AMERICAN PACIFIC MINING CORP.

MANAGEMENT DISCUSSION & ANALYSIS
(FORM 51-102F1)

FOR THE YEAR ENDED DECEMBER 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 year ended December 31, 2023 is prepared as at April 29, 2024. This MD&A should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2023 and the supporting notes. Those audited consolidated 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.sedarplus.ca.

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 and is in the business of mineral exploration.

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'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.

The Company had the following subsidiaries as of the date of this MD&A, December 31, 2023 and 2022:

		Percentage of Ownership		
	Country of incorporation	**As of the date of this MD&A**	**December 31, 2023**	**December 31, 2022**
American Pacific Mining (US) Inc. ("APM US")	Nevada, United States	100%	100%	100%
Broadway Gold Mining Ltd. ("Broadway")	Montana, United States	100%	100%	100%
Constantine Metal Resources Ltd. ("Constantine") *** ^**	British Columbia, Canada	100%	100%	100%
Constantine Metals USA Inc.* ^	Arizona, United States	100%	100%	100%
Constantine North Inc. ("CNI") *** ^**	Alaska, United States	100%	100%	100%
Constantine Mining LLC * ^ ("CML")	Delaware, United States	31.21%	31.53%	40.78%
Clearview Gold Inc. ** ^^ ("CGI")	British Columbia, Canada	100%	100%	-
CV Gold Inc. ** ^^ ("CV Gold")	Nevada, United States	100%	100%	-

* The acquisition was completed on October 31, 2022.
** The acquisition was completed on May 17, 2023.
^ Collectively "Constantine Group"
^^ Collectively "CGI Group"

CORPORATE HIGHLIGHTS

- **Acquisition of Clearview Gold Inc.**
  On May 17, 2023, the Company completed the acquisition of Clearview Gold Inc.

  (See Section: ACQUISITION OF CLEARVIEW GOLD INC for details).

- **Financial Arrangements**
  During the year ended December 31, 2023, the Company and Dowa Metals & Mining Co., Ltd. ("Dowa") entered into a financial arrangement in which Dowa committed to fund the 2023 budget and work program (the "2023 Palmer Program") for the Palmer Project.

  During the year ended December 31, 2023, Dowa advanced $9,493,001 (US$7,061,278) on behalf of the Company. Subsequently, the Company decided not to contribute to the 2023 Palmer Program; as a result, pursuant to the financial arrangement, the Company's interest was diluted from 40.78% to 31.53%.

  (See Section: EXPLORATION AND EVALUATION ASSETS for details).

- **Change in Management**

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

  - On July 31, 2023, the Company announced that it has appointed Director, Joness Lang as President of the Company, with Eric Saderholm transitioning to the role of Managing Director of Exploration.

  - On November 23, 2023, the Company announced the appointment of Ali Hakimzadeh as an independent director of the Company.

ACQUISITION OF CLEARVIEW GOLD INC

On April 27, 2023, the Company entered into a definitive agreement (the "CGI Agreement"), pursuant to which the Company will acquire all of the issued and outstanding common shares of CGI (the "CGI Acquisition"). The CGI Acquisition was completed on May 17, 2023 (the "CGI Closing Date").

Under the terms of the CGI Agreement, on the CGI Closing Date, the Company paid $200,000 and issued 11.5 million common shares of the Company (the "Consideration Shares") with fair value of $4,025,000.

The Consideration Shares are subject to a voluntary hold period from the date of issuance pursuant to which:

i. 25% of the Consideration Shares were released on the CGI Closing Date;
ii. 25% of the Consideration Shares will be released on the four-month anniversary of the CGI Closing Date;
iii. 25% of the Consideration Shares will be released on the eight-month anniversary of the CGI Closing Date; and
iv. 25% of the Consideration Shares will be released on the twelve-month anniversary of the CGI Closing Date.

In connection with the CGI Acquisition, the Company incurred transaction costs of $75,555.

EXPLORATION AND EVALUATION ASSETS

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

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

The Company is required to pay annual claim maintenance fees for the South Lida Project.

During the year ended December 31, 2023, the Company paid $15,259 (US$11,336) in annual maintenance fees.

During the three months and year ended December 31, 2023 and 2022, the Company incurred following acquisition-related costs and exploration and evaluation costs on the South Lida Project:

	For the three months ended			For the years ended		
	December 31, 2023	December 31, 2022	Change	December 31, 2023	December 31, 2022	Change
	$	$	$	$	$	$
Acquisition related costs						
Staking fees	-	753	(753)	15,259	44,039	(28,780)
	-	**753**	**(753)**	**15,259**	**44,039**	**(28,780)**
Exploration and evaluation costs						
Consulting	-	1,206	(1,206)	-	9,736	(9,736)
Geological	-	166	(166)	-	11,461	(11,461)
	-	**1,372**	**(1,372)**	**-**	**21,197**	**(21,197)**

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 in 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. This amount has been incurred annually since the first anniversary of the listing date.

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

Due on or before	Annual payments	
November 7, 2018	$ 4,000	(Paid)
November 7, 2019	$ 4,000	(Paid)
November 7, 2020	$ 4,000	(Paid)
November 7, 2021	$ 8,000	(Paid)
November 7, 2022	$ 8,000	(Paid)
November 7, 2023	$ 8,000	(Paid)
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 which will apply for all other minerals produced 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.

In addition, the Company is required to pay annual claim maintenance fees for the Tuscarora Project.

During the year ended December 31, 2023, the Company paid $72,758 (US$54,052) in annual maintenance fees.

Lease assignment agreement with Ubica Gold Corp. ("Ubica")

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 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 the following sublease agreements *(collectively, the "Ubica Sublease Agreements")*:

- **An agreement entered between Ubica and RS Gold, LLC (the "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:

Due on or before	Annual payments
April 23, 2022	US$ 20,000 (Paid)
April 23, 2023	US$ 30,000 (Paid)
April 23, 2024	US$ 40,000 (Paid subsequent to December 31, 2023)
April 23, 2025 and each anniversary thereafter through the initial term and any renewal or extension thereof.	US$ 50,000

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 a 2% NSR of the total 3% NSR for US$1,000,000 per each 1% NSR.

- **An agreement entered between Ubica and Timothy Tigerman (the "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 advance annual royalties with the first payment of US$10,000 due on or before June 25, 2022. The advance 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.

