

# **NEWRANGE GOLD CORP**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Nine months ended January 31, 2019**

### **GENERAL**

This management's discussion and analysis of financial position and the results of operations is prepared as at April 1, 2019 and should be read in conjunction with the unaudited condensed consolidated interim financial statements of Newrange Gold Corp. ("the Company") for the nine months ended January 31, 2019 and 2018 and related notes thereto. The MD&A should also be read in conjunction with the audited consolidated financial statements of the Company for the year ended April 30, 2018 and the related MD&A.

These condensed consolidated interim financial statements were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting. All dollar amounts included therein and in the following management's discussion and analysis ("MD&A") are in Canadian dollars except where noted. These documents and other information relevant to the Company's activities are available for viewing on SEDAR at [www.sedar.com](http://www.sedar.com).

### **FORWARD-LOOKING STATEMENTS**

Certain statements contained in the MD&A constitute forward-looking statements. Such forward-looking statements involve a number of 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 future results, performance or achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements.

Due to the risks and uncertainties identified above and elsewhere in this MD&A, actual results may differ materially from current expectations. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise except as required by securities law.

### **DESCRIPTION OF BUSINESS**

The Company was incorporated under the *Business Corporation Act* (B.C.) on May 16, 2006. The Company acquired all of the outstanding shares of Corporacion Minera Colombia S.A. ("Minera Colombia") on September 16, 2006 by way of a Share Exchange Agreement. Minera Colombia was formed in February 2006, and was conducting early stage exploration activities in Colombia. The Company changed its name to Newrange Gold Corp. on December 2, 2016 to reflect the Company's increased activity in more favorable jurisdictions in addition to its original focus on Colombia.

The Company is an exploration company dedicated to the identification, acquisition and exploration of precious metal and base metal projects. The Company's strategy is to advance its key projects through prospecting, drilling and development stages and to seek strategic partners through joint-ventures or other associations to fund continued project development.

## **EXPLORATION PROPERTY REVIEW**

Mr. Robert G. Carrington, P. Geo, a Qualified Person as defined by National Instrument 43-101, the President and Chairman of the Company, has reviewed, verified, and approved for disclosure the technical information contained in this MD&A.

### ***Pamlico, Nevada, USA***

On July 15, 2016, the Company entered into a purchase option agreement for its flagship project, subsequently amended, to purchase a 100% undivided interest in the Pamlico gold project in Nevada. To earn the interest, the Company must make payments totaling US\$7,500,000.

- i) US\$50,000 (paid \$65,003);
- ii) US\$9,000 (paid \$12,049);
- iii) US\$16,000 (paid \$21,311);
- iv) US\$125,000 (paid \$163,077);
- v) US\$250,000 (paid \$324,667);
- vi) US\$100,000 (paid \$131,512);
- vii) US\$150,000 on or before August 31, 2018 (paid \$197,709);
- viii) US\$250,000 on or before July 15th of each year from 2019 to 2044; and
- ix) US\$300,000 on or before July 15, 2044.

The Company can purchase the 100% interest in the property early if payments totaling US\$4,000,000 are made by July 15, 2020.

Upon production, the Company must pay an annual payment of US\$250,000, or a 4% Net Smelter Royalty ("NSR"), whichever is greater. The Company may reduce the NSR to 1% by paying the optionor US\$1,000,000 per percentage point. All payments to the optionor are recoupable from production royalty payments. The Company will maintain the claims in good standing and pay any associated maintenance fees.

Located 12 miles southeast of Hawthorne, Nevada the project has excellent access and infrastructure, a mild, year-round operating climate and strong political support from Mineral County, one of the most pro-mining counties in the pro-mining state of Nevada. It is situated along the Walker Lane, one of Nevada's largest and most productive gold trends. When the Company acquired Pamlico, the property comprised 116 unpatented lode mining claims covering the historic Pamlico group of mines, as well as the surrounding Good Hope, Gold Bar and Sunset mines. Since acquiring Pamlico, the Company has increased the property by staking additional unpatented lode claims and currently has approximately 1,670 hectares of highly prospective ground contiguous with, and including, the original Pamlico property.

## Exploration Highlights

Drill programs, totaling 47 drill holes to date, have resulted in the Company discovering multiple new high-grade Zones and near surface “stock work” intercepts.

- ❑ High-grade, shallow, oxide intercepts, including:
  - DH P17-10: 6.1 m of 98 g/t Au (incl. 1.5 m of 341 g/t Au)
  - DH P17-17: 4.6 m of 44 g/t Au (incl. 0.8 m of 244 g/t Au)
  - DH P17-08: 9.1 m of 28 g/t Au (incl. 1.5 m of 85 g/t Au)
  - Discovered “halo” disseminated / stockwork bulk tonnage potential
- ❑ Near surface oxide “stockwork” intercepts including:
  - DH P17-17: 70.9 meters @3.57 g/t Au from 1.5 meters
  - Decline sampling 76.2 @ 3.17 g/t Au from the face

For additional details on past exploration work, including full drill program results, please visit the Company’s website at <http://www.newrangegold.com/Pamlico.asp>

On October 25, 2018, the Company provided guidance for use of proceeds and planned work programs to advance the Company’s Pamlico Gold project during the remainder of 2018 and into 2019. The objective of this multi-faceted program, focused on Pamlico Ridge and its immediate area, is to initiate a maiden resource estimate in late 2019.

