

# **GOLDEN CARIBOO RESOURCES LTD.**

## **MANAGEMENT DISCUSSION AND ANALYSIS**

**For the three months ended**

**December 31, 2023**

**Golden Cariboo Resources Ltd.  
Management Discussion and Analysis  
For the period ended December 31, 2023**

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This management's discussion and analysis ("MD&A") focuses on significant factors that affected Golden Cariboo Resources Ltd. ("Golden Cariboo" or the "Company") during the three months ended December 31, 2023 and to the date of this report. The MD&A should be read in conjunction with the financial statements for the period ended December 31, 2023, which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts presented in this MD&A are in Canadian dollars, unless otherwise indicated.

Additional information related to the Company is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca)

This MD&A contains information up to and including February 26, 2024.

## **FORWARD-LOOKING INFORMATION**

This discussion includes certain statements that may be deemed "forward-looking statements." All statements in this discussion, other than statements of historical facts that address future production, reserve potential, exploration drilling, exploration activities and events or developments that the Company expects, are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, continued availability of capital and financing, and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements.

## **BUSINESS OVERVIEW**

Golden Cariboo Resources Ltd. was incorporated under the laws of the Province of British Columbia on September 23, 1987. The company shares are publicly traded on the CSE Exchange, under the symbol GCC.

Historically the Company's principal business activity has been the exploration and development of mineral properties. The Company has been in the process of exploring and developing its resource properties and has not yet determined whether its resource properties contain reserves that are economically recoverable. The recoverability of amounts shown for resource properties is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete development, confirmation of the Company's interest in the underlying properties and upon future profitable production or sufficient proceeds from the disposition of its resource properties.

The Company continues to investigate new exploration opportunities and mineral exploration would be carried out on properties identified by management of the Company as having favorable exploration potential. Interests in such properties are acquired in various ways. The Company, through its own efforts, can stake mineral claims or acquire exploration permits. In other cases the Company can acquire interests in mineral properties from third parties. An acquisition from a third party would typically be made either as an outright purchase (with payment of cash and/or shares) or by way of an option agreement, which requires the Company to make specific option payments and to incur a specific amount of exploration and development expenditures. Once having incurred the specified exploration expenditures, the parties would enter into a joint venture requiring each party to contribute towards future exploration and development costs, based on its percentage interest in the property, or suffer dilution of its interest.

The Company advances its projects to varying degrees by prospecting, mapping, geophysics and drilling. Once a property is determined to have limited exploration potential, the property is abandoned or sold. In cases where exploration work on the property reaches a stage where the expense and risk of further exploration and development are too high, the Company may seek a third party to earn an interest by furthering development. Optioning a property to a third party allows the Company to retain an interest in further exploration and development while limiting its obligation to commit large amounts of capital to any one

**Golden Cariboo Resources Ltd.**  
**Management Discussion and Analysis**  
**For the period ended December 31, 2023**

---

project. The resource exploration business is high risk and most exploration projects will not become mines or producing wells.

### **OVERALL PERFORMANCE**

In March, 2023 Golden Cariboo acquired the RM1, Rainbow and YES properties, within the central area of Osisko Development's Cariboo Gold Project and approximately 2.5km from the planned mill site of their proposed 164k oz/yr Cariboo gold mine. Also acquired was the Rimrock property approximately 25km from Osisko's proposed mine bordering their claims.

On April 3, 2023 the Company announced the granting of 1,550,000 stock options to directors, officers, employees and consultants. All options have an exercise price of \$0.10 and expire April 3, 2026.

On April 19, 2023 the Company announced its attendance and presentation at the Sequire Investor Summit in Puerto Rico, April 24-26, 2023.

On April 20, 2023 the Company announced the engagement Winning Media to enhance investor awareness.

On April 25, 2023 the Company announced the receipt of partial assay results from two diamond drill holes drilled at its Quesnelle Bold Quartz Mine Property in central British Columbia, Canada. Included was 22.3m of 0.36 g/t gold.

On May 9, 2023 the Company announced the commencement of the 2023 drill program at the Quesnelle Gold Quartz mine property in central British Columbia, Canada.

