

GEOLOGICA RESOURCE CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

For the three Months Ended March 31, 2023

Overview

This MD&A has been prepared as of May 30, 2023, and the following information should be read in conjunction with the Geologica Resource Corp. ("**Geologica**" or the "**Company**") un-audited financial statements for the three months ended March 31, 2023 and the audited consolidated financial statement and accompanying notes for the year ended December 31, 2022, together with the notes thereto. The Company's financial statements for the three (3) month period ended March 31, 2023 have been prepared in accordance with International Financial Reporting Standards ("**IFRS**").

This discussion contains forward-looking statements that involve certain risks and uncertainties. Statements regarding future events, expectations and beliefs of management and other statements that do not express historical facts are forward-looking statements. In this discussion, the words "believe", "may", "will", "estimate", "continue", "anticipate", "intend", "expect", "plan", "predict", "potential" and similar expressions, as they relate to the Company, its business and management, are intended to identify forward looking statements. Geologica Resource Corp. has based these forward-looking statements largely on its current expectations and projections about future events and financial trends affecting the financial condition of the business. Forward-looking statements should not be read as a guarantee of future performance or results and will not necessarily be accurate indications of the times at, or by, which such performance or results will be achieved. Forward-looking statements are based on information available at the time those statements are made and/or management's good faith belief as of that time with respect to future events, and are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in or suggested by the forward-looking statements.

Except as may be required by applicable law or regulation, the Company undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events. Accordingly, readers should not place undue reliance on forward-looking statements. If the Company updates one or more forward-looking statements, no inference should be drawn that additional updates will be made with respect to those or other forward-looking statements. Additional information relating to the Company, is available by accessing the SEDAR website at www.sedar.com.

Business Overview and Strategy

Geologica Resource Corp. was incorporated in British Columbia as a wholly owned subsidiary of Tower One Wireless Corp. ("**Tower One**") in order to facilitate a plan of arrangement with Tower One, a public Company whose common shares trade on the CSE. The plan of arrangement closed on October 13, 2016. As a result of the plan of arrangement, the Company became a reporting issuer in British Columbia.

The Company is a mineral exploration and resource development company engaged in the business of acquiring, exploring and evaluating natural resource properties, and either joint venturing or developing these properties further or disposing of them when the evaluation is complete. As at the date of this MD&A, the Company has not earned any production revenue and is considered to be an exploration stage company.

Topley Landing Property

Geologica Resource Corp. is a mineral explorer, building shareholder value through the acquisition of projects with significant technical merit. The Topley Landing Property consists of the Topley Claims and the TAC Claim.

Topley Claims

On October 19, 2020 the Company signed an option agreement for 100% of the mineral claims known as the Topley Claims. The property includes 6 claims totaling 2,669ha. and is located near the Granisle and Bell mine sites northwest of Prince George. The option agreement was amended on October 28, 2020 to add an additional claim to the optioned claims. In order to earn an interest in the property, the Company must make the following:

Cash payments:

- \$5,000 on signing the agreement (paid)
- \$50,000 by December 31, 2023 (completed)

Share issuances:

- 250,000 on listing of the Company's shares
- 250,000 by December 31, 2021 (amended to on listing of the Company's shares)
- 250,000 by December 31, 2022
- 250,000 by December 31, 2023

Exploration expenditures:

- \$15,000 by November 7, 2020 (incurred)
- \$25,000 by December 31, 2020 (completed)
- 110,000 by December 31, 2021 (amended to May 30, 2023)

The option is subject to a 2% Net Smelter Return royalty, of which 1% can be repurchased by the Company for \$1,000,000.

TAC Claim Purchase and Sale Agreement

On April 14, 2021, the Company entered into an agreement to purchase a 100% interest in a mineral property in British Columbia known as the TAC Claims. The property is strategically located within the Topley Claims and adds 37.4 hectares to the Company's land position. In order to earn an interest in the property, the Company must make the following:

Cash payment:

- \$2,500 on signing the agreement (paid)

Share issuances:

- Shares valued at \$5,000 by December 31, 2021 (issued)
- Shares valued at \$10,000 by December 31, 2022 (issued)
- Shares valued at \$15,000 by December 31, 2023
- Shares valued at \$20,000 by December 31, 2024.

