

**VIVA GOLD CORP.**  
**MANAGEMENT DISCUSSION & ANALYSIS**  
**October 31, 2020**

**INTRODUCTION**

This Management Discussion and Analysis (“MD&A”) is intended to supplement Viva Gold Corp.’s (“Viva” or the “Company”) consolidated financial statements for the year ended October 31, 2020. All financial information, unless otherwise indicated, have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (“IFRS”).

The following discussion of the Company’s financial condition and results of operations should be read in conjunction with its consolidated financial statements and the related notes for the year ended October 31, 2020.

All monetary amounts are in Canadian dollars unless otherwise specified. The effective date of this MD&A is January 21, 2021.

Viva’s current business is the acquisition, exploration, and development of precious metal properties. The Company is advancing its 100% owned Tonopah Project, located in the Walker Lane Trend in Western Nevada.

James Hesketh, MMSA QP, is a Qualified Person as defined by NI 43-101 and is the Qualified Person responsible for review of technical information in this Management Discussion. Mr. Hesketh is President and CEO of Viva Gold and is an insider of the Company with overall project responsibility.

Additional information regarding the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com).

**FORWARD-LOOKING INFORMATION**

This MD&A contains certain statements that may be deemed “forward-looking statements” within the meaning of Canadian securities legislation and the United States Private Securities Litigation Reform Act of 1995. This information and these statements, referred to herein as “forward-looking statements” are made as of the date of this MD&A or as of the date of the effective date of information described in this MD&A, as applicable. Forward looking statements in this document are statements that are not historical facts and are generally, but not always, identified by the words “expects”, “plans”, “anticipates”, “believes”, “continue”, “intends”, “estimates”, “projects”, “potential” and similar expressions, or that events or conditions “will”, “would”, “may”, “could”, or “should” occur. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by management, are inherently subject to significant business, economic, and competitive uncertainties and contingencies. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. The Company disclaims any obligation or intention to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

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## CURRENT CORPORATE HIGHLIGHTS

On January 5, 2021, the Company provided an update of its ongoing exploration and development activities on its Tonopah Gold project. The Company will focus on advancing the project to feasibility study and permitting while continuing to develop the exploration potential of the project. The Company has completed the first of two large diameter core holes, drilled to collect samples for additional metallurgical testing, in the Discovery and the West Pit zones. Assays are pending on these drillholes with results expected by the middle of February. For more information see details under the heading “Tonopah Project” on page 3.

On November 17, 2020, the Company announced the final assay results from its recently completed drill program and the initiation of core drilling and technical study activities to support a feasibility study and mine permitting at the Tonopah Gold Project. Results of the completed Reverse Circulation (“RC”) drilling program demonstrated that the primary mineral trend at the Tonopah project remains open for resource extension along strike, and confirmed high grade mineralization in the bottom of the northwest resource pit zone. It is also anticipated to upgrade areas of inferred mineralization. The Company also commenced a core drilling and technical study program to support a feasibility study and mine permitting of the project.

On October 14, 2020, the Company announced assay results for four additional reverse circulation drill holes from its fall 2020 drill program. These drilling tested the step-out at the southeastern extent on the principal northwest-southeast trend of mineralization, tested a shallow step-out hole in the South Pit zone.

On September 9, 2020, the Company announced assay results for the initial three drill holes of its current 19-hole drilling program on its Tonopah Gold Project. The first three drill holes were designed to confirm and upgrade existing inferred mineralization to test the potential extension of the principal mineral zone along trend to the northwest and also to test a gap of mineralization on the southern flank of the northwest pit zone. The results confirmed and are likely to upgrade inferred gold mineralization to indicated and also extended gold mineralization further along trend to the northwest.

On August 20, 2020, the Company announced that it has retained industry consultants to initiate groundwater hydrology and geotechnical studies on the Tonopah gold project. The studies are expected to de-risk the project and generate data that will be used for future permitting and feasibility studies for a potential heap leach open pit mine operation at Tonopah.

On July 8, 2020, the Company announced Mr. David Whittle as a new director of the Company. Mr. Whittle is a Chartered Professional Accountant with over 25 years of senior executive experience in the mining industry.

On July 2, 2020, the Company announced it was beginning a drilling program at its Tonopah project with a goal to increase the size and confidence level of the known gold resources as well as to obtain metallurgical and environmental samples to further de-risk and advance the project towards a feasibility study.

On June 23, 2020, the Company completed a non-brokered private placement of 12,060,380 units at a price of \$0.25 per unit for gross proceeds of \$3,007,500. Each Unit consists of one common share in the capital of the Company (a “Share”) and one-half of one non-transferable common share purchase warrant (a “Warrant”). Each whole Warrant is exercisable to acquire one Share at an exercise price of \$0.30 per Share for 36 months from the date of issuance. Proceeds of the offering will be utilized for drilling, technical studies, environmental/permitting studies, exploration of its Tonopah Project and general working capital purposes.

