OSINO RESOURCES CORP.

MANAGEMENT DISCUSSION AND ANALYSIS (“MD&A”)
For the year and period ended December 31, 2021

Prepared by:

OSINO RESOURCES CORP.

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May 02, 2022

INTRODUCTION

Osino Resources Corp (the "**Company**"), is a Canadian company, focused on the acquisition and development of gold projects in Namibia. Through its subsidiaries, the Company's Namibian interests comprise 26 exclusive exploration licences located within the central zone of Namibia's prospective Damara belt. These are mostly in proximity to and along strike of the producing Navachab and Otjikoto Gold Mines. Osino is focusing its efforts on further developing its Twin Hills Gold Project and Karibib regional targets, advancing the Goldkuppe discovery and satellite targets. In addition, it is defining new exploration targets in the Otjikoto East and Otjiwarongo areas.

The Company and its subsidiaries are hereinafter collectively referred to as "Osino".

The Company's head office is in Vancouver, Canada. The Company's common shares (the "**Common Shares**") trades on the TSX Venture Exchange (the "**TSX-V**") under the symbol "OSI" and on OTC Markets on the OTCQX Exchange under the symbol "OSIIF".

This Management Discussion and Analysis ("**MD&A**") focuses on significant factors that affected the Company and its subsidiaries during the relevant reporting period and to the date of this report. The MD&A supplements, but does not form part of, the Audited Consolidated Financial Statements of the Company and the notes thereto for the year ended December 31, 2021. It, therefore, should be read in conjunction with the aforementioned financial statements and notes thereto.

All amounts are reported in Canadian dollars unless otherwise noted. This MD&A has been prepared as at May 02, 2022.

ADDITIONAL INFORMATION

Additional information about Osino is available under the Company's profile on SEDAR at www.sedar.com and its website at www.osinoresources.com.

The financial information presented in this MD&A has been prepared following International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board (the "**IASB**"). The Company's Audited Consolidated Financial Statements for the year ended December 31, 2021, were prepared following IFRS.

The reader is cautioned that the PEA ("Preliminary Economic Assessment") referred to throughout this document is a preliminary economic assessment and is preliminary in nature. It includes Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. There is no certainty that the preliminary economic assessment will be realized.

OVERVIEW OF SIGNIFICANT EVENTS AND ACTIVITIES

The key events during the period of reporting are:

- The discovery of new shallow zones of gold mineralization at Twin Hills West ("THW"), within 3 km from the main mineral resource at Bulge and Twin Hills Central ("THC").

- Resource definition/infill drilling, brownfield exploration and project optimization drilling programs were progressed to near finalisation in the quarter. Additional feasibility drilling targeting metallurgy, geo-technical evaluation and hydrological investigation have also been completed.

- Technical studies on the Twin Hills Gold Project in Namibia (“Twin Hills”) progressed well in terms of proving up or procuring the key utilities, namely power and water.

- Metallurgical variability testing has advanced to the point where the company will soon be able to determine the optimal processing plant parameters, to progress the feasibility studies further in FY2022.

- The Environmental and Social Impact Assessment (“ESIA”) and public participation process advanced substantially in the quarter, supporting a likely permitting decision that could set the project up for commencement of early groundworks possibly towards the end of 2022.

- The Company’s technical team and specialist consultants are presently engaged in optimizing and improving development studies, fast-tracking and de-risking Twin Hills.

- The Company continues to make significant progress with its sustainability initiatives and goals, through its Namibian-based not-for-profit Twin Hills Trust. The trust manages the Company’s corporate social investment (“CSI”) activities focusing on local social, economic, and environmental development projects.

SIGNIFICANT DEVELOPMENTS FOR THE COMPANY

The most significant transactions and activities affecting the period under review, up to and including the date of this MD&A are as follows.

- An additional 41,000 m of infill and resource expansion drilling was completed on the three main deposits of mineralized material (Bulge, Twin Hills Central and Clouds East) since the release of the maiden Mineral Resource Estimate (“MRE”) on April 12, 2021.

- The Company’s technical team and specialist consultants are presently engaged in optimizing and improving the technical studies. Three areas promising potential improvement of the Company’s Preliminary Economic Assessment (“PEA”) results have been identified as:
    - mineral resource improvement as a result of the expanded and expedited drilling program on the Project
    - optimization of the mine plan for higher mining rates and an enhanced mine design
    - increasing the processing plant throughput

- On January 6, 2022, the Company announced that it had entered into an agreement to acquire the Ondundu gold exploration property in Namibia from B2Gold Corp., effective December 31, 2021. Pursuant to the purchase agreement, US$3,850,000 was paid into escrow, which will be:
    - released and paid to B2Gold Corp. on the closing of the transaction, or
    - will be released and returned to Osino if the transaction has not closed by June 30, 2022.

  The Acquisition Agreement is subject to Namibian regulatory approvals and other customary closing conditions. As of the date of this report, the transaction has not closed. Details regarding the transaction have been fully disclosed in the Audited Consolidated Financial Statements of the Company, and the notes thereto, for the year ended December 31, 2021.

- On January 31, 2022, the Company announced that it has raised $7,444,943 from the exercise of previously issued warrants with an expiry date of January 31, 2022. The funds received will be used to fast-track the development of its flagship Twin Hills Gold Project as well as to accelerate the exploration of its land position in the emerging Namibian Gold Belt.

- On April 13, 2022, the Company reported a significantly upsized mineral resource at the Project of:
  - 65.0 million tonnes (mt) at an average grade of 1.00 g/t au for a total of 2.1 million ounces ("moz") of gold in the indicated mineral resource category
  - 20.7 mt at an average grade of 0.93 g/t au for a total of 0.62 moz of gold in the Inferred Mineral Resource category.

  The mineral resource has been estimated from approximately 167,600 m of DD and RC drilling, since the grassroots Twin Hills gold discovery that was announced in August 2019. Most of the mineral resources previously classified as Inferred have been upgraded to the indicated resources category using infill drilling.

OVERVIEW OF OPERATIONS

- The key focus during the quarter was to progress the ongoing infill and resource expansion drilling using eight Diamond Drill ("DD") and three Reverse Circulation ("RC") drill rigs on site. The drill plans are designed to convert estimated resources (as reported in the MRE on April 12, 2021) from Inferred to the Indicated category, while also expanding the mineralization down-dip and plunge. For the year, a total of 121,000m of drilling was completed.

- The brownfield exploration drilling discovered a new shallow zone of gold mineralization at THW, which is 3 km from the main mineral resource at Bulge and THC. The program identified three new coherent zones of mineralization; the Oryx North, Oryx South and Kudu lobes. Each of the lobes is a syncline – anticline pair overturned to the north.

- Various studies are being undertaken to improve the Twin Hills project production parameters and economics. This includes:
  - updating the mine design to improve the strip ratio
  - introducing plant feed flexibility and options for higher plant throughput
  - a fifth phase of metallurgical test work designed to optimize the plant design
  - a detailed tailings storage facility study in line with global best practice
  - securing a grid connection from Namibian parastatal utility ("NamPower") to supply the mine with grid power.

  In addition, substantial progress was made on a three-pronged water supply strategy aimed at groundwater abstraction from sustainable marble aquifers, the development of sand storage dams on the Khan River and additional piped water supply (effluent and fresh) from the nearby town of Karibib.

- The ESIA Scoping Report and Environmental Management Plan (''EMP'') was also submitted for public review in the quarter. This included recommendations for a final ESIA to be submitted to the government in 2022 towards obtaining the Environmental Clearance Certificate to allow the Company to operate in Namibia. The various studies which are aimed at advancing the Project towards pre-feasibility and bankable feasibility in

FY2022 will require the continued use of specialist outside consultants as the Company's focus is diversified away from predominantly drilling activities.

- Regional target generation and validation work continued at the highest-ranking greenfield exploration targets within Osino's substantial land package, outside Twin Hills. Osino's regional exploration strategy for 2021 included geological and regolith mapping, detailed structural analysis followed by geochemical soil sampling and bedrock ("RAB") sampling to generate drill ready targets for follow up in 2022.

MINERAL PROPERTIES

As at December 31, 2021, the Company held 26 Exclusive Prospective Licences ("EPLs") in Namibia, which constitute the following project areas:

Table 1: Project and Licence Areas

Project Area	**Area (Hectares)**	**Location**
Twin Hills Gold Project (14 licenses)	153,962	Central Namibia, in the vicinity of regional towns/ settlements of Omaruru, Usakos, Karibib and Wilhelmstal.
Otjikoto East Gold Project (2 licences)	97,171	Northern Namibia, in the vicinity of regional towns/ settlements of Otavi, Kombat and Grootfontein.
Otjiwarongo Regional Project (10 licences) * an *additional licence applied for was* granted *during the period*	356,127	Central Namibia, in the vicinity of regional towns/ settlements of Otjiwarongo, Khorixas and Kalkfeld
Total	**607,260**	

WORK PROGRAM AND RESULTS

Twin Hills Gold Project

Twin Hills (also previously referred to as the "Karibib Gold Project", or the "Project") includes 14 of the Company's 26 EPLs comprising approximately 1,540km^2 as of December 31, 2021.

Activities remain focused on the Twin Hills discovery and strike extension targets, making up the Project. The gold mineralization included in the Mineral Resource Estimate is made up of three areas called Bulge, Twin Hills Central and Clouds, which are approximately 3 km in combined strike length and open down-dip.

These three areas lie within a larger zone of mineralization 11km long, stretching from exploration targets Terminal 1 in the west to T-Dog in the east. Ground Magnetic and Induced Polarization ("IP") geophysical surveys in conjunction with calcrete sampling have highlighted several anomalies that are being systematically followed up as part of the brownfields exploration program. The Twin Hills cluster of targets form part of the Karibib Gold Trend which has been defined over more than 50km in strike length.

Maiden Mineral Resource Estimate (“MRE”)

The Twin Hills MRE was released on April 12th, 2021 indicating 0.43 Moz @ 1.00g/t in the Indicated category and 1.47 Moz at 1.08g/t in the Inferred category at a cut-off grade of 0.5g/t.

For the year, 121,000 m of drilling, comprising 78,000 m of infill & step-out, 28,000 m of brownfields, 6,000 m of greenfields and 9,000 m of feasibility drilling (metallurgy, geo-tech and hydrology), has been completed. The infill drill program was aimed at converting the entire pit-contained mineral resource from the Inferred to the Indicated category, as well as expanding on the mineralization down plunge and dip. The program started in March 2021 and is designed with an effective maximum drill spacing of approximately 32 m to 35 m.

Development Studies

Osino’s technical team and specialist consultants are engaged in optimizing and improving the technical studies related to Twin Hills. The key objective is to improve the annual gold production rate, improve the overall economics of the Project and grow the Mineral Resource Estimate. Twin Hills is a PEA stage open pit gold development project with a Mineral Resource prepared per National Instrument 43-101 (“NI43-101”). The PEA entitled, “Amended and Restated Twin Hills Gold Project, Namibia, Preliminary Economic Assessment, National Instrument 43-101 Technical Report” dated November 2, 2021, effective July 14, 2021, has been filed on SEDAR.

The PEA is preliminary in nature and includes Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves. There is therefore no certainty that the preliminary economic assessment will be realized. Mineral Resources that are not Mineral Reserves have not demonstrated economic viability.

Below is an update on the ongoing development studies and project de-risking activities aimed at fast-tracking Twin Hills.

a) *Permitting Process and ESIA:*

Under Namibia’s Environmental Management Act, the permitting system requires several steps towards the approval of the mining license which the Company applied for in August 2021. The most important of these steps is the completion and approval of the ESIA, including public consultations, and the compilation of an Environmental Management Plan (“EMP”). Mining licenses are commonly granted after the completion of the ESIA process. The following tasks towards this have been completed:

- Project registration and Environmental Scoping Study (“ESS”) report has been submitted
- A baseline specialist study has been compiled
- Public participation meetings have been held and feedback received for review
- EMP submission to the relevant department head
- Public review of both the ESS and EMP.