### Highlights of Planned Programs:

- Underground surveying, mapping and sampling – Ongoing Survey, map and sample an estimated 8,000+ meters of historic underground mine workings to generate “drill quality” data to be used to assist future drill targeting and resource estimates.
- Metallurgical Test Work – Ongoing results expected December through January  
Hydrometallurgy - An ongoing program of preliminary metallurgical testing consisting of cyanide shake assays leading to bottle roll tests and more advanced column leach and agitated leach tests to evaluate amenability of mineralization to both heap leaching and conventional cyanide milling.
- Underground Permitting Bonding – In process.  
Complete the ongoing process of assuming all of the permits and bonds related to the Merritt decline to facilitate future bulk sampling for metallurgical and test mining purposes.
- Core Drilling  
Limited test drilling program of large diameter, 85 mm, “PQ” core in Merritt area of Pamlico Ridge for continuity, future metallurgical studies and to assess recoverability of mineralization with core and reverse circulation drilling methods.
- Surface mapping and sampling  
Detailed surface geological mapping and sampling will continue and will be expanded to cover the entire strike length of the highly prospective Pamlico Ridge target zone.

## About Pamlico

Discovered in 1884, Pamlico rapidly became known as one of Nevada's highest-grade gold districts. Held by private interests for more than a century until the Company's acquisition in 2016, the property remained underexplored in terms of modern exploration. Situated within the highly productive Walker Lane mineral belt near Hawthorne, Nevada, Pamlico enjoys excellent access, infrastructure, mild, year-round operating climate and strong political support from Mineral County, one of the most pro-mining counties in the pro-mining state of Nevada. The Pamlico project consolidates multiple historically productive mines with more than 300 individual mine workings on the property.

The table below presents highlights of select drill intercepts from the Company's previous work on Pamlico. Complete drill intercepts are available on the Company's website.

Select Pamlico Drill Intercepts 2017 – 2018 Drilling (All Previously Announced)

Hole	From (meters)	To (meters)	Intercept length (meters)	Gold g/T
<b>P17-03</b>	62.50	64.00	<b>1.52</b>	<b>51.00</b>
<b>P17-08</b>	30.49	51.83	<b>21.34</b>	<b>13.67</b>
<b>P17-10</b>	27.44	33.54	<b>6.10</b>	<b>97.94</b>
<b>P17-17</b>	1.52	72.41	<b>70.88</b>	<b>3.57</b>
Including	8.38	12.96	<b>4.57</b>	<b>43.80</b>
<b>P17-18</b>	54.12	64.02	<b>9.91</b>	<b>15.27</b>
<b>P17-25</b>	32.00	33.50	<b>1.50</b>	<b>64.88</b>
<b>P17-31</b>	0.00	2.30	<b>2.30</b>	<b>12.51</b>
And	27.40	29.00	<b>1.50</b>	<b>13.23</b>
<b>P17-32</b>	48.00	52.60	<b>4.60</b>	<b>16.87</b>
<b>P17-33</b>	0.00	53.40	<b>53.40</b>	<b>2.36</b>
Including	34.30	37.40	<b>3.10</b>	<b>18.08</b>
<b>P18-47</b>	9.15	18.29	<b>9.15</b>	<b>1.09</b>
And	83.84	126.52	<b>42.68</b>	<b>1.43</b>

Mineralization and geology at Pamlico exhibit many highly favorable characteristics. The entire mineralized system is thoroughly oxidized to depths of 200 to 300 meters below the surface, essentially eliminating any potential for refractory mineralization due to sulfide encapsulation of the gold. The volcanic hosted mineralization has no potential for 'preg-robbing' carbon and the silica deficient nature of the gold events that occurred very late in the development of the deposit also indicate negligible potential refractory metallurgy related to silica encapsulation of the gold. While very coarse gold does exist in places, the vast majority of the gold is very fine grained with no visible gold found even in the highest-grade samples assaying up to 340 grams per metric tonne. Work to date shows gold occurs as very fine grains, generally less than 20 to 30 microns in diameter, associated with highly friable iron oxide on fracture surfaces and in breccia zones along structures.

Results at mines the world over show that fine grained to micron size gold is highly desirable for modern recovery technologies such as heap leaching and modern mill circuits because the very fine gold goes into solution faster and dissolves more completely than coarse gold.

The highly fractured nature of the rocks at Pamlico and the style of alteration have promoted the very deep levels of oxidation and indicate the rock will also have a low work index.

The Company's work at Pamlico has identified multiple target zones including Pamlico Ridge, Gold Box Canyon, E-W zone, Pediment and the East Zone that indicates one or more highly prospective, large, near surface, oxide gold systems are present across the 1,670 hectare Pamlico property.

On December 11, 2018, the Company provided an update on its ongoing activities and progress achieved toward the objective of reporting a maiden resource estimate for Pamlico in the second half of 2019. Work programs outlined in the Company's news release dated October 25, 2018 are progressing on schedule and management is more confident than ever that Pamlico is a fantastic value creation opportunity for shareholders.

Just received results of cyanide (CN) shake assays for typical mineralization at Pamlico indicate highly consistent and favorable extraction of gold throughout the mineralized drilled area, indicating amenability to heap leaching, a very significant variable in the economic viability of any gold mining project. As planned, the Company also announces that AK Drilling Inc. has mobilized a diamond core drill and support equipment to conduct a first PQ diameter core drill program in the Merritt / Pamlico Ridge Area starting today. The underground sampling of historic mine workings in the highly prospective Pamlico Ridge trend is progressing well and initial results are expected early next year, leading to a drill program to test the best targets identified from the sampling. Overall, 2019 is shaping up to be a pivotal year for Newrange as the Company continues to prove up and expand the vast potential of its Pamlico gold project.

