INTERCONTINENTAL GOLD AND METALS LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED
DECEMBER 31, 2020

Introduction

This Management Discussion and Analysis ("MD&A") of the financial condition and results of the operations of Intercontinental Gold and Metals Ltd. ("Intercontinental Gold", "Our", "We" or the "Company") constitutes management's review of the factors that affected the Company's financial and operating performance for the year ended December 31, 2020. This discussion should be read in conjunction with the audited consolidated financial statements of the Company for the year ended December 31, 2020, the year ended December 31, 2019 and the period ended December 31, 2018, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The Company's consolidated financial statements and the financial information contained in this MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

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

Further information about the Company and its operations is available on Intercontinental Gold's website at www.intercontinentalgold.com or on SEDAR at **www.sedar.com**.

Caution Regarding Forward-Looking Statements

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

Forward-looking statements	Assumptions	Risk factors
The Company may require additional capital in order to meet its ongoing operating expenses and growth objectives for the year ended December 31, 2021.	The operating period for the year ended December 31, 2021 and the strategy change and the costs associated therewith, will be consistent with Intercontinental Gold's current expectations; debt and equity markets, exchange and interest rates and other applicable economic conditions are favorable to Intercontinental Gold.	Changes in debt and equity markets; timing and availability of external financing on acceptable terms; increases in costs; and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic conditions.
The Company's ability to meet its working capital needs at the current level for the year ended December 31, 2021. The Company's cash balance at December 31, 2020, may not be sufficient to fund its growth at current levels. At the date hereof, the Company's cash balance remains allocated primarily in support normal business operations and management attempts to defer all payments, including management salaries, to the extent practical.	The operating activities of the Company for the period ending December 31, 2021, and the costs associated therewith, will be dependent on raising sufficient capital consistent with Intercontinental Gold's current expectations; debt and equity markets, exchange and interest rates and other applicable economic conditions are favorable to Intercontinental Gold.	Adverse changes in debt and equity markets; timing and availability of external financing on acceptable terms; increases in costs; and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic conditions.
Management outlook regarding future trends.	Financing will be available for the Company's growth objectives and development of its gold trading and export business.	Interest rate and exchange rate fluctuation and political and economic conditions.
Asset values for the year ended December 31, 2020 were not left to be impaired.	Management's belief that no further write-down is required for its assets resulting from continuing efforts to raise capital (debt or equity, or a combination of both) to implement planned change of business strategy.	If the Company does not obtain equity or debt financing on terms favorable to the Company or at all, a decline in asset values that could be deemed to be other than temporary, may result in impairment losses.
Sensitivity analysis of financial instruments.	Equity price will not be subject to change in excess of plus or minus 10%.	Changes in debt and equity markets; interest rate and exchange rate fluctuations.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond Intercontinental Gold's ability to predict or control. Please also make reference to those risk factors referenced in the "Risks and Uncertainties" section below. Readers are cautioned that the above chart does not contain an exhaustive list of the factors or assumptions that may affect the forward-looking statements, and that the assumptions underlying such statements may prove to be incorrect. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause Intercontinental Gold's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

Description of Business

Intercontinental Gold and Metals Ltd. (the "Company"), was incorporated under the *Business Corporations* Act (British Columbia) on March 23, 1967. On October 30, 2017, the Company was continued under the *Business Corporations Act* (Ontario). The Company's head office is located at 217 Queen Street W, Suite 401, Toronto, Ontario, M5V 0R2 and it is listed on the TSX-Venture Exchange and Frankfurt Stock Exchange under the symbol ICAU and G2W, respectively.

As of the date of this MD&A the Company has two operating subsidiaries; Goldway SRL, a wholly owned licensed gold refinery and export company and Volta Resources SRL a concentrates and bulk commodities export company both registered in Bolivia.

The Company currently generates revenue from sale of refined gold and zinc-silver concentrates that are purchased from; i) licensed Small Gold Miners (SGM's), ii) toll floatation mills and iii) licensed small base metal miners. Additional revenue is generated from export logistics services, foreign exchange and net interest margin on cash balances.