Stakeholder engagement meetings were completed in September 2021, with the general feedback being supportive of the project based on the expectation that the proposed mine would benefit the local and regional community through providing and creating employment, stimulating procurement in the local economy and increasing future remittance of tax and royalty revenue to the government of Namibia at the national level.

The next step of the approval process is now underway to produce an ESIA which will be reviewed by the Namibian Ministry of Mines and Energy (“MME”). They will make recommendations to the Ministry of Environment, Fisheries and Tourism (“MEFT”) to issue the Environmental Clearance Certificate (“ECC”) to allow the company to commence the next phase of development. The certificate is normally issued if no significant risk(s) has been identified; with approval normally expected within two to three months of submission of the ESIA.

b) Mining and Optimization

Phase one of the geotechnical program consisting of three preliminary holes was completed during 2021 which has guided the current pit design and slope angles. A follow up program consisting of four further holes in the THC pit and three holes in the previously untested Clouds pit was drilled in 1Q2022 to provide a level of confidence to the pit design suitable for future work as the Company works towards a Prefeasibility Study ("PFS"). The Company is waiting on the results of the drilling.

c) Plant Metallurgy Test Work

A fifth phase of metallurgical test work commenced in 4Q2021. The program was designed to do variability testing suitable for future work towards the BFS, targeting the optimal grind size and costing for a 4.5mtpa processing plant. The initial results are positive, confirming the processing parameters used thus far, which should enable the optimization of the processing plant layout. The program was completed in February 2022 with the results integrated into an updated processing plant design for publication in the PFS in 3Q2022.

d) Tailings Storage Facility

Design work has begun to develop a suitable tailings disposal strategy according to the Global Industry Standards for Tailings Management ("GISTM") published in August 2020. Geochemical Acid Rock Drainage ("ARD") test work has indicated that the tailings material is not expected to be problematic due to its low acid generating potential, and the high acid neutralizing potential of the host rock and regolith. As a result, it is likely that co-disposal and engineered lining for the disposal site will be optimal for the dry-stacked tailings deposition strategy. Test work and modelling of the geochemical results are ongoing and the updated strategy will be reflected in the next iteration of the NI43-101 compliant technical report.

e) Power Supply

Initial estimates from completed comminution test work drilling, which included crushing and milling tests, indicate a minimum power requirement of 16MW with the potential of requiring up to 21MW of power. NamPower has recommended developing a new dedicated 66kV feeder bay from the planned construction of the NamPower Erongo Substation, approximately 15 km southwest of the proposed mine site. NamPower has offered to build a 16MVA plant, connected via a 66kV overhead power line to a metering substation at the mine site. This option has been accepted by the Company, with the option to update and/or increase the power requirement before signing the final agreement. Negotiations are underway to determine and finalize the terms and conditions of the power supply agreement.

A power supply costs analysis has determined that grid power is the most cost-effective power source at an estimated NAD2.07/kWh, over the life-of-mine period, taking into account both the capital and operating costs. A cost-benefit analysis has shown the potential of implementing a hybrid power system (including solar power generation) to potentially reduce the overall cost to approximately NAD1.73/kWh, as well as to supplement energy demand sustainably.

f) Mine Water Balance and Water Supply Options

Osino's mine water supply strategy is designed to develop a diversified mine water supply which will rely on three independent supply options:

- securing own supply from groundwater sources

- securing additional potential supply from the Khan River sand aquifers augmented through the construction of ground weirs
- securing supply from Namibia's national water utility, NamWater, through the national water grid.

The 4.5mtpa processing plant is estimated to require 5.5Mm^{3}p.a. of water, and filtration test work results at 63micron grind size indicates a 23% moisture content in the filter cake. This results in a plant make-up water requirement of 1.3Mm^{3}p.a. Field work during 2021 has been focused on advancing each of the strategies concurrently, which will continue into 2022 to define the final water supply strategy for the Company.

g) Planned Project Schedule

Following a successful year of project development studies, Osino will continue to fast-track the development of Twin Hills. The company is working towards publishing a new technical report prepared in accordance with NI 43-101 with an updated Mineral Resource Estimate in 2Q2022. Following this, the PFS is due in 3Q2022 which is intended to reflect the improved project economics through:

- project optimization
- larger mineral resource
- a substantial increase in the processing capacity of the plant.

The next technical report is intended to be followed by a definitive, or BFS, towards the end of 2022 by advancing the constituent specialist studies to a bankable level of detail. Based on this timeline, and subject to a positive BFS, securing adequate project financing and permitting being awarded by the end of 2022, early groundworks could commence towards either the end of 2022 or early 2023.

Brownfields Expansion

After initially drilling twelve diamond and RC holes at THW in 2019, Osino followed this up with a further 54 holes, all drilled since March 2021. The program comprised a first-pass exploration diamond drill campaign and follow-up RC drilling, which is ongoing.

The program identified three new coherent zones of mineralization; the Oryx North, Oryx South and Kudu lobes. Each lobe is a syncline – anticline pair, overturned to the north. This is in the opposite direction to the general orientation of Twin Hills which is overturned to the south. The most extensive zone of mineralization intersected thus far is within the smaller southern syncline at Oryx, above the southern contact between greywacke and cordierite schist. This zone is approximately 500 m long and up to 44 m in drilled width. Gold is associated with arsenopyrite mineralization in veinlets and dissemination. The mineralization is currently being defined at a 50 m x 50 m drill spacing, to estimate additional Inferred Mineral Resources for the next Twin Hills resource estimate, scheduled to be released in 2Q2022.

In addition, scout drilling at Terminal One, 1,500 m to the west of THW, has also intersected narrow zones of mineralization indicating further potential to the west, along the Karibib Fault structure. Exploration and resource drilling is ongoing across Twin Hills and the Karibib district, to estimate additional resources for the existing mineral resource and make new discoveries.

Greenfields Expansion

Work continues on the regional extensions of the Karibib Gold Trend and strike extension of the Navachab Gold Mine stratigraphy (known as the "Dobbelsberg Target"). Key greenfield exploration activities carried out in the quarter include RC, DD and shallow percussion drilling in addition to the soil, termite and calcrete sampling programs underway. Work during the quarter has delineated high level geochemical and structural anomalies. These identified targets were drilled in 1Q2022.

Otjikoto East Project

The Otjikoto East Gold Project is comprised of two licences covering approximately 972km^2. The licence areas include approximately 90km of strike length of prospective geology similar to that which hosts the Otjikoto Gold Mine (owned by B2Gold Corp.), less than 10 km to the west of the Company's licences.

Work during the quarter focussed on the reinterpretation of results to facilitate the generation of high-priority targets, and follow-up field programs. The work program for FY2022 will include drilling of the Fairview bedrock Au-Cu anomalies and a surface sampling program on new high-ranking targets identified in 2021.

Otjiwarongo Regional Project

The Otjiwarongo Regional Gold Project is comprised of ten licences with a combined surface area of 3,561km^2, situated in central Namibia, to the north west of the Twin Hills Gold Project. Osino applied for and was awarded another licence in the project area. The new licence hosts favourable structural and lithological features potentially playing host to Twin Hills style gold mineralization characteristics. The licences lie roughly halfway between the Company's Twin Hills and Otjikoto East Gold Projects.

Regional geochemical sampling and geological mapping at five priority targets continued during the quarter. The work programs are designed to aid the development of drill-ready targets scheduled for testing in 2022.

Geological Model and Operational Approach

Osino is targeting gold mineralization that fits the broad orogenic gold model. Much of the historical exploration for gold in Namibia has not taken this approach. The key regional features and/or criteria of the orogenic gold model, and how they relate to the Namibian and Damara Orogenic Belt setting, are as follows:

- very large, long-lived, deep structures including the Omaruru and Otjohorongo Lineaments, as well as the recently identified Karibib Fault
- large scale turbidite basins as a source of fluids
- compressional tectonics, which is required for pumping the fluids out of the basins and through these large structures
- association with domes and basement highs
- associated gold occurrences

The discovery of the Bulge and THC deposits, during the second half of 2019, Clouds in the fourth quarter of 2020, and THW in the fourth quarter of 2021 were significant milestones in the Company's exploration activities in Namibia. Activities both in 2020 and 2021 continued to focus on further defining the discovery.

The exploration success vindicates the approach taken by Osino over the last few years. The discovery of the Twin Hills deposits was made possible by systematically focusing on the key structures and prospective geology, using regional geophysics, regional mapping and geochemical sampling. The initial sampling and drilling targeted key geological structures interpreted from regional geophysical data and regional mapping. Follow-up exploration was conducted using ground magnetics, RAB drilling for bedrock samples and IP surveys. The Twin Hills mineralization has now clearly been shown to be associated with the regional Karibib Fault and splays off this major structure. Ongoing work will further refine the model, and our understanding, of the deposit scale mineralization controls.

Quality Assurance

All Company sample assay results have been independently monitored through a quality assurance/quality control ("QA/QC") program including the insertion of blind standards, blanks and pulp, and reject duplicate samples. Logging and sampling are completed at the Company's secure facility located in the town of Omaruru, near the Twin Hills Project. The drill cores are sawn in half on-site and the resulting half drill-core samples are transported, securely, to the Actlabs sample preparation facility in Windhoek, Namibia. The core is then dried, crushed to 95% -10 mesh, split to 250g, and pulverized to 95% -150 mesh. Sample pulps are sent to Ontario, Canada, for further analysis. Gold analysis is by 30g fire assay with AA finish and, automatically, re-analyzed with Gravimetric finish if Au >5g/t. Pulps also undergo 4-Acid digestion and multi-element analysis by ICP-AES or ICP-MS.

RC samples are prepared at the Actlabs sample prep facility in Windhoek, Namibia. The rock is dried, crushed to 95% -10 mesh, split to 250g and pulverized to 95% -150 mesh. Sample pulps are sent to Ontario, Canada, for analysis. Gold analysis is by 30g fire assay with AA finish and, automatically, re-analyzed with Gravimetric finish if Au >5 g/t.

EXPLORATION OUTLOOK

The current outlook across our Project Areas is as follows:

Twin Hills Gold Project

- Continue with the infill and resource definition drill programs at Bulge, THC and Clouds to deliver an updated resource estimate in the first half of 2022.
- Continue the ongoing baseline environmental, social and related studies to secure the award of the mining license under adjudication.
- Continue optimizing and improving the technical studies programs with the aim of de-risking Twin Hills while improving the overall economics of the project.
- Drill-test priority brownfields targets (THW, Terminal 1 and Clouds East) to discover and develop material mineralized satellite deposits.
- Drive regional exploration work in the wider Karibib District towards developing drill-ready targets that, through a new discovery, will improve the Company's resource estimate.

Otjikoto East Gold Project

- Follow-up of initial bedrock percussion drilling at the Fairview Target with more DD drilling in 2022.
- Complete surface sampling and mapping programs at high-ranking target areas for drill testing.

Otjiwarongo Regional Project

- Follow-up of initial bedrock percussion drilling at the Etekero Target (with RC and/or DD drilling).
- Follow-up on geochemical soil anomalies at the Termos targets with RAB and DD drilling programs.
- Complete surface sampling and mapping programs at high-ranking target areas for drill testing.

QUALIFIED PERSON'S STATEMENT

David Underwood, BSc. (Hons.), is Vice President Exploration of the Company and has reviewed and approved the scientific and technical information in this MD&A. He is a registered Professional Natural Scientist with the South

African Council for Natural Scientific Professions (Pr. Sci. Nat. No. 400323/11) and a Qualified Person ("QP") for the purposes of NI 43-101.

