



## **Management's Discussion & Analysis**

**Financial period ended January 31, 2023**

Containing information as of March 22, 2023

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## **Caution Regarding Forward-Looking Information**

Certain of the statements made and information contained herein and in the financial statements are “forward-looking information” or “forward-looking statements” within the meaning of the *Securities Act* (British Columbia). This includes statements by the Company concerning exploration results, including deposit size, quantities, grades and contained metals, which are generally based on estimations and extrapolations from a limited number of samples, drill holes and assays. These estimations and extrapolations are subject to uncertainties, which include but are not limited to uncertainties in evaluating a deposit until the deposit has been extensively drilled on closely spaced intervals. Should one or more of these underlying estimations or extrapolations prove incorrect, actual results may vary materially from those described in forward-looking statements.

Forward-looking statements contained herein also include the Company’s future operating costs and exploration plans at its mineral properties. These involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. Forward-looking information is subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking information, including, without limitation, the ability of the Company to continue to be able to access the capital markets for funding necessary for operating costs, to acquire and maintain exploration properties and to carry out its desired exploration programs; difficulties in executing exploration programs on the Company’s proposed schedules and within its cost estimates, whether due to weather conditions in the areas where it operates, increasingly stringent environmental regulations and other permitting restrictions, or the availability of essential supplies and services; and factors beyond the capacity of the Company to anticipate and control, such as the marketability of minerals, government regulations relating to health, safety and the environment, and the scale and scope of royalties and taxes on production. Should one or more of these risks or uncertainties materialize, actual results may vary materially from those described in forward-looking statements.

Accordingly, readers are advised not to place undue reliance on forward-looking information. Except as required under applicable securities legislation, the Company undertakes no obligation to publicly update or revise forward-looking information, whether because of new information, future events or otherwise.

## **Description of Business**

Newfoundland Discovery Corp. (formerly Great Thunder Gold Corp.) (the “Company” or “Newfoundland Discovery”) is a junior exploration company incorporated under the laws of the Province of British Columbia, Canada and whose common shares are listed on the Canadian Securities Exchange. Its principal business is the exploration for minerals and the development of its gold and lithium projects located in Newfoundland and Labrador, Quebec and British Columbia, Canada. Newfoundland Discovery is in the exploration stage and has not yet determined whether these properties contain mineral reserves that are economically recoverable.

The following discussion and analysis of the operations, results and financial position of Newfoundland Discovery should be read in conjunction with the condensed consolidated interim

financial statements as of and for the period ended January 31, 2023 and the notes thereto (the “financial statements”). The financial statements are incorporated herein by reference.

The financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and unless otherwise cited, references to dollar amounts are Canadian dollars. The financial statements were prepared on a going concern basis, which presumes the realization of assets and the discharge of liabilities in the normal course of business for the foreseeable future. The Company had working capital of \$251,175 as of January 31, 2023 and has accumulated losses of \$16,600,560 since incorporation. The Company’s ability to meet its obligations and maintain its operations is contingent upon additional financing or profitable operations in the future.

## **Overall Performance and Discussion of Operations**

### **Third Quarter Results**

During the third quarter of its 2023 financial year, the Company experienced a net income of \$118,976. This represents an increase of \$321,220 from the \$202,244 loss in the same quarter last year. This increase was caused primarily by a \$38,417 decrease in consulting fees, a \$89,969 decrease in investor relations and shareholder information expenses, a \$82,327 decrease in legal fees, and a \$157,800 increase in the non-cash income tax recovery relating to the derecognition of a flow-through share premium. Offsetting these was a \$27,306 increase in interest expense and a \$45,948 loss on sale of the Bouvier Property.

### **Nine-Month Results**

During the first nine months of the Company’s 2023 financial year, the Company had a net loss of \$292,313, a \$474,107 improvement over the \$766,420 loss during the same period last year. As noted above, this decrease was caused primarily by a \$108,080 decrease in consulting fees, a \$229,637 decrease in investor relations and shareholder information expenses, a \$86,070 decrease in legal fees, and a \$81,617 increase in the non-cash income tax recovery relating to the derecognition of a flow-through share premium. Tempering these reductions was a \$27,306 increase in interest expense and a \$45,948 loss on sale of the Bouvier Property.

### **Cash Flow**

As of January 31, 2023, the Company had cash and cash equivalents of \$202,761 as compared with cash of \$1,583,224 at the beginning of the financial year, a decrease of \$1,380,463. During the period, the Company used \$118,333 of cash for its operations, \$1,379,730 for the acquisition and exploration of its exploration and evaluation assets, and received \$117,600 from share subscriptions received.

For a detailed breakdown of exploration and evaluation assets for first nine months of the Company’s 2023 financial year on a property-by-property basis as well as for the corresponding period last year, refer to the Schedule of Exploration and Evaluation Assets accompanying the financial statements.

### **General**

As of January 31, 2023, the Company had no contractual obligations, such as long-term debt, capital lease obligations, operating leases or purchase obligations, except as described in the financial statements, nor did it have commitments for capital expenditures. Refer to note 13 to the financial statements.

A very strong lithium market and gold prices are a positive for exploration companies like Newfoundland Discovery. Given the conflict in Europe, management expects gold prices to remain high in the short term and stabilize at historically strong levels in the medium term, so the Company plans to aggressively explore its core portfolio of mineral properties.

Continuing global uncertainty with respect to the COVID-19 pandemic and its effect on the Canadian economy and financial markets may have significant and still-unpredictable effects on the Company. While the impact remains unknown, variants of the virus and its continuing spread may have a material adverse effect on economic activity and could affect exploration plans, disrupt metals and financial markets, and affect other factors relevant to the Company.

