AMERICAN PACIFIC MINING CORP.

MANAGEMENT DISCUSSION & ANALYSIS
(FORM 51-102F1)

FOR THE THREE MONTHS ENDED MARCH 31, 2023

(EXPRESSED IN CANADIAN DOLLARS)

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BACKGROUND

This Management Discussion and Analysis ("MD&A") of American Pacific Mining Corporation's ("APMC", "American Pacific" or the "Company") financial position and results of operations for the three months ended March 31, 2023 is prepared as at May 30, 2023. This MD&A should be read in conjunction with the unaudited condensed consolidated interim financial statements for the three months ended March 31, 2023 and the supporting notes. Those unaudited condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All dollar figures included therein and in the following MD&A are quoted in Canadian dollars. Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com.

FORWARD-LOOKING INFORMATION

This discussion contains "forward-looking statements" that involve risks and uncertainties. Such information, although considered to be reasonable by the Company's management at the time of preparation, may prove to be inaccurate and actual results may differ materially from those anticipated in the statements made.

This MD&A may contain forward-looking statements that reflect the Company's current expectations and projections about its future results. When used in this MD&A, words such as "estimate", "intend", "expect", "anticipate" and similar expressions are intended to identify forward-looking statements, which, by their very nature, are not guarantees of the Company's future operational or financial performance, and are subject to risks and uncertainties and other factors that could cause the Company's actual results, performance, prospects or opportunities to differ materially from those expressed in, or implied by, these forward-looking statements.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this MD&A or as of the date otherwise specifically indicated herein.

Due to risks and uncertainties, including the risks and uncertainties identified above and elsewhere in this MD&A, actual events may differ materially from current expectations. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

COMPANY OVERVIEW

The Company was incorporated under the Business Corporations Act (British Columbia) on July 1, 2017. The Company is a precious and base metals explorer and developer focused on opportunities in the Western United States.

The Company's head office, principal address, registered address and records office is Suite 910 - 510 Burrard Street, Vancouver, B.C., V6C 3A8, Canada.

The Company has the following subsidiaries:

- American Pacific Mining (US) Inc. ("APM US"), a company incorporated under the laws of Nevada; and (ownership – 100%);
- Broadway Gold Mining Ltd. ("Broadway"), a company incorporated under the laws of Montana became a wholly-owned subsidiary of the Company on June 26, 2020 (ownership – 100%);
- Constantine Metal Resources Ltd., a company incorporated under the Business Corporations Act (British Columbia) (ownership – 100%);
- Constantine Metals USA Inc., a company incorporated under the laws of Arizona (ownership – 100%);
- Constantine North Inc., a company incorporated under the laws of Alaska (ownership – 100%); and

- Constantine Mining LLC ("CML"), a company incorporated under the laws of Delaware, registered in the state of Alaska (ownership – 40.78%).

The Company's shares are listed on the Canadian Securities Exchange (the "CSE") under the symbol "USGD". The Company's common shares commenced trading on the OTCQX Best Market (the "OTCQX") under the ticker symbol of "USGDF" on February 25, 2022.

ACQUISITION OF CLEARVIEW GOLD INC ("CLEARVIEW")

On May 2, 2023, the Company entered into a definitive agreement (the "Clearview Agreement"), pursuant to which the Company will acquire all of the issued and outstanding common shares of Clearview, a private exploration company that is part of the NewQuest Capital company (the "CGI Acquisition"). The CGI Acquisition was completed on May 17, 2023 (the "CGI Closing Date").

Under the terms of the Clearview Agreement, on the CGI Closing Date, the Company paid $200,000 and issued 11.5 million common shares of the Company.

FINANCIAL REPORTING AND DISCLOSURE DURING ECONOMIC UNCERTAINTY

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic; the Company has not been significantly impacted by the spread of COVID-19. However, the ongoing COVID-19 pandemic, inflationary pressures, rising interest rates, the global financial climate and the conflict in Ukraine are affecting current economic conditions and increasing economic uncertainty, which may impact the Company's operating performance, financial position and the Company's ability to raise funds as this time.

DESCRIPTION OF BUSINESS

Eric Saderholm, P.Geo. and Philip Mulholland, P.Geo. are the designated Qualified Persons (QP) under National Instrument 43-101 (NI 43-101), who have reviewed and approved the technical information disclosed in this MD&A.

South Lida Project (Nevada, USA)

On July 1, 2017, the Company entered into a Claims Purchase Agreement (the "SL Claims Purchase Agreement") with Davin Saderholm (the "Trustee"), Eric Saderholm, Patricia Saderholm, Warwick Smith and Tarin Smith (collectively, the "Vendors") whereby the Vendors agreed to sell the South Lida Project in exchange for shares in the Company.

Pursuant to the SL Claims Purchase Agreement, the Company issued the Vendors a total of 1,000,000 common shares.

The acquisition of the South Lida Project is a related party transaction as two of the Vendors are officers and directors of the Company.

Tuscarora Project (Nevada, USA)

On November 6, 2017, the Company entered into an option agreement (the "Tuscarora Option Agreement") with Novo Resources Corp. The Tuscarora Option Agreement was amended on December 18, 2019 (the "Amended Tuscarora Option Agreement"). Pursuant to the Tuscarora Option Agreement, Novo Resources Corp. will grant the Company the exclusive right and option to acquire a 100% right, title, and interest in and to the Tuscarora Project (the "Tuscarora Option").

Pursuant to the Amended Tuscarora Option Agreement, the Company:

a) made $400,000 cash payments to Novo Resources Corp.; and
b) issued 266,667 common shares of the Company to Novo Resources Corp.

In addition, to earn the Tuscarora Option, the Company will have to incur US$100,000 in expenditures on the property annually, starting on the twelve-month period commencing on the first anniversary of the listing date and per each successive twelve-month period thereafter.[1]

The property is subject to a Net Smelter Returns (the "NSR") royalties of 0.5% which may be reduced to nil (0%) by paying US$500,000.