The Mineral Resource Estimate was carried out by Mr. Anton Geldenhuys (MEng), a registered Professional Natural Scientist (SACNASP, membership number 400313/04) of CSA Global (Pty) Ltd., who is an independent QP as defined by *CIM Definition Standards for Mineral Resources and Mineral Reserves* per NI 43-101. Mr. Geldenhuys is a geoscientist, is qualified as a geologist (Honours) and engineer (Masters), and has over 20 years of relevant industry experience. Mr. Geldenhuys is a member in good standing of the South African Council for Natural Scientific Professions ("SACNASP") and has sufficient experience relevant to the commodity, style of mineralization and activity which he is undertaking to qualify as a QP under NI 43-101. Mr. Geldenhuys has reviewed, and approved, the scientific and technical information in this MD&A.

USE OF FUNDS

The following table sets out the use of proceeds raised in the financings closed on January 30, 2020, and July 14, 2020 and November 1, 2021. It compares the budgeted expenditure to the actual year-to-date expenditure as at December 31, 2021, together with the variances. There are no variances that are expected to negatively impact the Company's ability to achieve its business objectives and milestones, as disclosed in its Prospectus dated July 8, 2020, nor the Company's expanded drill program for 2022. The Company remains on track to apply any remaining proceeds from these financings as set out in the table below.

The Company's actual use of the net proceeds may vary depending on the Company's operating and capital needs from time to time. There may, therefore, be circumstances where, for sound business reasons, a reallocation of the use of proceeds is necessary. Any such reallocations will be determined at the discretion of the Company's management. There can be no assurance as of the date of this MD&A as to how those funds may be reallocated.

The Company will require additional funding to complete further development work on the Twin Hills Gold Project. There is no assurance that such funds will be available on terms favourable to the Company.

During the twelve months ended December 31, 2021, the Company raised net proceeds from the expiry of warrants issued under previous financings raising aggregate net proceeds of $4,267,798. On November 1, 2021, the Company closed a non – brokered private placement for aggregate net proceeds of $9,798,314. The aggregate total of these proceeds amounting to $14,066,112 is displayed below.

Table 2: Use of Funds Analysis

Concession Spending Analysis	Budgeted Spend incl. Net Proceeds from the Financings[(1)]	Cumulative Spend to Dec 31, 2020	Allocation of Net Proceeds Raised from Financing Activities[(7)]	Cumulative Spend for the period[(2)]	Budgeted Spend Remaining as at December 31, 2021
Project Expenditure					
Karibib district exploration[(3)]	$13,438,584	($7,077,740)	$8,000,000	($20,629,469)	($6,268,625)
Twin Hills Gold Project [(4)]	4,297,914	(2,432,239)	2,100,000	(1,404,524)	2,561,151
Regional exploration	2,100,000	-	500,000	(1,023,451)	1,576,549
In-country G&A expenses[(5)]	2,294,931	(1,369,931)	700,000	(1,028,644)	596,356
Capital expenditures	1,532,550	(775,550)	1,600,000	(392,520)	1,964,480
Corporate G&A expenses[(6)]	3,978,104	(2,678,104)	700,000	(789,033)	1,210,967
Unallocated working capital	-	-	466,112	-	466,112
Total	**$27,642,083**	**($14,333,564)**	**$14,066,112**	**($25,267,641)**	**$2,106,990**

Notes:

(1) *The Company approved a revised budget for 2021 in the first quarter of 2021 that necessitated a reallocation of project expenditure categories and amounts. Funding raised, in both the January 2020 and June 2020 financings, was applied towards the completion of the work program on the Twin Hills Project, as set out in the Technical Report dated June 26, 2020. It will also support the other regional exploration projects of the Company.*

(2) *The actual spend for the year is on a cumulative basis, for the twelve months up to December 31, 2021, across the work programs. It excludes any non-cash expenditure allocated to stock options, RSUs or minority interests.*

(3) *The Company is primarily focused on the exploration and development of the Twin Hills Gold Project. The Company has utilized the net proceeds of the financings to pursue further exploration of Twin Hills following the recommendations contained in the Technical Reports dated June 25, 2020, May 21, 2021 and August 25, 2021. Effective January 31, 2022, the Company announced that it has raised $7,444,943 from the exercise of previously issued warrants.*

(4) *The Twin Hills Gold Project represents capital allocated towards the MRE and various studies in support of the PEA.*

(5) *In-country general and administrative expenses reflect overhead and payroll costs that cannot yet be allocated to specific exclusive prospecting licences.*

(6) *Corporate G&A (general and administrative) expenses include management and consulting fees, regulatory, secretarial and public relations costs.*

(7) *The Company raised net proceeds from the exercise of warrants issued with previous financings raising aggregate net proceeds of $4,267,798 during the year. On November 1, 2021, the Company closed a non – brokered private placement raising aggregate net proceeds of $9,798,314.*

FINANCIAL POSITION

As at December 31, 2021, the Company had total assets of $14,091,822 and a net equity position of $11,661,112. This compares with total assets of $23,293,337 and a net equity position of $22,484,137 as at December 31, 2020. The Company had liabilities of $3,532,468 as at December 31, 2021, compared with $1,555,497 as at December 31, 2020.

As at December 31, 2021, the Company had working capital of $9,635,449 compared with working capital of $19,306,997 as at December 31, 2020. The Company had cash on hand of $12,668,462 as at December 31, 2021, compared with $2,129,124 as at December 31, 2020, short term investments in Guaranteed Investment Certificates totalling $35,000 as at December 31, 2021, compared with $18,335,000 as at December 31, 2020, and other receivables and prepaid expenses of $175,327 as at December 31, 2021, compared to $268,327 as at December 31, 2020.

As of the date of this report, the Company has cash and cash equivalents on hand of approximately $11,500,000.

ENVIRONMENTAL REGULATIONS

All work carried out on each licence is subject to an Environmental Clearance Certificate ("ECC") for that specific licence issued by the Ministry of Environment and Tourism ("MET"). This is based on an Environmental Scoping Study and Environmental Impact Assessment for the stages of exploration work envisaged for the ensuing three-year period. This ECC application process makes provision for public participation meetings which include the landowners affected by the proposed activities. No fieldwork is permissible without an ECC first being granted for the particular licence. Similarly, no renewal of a licence by the Ministry of Mines and Energy (MME) is possible without a valid ECC.

The ECC is renewed by submitting a report of activities for the previous three-year period. This is accompanied by supporting documentation including descriptions and photos of the types of fieldwork carried out and the nature of the vegetation in areas where it has been disturbed (before the field activities commenced and after rehabilitation). All required ECCs have been obtained.

The Company takes particular care in monitoring its activities when undertaking fieldwork, whether on private, communal or government-owned land. Detailed registers of personnel active on any property, on any given day, are maintained, and communication with landowners is monitored continuously. The Company has strict environmental procedures in place to minimize any damage to the environment as outlined in the Company's Environmental Guidelines, which form an integral part of the Company's standard operating procedures ("SOPs") when operating in the field.

REVIEW OF FINANCIAL RESULTS

The following represents the summarized results for the three most recently completed financial years:

Summarized Annual Financial Results	**Dec 31, 2021**	**Dec 31, 2020**	**Dec 31, 2019**
Total assets ($)	$14,091,822	$23,293,337	$2,251,974
Total non-current financial liabilities ($)	$289,128	$130,043	$64,540
Net comprehensive loss ($)	$27,138,862	$13,349,580	$7,143,394
Basic and diluted loss per common share ($)	$0.25	$0.14	$0.11
Weighted average number of common shares outstanding	109,004,941	92,294,575	61,670,244

The following represents the summarized quarterly financial results for the past eight quarters:

Income Statement for the three months ended[1]	**Dec 31, 2021**	**Sep 30, 2021**	**Jun 30, 2021**	**Mar 31, 2021**
Amortization	$70,951	$41,665	$47,843	$51,446
Exploration Expenses[2]	7,324,731	4,381,701	4,439,027	3,935,494
Professional Fees[4]	284,997	256,496	266,019	159,188
Consulting Fees[4]	44,100	26,550	30,793	39,816
Management Fees	135,000	135,000	142,500	142,500
Salaries and Benefits[2]	1,473,074	484,776	305,993	609,538
Office and General[3]	104,322	155,792	192,943	312,308
Travel[2]	22,003	10,432	11,882	7,839
Stock Options Expense	247,183	263,675	279,634	622,204
Investment Income	(3,890)	(9,256)	(25,472)	(41,148)
Loss for the period	**$9,702,471**	**$5,746,831**	**$5,691,162**	**$5,839,185**
Foreign Translation Gain/(Loss)	(116,420)	(54,706)	131,665	(119,752)
Net Comprehensive Loss for the Period	**$9,818,891**	**$5,801,537**	**$5,559,497**	**$5,958,937**
Weighted average number of shares in issue	116,531,557	109,644,171	105,179,475	104,525,602
Basic and diluted loss per share	($0.08)	($0.05)	($0.05)	($0.05)

REVIEW OF FINANCIAL RESULTS (continued)

Summary of Quarterly Results (continued)

Income Statement for the three months ended (1)	Dec 31, 2020	Sep 30, 2020	Jun 30, 2020	Mar 31, 2020
Amortization	$43,106	$11,959	$9,755	$10,831
Exploration Expenses(2)	3,216,228	2,577,340	765,884	396,939
Professional Fees(4)	178,529	304,147	160,461	175,785
Consulting Fees(4)	95,844	73,376	60,241	76,782
Management Fees	93,000	207,000	96,000	90,000
Salaries and Benefits(2)	2,444,886	352,414	191,239	170,249
Office and General(3)	159,026	135,839	59,447	210,159
Travel(2)	12,276	1,693	8,769	37,597
Stock Option Expense	294,517	299,467	141,477	396,753
Investment Income	(56,388)	(105,909)	(7,067)	(25,033)
Loss for the Period	**$6,481,024**	**$ 3,857,326**	**$ 1,486,206**	**$1,540,062**
Foreign Translation Gain/(Loss)	139,034	65,102	13,845	(202,943)
Net Comprehensive Loss for the Period	**$6,341,990**	**$3,792,224**	**$1,472,361**	**$1,743,005**
Weighted average number of shares in issue	103,834,757	100,264,280	85,623,539	79,241,330
Basic and diluted loss per share	($0.06)	($0.04)	($0.02)	($0.02)

Results of Operations

Three months ended December 31, 2021

During the three months ended December 31, 2021 (the "current quarter"), the Company incurred a net loss of $9,702,471 compared to a net loss of $6,481,024 during the three months ended December 31, 2020 ("2020" or the "comparative quarter"). As described in the table above, corporate general and administrative expenses for the current quarter, consisting of Professional Fees, Consulting Fees, Management Fees, Salaries and Benefits, Office and General, and Travel, totaled $2,063,496 (2020 - $2,983,561). In addition, the Company also incurred in the current quarter expenses for Amortization of $70,951 (2020 - $43,106), Exploration expenses of $7,324,731 (2020 - $3,216,228), and Stock Option expenses for stock options granted to directors, officers, employees and consultants of $247,183 (2020 - $294,517). The expenses were partially offset by interest investment income of $3,890 (2020 - $56,388).

The Net Comprehensive Loss for the Period totalled $9,818,891 (2020 - $6,341,990), which is represented by the Loss for the Period less the Foreign Currency Translation Gain (Loss) of $116,420 (2020 – Gain of $139,034).

