



**Management Discussion and Analysis
For the Nine Months Ended December 31, 2019**

PRELIMINARY INFORMATION

This Management's Discussion and Analysis ("MD&A") contains information up to and including March 2, 2020.

The following MD&A of Harvest Gold Corp. (the "Company") should be read in conjunction with the unaudited condensed interim financial statements for the nine months ended December 31, 2019 and the audited consolidated financial statements for the year ended March 31, 2019 the related notes contained therein. The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

All financial information in this MD&A have been prepared in accordance with International financial reporting standards ("IFRS"), and all dollar amounts are expressed in Canadian dollars unless otherwise indicated.

FORWARD-LOOKING INFORMATION

Statements in this report that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements. Readers are cautioned not to put undue reliance on forward-looking statements. For more information on forward-looking information please refer to the "Caution Regarding Forward Looking Statements" section below.

OVERVIEW

The Company was incorporated on June 28, 2005 under the BC Business Corporations Act and is a reporting issuer in British Columbia and Alberta. The Company's common shares are traded on the TSX Venture Exchange under the symbol "HVG". Subsequent to September 30, 2019, the Company completed a 10 for 1 share consolidation. All references to number of shares and per share amounts have been retroactively restated to reflect the consolidation.

The Company is a mineral exploration and resource development company engaged in the business of acquiring, exploring and evaluating natural resource properties, and either joint venturing or developing these properties further or disposing of them when the evaluation is complete. As at the date of this MD&A, the Company has not earned any production revenue and is considered to be an exploration stage company.

RESOURCE PROPERTIES - PERFORMANCE SUMMARY

CERRO CASCARON PROJECT - MEXICO

Project Acquisition

During the year ended March 31, 2018, the Company entered into an Option Agreement (the "Option Agreement") to earn up to an 80% interest in the Cerro Cascaron Project located in Chihuahua State, Mexico from Evrim Resources Corp (TSX.V: EVM)("Evrim"). The Cerro Cascaron Project is subject to a 2% NSR. Under the terms of the Option Agreement, the Company can earn an initial 70% interest (the "Initial Interest") in the Cerro Cascaron Project by incurring \$6,000,000 in exploration expenditures, making \$900,000 in cash payments and issuing 2,000,000 common shares over a four year period. During the Initial Interest period, the Company can defer exploration expenditures at the end of the first, second or third anniversary for 12 months by making quarterly cash payments of \$25,000 and maintaining all other cash payments and claim maintenance costs.

Once the Company has earned its Initial Interest, it will have a 90 day period during which it can elect to earn an additional 10% in the Cerro Cascaron Project by making a cash payment of \$200,000 (or issuing 200,000 common shares) and fund a 43-101 compliant feasibility study ("Feasibility Study") over a five year period. Minimum annual exploration expenditures of \$2 million are required during this period and a \$200,000 cash payment is to be made if the minimum expenditures are not met by the Company.

On June 7, 2018, the parties entered into an amending agreement whereby the Company paid Evrim \$30,000 to extend the option period to December 31, 2018.

On June 21, 2019, the parties entered into an extension agreement whereby the Company paid Evrim \$55,000 to extend the option period by six months from the date of the agreement and to commence a renegotiation on the project. As of the date of this report, the project is still being renegotiated.

Property Description

The Cerro Cascaron project covers 69 square kilometres in a historic Colonial-era mining district in the prolific Sierra Madre Occidental (“SMO”) precious metals belt of western Chihuahua State. Harvest Gold has the right to earn up to an 80% interest in the Project by incurring certain exploration expenditures, making cash and share payments and delivering a 43-101 compliant feasibility study.

Drill Results

On March 19, 2019, the Company announced final drill results at the Cerro Cascaron gold and silver project in southwestern Chihuahua, Mexico. Harvest Gold and its JV partner Evrim Resources Corp (“Evrin”) have completed a total of ten diamond drill holes at Serpiente Dorada, San Pedro and Cascarita for a total of 2,255.40 meters.