The Company changed its fiscal year-end from March 31 to December 31 (as of December 31, 2018) in order to align with its Latin America subsidiary. This MD&A, and the accompanying consolidated financial statements, reflect the twelve-month period January 1, 2020 to December 31, 2020 and comparative twelve-month period from January 1, 2019 to December 31, 2019 and comparative nine-month period from April 1, 2018 to December 31, 2018.

Note on Comparatives

Due to the change in fiscal year-end, the comparative figures are not representative of equivalent reporting periods and, as such, have greater variances.

Selected Annual Information

The following table set out highlights of the Company's financial results together with selected statements of financial position information for the year ended December 31, 2020, year ended December 31, 2019 and period ended December 31, 2018.

Years ended	December 31 2020 $	December 31 2019 $	December 31 2018 $
Current Assets	$2,632,824	$6,249,726	$4,903,560
Non-Current Assets	119,920	1,598,996	1,489,346
Liabilities	2,024,311	9,215,869	7,083,224
Share capital	33,615,962	33,590,437	33,586,699
Non-Current Liabilities	5,092,671	4,996,342	4,746,311

Years ended	December 31 2020 $	December 31 2019 $	December 31 2018 $
Comprehensive (Loss) per year	(3,006,541)	(723,421)	(1,145,912)
(Loss) per share	(0.17)	(0.04)	(0.06)
Dividend	-	-	-

Selected Quarterly Information

Three Months Ended	Net Revenues ($)	Net Income (Loss)		Total Assets ($)
		Total ($)	Per Share (Basic and Diluted) ($)	
2020-December 31	5,353,438	(1,583,518)	(0.09)	2,752,744
2020-September 30	2,182,093	(509,851)	(0.03)	10,039,720
2020-June 30	1,392,397	(660,200)	(0.04)	11,971,813
2020-March 31	91,945,139	(356,320)	(0.02)	14,285,611
2019-December 31	52,415,277	(633,876)	(0.04)	7,848,722
2019-September 30	136,009,227	359,557	0.02	12,497,999
2019-June 30	84,444,443	(295,309)	(0.02)	15,642,139
2019-March 31	48,943,901	(76,929)	(0.00)	5,781,844
2018-December 31	61,570,526	(193,753)	(0.01)	6,392,906
2018-September 30	35,249,072	(247,547)	(0.02)	5,445,105
2018-June 30	29,692,802	(739,010)	(0.04)	13,809,664
2018-March 31	9,014,725	(681,182)	(0.06)	4,668,295

Operational Highlights

Fiscal year ended December 31, 2020 was a challenging year for the Company. After achieving impressive growth in prior years, the onset of COVID-19 global pandemic had a significant negative impact on our 2020 business plan. Forced lockdowns, quarantines and travel restrictions severely disrupted our supply chains forcing the temporary closure of our refining operations from the end of March 2020 right though the year end.

- The nine-month closure of refining operations resulted in a considerable decline in annual gold (bullion) exports to 45,903 ounces from 172,106 ounces during the comparable period in 2019, a decrease of 73%.
- Total refined gold sales/exports were nil during the fourth quarter ended December 31, 2020, a decrease of 100% versus 69,588 ounces during the comparable period in 2019.
- Gold trading supply chains were materially impacted by COVID-19 work and travel restrictions since March 2020.
- By year-end 2020 we established a new Bolivian subsidiary focused on concentrate and bulk commodity trading. We completed requisite due diligence on small miners to supply ores and toll mills to supply zinc-silver and lead-silver concentrates.
- First export of zinc-silver concentrate was prepared prior to year-end and completed in early January 2021.

Finance and Corporate Developments: Dealing with COVID-19 and Positioned for Continued Growth

- **Commodity Trading** - the Company's growth strategy in Bolivia and elsewhere in Latin America ("LATAM") is to aggressively expand its gold and metals trading business. The impact of COVID-19 quarantines has severely restricted our ability to execute on our growth strategy in the short term but as travel restrictions are lifted, we believe we can rapidly advance our plans and return to our historical high growth trend.
- **COVID-19** – Gold refining operations remain temporarily closed at year-end due to COVID-19 related supply chain disruptions. Senior management focused on corporate development initiatives, not involving travel, to position ourselves for continued growth. We established a new subsidiary, Volta Resources SRL focused on ores, concentrates and bulk commodity trading opportunities. We continue to monitor the market for other growth opportunities in LATAM.