Year ended December 31, 2021

During the year ended December 31, 2021, the Company incurred a net loss of $26,979,649 compared to a net loss of $13,364,618 during the year ended December 31, 2020 ("2020" or the "comparative period"). As described in the table above, corporate general and administrative expenses for the year consisting of Professional Fees, Consulting Fees, Management Fees, Salaries and Benefits, Office and General, and Travel, totaled $5,353,861 (2020 - $5,394,759). In addition, the Company also incurred in the year expenses for Amortization of $211,095 (2020 - $75,651), Exploration expenses of $20,080,953 (2020 - $6,956,391), and Stock Option expenses for stock options granted to directors, officers, employees and consultants of $1,412,696 (2020 - $1,132,214). The expenses were partially offset by interest investment income of $79,766 (2020 - $194,397).

The Net Comprehensive Loss for the year totalled $27,138,862 (2020 - $13,349,580), which is represented by the Loss for the Period less the Foreign Currency Translation Loss of $159,213 (2020 – Gain of $15,038).

The Company's project/exploration expenditure decelerated into 4Q2021 as the Company completed its drill program for FY 2021, further impacted by deep drilling and the early closure of operations in December 2021 on account of the holiday period. Quarter on quarter, on average, there were more drill rigs on site in 2021 versus that of 2020. Drilling consumes the majority of the Company's expenditure on the Project. Year on year project and exploration expenditure showed a growth in excess of 100% mostly due to the accelerated drill program where 122,344 m were drilled in FY2021 versus 50,515 m in FY2020, but also on account of the project studies that continued to pick up momentum throughout the year. During the quarter, 23,805 m were drilled versus 25,423 m in FY2020. The total exploration spend for FY2021 amounted to $20,1m versus $7,0m in FY2020. During FY2021, the Company also maintained a workforce that averaged double that of FY2020, culminating in an annual expenditure increase in excess of $1m of payroll (costs excluding non-cash related adjustments such as equity-based expenditure). The fourth quarter also includes the majority of any bonus or performance-related payments, impacting the quarter-on-quarter cash costs by more than $130,000.

Included in Exploration Expenses for both the current quarter and the year, and in light of additional delays from the Namibian Ministry of Finance in taking a decision on the VAT recoverability of exploration companies, the Company has elected to impair the VAT receivable reflected on the Audited Consolidated Financial Statements for the year ended December 31, 2021. This will be reversed once the VAT is refunded to Company.

Cumulative spend on the Company's Environmental, Social and Corporate Governance ("ESG") initiatives amounted to approximately $240,000 during FY2021, against a fairly insignificant spend in FY2020. This spend is administered by the trustees of a not-for-profit trust, some of whom are independent of the Company, that was founded by the company in the current year.

The growth in the Company's costs associated with Office and General expenditure for the year was driven by the accelerated scale of its activities in FY2021. Year on year, the following items drove expenditure in this category:

- Spend on staff training and health and safety protocols, the Company's website and public relations initiatives
- Continued investment into the IT infrastructure rollout in-country to safeguard and improve the quality of our data
- Continued spend on bringing the new warehouse into full operation. This was achieved in the 4th quarter of 2021. The warehouse holds the Company's drill cores, samples and is the regional field head office for the Company in the town of Omaruru, Erongo district
- Funding of bursary and scholarship programs for students in Namibia
- Spend on professional fees mainly comprising of legal, audit and related consulting services during the year.

The lower spend in the fourth quarter of 2021 when compared to the fourth quarter of FY2020 is mainly driven by reduced spend on public relations initiatives versus the prior year and the deferral of some anticipated spend into FY2022. The overall spend was within management's expectations.

The continued decrease in the value of investment funds held by the Company as the cash is utilized, accounts for the significantly lower investment income being earned when compared to the previous quarters in FY2021 and FY2020. Due to the Company's accelerated spend rate in FY2021, funds raised from the exercise of warrants, stock options or the private placement were not invested in GIC's, but rather applied directly into the project as required.

The Company maintains a standard stock option plan to retain and incentivize key employees, officers and directors. Stock options are expensed, at fair value, through the income statement on issuance over their vesting periods. The calculation of the Stock Options Expense is done in accordance with the Black-Scholes option pricing model and reviewed by the Company's auditors.

The Company also has a restricted stock unit plan which is approved annually by the shareholders. Restricted stock units ("RSU's") are expensed through the income statement at the fair market value of the units at the issue date. The restricted stock units are fully disclosed in the Audited Consolidated Financial Statements of the Company and the notes thereto for the year ended December 31, 2021. RSU's issued are disclosed within Salaries and Benefits costs on the statutory income statement.

<u>Notes</u>:

In order for the reader to reconcile the amounts disclosed in the interim condensed consolidated income statements under "Summary of Quarterly Results" with the amounts disclosed under "Additional Disclosure for Venture Issuers Without Significant Revenue" in this MD&A, the following must be noted:

- (1) *The allocation of expenditure under "Additional Disclosure for Venture Issuers Without Significant Revenue" is derived directly from the internal accounting records where management attributes expenditure directly against exploration licences, with any G&A expenditure being accounted for separately.*
- (2) *"Project Expenditure" reflected under "Additional Disclosure for Venture Issuers Without Significant Revenue" in this MD&A is a combination of exploration expenses, salaries and benefits, travel and some office overheads directly attributable to the individual projects. These expense categories are reflected separately in the income statements summarizing the quarterly results in this MD&A, which reconcile directly with the financial statements of the Company.*
- (3) *Office and general as disclosed in the income statements summarizing the quarterly results includes rent expense and regional overheads which are reflected separately in this MD&A under "Additional Disclosure for Venture Issuers Without Significant Revenue".*
- (4) *Professional and consulting fees in the income statements summarizing the quarterly results are inclusive of audit, accounting & admin fees and legal fees, which are reflected separately in this MD&A under "Additional Disclosure for Venture Issuers Without Significant Revenue".*

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure, concerning the Company’s expenses and mineral property costs, is provided below. These are disclosed on a gross basis before foreign translation (gain)/loss.

Project Expenditure	**Twelve months ended December 31, 2021**	**Twelve months ended December 31, 2020**	**Increase/ (Decrease)**	**Three months ended December 31, 2021**	**Three months ended December 31, 2020**	**Increase/ (Decrease)**
Geological Consultants	$995,941	$892,198	$103,743	$125,140	$419,547	($294,407)
Geochemistry	1,267,850	1,200,612	67,238	584,621	681,767	(97,146)
Geophysics	-	150,855	(150,885)	(75,625)	3	(75,628)
GIS Costs	68,859	4,545	64,314	17,230	987	16,244
Tenements Costs	325,575	264,080	61,495	29,614	72,627	(43,013)
Environmental Costs	115,281	107,198	8,083	18,369	32,279	(13,910)
Drilling Costs	16,793,588	4,026,784	12,766,804	6,516,396	1,901,728	4,614,668
Field Support Costs	437,287	319,978	117,309	82,559	85,003	(2,444)
Travel & Field Accommodation	67,239	71,524	(4,285)	24,212	20,976	3,235
Vehicle Expenditure	176,402	98,753	77,649	36,211	34,777	1,434
Salaries & Wages	2,037,823	1,640,270	397,553	671,574	962,078	(290,504)
Total	**$22,285,845**	**$8,776,827**	**$13,509,018**	**$8,030,301**	**$4,211,772**	**$3,818,529**

General & Administrative Expenditure						
Audit, Accounting & Admin Fees	$178,590	$118,849	$59,741	$51,049	$41,597	$9,452
Office And General	650,558	459,934	190,624	101,436	155,740	(54,304)
Amortization	192,864	75,651	117,213	53,679	42,981	10,698
Legal Fees	98,149	29,541	68,608	32,150	10,119	22,031
Rent Expense	65,963	85,891	(19,928)	14,685	17,813	(3,128)
Professional Fees	543,502	507,709	35,792	165,180	75,522	89,658
Management Fees	555,000	486,000	69,000	135,000	93,000	42,000
Consulting Fees	304,650	430,207	(125,558)	84,948	138,119	(53,171)
Share-based Payments	771,598	1,456,192	(684,594)	790,750	1,456,192	(665,442)
Stock Option Expense	1,412,696	1,132,214	280,482	247,183	294,517	(47,334)
Total	**$4,773,570**	**$4,782,188**	**($8,620)**	**$1,676,060**	**$2,325,640**	**($649,580)**

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE (continued)

Project Expenditure

During the three and twelve-month periods ended December 31, 2021, the Company incurred project expenditure of $8,030,301 and $22,285,845 compared to $4,211,772 and $8,776,827 for the period ended December 31, 2020.

The increase in exploration and project-based expenditure is mainly attributable to the FY2021 drill program which was accelerated to improve the Project resource and convert Inferred Mineralization to the indicated category. The Company ran on average eleven rigs throughout the year on Twin Hills compared with eight in FY2020 and the drill program for FY2021 was completed in the fourth quarter. The completion of drilling caused an expected deceleration of spend going into the year-end operational shutdown for the holiday period. The lower spend is also attributed to a slower drilling rate due to deeper holes being drilled for the resource conversion program. The continued expansion of the Company's drill program in 2021 is a key success feature of the Company's activities, warranting the increase in spend for this period and the year to date. The Company has disclosed in detail all meaningful exploration and drill results in the Company's news releases, filings and in the overview of significant events and activities in this report. The Company continues to enhance the Project by evaluating a portfolio of targets at different stages of advancement in the relevant project areas. The Company tracks all expenditures against an approved budget.

Project Expenditure included the impairment of the VAT reflected on the Audited Consolidated Financial Statements for the year ended December 31, 2021. This will be reversed once the VAT is refunded to Company.

The use of expert consultants to augment our in-house geological expertise will continue and will impact expenditure going forward, as the success of our programs continue and the mine development program gathers momentum. They serve not only to confirm and assist in the interpretation of results received, but also to streamline the efficiency, cost and quality of the exploration work programs undertaken and/or planned.

General & Administrative Expenditure

During the three and twelve-month periods ended December 31, 2021, the Company incurred General & Administrative Expenditure of $1,676,060 and $4,773,570 compared to $2,325,640 and $4,782,188 for period ended December 31, 2020.

The movement in the General & Administrative Expenditure for the period has largely been driven by costs associated with the following:

- Continuous expenditure on promotional activities at conferences, roadshows and industry publications, as well as on regulatory requirements, such as the filing of news releases and exchange costs. The Company was able to resume travel activities in FY2021 as the effects of the pandemic waned;
- Office And General includes increased costs for the period associated with expenditure on its website and public relations initiatives for the Company, accelerated staff training, continued investment into the IT infrastructure rollout and administrative initiatives to fund the Company's growth in Namibia;
- The non-cash costs associated with the vesting of stock options valued using the Black-Scholes pricing model;
- Higher amortization costs from increased investments into property, plant and equipment; and
- The higher costs associated with legal, audit and accounting fees as the company continues to develop its various projects.

Professional and Consulting Fees

During the three and twelve-month periods ended December 31, 2021, the Company incurred professional and consulting fees of $250,128 and $848,152 compared to $213,641 and $937,916 for the period ended December 31, 2020.

Professional Fees represents amounts paid to external consultants and service providers, in terms of contractual commitments for professional services, and any brokerage firms when applicable for capital raising initiatives that are not capitalized. Spend in the fourth quarter of 2021 was mainly a result of the private placement closed by the Company.

Consulting Fees include the use of external consultants for corporate services. Expenditure on professional fees has been driven by increased spend on legal and related consulting services, including licence acquisition and holding costs, the filings of the MRE and PEA during the year and various other regulatory filings typical of a listed company. Professional and consulting fees in FY2020 included significant costs associated with the two bought-deal financings closed.

Management Fees

Management Fees represent amounts paid by the Company as compensation to certain members of management.

During the three and nine-month periods ended December 31, 2021, the Company incurred management fees of $135,000 and $555,000 compared to $93,000 and $486,000 for the period ended December 31, 2020.