On June 15, 2020, the Company announced it has filed a Preliminary Economic Assessment (“PEA”) Technical Report on SEDAR for the Tonopah gold project completed by Gustavson Associates of Lakewood, Colorado. Gustavson recommended that Viva continue advancing the Tonopah Project by completing a Pre-Feasibility study or Feasibility Study, with an aim to establish ore reserves, and to clarify the economic potential of the project.

Gustavson further outlines a work program including 5,000 meters of core and reverse circulation drilling to provide material for metallurgical and environmental studies, to convert inferred resources to the indicated level, and to further expand the resource. In addition, they recommend additional metallurgical test work, initiating long-lead time environmental studies, performing geotechnical analysis and to initiate Feasibility level engineering study. The estimated cost of their recommended a work program totals US\$1.85 million.

On May 12, 2020, the Company announced positive results from the PEA study of the Tonopah gold project, located near Tonopah, Nevada. The Base Case open pit was designed using a gold price of US\$1,400. The Base Case generates a pre-tax Internal Rate of Return ("IRR") of 25% (after tax 22%) and a pre-tax net present value ("NPV") at a 5% discount rate of US\$43.6 million (after tax US\$36.3 million) with a 2.9 year payback of invested capital using a US\$1,400 gold price. Based on price sensitivity analysis at approximately the current price of \$1,700 ounce of gold, the project returns an IRR of 47% and a pre-tax NPV 5% of US\$96.0 million (after tax US\$72.2 million) with a payback period of 2.0 years. Base Case mine life of 6 years with total production of 226,000 ounces, averaging 38,000 ounces annually with the second and third years producing approximately 48,000 ounces annually. Capital costs for the project are estimated to be low with an estimated initial capital cost of US\$58 million and sustaining capital cost of US\$16 million net of capitalized equipment leases, capital additions, reclamation costs and recapture of working capital. Estimated cash cost of production is \$754/ounce with an all-in-sustaining cost of US\$1,075 per ounce inclusive of sustaining capital and additional overhead support. Engineering design analysis indicates the potential to substantially increase pit size and contained ounces with increased gold price.

On April 29, 2020, the Company announced an updated mineral resource estimate for its Tonopah gold project. The updated mineral resource estimate increased pit-constrained Measured and Indicated gold resource by 29% and Inferred resources by 47%. This increase was a result of additional drill-hole information provided from the 2019 drill programs, rigorous validation of the entire drill-hole database, and refinements to metallurgical and pit design parameters. The study was conducted using a USD\$1,600 gold price pit shell, which contributed to the overall increase. The new resource expands the potential open pit in a northwesterly direction, where it remains open.

On February 21, 2020, the Company closed the second and final tranche of the non-brokered private placement. In connection with the closing of the Offering, the Company issued an aggregate of 2,938,480 units (the "Units") at a price of \$0.24 per Unit for gross proceeds of \$705,235. Each Unit consists of one common share in the capital of the Company (a "Share") and one whole transferable common share purchase warrant (a "Warrant"). Each whole Warrant is exercisable to acquire one Share at an exercise price of \$0.34 per Share until December 23, 2021 for the first tranche and February 20, 2022 for the second tranche. Proceeds of the offering will be utilized to complete the Preliminary Economic Assessment and technical work at the Tonopah Project and for general working capital purposes.

In response to the threat represented by the coronavirus, COVID-19, normal business activities in much of the world have been interrupted. At this time, it is impossible to predict the effects of COVID-19 on the business plans and future financial results and position of the Company. To date, COVID-19 has had only minor impact on the Company's business operations and has not caused any material impact or delay in either field operations or its technical and administrative functions.

## **TONOPAH PROJECT**

The Tonopah Project, located near the town of Tonopah in Western Nevada, consists of 444 unpatented mineral claims, 185 of which are subject to a 2% Net Smelter Royalty ("NSR"), with the option to acquire 1% of the NSR for US\$1.0 million. The property position totals 8,762 acres of land.

The Tonopah property contains a near-surface low-sulfidation epithermal gold system which includes near vertical quartz-adularia-gold veins hosted by the Palmetto Formation argillite (Opa) and the overlying Tertiary rhyolitic volcanics (Tv) all contained within a low-angle zone of mineralization which includes and often parallels an erosion

surface unconformity at the top of the Palmetto. It is interpreted that ascending fluids entered the contact zone depositing precious metals in a favorable chemical and textural horizon in the base of the tertiary volcanics and in the top of the Palmetto, as well as in veins and breccia's along structures and structural junctions.

