Zone, and 27.77 g/t gold over 2.00 metres within 11.08 g/t gold over 7.00 metres in the Yuma Zone.
  - Wide intervals of disseminated gold mineralization have been drilled surrounding, and adjacent to the high-grade intercepts, including: 42.00 metres of 5.28 g/t gold in the Auro Zone; 22.00 metres of 1.14 g/t gold in the Yuma Zone; and 40.80 metres of 1.00 g/t gold in the Bear-Rimini Discovery Zone. These wide gold zones project to the near surface in all locations.
  - Gold mineralization at the Yuma Zone has been extended from the near surface to 480 metres vertical depth and remains open to extension.
  - Gold mineralization associated with the LP Fault is not typical of the Red Lake district. Early observations suggest that gold is associated with a largescale deformation zone near the contact between sediments and felsic volcanics. Accessory minerals include pyrite, sphalerite, and galena with minor chalcopyrite and arsenopyrite. Elevated lead, silver and zinc values are observed within higher grade gold intercepts.
  - The LP Fault deformation zone is similar in character to other large gold-hosting deformation zones in Archean greenstone belts. Well-known Canadian examples include the Larder Lake Cadillac Break that extends through Kirkland Lake and Val D'Or, the Porcupine Destor Fault Zone of the Timmins Camp, the Detour Lake Fault Zone, the Pike Fault in the Meliadine camp of Nunavut, and the Cochenour-Gullrock deformation zone of the Red Lake Mine complex.
- On September 30, 2019, the Company provided a progress update from the drill program. Highlights of the LP Fault drill program's progress included:
  - 14 drill fences have been completed along 3.2 kilometres of strike length, with one to three drill holes per drill fence.
  - The Company has noted very strong geological continuity including similar geology, alteration, structural characteristics, geochemistry, geophysical signature and gold mineralization along all drill holes intersecting the LP Fault deformation zone to-date. Results suggest a continuous, multi-kilometre zone that remains open to extension along strike and at depth, with mineralization projecting to the near surface in all locations.
  - Gold zones in all results reported to-date for the LP Fault are associated with silica and albite alteration with minor sulphides including pyrite and sphalerite, with lesser amounts of arsenopyrite and chalcopyrite. Visible gold is also noted in several of the reported intervals. Quartz sericite alteration associated with gold mineralization extends for up to 500 metres of core length.
  - There are two primary styles of gold mineralization along the LP Fault, both of which extend to the near-surface and are being actively drilled by Great Bear: 1) Near-vertical high-grade gold zones, and 2) disseminated zones of low to moderate gold grades which surround and flank the high-grade intervals.

- On October 1, 2019, Rob McEwen announces that between August 23, 2019 and October 1, 2019 McEwen Mining Inc. (“MUX”) sold 1,000,000 shares of Great Bear for aggregate gross proceeds of $7,700,500. MUX is 22% owned by Rob McEwen and is therefore considered a joint actor for the purpose of Canadian National Instrument 62-103.
- On October 10, 2019, Great Bear reported results from its drill program. Highlights included:
  - On strike extensions of key geological units that host gold mineralization where drilled by Great Bear to-date have now been mapped, drilled and identified in historical drilling along 15 kilometres of the 18.5-kilometre-long LP Fault.

- The Company continues to advance its three-dimensional modeling of the LP Fault mineralization as additional drill information is received.
- Results of a Spaciotemporal Geochemical Hydrocarbon ("SGH") survey completed in summer 2019 along 4 kilometres of the LP Fault have also now been received, and four new drill targets have been identified. Highlights of recent LP Fault drill results included:
- Drill hole BR-043, located between the Bear-Rimini and Yuma sub-zones, intersected multiple gold intervals along 253.90 metres of core length including 125.00 metres of 1.08 g/t gold.
- Drill hole BR-035, located between the Auro and Yuma sub-zones, intersected multiple gold intervals over 111.30 metres of core length, including 15.02 g/t gold over 2.50 metres, within a broader interval of 26.00 metres of 2.55 g/t gold. Separate additional gold intervals include 9.20 g/t gold over 5.30 metres, within a broader interval of 56.10 metres of 1.26 g/t gold.
- The gold mineralized system tends to increase in apparent width with increasing depth in most locations.