The number of shares to be issued is calculated based on the 10-day average closing price of the Company's

shares immediately preceding delivery of notice of the share issuance to the vendor. This property has now been transferred to Geologica.

Rooster Property Purchase and Sale Agreement

On February 21, 2023, the Company entered into an agreement with Atkinson Resource Corp. to purchase a 100% interest in a mineral property in British Columbia known as the Rooster Claims. The claims are strategically located continuous with the western side of the Topley Claims and adds 709 hectares to the Company's land position. In order to purchase the claims, the Company must make the following:

Exploration Expenditure:

- Incur \$20,000 in exploration expenditures during the year ended December 31, 2023

Share issuances:

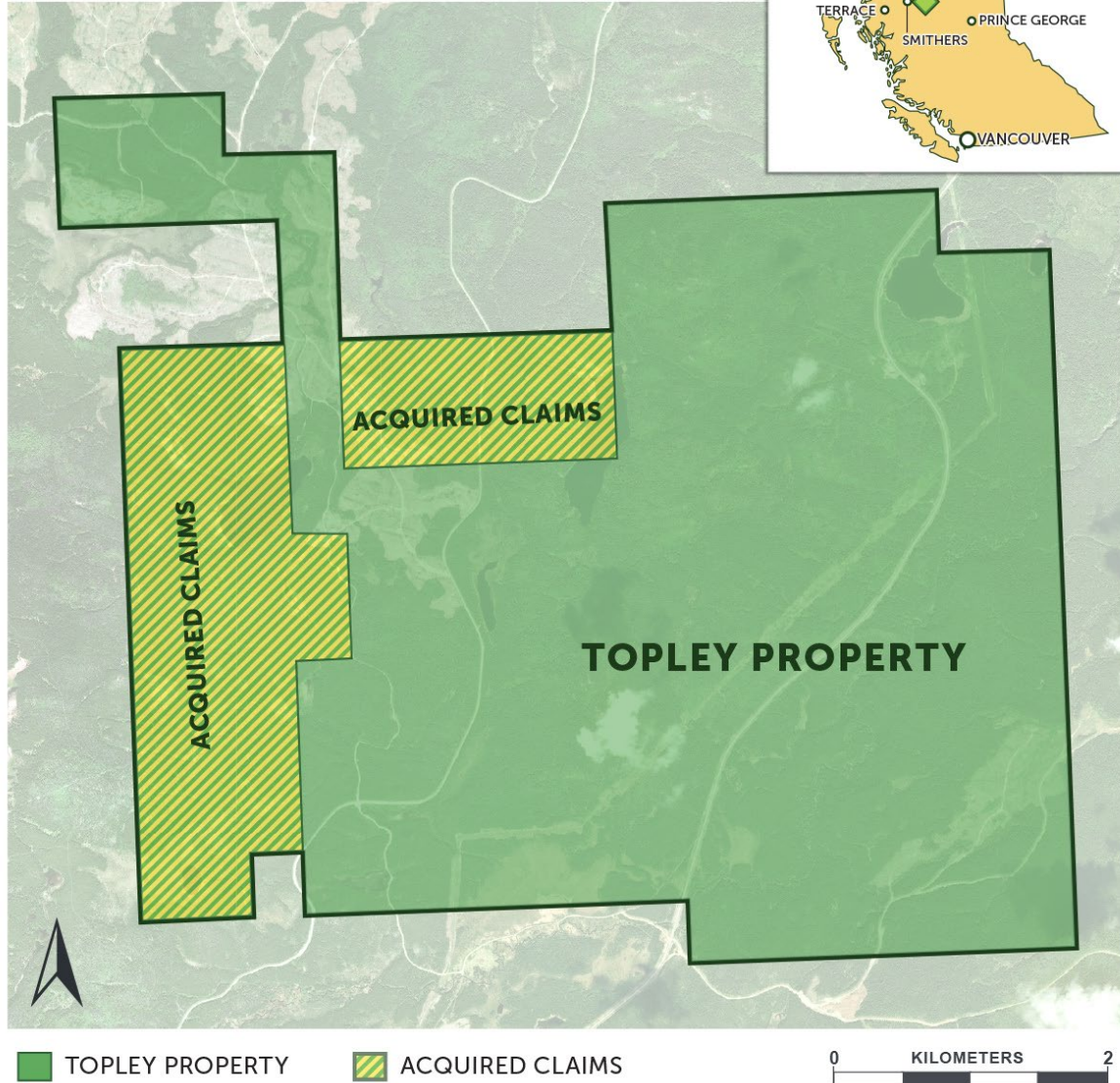
- 1,000,000 Shares to be issued to Atkinson Resource Corp.