In addition, the Company is also required to make the following payments to Ely Gold Royalties ("Ely Gold"), the owner of the Tuscarora Project:

a) Annual minimum royalty payments

On or before:	**$**	
November 7, 2018	4,000	Paid
November 7, 2019	4,000	Paid
November 7, 2020	4,000	Paid[2]
November 7, 2021	8,000	Paid
November 7, 2022	8,000	Paid
November 7, 2023	8,000	
November 7, 2024	8,000	
November 7, 2025	8,000	
November 7, 2026 and each succeeding anniversary	12,000	

b) Production royalty based on the NSR from the production and sale of minerals from the Tuscarora Project. The royalty percentage rate for precious metals is based on the average daily price per troy ounce of gold during the period of production of minerals from the Tuscarora Project for which the royalty is payable as follows:

   - less than or equal to $1,500 Two percent (2%)
   - greater than $1,500 but less than or equal to $2,000 Three percent (3%)
   - greater than $2,000 Four percent (4%)

   The royalty percentage will apply for all other minerals is 2.5% of the NSR.

On February 3, 2021, the Company announced that the Company now has 100% interest in the Tuscarora Project following the final payment to Novo Resources Corp.

<u>Lease assignment agreement with Ubica Gold Corp. ("Ubica")</u>

On September 15, 2021, the Company entered into a lease assignment agreement with Ubica (the "Ubica Agreement"). Pursuant to the terms of the Ubica Agreement, the Company issued 3,700,000 common shares with

[1] This amount has been incurred annually since the first anniversary of the listing date.
[2] Paid by AmmPower Corp.

fair value of $3,293,000 (the "Ubica Payment Shares") and paid $800,000 in cash to Ubica on September 15, 2021 to acquire 77 claims at Tuscarora totaling 1,031 acres. The Ubica Payment Shares are subject to voluntary hold periods, with 25% of the Ubica Payment Shares released on September 15, 2021 and an additional 25% released every 6 months thereafter until all Ubica Payment Shares have been released.

The Ubica Agreement consists of three sublease agreements:

- An agreement entered between Ubica and RS Gold, LLC (the "RS Agreement");
- An agreement entered between Ubica and Timothy Tigerman (the "Tigerman Agreement"); and
- An agreement entered between Ubica and Jerry K. and Lori L. Fogle, Debra L. Jacob, and Lanny and Pamela M. Morrison (collectively the "RH Lessor") (the "Rose Hill Agreement").

  (collectively, the "Ubica Sublease Agreements")

Pursuant to the Ubica Agreement, the Company is responsible to make the payments which are due on or after September 15, 2021 under the following Ubica Sublease Agreements.

- **RS Agreement**

  The initial term (the "RS Initial Term") of the RS Agreement is 20 years from April 23, 2019, the date which the RS Agreement was signed. Ubica has the option to extend the RS Agreement for an additional 20 years (the "RS Renewal Term").

  Pursuant to the RS Agreement, the Company will make the following payments:

  Advanced royalty payment
  - US$20,000 on or before April 23, 2022 (paid);
  - US$30,000 on or before April 23, 2023 (paid subsequent to March 31, 2023);
  - US$40,000 on or before April 23, 2024; and
  - US$50,000 on or before April 23, 2025 and each anniversary thereafter through the initial term and any renewal or extension thereof.

  The annual work commitment required pursuant to RS Agreement had been fulfilled by Ubica.

  The RS Agreement is subject to a 3% NSR. During the RS Initial Term and the RS Renewal Term, Ubica has the option to purchase up to 2% NSR of the total 3% NSR for US$1,000,000 per 1% NSR.

- **Tigerman Agreement**

  The initial term (the "Tigerman Initial Term") of the Tigerman Agreement is 20 years from June 25, 2021, the date which the Tigerman Agreement was signed. Ubica has the option to extend the Tigerman Agreement for an additional 20 years (the "Tigerman Renewal Term").

  Pursuant to the Tigerman Agreement from the Tigerman Initial Term to June 25, 2040, the Company is subject to advanced annual royalties with the first payment of US$10,000 due on or before June 25, 2022. The advanced annual royalties will increase by 10% each subsequent year.

  The 2022 annual royalty of US$10,000 was paid by Ubica and reimbursed by the Company during the year ended December 31, 2022.

- **Rose Hill Agreement**

  The initial term (the "RH Initial Term") of the Rose Hill Agreement is 10 years from June 30, 2021, the date which the Rose Hill Agreement was signed. Ubica has the option to extend the Rose Hill Agreement for an additional 10 years (the "RH Renewal Term").

  Pursuant to the Rose Hill Agreement, the Company will make the following payments:

  Advanced royalty payment
  - US$6,000 on June 30, 2021 (paid);
  - US$12,000 on or before June 30, 2022 (paid);
  - US$18,000 on or before June 30, 2023;
  - US$24,000 on or before June 30, 2024; and
  - US$36,000 on or before June 30, 2025 and each anniversary thereafter through the initial term and any renewal or extension thereof.

  Annual work commitment
  - US$30,000 during the first year from the RH Initial Term (fulfilled);
  - US$80,000 during the second year from the RH Initial Term; and
  - US$100,000 during the third year from the RH Initial Term.

  The Rose Hill Agreement is subject to 3% NSR. During the RH Initial Term and the RH Renewal Term, Ubica has the option to purchase up to 2% NSR of the total 3% NSR for US$1,000,000 per 1% NSR.

The Company has reclamation deposits of $27,059 (US$20,000) (December 31, 2022 – $27,081 (US$20,000)) as collateral on the Tuscarora Project.

<u>Madison Project (Montana, USA)</u>

On June 26, 2020, the Company acquired the fully permitted Madison Project ("Madison Project") near Silver Star, Montana. The Madison Project is located in the heart of Montana's prolific copper-gold belt only 38km southeast of the world-renowned Butte Mining District. The Project consists of 136 unpatented and 6 patented claims (2,514 acres), accessed via improved dirt roads. The Madison Project is currently under an earn-in, joint venture agreement signed by Broadway on April 30, 2019, whereby Kennecott Exploration Company ("Kennecott"), part of the Rio Tinto Group (ASX, LON: RIO) must spend US$30 million to earn up to 70% of the Madison Project.

Under the terms of the earn-in agreement, Kennecott has an option to acquire a 55% undivided interest (the "First Option") in the property by incurring exploration and related expenditures of US$5 million[3] within the first five years, including a minimum exploration budget of US$1 million in the first year.

If Kennecott exercises the First Option, it may elect to earn an additional 10% undivided interest (the "Second Option"), for a total undivided interest of 65%, by incurring additional expenditures of US$10 million[4] within the following three years.

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[3] Collectively the "Option Expenditures".

If Kennecott exercises the Second Option, it may elect to earn an additional 5% undivided interest (the "Third Option"), for a total of 70%, by incurring additional expenditures of US$15 million[4] within the subsequent three-year period. Kennecott may elect to create the joint venture after exercising each option to earn in.

