TOCVAN VENTURES CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE THREE MONTHS PERIOD ENDED NOVEMBER 30, 2022

The following Management Discussion and Analysis ("MD&A") of Tocvan Ventures Corp. (the "Company" or "Tocvan") has been prepared by management, in accordance with the requirements of National Instrument 51-102 as of January 30, 2023, and should be read in conjunction with the condensed interim consolidated financial statements for the three-month period ended November 30, 2022, and the related notes contained therein, which have been prepared under International Financial Reporting Standards ("IFRS"). The information contained herein is not a substitute for detailed investigation or analysis on any particular issue. The information provided in this document is not intended to be a comprehensive review of all matters and developments concerning the Company. The Company is presently a "Venture Issuer" as defined in NI 51-102.

All financial information in this MD&A has been prepared in accordance with IFRS and all dollar amounts are quoted in Canadian dollars, the reporting currency of the Company, unless specifically noted. The Company's functional currency is Canadian Dollar, and the Company's wholly-owned subsidiary's functional currency is also Canadian Dollar.

Additional information related to the Company is available on the Company's website at https://tocvan.com, or on SEDAR at www.sedar.com.

Forward Looking Statements

Certain information included in this discussion may constitute forward-looking statements. Readers are cautioned not to put undue reliance on forward-looking statements. These statements relate to future events or the Company's future performance, business prospects or opportunities. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. These forward-looking statements include statements regarding the future price of metals, the timing and amount of estimated future production, costs of production, capital expenditures, the success of exploration activities, permitting timelines, currency fluctuations, the requirements of future capital, drill results and the estimation of mineral resources and reserves. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements contained in this report should not be unduly relied upon. These statements speak only as of the date of this report. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this report. Such statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about general business and economic conditions; the supply and demand for, deliveries of, and the level and volatility of prices of gold ore and other commodities; the availability of financing for the Company's exploration programs; the ability to procure equipment and operating supplies in sufficient quantities and on a timely basis; and the ability to attract and retain skilled staff.

These forward-looking statements involve risks and uncertainties relating to, among other things, changes in commodity and, particularly, gold prices, access to skilled mining development personnel, results of exploration and development activities, uninsured risks, regulatory changes, defects in title, availability of materials and equipment, timeliness of government approvals, actual performance of facilities, equipment and processes relative to specifications and expectations and unanticipated environmental impacts on operations. Actual results may differ materially from those expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially include, but are not limited to, the risk factors hereinabove. Additional risk factors are described in more detail hereinafter. **Investors should not place undue reliance on forward-looking statements as the plans, intentions or expectations upon which they are based might not occur. The Company cautions that the foregoing list of important factors is not exhaustive. Investors and others who base themselves on the Company's forward-looking statements should carefully consider the above factors as well as the uncertainties they represent and the risk they entail. The forward-looking statements contained in this report are expressly qualified by this cautionary statement.** The Company intends to discuss in its quarterly and annual reports referred to as the Company's management's discussion and analysis documents, any events and circumstances that occurred during the period to which such document relates that are reasonably likely to cause actual events or circumstances to differ materially from those disclosed in this management discussion and analysis.

Qualified Person

Brodie Sutherland, P. Geo, a director and CEO of the Company, is a Qualified Person as defined in National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* and has reviewed and approved all technical information in this management discussion and analysis.

Description of Business

Tocvan was incorporated on May 23, 2018, under the Alberta Business Corporations Act. The Company's shares are traded on the Canadian Securities Exchange ("CSE") under the symbol "TOC". The Company's head office address is Suite 820 – 1130 West Pender St., Vancouver, British Columbia V6E 4A4, Canada. The registered and records office address is Suite 1150 – 707 7 Avenue SW, Calgary, Alberta T2P 3H6, Canada.

On September 15, 2020, the Company incorporated, under the laws of Mexico, a wholly-owned subsidiary, Burgencio S.A. de C.V. ("Burgencio"). Burgencio's office address is Blvd. Morelos No. 639, locales 13 y 14, Col. Bachoco, C.P. 83148, Hermosillo, Mexico, Sonora.

As of the date of this MD&A, the Company is focused on the exploration and development of its two properties; the Pilar Gold Project ("Pilar") and the El Picacho Property ("El Picacho"). Pilar is located near the town of Suaqui Grande in Sonora, Mexico. Pilar consists of two concessions, the Guadalupana concession and the La Sonora concession, totalling 105 hectares. El Picacho is located 140 kilometers north of Hermosillo in Sonora, Mexico and is fully accessible by road. El Picacho consists of 12 mining concessions totalling 2,413.7 hectares.