During the year ended December 31, 2023, the Tigerman claims were not renewed.

- **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").**

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 annual payments and work commitments:

Due on or before	Advance royalty payment	Annual work commitments
June 30, 2021	US$ 6,000 (Paid)	US$ nil
June 30, 2022	US$ 12,000 (Paid)	US$ 30,000 (Fulfilled)
June 30, 2023	US$ 18,000 (Paid)	US$ 80,000 (Fulfilled)
June 30, 2024	US$ 24,000	US$ 100,000
June 30, 2025, and each anniversary thereafter through the initial term and any renewal or extension thereof.	US$ 36,000	US$ 275,000

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 a 2% NSR of the total 3% NSR for US$1,000,000 per each 1% NSR.

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.

The Company has reclamation deposits of $26,493 (US$20,000) as collateral on the Tuscarora Project.

During the three months and year ended December 31, 2023 and 2022, the Company incurred following acquisition-related costs and exploration and evaluation costs on the Tuscarora Project:

	For the three months ended			For the years ended		
	December 31, 2023	December 31, 2022	Change	December 31, 2023	December 31, 2022	Change
	$	$	$	$	$	$
Acquisition related costs						
Staking fees	-	342	(342)	72,758	124,276	(51,518)
	-	**342**	**(342)**	**72,758**	**124,276**	**(51,518)**
Exploration and evaluation costs						
Consulting	7,198	27,855	(20,657)	46,183	113,708	(67,525)
Drilling	-	18,041	(18,041)	-	1,245,775	(1,245,775)
Equipment rental	-	7,298	(7,298)	-	64,090	(64,090)
Field	2,236	1,605	631	5,869	13,516	(7,647)
Field office administration	815	32,980	(32,165)	2,334	35,725	(33,391)
Geological	6,831	39,866	(33,035)	12,215	658,224	(646,009)
Royalty payments	10,863	11,204	(341)	75,586	65,075	10,511
Sample analysis	10	73,625	(73,615)	3,591	448,354	(444,763)
Transportation	1	8,814	(8,813)	455	153,902	(153,447)
Travel	1,765	-	1,765	5,360	-	5,360
	29,719	**221,288**	**(191,569)**	**151,593**	**2,798,369**	**(2,646,776)**

During the year ended December 31, 2022, the Company initiated a drilling program on the Tuscarora Project and completed approximately 26 drill holes. As a result, the drilling program's associated costs, such as geological and sample analysis costs, increased. No drilling program was conducted during the year ended December 31, 2023.

Madison Project (Montana, USA)

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 (the "MP Earn-In Agreement").

Under the terms of the earn-in agreement, Kennecott has an option to acquire up to 70% undivided interest by making the following option expenditures:

	Required Expenditures		Incur within	Undivided Interest Earned
1st option	US$	5,000,000*	Year 1 to Year 5	55%
2nd option	US$	10,000,000	Year 6 to Year 8	10%
3rd option^	US$	15,000,000	Year 9 to Year 11	5%
TOTAL	**US$**	**30,000,000**		**70%**

* A minimum exploration budget of US$1 million in the first year.
^ Kennecott may elect to create the joint venture after exercising each option to earn in.

In addition, in order to exercise the 1st option, Kennecott is required to make the following cash payments to Broadway:

Due on or before	Annual payments*		
April 30, 2019	US$	50,000	(Paid)
April 30, 2020	US$	25,000	(Paid)
April 30, 2021	US$	25,000	(Paid)
April 30, 2022	US$	25,000	(Paid)
April 30, 2023	US$	25,000	(Paid)
April 30, 2024	US$	75,000	
TOTAL	**US$**	**225,000**	

* The amount received for the annual payments is recognized as a reduction of the carrying value of the Maidson Project until the carrying value of the Maidson Project becomes $nil.

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 of the First Option, 65% to Kennecott and 35% to Broadway upon Kennecott exercise of the Second Option, or 70% to Kennecott and 30% to Broadway upon exercise of 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.

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.

On September 13, 2023, the Company reported that a five-hole diamond drill campaign is set to commence later this year. The drill program is designed to further define near-surface, high-grade copper and gold mineralization and provide a foundation for deeper exploration in areas with limited historical drilling. The program aims to accomplish three key objectives: test shallow gap areas; tighten drill spacing at moderate depth within the skarn to support future mineral resource estimation; and extend below known mineralization to provide valuable information for deeper exploration in subsequent campaigns. Due to current market conditions the Company has elected to postpone the scheduled drilling until a later date.

On December 20, 2023, the Company announced that it received the necessary permits to commence drilling at the Madison Project. The five-hole diamond drill campaign is designed to further define and expand on known near-surface, high-grade copper and gold mineralization, while extending beneath known mineralization to provide a foundation for deeper exploration in areas which have seen limited historical drilling. The program sets out to achieve three key objectives:

- Test shallow gap areas;
- Tighten drill spacing at moderate depth within the skarn to support a future mineral resource estimate; and
- Extent below known mineralization to provide valuable information for deeper exploration in subsequent campaigns.

On February 5, 2024, Kennecott decided not to proceed with the MP Earn-In Agreement; as a result, the Company regained 100% ownership of the Madison Project.

On February 21, 2024 the Company provided an update on the 2024 exploration program at the Madison Project, including:

- A near-mine, 1,250 metre, five-hole Phase 1 diamond drilling program;
- A planned Phase II regional drill program;
- Detailed scientific groundwork;
- Incorporation of the newly acquired data; and
- Year-end mineral inventory modeling.

During the three months and year ended December 31, 2023 and 2022, the Company incurred following acquisition-related costs and exploration and evaluation costs on the Madison Project:

	For the three months ended			For the years ended		
	December 31, 2023	December 31, 2022	Change	December 31, 2023	December 31, 2022	Change
	$	$	$	$	$	$
Acquisition related costs						
Option payments received	-	-	-	(33,806)	(31,663)	(2,143)
	-	**-**	**-**	**(33,806)**	**(31,663)**	**(2,143)**
Exploration and evaluation costs						
Consulting	(29,080)	15,240	(44,320)	62,163	64,768	(2,605)

Depreciation	3,226	3,222	4	12,809	12,354	455
Field	7,432	8,254	(822)	47,930	16,267	31,663
Field technicians	62,888	21,684	41,204	95,622	168,801	(73,179)
Geological	1,687	-	1,687	1,687	-	1,687
Travel	2,189	-	2,189	2,189	-	2,189
	48,342	**48,400**	**(58)**	**222,400**	**262,190**	**(39,790)**

Gooseberry Project (Nevada, USA)

On April 23, 2019, the Company acquired through staking the Gooseberry Mine in Storey County, 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.