In addition, in order to exercise the First Option, Kennecott is required to make the following cash payments to Broadway for a total amount of US$225,000 over the first five years:

- US$50,000 on April 30, 2019 (paid);
- US$25,000 on or before April 30, 2020 (paid);
- US$25,000 on or before April 30, 2021 (paid)[4];
- US$25,000 on or before April 30, 2022 (paid)[5];
- US$25,000 on or before April 30, 2023 (paid subsequent to March 31, 2023); and
- US$75,000 on or before April 30, 2024.

On May 17, 2021, the Company entered into an amendment agreement (the "First Amendment Agreement") with Kennecott. Under the First Amendment Agreement, the payment, including the annual pre-production payment of US$50,000 due on April 1 of each year until the commercial production is commenced, made directly or indirectly by Kennecott to keep the Madison Project in good standing is considered as the Option Expenditures.

Pursuant to the earn-in agreement:

- Kennecott may request Broadway to conduct exploration on its behalf during the first year in return for a 10% administration charge.

- Broadway has the right to conduct independent drilling and exploration of the skarn zones during the first year.

- Broadway has a right of first offer to acquire Kennecott's interest in the Madison Project in the event Kennecott wishes to divest its interest.

- The joint venture may be formed with 55% to Kennecott and 45% to Broadway upon Kennecott exercise the First Option, 65% to Kennecott and 35% to Broadway upon Kennecott exercise the Second Option, or 70% to Kennecott and 30% to Broadway upon exercise the Third Option.

- The joint venture will be managed by the Rio Tinto Group and financed by each participant in accordance with its interest.

- Broadway may elect to not finance its interest and be diluted down to a 10% interest. If Broadway is diluted below 10% interest, its interest will convert to a 2% NSR with a maximum amount payable of US$50 million.

The initial exploration program applications have been submitted to the Bureau of Land Management, Montana.

[4] $31,665 (US$25,000) was recognized as a reduction of the carrying value of the Madison Project.
[5] $31,663 (US$25,000) was recognized as a reduction of the carrying value of the Madison Project.

On February 8, 2023, the Company reported high-grade gold and copper rock chip samples from a program conducted by Kennecott Exploration. A total of 73 rock chip samples were collected from 5 specific exploration targets.

Gooseberry Project (Nevada, USA)

On April 23, 2019, the Company acquired through staking the Gooseberry Mine in Storey Nevada, USA. The Gooseberry Project includes 42 unpatented claims, totaling approximately 708 acres. The Gooseberry Project contains gold-silver bearing quartz-calcite vein structures that are characterized as low-sulfidation epithermal style mineralization typified by banded to cockade quartz textures and the presence of adularia and kaolinite.
Initial surface sampling and exploration around the property commenced May 10, 2019. Total of nine initial samples were taken from the dumps and old mineralized stockpiles at Gooseberry, with highlight results including the following:

- Sample GB19ECS-007- 1.05 kg: 18.45 g/t Au and 595 g/t Ag
- Sample GB19ECS-003- 0.59 kg: 17.75 g/t Au and 310 g/t Ag
- Sample GB19ECS-001- 1.25 kg: 10.25 g/t Au and 218 g/t Ag
- Sample GB19ECS-006- 0.70 kg: 10.20 g/t Au and 273 g/t Ag

Samples were taken from mineralized vein material composed of dolomite, calcite and quartz. Grab samples are selective samples and may not necessarily be representative of the mineralization hosted on the property.

Historically, mined materials were brought to the surface and stockpiled at Gooseberry, crushed and then run through a heap leach. These nine samples were taken from materials most likely extracted late in the mining phase due to their location on the upper stockpile. Some materials have gone through a primary crushing process only. According to historical records Asamera Minerals Inc. ceased hard rock mining during 1989 due to low metals prices and higher underground production costs and moved to re-process the more easily accessible mine tailings.

On February 15, 2023, the Company announced the 2023 drill plans and reported the final compilation of the 2022 soil geochemistry and integrated CSAMT geophysics target generation at the Gooseberry Project. The 2023 drilling program has been updated and re-permitted to test emerging targets generated by soil geochemistry and integrated CSAMT geophysics completed in 2022. Approximately 15 holes of up to 3,048 metres of Phase II reverse circulation drilling is schedule to commence in Q2, 2023. A total of 2,889 soil samples were collected during the 2022 field season and assay results have been received and compiled into the exploration database.

The Company announced on April 4, 2023 that it has commenced drilling at the Gooseberry Project. The planned 15 hole will focus on testing the extension of the Gooseberry vein as well as the Elderberry and Strawberry zones.

The Company has reclamation deposits of $47,353 (US$35,000) (December 31, 2022 – $20,311 (US$15,000)) as collateral on the Gooseberry Project.

Red Hill Project (Nevada, US)

On July 29, 2021 (the "RH Effective Date"), the Company entered into a ten-year renewable lease agreement for the Red Hill Project (the "RH Lease Agreement") with Nevada North Resources (USA) Inc. ("Nevada North"). The Red Hill Project is located on the southern end of the prolific Cortez gold trend and is contiguous to NuLegacy Gold's (TSXV:NUG) rift anticline target.

Red Hill is a sediment-hosted gold project located 24 kilometers southeast of the 12-million-ounce Cortez Hills gold deposit within the Cortez trend. The project covers an extensive area of hydrothermally altered lower plate carbonate rocks. Gold mineralization is hosted in silty carbonate rocks of the Denay formation associated with altered lamprophyre dikes; and high levels of arsenic, antimony, mercury and thallium. These features are indicative of a Carlin-style gold system.

Pursuant to the RH Lease Agreement the Company is required to make the first payment of US$25,000 (paid) Nevada North to hold the Red Hill property for one year from the RH Effective Date and make the following annual payment to Nevada North:

- 2nd payment on July 29, 2022 – US$25,000 (paid);
- 3rd payment on July 29, 2023 – US$25,000;
- 4th payment on July 29, 2024 – US$40,000;
- 5th payment on July 29, 2025 – US$40,000;
- 6th payment on July 29, 2026 – US$45,000;
- 7th payment on July 29, 2027 – US$50,000;
- 8th payment on July 29, 2028 – US$55,000;
- 9th payment on July 29, 2029 – US$55,000; and
- 10th payment on July 29, 2030 – US$55,000[6]

In addition, the Company is required to pay an annual claim maintenance fee for the Red Hill Project. During the year ended December 31, 2022, the Company paid $19,289 (US$14,245) annual claim maintenance fee (December 31, 2021 - $17,847 (US$14,070)).