	Topley Property	
Balance December 31, 2022	\$	157,146
Acquisition costs - shares		126,000
Acquisition costs - cash		20,000
Balance March 31, 2023	\$	303,146

Claims Map



TOPLEY PROPERTY BABINE PORPHYRY MINING CAMP



Topley Property

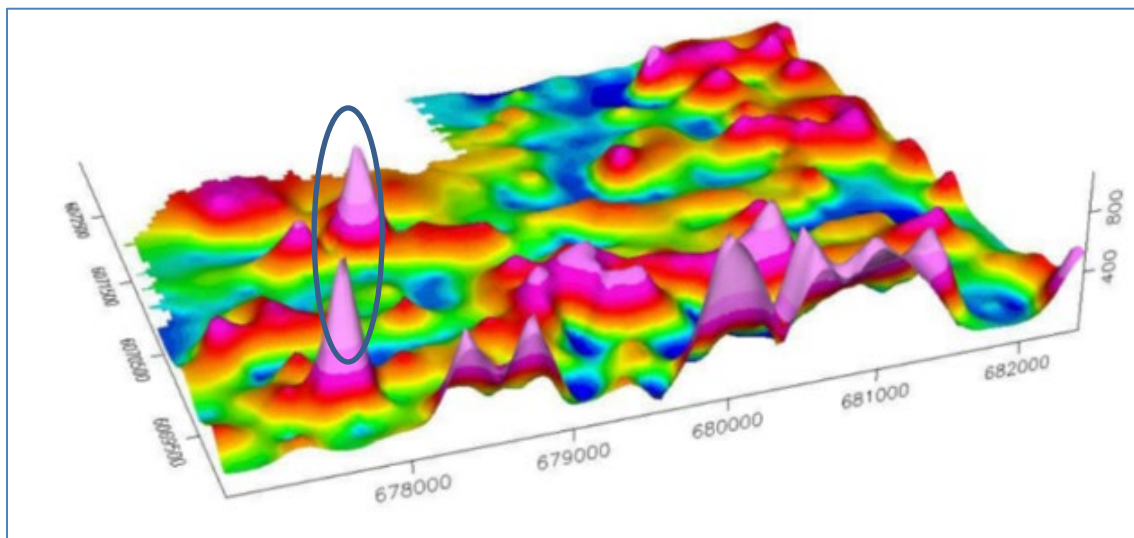
Geologica has decided to focus its exploration on the western side of the Topley Landing property and the Rooster Claims for the following reasons:

- Copper bearing float has been reported in the western region of the claims;
- Magnetics from previous area wide surveys suggest that this area is structurally complex with multiple circular magnetic features and a large magnetic high;

