



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

DATED April 20, 2021

(Expressed in Canadian Dollars)

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the full year ended December 31, 2020



The following management's discussion and analysis ("MD&A") has been prepared as of April 20, 2021 and is related to the audited consolidated financial results of Giyani Metals Corp. ("Giyani" of the "Company") for the full year ended December 31, 2020. This MD&A has been prepared in compliance with section 2.2.1 of Form 51-102F1, in accordance with National Instrument 51-102 – Continuous Disclosure Obligations. This MD&A should be read in conjunction with the Company's audited annual consolidated financial statements ("Financial Statements") for the years ended December 31, 2020 and 2019, together with the notes thereto. The Company's 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 and interpretations of the IFRS Interpretations Committee. Except as otherwise disclosed, all dollar figures included therein and in the following MD&A are quoted in Canadian dollars.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors (the "Board"), 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 Giyani common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Certain information and discussion included in this MD&A constitutes forward looking information. Readers are encouraged to refer to the cautionary notes contained in the section Forward-Looking Statements at the end of the MD&A.

Additional information and corporate documents may be found on SEDAR at www.sedar.com, and the Company's website at www.giyanimetals.com.

Mr. Michael John Beare, BEng, CEng, MIOM, of SRK Consulting (Kz) ("SRK"), an independent consultant to the Company, is a Qualified Person under National Instrument 43-101 and has reviewed the scientific and technical information in this MD&A.

COMPANY OVERVIEW

Giyani was incorporated under the Canada Business Corporations Act on July 26, 2007 and continued under the Business Corporations Act of British Columbia on August 4, 2010. The Company has focused its full attention to advance its manganese assets within the Kanye Basin in south eastern Botswana, Africa (the "**Kanye Basin Prospects**") through its wholly-owned Botswana subsidiary Menzi Battery (Pty) Limited ("**Menzi**"). The Company's Kanye Basin Prospects include the past producing Kgwakgwe Hill mine and project ("**K.Hill Project**"), the Otse manganese prospects ("**Otse**") and the Lobatse manganese prospects ("**Lobatse**") and consist of 10 prospecting licenses.

Management is building confidence through sound and methodical technical studies supported by independent laboratory chemical analysis that the accumulations and chemical composition of the manganese deposits within its Kanye Basin Prospects are unique and that they display ideal grade and purity characteristics for the battery industry. In 2019 the operational program followed up on 2018 activities that had included geophysical surveys and diamond drilling campaigns at the K.Hill Project and Otse. The 2019 activities were mainly centred around completion of the Preliminary Economic Assessment ("**PEA**"), which was announced in August 2019 and subsequently amended in April 2020. In 2020, the Company's focus was on progressing the feasibility study ("**FS**"), environmental and social impact assessment ("**ESIA**"). In 2021, in conjunction with the FS and ESIA the Company has announced the appointment of Tetra Tech for the concept design study of a demonstration plant ("**Demo Plant**") for the K.Hill Project. On April 12, 2021, the Company announced an updated PEA on the K.Hill Project ("**Updated PEA**") details of which are contained in this MD&A.

The registered address is Suite 1700, Park Place, 666 Burrard Street, Vancouver, BC V6C 2X8. The Company trades on the TSX Venture Exchange ("**TSXV**") under the symbol "EMM".

The accompanying Financial Statements for the year ended December 31, 2020 have been prepared using IFRS applicable to a "going concern", which assume that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. The Financial Statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary should the going concern assumption be inappropriate, and those adjustments could be material. The Company will continue to pursue opportunities to raise

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additional capital through assets sales, equity markets and/or debt to fund investment in its exploration and evaluation of its assets; however, there is no assurance of the success or sufficiency of these initiatives.

In light of the World Health Organization (“WHO”) declaring COVID-19 a global pandemic in March 2020, the Company quickly developed and implemented a response and mitigation plan for its operations in Botswana. As of the date of this report, the Company has only experienced minor disruptions at its operations as detailed. The Company continues to diligently monitor the situation ensuring the safety of its work force as its main priority. See the discussion around COVID-19 in the Risk and Uncertainties section below.

The Company reported a net loss of \$2,119,789 for the year ended December 31, 2020 (year ended December 31, 2019 - \$1,799,977 loss) and had an accumulated deficit of \$35,805,640 as of December 31, 2020 (December 31, 2019 - \$33,685,851). The Company had positive working capital of \$5,602,408 as of December 31, 2020 (December 31, 2019 - negative working capital of \$1,323,611).

YE 2020 HIGHLIGHTS

Corporate Highlights

- ❖ July 6, 2020 – the Company announced the appointment of Mr. Thuso Dikgaka and Ms. Maureen Mokgautsane as non-executive directors to the board of its wholly owned Botswana subsidiary Menzi.
- ❖ November 23, 2020 – the Company announced the appointed Mr. Derk Hartman as President and Chief Operating Officer (“COO”) with effect from March 1, 2021.

Financing Highlights

- ❖ May 25, 2020 – the Company announced the closing of a non-brokered financing for total gross proceeds of \$1.2 million, issuing 15,000,000 units (“Unit A”) priced at \$0.08 per Unit A. Each Unit A consisted of one common share (“Common Share”) and ½ Common Share purchase warrant (“Warrant A”) priced at \$0.10 per Warrant A and expiring on May 25, 2023.
- ❖ September 18, 2020 – the Company announced the closing of a non-brokered financing for total gross proceeds of \$1.2 million, issuing 9,600,000 units (“Unit B”) priced at \$0.125 per Unit B. Each Unit B consisted of one Common Share and ½ Common Share purchase warrant (“Warrant B”) priced at \$0.20 per Warrant B and expiring on March 18, 2022.
- ❖ December 23, 2020 – the Company announced the closing of a brokered private placement led by Cormark Securities Inc. (“Cormark”) for total gross proceeds of \$7,475,000 for 37,375,000 units (“Unit C”) priced at \$0.20 per Unit C. Each Unit C consisted of one Common Share and ½ Common Share purchase warrant (“Warrant C”) priced at \$0.35 per Warrant C and expiring on June 23, 2022.

Operational Highlights

- ❖ **License Renewal** – the Company, through its wholly-owned subsidiary Menzi, received the renewal for all ten (10) of its Kanye Basin Prospects prospecting licenses by the Department of Mines in Botswana. Nine (9) prospecting license renewals were granted on June 25, 2020 with the remaining license granted on November 18, 2020. All renewals are granted for a two-year term.
- ❖ **K.Hill Project ESIA** – early in January 2020, the Company appointed Botswana based Loci Environmental Management and Consultant (“Loci”) to conduct the ESIA at the K.Hill Project. Subsequently, on August 26, 2020, the Company announced the initial submission of the K.Hill Project Scoping and Terms of Reference (“SToR”) to the Botswana Department of Environmental Affairs (“DEA”). On October 28, 2020, the Company completed its response to the submitted SToR to the DEA. Subsequently, on December 4, 2020, the Company received approval from the DEA for its re-submitted SToR. Loci is currently completing the second and final stage of the ESIA.
- ❖ **K.Hill Project Feasibility Study** – in early January 2020, the Company initiated the FS with a site visit with the FS team namely, SRK Consulting (Kz) (“SRK”), Coffey Geotechnics Ltd. (“Coffey”), a Tetra Tech (UK) (“Tetra Tech”) company, and Royal IHC. In September 2020, the Company commenced its FS infill drilling program that was intended to upgrade existing resources to the Indicated category as well as a geotechnical study to determine geotechnical parameters for the open-pit mine design and geophysical study to assist with greater definition of the resource estimation.

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- ❖ **Trade-off Study** – on September 3, 2020, the Company announced that as part of the ongoing FS work, a processing trade-off study (the “**Trade-off Study**”) was completed for its K.Hill Project, the results of which showed that the sulphur dioxide based process is the optimal route and will be used in the FS. The change in the reductant process allows the Company to reduce the project’s process risk without any material increase in capital or operating costs. In addition, following this Trade-off Study and feedback from end buyers, the Company decided to change the final saleable product from high-purity electrolytic manganese metal (“**HPEMM**”) to high-purity manganese sulphate monohydrate (“**HPMSM**”). Following this decision, Tetra Tech, together with Royal IHC will be incorporating HPMSM as the only product stream into the FS and the Updated PEA.
- ❖ **Life Cycle Assessment Study** – on October 2, 2020, in parallel to the ongoing FS and ESIA workstreams, the Company announced the appointment of Minviro, a UK based and globally recognized sustainability and life cycle assessment (“**LCA**”) consultant, to provide an International Organization for Standardization (“**ISO**”) compliant LCA, benchmarked against that of the Company’s peer group.