- On October 10, 2019, Great Bear reported it granted an aggregate of 35,000 stock options to consultants of the Company, exercisable at $7.68 per share for a period of five years. The options are subject to a four month hold period.
- On October 24, 2019, the Company reported its intention to create, and subsequently spin-out, a two percent Net Smelter Royalty ("NSR") on any potential future mineral production at the Dixie property. The NSR will initially be placed in a wholly owned subsidiary ("SpinCo"). It is expected that the distribution will be completed pursuant to a plan of arrangement (the "Arrangement"), under the Business Corporations Act (British Columbia). The Arrangement will be subject to TSX Venture Exchange, regulatory and court approval, as well as at management's continued discretion. Pursuant to the arrangement, common shares of SpinCo will be distributed to shareholders of Great Bear on a pro rata basis. Subsequent to the SpinCo share distribution, the Board of Directors of SpinCo may at some point decide to pursue listing of its shares on a stock exchange, if and when it determines it is in the best interests of its shareholders. There will be no change in shareholders' holdings in Great Bear as a result of the Arrangement.
- On October 30, 2019, Great Bear reported results from the drill program. Highlights of recent progress included:
  - The discovery of the “Yauro Zone”, a new near-surface high-grade zone located between the Yuma and Auro discoveries, that coincides with an inflection point on the LP Fault.
  - The Yauro Zone consists of several gold intervals spanning two drill holes collared 125 metres apart. Gold zones are within metres of surface and mineralization is observed over 300 metres of apparent width.
  - Results include: BR-036 with 32.00 g/t gold over 2.65 metres and 21.33 g/t gold over 3.30 metres, within a wider interval of 5.14 g/t gold over 37.40 metres; and BR-037 with 30.66 g/t gold over 3.45 metres, within a wider interval of 5.60 g/t gold over 25.25 metres; and 35.96 g/t gold over 1.73 metres, within a wider interval of 2.01 g/t gold over 66.20 metres.AD
  - Drilling one kilometre southeast of the Auro Zone in the new “Viggo Zone” has extended the LP Fault gold mineralized system to 4 kilometres of strike length.
  - New “Hinge Zone” style veins intersected in drilling at the North Fault
- On November 18, 2019, the Company granted an aggregate of 125,000 stock options to a new employee of the Company, exercisable at $6.57 per share for a period of five years. Fifty percent of the options vest after an initial four month hold period, while the remaining fifty percent vest on November 18, 2020.
- On November 19, 2019, the Company reported the appointment of Mr. Calum Morrison to the position of Vice President, Corporate Development. Mr. Morrison has over 15 years of experience in the mining industry, having worked both in corporate development and investment banking roles. Mr. Morrison has managed and led negotiations on numerous transactions with aggregate value in excess $5 billion; including acquisitions, divestments, joint ventures, and other strategic initiatives. Most recently Mr. Morrison was a senior member of Teck Resources Limited's Corporate Development team that oversaw the origination, negotiation, and execution of numerous transactions. Mr. Morrison is

a Chartered Financial Analyst (CFA) Charter Holder, a Chartered Professional Accountant (CPA, CA), and holds a Bachelor of Environmental Science honours degree from Dalhousie university.

- On November 28, 2019, the Company closed a "bought deal" private placement financing. The Company issued 2,000,000 common shares that qualify as "flow-through shares" for the purposes of the Income Tax Act (Canada) ("Flow-Through Common Shares") at a price of $8.35 per Flow-Through Common Share, for aggregate gross proceeds to the Company of $16,700,000. In connection with the Offering, the Company paid a cash commission of 6% of the gross proceeds of the Offering and reimbursed the underwriters for certain reasonable expenses and fees.