Drill Program Highlights

Serpiente Dorada

- Drill hole SPT18-01 intersected 1.0 metre grading 20.1 grams per tonne (g/t) gold and 22.5 g/t silver from 225.5 metres downhole within 6.5 metres grading 3.29 g/t gold and 6.3 g/t silver from 224.5 metres (previously reported February 14, 2019);
- Drill hole SPT19-02 intersected 11.5 metres grading 0.48 g/t gold and 3.9 g/t silver from 119.5 metres downhole and 1 metre grading 1.57 g/t gold and 1.2 g/t silver from 219 metres

San Pedro

- SPED19-02 intersected 4.8 metres grading 1.02 g/t gold and 13.0 g/t silver from 141 metres downhole and 0.35 metres grading 5.39 g/t gold and 23.7 g/t silver from 154.45 metres downhole (previously reported February 14, 2019);
- SPED19-03 intersected 2.4 metres grading 0.98 g/t gold and 36.6 g/t silver from 162.5 metres downhole.

About the Cerro Cascaron Drill Program

Ten drill holes have been completed with two holes at the Serpiente Dorada, four holes at San Pedro gold targets, and four at the silver-rich Cascarita target.

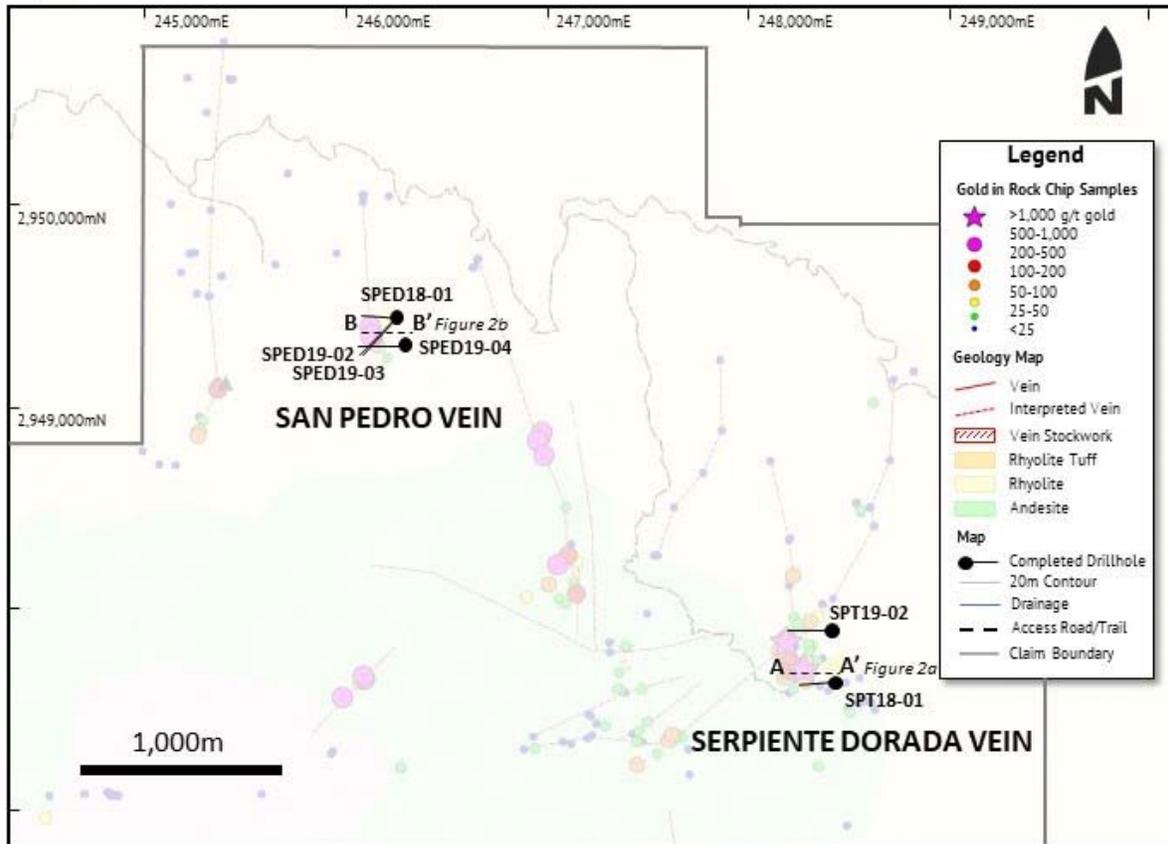


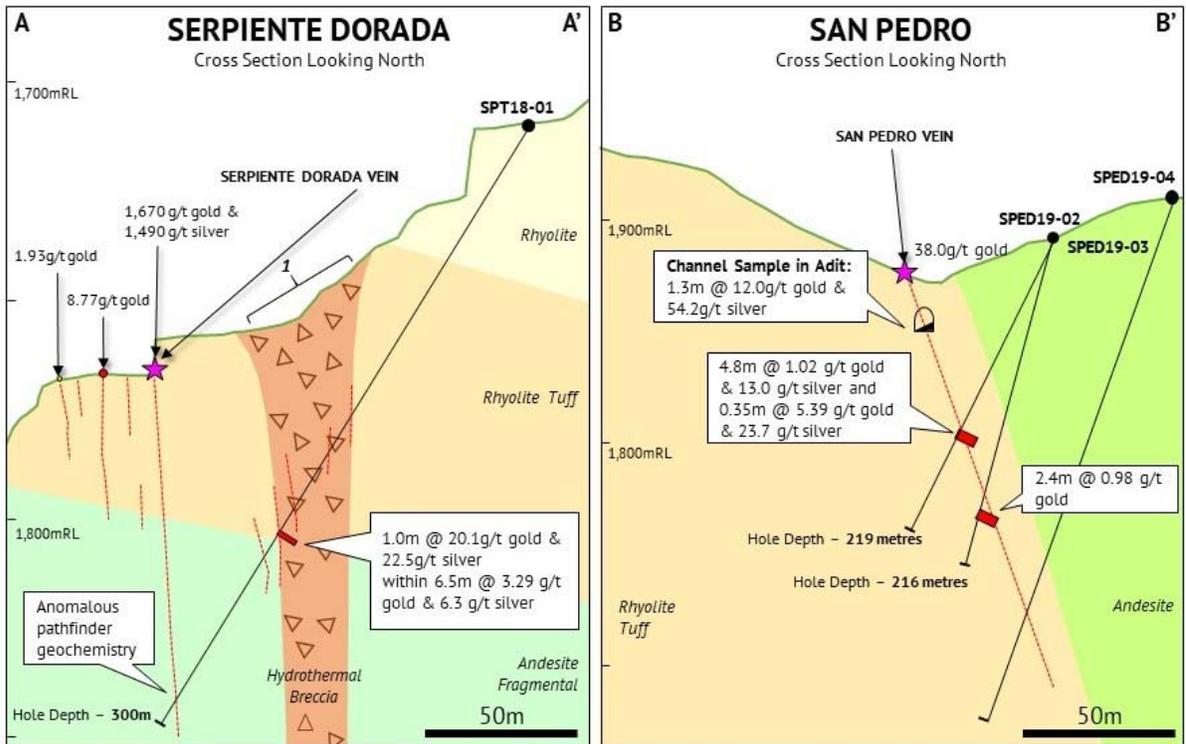
Figure 1 – Map of the Cascaron vein field with Serpiente Dorada and San Pedro drilling shown

Serpiente Dorada

Drill hole SPT19-02 targeted the intersection of the north-trending Serpiente Dorada and northeast-trending La Julieta structures approximately 180 metres north of SPT18-01. The hole drilled into a sequence of rhyolitic and andesitic volcanic rocks with crosscutting hydrothermal breccias; a similar setting as hole SPT18-01. A zone of pervasive silicification and quartz veining hosts a broad zone of low-grade gold mineralization from 119.5 metres depth and a narrow zone of strong quartz veining hosts the intersection from 219.0 metres. The true widths of the zone of silicification and strong quartz veining are not known.

Drill holes SPT18-01 and SPT19-02 intersected the Serpiente Dorada structure over a strike length of approximately 180 metres and also delineated a new structure or splay off the Serpiente Dorada structure. Mineralization intersected in these holes comprises quartz veining and silicification where the Serpiente Dorada structure intersects interpreted hydrothermal breccias and a contact between andesitic and rhyolitic volcanic rocks and presents a structural setting for additional drilling.