Upon commencement of commercial production, the Company is required to pay Nevada North a royalty on production equal to 3% of NSR of which 1.5% the Company may buy back for US$3,000,000.

In addition, one of the Company's directors owns a 10% interest in the Red Hill Project.

Palmer Project (Alaska, USA)

During the year ended December 31, 2022, the Company acquired the Palmer Project which included the Palmer Property and the Haines Block Lease, through the acquisition of Constantine Metal Resources ("Constantine").

- **Palmer Property**

  The Palmer Property is comprised of mining claims subject to a 99-year mining lease, dated December 19, 1997, and mining claims located near Haines, Alaska. To maintain the lease, there is a requirement to make annual advance royalty payments of US$42,500 and pay Federal claim annual maintenance fees.

  The lease is subject to a 2.5% NSR royalty. The lessee has a right of first refusal to purchase the NSR or any portion thereof at any time during the term of the lease. The advance royalty payments are deductible from the NSR royalty.

  The Palmer Property is held by CML which is jointly owned by Constantine and Dowa Metals & Mining Co., Ltd. ("Dowa"). As of March 31, 2023 and December 31, 2022, Constantine and Dowa owned 40.78% and 59.22%, respectively.

[6] Beginning on the 11th payment due on July 29, 2031, the annual payment of US$55,000 will be adjusted for inflation increase according to the United States Depart of Labor Consumer Price Index.

Under the terms of the CML members' agreement, Constantine is the operator of CML and each party is responsible for its proportionate share of expenses, determined on the basis of ownership and subject to dilution according to standard dilution provisions. As an operator of CML, Constantine charges CML 7% management fees on eligible expenditures incurred.

For accounting purposes, Constantine's interest in CML has been considered a joint operation and its proportionate interest in the accounts of CML has been consolidated within the Company's financial statements.

On April 24, 2023, the Company announced the 2023 budget and work program (the "2023 Palmer Program") for the Palmer Property. The 2023, multi-purpose, US $25.5 million work program at the Palmer Property, includes a surface exploration drilling program, geotechnical drilling, camp construction, ongoing baseline environmental and site engineering work. The Company also entered into a financial arrangement with Dowa in which Dowa committed to fund the 2023 Palmer Program for the Palmer Project. The Company has the option to pay its pro-rata share of the 2023 Palmer Program, in whole or in part, prior to October 31, 2023, to minimize or eliminate dilution of its' interest in the Palmer Project.

- **Haines Block Lease**
  The Haines Block is contiguous with and surrounds the Federal and State mining claims that make up the Palmer Property. The lease agreement was signed by Constantine and the Alaska Mental Health Trust.

  To maintain the lease, the Company is required to make:

  - Annual payments of US$25,000 per year for the initial 3-year lease term, US$40,000 for years 4 to 6, US$55,000 for years 7 through 9;
  - Work commitments of US$75,000 per year, escalating by US$50,000 annually; and
  - Annual payments are replaced by royalty payments upon achieving commercial production.

  In addition, production royalties payable to the Alaska Mental Health Trust include a sliding scale of 1% to 4.5% royalty for gold, based on gold price, and a 3.5% royalty on minerals other than gold.

  A portion of the Haines Block land parcel with surface and mineral rights has been assigned to CML on September 1, 2017.

The Company has reclamation deposits of $116,584 (US$85,027) (December 31, 2022 - $116,681 (US$85,027)) as collateral on the Palmer Project.

Big Nugget Property (Alaska, USA)
In connection with the acquisition of Constantine, the Company acquired the Big Nugget Property, a portion of the Haines Block Lease which has not been assigned to CML.

CHANGE IN MANAGEMENT

On April 6, 2023, the Company announced the appointment of Peter Mercer as Senior Vice President, Advanced Projects.

RESULTS OF OPERATIONS

Three months ended March 31, 2023 compared to three months ended March 31, 2022

During the three months ended March 31, 2023, the Company recorded a net loss of $1,804,812 compared to a net loss of $3,494,481 for the three months ended March 31, 2022.

During the three months ended March 31, 2023, the Company incurred the following significant expenditures:

- Consulting fees of $212,338 (March 31, 2022 – $73,328);
    - Warwick Smith (related party) for CEO services of $76,767 (March 31, 2022 - $62,110);
    - Eric Saderholm (related party) for consulting services of $nil (March 31, 2022 - $4,927); and
    - Morfopoulos Consulting Associates for consulting services of $129,471 (March 31, 2022 - $9,000). This payment related to the termination of services payment required upon the acquisition of Constantine by the Company to the former CFO of Constantine.
- Exploration and evaluation costs of $1,015,012 (March 31, 2022 – $1,196,029);
    - Eric Saderholm (related party) for exploration and evaluation costs of $71,028 (March 31, 2022 - $54,405);
    - Gooseberry project exploration and evaluation costs of $156,809 for consulting, drilling, field, geological and travel (March 31, 2022 - $505,703);
    - Madison project exploration and evaluation costs of $46,972 for consulting, field and field technicians (March 31, 2022 - $53,633);
    - Tuscarora project exploration and evaluation costs of $19,539 for consulting, geological, sample analysis and travel (March 31, 2022 - $582,288); and
    - Palmer project exploration and evaluation costs of $720,663 for consulting, drilling, field, field office administration, geological, royalty payments, travel and technical studies (March 31, 2022 - $nil).
- General and administrative costs of $139,951 (March 31, 2022 – $73,386);
- Professional fees of $126,588 (March 31, 2022 – $94,505);
    - Quantum Advisory Partners LLP (related party) for CFO and accounting services of $68,640 (March 31, 2022 - $33,280);
    - Davidson & Company LLP for audit and tax services of $17,950 (March 31, 2022 - $10,000);
    - Deloitte LLP for audit services of $9,913 (March 31, 2022 - $6,867);
    - Take It Public Services Inc for corporate secretarial services of $12,342 (March 31, 2022 - $34,442);
    - Legal services of $17,708 (March 31, 2022 - $16,782).
- Shareholder information and investor relations $229,826 (March 31, 2022 – $138,760);
    - Social media services of $15,000 for Primoris Group (March 31, 2022 - $15,000);
    - Conference expenses of $78,752 for Prospectors & Developers Association of Canada conference attended by the Company (March 31, 2022 - $28,256);
    - Consulting services of $63,268 for High Tide Consulting and Peter Grandich (March 31, 2022 - $28,500); and
    - Media ads of $69,663 for King World News, Fusion Nest and S&P Global Inc (March 31, 2022 - $42,427).
- Transfer agent, regulatory and listing fees of $56,983 (March 31, 2022 – $22,237); and
- Travel of $18,498 (March 31, 2022 – $54,024).