Three Months Ended December 31, 2020, compared with Three Months Ended December 31, 2019

The Company reported a net loss of $1,583,518 for the three months ended December 31, 2020, with basic and diluted loss per share of $0.09. This compares with a net loss of $633,876 with basic and diluted loss per share of $0.04 for the three months ended December 31, 2019. The increase of $949,642 in net loss was principally due to:

- Write-down of Goodwill of $1,043,359 in the three months ended December 31, 2020 compared to $nil for the three months ended December 31, 2019.
- Depreciation expense of $130,891 for the three months ended December 31, 2020 compared to $9,017 for the three months ended December 31, 2019.
- Impairment charge of $379,563 for the three months ended December 31, 2020 compared to $nil for the three months ended December 31, 2019.

Results for the three months ended December 31, 2020 were affected by continuation of disrupted gold supply chains resulting in temporary closure of our refining facility and significant reduction in revenue. Similar, although shorter duration, business interruption occurred in the prior year quarter following the November 2019 federal election which resulted in street riots and state enforced lockdowns for several weeks.

Cash Flow, Liquidity and Financial Position

Cash provided by operating activities was ($533,208) for the year ended December 31, 2020 compared to cash used in operating activities of $218,825 in the period ended December 31, 2019. Operating activities were affected by the net loss of $3,109,889 primarily offset by non-cash items of goodwill write down $1,043,359, equipment impairment of $379,563, depreciation of $158,593, accretion on promissory notes of $224,145, accrued interest of $580,787, foreign exchange loss of $7,951 and interest expense on loan payable of $36,454 and the positive change in non-cash working capital balances of $151,731 because of a decrease in receivables of $793,989, an decrease in prepaid expenses and advances of $1,229,791, an increase of inventory of $2,378,129, a decrease in accounts payables and accrued liabilities of $177,072, an decrease in customer deposits of $2,387,813 and a decrease in income tax payable of $97,315.

Cash used in financing activities during the period was ($150,807) derived principally from interest payments of $277,000 offset by $9,450 in proceeds from Warrant exercise and a net increase of $116,743 in subordinated financing.

At December 31, 2020, Intercontinental Gold had $288,586 in cash (December 31, 2019 - $1,069,573).

As of the date of this MD&A, the Company had 20,709,250 common shares issued and outstanding, 3,548,000 stock options that would raise $758,680 if exercised in full and 8,329,500 warrants that would raise $1,376,400 if exercised in full and 246,450 broker warrants that would raise $46,320 if exercised in full. The Company does not know when or if the remaining stock options and warrants will be exercised.

The Company's use of cash at present occurs, and in the future will occur, principally in two areas, namely, funding of its general and administrative expenditures and funding of its operating activities in gold and metals trading and export opportunities globally including a variety of metals and minerals concentrates trading opportunities and other expansion initiatives.

The Company had positive working capital of $608,513 at December 31, 2020, which is anticipated to be adequate for it to continue operations for the year ending December 31, 2021. The Company will however require additional capital in order to meet its growth targets.

Recent Accounting Pronouncements

New standards and interpretations not yet adopted

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after January 1, 2020. Many are not applicable or do not have a significant impact to the Company and have been excluded. The following has not yet been adopted and are being evaluated to determine their impact on the Company.

IAS 1 – Presentation of Financial Statements ("IAS 1") and IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors ("IAS 8") were amended in October 2018 to refine the definition of materiality and clarify its characteristics. The revised definition focuses on the idea that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The amendments are effective for annual reporting periods beginning on or after January 1, 2020.

Capital Risk Management

The Company defines capital that it manages as shareholders' equity, consisting of issued share capital, reserve and deficit.

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of exploration and evaluation assets. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company is not subject to externally imposed capital restrictions.

There was no change in management's approach to capital management during the year ended December 31, 2020.