During the year ended December 31, 2023, the Company paid $10,359 (US$7,696) in annual maintenance fees.

The Company has reclamation deposits of $19,870 (US$15,000) as collateral on the Gooseberry Project.

In addition, in order to hold the claims, the Company is required to pay an annual maintenance fee for the Gooseberry Project.

During the three months and year ended December 31, 2023 and 2022, the Company incurred following acquisition-related costs and exploration and evaluation costs on the Gooseberry Project:

	For the three months ended			For the years ended		
	December 31, 2023	December 31, 2022	Change	December 31, 2023	December 31, 2022	Change
	$	$	$	$	$	$
Acquisition related costs						
Staking fees	-	(25)	25	10,359	9,854	505
	-	**(25)**	**25**	**10,359**	**9,854**	**505**
Exploration and evaluation costs						

Consulting	10,011	24,568	(14,557)	211,277	67,652	143,625
Drilling	2,144	69,037	(66,893)	786,509	338,616	447,893
Equipment rental	-	836	(836)	-	16,797	(16,797)
Field	518	2,500	(1,982)	5,952	88,357	(82,405)
Field office administration	963	32,537	(31,574)	3,213	32,537	(29,324)
Geological	1,771	28,284	(26,513)	57,053	323,780	(266,727)
Sample analysis	4	30,672	(30,668)	1,539	216,864	(215,325)
Transportation	-	2,094	(2,094)	-	2,094	(2,094)
Travel	1,578	-	1,578	10,147	-	10,147
	16,989	**190,528**	**(173,539)**	**1,075,690**	**1,086,697**	**(11,007)**

<u>During the year ended December 31, 2023</u>

- 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 ("m") 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.

- On October 18, 2023, the Company announced the completion of 10 of 29 proposed drill holes this year to begin testing regional exploration targets in the pursuit of discovering additional veins across the project. There were no other significant assay results to report. The program was terminated early due to drilling/ground condition challenges. The Company has decided to conserve capital and revisit the other regional targets after integrating the new data and refining its target concepts beyond the known past-producing Gooseberry vein.

As a result of the drilling program, the drilling costs increased by $447,893, to $786,509 during the year ended December 31, 2023, compared to $338,616 during the year ended December 31, 2022.

The geological and sample analysis costs incurred during the year ended December 31, 2022, primarily related to the initiation of the Controlled Source Audio-frequency Magnetotelluric ("CSAMT") geophysical survey and the costs incurred for the preparation of the 43-101 technical report 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. One of the Company's directors owns a 10% interest in the Red Hill Project.

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:

	On or before	Annual payments*		
2nd payment	July 29, 2022	US$	25,000	(paid)
3rd payment	July 29, 2023	US$	25,000	(paid)
4th payment	July 29, 2024	US$	40,000	
5th payment	July 29, 2025	US$	40,000	
6th payment	July 29, 2026	US$	45,000	
7th payment	July 29, 2027	US$	50,000	
8th payment	July 29, 2028	US$	55,000	
9th payment	July 29, 2029	US$	55,000	
10th payment*	July 29, 2030	US$	55,000	

* Beginning on the 11th payment due on July 29, 2031, the annual payment of US$55,000 will be adjusted for inflation based on the United States Depart of Labor Consumer Price Index.

In addition, the Company is required to pay annual claim maintenance fees for the Red Hill Project.

During the year ended December 31, 2023, the Company paid $19,309 (US$14,345) in annual claim maintenance fees.

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 be bought back for US$3,000,000.

During the three months and year ended December 31, 2023 and 2022, the Company incurred following acquisition-related costs and exploration and evaluation costs on the Red Hill Project:

	For the three months ended			For the years ended		
	December 31, 2023	December 31, 2022	Change	December 31, 2023	December 31, 2022	Change
	$	$	$	$	$	$
Acquisition related costs						
Acquisition costs	-	(83)	83	33,652	32,537	1,115
Staking fees	-	(47)	47	19,309	18,540	769
	-	**(130)**	**130**	**52,961**	**51,077**	**1,884**

Palmer Project (Alaska, USA)

On October 1, 2022, the Company acquired the Palmer Project which included the Palmer Property and the Haines Block Lease, through the acquisition of 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. During the year ended December 31, 2023, the Company entered into a financial arrangement with Dowa for the 2023 Palmer Program for the funding requirement from January 1, 2023 and October 31, 2023 (the "2023 Funding Period"). During the year ended December 31, 2023, Dowa advanced $9,493,001 (US$7,061,278) on behalf of the Company. Subsequently, the Company decided not to contribute to the 2023 Palmer Program; as a result, pursuant to the financial arrangement, the Company's interest was diluted from 40.78% to 32.75%.

Following the 2023 Funding Period through December 31, 2023, Dowa extended an additional $1,711,103 to the 2023 Palmer Program, for the Company's interest. Consequently, in accordance with the CML members' agreement, the Company's interest decreased from 32.75% to 31.53%.

As a result of the dilution, the Company recognized a gain of $7,208,128 during the year ended December 31, 2023 (December 31, 2022 – loss of $391,059).

As of December 31, 2023, Constantine and Dowa owned 31.53% and 68.47%, respectively.

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.

<u>During the year ended December 31, 2023</u>

On April 24, 2023, the Company announced 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.

On June 19, 2023, the Company announced the commencement of its 2023 drill program at the Palmer Project. The 9,000 m resource infill drill program at the Southwall Zone is designed to begin the process of upgrading mineral resources from Inferred to Measured and Indicated.

On August 8, 2023, the Company provided an update on the ongoing activities at the Palmer Project, which included the following:

- 4,178 m of the planned 9,000 m resource definition program has been drilled representing 46% of the planned 2023 program.
- 1,022 m of the planned 2,550 m geotechnical drill program has been drilled, representing 40% of the planned program. Hydrogeologic testing and monitoring well installations are ongoing to determine the hydrogeological characteristics and rock mechanics of the hanging wall and footwall.
- The first 378 samples for assays were shipped to the laboratory with results pending.

