



Management's Discussion and Analysis

For the years ended December 31, 2022 and 2021

(Expressed in Canadian Dollars)

The following Management's Discussion and Analysis ("MD&A") for Provenance Gold Corp. ("Provenance" or the "Company"), prepared as of May 1, 2023, should be read in conjunction with financial statements and related notes of the Company for the years ended December 31, 2022 and 2021. The consolidated interim unaudited financial statements have been prepared in accordance with International Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All monetary amounts in this MD&A and in the unaudited consolidated interim financial statements are expressed in Canadian dollars unless otherwise stated. Additional information of the Company can be found on SEDAR at www.sedar.com. The reader should be aware that historical results are not necessarily indicative of future performance. The consolidated interim unaudited financial statements together with the following MD&A are intended to provide readers with a reasonable basis for assessing the financial performance of the Company.

The technical information contained in this MD&A has been reviewed and approved by Steve Craig, a qualified person for the purposes of National Instrument 43-101.

Cautionary Statement of Forward-Looking Information

Information set forth in this MD&A may involve forward-looking information under applicable securities laws. Forward-looking information is information that relates to future, not past, events. In this context, forward looking information often addresses expected future business and financial performance, and often contains words such as "anticipate", "plan", "estimate", "expect", and "intend", statements that an action or event "may", "could", "should", or "will" be taken or occur, or other similar expressions. All statements, other than statements of historical fact, included herein including, without limitation; statements about the future expenditures and capital needs of the Company and the future exploration on, and the development of, the Company's projects are forward-looking information. By its nature, forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the Company's actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. Such factors include, among others, the following risks: the need for additional financing; operational risks associated with mineral exploration; fluctuations in commodity prices; title matters; environmental liability claims and insurance; reliance on key personnel; the potential for conflicts of interest among certain officers, directors and promoters with certain other projects; the absence of dividends; competition; dilution; the volatility of the Company's common share price and volume and the additional risks identified in the "Risk Factors" section of this MD&A, and other reports and filings with applicable Canadian securities regulations.

Forward-looking information is in addition based on various assumptions including, without limitation, the expectations and beliefs of management, the assumed long-term price of commodities; that the Company can access financing, appropriate equipment and sufficient labor and that the political environment will continue to support the development and operation of mining projects. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking information. Accordingly, readers are advised not to place undue reliance on forward-looking statements. Forward-looking information is made based on management's beliefs, estimates and opinions on the date that information is given and the Company does not intend to update forward-looking statements or information, except as may be required by applicable law.

Description of Business

Provenance is a reporting issuer in the jurisdictions of British Columbia, Alberta and Ontario. The Company is an exploration stage company engaged in the acquisition, exploration and development of resource properties. As a reporting issuer, the Company's business is to comply with all reporting requirements while endeavoring to find, acquire and finance suitable and favorable resource related projects. Prior to 2017, the Company did not conduct significant commercial operations other than to meet filing requirements. On January 16, 2017, the Company acquired 1084160 B.C. Ltd., which held the Yukon option and was renamed "Provenance Gold Corp."

Silver Bow Property, Nevada U.S.A.

On August 29, 2018, the Company entered into the Silver Bow Nevada Property Option Agreement (the “SB Agreement”) to acquire a 100% interest in 73 mineral claims referred to as the Silver Bow property, located in the Silver Bow Mining District, and 10 claims referred to as the Golden Ridge Property located in Nevada, USA. Pursuant to a trust agreement entered into between the Company and the CEO of the Company on September 20, 2018, the CEO was holding the 10 Golden Ridge Property claims in trust for the Company. During the fiscal 2019 year, these 10 claims were allowed to lapse.

On June 15, 2022, the Company amended the terms the SB Agreement. Pursuant to the terms of the amended SB Agreement, in order to exercise the option, the Company is required to complete cash payments in the aggregate of US\$510,000, of which US\$20,000 was paid during the year ended December 31, 2022, and a further US\$70,000 is to be paid in each of the next seven years.

Payment schedule (all amounts are in US dollars):

- \$2,300 for claim and re-staking fees within 60 days of the signing of the agreement (*paid*);
- \$10,000 by July 18, 2019 (*paid*);
- \$20,000 by July 18, 2020 (*paid*);
- \$40,000 by July 18, 2021 (*paid*);
- \$20,000 by July 18, 2022 (*paid*);
- \$70,000 by July 18, 2023;
- \$70,000 by July 18, 2024;
- \$70,000 by July 18, 2025;
- \$70,000 by July 18, 2026;
- \$70,000 by July 18, 2027;
- \$70,000 by July 18, 2028; and
- \$70,000 by July 18, 2029

All option payments must be paid prior to July 18, 2029.

All of the exploration expenditure requirements of the original SB Agreement have been eliminated.

Pursuant to the amended SB Agreement, the net smelter royalty (“NSR”) has also been reduced from 2% to 1% The Company will pay the NSR in every year that lode gold or silver is recovered from the property. This NSR can be bought out at any time by paying US\$500,000.

The SB Agreement will terminate if either party is in default and within 45 days of receiving written notice of the default, it is not remedied. After termination of the SB Agreement, the Company is required to ensure that the Property is in good standing for a period of at least one year from the date of termination.