SUBSEQUENT TO YE 2020 DEVELOPMENTS

- ❖ January 18, 2021 – the Company announced the completion of a photovoltaic solar plant study (“**Solar Plant Study**”) for the K.Hill Project. Tetra Tech was appointed to conduct the Solar Plant Study and determine which of the three scenarios reviewed would be most commercially viable that will be incorporated into the FS. The Company is committed to building an environmentally sustainable operation and to have a positive impact for all of its stakeholders. This includes not only the people, environment and society surrounding the K.Hill Project, but also the end buyers that have shown interest in obtaining a more sustainable source of high purity manganese
- ❖ January 21, 2021 – the Company announced that it had appointed Tetra Tech for the concept design of a Demo Plant that replicates to pilot scale the proposed hydrometallurgical process for the K.Hill Project. The purpose of the Demo Plant is two-fold. Firstly, the Demo Plant is expected to demonstrate that the K.Hill Project orebody is capable of achieving, at scale, the required commercial product specifications based on the proposed process flowsheet by providing sample product to potential end buyers for their supply chain testing and qualification process. Secondly, it will de-risk the project through verification and optimisation of the process flowsheet and engineering design in support of the ongoing FS and subsequent engineering work. The Demo Plant will replicate the simple hydrometallurgical process proposed in the FS, for which Tetra Tech and Royal IHC have been acting as engineering consultants. Completion of the work is expected later in 2021.
- ❖ March 24, 2021 – the Company announced the closing of a bought deal public offering led by Cormark for total gross proceeds of \$11,503,220 for 16,917,500 units (“**Unit D**”) priced at \$0.68 per Unit D. Each Unit D consisted of one Common Share and ½ Common Share purchase warrant (“**Warrant D**”) priced at \$1.00 per Warrant D and expiring on September 24, 2022.
- ❖ April 1, 2021 – the Company announced the Appointment of Mr. Eugene Lee as Chief Financial Officer (“**CFO**”) replacing Omar Gonzalez, senior employee of Marrelli Support Services Inc. (“**MSSI**”), effective April 20, 2021. Mr. Lee has served as a director of Giyani since June 2015 and Chair of the Company’s Audit Committee since June 25, 2015. Mr. Lee will resign from the Board of the Company on his appointment to the position of CFO and will be replaced as the Chair of the Audit Committee by John Petersen, who has been an independent director on the Board since August 3, 2016.
- ❖ April 12, 2021 – the Company announced an Updated PEA to its previously amended PEA update in April 2020. The Updated PEA incorporates a 36% increase in the Inferred Mineral Resource estimate resulting in a 21% increase in post-tax NPV from US\$275 million to US\$332 million (at a 10% discount rate). These results are driven by the following changes: i) a change in the final saleable product from HPEMM to HPMSM. HPMSM requires fewer processing steps and consumes less energy compared to production of HPEMM; ii) the associated changes in process flow, CAPEX and OPEX for the production of HPMSM; iii) a comprehensive remodelling of the geological model, wireframes, and block model incorporating all previously available drilling results as well as the results from 11 holes from the recently completed infill drilling program available at the time of reporting; iv) a reduction of the cut-off grade to 7.3% MnO; and v) a more accurate determination of the depletion caused by historical mining. Additional details from the Updated PEA are described below.

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2020 CORPORATE AND FINANCING DEVELOPMENTS

On May 25, 2020, the Company announced the closing of a non-brokered placement financing, that was fully subscribed and comprised of 15,000,000 units at a price of \$0.08 per for gross proceeds of \$1.2 million in immediately available new funding. The net proceeds from the private placement were used to fund the advancement of the FS, which is expected to be completed in Q3 2021.

The private placement included a lead subscription on behalf of RAB Capital Holdings Limited ("**RAB Capital**") for 11,000,000 units, for a total subscription of \$880,000. The Company also entered into a conditional board representation agreement under which, provided RAB Capital maintains at least a 10% shareholding, it is entitled to appoint or elect one director to the Board. The agreement also provides that Giyani will consult with and obtain the consent of RAB Capital, which is not to be unreasonably withheld, to certain equity security issuances within the 13 months following the closing of the private placement, subject to customary carve-outs.

Insiders of Giyani subscribed for an aggregate of 574,375 units or 4% of the private placement, which subscriptions are considered related party transactions within the meaning of TSXV Policy 5.9 and Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions ("MI 61-101"). The Company relied on exemptions from the formal valuation and minority approval requirements in sections 5.5(a) and 5.7(1)(a) of MI 61-101 in respect of the insider subscriptions.

On July 6, 2020, the Company announced the appointment of Mr. Thuso Dikgaka and Ms. Maureen Mokgautsane as non-executive directors to the board of its wholly owned Botswana subsidiary, Menzi. It is expected that these appointments will bring a wealth of project development, operational and government experience within Botswana, solidifying the Company's credibility within the local community of Kanye and at the government level.

Mr. Dikgaka is a well-respected veteran of the Botswana mining sector, with over 40 years of experience in operations and management. He is a former Mining Manager for the Debswana Orapa diamond mine and the Tati Nickel Mining Company, as well as a former Director of the Botswana Department of Mines. Mr. Dikgaka holds a bachelor's degree in Mining Engineering from the Technical University of Nova Scotia (now Dalhousie University) in Halifax, Canada.

Ms. Mokgautsane is an established mining executive with 20 years of experience in the private and public sectors in Botswana. She is currently a Non-Executive Director of Sekaka Diamonds ("Sekaka"), a wholly owned Botswana subsidiary of Petra Diamonds. Prior to Sekaka, Ms. Mokgautsane has held a number of senior roles with Petra Diamonds, Firestone Diamonds, Debswana Diamond Company and the Botswana Ministry of Minerals, Energy and Water Resources. She has a master's degree in Mining Engineering from the University of the Witwatersrand and a bachelor's degree in Geology from the University of Botswana.

On September 18, 2020, the Company announced the closing of a partly brokered private placement financing that was fully subscribed and comprised of 9,600,000 units at a price of \$0.125 per unit for gross proceeds of \$1.2 million in immediately available new funding. The net proceeds from the private placement were used for working capital requirements and other general corporate purposes.

Insiders and management of Giyani subscribed for an aggregate of 2,347,668 Units or 24% of the private placement, which subscriptions are considered related party transactions within the meaning of TSXV Policy 5.9 and MI 61-101. The Company relied on exemptions from the formal valuation and minority approval requirements in sections 5.5(a) and 5.7(1)(a) of MI 61-101 in respect of the insider subscriptions.

On September 18, 2020, 525,000 warrants with an exercise price of \$0.10 were exercised for gross proceeds of \$52,500.

On September 24, 2020, the Company granted an aggregate of 2,100,000 stock options to certain directors, officers, and consultants of the Company in accordance with the Company's current stock option plan. Each option is exercisable into one Common Share of the Company at a price of \$0.185 per Common Share for a period of five years from the date of grant. A total of 1,400,000 options vested immediately with the remaining 700,000 vesting over a two-year period.

On November 8, 2020, the Company announced the appointment of Mr. Omar Gonzalez, a senior employee of MSSSI, as CFO effective November 17, 2020. Mr. Gonzalez's appointment followed the resignation of the Company's former CFO, Mr. Aamer Siddiqui, also a senior employee of MSSSI, who resigned to pursue other business opportunities. While MSSSI has provided the Company with CFO and accounting services, primary responsibility for those functions will be assumed by Mr. Lee when he assumes the CFO role effective April 20, 2021.

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On November 20, 2020, the Company appointed Mr. Derk Hartman as President and COO with effect from March 1, 2021. Mr. Hartman has over 20 years of mining sector experience in project delivery, senior management and investment banking in both the Toronto and London markets. Mr. Hartman has been a founder, officer, and director of several public and private companies. Mr. Hartman joins Giyani from Royal IHC, a global independent engineering and contracting company, where he led Royal IHC's mining engagements on feasibility studies, EPCM services and EPC contracting, including Giyani's FS. Prior to this, Mr. Hartman was CFO at Silver Bear Resources Plc, where he was a key member of the team that developed, built and operated the Mangazeisky Silver Project in Far East Russia. Derk was the founder, CEO and director of Awalé Resources Limited and Sumin Resources Limited, gold exploration companies in Ivory Coast and Suriname, respectively, that were both listed on the TSXV. He was also a director of Hunter Bay Minerals, a TSXV listed gold exploration company. Previously, Derk was a Director in Metals & Mining Investment Banking with BMO Capital Markets in London and worked in Metals & Mining Investment Banking and Project Financing with ABN AMRO Bank, also in London. Mr. Hartman holds an MSc in Mining Engineering from Delft University of Technology, The Netherlands.

Also in November 2020, the Company accepted Mr. Wajd Boubou's resignation as President, effective November 12, 2020.

On December 23, 2020, the the Company announced the closing of a brokered private placement led by Cormark for total gross proceeds of \$7,475,000 (the "Offering") for 37,375,000 units.

The Offering was led by Cormark and included Richardson Wealth Limited and Beacon Securities Limited as agents (collectively, the "Agents"). In connection with the Offering, Giyani also issued 1,762,500 broker warrants to the Agents that entitle the holders to purchase Common Shares for 18 months following the date of the Offering at a purchase price per Common Share of \$0.35, in addition to a cash commission of 6% in respect of the gross proceeds raised, except that the commission is reduced to 1% on President's list subscriptions. The Company also paid a finder's fee to Tactex Asset Management Inc. ("Tactex") in the amount of \$55,750 cash and 334,500 broker warrants on the same terms as issued to the Agents, in connection with Tactex identifying certain subscriptions. The broker warrants issued to the Agents and Tactex are subject to a four-month-and-one-day hold period from their date of issuance.