On October 4, 2023, the Company announced that one drill rig has remained to test the Christmas/Red Creek ("CRC") Target area during demobilization of the 2023 mountain drilling program. The CRC Target is one of 12 known volcanogenic massive sulphide-sulphate ("VMS") showings at the Palmer Project outside the mineral resource envelopes of the Palmer and AG deposits.

On October 18, 2023, the Company announced that the initial assay results continue to highlight the copper-zinc rich nature of mineralization at the Palmer Project. The Company has received complete assay results for seven of the 23 drill hots completed as part of the 2023 resource definition drilling at the Southwall Zones of the Palmer deposit.

On November 14, 2024, the Company announced that the assay results to-date have exceed expectations in Southwall Zone 1, the current resource model is well supported by the infill drill intercepts and initial interpretations also suggest the potential for additional lenses below the model and potential extensions to the northeast and downdip of Zone 1. The Company also announced significant assay results from a geotechnical drillhole that intersected in the RW Oxide Zone, which was not included in the current Palmer Deposit mineral resource estimate.

On January 10, 2024, the Company reported the third and final batch of assay results from the 2023 resource definition and geotechnical drill programs at the Palmer Project. The final batch of 2023 assay results include the four most significant copper drill intersections reported to-date at Palmer, with significant zinc, gold and silver results, as well as extending copper mineralization beyond the current mineral resource estimate.

On March 25, 2024, the Company announced the 2024 budget and resource expansion-focused work program at the Palmer Project. The US$12.8 million 2024 program has been designed to continue expanding the known extent of the high-grade copper mineralization within South Wall Zones 1 and 22. The 2024 program will also include a series of step-out drill holes to test the nearby North Wall Target. The North Wall Target represents a potential fault offset extension of the South Wall mineralization that has not yet been adequately tested.

On April 15, 2024, the Company announced that CNI submitted for approval a Plan of Operations ("PoO") to the Alaska Department of Natural Resources summarizing the next five years of field activities, until 2028. The activities included in the PoO will allow further evaluation of the environmental, social, technical and economic aspects associated with the potential development of the mineral deposits located within Palmer Deposit.

During the three months and year ended December 31, 2023 and 2022, the Company incurred following acquisition-related costs and exploration and evaluation costs on the Palmer Project:

	For the three months ended			For the years ended		
	December 31, 2023	December 31, 2022	Change	December 31, 2023	December 31, 2022	Change
	$	$	$	$	$	$
Exploration and evaluation costs						
Consulting	274,729	359,127	(84,398)	1,791,970	359,127	1,432,843
Depreciation	257,291	1,959	255,332	625,835	1,959	623,876
Drilling	229,228	51,722	177,506	2,871,344	51,722	2,819,622
Field	165,247	50,734	114,513	1,225,757	50,734	1,175,023
Field office administration	177,074	63,049	114,025	721,008	63,049	657,959
Geological	89,540	69,406	20,134	497,503	69,406	428,097
Management fees	652,818	-	652,818	652,818	-	652,818
Reclamation	165,563	-	165,563	165,563	-	165,563
Recoveries	(775,204)	-	(775,204)	(1,625,680)	-	(1,625,680)
Royalty payments	4,750	5,852	(1,102)	22,247	5,852	16,395
Transportation	92,104	55,209	36,895	796,522	55,209	741,313
Travel	61,843	-	61,843	159,348	-	159,348
Technical studies	315,347	95,059	220,288	1,696,707	95,059	1,601,648
Social responsibility	1,488	-	1,488	6,517	-	6,517
	1,711,818	**752,117**	**959,701**	**9,607,459**	**752,117**	**8,855,342**

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.

The significant expenditures incurred on the Palmer Project during the three months and year ended December 31, 2023, were primarily related to drilling and associated costs to support the 2023 Palmer Program.

The recoveries of $775,204 and $1,625,680 for the three months and year ended, respectively, were mainly related to the 7% management fees paid by Dowa to the Company as the project operator.

- **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:

Due on or before	Annual payments*		Annual work commitments	
Year 1	US$	25,000	US$	75,000
Year 2	US$	25,000	US$	125,000
Year 3	US$	25,000	US$	175,000
Year 4	US$	40,000	US$	225,000
Year 5	US$	40,000	US$	275,000
Year 6	US$	40,000	US$	325,000
Year 7	US$	55,000	US$	375,000
Year 8	US$	55,000	US$	425,000
Year 9	US$	55,000	US$	475,000
TOTAL	**US$**	**360,000**	**US$**	**2,475,000**

* 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 the 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 $100,680 (US$76,003) as collateral on the Palmer Project.

<u>Big Nugget Property (Alaska, USA)</u>
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.

During the year ended December 31, 2023, the Company paid $6,830 (US$5,060) in annual maintenance fees.

<u>Alpha Project (Nevada, USA)</u>
In connection with the CGI Acquisition, the Company acquired the Alpha Project which is 100% owned by CGI.

In addition, the Company is required to pay an annual claim maintenance fee for the Alpha Project.

During the year ended December 31, 2023, the Company paid $19,481 ($US14,522) in annual claim maintenance fees.

Upon commencement of commercial production, the Company is required to pay a royalty on production equal to 2.5% of NSR of which 0.5% the Company may buy back for US$500,000.

During the three months and year ended December 31, 2023 and 2022, the Company incurred following acquisition-related costs and exploration and evaluation costs on the Alpha Project:

	For the three months ended			For the years ended		
	December 31, 2023	December 31, 2022	Change	December 31, 2023	December 31, 2022	Change
	$	$	$	$	$	$
Acquisition related costs						
Staking fees	-	-	-	19,481	-	19,481
	-	**-**	**-**	**19,481**	**-**	**19,481**

Ziggurat Project (Nevada, USA)

In connection with the CGI Acquisition, the Company acquired the Ziggurat Project which is 100% owned by CGI and is currently under a joint venture agreement with Centerra Gold Inc (TSX: CG / NYSE: CGAU) ("Centerra"). Centerra has the option to spend up to US$6 million to earn 70% of the project until Year 2026.

