



SABRE GOLD MINES CORP (formerly "ARIZONA GOLD CORP")
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2021
EXPRESSED IN CANADIAN DOLLARS

Suite 250 – 200 Burrard Street
Vancouver, British Columbia, Canada
V6C 3L6

**Sabre Gold Mines Corp (formerly “Arizona Gold Corp”)
Management’s Discussion & Analysis
For The Three Months Ended September 30, 2021**

Introduction

The following management’s discussion and analysis (“MD&A”) of the financial condition and results of the operations of Sabre Gold Mines Corp (formerly Arizona Gold Corp), (“Sabre Gold” or the “Company”) constitute management’s review of the factors that affected the Company’s financial and operating performance for the three months ended September 30, 2021. This MD&A was written to comply with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the audited annual consolidated financial statements of the Company for the year ended June 30, 2021, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. In the opinion of management, all adjustments (which consist only of normal recurring adjustments) considered necessary for a fair presentation have been included. The results for the three months ended September 30, 2021 are not necessarily indicative of the results that may be expected for any future period. Information contained herein is presented as of November 9, 2021, unless otherwise indicated.

The Company’s consolidated financial statements and the financial information contained in this MD&A are prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations of the IFRS Interpretations Committee (“IFRIC”).

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors, (the “Board”) considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of Sabre Gold common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Further information about the Company and its operations is available on Sabre Gold’s website at www.sabre.gold or on the System for Electronic Documents Analysis and Retrieval (SEDAR) at www.sedar.com.

Michael R. Smith, SME Registered Member (Geology) is the Qualified Person, as the term is defined in National Instrument 43-101 (“NI 43-101”). He has reviewed and approved the technical information disclosed in this MD&A.

Cautionary Notes and Forward-Looking Statements

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as “forward-looking statements”). These statements relate to future events or the Company’s future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “expects”, “is expected”, “budget”, “scheduled”, “estimates”, “continues”, “forecasts”, “projects”, “predicts”, “intends”, “anticipates” or “believes”, or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results “may”, “could”, “would”, “should”, “might” or “will” be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement.

**Sabre Gold Mines Corp (formerly “Arizona Gold Corp”)
Management’s Discussion & Analysis
For The Three Months Ended September 30, 2021**

Forward-looking statements and forward-looking information in this MD&A relate to; among other things: the company’s ability to successfully advance and achieve production at the Copperstone Mine; the strategic vision for the company and expectations regarding exploration potential and the Company’s ability to raise additional capital.

Inherent in forward-looking statements are risks, uncertainties, and other factors beyond Sabre Gold’s ability to predict or control. Please refer to those risk factors included in the “Risk Factors” section below. Actual results and developments are likely to differ and may differ materially from those expressed or implied by the forward-looking statements contained in this MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause Sabre Gold’s actual results, performance, or achievements to be materially different from any of its’ future results, performance or achievements expressed or implied by forward-looking statements.

All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

Highlights

A. Copperstone Mine Project Development

The Company will commence its full field development plan in 2021. Detailed engineering, long lead purchases and mobilization of key contractors will launch the underground mining effort. Concurrently, the Whole Ore Leach (WOL) plant construction will commence upon completion of final metallurgical testing and project financing. Existing infrastructure will be refurbished to support the plant and mine expansions. 2020-21 resource and reserve expansion drilling program will continue with focus on pre-production definition/ore control drilling will expand upon a very successful drilling program in 2020.

B. Financing And Corporate

On July 27, 2020, the Company announced it had entered into an agreement to acquire a 3% Gross Production Royalty (“Royalty”) from Trans Oceanic Mineral Company Ltd. (“TOMCL”), which will reduce the aggregate Royalty on the Copperstone Gold Mine from 6% to 3%. The Copperstone Gold Mine is currently subject to an aggregate 6% Royalty held by TOMCL (4.5%) and the Angie Patch Survivor’s Trust (1.5%). The purchase agreement entered into between the Company’s subsidiary, Bonanza Explorations Inc. (“Bonanza”), and TOMCL provides for the buyback of a 3% Royalty held by TOMCL for US\$2,500,000 on or before March 31, 2021 (the “Royalty Buyback”). The Royalty Buyback is conditional on the Company successfully arranging project financing for the re-start of production at the Copperstone Gold Mine.

On August 10, 2020, the Company closed a bought deal financing for aggregate gross proceeds of \$5,000,800 (the “Offering”). Pursuant to the Offering, the Company issued a total of 35,720,000 units of the Company (the “Units”) at a price of C\$0.14 per Unit. Each Unit consists of one common share in the capital of the Company (a “Common Share”) and one half of one Common Share purchase warrant (a “Warrant”). Each whole Warrant entitles the holder thereof to purchase one Common Share at a price of C\$0.22 for a period of 24 months. Haywood Securities Inc. acted as sole underwriter for the Offering.

Sabre Gold Mines Corp (formerly "Arizona Gold Corp")
Management's Discussion & Analysis
For The Three Months Ended September 30, 2021

On November 12, 2020, the Company and Star Royalties Ltd. ("Star Royalties") announced the execution of a definitive US\$18 million gold streaming agreement ("Streaming Agreement") to finance the restart of operations and gold production at the Copperstone in Arizona, USA.