## Summary of Unaudited Quarterly Results

	2023				2022		2021	
	3 <sup>rd</sup> Quarter	2 <sup>nd</sup> Quarter	1 <sup>st</sup> Quarter	4 <sup>th</sup> Quarter	3 <sup>rd</sup> Quarter	2 <sup>nd</sup> Quarter	1 <sup>st</sup> Quarter	4 <sup>th</sup> Quarter
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income (loss) for the period	118,976	(185,598)	(225,691)	(322,335)	(202,244)	(292,935)	(271,241)	(56,816)
Income (loss) per share	0.00	(0.00)	(0.01)	(0.01)	(0.00)	(0.01)	(0.01)	(0.02)
Total comprehensive income (loss)	119,615	(185,949)	(226,371)	(322,737)	(202,208)	(293,182)	(271,922)	(56,053)

Variations in loss from quarter to quarter typically result from increases or decreases in exploration and business activity. During periods of greater activity consulting fees, investor relations expense, office and administrative costs, and regulatory approval costs will typically increase.

During the third quarter of 2023, the loss decreased because of a \$264,880 non-cash income tax recovery relating to the derecognition of a flow-through share premium.

During the fourth quarter of 2021, the loss decreased because of a \$269,411 non-cash income tax recovery relating to the derecognition of a flow-through share premium.

The differences between loss for the period and total comprehensive loss are the result of non-cash unrealized gains and losses on investments and reclassification to profit and loss upon realization.

The quarterly results summarized herein were prepared in accordance with International Financial Reporting Standards and are expressed in Canadian dollars.

## Liquidity and Capital Resources

The Company does not yet generate positive cash flow from operations and is therefore reliant upon the issuance of its own common shares to fund its operations.

As of the January 31, 2023 quarter end, the Company was adequately funded for the short-term. Mineral exploration is capital intensive, and to carry out its longer-term exploration plans the Company must raise additional equity capital, though there is no certainty that such financings will be completed.

The Company is able to meet all of its ongoing financial obligations as they become due. It has no debt obligations and no commitments other than as described herein and in its financial

statements. Management believes that the Company has sufficient working capital to fund operating costs through at least July 2023.

## Description of Properties

### Bursey and Grub Property

In May and June 2021, the Company entered into two option agreements and one purchase agreement to acquire 258 mineral claims comprising 6,450 hectares approximately 45 kilometres northeast of Gander, Newfoundland. To exercise the options and acquire the claims, the Company must pay the optionors and vendors \$25,500 (all of which has been paid), issue 792,000 shares (all of which have been issued) and incur \$325,000 of exploration expenditures on the claims within two years (of which, \$299,185 has been incurred). A portion of the claims is subject to a 1% net smelter returns royalty and a portion is subject to a 2% net smelter returns royalty of which the Company may purchase three-quarters at any time for \$2,000,000. The Company paid a finder's fee of 9,990 shares in respect of one of the options.

The Company's first phase exploratory program on the Property comprised prospecting, geological mapping, soil sampling, and ground geophysics. To date, 1,890 soil samples and 89 rock samples have been collected. Samples have been sent to Eastern Analytical Laboratories in Springdale, NL for assay and the Company is awaiting results.

### BURSEY PROJECT: COPPER OUTCROPS



Figure 1: Copper mineralization at Bursey Property

As the Property was previously unexplored, new discoveries include significant zones of mineralization and extensive alteration characteristics associated with gold-bearing quartz veining. Multiple heavy mineralized bedrock and float samples were noted to contain copper while several quartz-carbonate veins with copper and gold pathfinder minerals were located (see Figure 4). These features appear promising for the presence of an orogenic gold-copper mineralization.

The technical content herein was reviewed and approved by Mike Kilbourne, P. Geo., who is an independent Qualified Person as defined in National Instrument 43-101, Standards of Disclosure for Mineral Projects.



### Chubb and Bouvier Property

In 2016, the Company optioned the Chubb lithium project located near Val d'Or, Quebec. In 2017, it exercised that option and acquired 100% of the claims, subject to a 1% net smelter returns royalty which can be repurchased for \$200,000 and a 2% gross metal royalty.