SUMMARY OF QUARTERLY INFORMATION

The quarterly results for the last eight quarters are summarized below:

	Three months ended			
	March 31, 2023 $	December 31, 2022 $	September 30, 2022 $	June 30, 2022 $
Interest income	36,532	26,989	5,780	2,288
Net loss	(1,804,812)	(2,796,273)	(1,628,671)	(2,171,587)
Comprehensive loss	(1,823,602)	(3,231,857)	(892,102)	(1,759,442)
Basic and diluted loss per share	(0.01)	(0.02)	(0.01)	(0.01)
	Three months ended			
	March 31, 2022 $	**December 31, 2021 $**	**September 30, 2021 $**	**June 30, 2021 $**
Interest income	939	402	766	3,773
Net income (loss)	(3,494,481)	(1,578,962)	(629,357)	(963,734)
Comprehensive (loss)	(3,699,546)	(1,592,598)	(447,520)	(1,049,079)
Basic and diluted (loss) per share	(0.03)	(0.02)	(0.00)	(0.01)

None of the variations in net loss reported in the previous periods were unusual or indicative of any trend with respect to the future when the Company expects to have more involvement in revenue-generating operations. Fluctuations reported were the result of the level of activity of the Company in each given reporting period.

SELECTED INFORMATION

	For the three months ended		
	March 31, 2023 $	March 31, 2022 $	March 31, 2021 $
Operating expenses	1,804,812	3,494,481	348,118
Net loss for the period	(1,804,812)	(3,494,481)	(1,110,219)
Comprehensive loss for the period	(1,823,602)	(3,699,546)	(1,170,817)
Basic and diluted loss per share:			
- net loss	(0.01)	(0.03)	(0.02)

As at	March 31, 2023 $	December 31, 2022 $	December 31, 2021 $
Working capital	3,662,564	5,456,836	14,602,265
Total assets	40,930,088	42,961,087	28,685,662
Total liabilities	811,972	1,109,369	620,584
Share capital	59,705,367	59,705,367	39,568,281
Deficit	(25,369,938)	(23,565,126)	(13,474,114)

The fluctuation in operating costs and corporate costs is attributable to variations in various expense items, such as consulting fees, exploration and evaluation costs, general and administrative costs, professional fees, shareholder information and investor relations and transfer agent, regulatory and listing fees, which occur due to the administrative and exploration activities occurring during a particular period and to the availability of funds in those periods to pay for those activities. There is no seasonality to these variations, nor are they indicative of any trend. As the Company progressed in exploration on its exploration and evaluation assets during the three months ended March 31, 2023, the related expenditures and total assets fluctuated accordingly compared to prior periods.

LIQUIDITY AND CAPITAL RESOURCES

The Company's activities have been funded through equity financings and the Company expects it will continue to be able to utilize this source of financing until it develops cash flow from future operations.

There can be no assurances the Company will be successful in its endeavors. If such funds are not available or other sources of finance cannot be obtained then the Company will be forced to curtail its activities to a level for which funding is available or can be obtained.

As of March 31, 2023, the Company has working capital of $3,662,564.

OUTSTANDING SHARE DATA

As of March 31, 2023, the Company had 176,773,937 common shares issued and outstanding (December 31, 2022 – 176,773,937) with a value of $59,705,367 (December 31, 2022 – $59,705,367).

During the three months ended March 31, 2023:

- No share capital transactions occurred.
- No warrants were issued, exercised or expired.
- 66,075 options expired unexercised.
- 1,951,415 stock options were cancelled.

Subsequent to March 31, 2023:

- On the CGI Closing Date, the Company issued 11,500,000 common shares to the shareholders of Clearview.
- 132,150 stock options were exercised for gross proceeds of $44,931.
- 10,873,314 warrants expired unexercised.

As of the date of this MD&A, the Company had:

- 188,406,087 common shares issued and outstanding;
- 22,255,884 warrants with an exercise price ranging from $0.16 to $1.40; and
- 7,732,529 stock options with an exercise price ranging from $0.19 to $1.01.

RELATED PARTY TRANSACTIONS AND BALANCES

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

The following table discloses the total compensation incurred to the Company's key management personnel during the three months ended March 31, 2023 and 2022:

	For the three months ended	
	March 31, 2023	**March 31, 2022**
	$	**$**
Warwick Smith, CEO and Director		
Consulting fees (1)	76,767	62,110
Share-based payments	-	315,130
	76,767	**377,240**
Eric Saderholm, President and Director		
Consulting fees	-	4,927
Exploration and evaluation costs	71,028	54,405
Share-based payments	-	315,130
	71,028	**374,462**
Alnesh Mohan, CFO and Corporate Secretary		
Professional fees (2)	68,640	33,280
Share-based payments	-	220,591
	68,640	**253,871**
Ken Cunningham, Director		
Directors' fees	8,167	3,751
Share-based payments	-	315,130
	8,167	**318,881**
Joness Lang, Director		
Directors' fees (3)	8,167	3,751
Share-based payments	-	315,130
	8,167	**318,881**
TOTAL	**232,769**	**1,643,335**

(1) Paid to Harbourside Consulting Ltd. which is controlled by Mr. Smith.
(2) Paid to Quantum Advisory Partners LLP, an accounting firm in which Mr. Mohan is an incorporated partner. Fees were paid for provision of CFO, financial reporting, accounting support and transaction support services. Fees increased during the three months ended March 31, 2023 due to the accounting and acquisition of Constantine and assistance with the audit of CML.
(3) Paid to EBC Consulting Group Ltd. which is controlled by Mr. Lang.

As at March 31, 2023, the balances due to the Company's directors and officers included in accounts payables and accrued liabilities were $62,978 (December 31, 2022 – $180,210). These amounts are unsecured, non-interest bearing and payable on demand.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

CRITICAL ACCOUNTING ESTIMATES

These financial statements, including comparatives, have been prepared using accounting policies consistent with IFRS issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). The financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information. Refer to Note 2 of the audited financial statements for the year ended December 31, 2022 for details on critical accounting estimates and judgments.