The key transaction terms are as follows:

- Star Royalties will purchase from Sabre Gold 9.9% of gold produced until a cumulative 21,000 ounces are delivered, then 3.3% of gold produced until a cumulative 27,200 ounces are delivered, then 1.2% of gold produced thereafter for the life of mine;
- Star Royalties will provide a cash payment to Sabre Gold for each ounce of gold delivered equal to 25% of the average gold spot price for the five consecutive trading days prior to delivery.
- The advance of the first tranche of US\$6 million was subject to Sabre Gold repaying the outstanding US\$2 million convertible promissory note held by Sprott and customary closing conditions, including completion of the requisite security package.
- Additionally, it was agreed with Sprott that US\$500,000 with a conversion price of CAD\$0.13 and US\$1,500,000 with conversion price of CAD\$0.16 would not be exercised.

The US\$18 million prepayment under the Streaming Agreement will be provided in three equal installments, with the first installment advanced on November 20, 2020 and the second installment advanced on February 24, 2021. The remaining tranche of US\$6 million will be advanced subject to certain closing conditions inclusive of the acquiring of the 3% gross production royalty from TOMCL and ensuring sufficient capital to complete the restart of production in accordance with the updated development and mine plan.

In connection with the Streaming Agreement, the Company amended the promissory notes payable and the Kerr debentures I and II (combined the "Notes") as follows:

- The maturity dates of outstanding Notes held by Braydon and TOMCL will each be extended from August 22, 2021 to December 31, 2023;
- The rate of interest payable on the principal of the Notes will be increased from 8% to 10%, with interest payable quarterly starting on the commencement of commercial production;
- The two \$1,000,000 unconvertible promissory notes, one held by each of Braydon and TOMCL, will be amended to include a conversion feature providing that the principal amount of the notes can be converted into common shares of Sabre Gold at any time prior to maturity at a price of CAD\$0.16 per share, subject to early conversion in the event the volume-weighted average trading price of the common shares exceeds CAD\$0.30 for twenty consecutive trading days.

Sabre Gold has also agreed to make prepayments against the principal of the Notes by way of preferential payments, in certain circumstances.

The Company appointed Dale Found as Chief Financial Officer in January 2021 and appointed John Galassini as Chief Operating Officer in March 2021.

On June 28, 2021 the Company announced its intention to merge with Golden Predator Mining Corp, both companies subsequently held shareholder meetings on August 25, 2021 which approved the merger. Under the terms of the merger all existing Golden Predator Mining Corp shares were exchanged for Sabre Gold shares at an exchange ratio of 1.65 Sabre shares per Golden Predator share.

Immediately after the merger the Company announced a name change to Sabre Gold Mines Corp.

**Sabre Gold Mines Corp (formerly “Arizona Gold Corp”)
Management’s Discussion & Analysis
For The Three Months Ended September 30, 2021**

Outlook

The Company is focused on delivering shareholder value in the following ways:

- Continue to execute on its Resource Expansion and Mine Life Extension Program consisting of exploration drilling with the goal of adding new resources and in-fill drilling for the purposes of converting existing resources to higher classification and inclusion into Proven and Probable Reserves.
- Continue to advance the Copperstone Project with the goal of achieving commercial production with a development plan for production of up to approximately 35,000 to 40,000 ounces of gold per annum with a current mine life of 4-5 years, which will include:
 - Final Engineering - Secured several key Engineering Groups to advance backfill design, geotechnical, ventilation, water management and electrical infrastructure.
 - Backfill & Ground Control – Geotechnical studies have indicated wider mining widths and strength of backfill using mine development materials which will further enhance previously estimated production efficiencies.
 - Mineral Processing Plant – Engineering well advanced for final layout and design of WOL gold processing plant. Final costing for crush and grind circuit and receipt of quotations for longer lead equipment. Final metallurgical testing nearing completion to optimize grind size, leach kinetics and reagent consumption.
 - Mine Engineering – Final mine design and schedules are underway. Considerations in the design and schedule include optimizing workflows and implementing newly identified advantages related to ore sequencing, production efficiencies and haul profiles.
 - Mine operations – Initiated pre-production mine ground support rehabilitation and commenced stope definition drilling for detailed final gold ore stope designs.

COVID 19 Global Health Emergency

The global outbreak of the novel coronavirus (“COVID-19”) in 2020 has had a significant impact on businesses through restrictions put in place by governments around the world, including the jurisdictions in which we conduct our business. As of the date of this MD&A, it is not possible to determine the extent of the impact that this global health emergency will have on our activities as the impacts will depend on future developments which themselves are highly uncertain and cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, its extent and intensity, the duration of the outbreak, and possible government, societal and individual responses to the situation.

Due to the reaction to the worldwide COVID-19 pandemic, material uncertainties may arise that could influence management’s going concern assumption. Management cannot accurately predict the future impact policies related to COVID-19 may have on:

- Global gold prices;
- Demand for gold and the ability to explore for gold;
- The severity and the length of potential measures taken by governments to manage the spread of the virus, and their effect on labor availability and supply lines;

**Sabre Gold Mines Corp (formerly “Arizona Gold Corp”)
Management’s Discussion & Analysis
For The Three Months Ended September 30, 2021**

- Availability of government supplies, such as water and electricity;
- The ability to complete a transaction;
- Purchasing power of the Canadian dollar and United States Dollar; and
- Ability to obtain funding.