The net proceeds of the Offering will be used for drilling, the Demo Plant, completion of the FS and other general corporate purposes. All securities issued pursuant to the Offering are subject to a statutory four-month-and-one-day hold period, which will end on April 24, 2021.

K.HILL PROJECT DEVELOPMENTS

Prospecting License Renewal

On June 26, 2020, the Company announced the renewal of nine prospecting licenses by the Botswana Department of Mines. Pursuant to the renewal process, the Company consolidated the larger license area it has held since July 2017 to focus on the most prospective regions, by relinquishing four of its previously held licenses and renewing 50% of the area of nine licenses. On November 18, 2020, the Company announced the renewal of prospecting license PL258/2017 which encompasses Lobatse. As of the date of this report, all of the Company's prospecting licenses have been renewed and represent a total license area of 2,588km² as detailed in the following table:

PL Number	License Area (km ²)	District	Expiry Date
PL258/2017	95	South East District	December 31, 2022
PL294/2016	479	South East District	June 30, 2022
PL297/2016	483	Southern District	June 30, 2022
PL298/2016	479	South East District	June 30, 2022
PL322/2016	438	Southern District	June 30, 2022
PL336/2016	118	Southern District	June 30, 2022
PL337/2016	144	Southern District	June 30, 2022
PL338/2016	127	Southern District	June 30, 2022
PL339/2016	77	Southern District	June 30, 2022
PL340/2016	148	Southern District	June 30, 2022

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ESIA Developments

In January 2020, the Company appointed Botswana based Loci to conduct its ESIA. Subsequently, on October 26, 2020, the Company announced the initial submission of its SToR to the Botswana DEA on August 26, 2020. The DEA gave authorisation to proceed with the detailed ESIA study as the SToR was in compliance with Section 8 (4) of the Environmental Assessment ("EA") Act NO. 10 of 2010 (DEA, December 3, 2020). This represents a major milestone within the wider scope of a comprehensive ESIA currently underway for the K.Hill Project.

ESIA authorisation by the DEA is a two-stage process, with the initial submission of the SToR marking the completion of the first stage. The SToR contains a series of preliminary field studies, desktop studies and consultations with stakeholders such as the local community leadership in Kanye, government departments and NGOs.

A key task of the scoping public consultation process was meeting with the Paramount Chief of Bangwaketse, tribal administration officials and community representatives. The meeting took place at the main *Kgotla* in Kanye, Southern Botswana on August 19, 2020. The Public Consultation shared information with the attendees about (a) the K.Hill Project; (b) potential environmental and social impacts (identified to date) and how these can be mitigated for all phases of the life mine (construction through to closure); and (c) invited attendees to ask questions, make comments and raise any concerns. The feedback from the Public Consultation was very positive.

Loci is currently completing the detailed ESIA, including such items as completing inter alia field studies, laboratory analyses, analysis of results, impact assessment and environmental & social management/monitoring plan.

The completed ESIA report is expected to be submitted to the DEA in the third quarter of 2021 for review and decision-making; a round of public review during this process is a legal requirement. The structure of the report will be in accordance with Form E Regulation 8 of the EA Regulations of 2012.

Trade-Off Study

On September 3, 2020, the Company announced the results of the Trade-off Study that was conducted by Tetra Tech, together with Royal IHC. The Trade-off Study included a financial comparison of three process options, and considered capital cost, operating cost, recovery and incremental NPV over a 10-year project life. It also included qualitative considerations such as flow sheet simplicity, security of reagent supply and market acceptance.

Highlights include:

- The PEA assumed a sulphuric acid leaching with reducing sugars-based process. The Trade-off Study assessed two additional alternatives, (i) carbothermic reduction (rotary kiln) followed by sulphuric acid leaching and (ii) sulphur dioxide (SO₂) which identified the SO₂ based process as the optimal route due to the lower process risk.
- There is no alternative trade-off to the solvent extraction and electrowinning process for the production of HPEMM.
- The operating and capital cost estimates modelled in the Trade-off Study were in-line with those used in the PEA, and it is expected that the K.Hill Project NPV would remain materially unchanged and continues to be robust. Accordingly, the sulphur dioxide process has been selected for the FS.
- In addition, following a Trade-off Study and feedback from end buyers, the Company decided to change the final saleable product from HPEMM to HPMSM. Following this decision, Tetra Tech, together with Royal IHC will be incorporating HPMSM as the only product stream into the FS and Updated PEA.

Solar Plant Study

On January 18, 2021, the Company announced the results of a photovoltaic Solar Plant Study for its K.Hill Project, in Southern Botswana by its engineering consultant Tetra Tech.

Independent analysis has shown that approximately 40% of an electric vehicle's ("EV") carbon footprint during production is associated with the battery. Feedback Giyani received from potential end buyers, such as battery manufacturers and original equipment manufacturers ("OEMs") of EVs - particularly those in Europe, North America, Japan and South Korea - is that they are working to reduce their products' carbon footprint as much as possible. Therefore, the supply of the battery's raw materials is a particular focus. This has been supported by public statements by the EV OEMs on the importance of responsibly sourced battery metals. As the market for manganese-containing batteries continues to grow, the Company anticipates that the sustainability of high purity manganese will become of increasing importance.

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Tetra Tech's mandate was to determine which of the following three scenarios would be most commercially viable:

1. The 'No Export' scenario considers the maximum size of Solar Plant that during peak solar generation (in the middle of the day) the K.Hill Project operations are only powered by the Solar Plant. Therefore, there is no facility for either storing or exporting excess power to the grid. Outside of peak generation, the grid supplies the remaining power requirements for the K.Hill Project's operations.
2. The 'Net Zero Annual Generation' scenario is where the size of the Solar Plant approximately matches the annual energy requirements of the K.Hill Project's operations. During peak solar generation (middle of a summer's day), the excess power generated is exported to the grid. And vice-versa, during times of no solar generation (at night or on a cloudy day) power is purchased back from the grid. Thereby, on an annualized basis, the actual consumption of grid produced power, and therefore payments to the grid, are near-zero. This scenario would require additional capex for grid transmission and distribution infrastructure upgrades, as well as regulatory approval.
3. The 'Transition into IPP' scenario envisions Giyani as an independent power producer ("IPP"), where the size of the Solar Plant is constrained by the capacity of the local grid interconnection infrastructure, rather than the demand from the K.Hill Project's operations (as per Scenario 2). Similar to Scenario 2, excess power generated by the Solar Plant will be exported to the grid and bought back, albeit in smaller quantities. This scenario would also require regulatory approval.

The Solar Plant Study concluded that despite each option delivering operating cost savings to the K.Hill Project, compared to using 100% grid power, it is recommended to initially implement Scenario 1, with the view to upgrading to either Scenario 2 or 3 as a second phase once regulatory approval is granted. The Solar Plant Study will now proceed to a feasibility study on that basis.

Solar Plant Study Summary

	No Export	Net Zero Annual Generation	Transition to IPP
Scenario	1	2	3
Power rating (MW)	14	60	48
Solar array size (km ²)	0.3	1.4	1.1
Net savings (US\$/yr)	\$2.8m	\$11.1m	\$9.7m
Capex (US\$m)	\$10.5m	\$44.9m	\$34.9m
CO ₂ saving (Mt/yr)	63,000	247,273	214,375
Payback period (yrs)	~3	~3	~3

K.Hill Project Infill Drilling

In November 2020, following the appointment of Stewardship Drilling ("**Stewardship**") as its FS drilling contractor, the Company announced the commencement of its infill drilling program as part of the ongoing FS work. Subsequently in February 2021, the Company appointed an additional drilling contractor, RotsDrill Exploration ("**RotsDrill**"), a local Botswana-based drilling services provider to assist Stewardship with the completion of the K.Hill Project infill drilling program, as well as the additional step-out exploration program. In addition, RotsDrill will be responsible for the drilling of diamond drilling holes, which will be logged and sampled for geotechnical work and communication testing as part of the ongoing FS at the K.Hill Project. The drilling contractor will be supported by the Company's project management and geological services consulting company, Lambda Tau Botswana.

On April 1, 2021, the Company announced the completion of the K.Hill Project infill drilling program that consisted of 89 holes totalling 3,310.5 m. To date, a total of 2,586 samples (inclusive of QA/QC samples) have been collected from 69 holes and 837 final assay results have been received from SGS Laboratories (SA) ("**SGS**").

Drilling is conducted with a 127 mm diameter Reverse Circulation bit. The primary sample is collected from the cyclone into a 50 kg sample bag at 0.5 m intervals. The primary sample is then split with a three-tier riffle splitter into a 3-5 kg sub sample. The sub-sample is analysed on site by a portable X-ray Fluorescence analyser ("**XRF**") to determine the mineralized interval. The mineralized interval is sampled together with 2 m shoulder samples and QA/QC samples.

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These samples are then bagged in batches of 10 samples per polypropylene bag, marked and sealed with single use ties. The polypropylene bags are shipped for geochemical analysis by XRF after Borate Fusion, at SGS. Sample preparation and analysis is completed as per the standard ISO:9001 complaint XRF76C whole rock analysis sample preparation and analysis technique, offered by SGS. Elements are reported as Total Oxides.