Pursuant to the joint venture agreement with Centerra, Centerra is required to make the following annual payment to CGI and incur the minimum expenditures on the project:

Due on or before	Annual payments*		Annual work commitments	
July 8, 2023	US$	20,000 (Paid)	US$	500,000 (Fulfilled)
July 8, 2024	US$	20,000	US$	750,000
July 8, 2025	US$	20,000	US$	1,250,000
July 8, 2026	US$	20,000	US$	1,500,000
July 8, 2027	US$	-	US$	2,000,000
TOTAL	**US$**	**80,000**	**US$**	**6,000,000**

* The amount received for the annual payments is recognized as a reduction of the carrying value of the Ziggurat Project until the carrying value of the Ziggurat Project becomes $nil.

Upon commencement of commercial production, the Company is required to pay a royalty on production equal to 1.5% of NSR of which 0.5% the Company may buy back for US$500,000.

In addition, pursuant to the CGI Agreement, the Company will be required to issue 4,500,000 common shares of the Company to NewQuest Capital Inc. ("NewQuest"), the largest CGI Shareholder, in the event that:

- the option agreement dated July 8, 2022 (the "Ziggurat Option Agreement") among CGI, CV Gold Inc., and Centerra (U.S.) Inc. (Centerra US), a wholly owned subsidiary of Centerra, is in good standing on January 31, 2024; and

- by January 31, 2024, Centerra US has either:
  - commenced making the second tranche of annual expenditures required by the Ziggurat Option Agreement; or
  - provided formal assurances to the Company that it intends to keep the Ziggurat Option Agreement in good standing following the third anniversary of the effective date of the Ziggurat Option Agreement.

During the three months and year ended December 31, 2023 and 2022, the Company incurred following acquisition-related costs and exploration and evaluation costs on the Ziggurat Project:

	For the three months ended			For the years ended		
	December 31, 2023	December 31, 2022	Change	December 31, 2023	December 31, 2022	Change
	$	$	$	$	$	$
Acquisition related costs						
Acquisition costs	90,537	-	90,537	2,150,064	-	2,150,064

Option payments received	-	-	-	(26,829)	-	(26,829)
	90,537	**-**	**90,537**	**2,123,235**	**-**	**2,123,235**

Danny Boy Mine Property (Nevada, USA)

In connection with the CGI Acquisition, the Company acquired the Danny Boy Mine Property which included the Danny Boy Claims and the Lappin Project.

For the Danny Boy Claims, under the option agreement entered with NewQuest, CGI has the option to acquire 100% interest in the claims by:

- issuing 500,000 common shares of the Company to NewQuest on or before August 11, 2023 (issued by CGI prior to the CGI Acquisition); and
- making a cash payment of $4,000,000 to NewQuest on completion of a pre-feasibility study.

Upon commencement of commercial production, the Company is required to pay a royalty on production equal to 1.5% of NSR, of which 0.5% the Company may buy back for US$500,000.

In addition, pursuant to the assignment agreement entered with NQ Holdings Inc., CGI has granted a lease right for the Lappin Project until April 14, 2032. To maintain the lease right, CGI has to make a minimum payment of $257,500 to Lappin LLC (the "Lappin Annual Payments") as follows:

Due on or before	Annual payments
April 15, 2023	$ 12,500 (Paid)*
April 15, 2024	$ 15,000 (Paid subsequent to December 31, 2023)
April 15, 2025	$ 20,000
April 15, 2026, and each year until April 14, 2032	$ 30,000

* Paid by CGI prior to the CGI Acquisition'

CGI is also required to incur a total work commitment of $350,000, of which $100,000 and $250,000 should be incurred on or before April 15, 2025 and April 15, 2028, respectively.

The Company also has an option to acquire a 100% interest in Lappin by making a $500,000 payment minus any Lappin Annual Payment which had been made previously to Lappin LLC.

Upon commencement of commercial production, the Company is required to pay a royalty on production equal to 3% of NSR, of which 1% the Company may buy back for US$1,000,000 and another 1% may buy back for US$2,000,000 at any time.

In addition, the Company is required to pay an annual claim maintenance fee for the Danny Boy Mine Property.

During the year ended December 31, 2023, the Company paid $25,417 (US$18,947) in annual claim maintenance fees.

During the three months and year ended December 31, 2023 and 2022, the Company incurred following acquisition-related costs and exploration and evaluation costs on the Danny Boy Mine Property:

	For the three months ended			For the years ended		
	December 31, 2023	December 31, 2022	Change	December 31, 2023	December 31, 2022	Change
	$	$	$	$	$	$
Acquisition related costs						
Acquisition costs	25,135	-	25,135	2,150,065	-	2,150,065
Staking fees	-	-	-	25,417	-	25,417
	25,135	**-**	**25,135**	**2,175,482**	**-**	**2,175,482**
Exploration and evaluation costs						
Consulting	12,036	-	12,036	55,514	-	55,514
Field	80	-	80	80	-	80
Geological	11,281	-	11,281	13,963	-	13,963
Sample analysis	19,352	-	19,352	23,416	-	23,416
Travel	1,589	-	1,589	10,637	-	10,637
	44,338	**-**	**44,338**	**103,610**	**-**	**103,610**

On August 22, 2023, the Company reported the completion of the first phase of sampling and property evaluation at the Danny Boy Project. The expanded and consolidated property now covers more than 25 square kilometres and is the largest assembled claims package in the district. A total of 10 rock chip samples were collected during the first phase of reconnaissance evaluation work.

On December 12, 2023, the Company reported the results from the 2023 Phase II rock and grab sampling program including, of the 218 samples collected, 40 exceeded one gran per ton gold with the highest value of 100.84 g/t Au. Anomalous samples were collected from a variety of different rock types and textures, including veins and silica flooded volcanic rocks, indicating multiple mineralizing events and styles.

QUALIFIED PERSON

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.

Michael Vande Guchte, P.Geo., VP Exploration for Constantine and a qualified person as defined by National Instrument 43-101, has also reviewed and approved the technical information related to the Palmer Project disclosed in this MD&A.