The Canadian Federal government, the Provincial government of Ontario and the government of the United States of American have not introduced measures that have directly impeded the operational activities of the Company. Management believes the business will continue and, accordingly, the current situation has not impacted management’s going concern assumption. However, it is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company in future periods.

Description of Business

Sabre Gold Mines Corp is a TSX listed emerging American gold producer advancing the re-start of its fully permitted past-producing Copperstone gold project located in mining-friendly Arizona and the fully permitted past-producing Brewery Creek project in the Yukon, Canada.

The Company has a 100% leasehold interest in the exploration and development stage Copperstone project which encompasses approximately 12,258 acres of surface area and mineral rights in La Paz County, Arizona, within a 50 square km land package. Sabre Gold controls 546 federal unpatented mining claims and two Arizona state mineral leases which together comprise the Copperstone Project area. The federal claims cover approximately 10,920 acres. Copperstone lies in the 350-mile long Arizona-centered Detachment Fault Terrane, stretching from southern Nevada to southeastern Arizona, and along the Colorado River between Arizona and California. The terrane includes the Mesquite Mine in California, with historic production and resources of over 10 million troy ounces of gold.

Within the Copperstone project is the Copperstone Mine. The Copperstone Mine, previously operated by Cyprus Minerals Corporation, produced nearly half a million ounces of gold between 1987 and 1993 by way of open pit mining. Ackerman (1998) reported production by Cyprus at Copperstone of 514,000 oz of gold from 5,600,000 Mt of ore grading 2.8 g/tonne (0.089 oz/t) of gold.

Considerable infrastructure constructed by the Company’s predecessor company, American Bonanza Gold Corp remains and will serve to substantially reduce the current capital requirements for the re-start of mining operations. Existing infrastructure includes a power line, substation, three water wells, 4,300ft of underground development, supporting infrastructure, offices, maintenance shops, a laboratory building, permitted tailings facility, 600 ton per day mineral processing facility, all sufficient for the currently contemplated restart of operations at the Copperstone Mine.

In addition, the Copperstone Mine is fully permitted for immediate re-start subject to project funding with all modified permits received in 2019 and 2020.

As outlined in the National Instrument 43-101 Technical Report: Preliminary Feasibility Study for the Copperstone Project, La Paz County, Arizona, USA” dated May 18, 2018. prepared by Hard Rock Consulting, LLC and endorsed by Zachary J. Black, SME-RM; J.J. Brown, P.G., SME-RM, Jeff Choquette, P.E., MMSA-QP; Deepak Malhotra, PhD, SME-RM each of whom are independent “Qualified Persons” as defined in NI 43-101 (the “**Copperstone Report**”), the Copperstone Zone, located down dip of the ore body

**Sabre Gold Mines Corp (formerly “Arizona Gold Corp”)
Management’s Discussion & Analysis
For The Three Months Ended September 30, 2021**

mined by Cyprus, using a model cut-off of 0.100 ounces per ton and a gold price per ounce of US\$1,250, contains a Measured + Indicated mineral resource of 1,239,800 tons at 0.223 ounces per ton average grade for 276,100 ounces of contained gold and an Inferred resource of 734,100 tons at 0.198 ounces per ton average grade for 145,700 ounces of contained gold.

Current and Future Plans Related to Exploration and Development Activities

In 2020 the Company completed 7,657 metres of its mine life extension and resource expansion program. In October 2021, the company will commence its next phase of up to 9,500 metres underground panel drilling. See “Liquidity and Capital Resources” below. This drilling will confirm ore control techniques for future production mining.

The Company is continuing efforts to improve and optimize project economics and extend the current mine life through drilling. The company anticipates an increase in the estimated initial project capital from what has been reflected in the Copperstone prefeasibility study. These capital cost increases are a result of the

overall market experiencing upward cost pressures and competition for limited resources. Also, advancement of the detailed engineering of the mine and mineral processing identified additional scope

associated with the capital project. These CAPEX increases are expected to improve project delivery and minimize operational risk as a result of improved production assurance. A mineral processing strategy that focuses on refurbishment and construction of a WOL gold recovery circuit will provide high plant availability.

Mineral processing optimization studies continue to be performed primarily with Resource Development Inc. and Hanlon Engineering. These results of the new studies and historic metallurgical test work provide the basis of the new WOL facility. Feasibility level engineering of a new processing facility has been completed and a final round of metallurgical testing will be conducted in order to optimize the plant flow sheet and operating costs. Final detailed engineering will incorporate recently completed metallurgical testing and ancillary studies. Commencement of WOL plant construction and infrastructure modifications begin upon completion of mine design and financing.

The company has engaged Mine Development Associates of Reno, Nevada to conduct detailed underground mine planning and stope by stope production analysis. This information will finalize mine capital requirements for development, infrastructure, and mine operating costs. Several mining contractors have been engaged and will provide firm quotes for initial and long-term mine production services.

As at September 30, 2021, the Company had assets of \$61,330,446 (September 30, 2020 - \$18,277,460) and a net equity position of \$23,794,517 (June 30, 2021 – \$242,947). As at September 30, 2021, the Company had current liabilities of \$5,573,164 (June 30, 2021 - \$818,232). The Company had net exploration and evaluation expenditures of \$416,408 during the three months ended September 30, 2021 (three months ended September 30, 2020 - \$996,032) on its gold interests.