- On December 5, 2019, Great Bear reported the significant expansion of its ongoing drill program at its flagship Dixie project in the Red Lake district of Ontario, from 90,000 metres to 200,000 metres. The Company also planned to add additional drill rigs, beginning in January 2020. The expanded drill program remains fully-funded with a 2020 budget of $21 million, and the Company has the ability to further augment the program with cash on hand. Details included:

    - Approximately 110,000 additional metres will be added to the 90,000 metre drill program, for a total of 200,000 metres of drilling to be completed by the end of 2020.
    - All-in drill costs remain well below the industry average, at approximately $175 - $185/m.
    - Drilling will continue year-round.
    - Drilling will focus on 1) the known gold zones at the LP Fault, Hinge Zone, Dixie Limb, and North Fault, and 2) additional new targets across the 22 kilometre strike length of the Dixie property.
    - Higher-capacity drill rigs have been mobilized to the property to increase production rates at shallow depths, and to allow penetration of up to 2,000 metres depth as may be required.

- On December 16, 2019, the Company reported new results from its 200,000 metre drill program. Results are from the following zones along the LP Fault target: "Gap" (new), Auro and Bear-Rimini. Highlights of results included:

    - 16.80 g/t gold over 4.15 metres (from 55.00 to 59.15 metres), and a separate interval of 1.25 g/t gold over 45.50 metres (from 125.25 to 170.80 metres) in the new Gap zone, located between the Bear-Rimini and Yuma zones.
    - 48.67 g/t gold over 8.70 metres (from 251.60 to 260.30 metres), including 241.88 g/t gold over 1.20 metres in the Auro zone.
    - 1.13 g/t gold over 41.80 metres (from 217.70 to 259.50 metres), which includes 6.69 g/t gold over 3.50 metres, and 1.13 g/t gold over 37.95 metres (from 264.60 to 302.55 metres) in the Bear-Rimini zone.

- Subsequent to the period ended December 31, 2019, additional 735,498 shares were issued upon exercise of warrants for the total proceeds of $818,604 and 160,000 shares were issued upon exercise of options for the total proceeds of $200,000.

- On January 31, 2020, Great Bear announced that is has entered into a 2.0% net smelter return royalty agreement (the "NSR Royalty") 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 will continue to focus on advancing the 100% owned Dixie Project, while Great Bear Royalties will allow shareholders to capture additional long-term value through the royalty interest. 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 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 March 30, 2020, Great Bear announced it filed the management information circular and related meeting materials in connection with the special meeting of shareholders (the "Meeting") to be held on April 23, 2020 at 1:00 p.m. (PST) at the offices of Blake, Cassels & Graydon LLP, Suite 2600, 595 Burrard Street, Vancouver, British Columbia. The board of directors has set March 16, 2020 as the record date for determining the shareholders entitled to receive notice and vote at the Meeting. The purpose of the Meeting is to seek approval of the previously announced spinout by way of a plan of arrangement (the "Arrangement") between Great Bear and Great Bear Royalties Corp. ("Great Bear Royalties"), whereby the owners of common shares of Great Bear (each a "GBR Share") are entitled to receive onefourth of a common share of Great Bear Royalties for each GBR Share held immediately prior to the closing of the Arrangement. Following the Arrangement, Great Bear Royalties will no longer be a wholly owned subsidiary of Great Bear. The Arrangement will require approval by at least two-thirds (66.6%) of the votes cast by shareholders present in person or represented by proxy and entitled to vote at the Meeting. Great Bear has obtained an interim order of the Supreme Court of British Columbia (the "Court"). Subject to approval by the Great Bear shareholders, Great Bear will seek a final order from the Court approving the Arrangement. The Company anticipates the Arrangement to close on or about April 28, 2020, and it is expected that shareholders of record immediately prior will be entitled to receive spinout shares.