On April 24, 2019, the Company entered into a trust agreement (the “Trust Agreement”) with the CEO of the Company in respect of an additional 29 lode mining claims on the Silver Bow property adjoining the above-noted mineral claims. The CEO is the beneficial owner of an interest in these claims, which are registered in his name. Pursuant to the Trust Agreement, the CEO with (a) hold the claims in trust for and on behalf of the Company; (b) the claims will be held on behalf of the Company until such time as the Company wishes to have the titles transferred to its name, a subsidiary’s name or to any other person or corporation as directed by the Company; and (c) the Trust Agreement terminates upon the expiration, surrender or termination of the claims for any reason. Pursuant to the amended SB Agreement, the NSR is also applicable to these 29 lode mining claims.

On June 11, 2020, the Company, through its subsidiary PG USA entered into a Mining Lease and Assignment (the “Lease”) with a trust (the “Lessor”) and two estates in Nevada, USA. The effective date of the Lease is August 20, 2019. Pursuant to the Lease, the Lessor grants, lets and leases to PG USA all of its rights, title and interests in and to the Blue Horse patented mining claim, including the Lessor’s interest in all minerals, situated in Nye County, Nevada (the “Property”). The Property is located in the Silver Bow Mining District.

The Lease is for an initial term of three years and shall continue for so long thereafter as mineral exploration, mine development, mining or mineral processing operations are conducted by PG USA or its successor on any portion of the Property or its overall Silver Bow property position. At any time after the third anniversary PG USA may, by providing written notice to the Lessor, extend the primary term for an additional five years, for a total of eight years and so long thereafter as mineral exploration, mine development, mining or mineral processing operations are conducted on any portion of the Property. To date, the Company has not requested to extend the primary term.

Lease payments totalling US\$50,000 are required to be made over a three-year period as follows (all amounts are in US dollars):

Payments

- \$10,000 on signing (*paid*);
- \$10,000 by August 20, 2020 (*paid*);
- \$15,000 by August 20, 2021(*paid*); and
- \$15,000 by August 20, 2022.

No other lease payments are required thereafter until royalty or royalty purchase is made.

The Lessor will pay all property taxes annually. PG USA is responsible for making all payments and filings required to maintain the property in good standing before July 1 of each year, including but not limited to, property taxes, federal maintenance fees and any federal or state filings.

PG USA will pay the Lessor a production royalty of 1% of net smelter returns (“NSR”) on all minerals produced and sold by PG USA from within the vertical boundaries of the Property. The NSR payments are capped at \$250,000 and no other payments are due once this requirement is met.

PG USA may terminate the Lease at any time with respect to all or any part of the Property by giving 60 days written notice to the Lessor. In the event of a material default by PG USA, PG USA will have at least 60 days to cure the default and, if not cured, the Lessor may terminate the Lease by giving written notice to PG USA. Upon termination of the Lease by PG USA, all payments made to the Lessor are retained by the Lessor and all liabilities and obligations of PG USA not due or accrued prior to termination will cease and terminate. Upon expiration or termination of the Lease, PG USA will have no further liability or obligation as to the portion of the Property that is no longer subject to the Lease.

After expiration or termination of the Lease, PG USA is required to promptly reclaim all surface disturbance on the terminated portion of the Property caused by, or on behalf of, PG USA in accordance with applicable legal requirements.

White Rock Property, Nevada U.S.A.

On June 12, 2020, the Company, through its subsidiary PG USA, entered into the Provenance Gold USA Option Agreement (the “Option Agreement”) with a wholly-owned Nevada subsidiary (“NSRI”) of Ely Gold Royalties Inc. Pursuant to the Option Agreement, NSRI gives and grants to PG USA the sole and exclusive right and option to purchase 100% of NSRI’s right, title and interest in and to 30 unpatented mining claims and certain existing data (as defined) (collectively, the “White Rock Property”) and any related, additional data, information and records acquired by NSRI during the option period.

The Option will remain in force during the term of the Option Agreement from the effective date to and including the first to occur of (a) the option closing; (b) the termination of the Option Agreement; or (c) four years from the initial closing date.

To acquire a 100% in the property, cash payments totaling US\$250,000 are required to be made as follows (all amounts are in US dollars):

Payments

- \$10,000 on signing (*paid*);
- \$25,000 by June 12, 2021(*paid*);
- \$40,000 by June 12, 2022(*paid*);
- \$50,000 by June 12, 2023; and
- \$125,000 by June 12, 2024.

PG USA has the right to exercise the option prior to the termination of Option Agreement by giving NSRI written notice of such exercise or by payment of all payments not yet paid as of the exercise date.

Subject to the termination of the Option Agreement, until all option payments are made and the option is exercised and closed, PG USA is responsible for paying all mining claim maintenance and rental fees required to be paid to keep the claims in good standing.

PG USA will pay NSRI a production royalty of 2% of NSR on all mineral production from the unpatented mining claims.

During the option period and following the option exercise if the option closing occurs and unless otherwise agreed by the parties, if either party or its affiliates acquires, directly or indirectly, any additional mining claims located wholly or partly within a distance of two miles from the outermost perimeter of the White Rock Property, the additional claims will be included in and form part of the White Rock Property and be subject to the Option Agreement.

PG USA may terminate the Option Agreement without further liability at any time by giving written notice of termination to NSRI. In the event of a material default by PG USA, PG USA will have at least 30 days to cure the default and, if not cured, NSRI may terminate the Option Agreement by giving written notice to PG USA.

After termination of the Option Agreement, PG USA is required to:

- pay to NSRI any governmental fees due with respect to the property within 60 days or less from the date of termination; and
- complete all required reclamation obligations directly arising as a result of its exploration activities.

Mineral Hill Silver Property, Nevada U.S.A.