The Pilar property shows NW-SE trends of gold and silver mineralization with significant grades in several locations. The Company has not yet determined whether the Pilar property contains ore reserves that are economically recoverable. The recoverability of amounts shown for mineral properties and related deferred exploration costs is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain necessary financing to complete the development, and upon future profitable production from the mineral properties or proceeds from the disposition of the mineral properties.

The El Picacho property is interpreted as an orogenic gold system within the regional Caborca Orogenic Gold Belt known for producing gold mines that include La Herradura and San Francisco. The Company has not yet determined if El Picacho contains ore reserves that are economically recoverable. The recoverability of amounts shown for mineral properties and related deferred exploration costs is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain necessary financing to complete the development, and upon future profitable production from the mineral properties or proceeds from the disposition of the mineral properties.

Overall Performance

During the period ended November 30, 2022, the Company incurred a net loss of $345,788 (2021 - $274,641).

The Company had no revenues and the operating expenses were associated primarily with exploration- and evaluation-related expenses, share-based payments, advertising and promotion activities, management and consulting fees.

At November 30, 2022, the Company had cash of $40,724 (August 31, 2022 - $86,439) and working capital deficit of $1,484,068 (August 31, 2022 – $1,756,511). To date, the Company's sole source of financing has been derived from the issuance of common shares and debt.

During the period ended November 30, 2022, and up to the date of this MD&A, the Company issued the following shares:

On September 21, 2022 the Company issued 1,000,000 Common Shares with a fair value of $650,000 as payment for Pilar Project pursuant to the Property Option Agreement dated September 22, 2019, as amended on August 31, 2021, between the Company and Colibri.

On September 27, 2022, the Company issued 9,600 Common Shares on exercise of finders warrants with an exercise price of $0.60 for total gross proceeds of $5,760.

Subsequent to November 30, 2022, the Company issued 31,250 Common Shares on exercise of options by Mr. Fred Jones, one of the directors of the Company, who resigned from the board of directors on November 30, 2022. The Company received total proceeds of $11,563 on the exercise of options by Mr. Jones.

On January 30, 2023, the Company closed the first tranche of the private placement financing announced on January 27, 2023 (the "January Financing"), by issuing 441,713 units of the Company's common stock at $0.52 per unit (the "January Unit") for gross proceeds of $229,691. Each January Unit consists of one Common Share and one-half of one share purchase warrant (the "January Warrant"). Each whole January Warrant will entitle the holder thereof to acquire one Common Share at a price of $0.62, for a period of 18 months from the closing date of the private placement. In connection with the January Financing, the Company paid $20,689 in finder's fees and issued 39,787 finder's warrants exercisable at $0.62 per Common Share and expiring on July 30, 2024.

Changes in management

On December 1, 2022, the Company announced an appointment of two new directors who have agreed to join the board of directors of the Company; Mr. Ralph Wintermantel and Mr. Luis Arroyo to the Board of Directors. Mr. Wintermantel, a resident of Germany, brings over 20 years of financial market experience, and the Company believes that his expertise will provide the Company with a crucial link to the European shareholder base. Mr. Arroyo, a resident of Mexico, brings with him 48 years of professional experience in mine operations and wealth of knowledge and resources stemming from his background in moving projects from exploration to production. In coordination with these changes, on November 30, 2022, Mr. Fred Jones stepped down from the Board. Mr. Jones will remain a close advisor to the Company.

On December 29, 2022, Mr. Derek Wood, co-founder and director of the Company stepped down as a director of the Company to pursue other career endeavors. Mr. Wood was an integral part of the formation of Tocvan and set a Company culture that values shareholders above all else through mindful acquisitions, appropriate deployment of capital and a tight share structure. Mr. Wood will remain close advisor to the Company.

Sorbie Transaction

On June 28, 2022, the Company entered into a financing transaction with Sorbie Bornholm LP ("Sorbie") whereby the Company agreed to issue 3,200,000 Sorbie Units and 2,809 Sorbie Notes with a face value of $1,000 per Sorbie Note in exchange for 24 Monthly Settlements that were measured against a benchmark price of $1.10 per share with a set number of shares totaling $5,125,000 at the Benchmark price.

The actual Monthly Settlements are determined based on a volume weighted average price ("VWAP") for 20 trading days prior to the Monthly Settlement. If the measured share price exceeds the Benchmark for the Monthly Settlement, the Company will receive more than 100% of the expected Monthly Settlements. However, should the share price be below the Benchmark, the Company will receive less than 100% of the Monthly Settlements.