CERRO CASCARON



1. Inferred outcrop of hydrothermal breccia; not mapped due to topography

Figure 2a – Cross section of drill hole at Serpiente Dorada (A-A') and Figure 2b – Cross section of drilling at San Pedro (B-B')

San Pedro

Drilling at San Pedro has intersected a quartz vein beneath the shallow historic workings hosted in rhyolitic tuff and andesite. Drill hole SPED19-02 intersected the quartz vein approximately 110 metres beneath the workings at the contact between andesite and rhyolite and returned 4.8 metres grading 1.02 g/t gold and a separate higher grade interval of 5.39 g/t gold over 0.35 metres. Drill hole SPED19-03 intersected the San Pedro vein approximately 40 metres beneath the vein in SPED19-02 and returned 2.4 metres grading 0.98 g/t gold from 162.5 metres downhole. Both SPED19-02 and SPED19-03 intersected the banded San Pedro quartz vein and the vein intersected in hole SPED19-03 also contained multi-episodal chalcedonic quartz and quartz breccias. The textures observed in holes SPED19-02 and SPED19-03 suggested that the vein in these holes is above the boiling zone where the best mineralization is expected. Hole SPED19-04 was drilled to intersect the San Pedro Vein about 70 metres downdip from the vein in SPED19-03 and intersected a zone of pervasive silicification and quartz veinlets with anomalous gold and pathfinder elements. Additional drilling is recommended to test deeper targets along strike within the system.

Significant Intersection Table

Hole	From (m)	To (m)	Width (m)	Gold (g/t)	Silver (g/t)
SPED18-01	No significant assays				
SPED19-02	141.0	145.8	4.8	1.02	13.0
And	154.45	154.8	0.35	5.39	23.7
SPED19-03	162.5	166	3.5	0.74	26.5
including	162.5	164.9	2.4	0.98	36.6
SPED19-04	No significant assays				
SPT18-01	224.5	231.0	6.5	3.29	6.3
Including	225.5	226.5	1.0	20.1	22.5
SPT19-02	119.5	131.0	11.5	0.48	3.9
and	219.0	220.0	1.0	1.57	1.2

All intervals given for mineralized intervals are core lengths. The true widths of the intersections are not known.

Drill Hole Information Table

Hole	Easting (m)	Northing (m)	Elevation (m)	Azimuth (°)	Dip (°)	Hole Depth (m)
SPED18-01	246,222	2,949,475	1,883	276	-45	201.0
SPED19-02	246,222	2,949,475	1,883	220	-55	219.0
SPED19-03	246,222	2,949,475	1,883	220	-68	216.0
SPED19-04	246,309	2,949,410	1,919	270	-70	370.5
SPT18-01	248,404	2,947,705	1,677	270	-64	320.0
SPT19-02	248,370	2,947,880	1,733	270	-55	270.0
CAS18-01	240,533	2,947,389	1,360	060	-45	209.7
CAS18-02¹	240,556	2,947,295	1,301	070	-45	48.2
CAS18-02B	240,557	2,947,296	1,301	070	-45	201.0
CAS18-03	240,361	2,947,455	1,405	040	-60	200.0

1. Hole was lost

About the Cerro Cascaron Project

The Cerro Cascaron property hosts a low to intermediate sulphidation epithermal gold system that includes a gold-bearing vein in the eastern part of the property. Veining has been mapped over 900 vertical metres, with classic textural evidence of hydrothermal boiling accompanying the highest gold grades. The proposed boiling zone has been established in the upper 380 metres of the vein field. Beneath the boiling zones, silver and base metal rich veins and breccias provide additional exploration targets.

Cerro Cascaron's setting and mineralization are similar to many epithermal deposits in the Sierra Madre Occidental, including Minera Frisco SAB's Ocampo Mine to the northwest, Coeur Mining Inc.'s Palmarejo mine, and First Majestic Silver's San Martin de Bolaños silver mine.

The disclosure of technical or scientific information in this document has been reviewed and approved by Warren Bates, P.Geol. Chief Geologist for Harvest Gold. Mr. Bates serves as a Qualified Person under the definition of National Instrument 43-101.

Core samples were delivered to ALS Global in Hermosillo, Sonora for sample preparation and to the ALS laboratory in North Vancouver for analysis. The Hermosillo and North Vancouver facilities have ISO/IEC 17025:2017 certification. Field duplicate samples, blank samples and certified reference materials were inserted into the sample sequence each at a frequency of one per 20 samples. Samples were assayed for gold by 30-gram fire assay and multi-element analysis by four-acid and ICP analysis.

SURINAME CONCESSIONS

On July 27, 2016, the Company completed its 100% acquisition of Canasur Gold Limited (“CanaSur”) and its wholly owned projects located in Suriname.