Fees payable to members of the management team and related parties are disclosed in Note 18: Related Parties to the Audited Consolidated Financial Statements for the year ended December 31, 2021. See also "Transactions Between Related Parties and Balances" below.

Foreign Exchange

The foreign exchange movements during the period ended December 31, 2021, reflect the currency fluctuation of the Namibian dollar relative to the Canadian dollar. The Company's cash, cash equivalents and short-term investments are held both in Canadian dollars and Namibian dollars.

EXPLORATION AND EVALUATION OF MINERAL PROPERTIES

Regional Project Expenditure

The Company's Exploration and Evaluation expenditure ("E&E") on its regional project areas for the period ended December 31, 2021, and the period ended December 31, 2020, was as follows:

Project Expenditure	**Twelve months ended December 31, 2021**	**Twelve months ended December 31, 2020**	**Increase/ (Decrease)**	**Three months ended December 31, 2021**	**Three months ended December 31, 2020**	**Increase/ (Decrease)**
Twin Hills Gold Project	$19,565,359	$6,891,229	$12,674,130	$7,558,209	$3,351,775	$4,206,434
Otjikoto East Gold Project	57,778	42,884	14,894	16,440	4,566	11,874
Otjiwarongo Regional Project	951,700	394,179	557,521	103,682	154,269	(50,587)
Other Project Expenditure	1,711,008	1,448,535	262,473	351,970	701,162	(349,192)
Total	**$22,285,845**	**$8,776,827**	**$13,509,018**	**$8,030,301**	**$4,211,772**	**$3,818,529**

General & Administrative Expenditure						
Audit, Accounting & Admin Fees	$200,757	$118,849	$81,908	$58,427	$45,238	13,189
Office And General	514,640	397,275	117,365	82,690	137,281	(54,591)
Amortization	192,864	75,651	117,213	53,679	42,981	10,698
Legal Fees	75,636	26,059	49,577	32,150	9,141	23,009
Rent Expense	42,271	45,320	(3,049)	11,177	12,327	(1,150)
Professional Fees	543,502	507,709	35,793	165,180	75,522	89,658
Management Fees	555,000	486,000	69,000	135,000	93,000	42,000
Consulting Fees	304,650	430,207	(125,557)	84,948	138,119	(53,171)
Share-based Payments	771,598	1,456,192	(684,594)	790,750	1,456,192	(665,442)
Stock Option Expense	1,412,696	1,132,214	280,482	247,183	294,517	(47,334)
Regional Projects	159,956	106,712	53,244	14,876	21,322	(6,446)
Total	**$4,773,570**	**$4,782,188**	**($8,618)**	**$1,676,060**	**$2,325,640**	**($649,580)**

The Twin Hills Gold Project, and more specifically, THC, THW, Bulge and Clouds discoveries remain the Company's main focus. Work during the year has focused primarily on the drill program at THC, Clouds and Bulge where an amount of 91,038 m has been drilled against 48,739 m in 2020. The drill program was designed to improve on the economics of the Company's MRE and PEA as the Company moves towards the preparation of a pre-feasibility study with the intent of improving its mineral resources estimated and converting inferred resources to indicated resources. The spend on Twin Hills for 4Q2021 was a continuation of the approved drill and exploration program, although on a decelerated basis as the program came to a close and the Company closed for the annual holiday period.

The differences in total project expenditure for the year compared to 2020, is mainly due to:

- The expansion of the drill program at Twin Hills which was geared towards developing known and satellite deposits;
- Additional contractor and consultant activity at Twin Hills (e.g.: structural, environmental and metallurgical activity) as the focus on studies to augment the development of the mine accelerates. This was not a significant feature of the spend in FY2020;
- The initiation and advancement of several studies and projects directed at improving the economics of the Project towards the pre-feasibility level.
- Resource drilling in support of the PEA filed in 2021, which has continued into 2022 in support of the pre-feasibility report due on the first half of 2022.

Work on the Otjikoto East Gold Project continues to progress well, with a much more detailed exploration program for 2022 as set out in “Exploration Outlook”. The majority of the work in 2021 was desktop based for generating targets and field work programs towards developing drill ready targets and is scheduled for testing in FY2022.

Work on the Otjiwarongo Regional Project primarily focussed on regional geochemical soil and calcrete sampling supported by geological and regolith mapping work. The increase in spend for FY2021 was to collect and interpret the data for generating drill-ready targets for follow-up in 2022.

Other project expenditure reflects the allocation of expenditure and time, which cannot yet be allocated to any individual project, and include:

- Geological consultants’ fees for support at the head office and/or regional office level;
- Salaries & wages, which includes fees paid to members of management and staff;
- General field support, field consumables and travel costs;
- Technical advancement of new applications for licences; and
- New initiatives of the Company to improve operational safety, community and environmental programs.

Project Expenditure includes the impairment of the VAT reflected on the Audited Consolidated Financial Statements for the year ended December 31, 2021. This will be reversed once the VAT is refunded to Company.

PROPOSED TRANSACTIONS

The Company will, from time to time, in the ordinary course of its business, consider potential acquisitions, joint ventures, other investments and other opportunities. The Company will disclose in respect of any such opportunity when required under applicable securities rules. The Company is currently in the process of meeting the terms and conditions of certain agreements which may result in a completed transaction(s).

LIQUIDITY AND CAPITAL RESOURCES

The Financial Statements have been prepared on a going concern basis whereby the Company is assumed to be able to realize its assets and discharge its liabilities in the normal course of operations. The Financial Statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. If the going concern assumption was not appropriate for the Financial Statements, then adjustments of a material nature would be necessary in the carrying value of assets such as prospecting licences, liabilities, the reported expenses, and the balance sheet classifications used. Management continues to pursue financing opportunities for the Company to ensure that it will have sufficient cash to carry out its planned exploration program beyond the following year.

During the Twelve months ended December 31, 2021, the Company's overall position of cash and cash equivalents increased by $3,239,338 compared to an increase of $8,211,749 for the period ended December 31, 2020. This decrease is attributed to the following activities:

1) The Company's net cash used in operating activities during the twelve months ended December 31, 2021, was $21,712,212 compared to $10,997,460 for the year ended December 31, 2020. The primary use of cash, in the twelve-month period, was for expenditure incurred in expanding the Company's exploration activities (primarily drilling and assay-related costs) and project areas, analysis of drill results, acceleration of technical studies and general and administrative expenditure.

2) Cash generated from investing activities during the twelve months ended December 31, 2021 amounted to $10,626,431 compared to utilization of $11,775,550 for the year ended December 31, 2020. The capital spend was driven by the acquisition, and replacement, of field vehicles, acquisition of IT equipment as well as continued upgrades to the Company's warehousing and camp facilities. This is in line with the advancement of the Company's projects and prospects. The GIC's previously disclosed under short-term investments have now been disclosed under cash and cash equivalents due to the shortened maturity profile, and have been reflected as a cash inflow from investing activities.

3) Cash generated from the Company's financing activities, for the twelve months ended December 31, 2021 was $14,325,119 compared to $30,984,759 from financing activities during the year ended December 31, 2020. The primary contributor to the positive movement for the year relates to proceeds raised from warrants and stock options exercised during the period, and the private placement (net of share issuance costs) closed on November 1, 2021 (refer to Note 7 for additional information). Additional borrowings were also raised against the acquisition of the field vehicles during the year. The cash inflow has been reduced by payments made against loan borrowings and leases during the period.

4) The Company's cash movement for the twelve months ended December 31, 2021, has been positively impacted to the value of $58,551 by currency fluctuations, compared to the positive impact of $20,642 for the twelve months ended December 31, 2020.

As discussed above, the Company is required to undertake specific exploration activities on each of its licences. (For information on the Company's commitments, refer to Note 13 of the Audited Consolidated Financial Statements for the year ended December 31, 2021.)

The Company has no revenue-producing operations and continues to manage its costs, focusing on its licences with the most potential, as described above. To advance its exploratory commitments and development strategy, the Company may seek future funding in the capital markets for additional joint venture and farm-in opportunities with suitable, capital-rich companies. Fund-raising has been successful to date, however, there is no assurance of this or favourable terms in the future.

The Company has been awarded the rights to explore in various licence areas and is obliged to commit agreed upon expenditure in terms of signed earn-in agreements with the licence holders and the Government of Namibia, where applicable. The Company reports all spending to the Ministry of Mines and Energy in Namibia every quarter.

CAPITAL MANAGEMENT

The Company manages its capital conservatively to maintain its ability:

- to continue as a going concern,
- to provide returns to shareholders, and
- to provide benefits to other stakeholders.

The Company capital structure consists of equity comprised of issued share capital, reserves and an accumulated deficit. The Company manages its capital structure and makes adjustments to it in light of prevailing economic conditions. The Company will manage its capital structure through new share issues, the use of alternative financial instruments or strategic debt initiatives going forward upon approval from its Board of Directors.

SHARE STRUCTURE (as at May 02, 2022)

As of the date of this MD&A, the Company had the following securities issued and outstanding:

	May 02, 2022
Common shares outstanding	127,466,907
Stock options outstanding	10,230,396
Warrants outstanding	5,345,455
Restricted stock units	2,290,938
Common shares outstanding on a fully diluted basis	**145,333,696**

As at December 31, 2021 and the date of this MD&A, no shares are held in escrow.

The number of Common Shares outstanding as of the date of this MD&A amounts to 127,466,907. Details of the movement and value of share capital are set out in Note 7 of the Audited Consolidated Financial Statements for the year ended December 31, 2021.

OFF-BALANCE SHEET ARRANGEMENTS

As of the date of this MD&A, 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 results of its operations or financial condition, including, and without limitation, such consolidations as liquidity, capital expenditure and capital resources that would be considered material to investors.

CONTRACTUAL COMMITMENTS

Licences

The Company is committed to meeting all of the conditions of its abovementioned licences, including Interim lease renewal or extension fees as needed. Details of the Company's commitments are set out in Note 13 of the Audited Consolidated Financial Statements for the year ended December 31, 2021.

Acquisition of surface rights

The Company, has entered into two conditional agreements for the acquisition of surface rights for the development of the Twin Hills Project. The agreement is subject to the fulfilment of various suspensive conditions which the Company expects to close within approximately twelve months of the date of signature.

Acquisition of gold exploration property

The Company has entered into an agreement to acquire the Ondundu gold exploration property in Namibia from B2Gold Corp. Under the terms of the Acquisition Agreement, Osino has agreed to purchase all of the issued and outstanding shares of the Namibian company, Razorback Gold Mining Company (Proprietary) Limited ("Razorback"), which owns 100% of the Namibian exclusive prospecting license 3195 covering 19,969 hectares located approximately 130km northwest of Osino's Twin Hills Gold Project in Namibia.

RISKS AND UNCERTAINTIES

The business of exploring for, developing and producing mineral resources is inherently risky. The Company is in the development stage and is in the process of determining whether its licences yet contain economically recoverable reserves. The Company's future viability as a going concern is dependent on the existence of gold resources and on the Company's ability to obtain financing for its exploration and development programs, resource development, and profitability of operations or disposition of interests. As at December 31, 2021, the Company has incurred cumulative losses of $58,397,856.

The Company's actual exploration and operating results may be different from those expected as of the date of this MD&A.

Economic Indicators:

Real Gross Domestic Product ("GDP") growth is estimated at 0.9 percent for 2021 and expected to accelerate to 3.4 percent in 2022 and to 3.7 percent in 2023 per the Bank of Namibia (February 2022 forecast). Risks to domestic growth remain dominated by the impact of the Covid-19 pandemic, but also include swings in rainfall pattern, as well as high prices for energy products such fuel and gas and supply disruptions around the world.