On May 18, 2023 the Company announced a new discovery at the Company's Quesnelle Gold Quartz Mine property from its trenching and regional mapping program in the autumn of 2022. Three trenches and 9 test pits were excavated targeting: the extension of the North Hixon zone, which returned 9.85 g/t Au from local float in 2019; the favourable greenstone/phyllite contact, and; areas of listwanite. A total of 6 chip, 13 channel, and 46 grab samples were collected from the trenches. The North Hixon zone was extended 100m to the southwest; grab samples of mineralized greenstone-listwanite returned 0.76 g/t and 0.52 g/t gold, silicified greenstone ran 1.31 g/t gold and a mineralized quartz vein yielded 1.02 g/t gold. No significant results were obtained from the chip/channel samples except for 0.78 g/t Au across 0.25m from silicified greenstone. However, difficulty was encountered sampling the highly silicified zones resulting in collection of grab samples across them. Trenching was also restricted to the drill trail to minimize disturbance. A new showing (Halo zone) was discovered 800m north-northwest of the Main zone, proximal to the favourable phyllite (sedimentary) and greenstone (volcanic) contact. The 10m long trench here intersected altered phyllite bedrock 150m to the southwest of altered greenstone subcrop, which returned 1.34 g/t gold. Mineralization is usually best developed in the greenstone, proximal to the phyllite contact. Only grab samples could be collected from the spoils along the trench sides due to the 6m depth of overburden, except for one channel sample which returned 0.45 g/t Au over 1m from clay-sericite altered phyllite. Grab samples of clay altered phyllite returned 5.08, 2.97 and 1.01 g/t gold with 2.23 g/t gold from a sheared fault zone, and 1.63 and 0.88 g/t gold from sericitic fuchsite rich phyllite. Mineralization at this new discovery lies southwest of the favourable contact zone and is open laterally in all directions and at depth.

On May 23, 2023 the Company announced it has applied to amend its existing permit to significantly expand exploration activities at the Company's Quesnelle Gold Quartz Mine property. The Company has applied to amend their existing exploration permit for an additional five years to further define the known zones, including the Quesnel Quartz deposit, as well as areas to the north of the new discovery which are currently open at depth and along strike to the NW/SE.

On June 6, 2023 the Company announced that significant correlations have been made during an initial study of limited surface mapping and trenching results along with data acquired from Osisko Development's (ODV:NSE/TSXV) 2016-2017 airborne mag and EM survey which includes over 1000ha of the Quesnelle Gold Quartz Mine Property.

**Golden Cariboo Resources Ltd.**  
**Management Discussion and Analysis**  
**For the period ended December 31, 2023**

---

On June 12, 2023 the Company announced a non-brokered private placement of up to 10,000,000 units, at a price of \$0.075 per unit, for gross proceeds of \$750,000. Each unit will consist of one common share and one share purchase warrant; each warrant is exercisable for a period of 5 years from the closing at a price of \$0.15 per share.

On June 14, 2023 the Company reported that the first drill hole of 2023 has been completed, and it has revealed multiple new semi massive zones of mineralization above the 200 Level of the Quesnelle Gold Quartz Mine, and a continued southeast extension of replacement mineralization below the 400 Level of the Mine.

On June 21, 2023 the Company reported that the infill sampling from two of three surface drill holes from 2022 has been completed, and 253 drill core samples including 13 QA/QC samples have been shipped to ALS Minerals in North Vancouver, BC.

On September 5, 2023 the Company announced based on market conditions, the Company decided not to proceed with the Private Placement announced on June 12, 2023.

On November 30, 2023 the Company announced moving to the Canadian Securities Exchange (CSE). Trading commenced on the CSE on December 5, 2023. The trading symbol remains GCC.

On January 15, 2024 the Company announced the appointment of Mr. J. Frank Callaghan to the Company's Board of Directors and as the Company's President and Chief Executive Officer. Mr. Tom Kennedy, former CEO of the Company, was named Chief Operating Officer.

On January 18, 2024 the Company announced that its team continues to identify and expand gold mineralization at the Main Zone of its Quesnelle Gold Quartz Mine Property. For more details please refer to the news release.