Mineralization has been identified over a northwest-southeast trending zone of several kilometers in length associated with an extensional/compressional break in the regional Rye Patch fault system and along the limbs of the Rye Patch Fault itself. Alteration and mineralization at the Tonopah Project are typical of low-sulfidation, volcanic-hosted epithermal gold deposits found elsewhere in Nevada and around the world. The deposit type is characterized by overall low original sulfide content, and quartz-adularia and clay-sericite alteration assemblages, among others. Higher grade gold mineralization appears to project along some of the veins/related structures in the Opa and Tv. Visible gold is commonly observed in and along the edges of veins, is frequently associated with hematite, and occurs locally in coarse form. Dendritic gold has been observed in core. Gold contained in the overall system is predominantly micron-sized in nature and is not visible to the naked eye.

The Tonopah Project is well situated and can be easily accessed by paved road 20 miles from the town of Tonopah, Nevada. Both water and power are available in close proximity to the site, although water rights will need to be leased or acquired. Tonopah is located within four hours' drive of Las Vegas, Nevada and is close to Round Mountain, Nevada, where equipment supply depots, machine shops and skilled labor can be found.

## CURRENT HIGHLIGHTS – TONAPAH PROJECT

### PEA Financial and Economic Highlights

On June 15, 2020, the Company filed a report titled "NI 43-101 Technical Report Preliminary Economic Assessment, Tonopah Project, Nye County, Nevada" prepared by Gustavson Associates of Lakewood Colorado. The PEA is based on conventional open-pit mining with gold recovery through crush heap-leach methods. Mineralized material will be prepared by three-stage crushing prior to placement on the leach pad.

PEA economic results estimated at a gold price of US\$1,400 per ounce are shown in both pre and post-tax U.S. Dollars as highlighted below.

<b>PEA Conceptual Economic Results</b>	
<b>(USD million)</b>	<b>Base Case</b>
<b>Gold Price</b>	<b>\$1,400</b>
<b><u>Pre-Tax Economics</u></b>	
IRR	25%
Cash Flow (Undiscounted)	\$69.7
NPV 5% Discount Rate	\$43.6
NPV 10% Discount Rate	\$25.9
Payback (Years)	2.9
<b><u>After Tax Results <sup>(1)</sup></u></b>	
IRR	22%
Cash Flow (Undiscounted)	\$60.1
NPV 5% Discount Rate	\$36.3
NPV 10% Discount Rate	\$20.3

(1) Includes Nevada State Net Proceeds Tax and 21% US Federal Tax

Please note that a PEA is preliminary in nature and includes inferred mineral resources that are considered too speculative geologically to have the economic consideration applied to them that would enable them to be categorized as mineral reserves, and that there is no certainty that the preliminary economic assessment will be realized.

<b>Price Sensitivity Table</b>					
<b>Base Case - Pre-Tax (US\$MM)</b>					
<b>Gold Price</b>	<b>IRR%</b>	<b>Undiscounted Cash Flow</b>	<b>NPV 5%</b>	<b>NPV 10%</b>	<b>Payback</b>
\$1,100	1%	\$2.6	(\$8.7)	(\$15.6)	n/a
\$1,200	9%	\$25.0	\$8.7	(\$1.7)	5.1
\$1,300	17%	\$47.3	\$26.1	\$12.1	4.1
<b>\$1,400</b>	<b>25%</b>	<b>\$69.7</b>	<b>\$43.6</b>	<b>\$25.9</b>	<b>2.9</b>
\$1,500	32%	\$92.1	\$61.1	\$39.8	2.5
\$1,600	39%	\$114.4	\$78.5	\$53.6	2.2
\$1,700	47%	\$136.8	\$96.0	\$67.4	2.0

Pit shells were designed using a 45-degree slope angle in rock and 35 degrees in gravels. Gold recovery was based on column leach test results of 83% for gold mineralization in argillite material and 58% for gold mineralization in Tertiary volcanic material, averaging around 71.8% of gold recovered with the mix of materials in the Base Case pit. Haulage ramps are 30 meters wide and have a maximum gradient of 10%. Processing rates are based on a daily crushing rate of approximately 6,800 tonnes per day utilizing three stage crushing.

Capital and operating costs were based on available vendor quotes, information available from nearby operations, and estimates by Gustavson Associates. Capital costs include the cost to relocate public roads and include \$1.0 million to exercise the purchase option to acquire 1.0% of the outstanding 2% Net Smelter Royalty on the project. Purchase of mobile equipment using conventional five-year capitalized lease purchase agreements and self-mining is assumed using 100-ton truck units. A 10% contingency factor was applied to operating cost estimates and a 20% contingency factor was applied to estimated capital components.