SELECTED INFORMATION

	For the year ended		
	December 31, 2023	**December 31, 2022**	**December 31, 2021**
	$	**$**	**$**
Operating expenses	9,068,844	10,097,741	3,269,683
Net loss	(9,068,844)	(10,091,012)	(4,282,272)
Comprehensive loss	(9,581,637)	(9,582,947)	(4,260,014)
Basic and diluted loss per share:			
- net loss	(0.05)	(0.08)	(0.05)

As at	**December 31, 2023**	**December 31, 2022**	**December 31, 2021**
	$	**$**	**$**
Working capital	2,799,972	5,456,836	14,602,265
Total assets	41,248,198	42,961,087	28,685,662
Total liabilities	2,136,632	1,109,369	620,584
Share capital	65,118,945	59,705,367	39,568,281
Deficit	(32,633,970)	(23,565,126)	(13,474,114)

The decrease in operating expenses and net loss during the year ended December 31, 2023 compared to the year ended December 31, 2022 was mainly related to the additional operating expenses incurred by the Constantine Group and the CGI Group which were acquired on October 1, 2022 and May 17, 2023, respectively, offset by the gain on dilution in ownership of joint operation as discussed under the Palmer Property *[See Section: Exploration and Evaluation Assets]*. The increase in operating expenses and net loss during the year ended December 31, 2022 compared to the year ended December 31, 2021 was mainly related to increase in exploration and evaluation costs and share-based payments. During the year ended December 31, 2023, the Company recognized a loss on modification of warrants, which has been included as share-based payments, as the Company extended the expiry date of 3,888,849 warrants with an expiry date of August 12, 2023 to August 12, 2025. During the year ended December 31, 2021, the Company recognized a realized loss on marketable securities which was classified as other expenses. No such gain / loss was recognized during the year ended December 31, 2022.

The decrease in working capital as of December 31, 2023 compared to December 31, 2022 was mainly related to the financial arrangement entered with Dowa for the 2023 Palmer Program. The decrease in working capital as of December 31, 2022 compared to December 31, 2021 was mainly related to the increase in operating activities during the year ended December 31, 2022.

The decrease in total assets as of December 31, 2023 and December 31, 2022 compared to December 31, 2022 and December 31, 2021, respectively, was mainly related to the acquisitions of the Constantine Group and the CGI Group offset by the change in interest in the joint operation as discussed under the Palmer Project *[See Section: Exploration and Evaluation Assets]*.

The increase in share capital as of December 31, 2023 compared to December 31, 2022 was mainly related to the shares issued for the acquisition of the CGI Group and the shares issued for warrant exercised. The increase in share capital as of to December 31, 2022 compared to December 31, 2021 was mainly related to the shares issued for the acquisition of the Constantine Group.

There is no seasonality to these variations, nor are they indicative of any trend. The Company has no operating revenue and relies primarily on financing activities to fund its activities. There have been no distributions or cash dividends declared for the periods presented.

SUMMARY OF QUARTERLY INFORMATION

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

	Three months ended			
	December 31, 2023	**September 30, 2023**	**June 30, 2023**	**March 31, 2023**
	$	**$**	**$**	**$**
Interest income	18,219	34,336	23,577	36,532
Net (loss) income	2,900,557	(6,122,191)	(4,539,930)	(1,804,812)
Comprehensive (loss) income	2,313,016	(5,445,948)	(5,111,301)	(1,823,602)
Basic and diluted (loss) income per share	0.01	(0.03)	(0.02)	(0.01)
	Three months ended			
	December 31, 2022	**September 30, 2022**	**June 30, 2022**	**March 31, 2022**
	$	**$**	**$**	**$**
Interest income	26,989	5,780	2,288	939
Net income (loss)	(2,796,273)	(1,628,671)	(2,171,587)	(3,494,481)
Comprehensive (loss)	(3,231,857)	(892,102)	(1,759,442)	(3,699,546)
Basic and diluted (loss) per share	(0.02)	(0.01)	(0.01)	(0.03)

All the Company's resource properties are in the exploration stage. The Company has not had revenue from inception and does not expect to have revenue in the near future. The Company's operating results are not seasonal in nature and have been mainly due to the amount of exploration activities in each quarter *(See Section: EXPLORATION AND EVALUATION ASSETS for details)*.

The net income for the three months ended December 31, 2023 is a result of the gain on dilution in ownership of joint operation for the Palmer Property *(See Section: EXPLORATION AND EVALUATION ASSETS for details).*

In addition, the information presented above for period ended from March 31, 2022 to September 30, 2022 did not include the operating results of the Constantine Group and the CGI Group. Except for the fluctuation of the exploration and evaluation costs for each presented quarter due to various drilling programs, the increase in net loss for the three months ended March 31, 2022, was mainly due to the recognition of the share-based payments for the options granted.

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.

RESULTS OF OPERATIONS

Operating Expenses

	For the three months ended		Change	
	December 31, 2023	December 31, 2022		
	$	$	$	%
Expenses (income)				
Consulting fees	172,767	191,572	(18,805)	(10%)
Depreciation	9,758	6,938	2,820	41%
Exploration and evaluation costs	1,858,943	1,213,705	645,238	53%
Finance income	(18,219)	(26,989)	8,770	(32%)
Finance costs	145,204	2,482	142,722	5,750%
Foreign exchange loss	349,661	500,363	(150,702)	(30%)
Loss (gain) on change in ownership of joint operation	(7,208,128)	391,059	(7,599,187)	(1,943%)
General and administrative expenses	56,361	116,950	(60,589)	(52%)
Management and directors' fees	5,361	16,165	(10,804)	(67%)
Professional fees	106,323	(88,137)	194,460	(221%)
Project evaluation costs	2,429	26,388	(23,959)	(91%)
Share-based payments	1,372,440	-	1,372,440	100%
Shareholder information and investor relations	162,625	275,536	(112,911)	(41%)
Transfer agent, regulatory and filing fees	32,217	39,934	(7,717)	(19%)
Travel	51,701	137,036	(85,335)	(62%)
Total expenses (income)	**(2,900,557)**	**2,803,002**	**(5,703,559)**	**(203%)**

During the three months ended December 31, 2023, the Company incurred operating income of $2,900,557, an increase of $5,703,559, compared to operating expenses of $2,803,002 for the three months ended December 31, 2022. The operating income for the three months ended December 31, 2023 is a result of the gain on dilution in ownership of joint operation for the Palmer Property (See Section: EXPLORATION AND EVALUATION ASSETS for details).