Figure 3: Regional location of the Chubb Property within the La Corne Pluton

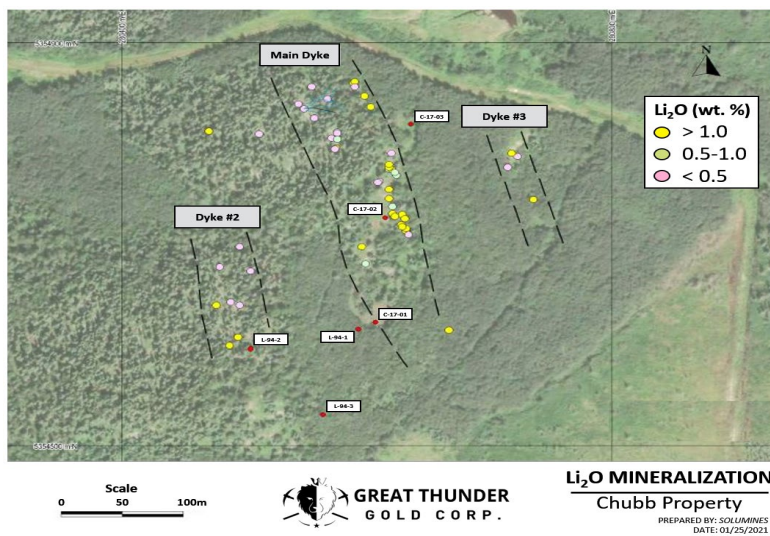


Figure 2: Pegmatite dyke swarm at the Chubb Lithium Property

The Chubb Lithium project is located 25 kilometres north of the mining community of Val d'Or, Quebec (Figure 2). It is hosted within the La Corne Pluton which is also host to North American Lithium's deposit with reported proven and probable reserves of 17.06 Mt grading 0.94% Li<sub>2</sub>O and measured and indicated resources of 33.24 Mt grading 1.19% Li<sub>2</sub>O. The Chubb Lithium property is also close to the Authier Lithium Deposit of Sayona Mining (ASX: SYA) which is estimated to contain measured and indicated resources of 17.18 Mt grading 1.01% Li<sub>2</sub>O and inferred resources of 3.76 Mt grading 0.98% Li<sub>2</sub>O.

The Chubb Lithium property consists of 35 contiguous mineral claims for a total area of 1,509 hectares. The property geology is dominated by quartz monzodiorite and metasomatized quartz diorite (tonalite). A swarm of spodumene-rich pegmatite dykes intrude fractures and small faults within the plutonic rocks. The pegmatite dykes are 1 to 6 metres thick so far, oriented northwest and vary in length from 25 to 250 metres. The pegmatites are composed of quartz, albite and/or cleavelandite, K-feldspar, muscovite, with 5% to 25% spodumene. There are three important pegmatite dykes containing spodumene mineralization (Main Dyke, Dyke #2 and Dyke #3) (Figure 3).

### 2017 Drilling Program

Newfoundland Discovery drilled 3 holes totalling 306 metres in 2017 on the Property. Highlights included 1.33% Li<sub>2</sub>O over 5.3 metres in hole C-17-01. Diamond drilling by Wrightbar Mines in 1994 intersected 3.7 metres grading 1.68% Li<sub>2</sub>O, 2.74 metres grading 1.00% Li<sub>2</sub>O and 2.4 metres grading 1.25% Li<sub>2</sub>O.

The Company filed an updated National Instrument 43-101 Technical Report relating to its Chubb Lithium property. The complete technical report, entitled “*NI 43-101 Technical Report, Chubb Property, Preissac-Lacorne Townships, Quebec, Canada, Val d’Or Mining Camp for Great Thunder Gold Corp.*” and dated February 1, 2021, is available on [SEDAR](#).

### 2021 Drilling Program

In May 2021, the Company completed a program of 15 diamond drill holes totaling 2,283 metres. Assays were received from a total of 423 samples from all drill holes. Highlights of the results include 1.48% Li<sub>2</sub>O over 12.7 metres and 1.16% Li<sub>2</sub>O over 9.8 metres at the Main Dyke (see Table 1). These are the widest and highest-grade intercepts to date where thickening of the Main Dyke appears to extend south along strike and at depth.

Hole number	UTM E	UTM N	From (m)	To (m)	Length (m)	Weighted average		
						Li <sub>2</sub> O %	Rb ppm	Ta ppm
21-CH-04	280659	5354745	32.3	34.6	2.3	2.34	710.6	28.2
21-CH-05	280678	5354700	59.5	64.2	4.7	0.67	1877	53.8
21-CH-06	280708	5354626	70.2	76.9	6.7	1.09	1334	35.3
21-CH-07	280727	5354580	68.2	78	9.8	1.16	1218	20.3
21-CH-15	280749	5354568	107.3	120	12.7	1.48	1586	34.8

Table 1: Highlights from the Chubb Lithium project drill program. Lengths are downhole.

All the assays were performed by ALS Laboratory of Val d’Or using Na<sub>2</sub>O fusion and ALS’s super traces ICP-MS methodology.

To date, three parallel pegmatitic dykes oriented south-southeast are located on the property, namely the Main Dyke, Dyke 2 and Dyke 3. Eight holes were completed on the Main Dyke, five holes were completed on Dyke 2 and two holes were completed on Dyke 3.

### 2022 Drilling Program

In January 2022, the Company commenced its Phase 2 drilling program focusing on the southern extension of the Main Dyke. Drilling completed in February and all assay results have been obtained. For the Chubb Project, 14 diamond drill holes for a total of 2,208 metres were drilled. The strategic aim of this program was to drill an area that was not accessible in the previous drill phase to test the strike length of 2021’s successful drilling results. Highlights of the results include 1.1% Li<sub>2</sub>O over 13.7 metres from diamond drill hole DDH 22-CH-17 and 0.43% Li<sub>2</sub>O over 7 metres in hole 22-CH-25 and 1.04% Li<sub>2</sub>O over 6.8 metres in hole DDH 22-CH-27.

Previous sampling of the Bouvier showing last October returned values of up to 3.75% lithium (“Li<sub>2</sub>O”) and 5870 ppm rubidium (“Rb”) in two separate grab samples. In early 2022, the Company completed 3 diamond drill holes totalling 526.5 metres. Highlights include hole 22-BOU-01 which intersected two pegmatites returning 2.7% Li<sub>2</sub>O over 1.5 metres with the second pegmatite returning 0.336% Li<sub>2</sub>O over 16.1 metres. Drill hole 22-BOU-02 returned 0.75% Li<sub>2</sub>O over 10.1 metres.