- On April 9, 2020, the Company announced it completed 83 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. 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 announce 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 onefourth of a common share of Great Bear Royalties for each GBR Share held immediately prior to the closing of the Arrangement, which is expected to be on or about May 5, 2020. Following the Arrangement, Great Bear Royalties will no longer be a wholly owned subsidiary of Great Bear. 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. Shareholders also approved the share option plan of Great Bear Royalties (the "Royalties Option Plan") at the Meeting. The Royalties Option Plan was approved by 97.14% of the votes cast by Shareholders, with Shareholders holding 21,145,180 GBR Shares or 44.68% of the outstanding GBR Shares present in person or represented by proxy at the Meeting. The Company intends to make an application to the Supreme Court of British Columbia (the "Court") for a Final Order on April 28, 2020.

MINERAL PROPERTIES

The Company's exploration and evaluation assets include Dixie and West Madsen claims in the Red Lake district of Ontario as well as 50% interest in 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 year ended December 31, 2019.

a) Dixie Property, Ontario

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	-
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.

During the year ended December 31, 2019, the Company paid $30,000 to 1544230 Ontario Inc. pursuant to the option agreement. Total remaining payments under the original and amended Agreements are $56,000 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;
- (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
- (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
- (III) 375,000 Shares on or the date that is 10 days after the second anniversary of the Definitive Agreement.

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 on the Surprise Creek Property	200,000		-	
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.
** During the year ended December 31, 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.
*** Subsequent to the year ended December 31, 2019, the Company received 500,000 (2,500,000 pre-consolidation) Mountain Boy shares valued at $120,000.

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.

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

* Subsequent to the year ended December 31, 2019, the Company paid $30,000 to 1544230 Ontario Inc. pursuant to the option agreement.

On March 11, 2019, the Company paid $26,000 to 1544230 Ontario Inc. 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.

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
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)
June 30, 2018	$69,262	$(128,207)	$(0.01)
March 31, 2018	$49,192	$(493,401)	$(0.03)

RESULTS OF OPERATIONS

As at December 31, 2019, exploration and evaluation assets totalled $19,028,086 (December 31, 2018 - $4,944,948). 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 year ended December 31, 2019.

Year ended and Three Months Ended December 31, 2019 and 2018

For the three months ended December 31, 2019, operating expenses totaled $970,100 (2018 - $458,678) with net income of $212,928 (2018 – loss of $140,535).

For the year ended December 31, 2019, the Company had $5,654,789 in operating expenses (2018 - $3,851,698) and a net loss of $2,443,708 (2018 - $3,294,528).

The increase is mainly due to non-cash share-based compensation expense of $3,017,455 (2018 - $2,229,989) and investor relations, marketing and promotional expenses of $851,609 (2018 – $569,717), as the Company was participating at industry events and raising awareness on the current projects and programs with potential investors.

Management fees of $557,500 (2018 - $277,199) and office and administration expenses of $471,125 (2018 – $177,451) also grew significantly, as compared to the year ended December 31, 2019, due to bonus payments and increased volume of operations.

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 $24,295,657 as at December 31, 2019 (December 31, 2018 - $12,494,950). The Company's approach to managing liquidity risk is to ensure that it will have sufficient funds to meet liabilities when due. At December 31, 2019, the Company had cash of $28,515,877 (December 31, 2018 - $13,282,093) to settle current liabilities of $6,188,362 (December 31, 2018 - $1,332,032). 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 year ended December 31, 2019 was $2,598,538 (2018 - $1,720,125). 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 year ended December 31, 2019 was $12,477,663 (2018 - $3,224,654), related to exploration work and related costs.

Cash Generated by Financing Activities

Total net cash generated by financing activities during the year ended December 31, 2019 was $30,309,985, net of share issuance costs (2018 - $17,295,324). This number includes funds of $27,600,000 for shares issued in private placements in July and November 2019 as well as funds of $4,024,184 obtained through the issuance of 5,031,802 shares upon warrant exercises, funds of $708,625 for 576,500 options exercised.

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.