<b>Tonopah Project PEA Project Details</b>	
<b>(USD million)</b>	<b>Base Case</b>
<b>Gold Price</b>	<b>\$1,400</b>
Gold Ounces Sold	226,000
Initial Capital <sup>(1)</sup>	\$58
Sustaining Capital <sup>(2)</sup>	\$16
Avg. Cash Cost of Production	\$754
All In Sustaining Cost (AISC)	\$1,075
Project Life (Years)	6
Total Process Tonnes (M)	12.5
Average Grade (grams/Tonne)	0.78

Total Waste Tonnes (M)	57.8
Strip Ratio	4.6
Personnel Employed	137
<b><u>Average Operating Costs</u></b>	
Mining Costs (\$/T Mined)	\$1.28
Process Costs (\$/T Crushed)	\$4.52
Gen & Admin Cost (\$/T Crushed)	\$0.66
Offsite marketing and refining cost <sup>(3)</sup> (\$/oz)	\$1.50

(1) \$1.0 million is included in capital cost to exercise Viva's Option to acquire 1% of the 2% NSR on the project

(2) Includes capital lease purchase of mobile equipment

(3) Net of silver credits

### **Resource Estimate**

The PEA was based on an updated pit-constrained mineral resource estimate for the Tonopah Project, first announced on April 29, 2020, follows:

#### **Pit-Constrained Mineral Resource**

<b>Classification</b>	<b>Tonnes (x1000)</b>	<b>Gold Grade grams/tonnes</b>	<b>Contained Ounces</b>
Measured	3,930	1.14	141,000
Indicated	8,900	0.65	185,000
<b>Measured and Indicated</b>	<b>12,830</b>	<b>0.79</b>	<b>326,000</b>
Inferred	8,400	0.67	181,000

Thomas C. Matthews, MMSA-QP, Principal Resource Geologist for Gustavson Associates of Lakewood, Colorado, was the Qualified Person responsible for the preparation of technical information in this release. Resources are not reserves, and do not include modifying factors which need to be considered to determine whether they are economically viable.

Mineral resources are tabulated at a cutoff grade of 0.20 g/t gold for Opa and 0.25 g/t for Tv hosted mineralization, which constitutes a reasonable prospect for economic extraction based on a comparison with similar gold deposits in Nevada, and constrained within a US\$1,600 pit shell using a 45-degree average pit slope in all rock types and a 35-degree pit slope for gravels overburden.

**Pit-Constrained Resource Sensitivity to Cutoff Grade**

Classification	Cutoff Grade	Tonnes (x 1,000)	Au Grade Grams/Tonne	Contained Ounces
<b>Measured</b>	0.15	3,930	1.12	141,000
	<b>0.20/0.25</b>	<b>3,380</b>	<b>1.14</b>	<b>141,000</b>
	1.00	1,530	2.01	99,000
<b>Indicated</b>	0.15	9,340	0.63	188,000
	<b>0.20/0.25</b>	<b>8,900</b>	<b>0.65</b>	<b>185,000</b>
	1.00	1,210	1.39	54,000
<b>Inferred</b>	0.15	8,990	0.64	185,000
	<b>0.20/0.25</b>	<b>8,400</b>	<b>0.67</b>	<b>181,000</b>
	1.00	1,440	1.33	62,000

The Base Case resource is estimated at a cutoff grade of 0.20/0.25 grams per tonne depending on rock type. This table shows limited sensitivity to changes in cutoff grade in the low-grade ranges. The 1.0 gpt cutoff grade range outlines the high-grade core of the mineralization and 42% of total contained ounces. Two distinct populations of high-grade and low-grade gold mineralization exist at the Tonopah Gold Project, which are seen in this analysis. The high-grade mineral population occurs near surface under a layer of valley floor gravels.

**Forward Looking Plan**

Tonopah project PEA economics justify continued investment in project development. The forward-looking plan for Tonopah as recommended in the PEA includes work required to advance the project through Feasibility Study and into the permitting process. A significant amount of work was completed towards meeting this goal in the second half of 2020 and continues into 2021. These accomplishments include:

- An 11-hole Reverse Circulation (RC) drill program was completed in November 2020, totaling 2,016 meters, which demonstrated that the primary northwest-southeast mineral trend on the property has not been closed off, but remains open for further extension with additional drilling. The primary goal of this program was to convert inferred mineralization to indicated. Additional drilling is being planned.
- The first two large diameter core holes (TM2001 and TM2003 – PQ 85mm size core) in the Discovery and the West Pit zones were completed before year end 2020. These holes were drilled in the core of two known zones of mineralization to capture samples for environmental and metallurgical testwork. Assays are pending on these drillholes with results expected in late January-early February. An additional three-PQ core holes will be completed when drilling recommences in early January. TM2002 was collared prior to year-end break.
- Optimization testwork to fine tune metallurgical process routes and gold recovery will be conducted using the PQ core material as assays results become available.
- A pre-feasibility level geotechnical study was completed in December 2020 by Call and Nicolas, Inc., Tucson, Arizona based on existing database information, which outlined initial recommendations for slope angles to be used in detailed open-pit design. This study recommends an additional four -geotechnically logged core holes be drilled, primarily in the west pit area where only limited data was available. With this additional data, the geotechnical study will be advanced to feasibility study level.
- In November 2020, a team of archaeologists completed a cultural re-survey of the project area, updating work originally completed in 2002-2003. This effort will provide additional data supporting the planned commencement of permitting efforts in 2021.