#### CN Shake Assays Results

Cold CN shake assays are widely used in the mining industry as a preliminary means to assess amenability of mineralization to recovery by heap leaching and to identify variations in metallurgical responses that may indicate different types or styles of mineralization that should be tested separately.

The results of 239 samples submitted for cold CN shake assaying indicate that the metallurgical response of gold mineralization at Pamlico is independent of location or depth and does not exhibit any adverse "refractory" characteristics. The samples selected are all Reverse Circulation (RC) drill samples. Of the 239 samples 40 were 0.76 meters long and 199 were 1.52 meters in length. All samples were of pulps that had previously been assayed by fire assay together with suitable standards, blanks and reference materials at either American Assay Laboratories or Inspectorate Labs, both ISO 17025 accredited and of Sparks Nevada and both independent of the Company. All samples above 0.12 g/t Au are individual drill samples within larger mineralized zones that the Company has previously reported. Samples with Fire assay grades less than 0.12 g/t Au had not been reported as containing significant mineralization. The samples were selected across all grade ranges with a broad spatial distribution throughout the zones of mineralization, with the objective of identifying metallurgical variations and characteristics that would be important in guiding more advanced metallurgical testing, including upcoming bottle roll and column leach tests. These results indicate that the gold in mineralization containing less than 4 g/t Au can likely be efficiently recovered using heap leach extraction while higher-grade mineralization should also be evaluated for conventional milling, which typically yields much higher recoveries than heap leaching.

The greatest variation in extraction appears to be grade related. The lowest grade samples as determined by fire assay: 0.003 - 0.12 g/t Au, returned an average of 315% of the fire assay grade. Obviously, it is impossible to achieve more than 100% recovery by any method. The results for the sub 0.12 g/t Au grade samples really mean the fire assays underreported the actual contained gold for samples in this grade range and that there is a potential for a lot more gold in this range than has been

reported by fire assay. Samples assaying from 0.13 to 4.0 g/t Au returned an average extraction of 93.8% and extraction for samples assaying more than 4.0 to 340.9 g/t Au averaged 61.2%. All samples were of pulps that had previously been assayed by Fire Assay together with suitable standards, blanks and reference materials at either American Assay Laboratories or Inspectorate Labs. This response is normal for high-grade mineralization in a heap leach environment and demonstrates why most high-grade is sent to a mill circuit. In a typical cyanide mill, solution strength is much stronger than solutions in a heap leach and ground ore is agitated to promote extraction, generally resulting in mill recoveries in the range of 90 to 98% of the gold. The Company is planning a series of metallic screen analyses including fire assay checks going forward to assess the gold grain size and distribution of gold particles, with particular attention to the sub 0.12 g/t Au grade ranges to investigate the best means to address this variance.

These preliminary results show exceptionally consistent and high levels of gold extraction using cyanide leaching that are independent of depth or lateral distribution in the system. The high extraction of gold in the CN shake assays is consistent with the observed very fine grained “micron” and oxidized nature of gold mineralization at Pamlico.

Additional metallurgical programs are already being planned and will consist of a series of bottle roll tests to more thoroughly assess amenability of mineralization to heap leaching and/or conventional milling for the high-grade mineralization.

#### PQ Core Drilling Program

On December 12, 2018, the Company started a program of 800 feet of shallow, PQ diameter (85 mm) core drilling. This program was designed to test multiple aspects of the Pamlico gold mineralization including:

- Compare mineralization recovery levels of Core vs RC drilling
- Improve understanding of distribution and controls of mineralization
- Verify if reverse circulation (RC) drilling could under report in-place gold sample grades by “blowing” fine gold particles into the highly fractured host rock
- Measure Work Index of mineralized rock and design future metallurgical studies
- Evaluate other characteristics important to future resource estimates
- Provide samples for petrographic studies of host rock and mineral related alteration to aid in metallurgical studies

On January 28, 2019, the Company announced that the aforementioned core hole drilled on the Pamlico Project in Nevada had yielded overall higher gold grades than reverse circulation (RC) drilling in the twinned hole.

Core hole PC18-01 was drilled 2 meters southwest of RC hole P17-04 to a depth of 67.07 meters (220 feet) and the large diameter core yielded materially higher-grade assays than the RC samples in P17-04. Three discrete mineralized zones were identified and compared between the holes. While Zone 1 returned similar results in the two holes, Zones 2 and 3 displayed significantly higher assays in the core hole. The tabulations below provide a side by side comparison of mineralized intervals within holes PC18-01 and P17-04. The average grade of the entire core hole (67.07m or 220 ft) was 1.13 g/t Au compared to 0.42 g/t Au over the same interval in the RC hole.

### Comparison of mineralized drill intervals holes PC18-01 and P17-04

	Core Hole PC18-01	RC Hole P17-04
Zone 1	8.35 - 9.75 m (27.4 – 32.0 ft) <b>1.4m (4.6 ft) @ 3.62 g/T Au</b>	7.62 - 12.20 m (25.0 – 40.0 ft) <b>4.57 meters (15.0 ft) @ 3.49 g/T Au</b>
Zone 2	20.95 - 36.13 m (68.7 - 118.5 ft) <b>15.18m (49.8 ft) @ 1.44 g/T Au</b>	15.24 - 30.49 m (50.0 - 100.0 ft) <b>15.24 m (50.0 ft) @ 0.18 g/T Au</b>
Zone 3	53.96 - 58.54 m (177.0 - 192.0 ft) <b>4.58 m (15.0 ft) @ 9.75 g/T Au</b>	48.78 - 54.88 m (160 - 180 ft) <b>6.1 m (20 ft) @ 1.38 g/T Au</b>
Highest Grade interval over 1.52 m (5 ft)	27.93 g/T Au	9.40 g/T Au
Average (Mean) 0 to 67.07 m (0 to 220 ft)	1.129 g/T Au	0.424 g/T Au

All results reported are length-weighted averages with no grade capping applied. Lengths of drill intercepts are for the actual drilled intercept length and may not represent true widths. Insufficient data currently exists to estimate true width.