On April 19, 2021, the Company entered into a share purchase agreement (the “SPA”) with a private company, being Cariboo Gold Producers Inc (“CPGI”), and the shareholders of CGPI, whereby the Company has agreed to acquire 100% of the right, title and interest in and to all of the shares of CGPI from CGPI’s shareholders. Pursuant to the SPA, the Company issued an aggregate of three million common shares of the Company (valued \$345,000) and paid \$20,000 in cash at the closing of the transaction.

On January 15, 2021, CGPI entered into a mining lease and assignment (the “MLA”), being the sole asset of CGPI, whereby the lessor granted, let and leased all of its right, title and interest in and to 20 unpatented mining claims, two homestead sites and eight patented mining claims situated in Eureka County, Nevada (the “Property”) to CGPI.

The MLA was for an initial term of 20 years and required advance minimum royalty payments totaling US\$229,000 (\$34,000 paid) over a six-year period and exploration expenditures of US \$2,450,000 over an eight-year period.

On July 7, 2022, the Company elected to terminate the MLA to focus capital and resources on the other projects maintained by the Company. As a result, the Company recorded an impairment of \$499,764 on the statement of operations and comprehensive loss.

Per the terms of the MLA, CGPI is required to promptly reclaim all surface disturbance on the property caused by, or on behalf of, CGPI in accordance with applicable legal requirements.

Eldorado Property, Nevada U.S.A.

On January 14, 2022, the Company, through its subsidiary PG USA, entered into an option agreement with Nevada Select Royalty, Inc (“Nevada Select”). Pursuant to the option agreement, Nevada Select gives and grants to PG USA the sole and exclusive right and option to purchase 100% of Nevada Select’s right, title and interest in and to 19 unpatented mining claims and certain existing data (as defined) (collectively, the “Eldorado Property”) and any related, additional data, information and records acquired by Nevada Select during the option period.

The option will remain in force during the term of the option agreement from the effective date to and including the first to occur of (a) the option closing; (b) the termination of the Option Agreement; or (c) five years from the initial closing date.

The total purchase price for the Eldorado Property is US\$2,000,000 to be paid as follows (all amounts are in US dollars):

- \$75,000 on closing of the option agreement (paid);
- \$125,000 on or before January 14, 2023; (paid on January 17, 2023);
- \$400,000 on or before January 14, 2024;
- \$400,000 on or before January 14, 2025; and
- \$500,000 on or before January 14, 2026.
- \$500,000 on or before January 14, 2027.

Subject to the termination of the option agreement, until all option payments are made and the option is exercised and closed, PG USA is responsible for paying all mining claim maintenance and rental fees required to be paid to keep the claims in good standing.

Upon the exercise of the option agreement, PG USA will grant to Nevada Select a 3% NSR in respect of all products produced from the property.

During the option period and following the option exercise if the option closing occurs and unless otherwise agreed by the parties, if either party or its affiliates acquires, directly or indirectly, any additional mining claims located wholly or partly within a distance of two miles from the outermost perimeter of the Eldorado Property, the additional claims will be included in and form part of the Eldorado Property and be subject to the option agreement.

PG USA may terminate the option agreement without further liability at any time by giving written notice of termination to Nevada Select. In the event of a material default by PG USA, PG USA will have at least 30 days to cure the default and, if not cured, Nevada Select may terminate the option agreement by giving written notice to PG USA.

After termination of the option agreement, PG USA is required to:

- pay to Nevada Select any governmental fees due with respect to the property within 60 days or less from the date of termination;
- complete all required reclamation obligations directly arising as a result of its exploration activities; and
- deliver to Nevada Select, within 90 days of the termination, the data and information created or generated by PG USA during the option period on the property and deliver to Nevada Select all existing data possessed by PG USA.

Strategy

The Company utilizes and works with key knowledgeable consultants on its properties as needed. The Company continues to advance its two projects in Nevada and its project in Oregon. This work has included preliminary drilling on the Nevada projects and preparation for drilling on the Oregon project. Significant geological work and accumulation in addition to analysis of historical data has been completed on all three properties.

On April 19th, 2021, the Company acquired the Mineral Hill property and has subsequently done sampling to start determining the grade and extent of the silver mineralization. On July 8th, 2021 the Company reported strong silver assays of the loose rock piles discarded from historic mining assays that returned 6.1 g/t silver to 301 g/t silver with an average grade of 180 g/t silver.

On July 13, 2021, the Company reported the commencement of drilling at its White Rock property in Elko County, Nevada.

The Company reported in its news release dated November 4, 2021, that the latest drill holes have confirmed the location of a newly recognized open-ended gold mineralization feeder structure that extends across the core mineralized area of 3.2 kilometres in length and 1.3 km in width. Drill hole 45 intersected the feeder structure at 17 metres (55 feet) and was still in it at 104 metres (340 feet), where the hole had to be terminated because of ground conditions. Between 17 and 84 metres (55 and 275 feet), the hole averaged 0.015 ounce per ton gold (0.52 gram per tonne) within which 21 to 52 metres (70 to 170 feet) averaged 0.026 oz/t gold (0.88 g/t) and between 37 and 49 metres (120 and 160 feet) the hole averaged 0.032 oz/t (1.11 g/t). The hole bottomed in mineralization at 340 feet, with indications it was entering another zone of stronger mineralization.