**Sabre Gold Mines Corp (formerly “Arizona Gold Corp”)
Management’s Discussion & Analysis
For The Three Months Ended September 30, 2021**

Quarterly Information

A summary of selected financial information of Sabre Gold for each of the eight most recently completed quarters is as follows:

Three Months Ended	Total Revenue (\$)	Loss (Income)		Total Assets (\$)
		Total (\$)	Per Share (\$)	
September 30, 2021	-	1,443,528	0.00	61,330,446
June 30, 2021	-	244,921	0.00	31,629,190
March 31, 2021	-	576,967	0.00	32,564,696
December 31, 2020	-	1,901,382	0.01	24,976,127
September 30, 2020	-	2,155,735	0.01	20,490,464
June 30, 2020	-	4,099,398	0.01	18,277,460
March 31, 2020	-	160,483	0.00	20,182,136
December 31, 2019	-	1,452,540	0.01	17,726,045

Discussion of Operations

Three months ended September 30, 2021, compared with the three months ended September 30, 2020

Sabre Gold’s net loss totaled \$1,443,528 for the three months ended September 30, 2021, with basic and diluted loss per share of \$0.00. This compares with a net loss of \$2,155,735 with basic and diluted loss per share of \$0.01 for the three months ended September 30, 2020. The decrease in the net loss of \$712,207, was principally because:

- For the three months ended September 30, 2021, the Company expensed exploration and evaluation expenditures of \$416,408 related to the Brewery Creek project through the statement of loss and all project related expenditure related to the Copperstone project is currently being capitalized as part of mineral properties. For the three months ended September 30, 2020 the company recorded \$996,032 as exploration and evaluation expenditures related to the Copperstone project before the change in accounting policy.
- Foreign exchange loss was \$441,545 during the three months ended September 30, 2021, compared to a foreign exchange loss of \$325,740 for the three months ended September 30, 2020 due to the impact of changes in the exchange rate between the US dollar and the Canadian dollar.

Liquidity and Capital Resources

The activities of the Company, principally the exploration and development of its flagship asset, the Copperstone project was financed through the completion of equity transactions such as equity offerings and the exercise of stock options and warrants. The acquisition of Golden Predator was achieved by issuing shares, options and warrants.

The Company had cash of \$4,807,069 as at September 30, 2021 (June 30, 2021 - \$6,796,147). The decrease in cash of \$1,989,078 during the quarter ended September 30, 2021 was primarily due to the amount spent on developing the Copperstone mine site.

**Sabre Gold Mines Corp (formerly “Arizona Gold Corp”)
Management’s Discussion & Analysis
For The Three Months Ended September 30, 2021**

Cash used by operating activities for the three months ended September 30, 2021 were \$921,677 and was affected by changes in non-cash working capital balances because of increases in accounts receivable and prepaid expenditures and other assets by \$20,103 and an increase in accounts payable and accrued liabilities by \$4,756,811. The Company recorded a net loss of \$1,443,528 which included accrued interest charges of \$331,659.

Cash used in investing activities for the three months ended September 30, 2021, was \$1,231,447 due to the development costs related to the Copperstone project.

Cash used in financing activities was \$2,794 for the three months ended September 30, 2021, primarily because of the payment for a surety bond for the Brewery Creek project offset by the cash balances acquired due to the takeover of Golden Predator Mining Corp.

As at September 30, 2021, the Company had 632,916,250 common shares issued and outstanding, 24,656,250 stock options that would raise approximately \$4,216,220 if exercised and vested in full, and 79,138,595 warrants outstanding that would raise approximately \$16,619,105, if exercised in full. This is not anticipated until the market price of the Company’s traded common shares increases.

As at September 30, 2021, the Company had working capital of \$8,983,310 (September 30, 2020 - working capital deficit of \$135,872). Based on the rate of expenditure, the Company has sufficient cash on hand along with the future funding from the Star Royalties streaming facility to substantially fund both the development of the mine and its working capital requirements.

The Company has used the majority of the proceeds from the August bought deal financing towards advancing work related to its planned exploration and drilling program at the Copperstone Project during Fiscal 2021, as set out below:

Activity or Nature of Expenditure	Estimated Use of Net Proceeds (\$)	Spent (\$)
Copperstone Project Drilling ⁽¹⁾	2,125,000	1,300,484
Metallurgical Testing and Engineering	200,000	255,291
Technical Report ⁽²⁾	150,000	143,573
Site Cost & Personnel ⁽³⁾	1,000,000	1,413,390
Accounts Payable	450,000	188,560
General & Administrative & Working Capital	75,752	231,792
Total Net Proceeds	\$4,500,752	3,533,090

Notes:

- (1) Approximately 8,000 metres inclusive of sampling cost, assaying, logging and consumables. Estimated based on actual drilling costs previously incurred, being an approximate average cost of \$260 per metre for core drilling and reverse circulation drilling.
- (2) NI 43-101 technical report with updated resource estimate.
- (3) Includes site labor, utilities monthly recurring costs.

Although the Company intends to expend the net proceeds from the Offering as set forth above, there may be circumstances where, for sound business reasons, a reallocation of funds may be deemed prudent or necessary and may vary materially from that set forth above, as the amounts actually allocated and spent will depend on a number of factors, including the Company’s ability to execute on its business plan. While actual expenditures may differ from the above amounts and allocations, the net proceeds will be used by the Company in furtherance of, and for activities at, the Copperstone Project and for general corporate purposes.