Notably, visible gold was observed in hole PC18-01, in the interval from 8.35 to 8.99 meters (27.4 to 29.5 feet), which assayed 7.12 g/t Au. Although no visible gold was observed in the RC hole, an intersection of 9.40 g/t over 1.52 meters (5 feet) from 9.15 to 10.67 meters (30.0-35.0 feet) is believed to be the same zone. Other high-grade intervals in core hole PC18-01 included 8.25 g/t Au over the 1.46 meter (4.8 foot) interval from 26.59 to 28.05 meters (87.2 to 92 feet), and 27.93 g/t Au over 1.53 meters (5 feet) from 53.96 to 55.49 meters (177.0 to 182.0 feet).

PC18-01 is the first of 4 PQ core holes completed in a test program by the Company during December 2018. Three core holes were drilled to twin selected previously drilled RC holes, in order to compare gold recoveries between the two drilling methods. A fourth core hole was drilled as a step-out on the mineralization. All core holes were drilled vertically and sampled continuously from top to bottom. The objective of core hole PC18-01 was to twin and check RC hole P17-04, a comparatively low-grade hole in the heart of the high-grade Merritt zone (see the Company's news release dated June 19, 2017).

### Statistical comparison of holes PC18-01 and P17-04

	Hole PC18-01	Hole P17-04
Drilling Method	PQ Core	RC
Total Depth of Hole	67.07 meters (220 feet)	106.71 meters (350 feet)
Percentage of samples assaying <0.005 g/T Au	None	16.70%
Percentage of samples > 1 g/T Au	11.10%	4.50%
Average of all samples assaying more than 0.3 g/T Au	4.75 g/T Au	2.38 g/T Au
Average of samples assaying less than 0.3 g/T Au	0.076 g/T Au	0.054 g/T Au
Lowest Quartile	0.023 g/T Au	0.006 g/T Au

\*The comparative information presented above is for the interval from surface to a depth of 220 feet only.

RC drilling was originally selected, after careful consideration, as the preferred drilling method for multiple reasons. Principally, the highly fractured and faulted nature of rock at Pamlico indicated that conventional diameter core (N and H diameters) would not be able to achieve acceptable recovery of the very friable iron oxide that contain most of the gold at Pamlico. In addition, RC drilling with a sample diameter of 139.7 mm vs HQ core with a diameter of 63.5 mm provides a sample that is 484% larger than whole core, is more cost effective and much faster. This limited test program of PQ diameter (85 mm) core is intended to check and evaluate the RC drilling results. The comparative results of PC18-01 with P17-04 consistently show higher grade gold concentrations across all grade ranges in the PQ core hole. Variation in any geologic system is normal, however the skewed data strongly indicates that the RC drilling is losing potentially significant amounts of gold by blowing gold grains into the highly fractured host rock and implies that there may be much more gold in the Pamlico system than indicated by the RC drilling.

On February 5, 2019, the Company announced that preliminary metallurgical testing achieved gold extraction of 97.1%, 88.5%, 96.0% and 73.6% on four composite samples with respective Calculated Head Grades (see definition in footnotes to table below) of 79.4, 0.26, 1.49 and 0.53 g/t Au from the Pamlico Project.

The four samples were composited from stored coarse rejects of Reverse Circulation (RC) drilling and submitted to McClelland Labs of Sparks, Nevada for bottle roll metallurgical leach tests. The table below presents salient results of these preliminary tests.

Summary Of 96 Hour Bottle Roll Metallurgical Tests Coarse Rejects - Pamlico Project, Nevada								
Composite Sample (from drill hole)	Au Recovery %	g/T Au					Reagent Consumption Kg/Tonne ore	
		Recovered Gold	Gold in Tails	Calculated Head Grade <sup>1</sup>	Assay Head Grade <sup>2</sup>	Predicted Head Grade <sup>3</sup>	NaCN Cons.	Lime Added
P17-14 Comp.	73.6	0.39	0.14	0.53	0.36	0.46	0.13	1.6
P17-02 Comp.	96.0	1.43	0.06	1.49	1.34	1.27	0.17	1.4
P17-09 Comp.	88.5	0.23	0.03	0.26	0.10	0.07	0.17	1.5
P17-10 Comp.	97.1	77.10	2.30	79.40	107.00	97.94	0.23	1.3

<sup>1</sup> Calculated Head Grade is mathematical combination of the gold actually recovered combined with the assay of the leached residue (gold in tails)

<sup>2</sup> Assay Head Grade is mathematical average of at least three duplicate fire assays of the sample as delivered to laboratory

<sup>3</sup> Predicted Head Grade is the length weighted average (fire assay) grade of original drill sample

#### Key Highlights

- High gold recovery, ranging from 73.6% to 97.1%, across all grade ranges.
- Rapid leach time confirms the majority of gold at Pamlico is very fine grained, going into solution readily under ordinary metallurgical conditions.
- High gold recovery confirms complete oxidation of system and lack of “encapsulation” of gold by other inert minerals such as silica or sulfides.
- Extremely low reagent consumption indicates mineralization contains little or no cyanide consuming minerals (cyanocides) or other deleterious material.