The deposit is unusual in that it extends along the crest of a broad, high ridge (White Rock Mountain) in an area that is being geologically stretched like the surface of an inflating balloon. These events have created near-surface cracks that formed in the weakest rocks. While this ridge setting is positive for future open-pit mining, the cracks have created difficulties for drilling. The drill steel has often become stuck and has even been lost in these cracks. The weakest most easily cracked rocks are in the gold zone because it has been structurally broken and subsequently altered by the emplacement of the gold system, so the cracks have become an indicator for the gold zone. Provenance's geologists have worked around this problem with cross-sections and confirmation holes.

The White Rock gold project consists of 258 lode mining claims (5,160 acres) with gold being hosted in silicified limestone, conglomerate and shale. Provenance completed 35 holes in the first year of a continuing exploration program, with further assays pending. With these holes, along with the historic drilling of 67 holes, the Company is building a clearer understanding of the gold system and believes that this is an extensive near-surface gold system, with grades similar to current Nevada open-pit mines.

In addition to the newly identified plumbing structure, recent step-out drilling continued to expand the gold mineralization in several directions from the company's previously reported drill hole WR-23, which returned an interval of 117 metres (384 feet) of gold mineralization. Large step-out drilling tested new areas including the rhyolite graben to the northwest, the Nose area to the south and the newly identified plumbing structure.

The rhyolite graben, located to the northwest and west of WR-23 was tested with two holes. Both intercepted gold mineralization with hole WR-32 assaying 65.5 metres (215 feet) of 0.305 g/t gold, which included 20 metres (65 feet) of 0.411 g/t gold. The hole bottomed in mineralization and was lost. The importance of this intercept proves that the host rocks in the graben host gold mineralization and now become a substantial new target.

The Nose is at the south end of Central Ridge and is located 350 metres south of WR-23. Six angle holes were drilled from this one site in all directions. Even though five of the holes were lost before reaching their target depths, all holes entered the main gold horizon but were lost within the mineralization. A key hole was WR-40, which was drilled to the west and intercepted 20 metres (65 feet) of 0.449 g/t gold (0.013 oz/t) before being lost due to broken ground before it was able to penetrate the bulk of the projected gold zone. These results confirm that higher grades follow the main north-south fault on the west side of Central Ridge. This discovery will guide future drilling into key feeder plumbing structures in addition to the one intersected in hole 45.

The area to the south of the Nose target contains much of the highest-grade historic surface mineralization on the property and remains undrilled until the next round of drilling.

On January 14, 2022, the Company acquired an interest in the Eldorado property in Malheur County, Oregon. The company has reviewed an extensive amount of data and is working to permit a confirmation drilling program in an effort to confirm a current resource for the property.

On March 14, 2022 – the Company announced that it acquired a large volume of historic data on the Eldorado property that it is digitizing. As a result, the Company has a full historic drill hole database which it has used to generate cross sections, long sections and horizontal plan sections using the property’s historic 242 drill holes. The Company is very pleased by the information gained from these studies.

On July 7, 2022, the Company announced that an initial NI 43-101 technical report has been completed on its White Rock Gold Property in Nevada. The purpose of this report was to form a baseline for the Property and will be updated further in 2023 following a second drill program planned by the Company that is fully permitted. The planned drill program is being designed to expand upon significant zones of gold mineralization confirmed during the 2021 drill program.⁽¹⁾

The following points are highlights of the technical report:

- The Property is very large with gold mineralization being found over three-square kilometers that hosts gold in feeder structures, silicified limestones and silicified sandstones and shales.
- The Property has on the surface to near surface gold mineralization over significant widths and thickness associated with a > 3.5 km² alteration system, and affinities of both sediment-hosted low-sulfidation epithermal and Carlin styles of mineralization.
- Significant exploration potential is found on undrilled or under-drilled portions of the property in 2021; including the newly recognized feeder structure on Central Ridge.
- There is a strong correlation between the 2021 and historic assay values from twinned holes on the property, indicating the historic data is valid and can be relied upon for future exploration and evaluation.
- The authors of the technical report recommend that the Property be advanced with a large drilling program, metallurgical test work and a thorough database audit in preparation for resource modeling.