### *Sale of the property*

In November 2022, the Company entered into a definitive agreement to sell 100% interest in the Chubb Property in connection with a binding letter of intent entered into in October 2022. Under the terms of the Agreement, the purchaser may acquire a 100% interest in the property by paying the Company \$500,000 and issuing such amount of shares having a value of \$1,200,000 in a company listed on the Australian Securities Exchange, using the Volume Weighted Average Price over the five (5) days prior to closing. The Company closed the sale of the Chubb Property on February 7, 2023 for \$500,000 and 4,770,150 shares in the capital of Burley Minerals Ltd. at a deemed price of approximately \$0.2516 having a total value of \$1,200,000.

In December 2022, the Company entered into a definitive agreement to sell 100% interest in the Bouvier Property in connection with a binding letter of intent entered into in November 2022. Under the terms of the Agreement, the purchaser may acquire a 100% interest in the Property by paying the Company \$275,000. The Company closed the sale of the Bouvier Property on December 16, 2022.

Pursuant to both transactions, the Company paid finder's fees of \$54,250 and issued 1,142,857 finder's shares at \$0.105, which represents 10% of the value of the shares received pursuant to the transaction.

Donald Théberge, P.Eng., M.B.A., an independent qualified person as defined in National Instrument 43-101, has reviewed and approved the technical contents herein on behalf of the Company.

### **Dickison Lithium Property**

In March 2023, the Company entered into an option agreement to acquire a 100% interest in the Dickison/McKnight Property, located in Ontario, Canada. To exercise the option and acquire the property, the Company must pay the optionors \$128,000 (of which \$Nil has been paid) and issue 1,000,000 shares (of which Nil shares have been issued). The Company shall grant the optionors a royalty of one and a half percent (1.5%) of net smelter returns from minerals mined and removed from the property, of which the Company may purchase one-half percent (0.5%) at any time by paying a total of \$750,000 to the optionors.

The acquisition of the Dickison Lithium Property, located in the McKnight Lake Area Township near Terrace Bay, Ontario, presents a unique and timely opportunity to capitalize on the rapidly growing lithium metal and green energy markets. Spanning 6,933 hectares, the property is situated 54 km north of Terrace Bay, with easy access to highways and logging roads. The area's geology is characterized by muscovite-bearing granite, which hosts numerous lithium deposits and pegmatites, as well as a network of faults that provide pathways for granitic melts and evolving pegmatites

### **Goldson Property**

In September 2021, the Company entered into an option agreement to acquire 221 mineral claims comprising 5,525 hectares located approximately 58 kilometres northeast of Gander, Newfoundland. To exercise the option and acquire the claims, the Company must pay the optionors \$150,000 (of which \$50,000 has been paid), issue 1,950,000 shares (of which 600,000 shares have been issued) within three years, and grant to the optionors a 2% net smelter returns royalty of which the Company may purchase half at any time for \$1,000,000.



### **JMW and Maxwell Properties**

In November 2022, the Company entered into two option agreements to acquire up to an 85% interest in the JMW and Maxwell properties, located in the Chapais-Chibougamau Area, Quebec.

The Company may earn a 70% interest in the JMW property in return for a cash payment of \$5,000 (all of which has been paid), staged share payments totaling 875,000 of its shares (of which 125,000 shares have been issued) and \$1.5M of work commitments (of which \$372,866 has been incurred) by the year 3 anniversary. The Company may earn an additional 15% interest by completing an NI 43-101 compliant resource on the property.

The Company may earn a 70% interest in the Maxwell property in return for a cash payment of \$5,000 (all of which has been paid), staged share payments totaling 575,000 of its shares (of which 125,000 shares have been issued) and \$1M of work commitments (of which \$285,769 has been incurred) by the year 3 anniversary. The Company may earn an additional 15% interest by completing an NI 43-101 compliant resource on the property. The Company paid a finder's fee of 200,000 shares in respect of the two option agreements.

The JMW property lies along the Guercherville Deformation zone which is host to several past producing mines as well as lamgold's Nelligan deposit that hosts approximately 3.1 million of ounces of gold. The JMW Property has gold mineralization and visible gold in drill holes associated with the deformation zone. Gold has also been observed in intrusive rocks to the north of the deformation zone. Additionally, a target on JMW is the sediments which is the host rock for the neighbouring Nelligan deposit.

The Maxwell property is approximately 15 km to the northeast of JMW and close to lamgold's Monster Lake deposit that hosts 433,000 ounces of gold. Maxwell has several occurrences of gold in both the fine and heavy fraction of glacial tills and the gold in tills is associated with mapped structures. The structures are northeast trending, similar to lamgold's Nelligan property. Maxwell has seen very little exploration and several Electro-Magnetic geophysical anomalies remain untested.

### *2022 Drilling Program*

In December 2022, the Company commenced a diamond drilling program planned for approximately 1,200 metres in six diamond drill holes and is a follow up on results of the previously completed Induced Polarization ("IP") geophysical survey and historical work. Three distinct styles of mineralization/targets have been identified on JMW and thirteen zones of interest from the IP survey are highlighted by chargeability anomalies. Strong anomalies occur in the sedimentary rocks and these rocks are known to host gold deposits and occurrences in the Chapais-Chibougamau area.

### Northbound Property

In February 2020, the Company optioned the Northbound gold property and in March and July 2020 expanded the property by purchasing additional, adjoining claims. In September 2020, the Company exercised its option and acquired a 100% interest in the Northbound property.

The Northbound gold property, contiguous to the northwest of the Wallbridge Mining Company Ltd. Fenelon Gold Deposit, is located approximately 85 kilometres northwest of the town of Matagami in northern Quebec, Canada. The Northbound property totals 56 mineral claims covering approximately 3,076 hectares.