- Extended leaching time will likely improve the 97.1% gold extraction of the 79.4 g/t Au Calculated Head in composite P17-10 because this composite was still yielding gold when the leach was terminated.
- For the three lowest grade composite samples, the average grade of the gold actually recovered by leaching (from Calculated Head Grades) was 27% higher than the Predicted or Assay Head Grades, suggesting both better grades, larger volumes and therefore more gold may be present in the large clouds of stock work or disseminated mineralization surrounding the structurally controlled high-grade gold at Pamlico.

## Methodology

Coarse rejects of RC drill samples that had previously been stage crushed to 80% passing 10 mesh were composited into four grade ranges with predicted grades of 0.07, 0.46, 1.27 and 97.94 g/t Au based on original fire assays. Each composite sample weighed 2 kilograms or more. Composited samples were then securely delivered to McClelland Labs of Sparks, Nevada for 96 hour bottle roll leach tests.

Each composite sample was fire assayed in triplicate to determine the "Head Grade Assay". Approximately one thousand grams (1 kg) of each composite sample was leached for 96 hours at a pulp density of 40% solids in an aqueous solution with a concentration of 1 gram sodium cyanide per liter of solution. Protective alkalinity was maintained by adding sufficient lime to maintain a pH between 10.0 and 11.0. Solutions were monitored for pH and strength at 2, 4, 6, 24, 48, 72 and 96 hour intervals. Additional lime and / or cyanide were added to maintain the leach solution within specifications. Throughout the leach cycle, gold in solution was determined by Inductively Coupled Plasma (ICP) at 2, 4, 6, 24, 48, 72 and 96 hour intervals.

Upon completion of the leach cycle, gold remaining in the leached "tails" was determined by triplicate fire assay, with the resulting average taken as the tail assay. The Calculated Head Grade is computed by mathematically combining the tail assay and the actual recovered gold, weighted for the original weight of leached material.

On March 11 2019, the Company reported the first assay results from its ongoing underground (old mine workings) channel sampling program at Pamlico Ridge. Sampling from the 5471 foot level of the Pamlico Mine has returned a composite interval averaging 1.26 grams gold per metric tonne (g/t Au) over 41.1 meters. This area of sampling lies approximately 280 meters southeast of the Merritt Area where the bulk of the Company's drilling to date has been conducted.

In addition, preliminary channel sampling on the 5446 foot level, approximately 190 meters to the northwest of the 5471 level sampling and 150 meters south of the Merritt Area has returned multiple channel samples ranging from 0.5 to 23.8 g/t Au. A crew has been mobilized to systematically sample the 5446 level as well as the adjacent 5400 and 5465 levels.

Known gold mineralization, including the area of artisanal mine workings, covers approximately 1,500 meters NW-SE by 1,000 meters NE-SW and is open in all directions. Several other large exploration targets are also present on the district scale Pamlico property and will be further advanced as part of the 2019 exploration program.

The channel samples within the 5471 level sampling range from 0.33 to 1.52 meters and average 1.1 meters in length, with grades ranging from 0.06 to 8.20 g/t Au. All samples consist of intensely oxidized and fractured lithic tuff with no visible remnant sulfides and no apparent silicification, which is typical of the gold mineralization at Pamlico.

The Company also wishes to advise that results from the remaining three core holes in the recent test drilling program are being interpreted and some samples have been resubmitted for cyanide shake assays and metallic screen analyses. Due to lab turnaround time, this will take a few weeks longer but once all analyses have been received and fully interpreted, the Company will release the results.

### ***Rocky Mountain, Colorado, USA***

During the year ended April 30, 2017, the Company acquired a 100% interest in the Rocky Mountain project in Colorado by issuing 200,000 shares valued at \$44,000. The Company also issued 1,700,000 share purchase warrant at \$0.17 per share valued at \$240,400.

### ***El Dovia Property, Colombia***

The Company's 100% owned El Dovia property, covers more than 1,296 hectares in the Municipio of El Dovia, Department of El Valle, registered in the Company's Colombian subsidiary, Corporacion Minera de Colombia. The property covers high grade, gold rich, polymetallic mineralization approximately 120 kilometers north of Cali, Colombia in the Department of Valle de Cauca. The Company interprets the mineralization to represent a large, well developed zone of "stringer" mineralization situated stratigraphically below an exhalative Volcanogenic Massive Sulfide (VMS) target.

During the period ended January 31, 2019, the Company entered into a Joint Venture Option Agreement for its El Dovia project in Colombia with Andean Mining Corporation Pty. Ltd. (AMC), a private Australian exploration and development company.

Under the terms of the agreement, AMC may earn a 65% interest in El Dovia by spending US\$3,000,000 on the project within three years. Upon signing the Option Agreement, AMC has paid the Company US\$400,000 (received \$512,617 CAD), and make additional annual payments of \$250,000 during the "earn in" period, which the Company may, at its sole discretion, elect to take in cash or AMC shares or any combination thereof. AMC is committed to list on a recognized exchange within three years of signing by way of an RTO, IPO or other means. The Company will receive 15% of AMC's issued and outstanding shares during the option period with a non-dilution clause that provides the Company will have 15% of the Issued and Outstanding shares after AMC's initial listing. If AMC lists through a Reverse Take Over (RTO) or receives shares in an existing listed company or sells the asset for cash the Company will receive 15% of the value attributed to AMC. Upon AMC's listing, the Company may elect to "sell" its 35% interest in El Dovia to AMC for cash, shares or any combination thereof. Under certain conditions, if the Company elects to "sell" its 35% JV interest to Andean for shares, Newrange would conceptually become a 50% or greater majority shareholder in AMC.

Please refer to the Company's website at <http://www.newrangegold.com/ElDovia.asp> for a summary of past exploration work including maps, saw cut channel samples, drilling and metallurgy studies.

