



renforthresourcesinc.

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

The following is a discussion and analysis of the activities, results of operations and financial condition of Renforth Resources Inc. (“Renforth” or the “Company”) for the year ended December 31, 2023 and the comparable year ended December 31, 2022. The discussion should be read in conjunction with the audited financial statements for the years ended December 31, 2023 and December 31, 2022 and related notes thereto. The Company’s financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”). All monetary amounts are reported in Canadian dollars unless otherwise noted. These documents, as well as additional information on the Company, are filed electronically through the System for Electronic Document Analysis and Retrieval (SEDAR) and are available online at www.sedar.com.

The effective date for this report is April 16, 2024.

Overview of Operations

Renforth wholly owns the ~300 km² Malartic metals Package (formerly called the Surimeau District Property), which hosts numerous areas of polymetallic and gold mineralization, each with various levels of exploration, as well as a significant amount of unexplored ground. Victoria has been drilled by Renforth in two areas, at the western property boundary and in a second location, from the road to the west over a strike length of ~2.5km with ~10,000m drilled, proving nickel, cobalt, platinum and palladium interlayered with zinc, copper, silver and gold in a mineralized structure which is proven to occur along the entire extent of the 20km magnetic anomaly running E/W across the centre of the property. The Huston target, in the NW of the property, during initial reconnaissance, resulted in a grab sample grading 1.9% Ni, 1.38% Cu, 1170 ppm Co and 4 g/t Ag. In addition to this the Lalonde, a structure similar to Victoria, located ~4km to the north and running E/W over at least 9km, has been drilled by Renforth, delivering polymetallic results similar to Victoria West. In the NE corner of the property the Beaupré surface copper discovery has been traced over ~175m and awaits additional work. Located at the closest point to the Cadillac Break on the property this discovery is an enigma which will require additional surface work prior to drilling. In conjunction with numerous pegmatites and a handful of long, low grade drilled gold intercepts the Malartic Metals Package combines several underexplored mineralized occurrences of varying commodities and degree of work which, represent significant potential of this NSR free, road accessible property.

In addition Renforth wholly owns the Parbec Gold deposit, a surface gold deposit contiguous to the Canadian Malartic Mine property in Malartic, Quebec. In 2020/21 Renforth completed 15,569m of drilling which successfully twinned certain historic holes, filled in gaps in the resource model with newly discovered gold mineralization and extended mineralization deeper. Based upon the success of this significant drill program the Company considers the spring 2020 MRE, with a resource estimate of 104,000 indicated ounces of gold at a grade of 1.78 g/t Au and 177,000 inferred ounces of gold at a grade of 1.78 g/t Au to be out of date. With the new data gained Renforth has commenced a reinterpretation of the Parbec deposit which will result in a new geological model.

Renforth also holds Nixon-Bartleman, west of Timmins Ontario, with gold present on surface over a strike length of ~500m.

The Company trades on the CSE (RFR), the OTCQB (RFHRF) in the US and the Frankfurt Stock Exchange (9RR). The Company’s registered and head office is located at Unit 1B 955 Brock Road, Pickering, Ontario.

Projects

Malartic Metals Package ("MMP")

Summary of work done on the property during the year ended December 31, 2023 to date of this MD&A

February 15, 2023 – announced the drill results from its December 2022 drill program.

- Gold has been intersected in drilling at Victoria, these first occurrence intersections demonstrate gold is present within the ~20km long mineralized system at Victoria.
- Lalonde has been confirmed as a mineralized system with drill results similar to surface results, the property hosts two battery metals systems with open pit potential.
- A third band of polymetallic battery metals mineralization was intersected at Victoria in the December drilling. This is interpreted as an additional mineralized horizon within the Victoria structure.

March 2023 – Commenced and completed a 6 drill hole program, with mineralized graphitic mudstones hosting copper, zinc and nickel intersected in each hole drilled over ~700m strike at the western end of the ~20 km long Victoria polymetallic mineralized structure which crosses the centre of the wholly owned 330 sq. km. MMP property. In this drill program Renforth intersected net textured sulphides, notable as one of Renforth's targets at MMP is to discover the source of the VMS stringer mineralization observed in this, and prior, drill programs. The main finding of this drill program is an increase in the frequency and thickness of mineralized graphitic mudstone layers, like the mineralization seen in the very first holes drilled at MMP, approximately 6km to the east. The mineralized graphitic mudstone is also exposed on surface, south of the previously drilled 2.2 km of Victoria strike. Victoria's geological setting includes graphitic shale, mafic and ultramafic rock, a setting similar to the Outokumpu district in eastern Finland.

May to July 2023 - Renforth conducted grab sampling and mapping on MMP May to July 2023. A total of 229 samples were described and sent for assay. This mapping and sampling program focused on the southern part of the MMP property along the metasedimentary and Decelles Reservoir Batholith contact. Eleven Anomalies were identified based on elevated Li, Rb, Cs, Be, Nb, Ta and Sn contents within the assayed samples. In addition, a review of MERN's outcrop mapping was undertaken, focused on the northern metasedimentary-Decelles Reservoir Batholith contact area from Vision's Cadillac spodumene pegmatites, along the contact to the southeast edge of the MMP.

August 16, 2023 - field prospecting program resumed at the MMP following up on numerous initial exploration targets developed earlier in the summer as detailed above.

September 13, 2023 - the August/September prospecting program at MMP concluded with the discovery of new, previously unrecorded battery metals mineralization in an albitized shear zone on surface north east of Lalonde, and numerous pegmatites not previously mapped or sampled in the southern part of the property. Additional samples were taken from these, and other, locations in the latter half of the program and have been delivered for assay, results will be reported when available.

September 21, 2023 - 62 additional claims have been staked at MMP in order to encompass the balance of the mineralized magnetic anomaly north of Lalonde discovered in the just completed prospecting program, as well as historic government soil samples with anomalous values in lithium and cesium, and areas where granite can be identified using extremely detailed satellite photos.

October 2023 - Fall 2023 exploration program at MMP commenced, with stripping of the Beaupré copper discovery, unfortunately the early arrival of snow meant there was no mapping or sampling undertaking, that will be a Summer 2024 program.

December 2023 – completed a drill program on the Victoria mineralized system which stretches over ~20km of strike length across the centre of our wholly owned ~300 km² Surimeau property located near Malartic, Quebec. The program finished with 11 holes drilled in ~3500m of drilling, with each hole intersecting the mineralized package, demonstrating its consistency, at greater depths which has resulted in an improved tenor of mineralization. The second last hole drilled in the program was located as planned, approximately 150m west, and 265m north, of the western end of the stripped area at Victoria. Once drilled, this hole delivered some of the best mineralization seen in any hole at

Surimeau, as assessed visually and confirmed with an XRF, and intersected the northern mineralized horizon seen further to the east but not anticipated in this location. This drill program brings the total meters drilled within the ~2.5km of strike within the central Victoria area to 10,000m, with the most recent holes generally being deeper. Observation of the newest core concludes that the Surimeau mineralized assemblage is hosted in intercalated lenses of graphitic black shales and lenses of ultramafic flows which contain elevated levels of battery metals. The shales are comprised of deep marine sedimentary layers likely representing a distal VMS environment and range in thickness from .5 to several meters containing pyrite, sphalerite, and chalcopyrite mineralization. The intercalated ultramafic flows and lenses range in thickness from several meters to tens of meters in thickness and host Ni mineralization throughout, generally grading in a range between 0.15-0.3%. Thicker or wider zones are probably caused by structural duplication resulting in a stacking of mineralized zones, apparent in recent drilling.

Renforth has drilled 10,316m in 44 drillholes within the 2.5km section of the Victoria mineralized structure, the deepest mineralized pierce point is 225m vertical depth, which supplied the data for 3d modelling in LeapFrog, a tool employed by Renforth's geologists to assist in planning future work. The resultant model, released in March 2024, demonstrates the continuity of mineralization. This has identified target areas to be followed up on. Renforth does not have a resource for disclosure in place on the VMMZ at this time. In addition to modelling the Victoria mineralized structure for the first time Renforth selected and submitted 19 samples for trace Au/Pt/Pd testing, those results, received in March 2024 demonstrated the presence of gold, platinum and palladium within drill core,

The team continued with various field programs in 2024.

Breakdown of expenses for the year ended December 31, 2023:

	2023
Drill program	\$ 1,308,035
Prospecting	137,005
Management and admin	56,250
Geological consulting and modelling	72,765
Claim acquisition and management	101,285
Other	36,310
	\$ 1,711,650

Parbec Gold Property – 100% owned

During the prior period Renforth worked with two new consulting groups on Parbec using the results from the recently completed and reported on 15,569m of drilling, and the ~13,000m of historic drilling excluded from the May 2020 MRE which was validated during the 2020/21 drill program for inclusion in a future mineral resource estimate update for Parbec. The first group are structural geologists doing the first ever structural study on the structurally controlled (the Cadillac Break) gold environment at Parbec. The second group is producing a new model of Parbec using the new and historic data, an early interpretation is that the recent drilling demonstrates vertical continuity of mineralization.

There was no active exploration work on the property during the year ended December 31, 2023.

Other Parbec update - Renforth retained Martin Demers PGeo (OGQ) to remodel the Parbec deposit using the results of the ~15,000m which were drilled subsequent to the 2019 MRE for Parbec. This process is at an approximate halfway point, to date Mr. Demers has interpreted a hinge fold in the Pontiac which allowed the emplacement of diorites, associated with the higher-grade gold at Parbec. The hinge fold is part of a new structural interpretation of the Parbec gold deposit which includes observations and modelling to better understand and predict the location and geometry of gold zones at Parbec. Mr. Demers is working on horizontal plans, this point of view helps to understand the true orientation of gold lenses, helped by the tight and regular drill pattern at Parbec, especially within the first hundred meters from the surface. This modeling is being done in order to understand the geometry of the Parbec gold deposit and identify strike and down dip extensions of the mineralized zones. The use of level plans highlights the presence of flat lying and offset lenses which thicken. This is different from the MRE model which used vertical cross sections, perpendicular to the Cadillac Break, which influences the model created. Upon completion of this remodeling the resultant information will be available on Renforth's website.

Nixon Bartleman Property – 100% owned

Renforth holds 100% of the Nixon-Bartleman project, subject to a 2.5% NSR, consisting of four patents and 24 staked claims over an area of 313Ha, straddling the Porcupine Destor Deformation Zone, in the Porcupine Mining Camp of the West Timmins Mining area, approximately 45 km SW of Timmins, only 10 kms SW of Timmins West Mine, held by Lakeshore Gold, a subsidiary of Pan-American Silver.

This property is known to host five gold bearing quartz veins in a structurally complex environment. An initial exploration program on the property obtained gold values at surface in cut channel samples and extended the strike of the surface mineralization.

The property has seen historic drilling, assay results include up to 40 g/t gold and intersected a gold-bearing porphyry.

This property has seen exploration, including 43 drillholes, in fits and starts, making a comprehensive mapping and sampling program, along with a data compilation, Renforth's first area of focus.

There was no work on the property during the year ended December 31, 2023.

McCart Nickel Property – 100% owned

McCart Nickel Property, located approximately 15 km west of Iroquois Falls, Ontario, along Highway 11, was added to Renforth's Ontario exploration property portfolio in August 2023. Renforth acquired the 9 staked claims that currently form the McCart property through an assignment of the claims, at no cost, and own 100% of the rights to the claims with no encumbrances. Renforth anticipates that these claims will be visited at some point in the Fall of 2023 for initial prospecting work by Renforth.

Historic work on the McCart Property is recorded as early as 1917 with the documentation of nickel on the property. Less than a dozen recorded exploration programs between the first documented in 1917 and the present day have occurred, however, they continued to define nickel occurrences, with the result that a strike length of approximately 600m, limited only by a lack of outcrop, has been outlined consisting of nickel mineralization controlled by the basalt contact of the intrusive body where dunite lies in sheared contact with the komatiitic volcanics. Currently the main sulphidic zone has been outlined as 3-4m wide on surface, consisting of disseminated and net-textured pyrrhotite with minor chalcopyrite and pentlandite. In addition to this a historic trench on the property exposes graphitic mudstones with traces of albitization and oxidation, there is also a large body of unrecorded and unexplored felsic volcanics present to the south on the property. Grab samples taken in a brief property visit in November 2022 confirmed the presence of nickel on the property with a high grab of 0.236% Ni taken from a historic trench showing 10-15% pyrrhotite, this sample was proximal to a historic result of 4,100ppm Ni from prospecting and thin section work completed by Cunnison & Pyke between 1991-93, this information is taken from the public record. Renforth notes two cautions to the reader with regard to this information (1) a grab sample is selective in nature and not reflective of the entirety of the lithology on the property, or the property itself, and (2) historic work is not to be unduly relied upon, while it is presumed the work was carried out in an acceptable and workmanlike manner by geoscientists there is no original material remaining for verification and the technology, assay methodology and certification standards have changed in the intervening years. The reference to historic work is for indicative purposes only.

Summary of work done on the property during the year ended December 31, 2023 to date of this MD&A

McCart Nickel Prospecting Program Complete - Renforth's geologists completed an initial prospecting campaign at the McCart property, located near Iroquois Falls, Ontario. The property contains three bands of NE/SW trending broad ridges, these can be divided into the north, south-central and south parts of the property. Numerous traverses were carried out targeting these ridges using satellite photos to identify potential outcrop locations. The northern bands are comprised of ultramafic and mafic volcanics with locally up to 5% coarse clots and disseminations of Pyrrhotite and pyrite stronger in the ultramafic. The south-central ridges are comprised of intercalated ultramafic and mafic volcanic lenses. Numerous outcrops contained narrow Quartz-albite stringers, one of which contained a coarse clot of chalcopyrite and bornite. The southern part of the property hosts a third series of broad NE-SW trending ridges comprised primarily of pillowed basalts and narrow interlayers of ultramafics. Numerous small historic blast pits were identified in this area. All of the pits contained veins of Serpentinite with chrysotile along fractures and pillow selvages. Samples were selected in the field and have been submitted for assay, results will be reported when received.

Copper Prince Project – 100% owned

Renforth acquired 100% of the rights to the staked claims that form the Copper Prince Project, located near Iron Bridge, Ontario with no underlying encumbrances, by way of assignment with no purchase cost paid.

The Copper Prince property consists of fifteen claims which cover part of a known copper bearing vein system, the Copper Prince system, with limited historic production and a less well documented vein/disseminated copper system, the North Summit system. Mineralization at the historic Copper Prince prospect and at North Summit is hosted by steeply-dipping white quartz veins, with a width of roughly 1m to 5m and traceable over considerable distance. The veins host chalcopyrite, pyrite and specular hematite. Historic work on the known copper bearing vein system (partially covered by Renforth claims) at Copper Prince began in the 1920s when trenching, drilling and limited underground development was completed by the Consolidated Mining and Smelting Company of Canada (Cominco). Historically recorded assays from the Renforth portion of Copper Prince includes several copper assays which exceed 1%, from drilling by Cominco, along with low grade gold and silver values. The historic information is not to be relied upon as there is no core available for verification and assay technology and standards have changed. Renforth treats this information as confirming the property is mineralized and references it to fully inform shareholders. The adit, and much, but not all, of the trenching and drilling, is a short distance beyond Renforth's claims, with little information available regarding the work on either Renforth's property or adjacent to it. Anecdotal comments suggest that there was limited production in the 1960s or 1970s from the adjacent adit. Limited drilling was completed in 2012 by Lakeland Resources both within the Renforth property and adjacent to it, confirming some of the historic drill results. Only one map of the Cominco work is available, dating from 1947, after the work was undertaken but it showing several drillholes and trenches on the Renforth claims. The North Summit copper occurrence, to the north of the vein system, was explored, trenched and drill-tested in the 1960s by North Summit Explorations Ltd (later Summit Diversified Ltd). Several good quality maps are available of geophysical surveys completed by North Summit, but their geologic exploration is poorly recorded and poorly located, and there are no maps accompanying the work reports. It is believed that the North Summit occurrence is likely to lie within the northeastern part of the Copper Prince property.

Selected Annual Information

For the years ended	2023	2022	2021
	\$	\$	\$
Revenue	-	-	-
Expenses	2,347,475	2,819,707	4,069,852
Net (loss) income and comprehensive (loss) income for the year	(2,138,045)	(3,662,162)	(3,420,389)
Basic and fully diluted (loss) income per share	(0.01)	(0.01)	(0.01)
Cash flows from (used in) operating activities	(2,300,302)	(2,520,440)	(3,033,949)
Cash flows from investing activities	1,697,209	12,830	-
Cash flows from financing activities	401,600	1,474,250	1,991,367
Decrease in cash in year	(201,493)	(1,033,360)	(1,042,582)
As at December 31	2023	2022	2021
Total Assets	660,197	2,670,016	4,653,120
Total long-term financial liabilities	Nil	Nil	Nil
Cash dividends declared for all classes of shares	Nil	Nil	Nil

Results of Operations

	2023	2022
Expenses		
General and corporate	\$ 599,793	\$ 953,131
Share-based payments	-	76,000
Exploration expenditures	1,747,682	1,790,576
Loss before other items	\$(2,347,475)	\$(2,819,707)
Other items		
Flow through share premium	191,350	268,008
Loss on sale of marketable securities	(2,158,020)	(19,170)
Gain on settlement of debt	13,333	42,372
Investment income	6,159	-
Change in fair value of marketable securities (<i>note 5</i>)	2,156,608	(1,133,665)
Net loss and comprehensive loss for the year	(2,138,045)	(3,662,162)

Revenues

The exploration properties acquired by the Company are still in the early exploration and development stage. Until sufficient work has been completed to confirm the feasibility of any specific interest being placed into production, it is not anticipated that the Corporation will have any material revenue. No revenues have been reported for the years ended December 31, 2023 and 2022.

Other items

Other income – flow through share premium

During 2023 and 2022 the Company issued flow through shares. For accounting purposes, the proceeds from issuance of these shares are allocated between the offering of shares and the sale of tax benefits. The allocation was made based on the difference between the price of a non-flow through share and the amount the investor paid for the flow-through share. A liability was recognized for this difference. The liability was reduced and the reduction of premium liability was recorded in other income on the date when the Company filed the appropriate renunciation forms with the Canadian taxation authorities.

General and Corporate - breakdown for three and nine months ended September 30, 2023 and 2022:

	2023	2022
Management compensation	\$ 90,000	\$ 90,000
Legal and audit	49,055	43,215
Consulting services	339,031	678,391
Insurance	8,150	11,979
Transfer agent	4,150	11,212
Administrative and general	50,531	85,670
Listing fees	58,876	32,664
	\$ 599,793	\$ 953,131

Management compensation is comprised of CEO fees of \$30,000 (2022 - \$30,000) and CFO management fees of \$60,000 (2022 - \$60,000). \$90,000 (2022 - \$90,000) of fees relating to the CEO was grouped with exploration expenses as they directly related to managing the Company's properties and exploration programs.

Consulting fees includes expenses related to financial communications companies for business development and public and investor relations services. The Company engaged less consultants in this category during the current period compared to the prior period.

Summary of Quarterly Results

	QTR	QTR	QTR	QTR
	4	3	2	1
	2023	2023	2023	2023
Revenue	--	--	--	--
Net income (loss) and comprehensive income (loss)	\$(701,287)	\$(243,212)	\$(766,168)	\$427,378
Income (loss) per common share basic and fully diluted	(0.00)	(0.00)	(0.00)	(0.00)

	QTR	QTR	QTR	QTR
	4	3	2	1
	2022	2022	2022	2022
Revenue	--	--	--	--
Net loss and comprehensive loss	\$(833,964)	\$(654,500)	\$(1,470,128)	\$(703,570)
Loss per common share basic and fully diluted	(0.00)	(0.00)	(0.00)	(0.00)

The Company's level of activity and expenditures during a specific quarter are influenced by the availability of working capital, the availability of additional external financing, the time required to gather, analyze and report on geological data related to mineral properties, the results of the Company's prior exploration activities on its properties and the amount of expenditure required to advance its projects.

Liquidity and Capital Resources

As at December 31, 2023 the Company's cash decreased to \$356,578 from \$558,071 at December 31, 2022. The Company's working capital was \$77,442 compared to \$1,906,648 at December 31, 2022. The decrease in working capital was due to \$2,300,302 spent on operating activities (which primarily consisted of expenditures on the exploration projects).

The Company had \$1,697,209 of cash from investing activities, being net proceeds from sale of marketable securities.

The Company received \$401,600 of cash from financing activities, being the sale of units (common shares and warrants).

The Company's 2023 monthly cash burn rate on average, which was calculated as cash spent per month in operating activities, was approximately \$191,700 (2022 - \$210,000). This included exploration expenditures, and various consulting fees for business development and investor relation services which is discretionary and based on available funds. The Company expects to still operate at a loss for at minimum the next 12 months, at its current operating level, the Company will not have sufficient funds to cover short-term operational needs.

The primary need for liquidity is to fund exploration programs and to maintain general corporate operations. The primary source of liquidity has primarily been private financings and sale of marketable securities and to a lesser extent the exercise of options and warrants.

The Company has no debt and no financial commitments other than spending its flow through dollars on acceptable exploration costs.

Overall, given working capital at December 31, 2023, the Company will not be able to meet its general operational requirements for the next 12 months. In order to fund exploration programs for 2024 the Company will be required to raise additional capital.

The Corporation's principal source of financing is equity financing, the success of which depends on venture capital markets, the attractiveness of exploration companies to investors, and metal prices. To continue its exploration activities and be able to support its ongoing operations, the Company will need to continue its relations with the financial community to obtain further equity financing in the future. Outstanding options and warrants, if exercised, represent potential financing.

Off-Balance Sheet arrangements

There are no off-balance sheet arrangements as at the date of this MD&A.

Related Party Transactions

Compensation of key management personnel

Key management includes members of the board of directors, the President and Chief Executive Officer and the Chief Financial Officer. The aggregate value of transactions relating to key management personnel and entities over which they have control or significant influence were as follows for years ended December 31, 2023 and December 31, 2022:

	2023	2022
Salary or other short-term benefits	\$ 180,000	\$ 180,000
	\$ 180,000	\$ 180,000

Other related party balances and transactions

The Company engages Minroc Management Limited ("Minroc"), a geological consulting company, to manage the Company's exploration programs. The Company's CEO, Nicole Brewster, is a controlling shareholder of Minroc. For the year ended December 31, 2023, the Company was charged \$1,440,315 (2022 - \$1,447,390) in exploration related expenditures, and \$120,000 (2022 - \$120,000) in management fees for the CEO, of which \$90,000 (2022 - \$90,000) was recorded as exploration expenditures and \$30,000 (2022 - \$30,000) was charged to general and corporate expense on the statement of loss. The Company also rents office space from Minroc and was charged \$24,600 in 2022. As at December 31, 2023, there was \$170,000 (December 31, 2022 - \$50,000) in accrued management fees due to Minroc. This amount is unsecured, non-interest bearing with no fixed terms of repayment. On July 29, 2022, the Company settled debt with Minroc in the amount of \$180,800 by the issuance of 3,616,000 common shares. The shares had a market value of \$108,480, and therefore resulted in a gain on settlement of \$72,320. The gain was recognized in contributed surplus.

During the year ended December 31, 2023, the Company was charged \$60,000 (2022 - \$60,000) in management fees by a corporation owned by the CFO of the Company, for CFO services. As at December 31, 2023, \$79,100 (December 31, 2022 - \$28,250) was owing to this corporation and included in accounts payable. This amount is unsecured, non-interest bearing with no fixed terms of repayment. On July 29, 2022, the Company settled debt with CFO in the amount of \$70,400 by the issuance of 1,408,000 common shares. The shares had a market value of \$42,240, and therefore resulted in a gain on settlement of \$28,160. These gains were recognized in contributed surplus.

Proposed Transactions

There is no imminent decision by the Board of Directors of the Company with respect to any transaction.

Critical Accounting Estimates

The preparation of these financial statements requires management to make judgments and estimates that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these judgments and estimates. The financial statements include judgments and estimates which, by their nature, are uncertain. The impacts of such judgments and estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

Significant assumptions about the future and other sources of judgments and estimates that management has made at the statement of financial position date that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Estimates and assumptions

- the recoverability of amounts receivable and prepayments which are included in the statement of financial position;
- the estimated useful lives of equipment which are included in the statement of financial position and the related depreciation included in the statement of loss and comprehensive loss;
- the estimated value of the exploration and development costs which is recorded in the statement of financial position;
- the inputs used in accounting for share based payment expense in the statement of comprehensive loss;
- management's position that there is no income tax considerations required within these financial statements;
- the assessment of indications of impairment of each mineral property and related determination of the net realizable value and write-down of those properties where applicable;
- Contingencies; and
- Valuation of the refundable mining duties credit and the refundable tax credits for resources.

Commitments and Contingencies

The Company's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

- (a) The Company renounced \$388,800 of qualifying exploration expenditures to the shareholders effective December 31, 2023. Under the "look back" provision governing flow-through shares, \$388,800 of the amount has to be spent by December 31, 2024. Certain interpretations are required to assess the eligibility of flowthrough expenditures that if changed, could result in the denial of renunciation.
- (b) The Company's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

Risk Factors

The Company's risk exposures and the impact on the Company's financial instruments are summarized below. There have been no significant changes in the risks, objectives, policies and procedures during 2023.

Credit risk

The Company's credit risk is primarily attributable to cash and cash equivalents. The Company has no significant concentration of credit risk arising from operations. Cash is held with reputable financial institutions, from which

management believes the risk of loss to be remote. Management believes that the credit risk concentration with respect to these items is remote.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2023, the Company had a cash balance of \$356,578 (December 31, 2022 – \$558,071) to settle current liabilities of \$582,755 (December 31, 2022 - \$763,368).

Market risk

(a) Interest rate risk

The Company has cash balances and no long-term debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

(b) Foreign exchange risk

The Company's functional currency is the Canadian dollar and all major purchases are transacted in Canadian dollars. Management believes the foreign exchange risk is negligible and therefore does not hedge its foreign exchange risk.

The Company does not hold balances in foreign currencies to give rise to exposure to foreign exchange risk.

(c) Price risk

The Company is exposed to price risk with respect to commodity prices. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company. Price risk is remote since the Company is not a producing entity.

Fair value of financial assets and liabilities

The Company measures its cash, amounts receivable and accounts payable and accrued liabilities, at amortized cost.

As at December 31, 2023 and December 31, 2022, the fair values of Company's financial instruments approximate their carrying values, given their short-term nature.

Disclosure of Outstanding Share Data

The following is for disclosure of information relating to the outstanding securities of the Company:

As at the date of this MD&A the Company had 340,436,118 common shares issued and outstanding.

As at the date of this MD&A the Company had 29,402,499 warrants outstanding.

As at the date of this MD&A the Company had 10,750,000 stock options outstanding.

Other Disclosure

Risks

The Corporation's business is subject to a variety of risks and uncertainties. The exploration and development of mineral properties entails significant financial risk. Significant expenditures are required to assess a property and its mineralization.

Price Volatility

Any future earnings will be directly related to the price of precious and base metals. Such prices have fluctuated over time and are affected by numerous factors beyond the control of the Corporation.

Mining Risk

Renforth's mining exploration operations are subject to conditions beyond its control, which can affect the cost of the work for varying lengths of time.

Mineral exploration is highly speculative in nature, involves many risks and frequently is non-productive. There is no assurance that exploration efforts will be successful. Success in establishing reserves is a result of a number of factors, including the quality of management, the Corporation's level of geological and technical expertise, the quality of land available for exploration and other factors. Once mineralization is discovered, it may take several years in the initial phases of drilling until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish mineral reserves through drilling, to determine the optimal metallurgical process to extract the metals from the ore and, in the case of new properties, to construct mining and processing facilities. Because of these uncertainties no assurance can be given that exploration programs will result in the establishment or expansion of resources or reserves.

Environment

Operations, development and exploration projects could potentially be affected by environmental laws and regulations of the country in which the activities are undertaken. The environmental standards continue to change and the global trend is to a longer, more complex process. Although the Corporation continuously reviews environmental matters and undertakes to comply with changes as expeditiously as possible, there is no assurance that existing or future environmental regulation will not materially adversely affect the Corporation's financial condition, liquidity and results of operation.

Certain environmental issues, such as storm events, tailings storage seepage, dust and noise emissions, while having been assessed and strategies based on best practices have been adopted, there can be no assurance an unforeseen event will not occur which could have a material adverse effect on the viability of the Corporation's business and affairs.

Government Regulation

The Corporation's operations are subject to significant regulation and laws which control not only the exploration and mining of mineral properties but also the possible effects of such activities upon the environment. Changes in current legislation or future legislation could result in additional expenses, restrictions and delays.

Key Personnel

The Corporation's future success is dependent in large part upon the continued services of certain key personnel. Failure to retain such personnel or failure to attract qualified management in the future, could adversely affect the Corporation's ability to manage its operations.

Financing

Renforth is dependent upon raising financing from third parties in order to continue its operations. There is no guarantee that such financing will be available on commercially suitable terms or at all. Failure to obtain additional financing will materially adversely affect the operations and business of the Corporation.

Forward-Looking Statements

This Management's Discussion and Analysis of Financial Conditions and Results of Operations contains certain forward-looking statements. All statements other than statements of historical fact that address activities, events or developments that the Corporation believes, expects or anticipates will or may occur in the future are forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "contemplate", "target", "believe", "plan", "estimate", "expect" and "intend" and statements that an event or result "may", "will", "can", "should", "could" or "might" occur or be achieved and other similar expressions. These statements are based upon certain assumptions and analyses made by management in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors management believes are appropriate in the circumstances. However, whether actual results and developments will conform with management's expectations is subject to a number of risks and uncertainties, including the considerations discussed herein and in other documents filed from time to time by the Corporation with Canadian security regulatory authorities, general economic, market or business conditions, the opportunities (or lack thereof) that may be presented to and pursued by management, competitive actions by other companies, changes in laws or regulations and other factors, many of which are beyond the Corporation's control. These factors may cause the actual results of the Corporation to differ materially from those discussed in the forward-looking statements and there can be no assurance that the actual results or developments anticipated by management will be realized or, even if substantially realized, that they will have the expected results on Renforth Resources Inc. All of the forward-looking statements made herein are qualified by the foregoing cautionary statements.