The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than Policy 2.5 of the TSXV which requires adequate working capital or financial resources of the greater of (i) $50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months.

Related Party Transactions

(a) The Company entered into the following transactions with related parties recorded as legal fees and share issuance costs:

	Year Ended December 31, 2020 ($)	Year Ended December 31, 2019 ($)
Irwin Lowy LLP (i)	8,660	21,677

(i) A director of the Company is a partner at Irwin Lowy LLP, a law firm, and these fees are related to professional services provided by the firm. As at December 31, 2020, the Company owed $18,545 (December 31, 2019 - $31,456) to this firm and this amount was included in accounts payable and accrued liabilities. The amount is unsecured, non-interest bearing with no fixed terms of repayment.

(b) Compensation of key management personnel of the Company

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of the Board of Directors, corporate officers, including the Chief Executive Officer and Chief Financial Officer, as well the Vice President of Operations and the Country Manager.

Salaries and benefits	**Year Ended December 31, 2020 ($)**	**Year Ended December 31, 2019 ($)**
Consulting Fees	521,713	661,088
Directors Fees	16,000	32,000
Share-based compensation	-	20,717
Total	**537,713**	**713,805**

(c) As at December 31, 2020, accounts payable and accrued liabilities included $191,173 (December 31, 2019 - $172,430) owing to directors, officers, Country Manager, VP of Operations and a company controlled by the Chief Executive Officer. The amounts bear no interest and have no fixed terms of repayment.

(d) As at December 31, 2020, total promissory notes payable to related parties were $561,670 (December 31, 2019 - $561,670)

Share Capital

As of the date of this MD&A, the Company had 20,709,250 issued and outstanding common shares.

Warrants outstanding for the Company at the date of this MD&A were as follows:

Warrants	Expiry Date	Exercise Price
2,895,000	August 8, 2022	$0.10
990,000	January 5, 2023	$0.20
1,822,500	April 13, 2023	$0.20

2,050,000	March 03, 2023	$0.20
572,000	March 26, 2023	$0.20
8,329,500		

Broker warrants outstanding for the Company at the date of this MD&A were as follows:

Warrants	Expiry Date	Exercise Price
29,700	August 8, 2022	$0.10
45,000	January 5, 2023	$0.20
51,750	April 13, 2023	$0.20
120,000	March 03, 2023	$0.20
246,450		

Stock options outstanding for the Company at the date of this MD&A were as follows:

Options	Expiry Date	Exercise Price
2,088,000	August 10, 2022	$0.11
1,060,000	April 20, 2023	$0.45
400,000	February 11, 2024	$0.13
3,548,000		

Disclosure of Internal Controls

Management has established processes to provide them sufficient knowledge to support representations that they have exercised reasonable diligence that (i) the unaudited condensed interim 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 unaudited condensed interim financial statements; and (ii) the unaudited condensed interim financial statements fairly present in all material respects the financial condition, 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"), this 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 financial statements for external purposes in accordance with 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 this 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.

Risks and Uncertainties

Commodity Trading and Gold Refining Industry

The Company's activities are directed towards the purchase and sales of physical commodities, primarily precious metals. Through these activities, we have the ability to offer a simplified risk management approach to our commercial clients by embedding more complex hedging structures as part of each physical contract to provide clients with enhanced price risk mitigation. We also offer clients efficient off-take or supply services, as well as logistics management.

The international commodities and financial markets are highly competitive and rapidly evolving. In addition, these markets are dominated by firms with significant capital and personnel resources that are not matched by our resources. We expect these competitive conditions to continue in the future, although the nature of the competition may change as a result of ongoing changes in the regulatory environment. We believe that we can compete successfully with other commodities and financial intermediaries in the markets we seek to serve, based on our expertise, products and quality of consulting and execution services.

Investor interest in the markets we serve will continue to impact our activities. The refined gold we trade in these markets compete with a wide range of other physical gold traders and alternative investment instruments. We seek to counterbalance changes in demand in specified markets by diversifying our business activities into multiple uncorrelated markets.