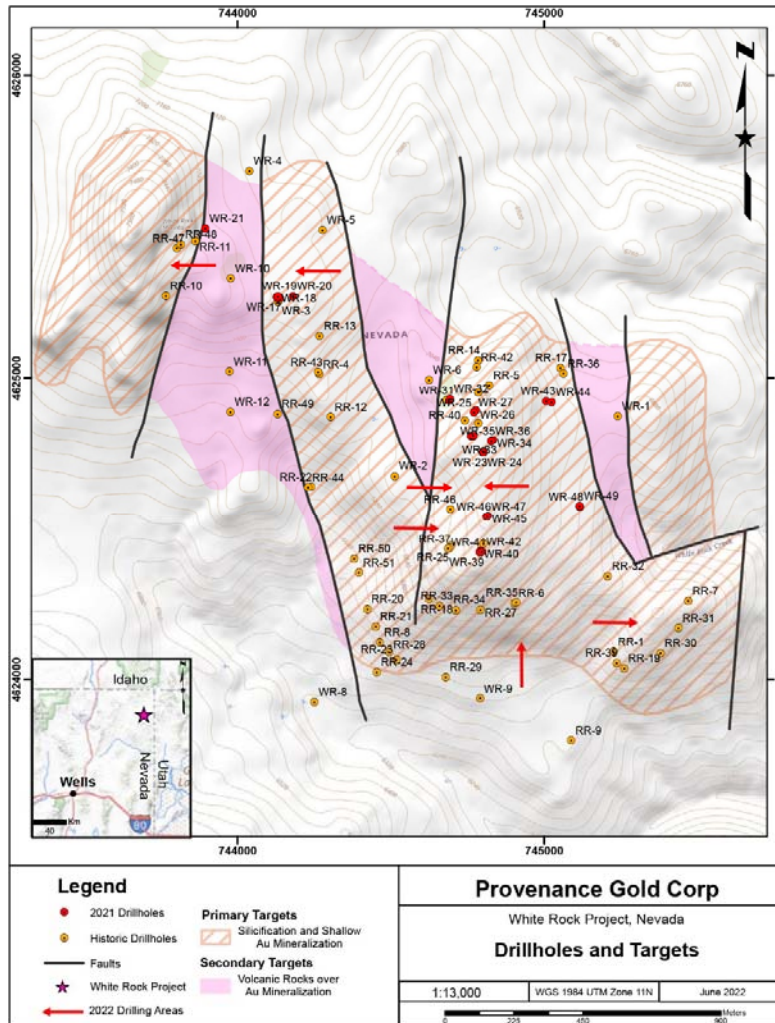


Figure 1. Drill Holes and Targets – White Rock Property, Nevada

Also, the Company has elected to discontinue its option agreement on the Mineral Hill silver property to better advance its flagship projects. As a result of the termination of the option agreement, the Company recorded an impairment of \$499,764 for the year ended December 31, 2022.

On July 20, 2022, the Company announced that it received its drilling permit from the Bureau of Land Management (BLM) for the Company’s Eldorado gold project in Malheur County in Eastern Oregon. The Company also completed the bond payment to the BLM. Additionally, Provenance has submitted the requested reclamation bond amount to the Oregon Department of Geology and Mineral Industries (DOGAMI). The Company anticipates commencing the drilling program in 2023 once all permits have been granted. The Company’s technical team has now finalized plans and confirmed drill targets for this upcoming program.

On November 8, 2022, the Company announced that a NI 43-101 technical report has been filed on SEDAR for its Eldorado gold property in Malheur County, Oregon. The purpose of this report was to form a baseline for the property, which will be expanded further in 2023 following a confirmation drilling program planned by the Company. Eldorado has a historic drill hole database consisting of 242 drill holes that have outlined a large shallow open-ended gold system. This historical database is currently not sufficient as the basis for developing a current mineral resource, but work is underway to verify and bring current the historical data.

In 1990 the first mineral inventory was calculated by Pincock, Alan and Holt (PAH) a reputable engineering firm that was used industry wide for this type of work. PAH modeled 158 of the historic drill holes which identified approximately 52,896,000 tons that graded 0.578 g/t gold (0.0169 oz/t gold) at a cut-off of 0.274 grams per ton (0.008 oz/t) in the completely open-ended gold system. The Company is aware of a second historical resource estimate that was calculated by ICAN Minerals and a further projected resource estimate by ICAN from work completed between 1989 and 1997 where the tonnage and grade were substantially higher. The Company is not treating any of these estimates as current mineral resources and a qualified person has not done sufficient work to classify the estimates as current mineral resources. The estimates were prepared prior to the enactment of National Instrument 43-101 and should not be relied upon for investment decisions. The purpose of presenting this information is to show that the Eldorado property has potential to hold a large mineral inventory. Provenance plans to update these historical estimates into a current resource model. Near term work includes confirmation drilling by twinning a number of the historic holes, certifying and comparing assays between the old and new holes, validating all historic holes in the field with a GPS and confirming historic metallurgical test results. When the Company is comfortable with these upgrades in compliance, then a new stand-alone current resource can be calculated. Other than these, the Company is not aware of any more recent estimates prepared for the property.

Within the Eldorado mineralized area there are many higher-grade zones. For example, as quoted from the NI 43-101 report, ICAN Minerals' hole R-96-C-1 intersected 1.51 g/t gold (0.0441 oz/t gold) over 196.9 meters (646 feet). The estimate predates and does not comply with current CIM Definition Standards but illustrates that the gold system is large and extends to depth, not just in area.

On November 30, 2022, the Company announced that it completed rock chip sampling and other field work at its Eldorado property in Eastern Oregon. Sampling focused on areas that had exposures of available rock for sampling in areas of significant soil cover. In addition, the Company is also in the process of reviewing, compiling and evaluating all previous historic sampling programs at Eldorado including soil sampling, rock chip sampling, trench sampling and drill hole sampling.

On December 15, 2022, the Company announced assay results from its recent outcrop sampling at its Eldorado project in Malheur County, Eastern Oregon support and augment historic work and help to illustrate the pervasiveness of the near-surface gold mineralization.

The Eldorado project is a porphyry hosted gold occurrence that has mineralization starting at the surface, and in which higher grade gold values occur in breccia zones and structures. The property was the site of extensive historic placer mining, and more recently, of more than 242 historic drill holes and trenches.

In 1990, the first mineral inventory was calculated by Pincock, Alan and Holt (PAH), a reputable engineering firm that was used industry-wide for this type of work. PAH modelled 158 of the historic drill holes which identified approximately 52,896,000 tons that graded 0.578 gram per tonne gold (0.0169 ounce/t gold) at a cut-off of 0.274 gram per tonne (0.008 oz/t) in the completely open-ended gold system. The Company is aware of a second historical resource estimate that was calculated by Ican Minerals and a further projected resource estimate by Ican from work completed between 1989 and 1997 where the tonnage and grade were substantially higher. The Company is not treating any of these estimates as current mineral resources and a qualified person has not done sufficient work to classify the estimates as current mineral resources. The estimates were prepared prior to the enactment of National Instrument 43-101 and should not be relied upon for investment decisions. The purpose of presenting this information is to show that the Eldorado project has potential to hold a large mineral inventory. Provenance plans to update these historical estimates into a current resource model. Near-term work includes confirmation drilling by twinning a number of the historic holes, certifying and comparing assays between the old and new holes, validating all historic holes in the field with a GPS, and confirming historic metallurgical test results. When the Company is comfortable with these upgrades in compliance, then a new stand-alone current resource can be calculated. Other than these, the Company is not aware of any more recent estimates prepared for the property.