Subsequent to year ended December 31, 2019, 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 December 31, 2019, there were 46,850,413 shares issued and outstanding (37,133,611 at December 31, 2018), which were issued for an aggregate consideration of $55,559,573, net of issuance costs and flow-through premium liability. As of the date of this MD&A (April 27, 2020), the following shares, warrants and options were outstanding:

	Number of Shares/Options/Warrants	Exercise price	Expiry date
Issued and Outstanding Shares	47,745,911		
Warrants	390,300	$ 0.70	May 23, 2020
	2,035,647	$ 1.75	September 11, 2020
Options	840,000	$ 0.23	September 1, 2021
	190,000	$ 0.36	October 11, 2022
	445,000	$ 0.51	March 1, 2023
	268,500	$ 0.55	July 11, 2023
	894,000	$ 1.85	September 20, 2023
	460,000	$ 3.72	February 21, 2024
	400,000	$ 5.31	July 24, 2024
	35,000	$ 7.68	October 10, 2024
	125,000	$ 6.57	November 18, 2024
	710,000	$ 8.67	January 31, 2025
Fully Diluted at April 27, 2020	**54,539,358**		

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 November 2018, the Company issued 1,000,000 flow-through shares committing to spend $3,500,000 in qualifying exploration expenditures in 2018 and 2019. As at December 31, 2019, 100% of the above commitment was fulfilled.

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 December 31, 2019, 75% of this commitment was fulfilled.

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 December 31, 2019, none of this commitment was fulfilled (For further details, see Note 8 of the audited consolidated financial statements for the year ended December 31, 2019).

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 year ended December 31, 2019 and 2018 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	Year ended December 31, 2019	Year ended December 31, 2018
Chief Executive Officer (CEO)	Management and consulting fees	$ 400,000	$ 275,000
	Geological fees	-	-
	Share-based compensation	382,012	301,878
Chief Financial Officer (CFO)	Management and consulting fees	10,000	-
VP of Exploration	Management and consulting fees	150,000	206,450
	Geological fees	225,000	109,750
	Share-based compensation	382,012	312,199
VP of Corporate Development	Management and consulting fees	22,500	-
	Share-based compensation	127,708	-
Directors	Director fees	30,000	15,000
	Share-based compensation	207,668	185,091
Companies, controlled by Directors	Consulting fees	30,000	16,000
	Director fees	30,000	15,000
	Share-based compensation	415,334	370,182
Total		$ 2,412,234	$ 1,806,550

As at December 31, 2019, $2,625 (December 31, 2018 - $460) is payable to officers and director of the Company. The accrued liabilities included $3,125 (December 31, 2018 - $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 December 31, 2019 would have increased investments in equity instruments by $181,285. 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

NEW AND REVISED STANDARDS AND INTERPRETATIONS

The accounting policies in preparation of these condensed interim consolidated financial statements are consistent with those applied and disclosed in the Company's audited consolidated financial statements for the year ended December 31, 2018, except for the adoption, on January 1, 2019, of IFRS 16, Leases and IFRIC 23, Uncertainty over Income Tax Treatments which has an initial application as at this date.

The newly adopted IFRS 16, Leases standard establishes principles for recognition, measurement, presentation and disclosure of leases with an impact on lessee accounting, effective for annual periods beginning on or after January 1, 2019. The Company has assessed its office lease agreement and concluded that the agreement does not constitute the ability to direct the use (right to use) of the underlying office premises om the context of IFRS 16. As such, the adoption of the above standard has not had an impact on the results and financial position of the Company.

The newly adopted IFRIC 23, Uncertainty over Income Tax Treatments clarifies the accounting for uncertainties in income taxes. The interpretation provides guidance and clarifies the application of the recognition and measurement criteria in IAS 12 "Income Taxes" when there is uncertainty over income tax treatments. The adoption of the above standard, amendments and interpretations has not had an impact on the financial statements of the Company.

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 year ended December 31, 2019. In the management of capital, the Company includes the components of shareholders' equity, as well as cash.

As at December 31, 2019, 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 December 31, 2019, 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 year ended December 31, 2019 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.