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- Twenty samples were collected representative of all major rock types in the PEA open pit area, both mineralized and unmineralized, from available RC and core samples and were submitted to Pace Analytical, Sheridan, WY for initial environmental characterization tests. Results from this testwork is expected in January 2021. The results of this initial test work will be utilized to guide sample selection for the initiation of more extensive characterization tests required for State and Federal mine permitting.
  - In December, a total of 10-data recorders were recovered from existing well groundwater monitoring stations on the property. These recorders had been installed in 2008 and were left in place by the previous operator at Tonopah. The recorders operated for a number of years recording changes in water table and other ground water data until they ceased operating. Efforts were successful in recovering data from a previously collected recorder, indicating that a significant amount of time-based information may be recovered from this effort. Nine new data recorders have been re-installed in the well monitoring stations to continue water level data collection.
  - Baseline water sampling in the property commenced in December from nine groundwater monitoring stations to augment historically collected data. These samples have been submitted to Silver State Analytical Laboratories, Reno, NV for analysis. Follow-up testing will occur on a bi-monthly basis to develop a strong time series of water quality data through seasonal changes.
  - Extensive biologic studies, both fauna and flora, were conducted on the property by Newmont in 2003 as part of an Environmental Assessment study. Follow-up studies are planned for the spring of 2021 to meet current standards and requirements for Federal and State permitting.

### **Exploration Potential**

In 2019, the Company performed an extensive review of geophysical data associated with the property that was conducted by former operators in 1994 and 2002. Of the six different geophysical methods performed, gravity and CSAMT, were proven to be the most effective for use in geologic modelling. Incorporation of the gravity and CSAMT results with geology/mineralization shapes results in a hypothesized Opa horst bounded by a complex of west-northwest and north-south structures. Mineralization falls along the margins of the horst, suggesting a genetic link between the horst bounding structures and mineralization. The link is established based on the concept that mineralized fluids ascend along feeder structures. A review of the mineralization distribution within the main resource zone indicates that structural intersections are a foci for increased mineralization due to enhanced ground preparation. On this basis a total of eleven structural junctions of interest have been identified for future drill targeting demonstrating the potential for additional exploration upside.

Reconnaissance drilling in the Midway Hills area of the Tonopah project by Coeur, Rio Algom and Kennecott in the 1980's and 1990's suggested a conceptual exploration target of 1.6 to 2.0 million tonnes with potential gold grades of 0.45 to 0.55 grams per tonne containing 20,000 to 30,000 ounces with similar lithologic and structural controls to those seen at the Tonopah project. No resource was estimated in this area due to limited drill information, and nothing in this area is reported as mineral resources. Work on this portion of the project was overshadowed in 1996 when Kennecott drilled hole MW-12 intercepting 69-meters averaging 2.1 gpt Au, including 3-meters at 32.2 gpt Au, on the valley floor playa. After that discovery, work focussed on the covered target on the valley floor and the mountainous western portion of the project area ceased being a major focus.

In 2020, Viva commenced a review of prior exploration efforts conducted on the west side of its Tonopah property in the Midway Hills and San Antonio Mountains areas. This work included field investigation of historic prospect pits, adits and shallow shafts that had targeted silicified and altered Opa outcrops. The Opa has been uplifted in this area, presenting an older and deeper section of the formation than is found in the main project area. Prior operators on the property, including Coeur Mining and Rio Algom in the 1980's, Kennecott in the 1990's, and Newmont and Midway Gold in the early 2000's, completed prospecting reviews in this area of the property along with geophysical survey work and rock chip and soil sampling programs.



A review of historic rock chip sampling programs in the greater project area produced a compilation of approximately 2,200 samples with identified locations and often with multi-element assay analysis. The samples were taken over a wide area extending well beyond the boundaries of Viva's current property position. Of this total, approximately 146 samples exceed 0.1 grams per tonne (gpt) Au grade with an average grade of 2.69 gpt Au and a median value of 0.30 gpt Au. The maximum assay value was 279 gpt Au found in the northwestern portion of Viva's current property position in an area not associated with the current resource base. These sample points are currently being added as an overlay on the Company's Tonopah project's geologic model for analysis. These rock chip samples illustrate the great extent of the mineralizing event, and that significant exploration potential exists away from the existing resource.

In 2021, Viva is planning to utilize all available historic data in combination with additional field study to develop additional exploration targets in this portion of the property with a view towards potentially developing additional drill targets and resource areas.