Technology has increased competitive pressures on commodities and financial intermediaries by improving dissemination of information, making markets more transparent and facilitating the development of alternative execution mechanisms. In certain instances, we compete by providing technology-based solutions to facilitate client transactions and solidify client relationships.

Government Regulation

Our activities are subject to significant governmental regulation. Failure to comply with regulatory requirements could result in administrative or court proceedings, censure, fines, issuance of cease-and-desist orders, or suspension or disqualification of the regulated entity, its officers, supervisors or representatives. The regulatory environment in which we operate is subject to frequent change and these changes directly impact our business and operating results.

Permits and Licenses

Government approvals and permits are currently, and may in the future be, required in connection with the Company's operations. To the extent such approvals are required and not obtained, the Company may be curtailed or prohibited from proceeding with planned refining and export activities. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions there under, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in commodity trading and gold refining and export operations may be required to compensate those suffering loss or damage by reason of the refining and export activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations. Amendments to current laws, regulations and permits governing operations and activities of commodity trading and refining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in operating expenses, capital expenditures or reduction in trading and export volumes.

Business Risks

We seek to mitigate the market risks arising from our physical commodity trading and gold refining activities through an active risk management program. The principal objective of this program is to limit trading risk to an acceptable level while maximizing the return generated on the risk assumed.

We have a defined risk policy administered by our risk management committee, which reports to the risk committee of our board of directors. We established specific exposure limits for inventory positions in every business, as well as specific issuer limits and counterparty limits. We designed these limits to ensure that in a situation of unexpectedly large or rapid movements or disruptions in one or more markets, systemic financial distress, and the failure of a counterparty or the default of an issuer, the potential estimated loss will remain within acceptable levels. The risk committee of our board of directors reviews the performance of the risk management committee on a quarterly basis to monitor compliance with the established risk policy.

We face risks associated with our market-making and trading activities. We conduct our market-making and trading activities predominantly as a principal, which subjects our capital to significant risks. These activities involve the purchase, sale for clients, of commodities and refining of gold for export. These activities are subject to a number of risks, including risks of price fluctuations, rapid changes in the liquidity of markets and counterparty creditworthiness.

The success of our market-making activities depends on: i) the price volatility of specific commodities including gold, ii) our ability to attract order flow, iii) the skill of our personnel, iv) the availability of capital, and v) general market conditions.

To attract market-trading, market-making and trading business, we must be competitive in: i) providing enhanced liquidity to our clients, ii) the efficiency of our order execution, iii) the sophistication of our trading technology, and iv) the quality of our client service.

In our role as a commodity trader and refiner, we attempt to derive a profit from the difference between the prices at which we buy and sell financial instruments, currencies and commodities. However, competitive forces often require us to: i) match the quotes of our competitors, and ii) hold varying amounts of commodities and gold in inventory.

By having to maintain inventory positions, we are subject to a high degree of risk. We cannot ensure that we will be able to manage our inventory risk successfully or that we will not experience significant losses, either of which could materially adversely affect our business, financial condition and operating results.

Commodity Prices

The profitability of the Company is directly related to the market price of metals and our ability to purchase physical commodities and raw gold at prices below our realized sales price. Metal prices fluctuate considerably and are affected by numerous factors beyond the Company’s control, such as industrial demand, inflation and expectations with respect to the rate of inflation, the strength of the U.S. dollar and of other currencies, interest rates, forward sales by producers, production and cost levels and changes in investment trends. If these market prices were to decline significantly or for an extended period of time, and the Company was not able to put in place appropriate sales contracts, offtake agreements or other financial hedges, the Company might incur losses and be unable to continue its operations or fulfill its obligations under its agreements with its lenders or under its permits and licenses. Furthermore, since metal prices are established in US dollars, a significant increase in the value of the Canadian dollar relative to the US dollar, coupled with stable or declining metal prices, could adversely affect the Company’s results with respect to development of, and eventual sale of these metals.

Failure to manage our growth

We have experienced periods of significant growth and decline in our business. Our operating revenues grew from $126.5 million in fiscal 2018 to $321.8 million in fiscal 2019 and then decreased to $101.6 million in fiscal 2020 due to the impact of COVID-19 global pandemic. We expect to return to historical high growth as business operations normalize, including as a result of any acquisitions we may undertake in the future.