The revenue outlook for Namibia has also improved, particularly for FY 2022/23, thanks to injections of cash from State Owned Entities ("SOE's") and other once-offs, including proceeds from the listing of MTC (Mobile Telecommunications Company, partly owned by the government), and the expectation of dividends from Namdia and Debmarine that has been driven by improved diamond output and global diamond prices throughout the year. Diamond royalties are also expected to recover significantly over the next three years, to approximately four times the level achieved in FY 2021/22 which is positive. All proceeds should be applied towards reducing the nations debt. Expenditure however remains extremely elevated even after six years of attempted fiscal consolidation. The government has again reaffirmed its priority of spending to ignite sustainable economic growth. As a result, expenditure is expected to grow by 1.6%, 4.0% and 3.5% in 20222, 2023 and 2024 respectively to achieve this objective. In summary, the positive shock to revenue and the marginal increase in expenditure for the 2022 financial year should result in the deficit to GDP expectation declining from an estimated 8.6% in FY 2022/23 to 5.6% of GDP in FY 2024/25.

Risks

The economic impact of the COVID-19 pandemic has particularly affected transport and tourism. Namibia's economy is heavily dependent on the extraction and processing of minerals for export. Mining accounts for approximately 10% of GDP but generates over 50% of foreign exchange earnings for the country. Rich alluvial diamond deposits make Namibia a primary source of gem-quality diamonds. Marine diamond mining is increasingly important as the terrestrial diamond supply has dwindled. Namibian authorities have emphasized the need to add value to raw materials, do more in-country manufacturing and beneficiation, and exploit the services market, especially in the logistics and transportation sectors. Namibia remains one of the world's largest uranium producers and produces large quantities of zinc and smaller quantities of gold and copper.

In the short term, the funding of the budget deficit and fiscal borrowing requirements is concerning. Namibia holds very low available cash reserves and has a significant deficit to fund. The rolling and/or redemption of this debt adds an additional funding burden for the fiscus to absorb, further weighing on public finances.

Weak demand, coupled with a large outstanding debt issuance, is likely to see marginal borrowing costs rise over the year and the forecast period when measured against the benchmark South African yield curve. The general economic pressures and low-quality growth being experienced by Southern African economies continues to negatively affect their sovereign ratings, which will lead to continued upward pressure on interest rates in order to control the inflationary price increases being absorbed.

Positive Developments within the Namibian Economy

The finance ministry announced that N$50 million will be committed as seed capital for the creation of Namibia's wealth fund ("Welwitschia"), which will be administered by the Bank of Namibia ("BoN").

Recent oil discoveries off the southern coast of Namibia represent the possibility of significant wealth generation for the country and its citizens, and if proven to be commercially viable, could rapidly reverse the country's economic fortunes. A viable discovery will allow Government to replace some local deficit funding with external funding, given the expected hard-currency revenues that any future oil production would bring. This could reverse the widening borrowing costs trend being experienced over the next few years, as well as instil greater confidence in the country's long-term prospects and investor ratings.

Government is further prioritizing various green hydrogen projects: Hyphen Hydrogen Energy has been selected as the preferred partner to develop and operate on two green hydrogen sites. The German Government has provided €40 million in funding to launch pilot projects for green hydrogen research and development. Namibia's first hydrogen demonstration plant worth approximately USD18 million was also launched in February 2022, and expected to be operational by 2023. If such a project is commercially and technically feasible (and successful), it could result in substantial investment inflows beyond the forecast period for meeting redistributive policies, as well as being of benefit to the export industry.

Namibian Inflation

Annual inflation for February 2022 came in at 4.5%, an increase from the 2.7% in February 2021, but marginally lower than the 4.6% for January 2022. The increase is in line with global inflation trends. The change in rate was predominantly driven by the transportation sector (namely the oil price), followed by food and non-alcoholic beverages. Average global oil prices have soared over the past year, reaching multi-year highs in USD and all-time highs in ZAR terms. The forecasted inflation rate for FY2022 is expected to increase to in excess of 6.1%. Any further currency weakness and prolonged logistics and supply chain issues could push the rate to in excess of 10% by the end of 2022.

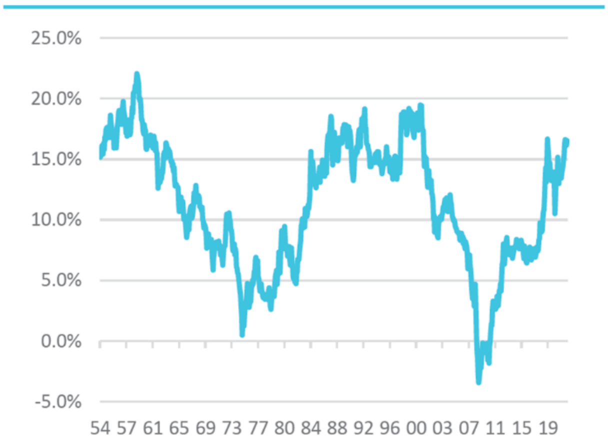
Global Investment Strategy

2021 was a year of counter-cyclical global economic policy, with governments from across the world using the tools at their disposal to battle the detrimental effects of COVID-19 and associated lockdowns and restrictions. This included, amongst others, running record fiscal deficits, maintaining record low-interest rates and additional quantitative easing measures at record levels. The combination of monetizing government deficits and the influx of money supply resulted in asset price inflation and risk assets outperforming safe-haven assets. On the back of this stimulus, the worst-hit sectors and asset classes from 2020 showed relative outperformance in 2021.

Global equities extended gains into the close of 2021 with the S&P500 and the Nasdaq rolling 10-year annualized returns increasing to 16.5% and 21.1%, respectively. Both the S&P and Nasdaq rolling 10-year annualized returns are the highest since the year 2000. Although earnings have been improving, the question remains whether the multiples are warranted given the prospects of rising interest rates and higher risk-free rates going forward.

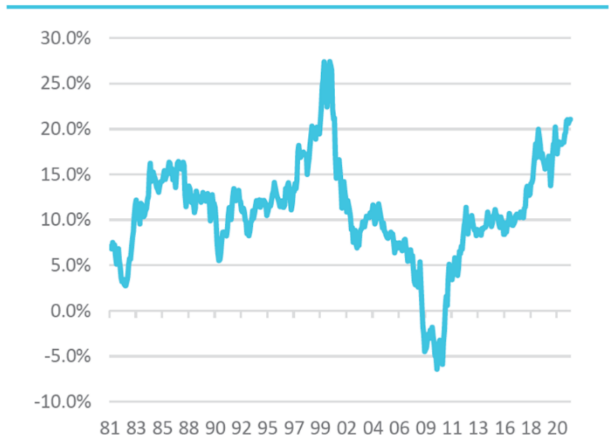
The US government reacted swiftly to the COVID-19 shock in 2020, running a substantial budget deficit of USD3.1 trillion, equivalent to 15.2% of GDP. This is the largest deficit relative to GDP since 1945. In addition, the Federal Reserve responded by cutting interest rates to 0% and resuming securities purchases in the open market, with an open-ended commitment to support the market as and when necessary.

S&P 500: Rolling 10-year annualised returns
S&P 500 10-year annualised returns at 16.5% highest since late '00.



Source: Bloomberg, Cirrus

Nasdaq: Rolling 10-year annualised returns
Nasdaq 10-year annualised returns at 21.1% highest since late '00.



Source: Bloomberg, Cirrus

Global economic growth is projected to moderate during 2022 and 2023 following stronger growth in 2021. The expected moderation in global growth during 2022 and 2023 incorporates the anticipated effects of mobility restrictions, border closures, and health impacts from the spread of the Omicron variant. Based on the IMF's World Economic Outlook (WEO) update for January 2022, global growth is projected to slow to 4.4 percent in 2022 and further to 3.8 percent in 2023, from an estimated growth of 5.9 percent in 2021.

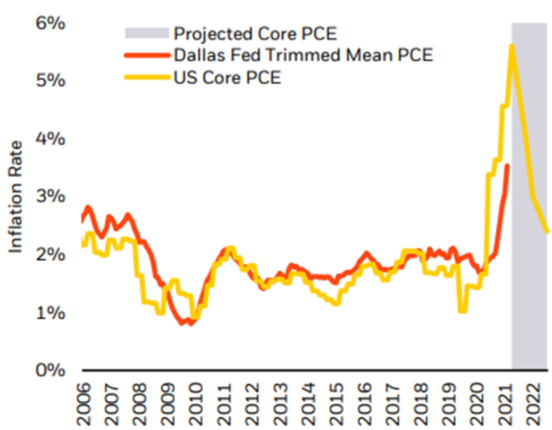
Growth for the US economy is projected to decline from 5.6 percent in 2021, to a growth rate of 4.0 percent in 2022 before moderating further to 2.6 percent in 2023. The downward adjustment to the United States growth forecast for 2022, was based on the earlier withdrawal of monetary accommodation, and continued supply chain disruptions which contributed to the downgrade.

The main uncertainties for 2022 are:

- The durability of the spike in inflation;
- The extent and duration of the property-market-driven slowdown in China;
- Possible further COVID-19 lockdowns as infection rates increase again or new variants emerge; and
- The geopolitical crisis in Ukraine that has created a potentially stagflationary shock for global economies. Stagflation, an economic environment of stagnant growth and rising inflation, was once a long-tail risk, but now appears to be a real possibility. Rising commodity prices have the potential to add momentum to already high inflation. Higher goods and services costs will hurt consumer confidence and create a drag on economic growth. The plan to fight inflation just got far more complicated for global central banks, particularly those of emerging market countries with little to no reserves to fight off another economic slowdown in such short succession.

Figure 4: The rise and (forecasted) fall of inflation

U.S. Trimmed Mean PCE and Core PCE inflation rates



Source: Bloomberg, as of 1/31/22. Gray area is projected through June 2023.

5 Year Gold Price in USD/oz

Source: goldprice.org

Lastly, the U.S. dollar has been supported by expectations for early Fed tightening and U.S. economic growth. The US Dollar should weaken as global growth leadership rotates away from the U.S.

Gold has been trading at its highest levels since September 2020, with inflation high and commodity prices volatile amidst Russia's invasion of Ukraine. One view from UBS is that gold prices will head lower towards the end of 2022 and in a note to clients, advised that unforeseeable events have dominated the early months of 2022 reigniting an interest in gold. In times of market volatility, gold tends to be a safe investment and a desirable asset for investors. During periods of high inflation, like the pandemic-induced one we are living in right now, gold has been seen as a safe bet to guard against rising prices and unpredictable stock markets, as the asset has a history of delivering higher-than-inflation returns. A contrasting view is evidenced by the ETF market indices where demand has pushed the holdings of the world's largest gold-backed ETF to its highest level since March 2021. This could be a good indicator of a beginning of a gold bull market as uncertainty and policy missteps continue for longer than expected.

The South African rand, to which the Namibian dollar is pegged, depreciated by 8,6% against the USD for the 12 months to December 31, 2021. It was a tale of two halves as the ZAR appreciated to R13,42 to the greenback on June 6, 2021 before depreciating to R16,29 by November 28, 2021. This was largely a result of below expectation local growth, the energy crisis engulfing the country, worsening unemployment statistics and the prospect of the Fed raising interest rates into 2022. Despite these domestic and fiscal issues in South Africa, the quantum of global liquidity in the market and rising interest rates forcing the hunt for yield, together with the prospect of a slowing US market growth story has seen some medium-term support for the rand. The ZAR by the end of March 2022 had appreciated to R14,55 against the USD.