### **Metallurgy**

Sixty-day column leach tests for gold recovery were completed in July 2019, using bulk samples, segregated by major rock type, created by compositing drill-hole samples collected from the Company's 2018-2019 drilling programs. Samples were sized to 80% minus 10 mesh and agglomerated using cement. Samples taken from the Palmetto argillite formation, which contains approximately half of the total gold resource at Tonopah, leached quickly and resulted in a gold recovery of 83% in the 60-day period, which is likely to provide a significant economic driver to the project. Recovery rates in the overlaying Tertiary volcanics, a complex assemblage of locally silicified rhyolite tuffs, greywacke, air-fall tuffs and siltstone, show slower recovery rates, but with additional time under leach are expected to approximate the 60% to 70% recovery range. Incremental gold recovery was still occurring in all of the columns when the tests were terminated. This work developed potential gold recoveries of approximately 58% for material in the lower Tertiary Volcanic sequence and 83% in the underlying Ordovician Argillite sequence. Estimated blended gold recovery utilizing a three-stage crusher product is 71%.

Large diameter core drilling is currently underway to collect samples to conduct additional sample for metallurgical testwork. Planned testwork includes crush size by rock type versus recovery column and bottle roll tests. Additional crushing optimization testwork is planned utilizing high pressure grinding rolls versus conventional crushing to enhance leach recovery.

## **RESULTS OF OPERATIONS**

### **For the year ended October 31, 2020 as compared to the year ended October 31, 2019**

For the year ended October 31, 2020 the Company incurred a loss of \$2,084,726 (2019 – loss of \$2,257,097). The Company's loss per share was \$0.07 (2019 – \$0.10). The decrease in the loss for the period of \$172,371 was primarily the result of lower exploration costs, a decrease of \$86,484 in the current period, and a decrease of \$95,750 in investor relations costs in the current period. Exploration costs decreased primarily as a result of the reduced exploration activity prior to the commencement of its recently completed RC drilling program. Current period costs are primarily associated with the Company's preparation of its PEA and the current drilling program, which commenced in July.

The Company has focused its resources on exploration of the Tonopah Project. A summary of such exploration cost incurred during the year ended October 31, 2020 and 2019 is as follows:

	<b>For the twelve months ended October 31</b>	
	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Claim Fees	<b>105,793</b>	104,425
Bond Premium	<b>5,058</b>	4,993
Consulting	<b>157,033</b>	104,421
Drilling	<b>527,468</b>	675,129
Environmental	<b>14,213</b>	12,216
Metallurgical Testwork	<b>4,267</b>	58,348
Permits	-	1,811
Salaries	<b>67,299</b>	71,966
Samples	<b>46,538</b>	123,515
Supplies/General	<b>22,116</b>	14,152
Technical Reports	<b>211,237</b>	70,572
Travel	<b>32,313</b>	38,271
	<b>1,193,335</b>	1,279,819

The Company also incurred \$276,761 (2019 - \$248,664) in share-based payments expense relating to the incentive stock options vested during the period ended October 31, 2020. Included in the comparative period were expenses related to stock options and the recognition of shares issued to the CEO as part of his consulting services agreement.

**For the three months ended October 31, 2020 as compared to the three months ended October 31, 2019**

For the three months ended October 31, 2020 the Company incurred a loss of \$868,949 (2019 – loss of \$894,594). The Company’s loss per share was \$0.02 (2019 – loss of \$0.04). The Company had \$868,949 of operating expenses during the three months ended October 31, 2020 as compared to \$890,275 in the three months ended October 31, 2019. In both the current and the comparative period, the costs primarily related to current drilling programs and preparation of technical reports on the Tonopah project. Exploration costs for the three months ended October 31, 2020 and 2019 were \$676,190 and \$662,663 respectively. The drilling program, which commenced in July 2020, had costs for the three months ended October 31, 2020 of \$322,972.

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**SUMMARY OF QUARTERLY RESULTS**

The following table sets out selected unaudited quarterly financial information of the Company and is derived from unaudited interim consolidated financial statements prepared by management.

Period	Revenues	Income (loss) for the period \$	Basic and fully diluted income (loss) per share \$
4 <sup>th</sup> Quarter 2020	Nil	(868,949)	(0.02)
3 <sup>rd</sup> Quarter 2020	Nil	(657,365)	(0.01)
2 <sup>nd</sup> Quarter 2020	Nil	(256,430)	(0.01)
1 <sup>st</sup> Quarter 2020	Nil	(301,982)	(0.01)
4 <sup>th</sup> Quarter 2019	Nil	(894,594)	(0.04)
3 <sup>rd</sup> Quarter 2019	Nil	(268,638)	(0.01)
2 <sup>nd</sup> Quarter 2019	Nil	(370,904)	(0.02)
1 <sup>st</sup> Quarter 2019	Nil	(722,961)	(0.04)
4 <sup>th</sup> Quarter 2018	Nil	(294,903)	(0.02)
3 <sup>rd</sup> Quarter 2018	Nil	(526,738)	(0.03)
2 <sup>nd</sup> Quarter 2018	Nil	(464,781)	(0.03)

The Company's quarterly losses are expected to vary as a result of its exploration activity on the Tonopah Project.