This growth required, and will continue to require, us to increase our investment in management personnel, financial and management systems and controls, and facilities. In the absence of continued revenue growth, or if growth is at a rate lower than our expectations, the costs associated with our expected growth would cause our operating margins to decline from current levels. In addition, as is common in the financial industry, we are and will continue to be highly dependent on the effective and reliable operation of our communications and information systems.

The scope of procedures for assuring compliance with applicable rules and regulations changes as the size and complexity of our business increases. In response, we have implemented and continue to revise formal compliance procedures; however, there can be no assurances that such procedures will be effective.

Share Price Fluctuations

The market price of securities of many companies experience wide fluctuations in price that are not necessarily related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that fluctuations in Intercontinental Gold's share price will not occur.

Conflicts of Interest

Certain directors of the Company also serve as directors and/or significant shareholders of other companies involved in natural resources sector consequently there exists the possibility for such directors to be in a position of conflict. In the event that a director or executive officer has a material interest in any transaction being considered by the Company, any such conflict will be subject to and governed by procedures prescribed by the Business Corporations Act (Ontario) (the "OBCA") which require a director or officer of a corporation experiencing such a conflict to disclose his interest and refrain from voting on any such matter unless otherwise permitted by the OBCA. In addition, Section 134 of the OBCA provides that every director must act honestly and in good faith with a view to the best interests of the Company. Section 134 is a formalization of the fundamental fiduciary duty that a director has to the corporation and encompasses, among other obligations, a duty of loyalty and a duty of confidentiality. As a fiduciary, a director may not interfere with, or take advantage of, any opportunities that rightfully belong to the Company. That a director may represent a specific shareholder of the Company does not relieve the director from fulfilling his fiduciary duty to the Company. If such director was to take any action which preferred the interests of a third party to the interests of the Company, such director would be liable to the company for a breach of his fiduciary duty, regardless of any legal duties which such director may have to the third party.

Requirement of Additional Financing

The execution of the Company's business plan will depend upon the Company's ability to obtain financing through debt financing, equity financing or working capital facilities. No assurance can be given that the Company will be successful in obtaining the required financing on acceptable terms, if at all.

Dependence on Personnel

The Company's ability to manage growth effectively will require the Company to continue to implement and improve the Company's management systems and to recruit and train new employees. Although the Company has done so in the past, the Company cannot assure that it will be successful in attracting and re-training skilled and experienced personnel.

Off Balance Sheet Items

There are no off-balance sheet items.

Proposed Transactions

The Company does not currently have any proposed transactions approved by the Board of Directors.

Outlook

Intercontinental Gold was established as a public company to provide lower risk exposure to physical commodities (including gold), high growth and long-term economic returns for investors. Our business plan is based on principals of honesty, trust and transparency towards our stakeholders, regulators, supply side clients and off-take clients. Since our launch in mid-2017 your board, management and operations team have achieved many corporate milestones and achieved significant growth. We have also weathered the COVID-19 global pandemic and resulting negative impact of office shutdowns and supply chain disruptions. We addressed these challenges by reducing costs across the board and establishing our concentrates and bulk commodities subsidiary to diversify our commodity exposure and add to future growth opportunities. Our outlook for 2021 and beyond is to return to our historical high growth trend with expanded market penetration and increased margins in targeted Latin America jurisdictions that have significant small gold miner production. Our business template, servicing small miners and toll mill operators is unique and completely transparent. We work closely with regulators, tax authorities and producer clients with a goal to positively impact state and local economies with reduced tax leakage, improve small miner operations, reduce environmental impact and provide full chain of custody compliance for the ultimate benefit of downstream consumers.

Disclosure Controls and Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported to senior management, including the Chief Executive Officer (“CEO”) and Interim Chief Financial Officer (“CFO”), on a timely basis so that appropriate decisions can be made to facilitate full and timely disclosure to the public.