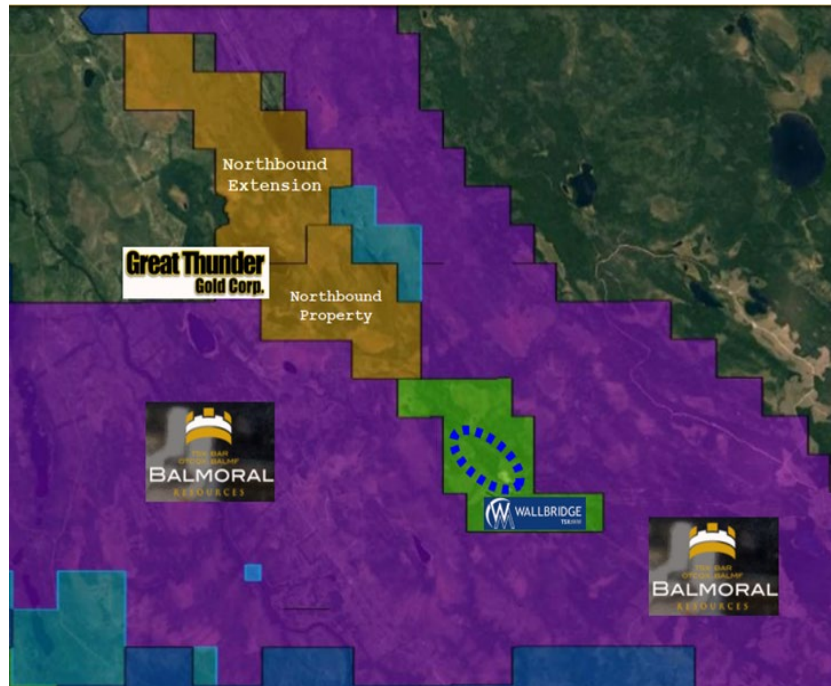


Figure 4: Northbound Property

The Northbound property is underlain by Jeremie Pluton, an intrusive body becoming increasingly important at the contiguous Wallbridge Fenelon property. Wallbridge exploration in 2019 tested strike extensions of known mineralization from the metasediments and metavolcanics and gabbro into the Jeremie pluton. Wallbridge drilling to date has confirmed the extensions of the gold-bearing mineralized zones well into the pluton and the zones appear to be open further into the pluton. Newfoundland Discovery cautions investors that mineralization on the Wallbridge Fenelon property is not necessarily indicative of similar mineralization on Newfoundland Discovery's Northbound property.

The Northbound property optionors completed a Long Wave InfraRed ("LWIR") survey over the Northbound property. LWIR utilizes the long wave infrared bands on the Aster Satellite to penetrate through vegetation into the top 30 to 60 centimetres of the earth's surface. While the long wave data is readily available, the algorithms to process the data are proprietary. The survey measures the individual mineral reflectance spectroscopy of the various constituent minerals against known standards to highlight anomalies within the area surveyed. The Aster data comes in predetermined sheets, so the data included much of the surrounding area including the ground underlying the Wallbridge Fenelon property.

The resulting plots for each of the 16 end members identified in the survey were examined for anomalies on the Northbound property. Anomalies were also examined on the Wallbridge Fenelon property to compare and contrast against the Northbound property. Three key conclusions were drawn from the LWIR:

- While the Fenelon deposit shows a rather muted response under the LWIR, at least one of the key minerals share similar responses at Fenelon and on the Northbound claim block, hematite.

- The LWIR is suggesting a multi-element area of anomalous responses in the southern portion of the Northbound claim block: chalcopyrite, quartz and to a lesser extent alunite and pyrrhotite.
- The pyrrhotite and the tourmaline responses also appear to show coincidental major and lesser anomalies within the Northbound claim block as well.

The strong coincidental chalcopyrite, quartz and alunite anomalies within the southern portion of the Northbound block are a high priority target and will form the initial focus of the Newfoundland Discovery exploration program.

Management cautions that coincident LWIR anomalies on both the Northbound property and the Wallbridge Fenelon property are not necessarily indicative of similar mineralization on the Northbound property.

In July 2020, the Company completed an airborne survey of the Northbound Property. A total distance of 853 line-kilometres of airborne magnetic survey was flown on 50-metre line spacings. Airborne magnetic was chosen on these property areas to target magnetic responsive structures representing shear zones with quartz. The geophysical data is being analyzed for further exploration.

R. Tim Henneberry, P.Geo. (British Columbia), a consultant to Newfoundland Discovery Corp., is the qualified person who has reviewed and approved the technical content herein on behalf of the Company.

### **Robinson's Salt Property**

In September 2022, the Company acquired 2 mineral licenses totalling 10 claim blocks and covering 250 hectares within the Codroy Group on the southwestern coast of Newfoundland, Canada by issuing 2,000,000 common shares. The property is subject to a 2% net smelter returns royalty, of which the Company may purchase 1% (being 50%) for a price of \$1,000,000.

### **Rodgers Cove Property**

In June 2021, the Company entered into an option agreement to acquire 147 mineral claims comprising 3,675 hectares approximately 45 kilometres north of Gander, Newfoundland. To exercise the option and acquire the property, the Company must pay the optionors \$35,000 (all of which has been paid), issue 849,915 shares (of which 566,610 shares have been issued), incur \$250,000 of exploration expenditures (all of which has been incurred) on the claims within two years, and grant to the optionors a 2% net smelter returns royalty of which the Company may purchase three-quarters at any time for \$2,000,000. The Company paid a finder's fee of 84,990 shares in respect of the option.