In the 3<sup>rd</sup> Quarter of 2020, the Company commenced a drilling program and as a result, its costs increased compared to the 2<sup>nd</sup> quarter of 2020.

In the 1<sup>st</sup> Quarter of 2020, the Company had a reduction of operating costs due to the timing of the previous drilling campaign being primarily completed in the previous quarter.

In the 4<sup>th</sup> Quarter of 2019, the Company started a new drilling and sampling program for its Tonopah project, which increased costs for the quarter. Total exploration costs in the fourth quarter of 2019 was \$662,663 as compared to \$74,696 in the 3<sup>rd</sup> quarter of 2019.

In the 1<sup>st</sup> quarter of 2019, the Company started a new drilling program for its Tonopah project, which increased its costs for the quarter.

In the 4<sup>th</sup> quarter of 2018, the Company incurred \$126,290 in exploration costs, which was a reduction from \$382,709 incurred in the 3<sup>rd</sup> quarter of 2018.

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**SELECTED ANNUAL INFORMATION**

The following table sets out selected annual financial information of the Company and is derived from the Company's audited consolidated financial statements for the years ended October 31, 2019, 2018 and 2017.

	2020	2019	2018
	\$	\$	\$
Revenues	-	-	-
Loss for the year	(2,084,726)	(2,257,097)	(1,810,260)
Loss per share (basic and diluted)	(0.7)	(0.10)	(0.11)
Total assets	2,190,260	929,587	1,275,067
Total non-current financial liabilities	-	-	-
Dividends declared	-	-	-

The Company's annual losses are expected to vary as a result of its exploration activity on the Tonopah Project.

**LIQUIDITY AND CAPITAL RESOURCES**

The Company's principal source of liquidity as at October 31, 2020 was cash and cash equivalents totaling \$1,161,863 (October 31, 2019 – \$35,979).

During the period ended October 31, 2020, the Company's cash used in operating activities amounted to \$2,130,513.

During the year ended October 31, 2020, the Company completed two non-brokered private placements. Total proceeds from the private placements in the year ended October 31, 2020 was \$3,712,736. In addition, during July 2020, the company repaid its outstanding loan of \$257,404.

On June 23, 2020, the Company completed a non-brokered private placement of 12,060,380 units at a price of \$0.25 per unit for gross proceeds of \$3,007,500. Each Unit consists of one common share in the capital of the Company (a "Share") and one-half of one non-transferable common share purchase warrant (a "Warrant"). Each whole Warrant is exercisable to acquire one Share at an exercise price of \$0.30 per Share for 36 months from the date of issuance.

On February 21, 2020 the Company closed the second and final tranche of the non-brokered private placement. In connection with the closing of the Offering, the Company issued an aggregate of 2,938,480 units (the "Units") at a price of \$0.24 per Unit for gross proceeds of \$705,235. Each Unit consists of one common share in the capital of the Company (a "Share") and one whole transferable common share purchase warrant (a "Warrant"). Each whole Warrant is exercisable to acquire one Share at an exercise price of \$0.34 per Share until December 23, 2021 for the first tranche and February 20, 2022 for the second tranche.

On August 6, 2019, the Company closed the second and final tranche of the non-brokered August 2019 Private Placement (the "Offering"). In total, the Company issued 3,395,502 Units in both tranches of the Offering for gross proceeds of \$1,018,650. Each Unit consisted of one common share in the capital of the Company (a "Share") and one whole transferable common share purchase warrant (each whole common share purchase warrant, a "Warrant"). Each whole Warrant is exercisable to acquire one Share at an exercise price of CDN\$0.40 per Share. Warrants issued in the first tranche are exercisable until July 3, 2021 and those Warrants issued in the second tranche are exercisable until August 6, 2021, both of which are 24 months from the date of issuance.

On November 13, 2018 the Company closed the second and final tranche of its 2018 non-brokered Private Placement. In total, the Company issued 2,990,536 Units in the Offering for gross proceeds of CDN \$1,106,498. Each Unit consisted of one common share in the capital of the Company (a "Share") and one whole transferable

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common share purchase warrant (each whole common share purchase warrant, a “Warrant”). Each whole Warrant is exercisable to acquire one Share at an exercise price of CDN\$0.47 per Share. Warrants issued in the first tranche are exercisable until October 26, 2020 and those Warrants issued in the second tranche are exercisable until November 13, 2020, both of which are 24 months from the date of issuance. A total of \$696,927 of net proceeds were received in the first quarter of the 2019 fiscal year.