Over the past two and a half years, Osino and other mineral exploration companies in Namibia have experienced difficulties getting VAT reimbursed from the Namibian tax authority. The Namibian Ministry of Finance has formally agreed to review the stance taken to disallow all VAT refunds that are due to exploration companies, to maintain the competitiveness of Namibia and to attract investment into exploration. A VAT Layman's Draft Amendment Bill was circulated for comment for amending the VAT Act No. 10 of 2000 in Namibia to address this deficiency. Osino remains legally entitled to VAT reimbursement, which now totals $3,518,044, and management remains confident that Osino will receive the reimbursement in light of the above developments. However, there still is no assurance that there will not be further reimbursement delays or changes in related laws. In light of additional delays from the Namibian Ministry of Finance in taking a decision on the VAT recoverability of exploration companies, the Company has elected to impair the VAT reflected on the Audited Consolidated Financial Statements for the year ended December 31, 2021. This will be reversed once the VAT is refunded to Company.

The Company, and its subsidiaries, incur the majority of their expenditures in Namibian dollars. Corporate expenditure, mainly general and administrative costs, is primarily paid for in Canadian dollars. This exposes the Company to financial risk from fluctuations, and volatility, in the Namibian dollar and Canadian dollar exchange rates. The Company does not use derivative instruments to reduce its exposure to foreign currency risks.

The Company conducts operations through foreign subsidiaries and the majority of its assets are held in these entities. Accordingly, any limitation on the transfer of cash or other assets between the parent corporation and these entities, or among these entities, could restrict the Company's ability to fund its operations efficiently. Any such limitations, or the perception that such limitations may exist now or in the future, could harm the Company's valuation and stock price.

For a discussion on risk factors, please refer to the Company's Annual Information Form dated September 14, 2021, and the Company's PEA for the Twin Hills Gold Project, which is filed under the Company's profile at www.sedar.com.

FINANCIAL INSTRUMENTS

IFRS requires disclosures about the inputs to fair value measurements for financial assets and liabilities recorded at fair value, including their classification within a hierarchy that prioritizes the inputs to fair value measurement. The three levels of hierarchy are:

- Level 1 - Quoted prices in active markets for identical assets or liabilities;

- Level 2 - 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 - Inputs for the asset or liability that are not based on observable market data.

The Company's cash and cash equivalents are classified as Level 1. As at December 31, 2021, the Company believes that the carrying values of cash, short-term investments, accounts/interest receivable, trade and other payables and other financial liabilities approximate their fair values because of their nature and relatively short maturity dates or durations.

Financial instruments risk

The Company is exposed in varying degrees to a variety of financial instrument-related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counter-party limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

<u>Market risk</u>

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices are comprised of three types of risk: currency risk, interest rate risk and other price risks.

<u>Currency risk</u>

Currency risk is the risk to the Company's earnings that arises from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Company does not use derivative instruments to reduce its exposure to foreign currency risk. The Company has a portion of accounts payable and accrued liabilities in Namibian dollar. The Company also has the following assets denominated in Namibian dollar: Cash and cash equivalents, other receivables and prepaid expenses, property, plant and equipment and the right of use assets. The amount of foreign currency assets and liabilities held is significant.

<u>Interest rate risk</u>

Interest rate risk is the risk arising from the effect of changes in prevailing interest rates on the Company's financial instruments. The Company is not exposed to the risk that the value of financial instruments will change due to movement in market interest rates; therefore, interest rate risk is limited to potential decreases in the interest rate offered on cash held with its financial institution. The Company considers this risk to be minimal.

<u>Credit risk</u>

Credit risk is the risk of potential loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily concentrated in its cash and accounts receivable. Cash is held at reputable financial institutions in Canada. The Company's maximum exposure to credit risk at December 31, 2021, is $12,703,462 (December 31, 2020 - $20,464,124).

Liquidity risk

Liquidity risk is the risk that the Company will not meet its financial obligations as they fall due. The Company monitors its risk by monitoring the maturity dates of its existing debt and other payables. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. To achieve this objective, the Company regularly monitors working capital positions and updates spending plans as considered necessary. Monthly working capital and expenditure reports are prepared by the Company's finance function and presented to management for review and communication to the Board.

As at December 31, 2021, the Company's working capital was $9,635,449 (December 31, 2020 – $19,306,997). As at December 31, 2021, the Company has monetary long-term liabilities in the amount of $158,373 (December 31, 2020 - $91,760). The continuing operations of the Company are dependent upon its ability to obtain adequate financing and commence profitable operations in the future.

Classification of financial instruments

Financial assets included in the statement of financial position are as follows:

Financial assets recorded at fair value through profit or loss:	**December 31, 2021**	**December 31, 2020**
Cash and cash equivalents	$12,703,462	$9,464,124
Financial assets at amortized cost:	**December 31, 2021**	**December 31, 2020**
Short-term investments	$-	$11,000,000

Financial liabilities included in the statement of financial position are as follows:

Financial liabilities at amortized cost	**December 31, 2021**	**December 31, 2020**
Trade and other payables	$3,131,248	$1,364,440
Other financial liabilities	$226,882	$138,616

Determination of fair value

The statements of financial position carrying amounts for cash, accounts receivable and accounts payable and accrued liabilities approximate fair value due to their short-term nature. Due to the use of subjective judgments and uncertainties in the determination of fair values these values should not be interpreted as being realizable in an immediate settlement of the financial instruments.

Capital management

The Company monitors its equity as capital.

The Company's objectives in managing its capital are to maintain a sufficient capital base to support its operations and meet its short-term obligations and at the same time preserve investors' confidence and retain the ability to seek out and acquire new projects of merit. The Company is not exposed to any externally imposed capital requirements.

TRANSACTIONS BETWEEN RELATED PARTIES AND BALANCES

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party, or exercise significant influence over the other party, in making operating and financial decisions. This would include the Company's senior management, who are considered key management personnel by the Company.

Parties are also related if they are subject to common control or significant influence. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Remuneration payable to the Company's related parties, including its executive and non-executive directors, is set out in Note 18 of the Audited Consolidated Financial Statements for the year ended December 31, 2021.

For the twelve months ended December 31, 2021, total key management compensation was $2,339,693 (December 31, 2020 - $2,915,081), which includes management fees and bonuses of $555,000 (December 31, 2020 - $486,000), directors fees of $112,500 (December 31, 2020 - $72,500) and share-based compensation of $881,443 (December 31, 2020 - $1,931,581).

Share-based Payments

During the year to date, the Company issued 1,610,000 stock options to key management at a weighted average exercise price of $1.25 and expiry dates of March 5, 2026. The stock options were valued at $1,187,697 using the Black-Scholes pricing model. Effective March 5, 2021, the Company granted 136,800 RSUs to officers, directors and key employees under its RSU plan (refer to note 7 of the Audited Consolidated Financial Statements for the year ended December 31, 2021). The fair value of the RSU's granted in 2021 was $151,848.

COVID 19

During the first quarter of 2020, there was a global outbreak of COVID-19 (coronavirus)that had a significant impact on businesses in Canada and Namibia, where the Company has its operations. This was through the restrictions put in place by the Canadian and Namibian governments regarding travel, business operations and isolation/quarantine orders. The extent of the impact of the COVID-19 outbreak on the Company has been limited to date; however, this will continue to depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, duration of the outbreak, duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are, or might be put, in place by Canada and other countries to fight the virus.

More specifically and immediate to the Company's operations, the COVID-19 pandemic could pose a serious risk to both construction and operations. This is due to the remoteness of the mine site and the relatively high number of personnel movements on and off site that will nevertheless occur with local staff travelling to and from the site, product transport drivers and deliveries of equipment and supplies. The Company has developed appropriate procedures to manage these risks in line with the latest medical advice available at the time. Facilities have been provided to ensure that anyone who does develop the disease can be effectively isolated and evacuated for treatment if necessary. Appropriate procedures have also been developed for personal hygiene, cleaning and disinfection of all common facilities.

The Company's health and safety management and procedures will remain a focus during project implementation and appropriate training has been and will continue to be provided to enable staff to perform safely and effectively in their role. Additional mitigating actions to be adopted include the provision of comprehensive site inductions, use of an internationally experienced project team, presence of a local doctor with a clinic, hierarchy of reviewed and approved health and safety plans, safety officers, procedures, education, training, supervision and selection of competent workforce, medivac, comprehensive design reviews, comprehensive commissioning plans, and similar activities. The project team intends to apply international industry standards for health and safety and include activities such as the use of job safety analysis, and stringent electrical and equipment isolation procedures during pre-commissioning and process commissioning.

While the extent of the impact is unknown, we anticipate this outbreak may cause, among other things, supply chain disruptions and staff shortages, all of which may negatively impact the Company's business and financial condition. Due to the COVID-19 pandemic, all exploration operations including our site camps were demobilized and shutdown on March 27, 2020, in accordance with the “lockdown” procedures enacted in Namibia to combat the spread of the virus. This was done on the order of the President of the Republic of Namibia for certain regions of Namibia, which includes those in which Osino operates.

On April 30, 2020, the Government of Namibia announced that some restrictions would be lifted to allow exploration activities to resume, with certain limitations and adherence to COVID-19 related precautions. The Company recommenced field work on May 8, 2020 and has suffered no further shutdowns since. On March 15, 2022, the Government of Namibia gazetted a new amendment to the Public Health Covid-19 general regulations further effectively eliminating all restrictions on company activities.

At the time of preparation of this MD&A, the Namibian Government website reports a very low incidence of COVID-19 infections, and the Government has lifted most travel restrictions in the country, with the sporadic need for permits to travel outside of certain jurisdictions. The imposition of further lockdown measures and travel restrictions is being driven by scientific data to control the spread of the virus.

CRITICAL ACCOUNTING ESTIMATES

The Company’s critical accounting estimates are defined as those estimates that have a significant impact on the portrayal of its financial position and operations, and that require management to make judgments, assumptions, and estimates in the application of IFRS. Judgments, assumptions, and estimates are based on historical experience and other factors that management believes to be reasonable under current conditions. As events occur, and additional information is obtained, these judgments, assumptions, and estimates may be subject to change.

The Company believes the following are the critical accounting estimates used in the preparation of its Audited Consolidated Financial Statements for the year ended December 31, 2021:

Going concern

The Company’s continuance as a going concern is dependent upon its ability to obtain adequate financing to fund ongoing planned operating costs and planned activities at its Twin Hills Gold Project. These material uncertainties may cast significant doubt on the Company's ability to continue as a going concern and the Company’s auditors have provided commentary in their audit report for the Consolidated Financial Statements for the year ended December 31, 2021. Management believes that the Company will be able to continue as a going concern for the foreseeable future and realize its assets and discharge its liabilities and commitments in the normal course of business. The Audited Consolidated Financial Statements for the year ended December 31, 2021 have been prepared on the going concern basis.

Exploration and Evaluation Assets

The application of the Company's policy, relating to Mineral Property Costs, requires judgement in determining whether it is likely that costs incurred will be recovered through successful exploration, development and/or sale of the asset under review. Furthermore, this assessment, of whether an economically recoverable resource exists, is in itself an estimation process. Estimates and assumptions may change as new information becomes available. If, after any expenditure is capitalized, new information suggests that the recovery of the expenditure is unlikely, the amount capitalized will be written off to profit or loss in the period in which the new information becomes available.

Share-Based Payments

Management uses judgement to determine the inputs to the Black-Scholes option pricing model, including the expected life of the warrant, volatility, dividend yield, and making assumptions about them. The assumptions used for estimating the fair value of warrants, stock options and RSUs are disclosed in Note 7 of the Company's Audited Consolidated Financial Statements for the year ended December 31, 2021.

The Company from time to time may issue shares, warrants, RSUs or options to its directors, officers, consultants and employees. The Company values share-based payments using the fair-value method of the services provided. When the value of the services cannot be reliably measured, the Company uses the fair value of the shares issued.

For stock options issued to its directors, officers, consultants and employees, the Company values any stock-based compensation, utilizing the Black-Scholes option pricing model. The estimated fair value is recognized over the applicable vesting period as stock-based compensation expense and includes an increase or decrease in the share-based payment reserve.