The Company's Phase One field work comprised geological mapping, soil sampling, and prospecting throughout the Property. Exploration included the collection of 6,793 Horizon B soil samples and 336 bedrock and sub-crop grab samples. Numerous rock grab samples contained variable amounts of sulphide mineralization. Samples have been submitted to Eastern Analytical in Springdale, Newfoundland for assay and results are pending.

These forthcoming results, jointly with historical geophysical data, will help inform and guide the second phase exploration program. They will aid in defining high potential areas for advanced exploration and function as the foundation for an upcoming diamond drilling program.

The recent mapping and prospecting of the Rodger's Cove Project offered encouraging results, solidifying the promising nature of the Property. The field crew observed significant zones of mineralization and extensive alteration characteristics commonly associated with gold-bearing quartz veining. Historical grab sample results on the Rodger's Cove claims from local prospectors have returned grab samples up to 11.93 g/t Au. Previous assays returned substantial Au-Ag mineralization affiliated with elevated levels of Bi, Sb and Cu.

Property wide, Phase One successfully noted quartz veining with a sizable portion containing sulfides with varying degrees of localized sericite and carbonate alteration. A unit of altered granodiorite and its sedimentary contact halo contained a high degree of quartz veining comprising disseminated sulfide mineralization, including a high concentration of gold pathfinder sulfide elements of arsenic and stibnite. Markedly, several narrow, discordant quartz veinlets were observed to have both massive and semi-massive arsenopyrite and stibnite-sulphide mineralization, both important minerals in identifying epigenetic quartz vein emplacement.

Arsenopyrite and stibnite are commonly associated with hydrothermal epigenetic gold veining in New Found Gold's Queensway Gold Project and numerous other gold prospects in the Exploits Subzone.

The abundance of mineralization on the Rodgers Cove property, along with similarities in geological setting and quartz vein geochemistry to other significant gold bearing systems within the Central Newfoundland Gold Belt structural corridor, are very encouraging. The Rodgers Cove property has not seen any detailed or systematic exploration prior to Newfoundland Discovery's Phase One Exploration Program and has not been drill tested to date.

The technical content herein has been reviewed and approved by Mike Kilbourne, P. Geo., who is an independent Qualified Person as defined in National Instrument 43-101, Standards of Disclosure for Mineral Projects.

### **Schefferville Property**

In August 2022, the Company entered into an option agreement in which it may earn up to a 100% interest in the Schefferville Gold Project in Quebec, Canada. The Company may earn a 50% interest in the project in return for staged share payments totaling 9.9% of its shares (of which 200,000 shares have been issued) and \$4M of work commitments by December 31, 2025, including \$1.3M by the end of 2022, and a 100% interest by issuing 19.9% of its shares (less shares already issued) and completing a total of \$7.5M of work commitments by the end of 2026.

The Schefferville Gold Project consists of the Sable and Hamard Blocks and is centered on a structural corridor characterized by faulted and sheared iron formation stratigraphy extending for approximately 60 km on the Sable Block, and 10 km on the Hamard Block. The project was acquired through staking and three subsequent acquisition transactions.

The Sable and Hamard claims cover extensive areas of the Lilois Complex, a 2.7 billion-year-old rock unit characterized by the presence of numerous iron formations, many of which locally host gold mineralization. Sable and Hamard occur within a 20 km wide (east-west) by 70 km long (north-south) corridor along the Quebec – Labrador border. In 1985, a Quebec Ministry field team

discovered the Lac du Canoe gold occurrence with sample results up to 18.9 g/t Au. Between 1986 and 1997, follow up work by the Quebec Ministry and several companies resulted in the discovery of approximately 40 gold occurrences grading from 1 g/t Au to up to 40 g/t Au in mineralized iron formations with 3-20% pyrrhotite and up to 10% arsenopyrite. Subsequent drilling yielded intervals including 18.1 g/t Au over 0.7m, 5.83 g/t Au over 3.1m, and 1.05 g/t over 12.55m (Quebec Assessment Reports GM45903 & GM66613).

A Phase 1 exploration program was completed by the optionor in July 2022 from a newly built exploration camp. The exploration program was comprised of a detailed high-resolution helicopter aeromagnetic survey ("airborne geophysics survey") over the central portion of the Sable claim block followed by mapping, stripping and channel sampling at its Arsene, Baleine Rouge, and Wolf target zones, as well as prospecting and ground truthing of additional high-priority targets. Assays from optionor's Phase 1 remain pending and together with the new airborne magnetic data will help delineate drill targets for Phase 2. Management is working with the optionor for a plan forward.

### **Southern Star Property**

In June 2020, the Company purchased the Southern Star property located approximately 70 kilometres northwest of the town of Matagami in northern Quebec, Canada. The property consists of 219 mineral claims covering approximately 12,156 hectares near the Company's Northbound Property.

The Southern Star property is mainly underlain by the Brouillan-Fenelon geological group, which is made up of felsic to mafic volcanosedimentary rocks. The Bapst Fault marks the contact between the Brouillan-Fenelon Group and the Brouillan intrusive in the southwest portion of the property. The Grasset Fault also crosses in part to the northeast of the property.

The Bapst Fault runs northwest-southeast through the southwest part of the property. In the southwest section of the property, there was a historic silver intercept (SG3-1) along the Bapst Fault. The intercept returned 5.6 g/t silver over 1.4 metres and 5 g/t silver over one metre within drill holes (Mercier et al., 1996). This silver intercept was targeted within an area of conductor anomalies and a VTEM target identified by Midland Exploration in 2017.