Each Sorbie Unit consists of one common share and one share purchase warrant entitling Sorbie to purchase one additional common share at a price of $1.20 until June 28, 2025. The Sorbie Notes mature on June 28, 2025, can be converted, at discretion of Sorbie, into 1,220 Common Shares at a deemed price of $0.82 per share. The Sorbie Notes pay interest at 1% per year which is payable in Common Shares calculated at $0.82 per Share. In connection with the Sorbie Notes the Company issued to Sorbie an additional 1,713,490 detachable warrants that entitle Sorbie to purchase one additional common share at a price of $1.30 until June 28, 2025, and an additional 1,713,490 detachable warrants that entitle Sorbie to purchase one additional common share at a price of $1.40 until June 28, 2025.

To determine the fair value of the Monthly Settlements the Company used a Monte Carlo simulation. Based on the terms of the Monthly Settlements, the Company calculated the expected future VWAP share price at each Monthly Settlement, multiplied by the number of predetermined shares per the payment schedule and then discounted using the risk free rate to determine the present value of the future cash flows. Based on the above method, the Company determined the fair value of the cash flows expected from the Sorbie Transaction at June 28, 2022, to be $3,828,756.

To determine the allocation of the fair value of the Monthly Settlements, the Company analyzed Sorbie Units and Sorbie Notes under guidance available under IFRS 9 Financial Instruments. Sorbie Notes are financial instruments that fall within the scope of IAS 32 *Financial Instruments: Presentation* and IFRS 9 *Financial Instruments*. IFRS requires that the terms of a convertible instrument are analyzed and each component separately accounted for according to the definitions of a financial liability and equity. The Company determined that Sorbie Notes and the warrants that were issued as part of the Sorbie Notes and Sorbie

Units were liability, therefore the fair values of future Monthly Settlements were allocated first to the Sorbie Notes, then to the warrants, with the remaining value allocated to the shares issued as part of the Sorbie Units.

The following table summarizes the initial allocation of the future Monthly Settlements at June 28, 2022, and their subsequent revaluations:

		June 28, 2022		August 31, 2022		November 30, 2022
Sorbie Notes(1)	$	2,810,124	$	1,924,034	$	1,536,935
Warrants to acquire up to 1,713,490 Shares at $1.30 per Share		261,387		313,343		231,630
Warrants to acquire up to 1,713,490 Shares at $1.40 per Share		253,729		297,069		219,602
Warrants to acquire up to 3,200,000 Shares at $1.20 per Share		503,516		618,635		457,369
3,200,000 Shares issued as part of the Sorbie Units		–		–		–
Total	**$**	**3,828,756**	**$**	**3,153,081**	**$**	**2,445,536**

As at the date of this MD&A, the Company had received a total of $838,250 representing the first six Monthly Settlements under the Sorbie Transaction.

Commitments

Pilar Gold Project

To acquire 51% of the Pilar Project in the state of Sonora, Mexico the Company was required to pay a cash deposit to Colibri Resource Corp. (an arms-length party) of $25,000, which the Company paid on September 18, 2019. After satisfactory due diligence was completed, the Company decided to proceed with the acquisition of the 51% interest in the Pilar Project, therefore the Company paid Colibri an additional $100,000 and issued 2,000,000 common shares.

To fulfill its commitment under the option agreement with Colibri, the Company is required to fulfil certain work commitments and make the following payments:

	Cash payment	Exploration work	Shares
September 22, 2019	$125,000 (paid)	$Nil	2,000,000 (issued)
September 21, 2020	$125,000 (paid)	$175,000 (completed)	1,000,000 (issued)
September 21, 2021	$25,000 (paid)	$425,000 (completed)	1,000,000 (issued)
September 21, 2022	$75,000 (paid)	$400,000 (completed)	1,000,000 (issued)
September 21, 2023	$75,000	$500,000	–
September 21, 2024	–	$500,000	–
TOTAL	**$425,000**	**$2,000,000**	**5,000,000**

Once the Company has fulfilled the above commitments it will have earned a 51% interest in the Pilar Project and will have a six-month option to decide to purchase the remaining 49% interest in the Pilar Project or establish a joint venture agreement with Colibri. The option to acquire the additional interest will require a $2,000,000 cash payment and granting to Colibri a 2% NSR, 1% of which can be repurchased for an additional cash payment of $1,000,000.