NEW ACCOUNTING STANDARDS

There were no new or amended IFRS pronouncements effective January 1, 2023 that impacted the Company's unaudited condensed consolidated interim financial statements for the three months ended March 31, 2023.

FINANCIAL INSTRUMENTS

In the normal course of business, the Company is inherently exposed to certain financial risks, including market risk, credit risk and liquidity risk, through the use of financial instruments. The timeframe and manner in which the Company manages these risks varies based upon management's assessment of the risk and available alternatives for mitigating risk. The Company does not acquire or issue derivative financial instruments for trading or speculative purposes. All transactions undertaken are to support the Company's operations. These financial risks and the Company's exposure to these risks are provided in various tables in note 11 of our unaudited condensed consolidated interim financial statements for the three months ended March 31, 2023. For a discussion on the significant assumptions made in determining the fair value of financial instruments, refer also to note 2 of the financial statements for the year ended December 31, 2022.

OTHER MD&A REQUIREMENTS

Management's responsibility for financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Risks and uncertainties

Investment in the common shares must be regarded as highly speculative due to the nature of the Company's business and its present stage of operations.

- **General**
  The Company is in the business of exploring and, if warranted, developing mineral properties, which is a highly speculative endeavor. A purchase of any of the securities of the Company involves a high degree of risk and should be undertaken only by purchasers whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. An investment in the securities of the Company should not constitute a significant portion of an individual's investment portfolio and should only be made by persons who can afford a total loss of their investment. Prospective purchasers should evaluate carefully the following risk factors associated with an investment in the Company's securities prior to purchasing any of its securities.

- **Speculative Nature of Mineral Exploration**
  Resource exploration is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Company may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market

fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, the combination of which factors may result in the Company not receiving an adequate return of investment capital. There is no assurance that the Company's mineral exploration activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Company's operations will in part be directly related to the costs and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish reserves through drilling and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis.

- **Lack of Availability of Resources**
  Mining exploration requires ready access to mining equipment such as drills, and personnel to operate that equipment. There can be no assurance that such resources will be available to the Company on a timely basis or at a reasonable cost. Failure to obtain these resources when needed may result in delays in the Company's exploration programs.

- **Infrastructure**
  Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants which affect capital and operating costs. Unusual or infrequent weather phenomena, terrorism, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's operations, financial condition and results of operations.

- **Mineral Exploration and Mining Carry Inherent Risks**
  Mineral exploration and mining operations are subject to hazards normally encountered in exploration, development and production. These include unexpected geological formations, rock falls, flooding dam wall failure and other incidents or conditions which could result in damage to plant or equipment or the environment and which could impact exploration and production throughput. Although the Company intends to take adequate precautions to minimize risk, there is a possibility of a material adverse effect on the Company's business, financial condition or results of operations.

- **Opposition from organization that oppose mining which may disrupt or delay mining projects**
  There is an increasing level of public concern relating to the effects of mining on the natural landscape, in communities and on the environment. Certain non-governmental organizations, public interest groups and reporting organizations ("NGOs") that oppose resource development can be vocal critics of the mining industry. In addition, there have been many instances in which local community groups have opposed resource extraction activities, which have resulted in disruption and delays to the relevant operation. NGOs or local community organizations could direct adverse publicity against and/or disrupt the Company's operations in respect of one or more of the Company's properties, regardless of the Company's successful compliance with social and environmental best practices, due to political factors, activities of unrelated third parties on lands in which the Company has an interest. Any such actions and the resulting media coverage could have an adverse effect on the Company's reputation and financial condition or the Company's relationships with the communities in which it operates, which could have a material adverse effect on the Company's business, financial condition or results of operations.

- **Relationships with local communities and stakeholders**
  The Company's ongoing and future success depends on developing and maintaining productive relationships with the communities surrounding its mineral projects, including local indigenous people who may have rights

or may assert rights to certain of the Company's properties, and other stakeholders in the Company's operating locations. Local communities and stakeholders may be dissatisfied with the Company's activities or the level of benefits provided, which may result in legal or administrative proceedings, civil unrest, protests, direct action or campaigns against the Company. Any such occurrence could materially and adversely affect the Company's business, financial condition or results of operations, as well the Company's ability to commence or continue exploration or mine development activities.

- **Climate Change**
  Climate change is an international and community concern which may directly or indirectly affect the Company's business and current and future activities. The continuing rise in global average temperatures has created varying changes to regional climates across the world and extreme weather events have the potential to delay or hinder the Company's exploration activities at its mineral projects, and to delay or cease operations at any future mine. This may require the Company to make additional expenditures to mitigate the impact of such events which may materially and adversely increase the Company's costs and/or reduce production at a future mine. Governments at all levels are amending or enacting additional legislation to address climate change by regulating, among other things, carbon emissions and energy efficiency, or where legislation has already been enacted, regulation regarding emission levels and energy efficiency are becoming more stringent. As a significant emitter of greenhouse gas emissions, the mining industry is particularly exposed to such regulations. Compliance with such legislation, including the associated costs, may have a material adverse effect on the Company's business, financial condition, results of operations, prospects and the Company's ability to commence or continue its exploration and future development and mining operations.

  Changing climate patterns may also affect the availability of water. If the effects of climate change cause prolonged disruption in the delivery of essential commodities, then production efficiency may be reduced, which may have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

  In addition, climate change is perceived as a threat to communities and governments globally and stakeholders may demand reductions in emissions or call upon mining companies to better manage their consumption of climate-relevant resources. Negative social and reputational attention toward the Company's operations may have a material adverse effect on the Company's business, financial condition, results of operations and prospects. A number of governments have already introduced or are moving to introduce climate change legislation and treaties at the international, national, state/provincial and local levels. Regulations relating to emission levels (such as carbon taxes) and energy efficiency are becoming more stringent. If the current regulatory trend continues, this may result in increased costs at some or all of the Company's mineral projects.

- **Gold Deposits**
  The South Lida Project, Tuscarora Project, Madison Project, Gooseberry Project and Red Hill Project are in the exploration stage only and are without a known economic mineralization. Development of these properties would follow only if favourable exploration results are obtained. The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines.

- **Interests in Joint Operations**
  The Company holds interests in joint operations relating to the Palmer Project and the Company's interest in this project is subject to the risks normally associated with the conduct of joint ventures or joint operations. As of March 31, 2023, the Company holds a 40.78% interest in the Palmer Project, with the remaining 59.22% interest held indirectly by Dowa Metals & Mining Co., Ltd. The existence or occurrence of one or more of the following circumstances and events could have a material adverse impact on the viability of the Company's interests held

through joint ventures, which could have a material adverse impact on the Company's future cash flows, earnings, results of operations and financial condition:

- disagreements with partners on how to develop and operate mines efficiently;
- inability to exert influence over certain strategic decisions made in respect of properties;
- inability of partners to meet their obligations to the joint venture, joint operation or third parties; and
- litigation between partners regarding joint venture or joint operation matters.