On May 13, 2018, the Company entered into a purchase agreement granting the right to acquire its Suriname mineral projects by optioning out the shares of CanaSur to its agent in Suriname (the “Purchaser”) for US\$150,000 payable in US\$30,000 increments beginning July 31, 2018 with the final payment due on or before November 1, 2019. The obligations of the Purchaser under the Note are secured by a pledge of the shares of CanaSur.

ROSEBUD GOLD MINE, NEVADA

During the year ended March 31, 2016, the Company reached an option to sell agreement with Rosebud Exploration LLC (“RE”), a private Nevada corporation, for its Rosebud Gold Mine Property as follows. In Stage One, RE paid the Company US\$25,000 upon signing. RE then paid US\$50,000 to Newmont for the Company’s December 15, 2015 Advanced Royalty Payment on Rosebud. RE also paid all Bureau of Land Management (“BLM”) and county fees on Rosebud for its 2015 obligations. RE then informed the Company of its intention to continue with the project and paid the Company US\$15,000 in September 2016. RE also paid the US\$50,000 2016 Advanced Royalty Payment to Newmont and has committed to pay 2017 BLM and county fees on the property by the end of July 2017.

RE exercised its option to purchase Rosebud any time after January 1, 2016 up to November 23, 2017 and paid the Company CDN\$100,000. As RE exercised its option to purchase, it has also committed to paying CDN\$1,000,000 to the Company within 30 days of RE receiving funding designed to commission and construct a mine at Rosebud. On Closing of the sale of Rosebud, RE assumed all obligations of the Company in respect of the 3% NSR on Rosebud including the obligations to make annual advance Royalty payments

RW PROPERTY, EUREKA COUNTY, NEVADA

Effective January 1, 2012 the Company entered into a mining lease and option to purchase agreement with Kinetic Gold (US) Inc. (“Kinetic”). As per the terms in the agreement the Company is in receipt of the first US\$10,000 upon execution of the agreement and is in receipt of the next installment which was paid on December 21, 2012. On September 5, 2013 there was an amendment to the Mining Lease and Option to Purchase RW Claims to incorporate an additional year on the payment schedule. On August 13, 2015 the agreement was amended whereby Kinetic paid US\$5,000 (CDN\$6,475; received) and will pay US\$15,000 thirty days after Kinetic assigns the property to a third party. Kinetic will then pay a further US\$30,000 on the first anniversary and US\$40,000 on the second anniversary of assigning the property to a third party. With the property optioned to Kinetic, the Company no longer manages the property and has no activities planned.

On June 1, 2019, the Company entered into a royalty agreement with Kinetic whereby the Company received a 1% net smelter royalty on the RW claims located in Eureka County, Nevada, USA in exchange for \$1,000.

RESULTS FROM OPERATIONS

Nine Months Ended December 31, 2019 compared with Nine Months Ended December 31, 2018

The Company incurred a loss of \$202,634 for the nine months ended December 31, 2019 compared to a loss of \$949,566 for the nine months ended December 31, 2018. The largest change between the prior year and the current year was a decrease in promotion and advertising from \$366,526 in the comparative period to \$Nil in the current period and share-based payments on the granting of stock options from \$319,374 in the comparative period to \$Nil in the current period. The Company also recognized a decrease in consulting fees from \$82,424 for the nine months ended December 31, 2018 to \$44,737 for the nine months ended December 31, 2019 as a result in a decrease of activity.

SUMMARY OF QUARTERLY RESULTS

	Three Months Ended December 31, 2019	Three Months Ended September 30, 2019	Three Months Ended June 30, 2019	Three Months Ended March 31, 2019
Total assets	\$ 1,943,544	\$ 2,017,083	\$ 2,097,242	\$ 2,153,758
Evaluation and exploration assets	1,729,570	1,729,570	1,674,570	1,687,621
Working capital (deficiency)	138,392	212,256	339,499	382,975
Shareholders' equity (deficiency)	1,883,945	1,957,809	2,030,052	2,086,579
Net income (loss) for the period	(73,864)	(66,608)	(56,527)	23,196
Net income (loss) per share	(0.01)	(0.01)	(0.00)	0.00

	Three Months Ended December 31, 2018	Three Months Ended September 30, 2018	Three Months Ended June 30, 2018	Three Months Ended March 31, 2018
Total assets	\$ 2,206,196	\$ 2,231,069	\$ 1,029,951	\$ 613,008
Evaluation and exploration assets	1,476,940	1,051,783	351,783	514,536
Working capital	484,134	904,573	340,145	(510)
Shareholders' equity	2,131,417	2,126,199	845,164	474,509
Loss for the period	(317,443)	(542,778)	(89,345)	(1,011,630)
Loss per share	(0.05)	(0.10)	(0.01)	(0.20)

LIQUIDITY AND CAPITAL RESOURCES,

As at December 31, 2019, the Company had cash of \$188,062. The Company has slowed its utilization of its cash resources on administrative requirements. The Company has no significant income and will rely on replenishing cash balances by capital fundraising.

The financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing

operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Company's financial instruments consist of cash, GST receivable, trade payables and advances payable. Cash is designated as amortized cost. Trade payables and due to related party are designated as other financial liabilities and recorded at amortized cost.

The fair value hierarchy establishes three levels to classify inputs to the valuation techniques used to measure fair value. Level 1 inputs are quoted market prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are inputs other than quoted market prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable (supported by little or no market activity).

Cash is stated at fair value and are classified as Level 1 of the fair value hierarchy. The fair values of trade payables and due to related party approximate carrying value because of the short-term nature of these instruments.

The fair value of available for sale investments are determined based on a market approach reflecting the closing price of each particular security at the closing balance sheet date. The closing price is a quoted market price obtained from the exchange that is the principal active market for the particular security, and therefore available for sale securities are classified within Level 1 of the fair value hierarchy.

RISKS AND UNCERTAINTIES

The Company is in the mineral exploration and development business and as such is exposed to a number of risks and uncertainties that are not uncommon to other companies in the same business. Exploration for mineral resources involves a high degree of risk, and the cost of conducting programs may be substantial and the likelihood of success is difficult to assess. The Company attempts to mitigate its exploration risk through joint ventures with other companies.

Beyond exploration risk, management is faced with other possible risks which include the following:

Metal Price Risk

The price of gold and silver greatly affects the value of the Company and the potential value of its properties and investments. This, in turn, greatly affects its ability to form joint ventures and the structure of any joint ventures formed.

Financial Market Risk

The Company is dependent on the equity markets as its sole source of operating working capital and the Company's capital resources are largely determined by the strength of the resource markets and by the status of the Company's projects in relation to these markets, and its ability to compete for the investor support of its projects.

Title Risk

The Company has investigated its right to explore and exploit its properties and, to the best of its knowledge, has title to properties in which it has a material interest. However, the results of the Company's investigations should not be construed as a guarantee of title.

Environmental Risk

The Company seeks to operate within environmental protection standards that meet or exceed existing requirements in the country in which the Company operates. Present or future laws and regulations, however, may affect the Company's operations. Future environmental costs may increase due to changing requirements or costs associated with exploration and the developing, operating and closing of mines. Programs may also be delayed or prohibited in some areas. Although minimal at this time, site restoration costs are a component of exploration expenses.

Value Risk

There is no certainty that the properties which the Company has deferred as assets on its consolidated balance sheet will be realized at the amounts recorded. These amounts should not be taken to reflect realizable value.

Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, then actual results may vary materially from those described on forward-looking statements. The Company has not completed a feasibility study on any of its properties to determine if it hosts a mineral resource that can be economically developed and profitably mined.

OFF-BALANCE SHEET ARRANGEMENTS

The Company did not enter into any off-balance sheet arrangements during the period.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The information provided in this report, including the financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying consolidated financial statements.

OUTSTANDING COMMON SHARE DATA

As at December 31, 2019, and the date of this report, the Company had 8,872,512 common shares issued and outstanding. The Company also had 2,106,200 warrants with an exercise price range of \$1.00 - \$1.20 expiring to September 7, 2020. The Company also had 789,500 stock options exercisable between \$0.60 and \$0.75 to December 18, 2023.

RELATED PARTY TRANSACTIONS

Related party transactions are measured at their exchange amounts, which is the amount of consideration paid or received as agreed by the parties. Related party transactions are as follows:

a. Contractual commitment with related parties

On January 1, 2015, the Company entered into a management agreement with an officer and director to fulfil the role as Chief Executive Officer for a period of 5 years for a monthly rate of \$4,000 per month. In October 2016, the contract was renewed at a new monthly rate of \$5,000. In October of 2018, the contract was renewed at a new monthly rate of \$7,500 with a bonus payment of \$40,000 for past services rendered to the Company.

b. Transactions with related parties

During the period ended December 31, 2019, the Company paid or accrued \$18,000 (September 30, 2018 - \$6,000) of consulting fees and \$71,000 (September 30, 2018 - \$40,500) of management fees to officers and directors and companies controlled by officers and directors of the Company.