Provenance believes the Eldorado gold system is open to substantial further exploration because of three factors:

- Much of the mineralized area within the historic estimate remains undrilled. Fill-in drilling should increase the gold estimate.
- Historic drilling and surface sampling outside the historic estimate area show strong gold mineralization, so the system can be expanded outward.

- The average depth of the historic drill holes was 82.4 meters, yet ICAN's angle hole R-96-C-1 had a continuous assay interval of 1.28 g/t gold (0.0374 opt) over 261.8 meters. Provenance believes deeper drilling may substantially increase the size of the system.

The property contains relatively few outcrops because it is mostly covered by colluvium. The 38 outcrop samples ranged in gold content from 0.02 g/t to 4.837 g/t gold. Review of the recent and historic work has outlined areas for expanded step out drilling and fill-in confirmation drilling.

Risk Factors

The Company is in the business of acquiring, exploring and if warranted, developing, and exploiting natural resource properties. Due to the nature of the Company's business and the present stage of exploration of its resource properties (which are primarily early-stage exploration properties with no known resources or reserves that have not been explored by modern methods), the following risk factors, among others, will apply:

Mining Industry is Intensely Competitive:

The Company's business will be the acquisition, exploration, and development of resource properties. The mining industry is intensely competitive, and the Company will compete with other companies that have far greater resources.

Resource Exploration and Development is Generally a Speculative Business:

Resource exploration and development is a speculative business and involves a high degree of risk, including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but from finding mineral deposits that, though present, are insufficient in size to return a profit from production. The marketability of natural resources that may be acquired or discovered by the Company will be affected by numerous factors beyond the control of the Company. These factors include market fluctuations, the proximity and capacity of natural resource markets, government regulations, including regulations relating to prices, taxes, royalties, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital. The great majority of exploration projects do not result in the discovery of commercially mineable deposits of ore.

Fluctuation of Metal Prices:

Even if commercial quantities of mineral deposits are discovered by the Company, there is no guarantee that a profitable market will exist for the sale of the metals produced. Factors beyond the control of the Company may affect the marketability of any substances discovered. The prices of various metals have experienced significant movement over short periods of time and are affected by numerous factors beyond the control of the Company, including international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates and global or regional consumption patterns, speculative activities and increased production due to improved mining and production methods. The supply of and demand for metals are affected by various factors, including political events, economic conditions and production costs in major producing regions. There can be no assurance that the price of any mineral deposit will be such that any of its resource properties could be mined at a profit.

Permits and Licenses:

The operations of the Company will require licenses and permits from various governmental authorities. There can be no assurance that the Company will be able to obtain all necessary licenses and permits that may be required to carry out exploration, development and mining operations at its projects.

No Assurance of Profitability:

The Company has no history of earnings and, due to the nature of its business, there can be no assurance that the Company will ever be profitable. The Company has not paid dividends on its shares and does not anticipate doing so in the foreseeable future. The only present source of funds available to the Company is from the sale of its common shares or, possibly, the sale or optioning of a portion of its interest in its resource properties. Even if the results of exploration are encouraging, the Company may not have sufficient funds to conduct the further exploration that may be necessary to determine whether or not a commercially mineable deposit exists. While the Company may generate additional working capital through further equity offerings or through the sale or possible syndication of its properties, there can be no assurance that any such funds will be available on favourable terms, or at all. At present, it is impossible

to determine what amounts of additional funds, if any, may be required. Failure to raise such additional capital could put the continued viability of the Company at risk.

The consolidated financial statements have been prepared on a going concern basis:

The Company's consolidated financial statements for the year ended December 31, 2022, have been prepared on the basis that it will continue as a going concern. The Company recorded a comprehensive loss of \$1,046,387 for the year ended December 31, 2022 (December 31, 2021- \$882,103). As at December 31, 2022, the Company had a working capital surplus of \$299,115 (December 31, 2021 - working capital of \$492,833) and an accumulated deficit of \$4,922,512 (December 31, 2021 - \$3,876,125), which was funded primarily by the issuance of equity. The Company's ability to continue as a going concern and to realize assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs. If the Company is unable to obtain adequate additional financing, it may be required to curtail operations and exploration activities. Furthermore, failure to continue as a going concern would require that the Company's assets and liabilities be restated on a liquidation basis which would likely differ significantly from their going concern assumption carrying values.

Uninsured or Uninsurable Risks:

The Company may become subject to liability for pollution or hazards against which it cannot insure or against which it may elect not to insure where premium costs are disproportionate to the Company's perception of the relevant risks. The payment of such insurance premiums and of such liabilities would reduce the funds available for exploration and production activities.

Government Regulation:

Any exploration, development or mining operations carried on by the Company will be subject to government legislation, policies and controls relating to prospecting, development, production, environmental protection, mining taxes and labour standards. In addition, the profitability of any mining prospect is affected by the market for precious and/or base metals which is influenced by many factors including changing production costs, the supply and demand for metals, the rate of inflation, the inventory of metal producing corporations, the political environment and changes in international investment patterns.