Share purchase warrants issued are also valued using the Black-Scholes model.

Proceeds from unit private placements are allocated between shares and warrants issued by calculating the value of the warrants using the Black-Scholes option-pricing model and allocating on a residual basis. The value of the share component is credited to share capital and the value of the warrant component is credited to warrant reserve. Upon exercise of the warrants, consideration paid by the warrant holder together with the amount previously recognized in the warrant reserve is recorded as an increase to share capital.

The Company's significant accounting policies can be found on pages 10 to 16 of the Company's Audited Consolidated Financial Statements for the year ended December 31, 2021.

USE OF ESTIMATES

The preparation of the Unaudited Interim Condensed Consolidated Financial Statements, in conformity with IFRS, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities as at the date of the Financial Statements, and the reported amounts of revenues and expenses during the reporting period. Such estimates relate to unsettled transactions and events as of the date of the Financial Statements. Accordingly, actual results may differ from these estimated amounts as future confirming events occur. Significant estimates used in the preparation of the

Company's Financial Statements include, but are not limited to, impairment of exploration licence costs capitalized per IFRS, stock-based compensation and future income taxes.

The impairment of exploration licences is dependent on:

- the existence of economically recoverable reserves
- the Company's ability to obtain financing to complete the development and exploitation of such reserves,
- the Company's ability to meet its obligations under various agreements
- the success of future operations or dispositions.

Valuation of right-of-use assets and lease liability loans: The Company's lease liability is valued using the present value of the future cash flows. This method is based on underlying factors such as the interest rate and the Company's ability to make all payments due on a timely basis. Changes in the inputs to the calculation could impact the carrying value of the lease liability, and the amount of interest expense recognized in profit and loss.

Stock-based Compensation

The Company uses the fair value method, utilizing the Black-Scholes option pricing model, for valuing stock options, warrants and RSUs granted to directors, officers, consultants and employees. The estimated fair value is recognized over the applicable vesting period as a stock-based compensation expense. The recognized costs are subject to the estimation of what the ultimate payout will be. The estimation process uses pricing models such as the Black-Scholes model and significant assumptions such as volatility, dividend yield, and expected term. The assumptions and models used for estimating fair value, for share-based payment transactions, are disclosed in Note 7 of the Audited Consolidated Financial Statements for the year ended December 31, 2021.

Income Taxes

The Company follows the liability method of accounting for income taxes, whereby, future income taxes are recognized based on the differences between the carrying values of assets and liabilities reported in the Consolidated Financial Statements of the Company and their respective tax basis. Deferred income tax assets and liabilities are recognized at the tax rates at which management expects the temporary differences to reverse. Management bases this expectation on future earnings, which require estimates for reserves, production timing, crude oil price, operating cost estimates, and foreign exchange rates. Management assesses, based on all available evidence, the likelihood that the deferred income tax assets will be recovered from future taxable income and a valuation allowance is provided to the extent that it is, more than likely, that deferred income tax assets will not be realized. As a result, future earnings are subject to significant management judgment.

Restoration, rehabilitation and environmental obligations

An obligation to incur restoration, rehabilitation and environmental costs arises when an environmental disturbance is caused by the exploration or development of a mineral property interest. Such costs arising from the decommissioning of plant, other site preparation work, and water and soil management, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, along with a corresponding liability as soon as the obligation to incur such costs arises. The timing of the actual rehabilitation expenditure is dependent on a number of factors such as the life and nature of the asset, the operation license conditions and, when applicable, the environment in which the mine operates.

Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value of the liability. These costs are charged against profit or loss over the economic life of the related assets, through amortization using either the unit-of-production or the straight-line method. The corresponding liability is progressively increased as the effect of discounting unwinds creating an expense in profit or loss. Decommissioning costs are also adjusted for changes in estimates. Those adjustments are accounted for as a change in the corresponding capitalized cost, except where a reduction in costs is greater than the unamortized capitalized cost of the related assets, in which case the capitalized cost is reduced to nil and the remaining adjustment is recognized in profit or loss.

The operations of the Company may in the future be affected from time to time in varying degrees by changes in environmental regulations, including those for site restoration costs. Both the likelihood of new regulations and their overall effect upon the Company are not predictable. The Company has no material restoration, rehabilitation or environmental obligations as at December 31, 2021.

DISCLOSURE CONTROLS, PROCEDURES AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

Management has established processes to provide it with sufficient knowledge to support representations that it has exercised reasonable diligence to ensure that:

i. the consolidated financial statements do not contain any untrue statement of material fact or, omit to state a material fact required to be stated or, that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the consolidated financial statements, and
ii. the consolidated financial statements fairly present in all material respects the financial position, results of operations and cash flows of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 – Certification of *Disclosure in Issuers' Annual and Interim Filings* ("**NI 52-109**"), the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("**DC&P**"), and internal control over financial reporting ("**ICFR**"), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

i. controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
ii. a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes following the issuer's GAAP (IFRS).

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in the certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency, and timeliness of interim and annual filings and other reports provided under securities legislation.

FORWARD-LOOKING INFORMATION

Information and statements contained in this MD&A, that are not historical facts, are forward-looking information or forward-looking statements within the meaning of Canadian securities legislation and the *U.S. Private Securities*

Litigation Reform Act of 1995 (hereinafter collectively referred to as “forward-looking statements”) that involve risks and uncertainties. This MD&A contains forward-looking statements such as estimates and statements that describe the Company’s future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Examples of forward-looking statements in this MD&A include, but are not limited to, statements relating to:

- The Company’s acquisition of licences and projects, and the regulatory reporting and amount of spending required to maintain the licences and concessions in good standing;
- future development work on the Twin Hills Gold Project and other projects;
- the Company’s plans to continue or initiate exploration and drilling programs, and possible related discoveries or extensions of new mineralization, or increases or upgrades to reported mineral resource estimates at the Twin Hills Gold Project, and other projects;
- proposed joint venture/earn-in arrangements with third parties on the Company’s licences and concessions;
- the prospects for identifying and/or acquiring additional mining licences or concessions or projects, within of Namibia, with realistic discovery potential that could add value to the Company;
- permitting and regulatory requirements related to any exploration and development, and related operations, as well as any costs related thereto;
- legislative and regulatory reform initiatives, including those related to the fiscal regime, and their potential effects on the Company;
- the adequacy of the Company’s working capital;
- the Company’s ability to raise additional financing, or finding alternative ways to advance its corporate objectives, and the use of financing proceeds;
- the Company monitoring market and political conditions (both globally and in Namibia) and the Government of Namibia’s concession tender process;
- the Company continuing to evaluate additional exploration project opportunities;
- the Company bidding on further prospective targets should they become available;
- the Company’s going-forward strategy;
- the Company seeking strategic partners for highly prospective gold deposits found on its licences and concessions;
- projected expenditures on the Company’s mineral licences and concessions;
- the Company’s ability to continue as a going concern;
- the impact of future accounting standards on the Company;
- the risks and uncertainties around the Company’s business;
- the Company’s expectation of sustained improvement in gold and gold markets;
- the validity of the Government of Namibia’s mineral licensing regime and the rights granted thereby;
- Namibia remaining an attractive mining jurisdiction;
- the mining assets and properties, acquired by the Company, being attractive investment opportunities; and
- the pandemic impact on the Company, relating to COVID-19, causing significant financial market disruption and social dislocation. Cities, counties, states, provinces and countries have responded in different ways to address and contain the pandemic outbreak. This includes the declaration of a global pandemic by the World Health Organization, a National State of Emergency across many countries across the world, and local executive orders and ordinances forcing the closure of non-essential businesses, and persons not employed in or using essential services to "stay at home" or "shelter in place". There is no certainty as to how long the pandemic, or a more limited epidemic, will last, what regions will be most affected, nor to what extent containment measures will be applied. The ability to predict the ultimate geographic spread

of the disease, the duration of travel restrictions, business closures or disruptions, and quarantine measures that are currently in place, or may be put in place, by Canada, Namibia and other countries to fight the virus are uncertain at this stage. The impact on the Company, therefore, cannot be predicted with confidence. The impact could include supply chain disruptions and staff shortages, which may harm the Company's business results and financial condition.

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", “goal”, "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Any such forward-looking statements are based, in part, on assumptions and factors that may change, thus causing actual results or achievements to differ materially from those expressed or implied by the forward-looking statements. Such factors and assumptions may include, but are not limited to: assumptions concerning gold and other base and precious metal prices; cut-off grades; accuracy of mineral resource estimates and resource modelling; timing and reliability of sampling and assay data; representativeness of mineralization; timing and accuracy of metallurgical test work; anticipated political and social conditions; expected Namibia government policy, including reforms; and, ability to successfully raise additional capital.

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, and without limitation:

- risks relating to price fluctuations for gold and other precious and base metals;
- risks inherent in mineral resource estimation;
- risks relating to inaccurate geological and engineering assumptions (including the tonnage, grade, and recoverability of reserves and resources)
- risks relating to all the Company's mineral licences, concessions, and projects being located in Namibia, including political, social, economic, security, and regulatory instability;
- risks relating to changes in Namibia's national, provincial, and local political leadership, including impacts these may have on public policies, administrative agencies, and social stability;
- risks relating to local political and social unrest, including opposition to mining, pressure for economic benefits such as employment or social investment programs, access to land for agricultural or artisanal or illegal mining purposes, or other demands;
- risks relating to the Company's rights or activities being impacted by litigation;
- risks relating to the Company's rights or activities being impacted by not being able to secure land access agreements;
- risks relating to the Company's operations being subject to environmental and remediation requirements;
- risks relating to the Company's ability to source qualified human resources, including consultants, attorneys and sub-contractors, as well as the performances of all such resources (including human error and actions outside of the control of the Company, such as wilful negligence of its counterparties or agents);
- risks of title disputes or claims affecting mining licences and concessions or surface ownership rights;
- risks relating to adverse changes to laws, regulations or other norms placing increased regulatory burdens or extending timelines for regulatory approval processes, including environmental, safety, social, taxation and other matters;
- risks relating to delays in obtaining governmental approvals or permits necessary for the execution of exploration, development or construction activities;

- risks relating to the failure of plant, equipment or processes to operate as anticipated;
- risks relating to the performance of human resources, including accidents and labour disputes;
- risks relating to competition inherent in the mining exploration industry;
- risks of impacts from unpredictable natural occurrences, such as adverse weather conditions, fire, natural erosion, landslides, and geological activity, including earthquakes and volcanic activity;
- risks relating to inadequate insurance or inability to obtain insurance;
- risks relating to the fact that the Company's properties are not yet in commercial production;
- risks relating to the Company's ability to obtain any necessary funding for its operations, at all or on terms acceptable to the Company;
- risks relating to the Company's working capital and requirements for additional capital;
- risks relating to currency exchange fluctuations or change in national currency;
- risks relating to fluctuations in interest and inflation rates;
- risks relating to restrictions on access to and movement of capital;
- other risks of the mining industry.

In addition to these are those factors discussed in "Risks and Uncertainties" in this MD&A.

Although the Company has attempted to identify important factors and risks that could affect the Company and might cause actual actions, events or results to differ, perhaps materially, from those described in forward-looking statements, there may be other factors and risks that cause actions, events or results not to occur as projected, 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 or to reflect the occurrence of unanticipated events, except as required by law.

Forward-looking statements, and other information contained herein, including general expectations concerning the mining industry, are based on data and knowledge of this industry which the Company believes to be reasonable. Although generally indicative of relative market positions, market shares, and performance characteristics, this data is inherently imprecise. While the Company is not aware of any misstatements regarding any industry data presented herein, the industry involves risks and uncertainties, and the data is subject to change based on various factors.