**Sabre Gold Mines Corp (formerly “Arizona Gold Corp”)
Management’s Discussion & Analysis
For The Three Months Ended September 30, 2021**

All operational personnel required for the drill program are currently located in the United States and, as such, there is no necessity for any person to enter into the United States and the Company is not aware of any US federal or state executive orders or restrictions that are expected to affect the drill program. Although the Company believes that the pandemic will not impact the Company’s ability to complete the current drill program, the future impacts of the pandemic on the operations of the Company cannot be predicted as many of the factors are not within the control of the Company. Potential delays in exploration activities or stoppages to exploration activities could result in additional costs, project delays, cost overruns, and operational restart costs. See “Risk Factors” below.

The Company is in the exploration and development stage with no source of operating revenue and is dependent upon equity or debt financing to maintain its current operations. Accordingly, the Company had negative operating cash flows for the three months ended September 30, 2021 and 2020. The Company anticipates that negative operating cash flows will continue until profitable commercial production is achieved at the

Copperstone Project. As a result, certain of the net proceeds from the Offering may be used to fund such negative cash flow from operating activities in future periods

The Company will need to secure additional financing to carry on further project development and normal course business activities. Although the Company has been successful in raising funds to date, there is no assurance that future equity capital or debt will be available to the Company in the amounts or at the times desired or on terms that are acceptable to the Company, if at all. Management remains confident that with the continued support of its advisors, strategic shareholders and creditors and improving equity markets, it will be able to proceed with its strategy to further develop and re-start commercial production at the Copperstone Mine.

See “Risk Factors” below.

Outstanding Share Data

As at the date of this MD&A, the Company had the following number of common shares and issuable shares outstanding which includes 286,853,697 common shares and 6,657,750 stock options issued as a result of the business combination with Golden Predator Mining Corp. (See Subsequent Events)

Securities	
Common shares	632,916,230
Issuable under options	45,156,250
Issuable under warrants	79,843,376
Total Securities	757,925,856

Disclosure Controls and Procedures and Internal Controls over Financial Reporting

Management is responsible for establishing and maintaining adequate disclosure controls and procedures (“DCP”) as well as internal controls over financial reporting (“ICFR”) as defined in the rules of the Canadian Securities Administrators.

The Company’s Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”), with the participation of management last completed an evaluation of the design and operating effectiveness of the Company’s

**Sabre Gold Mines Corp (formerly “Arizona Gold Corp”)
Management’s Discussion & Analysis
For The Three Months Ended September 30, 2021**

DGP’s and ICFR’s as at June 30, 2021. Based on that assessment, management concluded that the Company’s ICFR were operating effectively based upon the criteria set forth in the Committee of Sponsoring Organizations of the Treadway Commission’s (COSO) Internal Control – Integrated Framework (2013) as at June 30, 2021.

During the three months ended September 30, 2021, the CEO and CFO have evaluated whether there were any changes to the ICFR that have materially affected, or are reasonably likely to materially affect, the ICFR. No such significant changes were identified through their evaluation which was based on the COSO Model.

Critical Accounting Judgements, Estimates and Assumptions

The Company makes estimates about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates.

Judgments:

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the consolidated financial statements within the next year are discussed below:

Exploration and evaluation stage

In management’s judgement, the Company’s operations are in the exploration and development stage.

Mineral properties

Operating levels intended by management for the Copperstone mine

Prior to a mine being capable of operating at levels intended by management, costs incurred are either expensed or capitalized based on the type of costs incurred. Costs related to developing the property are generally capitalized, while care and maintenance costs and costs related to exploration and evaluating new ore bodies are expensed. Management considers the Copperstone mine is capable of operating at levels intended by management once it has reached consistent production of no less than 60% of planned volume for a period of 30 consecutive days. As at September 30, 2021, and September 30, 2020, the Copperstone mine had not met this target.

Functional currency

The functional currency for the Company’s subsidiaries is the currency of the primary economic environment in which the entity operates. Determination of functional currency may involve certain judgments to determine the primary economic environment and the Company reconsiders the functional currency of its entities if there is a change in events and conditions which determined the primary economic environment.

Impairment of property, plant and equipment

Assets or cash generating units are evaluated at each reporting date to determine whether there are any indications of impairment. If any such indication exists, a formal estimate of recoverable amount is performed and an impairment loss recognized to the extent that carrying amount exceeds recoverable amount. The recoverable amount of an asset or cash-generating group of assets is measured at the higher of fair value less costs to sell and value in use.

**Sabre Gold Mines Corp (formerly “Arizona Gold Corp”)
Management’s Discussion & Analysis
For The Three Months Ended September 30, 2021**

Fair value is determined as the amount that would be obtained from the sale of the asset in an arm’s-length transaction between knowledgeable and willing parties and is generally determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset, including any expansion prospects, and its eventual disposal.

Present values are determined using a risk-adjusted pre-tax discount rate appropriate for the risks inherent to the asset. Future cash flow estimates are based on expected production and sales volumes, commodity prices (considering current and historical prices, price trends and related factors), reserves, operating costs, restoration and rehabilitation costs and future capital expenditure. The Company’s management is required

to make these estimates and assumptions which are subject to risk and uncertainty; hence, there is a possibility that changes in circumstances will alter these projections, which may impact the recoverable amount of the assets. In such circumstances, some or all of the carrying value of the asset may be impaired and the impairment would be charged against profit or loss.