- The 2020 geochemistry survey identified a large redox center with corresponding gold and copper values;
- Drill results from holes just west of the claims when exploring the Fulton Lake area for VMS intersected intense epithermal alteration with Ag, Pb, and Zn mineralization;
- Potential epithermal/VMS system
- 3 percussion holes to test the top of bedrock (ie. 2- 3m beneath the till) within the current claims was drilled by previous owners, LLRC-13-001 intersected maroon xlitic tuff at 24m depth. LLRC-13-007 intersected pink intrusive rock at 19.5m depth. LLRC-13-008 assayed 200-300 ppm Cu in volcanics at 36m depth (*note: these values are similar to percussion top of bedrock holes drilled in the same program at the Lennac Lake copper porphyry deposit 6 km west*).
- Sporadic regional till samples in the area are in the 90th+ percentile for As, Sb, Pb, and Zn; and
- A small lake on the claims contains the highest regional lake sediment samples for molybdenum.

The 2020 geochemistry survey identified a rabbit ear copper anomaly in the western area of the Topley claims within the redox zone. The same geochemistry identified the Mount Milligan copper rich MBX zone rabbit ear anomaly. In addition the 2020 survey identified an apical gold anomaly in the same area.

Figure 1 Copper Geochemistry, Rabbit Ear Anomaly



Overall Performance

The Company has focused during the period ended March 31, 2023 on the Company’s mineral exploration business and business development.

On February 21, 2023, the Company entered into an agreement to purchase a 100% interest in a mineral property in British Columbia known as the Rooster Claims. The 3 claims are also known as HUD, GD West and GD North. The property is strategically located contiguous with the Topley Claims and adds 709 hectares to the Company’s land position. With the addition of the Claims the Company now has a land

position of 3,414 hectares at Topley. *These claims are being acquired to further Geologica’s stated mission of “Building Shareholder Value through the acquisition of properties of technical merit”.*

On March 3, 2023 the Company issued 600,000 stock options to consultants. 400,000 stock options have an exercise price of \$0.125 and expire 2 years from issue. 200,000 options have an exercise price of \$0.10 and expire 3 years from the issue date. All the above options will be subject to a 4 month hold period and the terms of the Companies Stock Option Plan as approved by the shareholders.

On March 17, 2023 – Geologica Resource Corp. announced the addition of Mark Miyaoka, BS. Engineering to the Company’s board of directors. The board has resolved to issue Mark 100,000 options to purchase common shares an exercise price of \$0.075 per share and an expiry date 5 years from issue. All the above options will be subject to a 4 month hold period and the terms of the Company’s Stock Option Plan as approved by the shareholders.

On March 20, 2023 – Geologica Resource Corp. announced the passing of director, accomplished geophysicist and friend Mr. John Buckle P.Ge.

On March 21, 2023 – Geologica Resource Corp. announced that it has received positive results from its 2022 SGH geochemistry survey (the “**2022 Survey**”). In the fall of 2022 Geologica collected 182 soil samples from the western portion of its Topley Property. The samples were analysed to identify redox cells, volcanic massive sulphide, gold and copper anomalies. The 2022 survey successful identified 2 additional potential redox zones in the western portion of the Topley Property. These cells are symmetrically segmented halo anomalies. The analysis for the detection of potential copper mineralization illustrates apical anomalies as expected. Each of these apical anomalies, especially those that show synergy with redox zones, may be indicative of copper mineralization. For further details please see the Company’s news releases dated March 21, 2023 and March 28, 2023.

Selected Financial Information

The financial information reported here has been prepared in accordance with IFRS. The Company uses the Canadian dollar (CDN) as its reporting currency. Selected un-audited financial data for interim operations of the Company for the three months ended March 31, 2023, March 31, 2022 and March 31, 2021 are presented:

Selected Statement of Operations Data

Period ended	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022	Three Months Ended March 31, 2021
Total revenues	\$Nil	\$Nil	\$Nil
Net Income / (Loss)	\$(152,626)	\$(42,579)	\$(30,667)
Basic Income/(loss) per share	\$(0.01)	\$(0.00)	\$(0.00)
Diluted loss per share (Unaudited)	\$(0.01)	\$(0.00)	\$(0.00)
Weighted average shares	22,631,203	12,389,252	6,959,576