There are two additional distinct electromagnetic ("EM") targets located on this property and it covers 11 kilometres along the extension of the Lower Detour Fault. There has been little historical work to test these different targets on the property, yet.

In July 2020, the Company completed an airborne survey of the Southern Star Property. A total distance of 1,496 line-kilometres of airborne magnetic and electromagnetic survey was flown on 100-metre line spacing. The geophysical data was analyzed and interpreted by Mr. Joel Dubé, P. Eng., a geophysics specialist of Dynamic Discovery Geoscience Ltd., and a detailed target characteristic report was compiled.

### ***2021 Drilling Program***

In April 2021, the Company completed a four-hole, 2,425-metre drilling program on the Southern Star property. No significant assay results were reported.

Drill targets for the Southern Star drill program consisted of airborne EM anomalies concentrated in the northern portion of the property. Much of the property remains unexplored and will be the focus of additional drill programs as targets are defined.



Donald Théberge, P.Eng., M.B.A., a Qualified Person within the meaning of National Instrument 43-101, has reviewed and approved the technical contents herein.

### **Southwest Pond Property**

In July 2021, the Company entered into an agreement to purchase 318 mineral claims comprising 7,950 hectares in northeastern Newfoundland. Under the agreement, the Company must pay the vendors \$60,000 (all of which has been paid) and issue 1,500,000 shares (all of which has been issued).

Management is reviewing the available historical data and planning its exploration for 2023.

### **Sugaree Property**

In January 2023, the Company acquired 340 claims comprising 2,376-hectares located in the Quetico Subprovince located roughly 15 kilometers south of Hearst, Ontario with easy access by forestry roads. The claims have demonstrated preferred geologic environments with S-type granitoids, and pegmatites hosted by metamorphosed sediments (paragneiss) and metavolcanics. The property is adjacent to Brunswick exploration's newly staked ground, containing both a spodumene and a lepidolite (lithium-rich mica) zone. The Company acquired the property by purchasing all of the issued and outstanding securities of 1000377311 Ontario Inc. for \$20,000 and issuing 32,000,000 common shares.

### **Unity Group Property**

In July 2021, the Company acquired five claim blocks comprising 366 mineral claims covering 9,150 hectares in northeastern Newfoundland for \$150,000, 3,200,000 shares and a 2% net smelter returns royalty of which the Company may purchase half for \$1,500,000.

### **Urban Thunder Property**

In March 2017, the Company acquired the Urban Thunder Project, which comprises 20 contiguous cell mineral claims covering approximately 1,127 hectares located 12 kilometres northwest of Metanor Resources Inc.'s Barry gold deposit, 15 kilometres west of Osisko Mining Inc.'s Windfall Lake gold deposits, and 18 kilometres west-northwest of BonTerra Resources Inc.'s Gladiator gold deposit. These Abitibi-type gold deposits are hosted in a variety of Archean age metavolcanic and intrusive rocks associated with magnetic high responses within a Z-shaped pattern of major east trending structures and offsetting northeast trending structures.

The Urban Thunder Project lies in a similar structural setting as the Gladiator gold deposit underlain by rocks similar to the Windfall Lake and Barry gold deposits. Management believes that the geological setting of the property is very favourable to hosting similar deposits and plans an intensive and systematic exploration program as funds permit.

The Company completed a soil geochemistry survey on its Urban Thunder property in October 2017. The survey was undertaken on GPS lines 400 metres apart with sampling every 100 metres. A total of 301 samples were drawn, to the extent possible, from the B soil horizon and were sent for analysis at ALS Canada's laboratory in Val d'Or, Quebec.

The samples were analyzed using ALS codes Au-ICP21 and ME-ICP41. Au-ICP21 consists of analysis of gold by fire assay with an ICP-AES finish on 30-gram samples. The detection limits of this method are from 0.001 g/t to 10 g/t gold. The samples were then submitted to the second analytical method – ME-ICP41 – where elements are estimated using aqua regia digestion

followed by analysis using ICP-AES. Included in this package of 35 elements are silver, arsenic, copper, nickel and zinc.

A preliminary evaluation of the results revealed several gold anomalous results up to 24 ppb, mainly obtained on the northern part of the property.

The technical contents of the soil geochemistry survey were approved by Donald Théberge, P.Eng., MBA, an independent Qualified Person as defined by National Instrument 43-101.

### **Valentine Mountain Property**

The 100%-owned Valentine Mountain property consists of 25 cell mineral claims covering 7,188 hectares and two overlying cell placer tenures covering 43 hectares. One of the claims is subject to a 5% net smelter returns royalty capped at \$1,000,000.

The Valentine Mountain property surrounds Valentine Mountain, which has an elevation of 974 metres, is located 20 kilometres northwest of Sooke, British Columbia on southern Vancouver Island and is accessible by forestry roads. The property area is underlain entirely by high-grade metamorphic rocks of the Pacific Rim Terrane, which hosts several minor past producers of gold, silver and copper, including the historic Leech River gold placer gold district, located just to the east of the Property.