Environmental Matters:

Existing and possible future environmental legislation, regulations and actions could cause significant expense, capital expenditures, restrictions and delays in the activities of the Company, the extent of which cannot be predicted and which may well be beyond the capacity of the Company to fund. The Company's right to exploit any mining properties will be subject to various reporting requirements and to obtaining certain government approvals and there can be no assurance that such approvals, including environment approvals, will be obtained without inordinate delay or at all.

Financing Risks:

The Company has limited financial resources, no source of operating cash flow and no assurance that additional funding will be available to it for further exploration and development of its projects or to fulfill its obligations under any applicable agreements. Although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that it will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of its projects with the possible loss of such properties.

Insufficient Financial Resources:

The Company does not presently have sufficient financial resources to undertake by itself the exploration and development of all of its planned exploration and development programs. The development of the Company's properties will therefore depend upon the Company 's ability to obtain financing through the joint venturing of projects, private placement financing, public financing or other means. There can be no assurance that the Company will be successful in obtaining the required financing. Failure to raise the required funds could result in the Company losing, or being required to dispose of, its interest in its properties. In particular, failure by the Company to raise the funding necessary to maintain in good standing its various option agreements could result in the loss of its rights to such properties.

Dependence Upon Others and Key Personnel:

The success of the Company's operations will depend upon numerous factors, many of which are beyond the Company's control, including (i) the ability to design and carry out appropriate exploration programs on its resource properties; (ii) the ability to produce minerals from any resource deposits that may be located; (iii) the ability to attract and retain additional key personnel in exploration, marketing, mine development and finance; and (iv) the ability and the operating resources to develop and maintain the properties held by the Company. These and other factors will require the use of outside suppliers as well as the talents and efforts of the Company and its consultants and employees. There can be no assurance of success with any or all of these factors on which the Company's operations will depend, or that the Company will be successful in finding and retaining the necessary employees, personnel and/or consultants in order to be able to successfully carry out such activities. This is especially true as the competition for qualified geological, technical and mining personnel and consultants is particularly intense in the current marketplace.

Price Fluctuations and Share Price Volatility:

In recent years, the securities markets in the United States and Canada have experienced a high level of price and volume volatility, and the market price of securities of many companies, particularly those considered development stage companies, have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual and extreme fluctuations in price will not occur.

Surface Rights and Access:

Although the Company acquires the rights to some or all of the minerals in the ground subject to the tenures that it acquires, or has a right to acquire, in most cases it does not thereby acquire any rights to, or ownership of, the surface to the areas covered by its mineral tenures. In such cases, applicable mining laws usually provide for rights of access to the surface for the purpose of carrying on mining activities, however, the enforcement of such rights can be costly and time consuming. In areas where there are no existing surface rights holders, this does not usually cause a problem, as there are no impediments to surface access. However, in areas where there are local populations or land owners, it is necessary, as a practical matter, to negotiate surface access. There can be no guarantee that, despite having the right at law to access the surface and carry on mining activities, the Company will be able to negotiate a satisfactory agreement with any such existing landowners/occupiers for such access, and therefore it may be unable to carry out mining activities. In addition, in circumstances where such access is denied, or no agreement can be reached, the Company may need to rely on the assistance of local officials or the courts in such jurisdictions.

Title:

Although the Company has taken steps to verify the title to the resource properties in which it has or has a right to acquire an interest in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee title (whether of the Company or of any underlying vendor(s) from whom the Company may be acquiring its interest). Title to resource properties may be subject to unregistered prior agreements or transfers and may also be affected by undetected defects or the rights of indigenous peoples.

Results of Operations

Year ended December 31, 2022

During the year ended December 31, 2022, the Company recorded a comprehensive loss of \$1,046,387 (2021-\$882,103).

Significant items in the year ended December 31, 2022 include:

- Consulting and management fees of \$293,000 (2021 - \$180,745) were paid to the officers and consultants.
- Shareholder communications decreased to \$122,800 (2021 - \$183,567)
- Professional fees decreased to \$58,684 (2021 - \$104,286).
- Regulatory and transfer agent fees decreased to \$39,770 (2021 - \$125,938)

Selected Quarterly Financial Information

The following is a summary of quarterly results of the Company for the most recent eight quarters:

	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022
	\$	\$	\$	\$
Total revenue	Nil	Nil	Nil	Nil
Net loss	597,237	121,914	155,813	171,423
Net loss per share – basic and diluted	(0.00)	(0.00)	(0.00)	(0.00)
Total assets	2,709,860	3,315,220	3,430,194	3,639,982
Total liabilities	96,017	104,140	97,199	151,175
Total shareholders' equity (deficiency)	2,613,843	3,211,080	3,332,995	3,488,807

	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021
	\$	\$	\$	\$
Total revenue	Nil	Nil	Nil	Nil
Net loss	165,661	397,298	188,572	130,572
Net loss per share – basic and diluted	(0.00)	(0.00)	(0.00)	(0.00)
Total assets	2,984,401	2,545,565	1,514,319	1,164,171
Total liabilities	124,171	479,001	116,654	311,089
Total shareholders' equity (deficiency)	2,860,230	2,066,564	1,397,665	853,082

The following discussion outlines the reasons for some of the variations in the quarterly numbers but, as with most junior mineral exploration companies, the results of operations (including interest income and net losses) are not the main factors in establishing the financial health of the Company. Of far greater significance are the resource properties in which the Company has, or may earn an interest, its working capital and how many shares it has outstanding. The variation seen over such quarters is primarily dependent upon the success of the Company's ongoing property evaluation program and the timing and results of the Company's exploration activities on its then current properties, none of which are possible to predict with any accuracy. There are no general trends regarding the Company's quarterly results and the Company's business of resource exploration is not seasonal, as it can work on its property on a year-round basis (funding permitting). Quarterly results may vary significantly depending mainly on whether the Company has abandoned any properties or granted any stock options and these factors which may account for material variations in the Company's quarterly net losses are not predictable. General and administrative costs tend to be quite similar from period to period, except in certain cases when there is an increase in corporate activities resulting from the completion of a private placement.