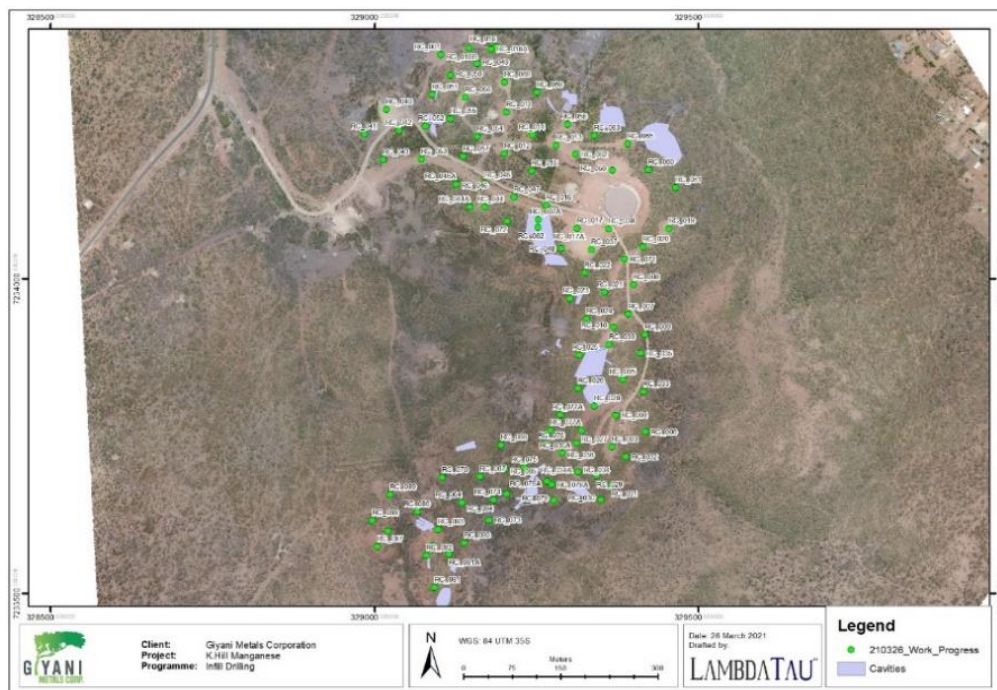
A summary of the first 837 results received and significant intersections achieved, is presented in the table below:

Hole number	Intercept	Grade MnO	From Depth	Comments
RCKH20_001	3.0 m	21.2%	6.0 m	
RCKH20_003	3.0 m	33.0%	15.0 m	(including 1.0m at 42.4% MnO)
RCKH20_005	3.0 m	27.5%	13.0 m	(including 1.5m at 36.8% MnO)
RCKH20_007	5.0 m	23.9%	8.0 m	(including 0.5m at 43.9% MnO)
RCKH20_008	2.0 m	26.5%	16.0 m	
RCKH20_010	4.0 m	29.7%	15.0 m	(including 1.0m at 41.5% MnO)
RCKH20_011	3.0 m	30.8%	18.0 m	(including 1.5m at 35.1% MnO)
RCKH20_013	3.0 m	29.8%	25.5 m	(including 1.5m at 35.6% MnO)
RCKH20_015	4.0 m	30.8%	25.0 m	(including 0.5m at 43.5% MnO)
RCKH20_016	3.5 m	26.6%	19.5 m	(including 2.0m at 34.0% MnO)
RCKH20_020	3.0 m	36.3%	15.5 m	(including 2.0m at 41.8% MnO)
RCKH20_021	2.0 m	33.8%	14.0 m	(including 1.5m at 35.6% MnO)
RCKH20_027	3.0 m	33.7%	15.5 m	(including 2.0m at 37.8% MnO)

At present the Company is completing the drilling of a further 10 diamond core (“DC”) drill holes. The 10 DC holes will serve three functions: (1) confirmation of the intersections observed in the RC drilling, (2) geotechnical data for the geotechnical model and open pit mine plan, and (3) samples for communication testing.

See the map below for the locations of the completed drill holes.

K.Hill Project Completed RC Holes



MANAGEMENT'S DISCUSSION AND ANALYSIS

For the full year ended December 31, 2020



SUMMARY OF UPDATED PEA

On April 12, 2021, the Company announced its Updated PEA to its previously published PEA update in Q1 2020. The Updated PEA incorporates a 36% increase in the Inferred Mineral Resource estimate resulting in a 21% increase in pre-tax NPV from US\$275 million to US\$332 million (at a 10% discount rate) and are driven by changes in the following parameters:

- 1) Change in final saleable product from HPEMM to HPMSM. HPMSM requires fewer processing steps and consumes less energy compared to production of HPEMM. Based on feedback from battery manufacturers during the last year, the Company believes HPMSM is the preferred precursor material for the production of Nickel-Cobalt-Manganese ("NCM") cathodes used in lithium-ion batteries, especially for the EV market and aligns with the Company's strategy to be a low or zero carbon footprint producer.
- 2) Associated changes in process flow, CAPEX and OPEX for the production of HPMSM.
- 3) A comprehensive remodelling of the geological model, wireframes, and block model incorporating all previous available drilling results as well as the results from 11 holes from the recently completed infill drilling program available at the time of reporting.
- 4) Reducing the cut-off grade to 7.3% MnO.
- 5) More accurate determination of the depletion caused by historical mining.

The Updated PEA NI 43-101 Technical Report will be filed on SEDAR under the Company's profile by April 30, 2021.

Updated PEA Highlights

- Eight (8) year mine life and 10-year project operating life, producing 891,000 tonnes of HPMSM.
- Incorporates the 1.7 million tonnes Inferred Mineral Resource estimate for K.Hill Project.
- Pre-tax NPV of US\$431 million (C\$573 million) and Post-tax NPV of US\$332 million (C\$442 million), using a 10% discount rate.
- Estimated US\$153 million (C\$203 million) in life of mine capital requirement, of which US\$118 million (C\$157 million), is pre-production capital.
- After-tax IRR of 80% and three (3) year payback period.

Comparison to Previously Reported PEA Economics

The economics are based on a projected average price of US\$1,588 / tonne for HPMSM of 32% purity over the project life. The average price of the product is based on an independent market study commissioned by the Company.

The following table compares the values of key indicators from the Updated PEA alongside those from the technical reports filed in September 2019 and April 2020.

Key Indicator	PEA September 2019	PEA April 2020	PEA April 2021
Project Lifetime	9 years	10 years	10 years
Pre-tax NPV	US\$369 million	US\$357 million	US\$431 million
After tax NPV	US\$285 million	US\$275 million	US\$332 million
IRR	90.6%	82.1%	80.0%

The Updated PEA is considered preliminary in nature and includes Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves, and accordingly there is no certainty that the preliminary economic assessment will be realized. The expected accuracy of costs in the Updated PEA is within a -35% to +45% level of confidence, as is appropriate for the level of study and accuracy of the input data provided.

Mineral Resources that are not Mineral Reserves do not by definition have demonstrated economic viability.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the full year ended December 31, 2020



Updated Mineral Resource Estimate

The April 2021 Updated PEA provided a Mineral Resource Estimate of 1.7 million tonnes grading 25.7% manganese oxide ("MnO") at a cut-off grade of 7.3% MnO. The table below contains a summary of the NI 43-101 K Hill Project Inferred Mineral Resource estimate:

K.Hill Mineral Resource Statement – April 2021

Estimation Domain	Category	Tonnes (Millions)	MnO %	Al ₂ O ₃ %	SiO ₂ %	Fe ₂ O ₃ %	LOI %
High-Grade Upper Mn Shale	Inferred Mineral Resource	1.1	31.9	9.8	21.9	18.6	10.0
Low-Grade Upper Mn Shale Top Margin	Inferred Mineral Resource	0.3	13.2	12.1	50.2	12.1	6.9
Low-Grade Upper Mn Shale Bottom Margin	Inferred Mineral Resource	0.2	12.6	11.7	49.3	14.6	5.3
TOTAL	Inferred Mineral Resource	1.7	25.7	10.5	30.9	16.8	8.7

Footnotes:

- (1) The Inferred Mineral Resource Estimate is reported above a cut-off grade of 7.3% MnO.
- (2) Tonnages are considered to be dry.
- (3) The Mineral Resource Estimate is constrained within grade-based solids and within a Lerchs-Grossman Optimised pit shell based on a HPMSM price of US\$1,588 / t and the following parameters:
 - a. Mining cost – US\$3.46 / t rock
 - b. Processing cost – US\$213 / t ore
 - c. Selling cost – 3%, Royalty and freight costs of US\$60/t HPMSM
 - d. G&A cost – US\$20 / t ore
 - e. Discount rate – 10%
 - f. Processing recovery – 90.7%
 - g. Mining recovery – 95%
 - h. Mining dilution – 5%
 - i. Geotechnical slope angle - 45°
- (4) All figures are rounded to reflect the relative accuracy of the estimate.
- (5) Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. It is uncertain if further exploration will convert Inferred Mineral Resources to higher confidence categories

Comparison to Previously Reported Resource Statements

Comparing the above mentioned Mineral Resource estimate ("MRE") to the previously reported MRE dated April 2020, it can be seen that, by optimizing fundamental parameters, the Company has increased the Resource at the K.Hill Project. Specifically, as new data becomes available from the metallurgical test work, a lower cut-off grade can be applied. This is evident in the reduced average grade in the latest MRE.