	For the years ended		Change	
	December 31, 2023	December 31, 2022		
	$	$	$	%
Expenses (income)				
Consulting fees	588,637	414,895	173,742	42%
Depreciation	39,017	7,203	31,814	442%
Exploration and evaluation costs	11,168,489	4,920,570	6,247,919	127%
Finance income	(112,664)	(35,996)	(76,668)	213%
Finance costs	422,196	2,482	419,714	16,910%
Foreign exchange loss	602,634	534,319	68,315	13%
Loss (gain) on change in ownership of joint operation	(7,208,128)	391,059	(7,599,187)	(1,943%)
General and administrative expenses	427,156	328,972	98,184	30%
Management and directors' fees	54,041	63,127	(9,086)	(14%)
Professional fees	532,461	408,954	123,507	30%
Project evaluation costs	22,757	54,075	(31,318)	(58%)
Share-based payments	1,372,440	1,827,754	(455,314)	(25%)
Shareholder information and investor relations	841,348	702,602	138,746	20%
Transfer agent, regulatory and filing fees	166,005	128,189	37,816	30%
Travel	152,455	349,536	(197,081)	(56%)
Total expenses	**9,068,844**	**10,097,741**	**(1,028,897)**	**(10%)**

During the year ended December 31, 2023, the Company incurred operating expenses of $9,068,844, a decrease of $1,028,897, compared to $10,097,741 for the year ended December 31, 2022.

The following discussion focuses on the significant expenses incurred during the three months and year ended December 31, 2023 and 2022:

- **Consulting fees** included the fees incurred by the Company's CEO and President *(See Section:*

- *RELATED PARTY TRANSACTIONS AND for details)* and other contractors.

  During the year ended December 31, 2023, the Constantine Group incurred consulting fees of $129,471 which is a one-time payment to terminate the consulting agreement with the former CFO of the Constantine Group.

- **Exploration and evaluation costs** were mainly the cost incurred on various projects. *See Section: EXPLORATION AND EVALUATION ASSETS* for further discussion.

- **Finance costs** mainly related to interest expense on the loan payable to Dowa and the accretion of interest on the lease obligations.

  During the year ended December 31, 2023, the Company entered into a financing arrangement with Dowa to fund the 2023 Palmer Program. During the three months and year ended December 31, 2023, the Company recorded interest expense and placement fees related to the financial arrangement of $77,997 and $266,967. No such interest expenses were recognized during the three months and year ended December 31, 2022.

  During the year ended December 31, 2023, the Company entered into a lease agreement for camp equipment used for the Palmer Project. The lease is considered as a capitalized lease; as a result, the Company capitalized the future lease payment by using a discount rate of $12%. During the three months and year ended December 31, 2023, the Company recognized an accretion of interest of the lease obligation of $61,244 and $149,266. No such accretion of interest was recognized during the three months and year ended December 31, 2022.
- **Foreign exchange (gain) loss** is primarily a result of the translation of the Company's US$-denominated financial assets and liabilities into Canadian dollars.

- **General and administrative expenses** consist of salaries, insurance, rent-related lease agreements which are not required to be capitalized under IFRS, and other general office expenses.

  The increase in general and administrative expenses during the three months and year ended December 31, 2023 compared to the three months and year ended December 31, 2022 was mainly related to salaries paid to the Constantine Group employees. The amount paid for salaries during the three months and year ended December 31, 2023 to the Constantine Group were $19,353 and $130,711, respectively.

- **Professional fees** mainly included the fees incurred by the Company's CFO *(See Section:*

- *RELATED PARTY TRANSACTIONS AND   for details)*, legal counsel, corporate secretary, and the Company's auditors. The change in professional fees during the three months and year ended December 31, 2023 compared to the three months and year ended December 31, 2022 was mainly due to the increase in professional fees incurred by the Company's CFO due to the increase in accounting and business activities resulting from the acquisitions of the Constantine Group and the CGI Group and the decrease in legal fees.

- **Share-based payments** are mainly related to recognizing the fair value of the options granted during the vesting period. Previous recognized share-based payments of the forfeited options are reversed as a recovery at the date of forfeiture. During the year ended December 31, 2023, the Company granted 5,700,000 options with an exercise price of $0.25 to its directors, officers and consultants and recognized share-based payments of $866,168. The Company also recognized a loss on modification of warrants of $506,272, which has been included as share-based payments, as the Company extended the expiry date of 3,888,849 warrants with an expiry date of August 12, 2023 to August 12, 2025. During the year ended December 31, 2022, the Company granted 2,900,000 options with an exercise price of $1.01 to its directors, officers, and consultants and recognized share-based payment $1,827,754.

- **Shareholder information and investor relations** were mainly related to the costs incurred to enhance communication between the Company and its investors and increase the Company's awareness among investors.

  The increase during the year ended December 31, 2023 compared to the year ended December 31, 2023 was mainly related to additional costs incurred for various conferences as well as charity events attended by the Company.

  In addition, during the year ended December 31, 2023, the Company engaged Petergrandich.com as its marketing provider.

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.

Although the Company has been successful in the past in financing its activities through the sale of equity securities there can be no assurance that it will be able to obtain sufficient financing, in the future to carry out exploration and development work on any acquired properties. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions and exploration success.

As of December 31, 2023, the Company has working capital of $2,799,972 (December 31, 2022 – $5,456,836). As discussed previously, during the year ended December 31, 2023, the Company decided not to contribute to the 2023 Palmer Program; as a result, pursuant to the financial arrangement, the Company's interest was diluted by the loan payable balance and the Company is no longer obligated for the amount due to Dowa.

- **Operating activities**

  Cash used in operating activities comprises primarily of cash spent on administrative overhead costs to support exploration and evaluation activities. During the year ended December 31, 2023, the Company used $13,931,794 of cash in operating activities compared to $8,060,330 in the prior year comparable period. The increase was mainly due to increase in dilution gain on investment in joint operations, increase in depreciation, recognition of interest on loan payable and increase in non-cash working capital for the year ended December 31, 2023.

- **Investing activities**

  During the year ended December 31, 2023, the Company used $955,050 of cash in investing activities compared to $703,646 in the prior year comparable period.

  During the year ended December 31, 2023, the Company made the following significant payments:

  - Paid $203,065 for the acquisition of exploration and evaluation assets;
  - Paid $275,483 for the acquisition of the CGI Group; and
  - Paid $530,670 for equipment purchases.

- **Financing activities**

  During the year ended December 31, 2023, the Company generated $11,733,988 of cash in financing activities compared to $88,048 in the prior year comparable period.