Liquidity, Capital Resources and Outlook

At December 31, 2022, the Company had cash of \$385,857 (2021 – \$551,084), GST/HST receivable of \$3,327 (2021 - \$13,164) and current liabilities of \$96,017 (2021 - \$124,171). At December 31, 2022, the Company had working capital of \$299,115 (2021 - \$492,833).

During the year ended December 31, 2022, the Company used \$517,306 of cash in operating activities (2021 - \$807,070), had a net outflow of \$447,921 in investing activities (2021 - \$1,656,115) and raised \$800,000 through financing activities (2021 - \$2,979,963).

On February 16, 2021, the Company completed a non-brokered private placement of 9,615,000 units at a price of \$0.10 per unit for gross proceeds of \$961,500. Each unit consists of one common share of the Company and one common share purchase warrant. Each full warrant entitles the holder to purchase an additional common share of the Company at a price of \$0.15 per share until February 16, 2026.

On April 21, 2021, the Company completed a non-brokered private placement of 3,150,000 units at a price of \$0.10 per unit for gross proceeds of \$315,000. Each unit consists of one common share of the Company and one common share purchase warrant. Each full warrant entitles the holder to purchase an additional common share of the Company at a price of \$0.15 per share until April 21, 2026.

On April 21, 2021, the Company completed a non-brokered private placement of 3,150,000 units at a price of \$0.10 per unit for gross proceeds of \$315,000. Each unit consists of one common share of the Company and one common share purchase warrant. Each full warrant entitles the holder to purchase an additional common share of the Company at a price of \$0.15 per share until April 21, 2026. The Company paid share issue costs of \$13,800 in cash related to this private placement.

On October 22, 2021, the Company completed the first tranche of a non-brokered private placement of 11,973,999 units at a price of \$0.13 per unit for gross proceeds of \$1,556,620. Each unit consists of one common share of the Company and one common share purchase warrant with each full warrant entitling the holder to purchase an additional common share of the Company at a price of \$0.20 per share until October 22, 2024. All common shares issued were subject to a statutory hold period that expired on February 23, 2022.

On November 4, 2021, the Company completed the second tranche of a non-brokered private placement of 1,596,077 units at a price of \$0.13 per unit for gross proceeds of \$207,490. Each unit consists of one common share of the Company and one common share purchase warrant with each full warrant entitling the holder to purchase an additional common share of the Company at a price of \$0.20 per share until November 4, 2024. The Company paid \$9,892 of share issue costs in cash in connection with this private placement. All common shares issued were subject to a statutory hold period that expired on March 5, 2022.

On January 13, 2022, the Company completed a non-brokered private placement of 5,000,000 units at a price of \$0.16 per unit for gross proceeds of \$800,000. Each unit consists of one common share of the Company and one common share purchase warrant with each warrant entitling the holder to purchase one additional common share of the Company at a price of \$0.24 per share until January 13, 2025.

Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements as at December 31, 2022 or at the date of this MD&A.

Financial Instruments and Other Instruments

The Company's financial instruments consist of cash, accounts payable, due to related party and loan payable. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments and that the fair value of these financial instruments approximates their carrying values, as applicable. Liquidity risk is assessed as high.

Related Parties

Related Party Transactions

All transactions with related parties have occurred in the normal course of operations and are measured at the exchange amount, which is the amount agreed to by the related parties. Unless otherwise indicated, the balances are unsecured, non-interest bearing, without specific terms of repayment and have arisen from advances or the provision of services and fees described.

During the year ended December 31, 2022, the Company incurred: \$90,000 (2021 - \$68,658) in consulting and management fees paid or payable to the Chief Executive Officer (the "CEO") of the Company; \$110,000 (2021 - \$74,800) in consulting and management fees paid or payable to a company controlled by a director (and former Chief Financial Officer (the "CFO")) of the Company; \$48,000 (2021 - \$32,000) in consulting and management fees paid to a company controlled by the CFO of the Company and \$45,000 (2021 - \$nil) in consulting and management fees paid to a director of the Company.

Related Party Balances

At December 31, 2022 and 2021, there were no amount owing to related parties

Significant Accounting Judgments and Use of Estimates

The preparation of the financial statements requires management to make estimates and assumptions 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 estimates. The financial statements include estimates, which, by their nature, are uncertain. The impacts of such 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.

The Company's significant judgments and estimates are disclosed in the financial statements as at and for year ended December 31, 2022.

Outstanding Share Data as at May 1, 2023

Authorized	Unlimited
Issued and outstanding common shares	79,547,651
Outstanding stock options	6,500,000
Outstanding share purchase warrants	35,778,520

Changes in Internal Controls over Financial Reporting

There have been no changes in the Company's internal control over financial reporting during the year ended December 31, 2022 that have materially affected, or are reasonably likely to materially affect, its internal control over financial reporting.

Other Information

Additional information relating to the Company is available on its website at www.provenancegold.com and under its profile on SEDAR at www.sedar.com.