Comparison of the K.Hill Project Mineral Resource Statement with Previous Revisions.

	PEA Revision		
	Sept. 2019	April 2020	April 2021
Resource Statement (Million Tonnes)	1.10	1.24	1.70
Average MnO grade (%)	31.2	27.3	25.7

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the full year ended December 31, 2020



KAYNE BASIN PROSPECTS EXPLORATION

Commencement of K.Hill Extension and Otse Exploration Programs

The first of the 2021 exploration programs is targeted at an extension of the existing K.Hill Project ore body (the “**K.Hill Extension**”). Work on the K.Hill Extension commenced in early April. Access clearing and drill pad preparation for the K.Hill Extension resource drilling program is currently ongoing. This program will consist of 32 RC drill holes and targets the extension of the geophysical anomaly identified at the existing K.Hill Project ore body. Total meterage will be approximately 1,600 m and is expected to take six weeks to complete.

A geophysics program is planned for Otse. GPR has previously been identified as a technique capable of identifying the contrasts in density between the high-grade manganese pods and the barren clay and silt rich host material. However, Giyani has commissioned a more conventional resistivity orientation program. The orientation program is ongoing and expected to be completed in April 2021. This program will aim to identify a resistivity signature over known mineralization. The two geophysical techniques, GPR and resistivity, will then be considered and the preferred method will be deployed on the larger area surrounding the existing historical pits. Anomalies will be followed up with RC drilling.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the full year ended December 31, 2020



RESULTS OF OPERATIONS

SUMMARY OF SELECT QUARTERLY INFORMATION				
	2020			
	December 31	September 30	June 30	March 31
Total Revenue	-	-	-	-
Net Loss Before Tax	811,051	843,556	223,356	241,826
Basic and Diluted Loss per Share	0.01	0.01	0.00	0.00
2019				
	December 31	September 30	June 30	March 31
Total Revenue	-	-	-	-
Net Loss Before Tax (Income)	893,405	(197,081)	509,743	408,706
Basic and Diluted Loss per Share	0.01	(0.00)	0.01	0.01

For the three months ended December 31, 2020 the Company incurred a net loss of \$811,051, compared to a net loss of \$893,405 for the three months ended December 31, 2019. This was primarily attributable to:

- An increase in corporate expenses of \$203,621 in the current period compared to the prior period primarily driven by an increase in professional fees, management and consultant fees of \$238,443, increased operating activities and salaries and benefits of \$23,983 as well as an increase in regulatory fees of \$124,691, offset by a decrease in stock-based compensation of \$112,683, investor relation activities of \$15,633 and travel expenses of \$58,889.
- A gain on the sale of Rock Island Trading Ltd. of \$321,901 during the three months ended December 31, 2019 and nil for three month ended December 31, 2020.

SUMMARY OF SELECT ANNUAL INFORMATION			
	2020	2019	2018
Total assets	10,012,731	2,395,328	2,602,772
Total shareholders' equity	8,897,184	959,572	2,008,505
Total Revenue	-	-	-
Net Loss Before Tax	2,119,789	1,614,773	2,053,020
Basic Loss Per Share	0.02	0.02	0.03

For the year ended December 31, 2020 the Company incurred a net loss of \$2,119,789 compared to a net loss of \$1,614,773 for the year ended December 31, 2019. This was primary attributable to:

- An increase in corporate expenses of \$397,385 in the current year compared to the prior year primarily driven by an increase in professional fees, management and consultant fees of \$424,224, increased operating activities, an increase in stock-based compensation of \$198,515, regulatory fees of \$137,270, offset by a decrease in investor relation activities of \$139,603 and travel expenses of \$182,700.
- A gain on the sale of Rock Island Trading Ltd. of \$213,733 during the year ended December 31, 2019 and nil for the year ended December 31, 2020.
- A write-down of receivables of \$99,432 during the year ended December 31, 2019 and nil for the year ended December 31, 2020.
- A gain on debt settlement of \$21,292 for the year ended December 31, 2020 and nil for the comparative period.

Share Capital Data

On March 10, 2020, the Company issued 500,000 stock options to a new member of management. The stock options had an exercise price of \$0.12 and expire March 10, 2025. The options vested immediately.

On May 25, 2020, the Company announced the closing of a non-brokered placement financing, that was fully subscribed and comprised of 15,000,000 units at a price of \$0.08 per for gross proceeds of \$1.2 million in immediately available new funding. The net proceeds from the private placement were used to fund the advancement of the FS, which is expected to be completed in Q3 2021. Each Unit A consisted of one (1) Common Share and one half (½) of one Common

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the full year ended December 31, 2020



Share purchase Warrant A. Each whole Warrant A entitles the holder to purchase one Common Share at an exercise price of \$0.10 per share within the 3-year period following the closing of the private placement.

In May 2020, the Company settled an aggregate of \$192,048 in debt and a total of 1,829,023 common shares were issued to creditors. In connection with the debt settlements, 1,214,637 shares were issued to directors and/or officers (or their affiliates) of the Company.

On July 5, 2020, the Company issued 375,000 stock options to a number of consultants. The stock options have an exercise price of \$0.15 and expire July 5, 2025. The options vested immediately.

On September 18, 2020, the Company announced the closing of a partly brokered private placement financing that was fully subscribed and comprised of 9,600,000 units at a price of \$0.125 per unit for gross proceeds of \$1.2 million in immediately available new funding. The net proceeds from the private placement were used for working capital requirements and other general corporate purposes. Each Unit B consists of one (1) Common Share and one half ($\frac{1}{2}$) of one Common Share purchase Warrant B. Each whole Warrant B will entitle the holder to purchase one Common Share at an exercise price of \$0.20 per share until the date that is 18 months from the date of issue. In connection with the private placement, Giyani also issued 355,320 finder's warrants which entitle the holders thereof to purchase common shares for 18 months at a purchase price per common share of \$0.125.

On September 24, 2020, the Company issued 2,100,000 stock options to a number of employees, officers and directors. The stock options have an exercise price of \$0.185 and expire September 24, 2025. 1,400,000 options vested immediately (as of the date of this report, 50,000 stock options have expired) and the unvested balance of 700,000 stock options were to vest equally on the one year (350,000) and two year (350,000) anniversaries of the grant date subject to certain change of control clauses. As of the date of this report, 300,000 of the unvested stock options were expired.

On September 30, 2020, 525,000 warrants priced at \$0.10 per Common Share were exercised for proceeds of \$52,500.

On December 23, 2020, the the Company announced the closing of a brokered private placement led by Cormark for total gross proceeds of \$7,475,000 (the "Offering") for 37,375,000 units priced at \$0.20 per unit. Each Unit C consisted of one Common Share and $\frac{1}{2}$ Common Share purchase Warrant C priced at \$0.35 per Warrant C and expiring on June 23, 2022.

On December 23, 2020, 4,000,000 warrants priced at \$0.10 per Common Share were exercised for proceeds of \$400,000.

On January 8, 2021, 75,000 warrants priced at \$0.10 per Common Share were exercised for proceeds of \$7,500.

On January 18, 2021, the Company issued 750,000 stock options to certain consultants of the Company. Each Option is exercisable into one Common Share of the Company at a price of \$0.465 per Common Share for a period of five years from the date of grant with the Options vesting as to 250,000 on the date of grant, and a further 250,000 on each of the first and second anniversaries of the grant date.

On January 21, 2021, 150,000 stock options priced at \$0.15 per Common Share were exercised for proceeds of \$22,500.

On February 8, 2021, 62,500 warrants priced at \$0.10 per Common Share were exercised for proceeds of \$6,250.

On February 23, 2021, 112,500 stock options priced at \$0.28 per Common Share were exercised for proceeds of \$31,500.

On February 26, 2021, 50,000 and 58,000 warrants were exercised priced at \$0.10 and \$0.20 per Common Share, respectively for gross proceeds of \$16,600.

On March 2, 2021, 75,000 warrants were exercised priced at \$0.10 per Common Share for proceeds of \$7,500.

On March 24, 2021, the Company announced the closing of a bought deal public offering for total proceeds of \$11,503,220 for 16,917,500 units priced at \$0.68 per unit. Each unit consisted of one common share and one and a half common share purchase warrant priced at \$1.00 per warrant and expiring on September 24, 2022.

On March 24, 2021, 1,500,000 and 500,000 warrants were exercised priced at \$0.10 and \$0.20 per Common Share for proceeds of \$250,000.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the full year ended December 31, 2020



As of the date of this report, the Company had 173,252,734 Common Shares outstanding. The table below details the options and warrants outstanding as of the date of this report.