On January 19, 2024 the Company announced a consolidation of all of its issued and outstanding common shares on the basis of one (1) new share for every three (3) old shares held resulting in the Company having approximately 14,511,337 shares issued and outstanding on a post consolidated basis. The consolidation was completed on February 7, 2024. The new CUSIP number is 380813402.

On January 22, 2024 the Company entered into shares for debt settlement agreements with two non-arm's length creditors and one arm's length creditors (collectively, the "Creditors") pursuant to which the Company agreed to issue to the Creditors, and the Creditors agreed to accept on a post consolidation basis, an aggregate of 4,232,503 units of the Company at a price of \$0.10 per Unit in full and final settlement of accrued and outstanding indebtedness in the aggregate amount of \$423,250. Each Unit consists of one common share in the capital of the Company and one-half Common Share purchase warrant of the Company. Each whole Warrant entitles the holder to purchase one additional Common Share for a period of 5 years from the date of issue at exercise prices as follows: \$0.12 in year one, \$0.14 in year two, \$0.16 in year three, \$0.18 in year four, and \$0.20 in year five. The shares for debt was completed on February 14, 2024.

On January 22, 2024 the Company announced on a post consolidation basis a non-brokered private placement of up to 20,000,000 units, at a price of \$0.10 per unit, for gross proceeds of \$2,000,000. Each unit will consist of one common share and one-half share purchase warrant; each full warrant is exercisable for a period of 5 years from the closing at exercise prices as follows: \$0.12 in year one, \$0.14 in year two, \$0.16 in year three, \$0.18 in year four, and \$0.20 in year five.

**Golden Cariboo Resources Ltd.**  
**Management Discussion and Analysis**  
**For the period ended December 31, 2023**

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**MINERAL PROPERTIES**

The Quenelle Gold Quartz Mine property is made up of 21 mineral claims covering 3,814.1 ha. located in the Cariboo Mining Division of British Columbia, 4 km northeast of Hixon approximately 721 km north of Vancouver by paved highway.

The Rainbow property is made up of seven legacy and celled mineral claims (Rainbow, RM1 and Yes claims) covering a total of 202.6 ha. located in the Cariboo Mining Division of British Columbia, within 2 km of Wells.

The Rimrock property is a mineral claim covering 116.3 ha. located in the Cariboo Mining Division of British Columbia, about 36 driving km from Wells.

**RESULTS OF OPERATIONS**

**Summary of Quarterly Results**

Quarter Ended	30-DEC-23	30-SEP-23	30-JUN-23	31-MAR-23	31-Dec-22	30-Sep-22	30-Jun-22	31-Mar-22
Net income (loss) for the period	\$131,277	\$112,451	\$ (391,327)	\$ (100,105)	\$ (218,364)	\$ (112,207)	\$ (162,227)	\$ (57,070)
Total Comprehensive income (loss) for the period	\$131,277	\$112,451	\$ (391,327)	\$ (100,105)	\$ (218,364)	\$ (112,207)	\$ (162,227)	\$ (57,070)
Basic and diluted comprehensive net income (loss) per share	\$ 0.00	\$ 0.00	\$ (0.01)	\$ (0.00)	\$ (0.01)	\$ (0.00)	\$ (0.00)	\$ (0.00)
Weighted Average number of shares outstanding	43,534,013	43,534,013	43,534,013	33,644,013	33,184,013	33,184,013	33,184,013	33,184,013

Quarterly results can vary significantly depending on whether the Company has acquired any properties, commenced exploration or granted any stock options and these are the factors that account for material variations in the Company's quarterly net losses, none of which are predictable.

**Three months ended December 31, 2023**

The Company incurred a comprehensive loss of \$131,277 for the three months ended December 31, 2023 (December 31, 2022 comprehensive loss: \$218,364). The major differences are:

- Exploration costs December 31, 2023: \$18,000 and December 31 2022: \$192,465 due to completion of late season drilling in the prior period.
- Travel and promotion December 31, 2023: \$70,833 and December 31, 2022: \$2,307 mainly due to costs from the contract with Winning Media in the current period.
- Transfer agent and regulatory fees December 31, 2023 \$11,813 and December 31, 2022: \$657) mainly due to fees related to the transfer to the Canadian Securities Exchange in the current period.