Estimates:

The following are some of the more significant estimates made in the preparation of these unaudited condensed interim consolidated financial statements:

Provisions

Provisions are recognized for liabilities of uncertain timing or amount that have arisen as a result of past transactions, including legal or constructive obligations. The provision is measured at the best estimate of the expenditure required to settle the obligation at the reporting date.

The Company’s mining activities are subject to various laws and regulations governing the protection of the environment. The Company recognizes management’s best estimate for asset retirement obligations in the period in which they occur. Actual costs incurred in future periods could differ materially from the estimates. The ultimate cost of environmental remediation can vary in response to many factors including future changes to environmental laws and regulations, the emergence of new restoration techniques, changes in the life of mine estimates and in discount rates, which could affect the carrying amount of this provision.

Derivatives and Debt Valuation

The valuation of debt and embedded derivatives for convertible instruments is based on the application of a recognized option valuation formula, which is highly dependent on, amongst other things, the expected volatility of the Company’s registered shares and the expected life of the options. The Company uses an expected volatility rate for its shares based on past stock trading data, adjusted for future expectations, and actual volatility may be significantly different.

The resulting value calculated is not necessarily the value that the holder of the instrument could receive in an arm’s length transaction. It is management’s view that the value derived is highly subjective and dependent entirely upon the input assumptions made.

Share-based payments

The fair value of share-based payments is estimated using the Black-Scholes option pricing model and rely on a number of estimates, such as the expected life of the option, the volatility of the underlying share price, the risk free rate of return, and the estimated rate of forfeiture of options granted.

**Sabre Gold Mines Corp (formerly “Arizona Gold Corp”)
Management’s Discussion & Analysis
For The Three Months Ended September 30, 2021**

Allowance for expected credit losses

IFRS 9 Financial instruments introduces an expected credit loss (“ECL”) impairment model applicable to all debt instruments within financial assets classified as amortized cost or at fair value through other comprehensive income (“FVTOCI”), as well as certain off-balance sheet loan commitments. The general principle of the ECL model is to reflect the pattern of deterioration or improvement in the credit quality of the associated financial instruments. The calculated allowance is designed to be an unbiased and probability-weighted amount that has been determined by evaluating possible outcomes; the time value of money; reasonable and supportable information about past events; and current and forecasted economic conditions.

The IFRS 9 ECL approach has three stages:

Stage 1 – includes financial instruments that have not had a significant increase in credit risk since initial recognition, or that have low credit risk at the reporting date. An ECL equal to expected credit losses resulting from default events over the next 12 months is recognized and interest revenue is calculated on the assets’ gross carrying amounts;

Stage 2 – includes financial instruments that have had significant increase in credit risk since initial recognition, but for which there is no objective evidence of impairment at the reporting date. An ECL equal

to expected credit losses resulting from default events over the assets’ lifetime (“lifetime ECL”) is recognized and interest revenue is calculated on the assets’ gross carrying amounts. In general, an asset’s lifetime is considered to be its remaining contractual lifetime;

Stage 3 – includes financial instruments that have objective evidence of impairment at the reporting date. The lifetime ECL is recognized and interest revenue is calculated on the assets’ net carrying amounts, which are determined as the asset amount net of their lifetime ECL.

Capital Management

The Company manages its capital with the following objectives:

- to safeguard the Company's ability to continue as a going concern,
- to raise sufficient proceeds from share issues to meet general, administrative and exploration and development expenditures to advance the Copperstone project,
- to provide an adequate return to shareholders by advancing the Company’s projects to production while ensuring it meets the listing requirements of the Toronto Stock Exchange, and
- to maintain the royalty prepayments within the limits allowed by the agreement.

The Company has promissory notes payable, convertible promissory notes payable, accounts payable and accrued liabilities and equity, and consequently defines capital as all of the components of debt and equity which as at September 30, 2021 amount to \$58,926,397 (June 30, 2020 - \$29,461,966). The Company’s capital structure is adjusted based on the funds available to the Company such that it may continue exploration and development of its properties for the mining of minerals that are economically recoverable. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

**Sabre Gold Mines Corp (formerly “Arizona Gold Corp”)
Management’s Discussion & Analysis
For The Three Months Ended September 30, 2021**

The Company’s properties are in the exploration and development stage and, as a result, the Company currently has no source of operating cash flow. The Company intends to raise such funds as and when required to complete its projects. There is no assurance that the Company will be able to raise additional funds on reasonable terms. The only sources of future funds presently available to the Company are through the exercise of outstanding stock options or warrants, the sale of equity capital of the Company, funds received from Streaming Agreement, or the sale by the Company of an interest in any of its properties in whole or in part. The ability of the Company to arrange such financing in the future will depend in part upon the prevailing capital market conditions as well as the business performance of the Company. There can be no assurance that the Company will be successful in its efforts to arrange additional financing, if needed, on terms satisfactory to the Company.

The directors of the Company review the capital structure from time to time. As part of this review, the directors considered the cost of capital and the risks associated with each class of capital. The Company will balance its overall capital structure through issue of new shares, new debt or the redemption or extension of existing debt. There were no changes in the Company’s approach to capital management during the three months ended September 30, 2021.