To the extent that the Company is not the operator of a joint venture or joint operation properties at a given time, the success of any operations will be dependent on the operators for the timing of activities related to these properties and the Company will be largely unable to direct or control the activities of the operators. The Company is subject to the decisions made by the operator in the operation of the property, and will rely on the operators for accurate information about the properties. The Company can provide no assurance that all decisions of the operators will achieve the expected goals.

- **Uninsurable Risks**
  In the course of exploration, development and production of mineral properties, certain risks may occur, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. These risks include environmental hazards, industrial accidents, explosions and third-party accidents, the encountering of unusual or unexpected geological formations, ground falls and cave-ins, mechanical failure, unforeseen metallurgical difficulties, power interruptions, flooding, earthquakes and periodic interruptions due to inclement or hazardous weather conditions. These occurrences could result in environmental damage and liabilities, work stoppages, delayed production and resultant losses, increased production costs, damage to, or destruction of, mineral properties or production facilities and resultant losses, personal injury or death and resultant losses, asset write downs, monetary losses, claims for compensation of loss of life and/or damages by third parties in connection with accidents (for loss of life and/or damages and related pain and suffering) that occur on Company property, and punitive awards in connection with those claims and other liabilities. It is not always possible to fully insure against such risks and the Company may decide not to take out insurance against such risks as a result of high premiums or other reasons. Despite efforts to attract and retain qualified personnel, as well as the retention of qualified consultants, to manage the Company's interests, even when those efforts are successful, people are fallible and human error could result in significant uninsured losses to the Company. These could include loss or forfeiture of mineral interests or other assets for nonpayment of fees or taxes, and legal claims for errors or mistakes by the Company's personnel. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of the Company.

- **Key Person Insurance**
  The Company does not maintain key person insurance on any of its directors or officers, and, as a result, the Company would bear the full loss and expense of hiring and replacing any director or officer in the event the loss of any such persons by their resignation, retirement, incapacity, or death, as well as any loss of business opportunity or other costs suffered by the Company from such loss of any director or officer.

- **Permits and Government Regulations**
  The current and future operations of the Company may require permits from various federal, provincial, state and local governmental authorities and will be governed by laws and regulations governing prospecting, development, mining, production, export, taxes, labour standards, occupational health, waste disposal, land use, environmental protections, mine safety and other matters. There can be no guarantee that the Company will be able to obtain all necessary permits and approvals that may be required to undertake exploration activity or commence construction or operation of mine facilities on the Company's projects.

- **Environmental and Safety Regulations and Risks**
  Environmental laws and regulations may affect the operations of the Company. These laws and regulations set various standards regulating certain aspects of health and environmental quality. They provide for penalties and other liabilities for the violation of such standards and establish, in certain circumstances, obligations to rehabilitate current and former facilities and locations where operations are or were conducted. The permission to operate can be withdrawn temporarily where there is evidence of serious breaches of health and safety standards, or even permanently in the case of extreme breaches. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of acquired properties or noncompliance with environmental laws or regulations. In all major developments, the Company generally relies on recognized designers and development contractors from which the Company will, in the first instance, seek indemnities. The Company intends to minimize risks by taking steps to ensure compliance with environmental, health and safety laws and regulations and operating to applicable environmental standards. There is a risk that environmental laws and regulations may become more onerous, making the Company's operations more expensive.

- **Environmental – Palmer Project**
  On the Palmer Project, reclamation of disturbances related to the Company's permitted exploration activities are bonded under the Alaska State-wide Bond Pool. In 2019, an independent consultant was contracted to complete an ASTM Phase 1 environmental site assessment ("ESA") on the federal lode mining claims of the Palmer Project. The ESA concluded that there were no environmental concerns associated with the property at that time.

- **Title Risks**
  The Company is satisfied that evidence of title to the mineral properties in which it has an interest is adequate and acceptable by prevailing industry standards with respect to the current stage of exploration on the projects. The Company may face challenges to the titles of the projects or subsequent properties it may acquire, which may prove to be costly to defend or which could have a material adverse effect on the Company's business, financial condition or results of operations.

- **Loss of Interest in Properties**
  The Company's ability to maintain an interest in the properties optioned or owned by the Company will be, in part, dependent on its ability to raise additional funds by equity financing.

  Failure to obtain additional financing may result in the Company being unable to complete the essential work required to keep the property interests in good standing and could result in the delay or postponement of further exploration and or the partial or total loss of the Company's interest its mineral properties.

- **Fluctuating Mineral Prices**
  The mining industry is intensely competitive and there is no assurance that, even if commercial quantities of a mineral resource are discovered, a profitable market will exist for the sale of the same. There can be no assurance that metal prices will be such that the Company's properties can be mined at a profit. Factors beyond the control of the Company may affect the marketability of any minerals discovered. Metal prices are subject to volatile price changes from a variety of factors including international economic and political trends, expectations of inflation, global and regional demand, 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, the Company's principal products and exploration targets, gold, copper and silver, is affected by various factors, including political events, economic conditions and production costs.

- **Limited Operating History**
  The Company has no history of earnings. There are no known commercial quantities of mineral reserves on any properties optioned or owned by the Company. There is no guarantee that economic quantities of mineral

reserves will be discovered on any properties optioned by the Company in the near future or at all. If the Company does not generate revenue, it may be unable to sustain its operations which could have a material adverse effect on the Company's business, financial condition or results of operations.

- **Competition**
  The mining industry is intensely competitive in all its phases. The Company competes for the acquisition of mineral properties, claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees with many companies possessing greater financial resources and technical facilities than the Company. The competition in the mineral exploration and development business could have an adverse effect on the Company's ability to hire or maintain experienced and expert personnel or acquire suitable properties or prospects for mineral exploration in the future.

- **Management**
  The success of the Company is currently largely dependent on the performance of its directors and officers. The loss of the services of any of these persons could have a materially adverse effect on the Company's business and prospects. There is no assurance the Company can maintain the services of its directors, officers or other qualified personnel required to operate its business.