  During the year ended December 31, 2023, the Company received / made the following significant payments:

  - Advances from the joint operator of $11,204,104;
  - Received proceeds of $1,309,114 from the exercise of warrants; and
  - Made lease payments of $557,194.

OUTSTANDING SHARE DATA

Following is a breakdown of the Company's equity instruments issued and outstanding:

As of	The date of this MD&A	December 31, 2023	December 31, 2022
Common shares	219,088,051	196,588,051	176,773,937
Warrants	18,476,282*	6,269,032	33,129,198
Options	13,432,528**	13,432,528	9,882,168
Fully diluted	**250,996,861**	**216,289,611**	**219,785,303**

* Exercise price ranging from $0.30 to $0.35
** Exercise price ranging from $0.19 to $1.01

During the year ended December 31, 2023:

- 11,500,000 common shares with a fair value of $4,025,000 were issued for the CGI Acquisition.
- 8,181,964 warrants were exercised for proceeds of $1,309,114.
- 132,150 stock options were exercised for proceeds of $44,931.
- 3,888,849 warrants with an expiry date of August 12, 2023, were extended to August 12, 2025. The extension was approved by the Canadian Securities Exchange. As a result of the extension, the Company recognized a loss on modification with an amount of $506,272, which has been included as share-based payments.
- 5,700,000 options were granted with an exercise price of $0.25 to the Company's directors, officers and consultants. The options are exercisable for a period of five years. All of the options granted vested immediately at the date of grant.
- 18,678,202 warrants expired unexercised.
- 66,075 options expired unexercised.
- 1,951,415 options were cancelled.

Subsequent to December 31, 2023:

- The Company completed a non-brokered private placement through the issuance of 22,500,000 units at a price of $0.20 per unit for gross proceeds of $4,500,000. Each unit consists of one common share in the capital of the Company and one-half of one transferable share purchase warrant. Each whole warrant entitles the holder to purchase one common share of the Company at an exercise price of $0.30 until April 16, 2026. In connection with the non-brokered private placement, the Company paid finder's fees of $191,450 in cash and issued 957,250 finder's warrants. The finder's warrants are non-transferable, exercisable at $0.30 for one common share of the Company until April 16, 2026 and are subject to the 4 month hold period as required by Canadian securities laws.

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 year ended December 31, 2023 and 2022:

	For the years ended	
	December 31, 2023	**December 31, 2022**
	$	**$**
Warwick Smith, CEO and Director		
Consulting fees (1)	307,066	310,551
Share-based payments	112,450	315,130
	419,516	**625,681**
Eric Saderholm, Managing Director of Exploration and Director, Former President		
Consulting fees	-	59,266
Project evaluation costs	9,491	13,286
Exploration and evaluation costs	177,215	204,210
Share-based payments	112,450	315,130
	299,156	**591,892**
Alnesh Mohan, CFO and Corporate Secretary		
Professional fees (2)	303,414	157,300
Transaction costs (Note 3)	7,000	58,500
Share-based payments	112,450	220,591
	422,864	**436,391**
Ken Cunningham, Director		
Directors' fees	32,381	31,577
Exploration and evaluation costs	-	67,704
Share-based payments	112,450	315,130
	144,831	**414,411**
Joness Lang, President and Director		
Consulting fees (3)	104,000	25,000
Directors' fees (3)	18,985	31,550
Share-based payments	112,450	315,130
	235,435	**371,680**
Ali Hakimzadeh, Director		
Directors' fees	2,675	-
Share-based payments	112,450	-
	115,125	**-**
Peter Mercer, Senior Vice President, Advance Projects and President of Constantine North Inc.		

Management fees (4)	206,944	-
Share-based payments	112,450	-
	319,394	**-**
TOTAL	**1,956,321**	**2,440,055**

(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 year ended December 31, 2023 due to the accounting and acquisition of Constantine and CGI.
(3) Paid to EBC Consulting Group Ltd. which is controlled by Mr. Lang.
(4) The Company incurred management fees of $206,944 during the year ended December 31, 2023 (December 31, 2022 – $nil) of which $141,694 was charged to Dowa.

As at December 31, 2023, the balances due to the Company's directors and officers included in accounts payables and accrued liabilities were $74,507 (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, 2023 for details on critical accounting estimates and judgments.

NEW ACCOUNTING STANDARDS

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB that are mandatory for accounting periods beginning on or after January 1, 2024. The Company does not expect that any new or amended standards or interpretations that are effective for annual periods beginning on or after January 1, 2024 will have a significant impact on the Company's results of operations or financial position.

Disclosure of Accounting Policies
In February 2021, the IASB issued amendments to IAS 1, which change the disclosure requirements with respect to accounting policies from 'significant accounting policies' to 'material accounting policy information'. The amendments provide guidance on when accounting policy information is likely to be considered material. The amendments to IAS 1 are effective for annual reporting periods beginning on or after January 1, 2023, with earlier application permitted.

Definition of Accounting Estimates (Amendment to IAS 8)
In February 2021, the IASB issued amendments to IAS 8, which added the definition of Accounting Estimates in IAS 8. The amendments also clarified that the effects of a change in an input or measurement technique are changes in accounting estimates, unless resulting from correction of prior period errors.

There was no material impact upon adoption of the above accounting standards.

Classification of Liabilities as Current or Non-Current

The IASB issued amendments to IAS 1 - Classification of Liabilities as Current or Non-current in January 2020, which have been further amended partially by amendments Non-current Liabilities with Covenants issued in October 2022. The amendments require that an entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement for at least twelve months after the reporting period. Subsequent to the release of amendments to IAS 1 Classification of Liabilities as Current or Non-Current, the IASB amended IAS 1 further in October 2022. If an entity's right to defer is subject to the entity complying with specified conditions, such conditions affect whether that right exists at the end of the reporting period, if the entity is required to comply with the condition on or before the end of the reporting period and not if the entity is required to comply with the conditions after the reporting period. The amendments also provide clarification on the meaning of 'settlement' for the purpose of classifying a liability as current or non-current.

The Company does not anticipate that the adoption of this standard will have a material impact on the consolidated financial statements.

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 13 of our audited consolidated financial statements for the year ended December 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, 2023.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMETNS

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

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 conflicts in Ukraine and the Middle East 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 at this time.

For a detailed listing of the risk factors faced by the Company, please refer to the Company's MD&A for the years ended December 31, 2022 and 2021 on SEDAR+ (www.sedarplus.ca).