- *Average Share calculation is pre consolidation.*

Selected Balance Sheet Data

As At	March 31, 2023	March 31, 2022	March 31, 2021	December 31, 2022
Cash & Equivalents	\$16	\$5,173	\$38,696	\$47,594
Current Assets	\$423,837	\$41,745	\$93,161	\$530,377
Exploration and Evaluation Assets	\$303,146	69,976	\$31,426	\$157,146
Total Assets	\$726,983	\$111,721	\$142,398	\$687,523
Current liabilities	\$488,545	\$173,643	\$104,510	\$331,884
Non-Current liabilities	\$Nil	\$66,268	\$56,000	\$Nil
Total liabilities	\$488,545	\$239,911	\$160,510	\$331,884
Working Capital / (deficit)	\$(64,708)	\$(131,898)	\$(11,349)	\$198,493

Comparison of the Quarters ending March 31, 2023, March 31, 2022 and March 31, 2021

Revenues

The Company had no revenues for the quarter ended March 31, 2023, or for the quarters ended March 31, 2022 or March 31, 2021. The Company does not expect any revenues during the current fiscal year.

Mineral Property Exploration and Evaluation

During the 3 month period ended March 31, 2023 the Company spent \$146,000 to acquire the Rooster Claims. During the 3 month period ended March 31, 2022 the Company spent \$Nil in exploration and evaluation of the Topley Property compared to \$32,550 During the fiscal year ended December 31, 2020.

	Topley Property
Balance December 31, 2022	\$ 157,146
Acquisition costs - shares	126,000
Acquisition costs - cash	20,000
Balance March 31, 2023	\$ 303,146

General and Administrative Expenses

General and administrative costs consist primarily of accounting costs and other professional and administrative costs associated with general corporate activities.

The general and administrative costs for the 3 month period ended March 31, 2023 was \$152,626 (March 31, 2022 - \$42,579, March 31, 2021 - \$24,127). The increase in general and administrative costs between the period ended March 31, 2023 compared to the period ended March 31, 2022 was due increases in accounting and audit fees, exploration costs, management fees, marketing and investor relations, and share based compensation. The increase in general and administrative costs between the period ended March 31, 2022 compared to the period ended March 31, 2021 was due increases in, accounting and audit fees, exploration costs, finance fees, legal fees, management fees, office fees and transfer agent and filing fees mostly associated with the filing of the Company's prospectus.

Interest Expense/(Income)

The interest expense in the 3 month period ended March 31, 2023 was \$4,455. The interest expense in the 3 month period ended March 31, 2022 was \$2,668 a decrease of \$3,342 as compared to \$6,010 for the three month period ended March 31, 2021. The decrease was due to a decrease in debt. Interest expense increased for the period ended March 31, 2021 as compared to March 31, 2020 due to an increase in debt.

Profits

At this time, the Company is not anticipating profit from operations. The Company will report an annual deficit and quarterly deficit and will rely on its ability to obtain equity/or debt financing to fund on-going operations. For information concerning the business of the Company, please see “*Business Overview and Strategy*”.

Stock Based Compensation

For the 3 month period ended March 31, 2023 stock based compensation was \$35,425 (March 31, 2022 -Nil, March 31, 2021). This increase was due to the Issuance of 600,000 stock options to consultants and 100,000 options to a director of the Company.

Selected Quarterly Information

	Three Months Ended March 31, 2023	Three Months Ended December 31, 2022	Three Months Ended Sept. 30, 2022	Three Months Ended June 30, 2022	Three Months Ended March 31, 2022	Three Months Ended December 31, 2021	Three Months Ended Sept. 30, 2021	Three Months Ended June 30, 2021
	\$	\$	\$	\$	\$	\$	\$	\$
Total Revenues	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net Income (Loss)	(152,626)	(288,586)	(29,246)	(42,649)	(42,579)	(\$82,840)	(83,457)	(48,762)
Income (Loss) per Share basic and diluted	(0.01)	(0.02)	(0.00)	(0.00)	(0.00)	(0.00)	(0.01)	(0.01)
Cash	16	47,594	8,816	5,636	5,173	73,019	500	6,845
Exploration and Evaluation Assets	303,146	157,146	61,914	69,976	69,976	69,976	51,737	51,737
Total Assets	726,983	687,523	100,541	106,125	111,721	192,384	97,834	113,159
Non- Current Liabilities	Nil	Nil	68,724	59,969	66,268	65,367	Nil	56,000