Financial Instruments

Fair value hierarchy - IFRS 7, Financial instruments: Disclosures, establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

Level 1: Valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3: Valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The classification of a financial instrument in the fair value hierarchy is based upon the lowest level of input that is significant to the measurement of fair value. There was no movement between different levels for the three months ended September 30, 2021 and the year ended September 30, 2020.

Marketable securities are marked-to-market at each period end and so the carrying amount also represents the fair value and were classified as level 1 financial instruments.

The fair value of the derivative financial liability (conversion feature) was estimated by using Black-Scholes pricing model with the assumptions and was classified as level 2 financial instruments.

**Sabre Gold Mines Corp (formerly “Arizona Gold Corp”)
Management’s Discussion & Analysis
For The Three Months Ended September 30, 2021**

In these consolidated financial statements, classification of financial assets and liabilities measure at fair value is as follows:

As at September 30, 2021	Level 1 \$	Level 2 \$	Level 3 \$
Marketable securities	8,986,690	-	-
Restricted cash	1,108,830	-	-
Derivative in convertible promissory notes payable	-	(107,831)	-
Decommissioning liabilities	-	-	(2,237,644)
Totals	10,095,520	(107,831)	(2,237,644)

As at June 30, 2021	Level 1 \$	Level 2 \$	Level 3 \$
Marketable securities	-	-	-
Restricted cash	1,043,125	-	-
Derivative in convertible promissory notes payable	-	(104,651)	-
Decommissioning liabilities	-	-	(2,190,294)
Totals	1,043,125	(104,651)	(2,190,294)

During the three months ended September 30, 2021 and the three months ended September 30, 2020 there were no transfers of amounts between fair value levels.

Credit risk

The Company's maximum exposure to credit risk, which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties, totals the carrying amount of these assets as stated in the audited consolidated statements of financial position.

The Company's principal financial assets are cash, restricted investments and accounts receivable, which represent the Company's exposure to credit risk in relation to financial assets.

The credit risk on cash and restricted investments is mitigated by transacting with banks with high credit ratings assigned by international credit-rating agencies.

An allowance for expected credit losses is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information when necessary. As at September 30, 2021 and September 30, 2020, there were no receivables past due.

Interest rate risk

The interest rate risk is the risk that fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk arising from fluctuations in interest rates on its promissory notes payable and convertible promissory notes payables.

Sabre Gold Mines Corp (formerly "Arizona Gold Corp")
Management's Discussion & Analysis
For The Three Months Ended September 30, 2021

Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at September 30, 2021, the Company had cash of \$4,807,069 (June 30, 2021 - \$6,796,147) to settle current financial liabilities of \$5,353,191 (June 30, 2021 - \$596,380). There can be no assurance that the Company will be successful in its efforts to arrange additional financing on terms satisfactory to the Company.

The following table details the Company's contractual maturities for its financial liabilities as at September 30, 2021 and September 30, 2020, due by year:

September 30, 2021	Carrying amount \$	Contractual cash flow \$	0 to 12 months \$	12 to 24 months \$	After 24 months \$
Accounts payable	5,353,191	5,353,191	5,353,191	Nil	Nil
Deferred revenue	16,443,780	15,606,056	Nil	3,735,600	12,708,180
Promissory notes payable	5,088,233	5,088,233	Nil	Nil	5,088,233
Conv promissory notes payable	8,047,663	8,047,663	Nil	Nil	8,047,663
Lease liability	20,959	22,748	20,959	Nil	Nil
Other loan	199,014	199,014	199,014	Nil	Nil
Provisions	2,237,644	2,330,401	Nil	Nil	2,237,644
	37,390,484	36,647,306	5,573,164	3,735,600	28,081,720

June 30, 2020	Carrying amount \$	Contractual cash flow \$	0 to 12 months \$	12 to 24 months \$	After 24 months \$
Accounts payable	596,380	596,380	596,380	Nil	Nil
Promissory notes payable	4,962,107	4,962,107	Nil	Nil	4,962,107
Conv promissory notes payable	7,667,288	7,954,320	Nil	Nil	7,954,320
Lease liability	28,258	29,505	29,505	Nil	Nil
Other loan	193,594	193,594	193,594	Nil	Nil
Provisions	2,190,294	2,330,401	Nil	Nil	2,330,401
	15,637,921	16,066,307	819,479	6,868,155	15,246,828

Currency Risk

The Company's exploration and development activities are conducted in Arizona, United States. Major purchases, development and exploration expenditures are transacted in US dollars. Administrative expenditures and cash and cash equivalent balances are primarily transacted in Canadian dollars. The Company has exposure to foreign currency risk on its cash held in US bank, convertible promissory notes payable and lease obligations. As at September 30, 2021, the Company held US\$3,919,116 of monetary assets and held US\$22,408,878 in monetary liabilities. A \$0.05 fluctuation in the value of the Canadian dollar would result in an increase or decrease to profit or loss of approximately \$924,488. The Company mitigates the risk of foreign currency fluctuations by converting Canadian dollars to US currency when required to fund expenditures. The Company does not currently hedge its foreign exchange risk.

Sabre Gold Mines Corp (formerly "Arizona Gold Corp")
Management's Discussion & Analysis
For The Three Months Ended September 30, 2021

Related Party Balances and Transactions

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

The noted transactions below are in the normal course of business and are measured at the exchange amount, as agreed to by the parties, and approved by the Board of Directors in strict adherence to conflict of interest laws and regulations.