An evaluation of the effectiveness of the design and operation of our disclosure controls and procedures was conducted December 31, 2020, by and under the supervision of management, including the CEO and Interim CFO. Based on this evaluation, the CEO and CFO have concluded that disclosure controls and procedures, as defined in Multilateral Instrument 52-109 - Certification of Disclosure in Issuers’ Annual and Interim Filings, are effective to ensure that information required to be disclosed in reports that are filed or submitted under Canadian securities legislation are recorded, processed, summarized and reported within the time periods specified in those rules.

Because of inherent limitations, internal control over financial reporting and disclosure controls can provide only reasonable assurances and may not prevent or detect misstatements. Furthermore, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The Audit Committee of the Company has reviewed this MD&A, and the financial statements for the year ended December 31, 2020, and the board of directors approved these documents prior to their release.

Additional Disclosure for Venture Issuers

Operating Expenses

	Year Ended December 31, 2020 ($)	Year Ended December 31, 2019 ($)
Accounting and audit	294,391	56,724
Consulting fees	521,713	697,636
Management and director fees	16,000	32,000
Business development	14,488	70,640
Shareholder information	17,449	21,475
Legal	6,450	12,221
Office and miscellaneous	428,910	495,656
Depreciation	158,593	46,700
Share-based compensation	-	44,792
Transfer agent and regulatory fees	8,144	14,701
Total	**1,466,138**	**1,492,545**

Other Items

	Year Ended December 31, 2020 ($)	Year Ended December 31, 2019 ($)
Impairment of equipment	(379,563)	-
Foreign exchange gain (Loss)	(128,906)	(386,761)
Accretion on Promissory Notes	(243,145)	(197,300)
Revaluation of contingent consideration	-	(141,000)
Accretion of lease liability	-	(3,046)
Write-off of goodwill	(1,043,359)	-

Interest expenses on Promissory Notes	(580,787)	(579,200)
Interest expense on loan payable	(123,849)	(134,736)
Other income	-	120,613
Total	**(2,940,609)**	**(1,321,430)**

Subsequent Events

(i) On March 3, 2021, the Company closed the first tranche of its previously announced non-brokered private placement through the issuance of 2,050,000 units (the "Units") at a price of $0.135 per Unit for gross proceeds of up to $276,750. Each Unit is comprised of one common share in the capital of the Company and one whole Common Share purchase warrant (each whole warrant, a "Warrant"). Each Warrant shall entitle the holder to purchase one Common at a price of $0.20 per Common Share until March 26, 2023 provided, however, that should the closing price at which the Common Shares trade on the TSX Venture Exchange (or any such other stock exchange in Canada as the Common Shares may trade at the applicable time) exceed $0.30 for 20 consecutive trading days at any time following the date that is four months and one day after the closing date, the Company may accelerate the Warrant Term (the "Reduced Warrant Term") such that the Warrants shall expire on the date which is 30 business days following the date a press release is issued by the Company announcing the Reduced Warrant Term.

In connection with the Offering, the Company paid certain eligible persons (each, a "Finder"): (i) a cash commission in the aggregate of $12,720; and (ii) an aggregate of 120,000 broker warrants (each, a "Broker Warrant"). Each Broker Warrant is exercisable into Common Shares at a price of $0.20 per Common Share unit March 3, 2023.

(ii) On March 26, 2021, the Company closed the final tranche of its previously announced non-brokered private placement through the issuance of 572,000 units at a price of $0.135 per Unit for gross proceeds of $77,220. Each Unit is comprised of one common share in the capital of the Company and one whole Common Share purchase warrant. Each Warrant shall entitle the holder thereof to purchase one Common at a price of $0.20 per Common Share until March 26, 2023 provided, however, that should the closing price at which the Common Shares trade on the TSX Venture Exchange (or any such other stock exchange in Canada as the Common Shares may trade at the applicable time) exceed $0.30 for 20 consecutive trading days at any time following the date that is four months and one day after the closing date, the Company may accelerate the Warrant Term such that the Warrants shall expire on the date which is 30 business days following the date a press release is issued by the Company announcing the Reduced Warrant Term.

BY ORDER OF THE BOARD

"Gorden Glenn"

Gorden Glenn
President, CEO, and Director

"John Anderson"

John Anderson
Director