- **Liability for Actions of Employees, Contractors and Consultants**
  The Company could be liable for fraudulent or illegal activity by its employees, contractors and consultants resulting in significant financial losses to claims against the Company.

  The Company is exposed to the risk that its employees, independent contractors and consultants may engage in fraudulent or other illegal activity. Misconduct by these parties could include intentional, reckless and/or negligent conduct or disclosure of unauthorized activities to the Company that violates: (i) government regulations; (ii) fraud and abuse laws and regulations; or (iii) laws that require the true, complete and accurate reporting of financial information or data. It is not always possible for the Company to identify and deter misconduct by its employees and other third parties, and the precautions taken by the Company to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting the Company from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations. If any such actions are instituted against the Company, and it is not successful in defending itself or asserting its rights, those actions could have a significant impact on its business, including the imposition of civil, criminal and administrative penalties, damages, monetary fines, contractual damages, reputational harm, diminished profits and future earnings, the curtailment of the Company's operations or asset seizures, any of which could have a material adverse effect on the Company's business, financial condition and results of operations.

- **Financing Risks**
  The Company has no history of significant earnings and, due to the nature of its business, there can be no assurance that the Company will be profitable. The Company has paid no dividends on its shares since incorporation and does not anticipate doing so in the foreseeable future. The only present source of funds available to the Company is through the sale of its securities. 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 on the properties owned by the Company. While the Company may generate additional working capital through further equity offerings or through the sale or possible syndication of the property owned by the Company, there is no assurance that any such funds will be available. If available, future equity financing may result in substantial dilution to purchasers under previous equity offerings. At present, it is impossible to determine what amounts of additional funds, if any, may be required.

- **Negative Cash Flows from Operations**
  The Company had negative operating cash flow for the period from incorporation to March 31, 2023. To the extent that the Company has negative cash flow in future periods, the Company may need to allocate a portion of its cash reserves to fund such negative cash flow.

  The Company may also be required to raise additional funds through the issuance of equity or debt securities. There can be no assurance that additional capital or other types of financing will be available when needed or that these financings will be on terms favourable to the Company.

- **Resale of Common Shares**
  The continued operation of the Company will be dependent upon its ability to generate operating revenues and to procure additional financing. There can be no assurance that any such revenues can be generated or that other financing can be obtained. If the Company is unable to generate such revenues or obtain such additional financing, any investment in the Company may be lost. In such event, the probability of resale of the Common Shares purchased would be diminished.

- **Conflicts of Interest**
  Some of the directors and officers are engaged and will continue to be engaged in the search for additional business opportunities on behalf of other corporations, and situations may arise where these directors and officers will be in direct competition with the Company. Conflicts, if any, will be dealt with in accordance with the relevant provisions of the Business Corporations Act (British Columbia). Some of the directors and officers of the Company are or may become directors or officers of other companies engaged in other business ventures. In order to avoid the possible conflict of interest which may arise between the directors' duties to the Company and their duties to the other companies on whose boards they serve, the directors and officers of the Company have agreed to the following:

  - Participation in other business ventures offered to the directors will be allocated between the various companies and on the basis of prudent business judgment and the relative financial abilities and needs of the companies to participate;
  - No commissions or other extraordinary consideration will be paid to such directors and officers; and
  - Business opportunities formulated by or through other companies in which the directors and officers are involved will not be offered to the Company except on the same or better terms than the basis on which they are offered to third party participants.

- **Tax Issues**
  Income tax consequences in relation to the Common Shares will vary according to the circumstances of each investor. Investors should seek independent advice from their own tax and legal advisors prior to investing in Common Shares of the Company.

- **Dividends**
  The Company has not paid dividends in the past and does not anticipate paying dividends in the near future. The Company intends to retain earnings, if any, to finance the growth and development of the Company's business. The payment of future cash dividends, if any, will be reviewed periodically by the Board and will depend upon, among other things, conditions then existing including earnings, financial condition and capital requirements, restrictions in financing agreements, business opportunities and conditions and other factors.

- **Inflationary Environment and Cost Management**
  The Company's business and financial performance depends significantly on third parties completing work on its mineral properties. Certain costs associated with these activities can be affected substantially by inflation, additional government intervention through stimulus spending or additional regulation, supply chain disruptions,

equipment limitations, escalating supply costs, and commodity prices. For example, an increase in the wages or services costs of employees and third-party contractors and an increase in the cost of equipment and supplies would directly result in an increase in costs for the Company, which would adversely affect the Company's business, results or operation, and financial condition. Further, the Company's inability to manage costs may impact project returns and future development decisions, which could have a material adverse effect on its financial performance and funds from operations.

- **Price Volatility of Publicly Trade Securities**
  In recent years, the securities markets in Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies, including mining 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 fluctuations in price will not occur. It is anticipated that any market for the Company's securities will be subject to market trends generally, notwithstanding any potential success of the Company in creating revenues, cash flows or earnings. The value of the Company's securities will be affected by such volatility.

- **The Impact of COVID-19**
  The Company is vulnerable to the general economic effects of epidemics/pandemics and other public health crises, such as the ongoing COVID-19 pandemic. COVID-19 is an infectious disease caused by severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2). Since December 31, 2019, the outbreak of COVID-19 has resulted in governments worldwide, including Canada and the United States, enacting emergency measures to combat the spread of the virus. Recently, there has been increased availability and administration of vaccines against COVID-19, as well as an easing of certain travel and other restrictions. However, even with increased vaccination against COVID-19, local or regional resurgences continue, as well as the outbreak of mutations of the initial COVID-19 virus. New coronavirus variants are continuing to spread and there is no guarantee that the vaccines will continue to be effective against new coronavirus variants, and geographic regions may continue to experience government-imposed lock-downs and public health emergencies. Governments and central banks have reacted to the COVID-19 pandemic with significant monetary and fiscal interventions designed to stabilize economic conditions. Due to the COVID-19 variants, the duration and impact of the COVID-19 pandemic remain unknown at this time, as is the continued 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. If the operation or development of the Company is suspended, scaled back or disrupted, it may have a material adverse impact on the Company's results of operations, financial condition and the trading price of the Company's securities. To the extent that the Company's management or other personnel are unavailable to work due to the COVID-19 pandemic, whether due to illness, government action or otherwise, it may have a material adverse impact on the Company's results of operations, financial condition and the trading price of the Company's securities. The breadth of the impact of the COVID-19 pandemic on investors, businesses, the global economy and financial and commodity markets may also have a material adverse effect on the Company's business, financial condition or results of operations.