### ***Anori Property, Colombia***

The Company's Anori project is located in the Anori-Porce Mining District north of Medellin in the Department of Antioquia, where Spanish Colonial and pre-colonial gold production reportedly exceeded 2.5 million ounces. The Company has been awarded the Concession Contracts at Anori covering 7,000 hectares.

The property completely surrounds an active mining operation where individual samples in excess of 80 grams gold per metric tonne have been collected and where the Company has sampled a true width of 17 meters assaying over 6 grams gold per metric tonne in structures that trend directly into the Company's license. Gold mineralization is found in metamorphosed, sheared, silica-flooded and quartz veined carbonaceous sediments along two distinct sets of structures, one trending east – west, and the other trending almost north - south. Several of the largest historic producing mines in the Anori area including Mina Violin and Mina La Constanzea are situated along one or more of these structures and on trend with the Company's Anori Property.

On October 17, 2016, the Company announced that it granted an option to purchase the Company's Anori project to a private Colombian party (the "Buyer") for US\$820,000.

Under the terms of the Agreement, the Buyer could purchase a 100% interest in the Anori Concession Contract subject to a permanent one and one half percent (1.5%) Net Smelter Returns ("NSR") royalty on production from the Anori Concession. The Anori Concession surrounds the Buyer's Mina Solferino, a high grade, fully permitted, underground mine and 100 tonne per day milling operation, on three sides, the fourth side being a large hydroelectric reservoir that is not open to mineral entry under Colombian Law.

During the year ended April 30, 2018, the optionee defaulted on the payment of US\$50,000 and the company is currently pursuing remedies available to it under Colombian law.

### ***Yarumalito Property, Colombia***

The Company owns a 100% interest in the consolidated Yarumalito mineral license registered in the name of the Company's Colombian operating subsidiary. Accessible from Medellin, Colombia via paved road, heavy duty electrical power is available on the Yarumalito property as is a work force of more than 18,000 persons who live within 15 minutes drive from the property.

The Yarumalito project is situated along the Cauca – Romeral section of the Andean Porphyry Belt, approximately 10 kilometers north of Marmato Mountain; one of the oldest and largest producing lode gold mining complexes in Colombia. Gold mineralization at Yarumalito exhibits characteristics of typical porphyry mineralization similar to other gold dominant porphyry deposits along the prolific Cauca-Romeral Gold Belt. High-grade vein style gold mineralization has overprinted porphyry mineralization, where drilling has intersected values to 33.75 grams of gold per metric tonne over 1.9 meters.

Please refer to the Company's website at <http://www.newrangepgold.com/Yarumalito.asp> for details on past exploration work.

Other:

The Company is continually engaged in discussions with companies interested in entering into joint venture or option agreements from our portfolio of properties. The Company will continue to conduct geochemical, geophysical, mapping and rock sampling programs to assess the target potential of applications and contracts in our Colombian property portfolio and management will continue to actively seek suitable JV partners for certain of the Company's properties. Continuing strong gold, silver and copper prices, improving physical security in Colombia, and on-going discovery success in the country, continue to generate interest in our portfolio from companies seeking to enter Colombia through either joint venture or property purchase opportunities.

**RESULTS OF OPERATIONS**

**Three Months Ended January 31, 2019**

During the three months ended January 31, 2019, the Company recorded a net loss of \$653,580 (2018 - \$611,644). Significant fluctuations include the following:

- i) Exploration expenditures decreased to \$315,623 (2018 - \$436,204). Current period exploration costs were lower primarily due to a reduction in drilling and assaying at the Pamlico Property.
- ii) Marketing services and shareholder information increased to \$110,293 (2018 - \$50,115) primarily as a result of the Company using more marketing and investor relations consultants during the current period.
- iii) Share-based compensation increased to \$88,000 (2018 - \$Nil) as a result of stock options granted in the comparative period.
- iv) Transfer agent and filing fees increased to \$26,839 (2018 - \$15,546) due to increased share activities during the current period.

**Nine Months Ended January 31, 2019**

During the nine months ended January 31, 2019, the Company recorded a net loss of \$1,475,134 (2018 - \$2,983,663). Significant fluctuations include the following:

- i) Administration and other costs decreased to \$262,682 (2018 - \$291,469) due to decreased use of consultants as well as decreased fees from consultants who took reductions in pay.
- ii) Exploration expenditures decreased to \$748,568 (2018 - \$1,677,955). Current period exploration costs were lower primarily due to a reduction in drilling and assaying at the Pamlico Property.
- iii) Professional fees increased to \$64,822 (2018 - \$45,472) primarily as a result of an increase in legal and audit fees.
- iv) Share-based compensation decreased to \$381,000 (2018 - \$693,700) as a result of stock options granted in the comparative period.

- v) Transfer agent and filing fees increased to \$50,302 (2018 - \$29,529) due to increased share activities during the current period.

## **LIQUIDITY AND CAPITAL RESOURCES AND GOING CONCERN**

Working capital at January 31, 2019 was \$58,270 (April 30, 2018 - \$407,460).

The condensed consolidated interim financial statements were prepared using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”), with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation for the foreseeable future. The operations of the Company were primarily funded by the issue of share capital and loans. The continued operations of the Company are dependent on its ability to develop a sufficient financing plan, receive continued financial support from related parties and lenders, complete sufficient public equity financing, or generate profitable operations in the future. These consolidated financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the company be unable to continue in business.