Liquidity and Capital Resources

At March 31, 2023, the Company had cash and cash equivalents of \$16 (March 31, 2022 - \$5,173, March 31, 2021 - \$38,696) and a working capital deficit of \$64,708 (March 31, 2022 – deficit of 131,898, March 31, 2021 – deficit of \$38,696). Working capital decreased by \$263,201 in the period ended March 31, 2021 when compared to the period ended December 31, 2022, mostly due to an increase in expenses in the period ended March 31, 2022. Working capital decreased by \$41,678 in the period ended March 31, 2021 when compared to the period ended December 31, 2021, mostly due to an increase in expenses in the period ended March 31, 2022. Working capital is defined as current assets less current liabilities.

The Company’s Cash flows from financing activities for the three months ended March 31, 2022 and March 31, 2021 were as below.

	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022	Three Months ended March 31, 2021
Financing Activities			
Proceeds from issuance of common shares		-	66,130
Share issuance costs		-	(10,000)
Issuance of convertible notes		-	130,000
Payment of loans payable	10,300	-	(8,400)
Payment of convertible notes		-	(71,584)
Change in due to related parties	1,687	14,842	(3,544)
Cash provided by financing activities	<u>(8,613)</u>	<u>14,842</u>	<u>102,602</u>

Cash utilized in operating activities during the three months ended March 31, 2023 was \$94,272 (March 31, 2022 - \$82,688, March 31, 2021 - \$70,621). The majority of the increase in the period ended March 31, 2023 compared to the period ended March 31, 2022 was due to an increase in Net Loss for the period ended March 31, 2022. The majority of the increase in the period ended March 31, 2022 compared to the period ended March 31, 2021 was due to an increase of \$11,912 in Net Loss for the period ended March 31, 2022.

At March 31, 2023 share capital was 2,468,495 (\$March 31, 2022 - \$1,696,489, March 31, 2021 - \$1,548,929) comprised of March 31, 2023 22,631,203, March 31, 2021 12,389,252, March 31, 2021 – 10,652,052,) issued and outstanding Common Shares.

Warrant and Option Reserves at March 31, 2023 was \$622,006 (March 31, 2022 - \$514,277, March 31, 2021 - \$514,277). The majority of the increase in the period ended March 31, 2023 compared to the period ended December 31, 2022 was due to an increase in options issued during the three months ended March 31, 2023. The increase in Warrant and Option Reserves at March 31, 2021 when compared to March 31, 2020 was due to the issuance 200,000 broker warrants pursuant to a convertible debenture financing. Each warrant entitles the holder to purchase one common share at \$0.05 per share until February 23, 2023. The warrants were assigned a value of \$1,778 using the Black-Scholes pricing model. In addition, On March 30, 2021, the Company issued 661,300 warrants pursuant to a private placement of units. Each warrant entitles the holder to purchase one common share at \$0.125 per share until March 29, 2026. The warrants were deemed the more easily valuable component were assigned a value of \$20,171 using the Black-Scholes pricing model.

As a result of the net loss for the three months ended March 31, 2023 of \$152,626 (March 31, 2022 - \$42,579, March 31, 2021 - \$30,667) the deficit at March 31, 2023 increased to \$2,864,635 from \$2,712,009 for the year ended December 31, 2022. As a result of the net loss for the three months ended March 31, 2022 of \$42,579 (March 31, 2021 - \$30,667, March 31, 2020 - \$67,428) the deficit at March 31, 2022 increased to \$2,351,528 from \$2,308,949 for the year ended December 31, 2021.