(a) Loans from related parties

	As at September 30, 2021 \$	As at June 30, 2021 \$
Promissory note payables	5,088,233	4,962,107
Convertible promissory note payables	8,047,663	7,667,288
Derivative financial liabilities	81,212	104,651
Total	13,217,108	12,734,046

(b) The Company entered into the following transactions with related parties:

Name	Three Months Ended September 30, 2021 \$	Three Months Ended September 30, 2020 \$
Peterson McVicar LLP ⁽ⁱ⁾	115,072	93,773
Braydon Capital Corporation ⁽ⁱⁱ⁾	126,126	142,739
Trans Oceanic Minerals Corporation ⁽ⁱⁱⁱ⁾	78,991	154,481
The Marrelli Group ^(iv)	-	22,939
Total	320,189	413,932

- i) A Director is a partner in a legal firm that provided legal services to the Company, the individual concerned ceased to be a Director as of September 2, 2021. The amounts owing to the firm as at September 30, 2021 was \$115,072 (June 30, 2021 - \$41,264).
- ii) During the three months ended September 30, 2021, the Company accrued interest to Braydon Capital Corporation for the promissory notes payables (note 13).
- iii) During the three months ended September 30, 2021, the Company accrued interest to Trans Oceanic Minerals Corporation Ltd for the convertible promissory notes payable (note 14).
- iv) Carmelo Marrelli, President of the Marrelli Group previously acted as the Chief Financial Officer ("CFO") of the Company, Mr Marrelli resigned from his position as CFO on January 13, 2021 and ceased to be a related party.

The Company paid "The Marrelli Group", which encompasses Marrelli Support Services Inc., DSA Corporate Services Inc., DSA Filing Services Limited and Marrelli Press Release Services Limited as part of related party transactions for the provision of professional fees, Bookkeeping services, Regulatory filing services, Corporate secretarial services and Press release services.

**Sabre Gold Mines Corp (formerly “Arizona Gold Corp”)
Management’s Discussion & Analysis
For The Three Months Ended September 30, 2021**

(c) Key management of the Company comprises executive and non-executive directors and members of executive management. The remuneration of the company’s directors and other key personnel during the year ended September 30, 2021 and 2020 was as follows:

	Three Months Ended September 30, 2021 \$	Three Months Ended September 30, 2020 \$
Salaries and benefits	74,025	75,527
Consulting fees	125,000	87,500
Share based payments	-	-
Total	199,025	163,027

The non-executive directors do not have employment or service contracts with the Company. Directors are entitled to director fees and stock options for their services.

Off-Balance-Sheet Arrangements

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

Proposed Transactions

The Company routinely evaluates various business opportunities which could entail direct acquisitions, trades and/or divestitures. In this regard, the Company is currently in discussions with various parties, but no definitive agreements which with respect to any proposed transactions have been entered into as of the date of this MD&A, other than the merger with Golden Predator Mining Corp, which concluded on September 2, 2021. There can be no assurances that any such transactions will be concluded in the future.

Commitments and Contingencies

- The Company has placed a surety bond of an insurance company in connection with the Copperstone Property as required by the US Bureau of Land Management. Cash collateral of \$1,072,330 (US\$841,637) is held with the Bank of New York in the name of the Company in a short-term cashable account.
- The Company has placed a surety bond of an insurance company in connection with the Brewery Creek Property as required by the Yukon government. Cash collateral of \$25,000 is held with a third party in the name of the Company in a short-term cashable account.
- The activities of the Company are subject to environmental laws and regulations promulgated by government agencies from time to time. Environmental legislation generally provides for restrictions and prohibitions on spills, releases or emissions into air, discharges into water, management of waste, management of hazardous substances, protection of natural resources, endangered species and reclamation of lands disturbed by mining operations. The Company believes it complies with all laws and regulations which currently apply to its activities.

**Sabre Gold Mines Corp (formerly “Arizona Gold Corp”)
Management’s Discussion & Analysis
For The Three Months Ended September 30, 2021**

- On January 28, 2013, the Company entered into an Exploration Memorandum of Understanding (the “MOU”) with Kaska Nation represented by the Ross River Dena Council and Liard First Nation regarding exploration activity in their traditional territory. Under the MOU, the Company will pay an annual Community Development fee of 2% for “on the ground” exploration expenditures incurred at the 3 Aces project. The total community fee owed to the Kaska Nation of \$341,455 from prior years will remain the responsibility of the Company.
- An Amended and Restated Socio-Economic Accord for the Brewery Creek Project was entered into with the Tr’ondëk Hwëch’in First Nation in September 2012. Key aspects of the Socio-Economic Accord include the Company’s commitment in respect of training and scholarships, and the annual community legacy project grant, amounting to \$60,000 per annum while the mine is operating.

Risk Factors

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their investment.

Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position. Please refer to the section entitled “Risk Factors” in the Company’s Annual Information Form dated September 28, 2020 (available on SEDAR at www.sedar.com).

Covid-19 Risks

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

Subsequent Events

On October 21, 2021 20,500,000 stock options were granted at an exercise price of \$0.10 to Directors and Officers of the Company.

On October 26, 2021 the agreement to purchase the 3% production royalty from Trans Oceanic Mineral Company Ltd was extended to January 31, 2022.