Stock Options			
Expiry Date	Outstanding	Exercise Price	Potential Liquidity
June 24, 2021	500,000	\$0.10	\$50,000
August 2, 2021	350,000	\$0.31	\$108,500
November 21, 2021	500,000	\$0.34	\$170,000
May 1, 2022	300,000	\$0.34	\$102,000
November 28, 2022	750,000	\$0.30	\$225,000
April 23, 2023	350,000	\$0.23	\$80,500
September 28, 2023	2,275,000	\$0.28	\$637,000
November 18, 2024	1,750,000	\$0.15	\$277,500
March 10, 2025	500,000	\$0.12	\$60,000
July 6, 2025	375,000	\$0.15	\$56,240
September 24, 2025	1,750,000	\$0.185	\$323,750
January 18, 2026	750,000	\$0.465	\$348,750
Warrants			
Expiry Date	Outstanding	Exercise Price	Potential Liquidity
March 18, 2022	4,242,000	\$0.20	\$848,400
March 18, 2022	355,320	\$0.125	\$44,060
June 23, 2022	20,784,500	\$0.35	\$7,274,575
September 24, 2022	8,458,250	\$1.00	\$8,458,250
September 24, 2022	930,407	\$0.68	\$632,677
May 25, 2023	1,212,499	\$0.10	\$121,249

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements.

Trend

Management regularly monitors economic conditions and estimates their impact on the Company's operations and incorporates these estimates in both short-term operating and longer-term strategic decisions. During the current period, governments and corporations have voiced support for policies and regulations in support of a transition to a low carbon economy. In addition, notable automobile manufacturers, including Tesla and Volkswagen, amongst others, have announced their intention to incorporate manganese rich battery chemistries in their fleet of EVs. This strong endorsement has raised the profile of the Company and supported the Company's efforts to finance ongoing operating activities. Apart from those noted in the commitment section below and the risk factors noted under the heading "Risks and Uncertainties", management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's business, financial condition or results of operations. See "Risks and Uncertainties" below.

Related Party Transactions

Remuneration of directors and key management personnel of the Company was as follows:

Management and consulting fees of \$629,878 (year ended December 31, 2019 - \$584,846) were paid or accrued to officers and directors of the Company or to companies controlled by officers or directors of the Company during the year ended December 31, 2020. The previous Chief Financial Officer ("CFO") of the Company is a senior employee MSSI. During the year ended December 31, 2020, the Company paid or accrued professional fees of \$39,316 (year ended December 31, 2019 - \$42,658) to MSSI. These services were incurred in the normal course of operations for general accounting and financial reporting matters. MSSI also provides bookkeeping services to the Company.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the full year ended December 31, 2020



As at December 31, 2020, the Company owed \$206,037 (December 31, 2019 - \$384,459) to directors and officers of the Company and entities controlled by or associated with directors and officers of the Company. As at December 31, 2020, MSSI was owed \$2,914 (December 31, 2019 - \$47,148) with respect to services provided. The balances owed were recorded in the audited consolidated statement of financial position as amounts due to related parties.

On March 10, 2020, the Company granted 500,000 stock options to management with each option exercisable into one common share of the Company at an exercise price of \$0.12 per share until March 10, 2025.

On May 19, 2020, as part of a share for debt settlement, the Company settled debt of \$109,317 with the directors and officers of the Company.

On May 25, 2020, as part of the non-brokered private placement, officers and directors of the Company subscribed for 687,500 units.

On July 5, 2020, the Company granted 375,000 stock options to management with each option exercisable into one common share of the Company at an exercise price of \$0.15 per share until July 5, 2025.

On September 18, 2020, as part of the brokered private placement, officers and directors of the Company subscribed for 2,514,000 units.

On September 24, 2020, the Company issued 2,100,000 stock options to a number of employees, officers and directors. The stock options have an exercise price of \$0.185 and expire September 24, 2025. 1,400,000 options vested immediately (as the date of this report, 50,000 stock options have expired) and the unvested balance of 700,000 stock options were to vest equally on the one year (350,000) and two year (350,000) anniversaries of the grant date subject to certain change of control clauses. As of the date of this report, 300,000 of the unvested stock options were expired.

Also, the Company amended the vesting conditions for 700,000 options of the 1,000,000 options granted to one of its executives in November 2019, based on performance conditions that need to be satisfied by June 30, 2021. In addition, the Company extended the exercise period on 762,500 options granted to a former executive for one year from the date of his departure of which 500,000 remain available for exercise.

During the year ended December 31, 2020, the Company collected an outstanding receivable balance of \$20,000 in cash.

Furthermore, in December 2020, one investor in the Company's Unit C financing was unable to remit their funds to the Company's trust account and instead remitted their funds directly to Giyani's CEO. The Company's Board of Directors approved an arrangement for the CEO to retain the funds as a prepayment of future fees and expenses. This arrangement was recorded as a related party receivable on the Company's consolidated statement of financial position as at December 31, 2020. During the first four months of 2021, the CEO's fees and approved expense reimbursements were fully applied against the related party receivable balance and is currently \$nil.

On January 18, 2021, the Company granted 750,000 stock options to an executive of the Company, each option is exercisable into one common shares at a price of \$0.465 per share for a period of five years from the date of the grant, with a vesting as to 250,000 as the date of the grant, and a further 250,000 on each of the first and second years subsequent to the grant date.

Change in Accounting Policies

New standards adopted

Definition of a Business (Amendments to IFRS 3)

The IASB has issued Definition of a Business (Amendments to IFRS 3) to clarify the definition of a business for the purpose of determining whether a transaction should be accounted for as an asset acquisition or a business combination. The amendments:

- clarify the minimum attributes that the acquired assets and activities must have to be considered a business
- remove the assessment of whether market participants can acquire the business and replace missing inputs or processes to enable them to continue to produce outputs

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the full year ended December 31, 2020



- narrow the definition of a business and the definition of outputs
- add an optional concentration test that allows a simplified assessment of whether an acquired set of activities and assets is not a business

There was no material impact to the Financial Statement of the Company as a result of the adoption of this policy.

New standards not yet adopted

Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)

The IASB has published Classification of Liabilities as Current or Non-Current (Amendments to IAS 1) which clarifies the guidance on whether a liability should be classified as either current or non-current. The amendments:

- clarify that the classification of liabilities as current or non-current should only be based on rights that are in place "at the end of the reporting period"
- clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability
- make clear that settlement includes transfers to the counterparty of cash, equity instruments, other assets or services that result in extinguishment of the liability.

This amendment is effective for annual periods beginning on or after January 1, 2022. There is currently a proposal in place to extend effective date for annual periods beginning on or after January 1, 2023. Earlier application is permitted. The extent of the impact of adoption of this amendment has not yet been determined.

Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and sustain future development of the business. The capital of the Company consists of equity.

The Company manages its capital structure and makes adjustments in light of the changes in its economic environment and the risk characteristics of the Company's assets. To effectively manage the Company's capital requirements, the Company has in place planning, budgeting and forecasting process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives. With the exception of commitments detailed in note 17 to the Financial Statements for the year ended December 31, 2020, there were no externally imposed capital requirements to which the Company is subject as at 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 Exchange 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. As of December 31, 2020, the Company is compliant with known requirements other than Policy 2.5 of the TSX Venture Exchange. The Company continues to evaluate various options in order to meet the capital requirement imposed by Policy 2.5 of TSX Venture Exchange. There can be no assurance that the Company's financing activities will be successful or sufficient.

Disclosure of Internal Controls

Management has established processes to provide it with sufficient knowledge to support representations that it has exercised reasonable diligence to ensure that (i) the 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 Financial Statements, and (ii) the Financial Statements fairly present in all material respects the financial condition, results of operations and cash flow of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate filed by the Company 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 such certificate are not making any representations relating to the establishment and maintenance of:

MANAGEMENT'S DISCUSSION AND ANALYSIS

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- (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 generally accepted accounting principles (IFRS).

The Company'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 such 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.

Financial instruments and risk management

The Company provides information about its financial instruments measured at fair value at one of three levels according to the relative reliability of the inputs used to estimate the fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three levels of the fair value hierarchy are as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quotes prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair values

The Company's cash is comprised primarily of current deposits held with a Canadian chartered bank. The fair value of cash and funds held in trust approximate their carrying value due to their short-term nature.

The Company's risk exposure and the impact on the financial instruments are summarized below:

Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's exposure to credit risk includes cash and amounts due from related party.

The Company reduces its risk on cash by maintaining its bank accounts at large Canadian financial institutions.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's approach to managing liquidity risk is to provide reasonable assurance that it will have sufficient funds to meet its liabilities when they come due. The Company manages its liquidity risk by forecasting cash flows required by operations to and anticipated investing and financing activities. The Company's financial obligations currently consist of accounts payable and accrued liabilities, amounts due to related parties and other liabilities. The carrying value of the accounts payable, accrued liabilities, amounts due to related parties and other liabilities approximates fair value as they are short term in nature.

The Company had cash at December 31, 2020 of \$6,338,927 (December 31, 2019 - \$8,758). As at December 31, 2020, the Company had accounts payable and accrued liabilities and amounts due to related parties of \$1,008,604 (December 31, 2019 - \$1,328,813).