At present, the Company's operations do not generate cash inflows and its financial success after March 31, 2023 is dependent on the development of its mineral exploration operations which will not generate revenues for the foreseeable future.

In order to finance the Company's future administrative, development and overhead expenses in the coming years the Company may raise money through equity sales. Many factors influence the Company's ability to raise funds, including the Company's track record, and the experience and calibre of its management. Actual funding requirements may vary from those planned due to a number of factors. Management believes it will be able to raise equity capital as required in the long term, but recognizes there will be risks involved that may be beyond their control. Should those risks fully materialize, it may not be able to raise adequate funds to continue its operations.

Off Balance Sheet Arrangements

There are currently no off-balance sheet arrangements which could have an effect on current or future results or operations or the financial condition of the Company.

Transactions with Related Parties

	March 31, 2023	March 31, 2022
Accounting fees to a Company related to the CFO and director	\$ -	\$ 2,500
Accounting fees to a company related to the CFO and director	3,500	-
Consulting fees to the CFO and director	4,500	3,000
Management fees to the CEO and director	25,500	15,000
	\$ 33,500	\$ 20,500

Additional Disclosure for Venture Issuers Without Significant Revenue

The following table sets forth material cost for the Company, which has been derived from the Company's financial statements for the three month period ended March 31, 2022, March 31, 2021 and March 31, 2020. This summary should be read in conjunction with the Company's unaudited financial statements for the periods ended March 31, 2022, March 31, 2021 and March 31, 2020:

Material Costs	Quarter ended March 31, 2022	Quarter ended March 31, 2021	Quarter ended March 31, 2020
Consulting fees	\$10,577	\$3,000	\$4,000
Legal fees	\$Nil	\$4,286	\$3,075
Management fees	\$25,500	\$15,000	\$5,000
Share-based compensation	\$35,425	\$Nil	\$Nil
Total Expenses	\$152,626	\$42,579	\$24,127
Financing Fee	\$Nil	\$773	\$Nil
Net loss and comprehensive loss for the Quarter	\$(152,626)	\$(42,579)	\$(30,667)

Subsequent Events

There are no subsequent events to the date of this Management Discussion and Analysis, other than:

The outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID- 19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its operations in future periods.

Subsequent to March 31, 2023, 645,743 warrants at a price of \$0.25 expired unexercised.

Proposed Transactions

As at the date of this Management Discussion and Analysis there are no transactions currently contemplated by the Company.

Financial Instruments and Other Instruments

The Company's financial instruments consist of cash and cash equivalents, amounts receivable, accounts payable and accrued liabilities and amounts due to shareholders. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from financial instruments. The fair value of cash and cash equivalents, amounts receivable and accounts payable and accrued liabilities approximates their carrying value due to their short-term maturity or capacity for prompt liquidation.

Disclosure of Outstanding Share Data

As at March 31, 2023, the Company had an unlimited number of authorized common shares with 22,631,203 common shares issued and outstanding.

As at March 31, 2023 the Company had 1,825,000 options outstanding.

As at March 31, 2023 the Company had 1,643,443 warrants outstanding.

The following table shows the details for the outstanding warrants and options as of the date of this MD&A:

Description of Security (include conversion / exercise terms, including conversion / exercise price)	Number of convertible / exchangeable securities outstanding	Number of listed securities issuable upon conversion / exercise
Warrants 1 whole warrant exercisable at \$0.125 up until March 29, 2026	661,300	661,300
Warrants 1 whole warrant exercisable at \$0.10 up until October 25, 2024	336,400	336,400
Options exercisable at \$0.075 up until November 2, 2027	1,125,000	1,125,000
Options exercisable at \$0.125 up until March 2, 2025	400,000	400,000
Options exercisable at \$0.10 up until March 2, 2026	200,000	200,000
Options exercisable at \$0.075 up until March 16, 2028	100,000	100,000