The Company is in the business of exploring for minerals that by its nature involves a high degree of risk. There can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of the mineral properties and the Company’s continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, the ability of the Company to obtain financing or, alternatively, upon the Company’s ability to dispose of its interest on an advantageous basis. Additionally, the Company estimates that it will need additional capital to operate for the upcoming year. These material uncertainties may cast significant doubt on the Company’s ability to continue as a going concern.

During the period ended January 31, 2019, the Company:

- i) issued 758,667 common shares upon exercise of options for gross proceeds of \$41,727 resulting in a reallocation of share-based reserves of \$34,108 from reserves to share capital.
- ii) issued 169,422 common shares pursuant to loan agreements with officers, directors, advisors of the Company and certain non-arm’s length lenders.
- iii) closed a non-brokered private placement of 11,257,500 units at \$0.08 per unit for gross proceeds of \$900,600. Each unit consists of one common share and one share purchase warrant entitling the holder to purchase one additional common share for a period of two years at a price of \$0.12 per share. Under certain terms the warrants may be accelerated if the closing price of the Company’s common shares on the TSX Venture Exchange exceeds \$0.20 for any 20 consecutive days.

During the period ended January 31, 2019, the Company entered into loan agreements with officers, directors, advisors of the Company and certain non-arm’s length lenders, whereby the lenders agreed to loan the Company an aggregate of \$257,871 for a period of 12 months at an interest rate of 10% per

annum. The Company has the option to repay all or any part of the principal of the loan, together with accrued and unpaid interest, prior to the maturity date without notice or penalty.

As additional consideration of the loan, the Company agreed to issue 169,422 common shares (the “Bonus Shares”) and 1,497,164 warrants at an exercise price of \$0.11 per common share for a period of 12 months (the “Bonus Warrants”) to the lenders. The Bonus Shares and Bonus Warrants will be subject to a four month hold period from the date of issuance.

During the period ended January 31, 2019, the Company repaid the loans and interest in full.

During the period ended January 31, 2019, the Company received \$20,000. The loan is non-interest bearing and payable on demand.

#### QUARTERLY INFORMATION

Quarter Ended	2019	2018	2018	2018
	Jan. 31	Oct. 31	Jul. 31	Apr. 30
Exploration expenditures	\$ 315,623	\$ 143,790	\$ 289,155	\$ 525,278
Administrative and other items	100,863	80,716	81,103	122,206
Net loss for the quarter	(653,580)	(379,110)	(442,444)	(961,250)
Net loss per share (Basic and diluted)	(0.01)	(0.00)	(0.01)	(0.01)

Quarter Ended	2018	2017	2017	2017
	Jan. 31	Oct. 31	Jul. 31	Apr. 30
Exploration expenditures	\$ 436,204	\$ 739,935	\$ 501,816	\$ 162,339
Administrative and other items	90,382	41,750	159,337	87,252
Net loss for the quarter	(611,644)	(1,457,349)	(914,670)	(841,833)
Net loss per share (Basic and diluted)	(0.01)	(0.02)	(0.02)	(0.03)

#### OFF-BALANCE SHEET ARRANGEMENTS

There are no off-balance sheet arrangements or obligations that are not disclosed in the financial statements.

#### RELATED PARTY TRANSACTIONS

The aggregate value of transactions and outstanding balances relating to key management personnel, being officers and directors, were as follows:

For the period ended January 31, 2019	Salary or Fees	Share-Based		Total
		Payment		
Management Compensation	\$ 301,584	\$ 114,692	\$	416,276
Director Compensation	-	143,105		143,105
Cross Davis & Company LLP	47,250	17,765		65,015
	\$ 348,834	\$ 275,562	\$	624,396

<b>For the period ended January 31, 2018</b>	<b>Salary or Fees</b>	<b>Share-Based Payment</b>	<b>Total</b>
Management Compensation	\$ 295,456	\$ 117,276	\$ 412,732
Director Compensation	-	134,867	134,867
Cross Davis & Company LLP	47,250	-	47,250
	<b>\$ 342,706</b>	<b>\$ 252,143</b>	<b>\$ 594,849</b>

<b>Related party assets and liabilities</b>	<b>January 31, 2019</b>	<b>April 30, 2018</b>
Due to Management*	\$ 251,175	\$ 29,266

\* due to management consists of fees owing to three key management personnel for consulting fees.

Cross Davis & Company LLP provided management services including a chief financial officer, a corporate secretary, accounting staff, administration staff and office space to Newrange. At January 31, 2019, the Company has prepaid \$10,500 (April 30, 2018 - \$10,500) to Cross Davis for future services.

## **CHANGES IN ACCOUNTING STANDARDS**

Please refer to the January 31, 2019 financial statements on [www.sedar.com](http://www.sedar.com) for accounting policy pronouncements.

## **FINANCIAL INSTRUMENTS**

### **Financial Risk Management**

Colombian's strategy with respect to cash is to safeguard this asset by investing any excess cash in very low risk financial instruments such as term deposits or by holding funds in the highest yielding savings accounts with major Canadian banks. By using this strategy the Company preserves its cash resources and is able to marginally increase these resources through the yields on these investments. The Company's financial instruments are exposed to certain financial risks, which include currency risk, credit risk, liquidity risk and interest rate risk.

### **Foreign currency risk**

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company operates in Canada, Colombia, and the US. The Company funds cash calls to its subsidiaries outside of Canada in US dollars and a portion of its expenditures are also incurred in Colombian pesos and US dollars. The greatest risk is the exchange rate of the Canadian dollar relative to the Colombian peso and a significant change in this rate could have an effect on the Company's results of operations, financial position or cash flows. The Company has not hedged its exposure to currency fluctuations. The Company is exposed to currency risk through assets and liabilities denominated in Colombian pesos and US dollars. However, a 10% change in the exchange rate of the Colombian peso and US dollar to the Canadian dollar would result in only a nominal increase or decrease to the loss from operations.