As at December 31, 2019, included in accrued liabilities was \$6,000 (March 31, 2019 - \$16,000), owing for fees owing to certain officers and directors of the Company. These amounts are non-interest bearing, unsecured and have no fixed terms of repayment.

c. Transactions with key management personnel

	Nine months ended	
	Dec. 31, 2019	Dec. 31, 2018
Management and professional fees	\$ 89,000	\$ 129,500

CAUTION REGARDING FORWARD LOOKING STATEMENTS

Statements contained in this MD&A that are not historical facts are forward-looking statements (within the meaning of the Canadian securities legislation and the U.S. Private Securities Litigation Reform Act of 1995) that involve risks and uncertainties. Forward-looking statements include, but are not limited to, statements with respect to the future price of metals; the estimation of mineral reserves and resources, the realization of mineral reserve estimates; the timing and amount of estimated future production, costs of production, and capital expenditures; costs and timing of the development of new deposits; success of exploration activities, permitting time lines, currency fluctuations, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims, limitations on insurance coverage and the timing and possible outcome of pending litigation. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such risks and other factors include, among others, risks related to the integration of acquisitions; risks related to operations; risks related to joint venture operations; actual results of current exploration activities; actual results of current reclamation activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of metals; possible variations in ore reserves, grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities, as well as those factors discussed in the sections entitled "Risks and Uncertainties" in this MD&A. Although the Company has attempted to identify important factors that could affect the Company and may cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The forward-looking statements in this MD&A speak only as

of the date hereof. The Company does not undertake any obligation to release publicly any revisions to these forward-looking statements to reflect events or circumstances after the date hereof to reflect the occurrence of unanticipated events.

Forward-looking statements and other information contained herein concerning the mining industry and general expectations concerning the mining industry are based on estimates prepared by the Company using data from publicly available industry sources as well as from market research and industry analysis and on assumptions based on data and knowledge of this industry which the Company believes to be reasonable. However, this data is inherently imprecise, although generally indicative of relative market positions, market shares and performance characteristics. While the Company is not aware of any misstatements regarding any industry data presented herein, the industry involves risks and uncertainties and is subject to change based on various factors.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

There have been no changes in the Company's internal control over financial reporting that occurred during the Company's most recent period ended December 31, 2019 that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting.

APPROVAL

The Board of Directors of Harvest Gold Corporation has approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.

CHANGES IN ACCOUNTING POLICIES AND CRITICAL ACCOUNTING ESTIMATES

New standard IFRS 9 "Financial Instruments"

This new standard is a partial replacement of IAS 39 "Financial Instruments: Recognition and Measurement". This new standard is effective for annual periods beginning on or after January 1, 2018.

The Company adopted these revised standards and has disclosed the impact that these standards will have on its consolidated financial statements.

GOING CONCERN ISSUE

The Company is in the exploration stage and has no revenue or income from operations. The Company has limited capital resources and has to rely upon the sale of equity and/or debt securities for cash required for exploration and development purposes, for acquisitions and to fund the administration of the Company. Since the Company does not expect to generate any revenues from operations in the near future, it must continue to rely upon the sales of its equity or debt securities or joint venture agreements to raise capital. It follows that there can be no assurance that financing, whether debt or equity, will be available to the Company in the amount required by the Company at any particular time or for any period and that such financing can be obtained on terms satisfactory to the Company.

The Company's financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to obtain the necessary financing to meet its ongoing commitments and further its mineral exploration programs.

The Company may encounter difficulty sourcing future financing in light of the recent economic downturn. The current financial equity market conditions and the inhospitable funding environment make it difficult to raise capital through the private placements of shares. The junior resource industry has been severely affected by the world economic

situation as it is considered speculative and high-risk in nature, making it even more difficult to fund. While the Company is using its best efforts to achieve its business plans by examining various financing alternatives, there is no assurance that the Company will be successful with any financing ventures.

OTHER INFORMATION

Additional information is available on the Company's website at www.harvestgoldcorp.com.