## **RISK FACTORS RELATING TO MINERAL EXPLORATION INDUSTRY**

There are many risk factors facing companies involved in the mineral exploration industry. Risk Management is an ongoing exercise upon which the Company spends a substantial amount of time. While it is not possible to eliminate all the risks inherent to the industry, the Company strives to manage these risks, to the greatest extent possible. The following risks are most applicable to the Company.

### Industry and Mineral Exploration Risk

Mineral exploration is highly speculative in nature, involves many risks and frequently is non-productive. There is no assurance that the Company's exploration efforts will be successful. At present, the Company's projects do not contain any proven or probable reserves. Success in establishing reserves is a result of a number of factors, including the quality of the project itself. Substantial expenditures are required to establish reserves or resources through drilling, to develop metallurgical processes, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Because of these uncertainties, no assurance can be given that planned exploration programs will result in the establishment of mineral resources or reserves.

The Company may be subject to risks which could not reasonably be predicted in advance. Events such as labour disputes, environmental issues, natural disasters or estimation errors are prime examples of industry related risks. The Company attempts to balance this risk through insurance programs where required and ongoing risk assessments conducted by its technical team.

### Commodity Prices

The Company is in the business of metals exploration and as such, its prospects are largely dependent on movements in the price of various metals. Prices fluctuate on a daily basis and are affected by a number of factors well beyond the control of the Company. The mineral exploration industry in general is a competitive market and there is no assurance that, even if commercial quantities of proven and probable reserves are discovered, a profitable market may exist. Due to the current grassroots nature of its operations, the Company does not enter into price hedging programs.

### Environmental

Exploration projects or operations are subject to the environmental laws and applicable regulations of the jurisdiction in which the Company operates. Environmental standards continue to evolve and the trend is to a longer, more complete and rigid process. The Company reviews environmental matters on an ongoing basis. If and when appropriate, the Company will make appropriate provisions in its financial statements for any potential environmental liability.

### Title of Assets

Although the Company conducts title reviews in accordance with industry practice prior to any purchase of resource assets, such reviews do not guarantee that an unforeseen defect in the chain on title will not arise and defeat our title to the purchased assets. If such a defect were to occur, our entitlement to the production from such purchased assets could be jeopardized.

### Competition

The Company engages in the highly competitive resource exploration industry. The Company competes directly and indirectly with major and independent resource companies in its exploration for and development of desirable resource properties. Many companies and individuals are engaged in this business, and the industry is not dominated by any single competitor or a small number of competitors. Many of such competitors have substantially greater financial, technical, sales, marketing and other resources, as well as greater historical market acceptance than does the Company. The Company will compete with numerous industry participants for the acquisition of land and rights to prospects, and for the equipment and labor

**Golden Cariboo Resources Ltd.**  
**Management Discussion and Analysis**  
**For the period ended December 31, 2023**

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required to operate and develop such prospects. Competition could materially and adversely affect the Company's business, operating results and financial condition. Such competitive disadvantages could adversely affect the Company's ability to participate in projects with favorable rates of return.

Financing

Historically, the Company has raised funds through equity financing and the exercise of options and warrants to fund its operations. The market price of natural resources is highly speculative and volatile. Instability in prices may affect the interest in resource properties and the development of and production from such properties. This may adversely affect the Company's ability to raise capital to acquire and explore resource properties.

**LIQUIDITY AND CAPITAL RESOURCES**

Historically, the Company has raised funds through equity financing and the exercise of options and warrants to fund its operations. As at December 31, 2023, the Company had \$173 in cash, working capital (deficit) of \$(625,593) and accumulated (deficit) of \$(14,920,459).

**DISCLOSURE OF OUTSTANDING SHARE DATA**

<b>Designation of Security</b>	<b>Amount Authorized</b>	<b>Number of Securities Outstanding as at December 31, 2023</b>	<b>Number of Securities Outstanding as at Date of this report</b>
Common Shares	unlimited	43,534,013	18,743,846 *
Warrants	n/a	9,376,667	5,241,809 *
Stock Options	10%	1,550,000	516,668 *

\* These numbers are post consolidation. As the consolidation was effective February 7, 2024 no other numbers in this MD&A reflect the consolidation.