### **Credit Risk**

The Company's cash and cash equivalents are mainly held through large Canadian financial institutions and are mainly held in term deposits and accordingly, credit risk is minimized.

**Liquidity Risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital resources as outlined in Note 11 of the consolidated financial statements. The Company's objective is to ensure that there are sufficient committed financial resources to meet its business requirements for a minimum of twelve months.

**Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Company's cash is held mainly in term deposits and therefore there is currently minimal interest rate risk.

**RISKS AND UNCERTAINTIES****Mineral Property Exploration and Mining Risks**

The business of mineral deposit exploration and extraction involves a high degree of risk. Few properties that are explored ultimately become producing mines. At present, none of the Company's properties has a known commercial ore deposit. The main operating risks include: ensuring ownership of and access to mineral properties by confirmation that option agreements, claims and leases are in good standing and obtaining permits for drilling and other exploration activities.

The Company is currently earning an interest in certain of its properties through option agreements and acquisition of title to the properties is only completed when the option conditions have been met. These conditions generally include making property payments, incurring exploration expenditures on the properties and can include the satisfactory completion of pre-feasibility studies. If the Company does not satisfactorily complete these option conditions in the time frame laid out in the option agreements, the Company's title to the related property will not vest and the Company will have to write-off the previously capitalized costs related to that property.

The market prices for silver, gold and other metals can be volatile and there is no assurance that a profitable market will exist for a production decision to be made or for the ultimate sale of the metals even if commercial quantities of precious and other metals are discovered.

**Financing and Share Price Fluctuation Risks**

The Company has limited financial resources, has no source of operating cash flow and has no assurance that additional funding will be available to it for further exploration and development of its projects. Further exploration and development of one or more of the Company's projects may be dependent upon the Company's ability to obtain financing through equity or debt financing or other means. Failure to obtain this financing could result in delay or indefinite postponement of further exploration and development of its projects which could result in the loss of one or more of its properties.

Securities markets have experienced a high degree of price and volume volatility, and the market price of securities of many companies, particularly those considered to be development stage companies such as Colombian, have experienced wide fluctuations in share prices which have not necessarily been



related to their operating performance, underlying asset values or prospects. There can be no assurance that these kinds of share price fluctuations will not occur in the future, and if they do occur, how severe the impact may be on Colombian's ability to raise additional funds through equity issues.

### **Political and Currency Risks**

The Company is operating in a country that has had a stable political environment. Changing political situations may affect the manner in which the Company operates. The Company's equity financings are sourced in Canadian dollars but for the most part it incurs its exploration expenditures in Colombian pesos or in US dollars. At this time there are no currency hedges in place. Therefore, a weakening of the Canadian dollar against the US dollar or the Colombian peso could have an adverse impact on the amount of exploration conducted.

### **Insured and Uninsured Risks**

In the course of exploration, development and production of mineral properties, Colombian is subject to a number of risks and hazards, including adverse environmental conditions, operational accidents, labor disputes, unusual or unexpected geological conditions, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods, and earthquakes. Such occurrences could result in damage to the Company's property or facilities and equipment, personal injury or death, environmental damage to properties of the Company or others, delays, monetary losses and possible legal liability.

Although the Company may maintain insurance to protect against certain risks in such amounts as it considers reasonable, its insurance may not cover all the potential risks associated with its operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums or for other reasons. Should such liabilities arise, they could reduce or eliminate future profitability and result in increased costs, have a material adverse effect on the Company's results and result in a decline in the value of the securities of the Company. Some work is carried out through independent consultants and the Company requires that all consultants carry their own insurance to cover any potential liabilities as a result of their work on a project.

### **Environmental Risks and Hazards**

The activities of the Company are subject to environmental regulations issued and enforced by government agencies. Environmental legislation is evolving in a manner that will require stricter standards and enforcement and involve increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects, and a heightened degree of responsibility for companies and their officers, directors and employees. There can be no assurance that future changes in environmental regulation, if any, will not adversely affect Colombian's operations. Environmental hazards may exist on properties in which the Company holds interests which are unknown to the Company at present.

## **Competition**

Colombian will compete with many companies and individuals that have substantially greater financial and technical resources than the Company, for the acquisition and development of its projects as well as for the recruitment and retention of qualified employees.

## **OUTSTANDING SHARE DATA AT APRIL 1, 2019**

There are 90,639,487 common shares issued and outstanding and 6,180,000 stock options issued and outstanding to directors, officers, employees and consultants of the Company with exercise prices ranging from \$0.08 to \$0.51 and which expire from April 25, 2019 through March 29, 2022. The Company also has 20,895,794 share purchase warrants outstanding with an exercise price ranging from \$0.11 to \$0.45 which expire from May 4, 2019 through November 15, 2021.

## **CHANGES IN MANAGEMENT**

In January 2019, the Company announced that Robert Archer had been appointed Chief Executive Officer of the Company. Mr. Archer has more than 35 years' experience in the mining industry, working throughout North America and Peru. After spending more than 15 years with major mining companies, he held several senior management positions in the junior mining sector and co-founded Great Panther Silver Limited, an emerging mid-tier precious metals producer. He served as President & CEO of Great Panther until August 2017 and remains on the Board of Directors. Mr. Archer has been a shareholder of the Company for many years and took a more active role by first joining the Board of Directors in March 2018. He is a Professional Geologist (registered in British Columbia) and holds an Honours BSc from Laurentian University in Sudbury, Ontario.