Market Risk

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

a) Interest Rate Risk

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the full year ended December 31, 2020



The Company's cash consists of cash held in bank accounts that earn interest at variable interest rates. Future cash flows from interest income on cash will be affected by interest rate fluctuations. Due to the short-term nature of these financial instruments fluctuations in market rates do not have a significant impact on estimated fair values. The Company manages interest rate risk by maintaining an investment policy that focuses primarily on preservation of capital and liquidity. The interest income earned on cash is minimal; therefore, the Company is not subject to material interest rate risk.

b) Foreign Currency Risk

The Company is exposed to foreign currency risk of the South African Rand, Botswana Pula and United States dollar. Based on the net exposure at December 31, 2020, a 10% depreciation or appreciation of the South African Rand, Botswana Pula and United States dollar against the Canadian dollar would be approximately \$10,656.

c) Other Price Risk

Other price risk is the risk that the fair or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to any other price risk.

Risks and Uncertainties

The information provided in this document is not intended to be a comprehensive review of all matters concerning the Company. The users of this information, including but not limited to investors and prospective investors, should read it, in conjunction with all other disclosure documents provided including but not limited to all documents filed on SEDAR (www.sedar.com).

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position.

COVID-19

In December 2019, a novel strain of coronavirus (COVID-19) was reported to have surfaced in Wuhan, China and on March 11, 2020, the WHO declared the outbreak a global pandemic. Between October and December 2020, the Company experienced a delay of approximately three weeks in its drilling program attributable to COVID-19 protocols and testing delays in Botswana, as the drilling contractor personnel had to move across the Botswana border. There can be no assurance that the Company will not experience similar logistical and administrative delays in the future due to COVID-19 or a similar public health threat and government actions or regulations in response thereto. An outbreak of infectious disease, a pandemic or a similar public health threat, such as the COVID-19 outbreak, or a fear of any of the foregoing, could adversely impact the Company by causing operating, supply chain and project development delays and disruptions, and increased costs to the Company. Further, such pandemics and diseases represent a serious threat to maintaining a skilled workforce in the mining industry and are a major health-care challenge for the Company. There can be no assurance that the Company's personnel will not be impacted by these pandemic diseases and related travel restrictions and the Company may ultimately see its workforce productivity reduced or incur increased medical costs / insurance premiums as a result of these health risks. Furthermore, the Company's operations and activities may be suspended or restricted due to government mandated actions.

Nature of the Exploration and Mining Industry

Giyani's future is dependent on its exploration and development programs. The exploration and development of mineral deposits involves significant financial risks over a prolonged period of time, which may not be eliminated even through a combination of careful evaluation, experience and knowledge. Few properties that are explored are ultimately developed into economically viable operating mines. Major expenditures on the Company's exploration properties may be required to construct mining and processing facilities at a site, and it is possible that even preliminary due diligence and feasibility work will show adverse results, leading to the abandonment of projects. It is impossible to ensure that preliminary or full feasibility studies on Giyani's projects, or the current or proposed exploration programs on any of the properties in which Giyani has exploration rights, will result in any profitable commercial mining operations. The Company cannot give any assurance that its current and future exploration activities will result in a discovery of mineral deposits containing Mineral Reserves.

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Estimates of Mineral Resources and any potential determination as to whether a mineral deposit will be commercially viable can also be affected by such factors as: the particular attributes of the deposit, such as its size and grade; unusual or unexpected geological formations and metallurgy; proximity to infrastructure; financing costs; commodity prices, which are highly volatile; and governmental regulations, including those relating to prices, taxes, royalties infrastructure, land use, importing and exporting of metal concentrates, exchange controls and environmental protection. The effect of these factors cannot be accurately predicted, but the combination of any or all of these factors may result in Giyani not receiving an adequate return on its invested capital or suffering material adverse effects to its business and financial condition. Exploration and development projects also face significant operational risks including but not limited to an inability to obtain access rights to properties, accidents, equipment breakdowns, labor disputes (including work stoppages and strikes), and other unanticipated interruptions.

Preliminary Economic Assessment

This document includes a discussion on the Company's Updated PEA with respect to the K.Hill Project. Although the Updated PEA represents useful, accurate and reliable information based on the information available at the time of its publication, and provides an important indicator as to the economic potential of the K.Hill Project deposit, the Updated PEA is based on Mineral Resources estimates completed as of April 2021, which are of Inferred Mineral Resource category.

The Updated PEA is based on Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves, and there is no certainty that the Updated PEA based on these Inferred Mineral Resources will be realised. The results depend on inputs that are subject to a number of known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those presented here. The NI 43-101 Amended Technical Report relating to the Updated PEA announced on April 12, 2021 will be filed on SEDAR on or before April 30, 2021.

Successfully Establishing Mining Operations & Profitable Production Cannot be Assured

The Company has no history of manganese production. There can be no assurance that the Company will successfully establish mining operations or profitably produce manganese from the K.Hill Project or any other project. The K.Hill Project is in the exploration and evaluation stage and as a result, the Company is subject to all of the risks associated with establishing new mining operations and business enterprises including:

- the availability of capital to finance construction and development activities is uncertain, may not be available, or may not be available at a cost which is economic to construct and develop a mine;
- the timing and cost, which can be considerable, to construct mining and processing facilities, is uncertain and subject to increase;
- the availability and cost of skilled labour, consultants, mining equipment and supplies;
- the timing to receive any outstanding documentation, including permits, tax exemptions and fiscal guarantees required to commence construction and/or draw down on any loan facility that may be entered into by the Company in the future; and
- the costs, timing and complexities of mine construction and development may be increased with the K.Hill Project located in Botswana.

It is common in new mining operations to experience unexpected problems and delays during construction, development and mine start-up. Accordingly, there are no assurances that the Company's activities will result in profitable mining operations or that the Company will successfully establish mining operations or profitably produce manganese at the K.Hill Project or any of its future projects.

Additional Financing Needs

Giyani's ability to continue its business operations is dependent on management's ability to secure additional financing. The Company's only source of liquidity is its cash and cash equivalent balances. Liquidity requirements are managed based upon forecasted cash flows to ensure that there is sufficient working capital to meet the Company's obligations.

Giyani's main funding requirements are for its corporate overhead and satisfaction of its mineral exploration, development, property and project obligations, including the acquisition of additional mineral properties. The advancement, exploration and development of Giyani's properties, including continuing exploration and development projects, and, if warranted, construction of mining facilities and the commencement of mining operations, will require

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substantial additional financing. As a result, the Company may be required to seek additional sources of debt and/or equity financing in the near future. While the Company has been successful in raising such financing in the past, its ability to raise additional debt and/or equity financing may be affected by numerous factors beyond its control including, but not limited to, adverse market conditions, commodity price changes and economic downturns. There can be no assurance that Giyani will be successful in obtaining any additional financing required to continue its business operations and/or to maintain its property interests, or that such financing will be sufficient to meet the Company's objectives or obtained on terms favorable to the Company. Failure to obtain sufficient financing as and when required may result in the delay or indefinite postponement of exploration and/or development on any or all of Giyani's properties, or even a loss of property interest, which would have a material adverse effect on the Company's business, financial condition and results of operations.

No Earnings and History of Losses

The business of developing and exploring resource properties involves a high degree of risk and, therefore, there is no assurance that current exploration and development programs will result in profitable operations. Giyani has not determined whether any of its properties, including the K.Hill Project and Otse and Lobatse prospects, contain economically recoverable reserves of ore and currently has not earned any revenue from its projects; therefore, the Company does not generate cash flow from its operations. There can be no assurance that significant additional losses will not occur in the future. Giyani's operating expenses and capital expenditures may increase in subsequent years with advancing exploration, development and/or production from the Company's properties. The Company does not expect to receive revenues from operations in the foreseeable future and expects to incur losses until such time as one or more of its properties enters into commercial production and generates sufficient revenue to fund continuing operations, if at all. There is no assurance that new capital will be available, and if it is not, Giyani may be forced to substantially curtail or cease operations.

Volatility of Commodity Prices

The development of Giyani's mineral properties is dependent on the future prices of minerals and metals, and in particular, the price of manganese and particularly high purity manganese materials. As well, should any of the Company's properties eventually enter commercial production; the Company's profitability will be significantly affected by changes in the market prices of minerals and metals.

The effect of external factors on the prices of manganese, and therefore the economic viability of any of Giyani's exploration projects, cannot be accurately determined at the present time. The prices of commodities have historically fluctuated widely, and future price declines could cause the development of (and any future commercial production from) Giyani's properties to be impracticable or uneconomical. As such, the Company may determine that it is not economically feasible to commence commercial production at some or all of its operations, which could have a material adverse impact on Giyani's financial performance and results of operations. In such a circumstance, the Company may also curtail or suspend some or all of its exploration activities, with the result that depleted reserves are not replaced.

Title Matters

Giyani has full title to its licenses and right comprising the Kanye Basin Prospects. There is no guarantee that title to one or more licenses or rights at Giyani's projects will not be challenged or impugned. There may be challenges to any of the Company's titles which, if successful, could result in the loss or reduction of the Company's interest in such titles. Giyani's properties may be subject to prior unregistered liens, agreements, transfers or claims, and title may be affected by, among other things, undetected defects. In addition, the Company may be unable to operate its properties as permitted or to enforce its rights with respect to its properties. The failure to comply with all applicable laws and regulations, including a failure to pay taxes or to carry out and file assessment work, can lead to the unilateral termination of concessions by mining authorities or other governmental entities.