**RELATED PARTY TRANSACTIONS**

Due to related party balances consist of the following\*:

	<b>Period ended December 31, 2023</b>	<b>Year ended September 30, 2023</b>
Due to Directors and Officers	84,687	85,181
Due to companies controlled by Directors	497,692	478,430
Due to a company with common Directors	18,693	11,769
Loans payable and accrued interest to family Members of an Officer and Director	34,135	11,093
<b>Total</b>	<b>635,207</b>	<b>586,473</b>

\* Unsecured, non-interest bearing, with no fixed terms of repayment.

The Company incurred the following expenses charged by related parties and companies controlled by related parties. Related parties include the Company's Directors, Officers, major shareholder and companies controlled by these individuals:

**Golden Cariboo Resources Ltd.**  
**Management Discussion and Analysis**  
**For the period ended December 31, 2023**

	Period ended December 31, 2023	Period ended December 31, 2022
Consulting fees	\$ -	\$ 15,000
Management salaries	4,500	2,250
Professional fees	-	3,770
Exploration costs	-	158,972
Office and miscellaneous – interest	342	-
<b>Total</b>	<b>\$ 4,842</b>	<b>\$ 179,992</b>

Key management personnel were not paid any post-employment benefits, termination benefits, or other long-term benefits during the respective years.

**OFF-BALANCE SHEET ARRANGEMENTS**

The Company has no off-balance sheet arrangements.

**CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

Judgments

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements within the next financial year are discussed below:

- Exploration and Evaluation Expenditure

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in the profit or loss in the period the new information becomes available.

Estimates

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

**FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

Typically, the Company ensures that it has sufficient cash on demand to meet short term expected operational expenses. To achieve this objective expenditures are monitored as necessary. Further, the Company utilizes authorizations for expenditures on exploration projects to further manage expenditure. The Company is reliant on the continued support of related parties to meet short-term financing requirements and to meet obligations as they become due.

Determination of Fair Value:

Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The Statement of Financial Position carrying amounts for cash and cash equivalents, amounts receivable, trade and other payables, and due to related parties approximate fair value due to their short-term nature.



**Golden Cariboo Resources Ltd.**  
**Management Discussion and Analysis**  
**For the period ended December 31, 2023**

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Due to the use of subjective judgments and uncertainties in the determination of fair values these values should not be interpreted as being realizable in an immediate settlement of the financial instruments.

Fair Value Hierarchy:

Financial instruments that are measured subsequent to initial recognition at fair value are grouped in Levels 1 to 3 based on the degree to which the fair value is observable:

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities; and Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

## **CHANGES IN ACCOUNTING POLICIES AND NEW ACCOUNTING DEVELOPMENTS**

### *Future Accounting Pronouncements*

The following new standards, amendments and interpretations, that have not been early adopted in the Company's financial statements, will or may have an effect on the Company's future results and financial position: IFRS 16 Leases

## **ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE**

The details of capitalized acquisition costs, expensed exploration and development costs and general and administrative costs are disclosed in the financial statements.

## **DISCLOSURE CONTROLS AND PROCEDURES**

Disclosure controls and procedures are designed to provide reasonable assurance that material information is gathered and reported to senior management, including the Chief Executive Officer and Chief Financial Officer, as appropriate to permit timely decisions regarding public disclosure.

The Company's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") and other key management personnel have conducted an evaluation of the effectiveness of the Company's disclosure controls and procedures. The Company evaluated the design of its internal controls over financial reporting as defined in National Instrument 52-109 for this period and based on this evaluation have determined these controls to be effective except as noted in the following paragraph.

This evaluation of the design of internal controls over financial reporting for the Company resulted in the identification of internal controls deficiencies which are not atypical for a company this size including lack of segregation of duties due to limited number of employees dealing with accounting and financial matters and insufficient in-house expertise to deal with complex accounting, reporting and taxation issues.

There have been no significant changes to the Company's internal controls over financial reporting during the period.

Additional information relating to the Company is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca)