

**AURWEST RESOURCES CORPORATION**

**Management Discussion and Analysis**

**for the three months ended March 31, 2023**

**(Expressed in Canadian Dollars)**

**Unaudited – Prepared by Management**

## AURWEST RESOURCES CORPORATION

### MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

For three months ended March 31, 2023

(expressed in Canadian dollars)

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#### MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management Discussion and Analysis (“**MD&A**”) provides a discussion of Aurwest Resources Corporation’s (formerly Shamrock Enterprises Inc.) (the “**Company**” or “Aurwest”) financial position and the results of its operations for the three-month period ended March 31, 2023. This MD&A should be read in conjunction with the Company’s audited financial statements for the twelve-month period ended December 31, 2022, and the unaudited interim consolidated financial statements for the three-months ended March 31, 2023, and the related notes thereto, which were prepared in accordance with International Financial Reporting Standards (“IFRS”) applicable to the preparation of financial statements. All amounts expressed are in Canadian dollars unless otherwise stated. The MD&A is current as of May 29, 2023 and was reviewed, approved, and authorized for issue by the Company’s Board of Directors on the date.

Technical and corporate information contained in this MD&A has previously been disseminated by way of news releases and are filed on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Company’s website at [www.aurwestresources.com](http://www.aurwestresources.com). The reader should be aware that historical results are not necessarily indicative of future performance (readers should refer to “**Forward Looking Statements**”).

#### CORPORATE OVERVIEW

Aurwest is a Canadian-based junior resource company focused on the acquisition and exploration of gold and copper-gold properties in North America. Aurwest is listed on the Canadian Securities Exchange (**CSE: AWR**). The Company currently holds Option Agreements to acquire 100% interest in the Paradise Lake, and the Miguels Lake gold properties in Central Newfoundland and a 100% interest in the Stellar copper/gold project and the Stars copper porphyry project in British Columbia. To date the Company has not earned revenues from any of its exploration efforts and its projects are in the early exploration stage.

The Company was incorporated as Shamrock Enterprises Inc. pursuant to the Business Corporations Act (British Columbia) on April 17, 2008. On January 2<sup>nd</sup>, 2020, the Company underwent a name change to Aurwest Resources Corporation and consolidated its shares on a 4 for 1 basis. Effective December 31, 2020, the Company changed its year end from May 31 to December 31. The Company maintains its head office at Suite 2003, 188 – 15 Ave SW, Calgary, Alberta Canada T2R 1S4.

As at the date of this MD&A, Aurwest’s directors and officers are as follows:

<b>Directors &amp; Officers</b>	<b>Position</b>
Cameron Macdonald	Director and Chief Executive Officer (“CEO”)
Sonja Kuehnle	VP Finance and Chief Financial Officer (“CFO”)
Colin Christensen	Director
Brian Prokop	Director

#### **Audit Committee**

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Brian Prokop  
Colin Christensen

#### **Qualified Person**

Mr. Elmer B. Stewart, MSc. P. Geol. is the qualified person as defined under National Instrument 43-101 *Standards of Disclosure for Mineral Projects* (“**NI 43-101**”) who has reviewed and approved all technical and scientific disclosure contained in this MD&A regarding the Company’s mineral properties.

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#### FORWARD LOOKING STATEMENTS

Certain statements contained in this MD&A constitute “*forward-looking statements*” within the meaning of Canadian securities legislation. These forward-looking statements are made as of the date of this MD&A and the Company does not undertake to update any forward-looking statement that may be made from time to time by the Company or on its behalf, except in accordance with applicable laws.

Forward-looking statements relate to future events or future performance and reflect management’s expectations or beliefs regarding future events and include, but are not limited to, statements with respect to the estimation of mineral reserves and resources, the realization of mineral resource and mineral reserve estimates, the timing and amount of estimated future production, costs of production, capital expenditures, success of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage. Readers are cautioned that mineral resources that are not mineral reserves do not have demonstrated economic viability.

Except for statements of historical fact relating to the Company, certain information contained herein constitutes forward-looking statements. This MD&A contains forward-looking statements which reflect management’s expectations and goals, as well as statements with respect to our belief, plans, objectives, expectations, anticipations, estimates and intentions. The words “may”, “will”, “continue”, “could”, “should”, “would”, “suspect”, “outlook”, “believes”, “plan”, “anticipates”, “estimate”, “expects”, “intends” and words and expressions of similar import are intended to identify forward-looking statements.

Forward-looking statements include, without limitation, information concerning possible or assumed future results of the Company’s operations. These statements are not historical facts and only represent the Company’s current beliefs as well as assumptions made by and information currently available to the Company concerning anticipated financial performance, business prospects, strategies, regulatory developments, development plans, exploration and development activities and commitments and future opportunities. Although management considers those assumptions to be reasonable based on information currently available to them, they may prove to be incorrect.

These statements are not guaranteeing of future performance and involve assumptions and risks and uncertainties that are difficult to predict, therefore, actual results may differ materially from what is expressed, implied, or forecasted in such forward-looking statements.

By their very nature, forward looking statements involve several 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 statements. Readers are cautioned not to place undue reliance on these forward-looking statements, and readers are advised to consider such forward-looking statements considering the risk factors set forth below and as further detailed in the “*Risks and Uncertainties*” section of this MD&A.

These risk factors include, but are not limited to, fluctuation in metal prices which are affected by numerous factors such as global supply and demand, inflation or deflation, global political and economic conditions; the Company’s need for access to additional capital to explore and develop its projects; the risks inherent in the exploration for and development of minerals including the risks of estimating the quantities and qualities of minerals, operating parameters and costs, receiving project permits and approvals, successful construction of mining and processing facilities, and uncertainty of ultimate profitability of mining operations; risks of litigation and other risks. The Company cautions that the foregoing list of factors that may affect future results is not exhaustive. When relying on any forward-looking statements in this MD&A to make decisions with respect to the Company, investors and others should carefully consider the risk factors set out in this MD&A and other uncertainties and potential events.

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#### **HIGHLIGHTS AND SIGNIFICANT EVENTS FOR PERIOD ENDED MARCH 31, 2023**

- On February 3, 2023, Aurwest announced the resignation of the Colin Christensen as CEO of the Company, effective January 31, 2023. The Company appointed Cameron MacDonald as the new CEO. Colin Christensen remains a Director of the Company.
- On March 13, 2023, Aurwest announced it amended a previously announced private placement financing of subscription receipts for Copper Star Exploration Ltd. The amendment included a non-brokered private placement to raise aggregate proceeds of up to \$1,300,000 through the issuance of 5,072,468 flow-through Subscription Receipt units at a price of \$0.10 per FT Unit (one flow-through share and one half of one share purchase warrant) for gross proceeds of up to \$572,447 and 9,676,708 Conventional Subscription Receipt units at a price of \$0.075 per Conventional Unit (one common share and one half of one share purchase warrant) for gross proceeds of up to \$725,752. Copper Star reserved the right to accelerate the expiry date of the warrants at any time following the two-year anniversary of the issue date the Warrants, subject to certain terms and conditions.

#### **Subsequent to Period End**

- On April 20, 2022, Aurwest announced that effective April 19, 2023, the Company has terminated its option agreement dated April 19, 2021, with Tenacity Gold Mining Company Ltd. on the Stony Caldera Property to focus on the exploration of the Paradise Lake property in Newfoundland and Labrador.

#### **PROPERTY SUMMARY**

This MD&A covers the Company's reporting period for the three months ended March 31, 2023. During the Quarter, the Company focussed on compilation of the results of the 2022 programs in preparation for regulatory filings and meeting its obligations pursuant to the Option agreements on the Paradise Lake, Project. The Paradise Lake, Pistol Lake and Miguels Lake projects are collectively referred to as the Paradise Lake project.

During the Quarter, Aurwest focussed on completing the Plan of Arrangement (see News Release dated March 13, 2023). No field activities were conducted during the Quarter.

#### **Industry Overview**

During the Quarter, the quoted Spot prices for both gold and copper experienced significant volatility. The lingering sentiment of a pending global recession in conjunction with US debt ceiling debate and tardy re-opening of the Chinese economy combined with overall global debt levels are some of the main global economic factors affecting the gold and copper industries. In the short-term, resolution of the US debt ceiling discussion, a slowing inflation and reduction of current central bank interest rates could have a significant positive effect on gold prices. In the medium-term copper demand is forecasted to increase, driven by the drive to attain a low carbon economy, population growth, emerging economies, and infrastructure requirements. If copper and gold demand materialize as forecasted, and the structural issues facing these industries are not resolved; the long-term sustainable supply of these metals could be materially impacted, leading to increased pricing for both gold and copper.

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#### **Corporate Overview**

During the Quarter, the Company focussed its effort on preparation and filing of the Assessment Reports on the results of the 2022 exploration programs completed on the Paradise Lake, Miguels Lake, Stony Caldera and North Rim Stony gold projects. These reports are required by the Province of Newfoundland and Labrador to main the mineral tenures in “good standing”. The Paradise Lake, Pistol Lake and Miguels Lake projects are all in “good standing”.

Subsequent to the quarter end, Aurwest terminated its option agreement with Tenacity Gold Mining Company Ltd. on the Stony Caldera Property (see news release dated April 19, 2023) and plans to focus its future exploration efforts on the Paradise Lake property. At the date of termination of the Stony Caldera option agreement (that includes the North Rim Stony project), all terms and conditions of the Stony Caldera option agreement were met and Aurwest has no further ongoing obligation related to the Stony Caldera project.

As of the date of this MD&A, Aurwest holds options to earn a 100% interest in the Paradise Lake and Miguels Lake gold projects covering 23,600 hectares in the Central Newfoundland Gold Belt.

The technical information disclosed in this MD&A has been previously disclosed in news release made by Aurwest.

#### **NEWFOUNDLAND PROJECTS**

Aurwest’s gold properties are located within the Exploits Subzone of the Dunnage tectonic zone underlain by Ordovician and Silurian sediments of the Botwood Group, the Badger Group that are overlain by the volcanic units assigned to the Stony Lake Volcanic suite. The location, geology, structural setting and recent exploration results indicates that the Aurwest’s properties within the Valentine Lake Cape Ray structural corridor have potential for both “Orogenic” and “Intrusion Related” styles of gold mineralization.

#### **Option Agreements**

Aurwest has the option to earn a 100% interest in the Paradise Lake and Pistol Lake properties subject to making cash payments totalling \$400,000, issuing 5,000,000 units and incurring exploration expenditures of \$4,000,000 over a four-year period. During the year ended December 31, 2022, the exploration expenditure term was extended by 12 months. Tenacity Gold Mining Company (“Tenacity”) holds a 3% Net Smelter returns royalty (“NSR”) on the property. All the terms and condition so the Option agreement have been met and the option agreement is in good standing as of the date of this MD&A.

Aurwest has the option to earn a 100% interest in the Miguels Lake property, subject to making cash payments of \$50,000, issuing 750,000 units and incurring exploration expenses totalling \$580,000 over four years. During the year ended December 31, 2022, the exploration expenditure term was extended by 12 months. Tenacity holds a 1% NSR and Alexander Duffitt a 2% NSR on the property. All the terms and condition so the Option agreement have been met and the option agreement is in good standing as of the date of this MD&A.

#### **Exploration Model**

Aurwest continues to use the exploration model established in 2021 to explore for “Orogenic” and “Intrusive Related” styles of gold mineralization within its optioned properties. The Cape-Ray-Valentine Lake

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("CRVL") structural zone and subsidiary structures are regional scale structures that hosts the Valentine Lake, Cape Ray, Moosehead, and Queensway gold deposits. Re-activation of these structures during orogenic events allowed hydrothermal activity associated with late stage intrusives to emanate fluids upward along these regional scale structures to form "leakage halos" within the overlying Botwood Group sediments and Stony Lake volcanics. These leakage halos are characterized by quartz-pyrite-arsenopyrite veins and occasionally free gold exposed in outcrop/subcrop along the surface traces of these regional structures. Post Botwood intrusive activity (granodiorite/syenite) occurred in the vicinity of Twin Ponds-Paradise Lake indicating potential for an Intrusion Related style gold mineralization.

#### **Paradise Lake Project**

The Paradise Lake property consists of three separate claim blocks (Paradise Lake, Pistol Lake and Miguels) held under two separate option agreements covering 236km<sup>2</sup>. Collectively the properties cover a 27kms strike length of the CRVL. The CRVL structure hosts the Valentine Lake gold deposit to the southwest and the high-grade Moosehead gold discovery to the northeast of the Paradise Lake project.

The Paradise Lake portion of the property is underlain by Ordovician and Silurian sediments (Botwood Group and Badger Group) and post sedimentary intrusive rocks (syenites, monzodiorites & gabbro) in the Twin Ponds-Paradise Lake area. The Miguels Lake portion of the property is located along a major structural/lithological boundary with the rocks of the Botwood Group lying to the north side of the boundary and mafic to ultramafic rock to the south side of the boundary. The Pistol Lake portion of the property is located on the west side of the property and is located on the north side of the same lithological/structural boundary seen at Miguels.

The Paradise Lake project is in the early exploration stage and the exploration focus is on locating target areas that indicate the potential to host significant concentrations of gold mineralization along structural trends on which to conduct future exploration programs. During the Quarter, due to winter weather conditions, implementing the field exploration programs (mapping, sampling, prospecting) to identify these potential target areas, are not generally conducted in Newfoundland. As such, no field activities were conducted during the Quarter ended.

#### 2022 Exploration Results

Although, the 2022 exploration results have been previously reported by way of News Releases and MD&A disclosure, a brief review of the 2022 exploration results are presented herein. The 2022 program included 3,750 meters (18 drill holes) of diamond drilling, 1300 drill core samples 403 rock samples and 36 channel samples. The surface program located a number of new gold occurrences with select samples containing visible gold.

The 3,750m, 18 holes drilling program tested a 3km strike length of the chargeability anomaly and tested the interpreted down dip extension of the gold mineralization located on surface. The drilling program intersected 86 sample intervals with >100 ppb (01.g/t) gold over the 3km area. Visible gold was intersected in hole PL-22-07 that returned 10.21 g/t gold over a 0.5-meter core interval. Other notable intercepts include 2.59 g/t gold over 3.4-meter core interval in hole PL-22-01.

The gold occurs within quartz-pyrite-arsenopyrite veins and breccias hosted in several, near vertical, feldspar-quartz rich syenite bodies ranging in thickness from <25m wide to ~150m intruding interbedded siltstones and greywackes.

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In 2022, the prospecting and mapping program located six new targets areas with gold concentrations ranging from 50 to 4,030 parts per billion gold ("ppb"). These samples were selected from outcrop or angular floats with significant quartz-pyrite-arsenopyrite veining. At Paradise Lake, 35 samples returned >50ppb gold, with five samples containing gold concentrations from 1.09 to 4.03 g/t Au.

During the three-month period ended March 31, 2023, Aurwest incurred \$14,595 (2022 - \$519,436) in exploration expenditures towards the Paradise Lake project.

Subsequent to quarter end, the Company also received \$45,450 (2022 - \$60,000) being the Mineral Incentive Program - Junior Exploration Assistance ("JEA") contribution towards the Company's Newfoundland projects.

#### **Stony Caldera Project**

On April 19, 2023, the Company decided to terminate the option agreement relating to the Stony Caldera Project. As previously disclosed, this resulted in total net expenditures of \$870,307 being written off for the year ended December 31, 2022. During the three-month period ended March 31, 2023, Aurwest incurred final expenditures of \$30,341 towards the Stony project, which were directly expensed.

### **BRITISH COLUMBIA PROJECTS**

#### **Stars- Stellar Copper-Gold Projects**

The Company's 100% owned Stars-Stellar property (28,815.2 ha) is in the Omineca Mining Division, north central British Columbia situated approximately 25 km southwest of the town of Houston. The mineral tenures that comprised the Stellar portion of the property is subject to a 2% NSR. The Company has the right to purchase 50% of the NSR for a purchase price of \$1.0 million.

The property is underlain by Lower Jurassic Hazelton Group volcanic and sedimentary rocks that have been intruded by early Cretaceous McCauley Island dioritic to monzonitic intrusive rocks and Late Cretaceous Bulkley dioritic to felsitic intrusive rocks. This suite of rocks host most of the significant porphyry copper mineralization in this portion of British Columbia. An exploration model like the Huckleberry porphyry copper deposit/mine is being used to explore the Stars-Stellar property.

The mineral tenures comprising the Stellar portion of the project require approximately \$400,000 in additional exploration expenditures on or before their anniversary date to ensure the tenures are in "good standing" until their next anniversary date being October 20, 2023. If the exploration expenditures are not incurred prior to the anniversary date, the Company can make a cash payment to cover such expenditure requirements to maintain the tenures in "good standing."

During the Quarter ended, March 31, 2023 no field activities were conducted on the Stars-Stellar project.

#### 2022 Exploration Results

No field work was completed on the Stars-Stellar project in in 2023. Aurwest completed an updated independent Technical Report entitled "TECHNICAL REPORT ON THE STELLAR - STARS PROPERTY British Columbia, Canada" Prepared in accordance with National Instrument 43-101, by Perry Grunenberg, P.Geo., as Qualified Person with an Effective Date of April 27, 2022.

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Following description of Stars-Stellar project (previously reported) is presented below to provide the reader a summary of the exploration results and potential to host significant copper mineralization.

The Stars-Stellar property hosts an open-ended zone of porphyry style copper-molybdenum mineralization with low but significant concentrations of silver hosted in volcanic and intrusive rocks. In 2018-2019, drilling (6,472m in 16 drill holes) intersected copper-molybdenum-silver mineralization over an area measuring approximately 700m long by 700m wide and to a depth of 300m. The mineralized envelope remains open in several directions. Selected historical mineralized intervals from this program are set out below.

DD18SS004 – 204 m of 0.45 % Cu from 23.5 m to 227.7 m, including 40.2 m of 0.93% Cu and 3.27 g/t Ag.

DD18SS010 – 405 m of 0.20 % Cu from 29.6 m to 435.0 m, including 30.5 m of 0.40% Cu and 1.34 g/t Ag.

DD18SS013 – 73 m of 0.30 % Cu from 54.3 m to 127.4 m, including 15.5m of 0.40% Cu and 1.46 g/t Ag.

DD18SS015 – 67 m of 0.35 % Cu from 231.0 m to 298.1 m, with an additional 9.9m (444.4 m – End of Hole)

*Source: BC Geological Survey, Assessment report #38189, dated April 1<sup>st</sup>, 2019.*

In the northeast portion of the Stars-Stellar property (formerly referred to as the Stellar Project) ; widespread copper-gold-silver mineralization with numerous rock samples of disseminated and vein hosted chalcopyrite-bornite mineralization yielding greater than 1.0% copper. The mineralogy and alteration strongly support the presence of a porphyry system. In addition to the porphyry targets, a 2.4 km long, structurally controlled Quartz vein system with gold values up to 37.6 g/t (1.2 oz/t) occurs in the northeast corner of the property peripheral to porphyry style mineralization.

During the three-month period ended March 31, 2023, Aurwest incurred \$1,793 (2022 - \$11,832) in exploration expenditures towards the Stars-Stellar project.



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**SUMMARY OF QUARTERLY RESULTS**

	2023	2022				2021		
	31-Mar	31-Dec	30-Sep	30-Jun	31-Mar	31-Dec	30-Sep	30-Jun
Net loss (\$)	(111,072)	(1,091,665)	(183,370)	(158,353)	(291,363)	(143,628)	57,633	(437,905)
Net loss per share (weighted avg)	(\$0.00)	(\$0.02)	(\$0.00)	(\$0.00)	(\$0.00)	(\$0.00)	\$0.00	(\$0.01)

**SUMMARY OF OPERATING AND FINANCIAL RESULTS****Operating results for three months ending March 31, 2023 and 2022**

The operational and financial highlights for the three months ended March 31, 2023 and 2022 are as follows:

	Three months ending March 31, 2023	Three months ending March 31, 2022
	\$	\$
<b>EXPENSES</b>		
Consulting fees	<b>60,000</b>	84,000
Exploration and evaluation expenditures	<b>29,669</b>	8,828
Marketing & investor relations	-	18,560
Office and general	<b>11,957</b>	17,208
Professional fees	<b>6,722</b>	7,166
Regulatory and filing	<b>2,724</b>	7,280
Share-based compensation	-	242,393
<b>Total operating expenses</b>	<b>111,072</b>	385,435

- The Company has not generated revenue to date and for the three months ending March 31, 2023, total operating expenses were \$111,072 (2022 – \$385,435), a decrease of \$274,363 principally due to a decrease in share-based compensation of \$242,393, a non-cash item, as no stock options were granted in Q1/23, as well as a decrease in marketing and investor relations of \$18,560 and consulting fees of \$24,000. This is off set by an increase in exploration expenditures of \$20,841 as the Company decided to terminate the Option with the Stony Caldera project, so all closing expenses in Q1/23 were directly expensed versus capitalized in the previous comparable period.
- Operating expenses, not including share-based compensation, decreased by \$31,970 to \$111,072 (2022 - \$143,042) for the three months ended March 31, 2023 primarily due to the closing expenses associated with the Stony Caldera project.
- Consulting fees relate to services provided by directors, officers, and contractors. During the three months ending March 31, 2023, consulting fees decreased by \$24,000 to \$60,000 (2022 - \$84,000) as the Company saw the departure of the CEO during the quarter, leaving only one management contract in place for the Chairman of the Company, and interim CEO, as at March 31, 2023.
- Exploration and evaluation expenses during the three months ended March 31, 2023 were \$29,669 (2022 - \$8,828). These were primarily related to closing severance costs associated with the termination of the

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Stony Caldera project. The Company also capitalized \$16,388 (2022 - \$565,393) in exploration expenditures during the three months ended March 31, 2023.

- Marketing and investor relations expenses for the three months ended March 31, 2023 were \$nil (2022 - \$18,560), a decrease of \$18,560 as the Company completed its investor relations program in June 2022 and focused on preserving cash.
- Office and general decreased by \$5,251 to \$11,957 (2022 - \$17,208) primarily to a reduction in payroll costs.
- Professional fees for the three months ending March 31, 2023 stayed consistent with the same period in the previous year.
- Regulatory and filing fees for the quarter decreased by \$4,556 to \$2,724 (2022 - \$7,280) due to monthly maintenance fee changes and fewer press releases during the quarter compared to the previous year.

## **LIQUIDITY AND CAPITAL RESOURCES**

### **Liquidity**

As an exploration company, Aurwest has no regular cash in-flow from operations, and the extent of its operations is principally a function of the availability of capital resources. To date, the primary source of funding has been equity financing. As of March 31, 2023, the Company's cash position was \$274,141 (December 31, 2022 - \$337,292).

Major expenditures are required to establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities. The recoverability of valuations assigned to exploration and development mineral properties are dependent upon the discovery of economically recoverable reserves, the ability to obtain necessary financing to complete such exploration and development as well as the future profitable production or proceeds from potential dispositions.

Management reviews the carrying value of the Company's interest in each property and, where deemed necessary, exploration and evaluation mineral properties are written down to their estimated recoverable amount. Although management has made its best estimate of these factors, it is reasonably possible that certain events could adversely affect management's estimates of recoverable amounts and the need for, as well as the amount of, provision for impairment in the carrying value of exploration properties and related assets.

Many factors influence the Company's ability to raise funds, and there is no assurance that the Company will be successful in obtaining adequate financing at favourable terms for these or other endeavours, including general working capital purposes.

### **Working Capital**

As of March 31, 2023, Aurwest had working capital deficit of \$83,409 (December 31, 2022 - \$44,051). Working capital decreased by \$127,460 for the three month primarily due to net cash used in operations of \$46,763, capital expenditures of \$16,388 and the there being no financing activities during the quarter.

The Company manages its working capital through conscientious controlling of spending on its properties and operations. Due to the on-going planned advancement of project milestones for the Stellar and Stars project over the near term, and capital expenditures on its core area at Paradise Lake and Miguels Lake projects, Aurwest intends to continue to incur expenditures without revenues and with accumulate operating

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losses. As a result, the Company needs to obtain adequate financing to fund future exploration and development. It is not possible to predict whether future financing efforts will be successful or whether financing on favourable terms will be available.

As of March 31, 2023, Aurwest has due to related parties totalled \$76,597 (December 31, 2022 - \$77,388), which is related to the amounts due to the SpinCos.

#### Cash Flow Highlights for the periods ended March 31, 2023 and 2022:

	Three months ending March 31, 2023	Three months ending March 31, 2022
	\$	\$
Net cash used in operating activities	(46,763)	(218,450)
Net cash used in investing activities	(16,388)	(535,632)
Net cash provided by financing activities	-	88,642
<b>Change in cash</b>	<b>(63,151)</b>	<b>(665,440)</b>
<b>Cash, beginning of the period</b>	<b>337,292</b>	<b>2,216,782</b>
<b>Cash, end of the period</b>	<b>274,141</b>	<b>1,551,342</b>

#### Operating Activities

Cash used in operating activities for the period ending March 31, 2023, was \$46,763 (2022 - \$218,450) mostly due to loss of the period of \$111,072 and an increase prepaid expenses paid during the period of \$1,775. This is offset by non cash working capital adjustments related to accounts payable and accrued liabilities of \$31,627 and the receipt of \$35,248 in GST tax receivable.

#### Investing Activities

Cash used in investing activities for the period ending March 31, 2023, was \$16,388 (2022 - \$535,632) entirely relating to exploration expenditures.

#### Financing Activities

There were no financing activities in the three months ended March 31, 2023 compared to the comparable period of 2022 wherein there was exercises of agent's and common share purchase warrants totalling \$120,000 offset by cash used in share repurchased under the NCIB activities of \$31,358.

#### **Capital Resources**

As of March 31, 2022, the Company had a working capital deficit of \$83,409 (December 31, 2022 - \$44,051) of which \$274,141 (December 31, 2022 - \$337,292) was in cash, \$nil (December 31, 2022 - \$35,249) was in sales tax receivable and \$9,050 was in prepaids (December 31, 2022 - \$7,275). This is offset by accounts payable and accrued liabilities of \$290,004 (December 31, 2022 - \$258,377) and due to related parties of \$76,597 (December 31, 2022 - \$77,388). The Company also had \$4,412,185 (December 31, 2022 - \$4,395,797) in exploration and evaluation assets.

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#### Commitments

Over fiscal 2023, the Company has a commitment required by the Newfoundland Government to pay \$20,200 in permit renewal fees and incur \$187,100 in exploration expenses on its Paradise Lake project.

In addition, the Company is required to pay \$100,000 in cash and issue 1,500,000 common shares under the Paradise Lake option agreement and pay \$12,000 in cash and issue 200,000 common shares under the Miguel Lake option agreement. Both properties have mineral property expenditure commitments that were extended from their original date of November 20, 2023 to November 20, 2024.

#### RELATED PARTY TRANSACTIONS

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers and Board of Director members.

The aggregate values of transactions relating to key management personnel were as follows:

	<b>Three months ended March 31, 2023</b>	Three months ended March 31, 2022
	\$	\$
Consulting fees paid or accrued to officers and directors or companies controlled by directors and officers	<b>57,000</b>	75,000
Exploration expenses paid or accrued to a former director	-	8,828
Stock-based compensation –directors and officers	-	180,833
<b>Total fees and other short-term benefits</b>	<b>57,000</b>	264,661

As at March 31, 2023, accounts payable included \$185,320 (December 31, 2022 - \$185,320) owing to former key management personnel, directors or to companies controlled by a former director or by key management personnel. The amounts are non-interest bearing, unsecured, and have no specific terms of repayment.

As of March 31, 2023, there was one executive employment agreement contracts for a director and officer for an annual salary of \$120,000 each.

#### SUBSEQUENT EVENT

On May 24, 2023, the Company granted 100,000 incentive stock options to acquire up to an aggregate of 100,000 common shares at a strike price of \$0.025 to the new CFO, with an expiry of May 24, 2025. All options vest immediately.

## AURWEST RESOURCES CORPORATION

### MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

For three months ended March 31, 2023

(expressed in Canadian dollars)

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## DISCLOSURE OF OUTSTANDING SHARE CAPITAL DATA

### Authorized

The Company is authorized to issue an unlimited number of commons shares without par value.

### Issued

Under the Plan of Arrangement, Aurwest's previous common shares were exchanged into equal number of New Common Shares, Class A Preferred Shares and Class B Preferred Shares. Accordingly, on September 22, 2022, the Company issued 99,871,633 New Common Shares, 99,871,633, Class A Preferred Shares and 99,871,633 Class B Preferred Shares. On September 28, 2022, the Class B Preferred Shares were redeemed in full.

As at March 31, 2023, the Company had 100,721,633 (December 31, 2022 – 100,721,633) Common Shares and 99,871,633 (December 31, 2022 – 99,871,633) Class A Preferred Shares issued and outstanding. There were no common shares held in escrow at March 31, 2023 (December 31, 2022 – nil).

As of the date of this report the Company has the following options and warrants outstanding:

### Stock Options

<b>Number of Options</b>	<b>Exercise Price</b>	<b>Expiry Date</b>
1,762,500	\$0.13	10-Jan-24
100,000	\$0.025	24-May-25
<b>1,862,500</b>	<b>\$0.12</b>	

### Agent Purchase Warrants

<b>Number of Warrants</b>	<b>Exercise Price</b>	<b>Expiry Date</b>
1,002,600	\$0.15	15-Sep-23 <sup>(1)</sup>
651,000	\$0.15	1-Oct-23 <sup>(1)</sup>
842,149	\$0.24	15-Jun-23
1,362,817	\$0.20	15-Jun-23
<b>3,858,566</b>	<b>\$0.19</b>	

- (1) Each agent warrant is exercisable into one common share at a price of \$0.10 for the first 18 months and \$0.15 if exercised any time after 18 months from the initial date of grant but no later than 36 months from the date of grant.

## AURWEST RESOURCES CORPORATION

### MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

For three months ended March 31, 2023

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#### Share Purchase Warrants

<b>Number of Warrants</b>	<b>Exercise Price</b>	<b>Expiry Date</b>
19,829,100	\$0.15	15-Sep-23 <sup>(1)</sup>
7,361,000	\$0.15	1-Oct-23 <sup>(1)</sup>
175,000	\$0.08	27-Nov-23
250,000	\$0.20	6-May-24
12,760,589	\$0.24	15-Jun-23
20,088,518	\$0.20	15-Jun-23
300,000	\$0.121	22-Nov-24
137,500	\$0.147	19-Apr-25
425,000	\$0.055	6-Dec-25
<b>61,326,707</b>	<b>\$0.19</b>	

- (1) Each share purchase warrant is exercisable into one common share at a price of \$0.10 for the first 18 months and \$0.15 if exercised any time after 18 months from the initial date of grant but no later than 36 months from the date of grant.

#### OFF-BALANCE SHEET ARRANGEMENTS

During the three months ended March 31, 2023, the Company was not party to any off-balance-sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations, financial condition, revenues, expenses, liquidity, capital expenditures or capital resources of the Company.

#### APPROVAL

The Audit Committee of Aurwest has reviewed and approved the disclosures contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it, and it is also available under our SEDAR profile at [www.sedar.com](http://www.sedar.com).