The property hosts the Valentine Mountain gold quartz vein prospect, for which a mineral resource estimate is summarized as follows:

Zone / Vein	Tonnes	Gold (g/t) Uncut	Gold (g) Uncut	Gold (g/t) Cut	Gold (g) Cut	Category
Discovery C	22,663	33.8	765,814	16.8	381,103	Indicated
Discovery B	32,100	4.1	130,344	3.7	129,352	Indicated
<b>Total</b>	<b>54,763</b>	<b>16.4</b>	<b>896,158</b>	<b>9.3</b>	<b>510,455</b>	<b>Indicated</b>
Discovery E	8,485	4.2	35,468	4.2	35,468	Inferred
Disc. West C	12,215	35.4	432,278	35.4	432,278	Inferred
<b>Total</b>	<b>20,700</b>	<b>22.6</b>	<b>467,746</b>	<b>22.6</b>	<b>467,746</b>	<b>Inferred</b>

Average gold intercepts for each zone were tabulated, and values calculated for uncut grade, multiplied by true width for each intercept. Based on geo-statistical modeling for each corresponding vein in each zone with significant values, statistical mean values were used as the upper thresholds to cut higher gold values and arrive at the “cut” mineral resource values. Refer to the entire text of the technical report, entitled *Technical Report on the Valentine Mountain Property, Southern Vancouver Island, British Columbia, Canada* and dated March 27, 2013 available at [www.sedar.com](http://www.sedar.com), for further information and the key assumptions, parameters and methodology used, as well as risk factors.

The practice of “cutting” or reducing exceptionally high-grade assays when estimating mineral resources for gold deposits, particularly in vein deposits, is historically industry standard practice, primarily to make the estimates more conservative. The gold quartz veins at Valentine Mountain contain erratically distributed gold, which could cause the estimated grade to vary materially from the actual grade. For completeness, both uncut and cut averaged grades are shown, but the cut grades should be used in evaluating the resource. **Mineral resources that are not mineral reserves do not have demonstrated economic viability.**

This technical information was prepared under the supervision of Jacques Houle, P.Eng., an independent Qualified Person as defined by National Instrument 43-101.

## Outstanding Share Data

As of the date hereof, the Company has 91,443,357 common shares issued and outstanding.

The Company has outstanding options which, as of the date hereof, may be exercised to purchase a total of 5,700,000 shares. Of this total, 1,550,000 option may be exercised at \$0.75 per share until October 9, 2025 and 4,150,000 options may be exercised at \$0.07 per share until February 28, 2026.

The Company has, as of the date hereof, outstanding warrants which may be exercised to purchase a total of 6,988,099 shares. A summary of those warrants is as follows:

Exercise Price Per Share	Expiry Date	Number of Warrants
\$0.75	November 24, 2023	20,000
\$0.60	November 24, 2023	981,750
\$0.60	December 20, 2023	32,150
\$0.10	February 9, 2025	5,954,199
<b>Total</b>		<b>6,988,099</b>

## Transactions Between Related Parties

During the nine-month periods ended January 31, 2023 and 2022, compensation costs for key management personnel were:

	2023	2022
Management fees paid to a corporation controlled by the Company's former Chief Executive Officer	\$ 16,000	\$ 72,000
Management fees paid to a corporation controlled by the Company's Chief Executive Officer	56,000	-
Management fees paid to a director	18,000	18,000
Management fees paid to a corporation controlled by the Company's former Chief Financial Officer	12,190	81,767
Management fees paid to the Company's Chief Financial Officer	28,000	-
Consulting fees paid to a director	9,000	9,000
	<b>\$ 139,190</b>	<b>\$ 180,767</b>

## Changes in Accounting Policies Including Initial Adoption

The following accounting standard has not yet been adopted by the Company:

### *Amendment to IAS 1: Presentation of Financial Statements*

In January 2020, the IASB issued amendments to IAS 1 to clarify the requirements for classifying liabilities as current or non-current. The amendments specify that the conditions which exist at the end of a reporting period are those which will be used to determine if a right to defer settlement of a liability exists. The amendments also clarify the situations that are considered a settlement of a liability. The amendments are effective January 1, 2023, with early adoption permitted. The

amendments are to be applied retrospectively. The Company is currently assessing the impact of this amendment.

## **Financial Instruments and Other Instruments**

The Company's financial instruments consist of cash, cash equivalents, reclamation bonds, and accounts payable and accrued liabilities. The Company's financial instruments are exposed to certain financial risks, including credit risk, liquidity risk and market risk.

### **Credit Risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's maximum exposure to credit risk is the carrying value of its financial assets, which comprise cash, cash equivalents and reclamation bonds held with high creditworthy financial institutions, and which total \$215,761. In the opinion of management, none of the Company's financial assets were exposed to significant credit risk as at January 31, 2023.

### **Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows required by operations and anticipated investing and financing activities. The Company had cash and cash equivalents at January 31, 2023 in the amount of \$202,761 in order to meet short-term business requirements. At January 31, 2023, the Company had current liabilities of \$609,882. Accounts payable have contractual maturities of approximately 30 days or are due on demand and are subject to normal trade terms, and amounts due to related parties are without stated terms of interest or repayment.

### **Market Risk**

Market risk consists of interest rate risk, foreign currency risk and other price risk. These are discussed further below.

#### *Interest Rate Risk*

Interest rate risk has two components:

- a) To the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk.
- b) To the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk.

The Company's cash is currently held on deposit at a major bank. Management considers the interest rate risk to be minimal.

#### *Foreign Currency Risk*

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is not exposed to material foreign currency risk.

*Other Price Risk*

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is exposed to other price risk with respect to its investments as they are carried at fair value based on quoted market prices.

**Other Information**

Additional information relating to the Company is available from the Company's website at <https://newfoundlanddiscovery.ca> and on SEDAR at [www.sedar.com](http://www.sedar.com).

ON BEHALF OF THE BOARD

*/s/ Jeremy Prinsen*

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Jeremy Prinsen  
Chief Executive Officer