With the exception of interest earned on cash holdings, the Company does not generate any income and relies upon current cash resources and future financings to fund its ongoing business and exploration activities. The Company will require further financing in its 2021 fiscal year to continue as a going concern. The Company will explore appropriate financing routes which may include: additional issuance of share capital; funding through project debt; convertible securities; or other financial instruments. As at the date of this MD&A, the Company is unable to determine the impact of COVID-19 on the Company’s efforts in this regard. The financial statements of the Company and this MD&A have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of business. Viva is an exploration stage company and as at October 31, 2020 had an accumulated deficit of \$7,575,625. Management of the Company does not expect that its current cash position will be sufficient to meet all of its operating requirements, financial commitments, and business development priorities during the next twelve months. Accordingly, the Company will need to obtain financing in the form of debt, equity, or a combination to continue to operate. There can be no assurance that additional funding will be available to the Company, or, if available, that this funding will be on acceptable terms. These conditions indicate the existence of material uncertainty that may give rise to significant doubt about Viva’s ability to continue as a going concern.

#### **OFF-BALANCE SHEET ARRANGEMENTS**

The Company has not entered into any material off-balance sheet arrangements such as guarantee contracts, contingent interests in assets transferred to unconsolidated entities, derivative instrument obligations, or with respect to any obligations under a variable interest entity arrangement.

#### **RELATED PARTY TRANSACTIONS**

- a) The Company is party to a consulting service agreement, dated April 10, 2017, with Kalex LLC (“Kalex”), an entity owned by James Hesketh, the Company’s president and CEO and a member of the board of directors of the Company. On January 1, 2019, the consulting service agreement was revised and as a result, the monthly management fee payable under this agreement was reduced to US\$8,333 (Previously US\$12,500). During the year ended October 31, 2020, the Company incurred \$134,600 (2019 - \$143,932) in management fees/salaries. The Compensation of Mr. Hesketh is equally divided between management fees in the statement of loss and as salaries within exploration expenditures. As at October 31, 2020, \$535 (October 31, 2019 - \$77,396), included in accounts payable and accrued liabilities, was due to Kalex.
- b) Avisar Everyday Solutions and Avisar Chartered Professional Accountants (“Avisar”), firms where the CFO is a founder and principal, provides bookkeeping, treasury, and financial reporting services to the Company. During the year ended October 31, 2020, the Company incurred accounting fees of \$64,750 (2019 - \$68,400) to both firms. As at October 31, 2020, \$5,460 (October 31, 2019 - \$5,460), included in accounts payable and accrued liabilities, was due to Avisar.
- c) During the year ended October 31, 2020, share based payments related to the incentive stock options granted to related parties amounted to \$214,309 (2019 – 225,981).

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d) The Company was a party to a loan agreement for a principal amount of \$250,000 with a company affiliated with a director of the Company. The loan bore interest at 8% per annum and was due on December 31, 2020. The loan plus accrued interest was repaid during the year ended October 31, 2020.

### **CAPITAL MANAGEMENT**

The Company manages its common shares, stock options, and warrants as capital. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages its capital structure and makes adjustments in light of operating results, changes in economic conditions, and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, warrants or options, issue new debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents.

In order to maximize ongoing development efforts, the Company does not pay out dividends. The Company's investment policy is to invest its short-term excess cash in highly liquid short-term interest bearing investments with maturities 90 days or less from the original date of acquisition, selected with regards to the expected timing of expenditures from continuing operations.

### **FINANCIAL INSTRUMENTS**

The Company's financial instruments as at October 31, 2020 consist of cash and cash equivalents, receivables, restricted cash, and its accounts payable and accrued liabilities. The fair value of these instruments approximates their carrying value. There were no off-balance sheet financial instruments.

Cash and cash equivalents consist solely of cash deposits with major banks in the United States and Canada.

The Company does not use derivative or hedging instruments to reduce its exposure to fluctuations in foreign currency exchange rates involving the US dollar.

### **OUTSTANDING SHARES**

As at the date of this MD&A, the Company has 39,226,425 common shares outstanding. The Company also has 2,858,500 incentive stock options outstanding, exercisable at a weighted average exercisable price of \$0.29 per share, and 12,348,982 share purchase warrants outstanding, exercisable at weighted average price of \$0.34 per share.

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**MANAGEMENT’S REPORT ON INTERNAL CONTROL OVER FINANCING REPORTING**

In connection with National Instrument 52-109 (Certificate of Disclosure in Issuer’s Annual and Interim Filings) (“NI 52-109”), the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the consolidated financial statements for the period ended October 31, 2020 and this accompanying MD&A (together, the “Filings”).

In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information, the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the Filings on SEDAR at [www.sedar.com](http://www.sedar.com).

**Approval**

The Audit Committee of Viva has approved the disclosure contained in this MD&A.