Governmental Regulation

The mineral exploration and development activities of Giyani are subject to various laws governing prospecting, development, production, taxes, labor standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local people and other matters in the countries in which the Company has operations, particularly Botswana. Although Giyani's exploration and development activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration, development, or production. Amendments to current laws and regulations governing the Company's operations, or more stringent implementation thereof, could have an adverse impact on the Company's business and financial condition.

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Giyani's operations may be subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner that means standards are stricter, and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and their directors, officers and employees. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of Giyani's future operations.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities that cause operations to cease or be curtailed. Other enforcement actions may include corrective measures requiring capital expenditures, the installation of additional equipment or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed upon them for violations of applicable laws or regulations.

Permitting Processes

Giyani's operations, including the exploration of the Kanye Basin Prospects, require licenses and permits from various governmental authorities. The Company will use its best efforts to obtain all necessary licenses and permits to carry on the activities which it intends to conduct, and it intends to comply in all material respects with the terms of such licenses and permits. However, there can be no guarantee that the Company will be able to obtain and maintain, at all times, all necessary licenses and permits required to undertake its proposed exploration and development plans, or to place its properties into commercial production and to operate mining facilities thereon. In the event of commercial production, the cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations or preclude the economic development of Giyani's properties.

With respect to environmental permitting, the development, construction, exploitation and operation of mines at the Company's mineral projects may require the granting of environmental licenses and other permits or concessions by the competent environmental authorities. Required environmental permits, licenses or concessions may take time and/or be difficult to obtain and may not be issued on the terms sought by the Company. Operating without the required environmental permits may result in the imposition of fines or penalties as well as criminal charges against Giyani for violations of applicable laws or regulations.

Employees and Specialized Skills

The Company is dependent on the services of key management as well as on the services provided by its expertise of its consulting engineers, exploration geologists, geophysicists, among others. The skill and knowledge required to explore for and successfully find mineral deposits in foreign countries requires experience in geological evaluation and interpretation and an understanding of local laws and customs. The Company's senior executives and senior management have a variety of specialized skills and knowledge by engaging, on a contract basis, professionals in other relevant disciplines as well as local experts where required.

Environmental Matters

Giyani's exploration and development activities are subject to various laws and regulations regarding the protection of the environment. The Company will make expenditures to ensure compliance with applicable laws and regulations. New environmental laws and regulations, amendments to existing laws and regulations, or more stringent implementation of existing laws and regulations could have a material adverse effect on the Company, both financially and operationally, by potentially increasing capital and/or operating costs and delaying or preventing the development of mineral properties.

Uninsurable Risks

Mining operations generally involve a high degree of risk. Exploration, development and production operations on mineral properties involve numerous risks, including but not limited to unexpected or unusual geological operating conditions, seismic activity, rock bursts, cave-ins, fires, floods, landslides, earthquakes and other environmental occurrences, risks relating to the shipment of precious metal concentrates or ore bars, and political and social instability, any of which could result in damage to, or the destruction of, the mine and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although Giyani takes appropriate precautions to mitigate these risks, its operations are subject to hazards such as equipment failure or failure of structures, which may result in environmental

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pollution and consequent liability. It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks because of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate the Company's future profitability and result in increasing costs.

While Giyani may obtain insurance against certain risks in such amounts as it considers adequate, the nature of these risks are such that liabilities could exceed policy limits or be excluded from coverage. The potential costs that could be associated with any liabilities not covered by insurance or in excess of insurance coverage may cause substantial delays and require significant capital outlays, thereby adversely affecting the Company's business and financial condition.

Competition

The mineral exploration and mining business is competitive in all of its phases. In the search for and acquisition of attractive mineral properties, Giyani competes with numerous other companies and individuals, including competitors with greater financial, technical and other resources. The Company's ability to acquire properties in the future will depend on its ability to select and acquire suitable producing properties or prospects for mineral exploration. There is no assurance that the Company will be able to continue to compete successfully with its competitors in acquiring such properties or prospects, nor that it will be able to develop any market for the raw materials that may be produced from its properties. Any such inability could have a material adverse effect on the Company's business and financial condition.

Reliance on Key Personnel

Giyani currently has a small senior management group sufficient for its present stage of exploration and development activity. The Company's future growth and its ability to develop depend, to a significant extent, on its ability to attract and retain highly qualified personnel. Giyani relies on a limited number of key employees, consultants and members of senior management, and there is no assurance that the Company will be able to retain such personnel. The loss of one or more key employees, consultants, or members of senior management, if such persons are not replaced, could have a material adverse effect on the Company's business, financial condition and prospects.

To operate successfully and manage its potential future growth, Giyani must attract and retain highly qualified engineering, managerial and financial personnel. The Company faces intense competition for qualified personnel in these areas, and there can be no certainty that the Company will be able to attract and retain qualified personnel. If Giyani is unable to hire and retain additional qualified personnel in the future to develop its properties, its business, financial condition and operating results could be adversely affected.

Foreign Currency Risk

Giyani currently uses the Botswana Pula and the Canadian Dollar as its functional currencies, and the Canadian Dollar as its reporting currency. Operations at the K.Hill Project and the Otse and Lobatse prospects are predominantly conducted and paid in Botswana Pula and United States Dollars. The Company does not hedge any of its operating costs or purchase any forward currency exchange contracts and is therefore exposed to exchange rate fluctuations. Fluctuations in the exchange rate between the Canadian Dollar and Botswana Pula and United States Dollars may also have a significant impact on the Company's results of operations and financial condition. Giyani's assets and liabilities may be subject to the same exchange rate fluctuations that could also have a significant effect on the results of the Company. Giyani cannot predict the effect of exchange rate fluctuations upon future operating results and there can be no assurance that exchange rate fluctuations will not have a material adverse effect on its business, operating results or financial condition.

Conflicts of Interest

Certain directors and officers of Giyani also serve as directors and/or officers of other companies, that are involved in natural resource exploration, development and mining operations. Consequently, there exists the possibility for such directors and officers to be in a position of conflict. The directors of Giyani are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interest they may have in any project or opportunity of the Company. In addition, each of the directors is required by law to declare his or her interest in and refrain from voting on any matter in which he or she may have a conflict of interest, in accordance with applicable laws.

Enforcement of Civil Liabilities

All of Giyani's key mineral assets are located outside of Canada. As a result, it may be difficult or impossible to enforce judgments granted by a court in Canada against certain of the assets of the Company. In the event of a dispute arising in connection with Giyani's operations in Botswana, the Company may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdictions of the courts of Canada or enforcing Canadian judgments in such other jurisdictions.

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Infrastructure Requirements

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supplies, as well as the location of population centers and pools of labor, are important determinants which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could impact Giyani's ability to explore its mineral properties, thereby adversely affecting its business and financial condition.

Foreign Investments and Operations

The Company conducts its exploration activities in Botswana. The Company's foreign mining investments are subject to the risks normally associated with the conduct of business in foreign countries. The occurrence of one or more of these risks could have a material and adverse effect on the Company's profitability or the viability of its affected foreign operations, which could have a material and adverse effect on the Company's future cash flows, earnings, results of operations and financial condition.

Risks may include, among others, labour disputes, invalidation of governmental orders and permits (including permits necessary for executives and key employees to work in Botswana), corruption, uncertain political and economic environments, sovereign risk, war (including in neighbouring states), civil disturbances and terrorist actions, arbitrary changes in laws or policies of particular countries, the failure of foreign parties to honour contractual relations, corruption, foreign taxation, delays in obtaining or the inability to obtain necessary governmental permits, opposition to mining from environmental or other non-governmental organizations, limitations on foreign ownership, limitations on the repatriation of earnings, limitations on gold exports, instability due to economic under-development, inadequate infrastructure and increased financing costs. In addition, the enforcement by the Company of its legal rights to exploit its properties may not be recognized by the government of Botswana or by its court systems. These risks may limit or disrupt the Company's operations, restrict the movement of funds or result in the deprivation of contractual rights or the taking of property by nationalization or expropriation without fair compensation.

The economies and political systems of Botswana should be considered by investors to be less predictable than those in countries in which the majority of investors are likely to be resident. The possibility that the current, or a future, government may adopt substantially different policies, take arbitrary action which might halt production, extend to the re-nationalization of private assets or the cancellation of contracts, the cancellation of mining and exploration rights and/or changes in taxation treatment cannot be ruled out, the happening of any of which could result in a material and adverse effect on the Company's results of operations and financial condition.

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 statements 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 could 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. The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

Forward-looking statements	Assumptions	Risk factors
The Company will be able to continue its business activities.	The Company has anticipated all material costs and the operating activities of the Company, and such costs and activities will be consistent with the Company's current expectations; the Company will be able to obtain equity funding when required.	Unforeseen costs to the Company will arise; any particular operating cost increase or decrease from the date of the estimation; and capital markets not being favourable for funding resulting in the Company not being able to obtain financing when required or on acceptable terms.

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The Company will be able to carry out anticipated business plans.	The operating activities of the Company for the 12 months ending December 31, 2021, will be consistent with the Company's expectations.	Sufficient funds not being available; increases in costs; the Company may be unable to retain key personnel.
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Inherent in forward-looking statements are risks, uncertainties and other factors beyond the Company's ability to predict or control. Please also make reference to those risk factors referenced in the "Risks and Uncertainties" section above. 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 the Company'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.