El Picacho Project

On June 7, 2021, the Company signed a letter of commitment to purchase the El Picacho Project from Recursos Millrock S. de R.L. de C.V. ("Millrock") a Mexican corporation. On signing of the letter of commitment the Company made an initial payment of $94,196 (USD$78,000). On September 15, 2021, the Company entered into an assignment of option agreement with Millrock, which transferred to the Company the initial 5-year option to acquire El Picacho within the Caborca Orogenic Gold Belt in Sonora, Mexico.

To acquire 100% interest in the El Picacho Project, the Company is required to pay USD$1,985,600 and an additional payment of USD$60,000 will be required to gain surface rights to use the Picacho Ranch. Both payments are to be paid in series of instalments ending on April 1, 2026. Millrock is to retain a 2% NSR with option for the Company to purchase back 1% for USD$1,000,000. Upon full execution of the Option Agreement and completion of all cash payments, an Annual Advance

Minimum Royalty ("AAMR") of USD$25,000 will be paid to Millrock, doubling each year until the start of production. AAMR payments will be subtracted from royalty payments on commencement of production.

Exploration Projects

Total costs incurred on exploration and evaluation assets ("E&E assets") are summarized as follows:

Period ended November 30, 2022	Rogers Creek	Pilar	El Picacho	Total
Acquisition costs				
Balance, August 31, 2022	$ –	$ 1,915,000	$ 135,687	$ 2,050,687
Cash	–	75,000	–	75,000
Shares issued	–	650,000	–	650,000
Balance, November 30, 2022	–	2,640,000	135,687	2,775,687
Deferred exploration expenditures				
Balance, August 31, 2022	–	2,116,564	153,177	2,269,741
Geologist fees and assays	–	45,187	40,728	85,915
Other exploration expenses	–	1,704	–	1,704
Balance, November 30, 2022	–	2,163,455	193,905	2,357,360
Total E&E assets, November 30, 2022	**$ –**	**$ 4,803,455**	**$ 329,592**	**$ 5,133,047**

Year ended August 31, 2022	Rogers Creek	Pilar	El Picacho	Total
Acquisition costs				
Balance, August 31, 2021	$ 125,000	$ 990,000	$ 94,196	$ 1,209,196
Cash	–	25,000	41,491	66,491
Shares issued	465,000	900,000	–	1,365,000
Disposition of assets	(590,000)	–	–	(590,000)
Balance, August 31, 2022	–	1,915,000	135,687	2,050,687
Deferred exploration expenditures				
Balance, August 31, 2021	83,970	1,241,963	–	1,325,933
Geologist fees and assays	–	831,370	84,066	915,436
Other exploration expenses	–	43,231	69,111	112,342
Disposition of assets	(83,970)	–	–	(83,970)
Balance, August 31, 2022	–	2,116,564	153,177	2,269,741
Total E&E assets, August 31, 2022	**$ –**	**$ 4,031,564**	**$ 288,864**	**$ 4,320,428**

Project Update

Pilar Gold Project

Located in the State of Sonora, Mexico, the Pilar Gold-Silver property is interpreted as a structurally controlled low-sulphidation epithermal project hosted in andesite rocks. Three primary zones of mineralization have been identified in the north-west part of the property from historic surface work and drilling and are referred to as the Main Zone, North Hill and 4-T. The Main Zone and 4-T trends are open to the southeast and new parallel zones have been recently discovered. Structural features and zones of mineralization within the structures follow an overall NW-SE trend of mineralization. Mineralization extends along a 1.2-km trend, only half of that trend has been drill tested so far. To date, over 23,000 m of drilling has been completed.

Project highlights include:

- 2022 Phase III Diamond Drilling Highlights include (all lengths are drilled thicknesses):
    - 116.9m @ 1.2 g/t Au, including 10.2m @ 12 g/t Au and 23 g/t Ag
    - 108.9m @ 0.8 g/t Au, including 9.4m @ 7.6 g/t Au and 5 g/t Ag
    - 63.4m @ 0.6 g/t Au and 11 g/t Ag, including 29.9m @ 0.9 g/t Au and 18 g/t Ag
- 2021 Phase II RC Drilling Highlights include (all lengths are drilled thicknesses):
    - 39.7m @ 1.0 g/t Au, including 1.5m @ 14.6 g/t Au
    - 47.7m @ 0.7 g/t Au including 3m @ 5.6 g/t Au and 22 g/t Ag

- 29m @ 0.7 g/t Au
- 35.1m @ 0.7 g/t Au
- 2020 Phase I RC Drilling Highlights include (all lengths are drilled thicknesses):
  - 94.6m @ 1.6 g/t Au, including 9.2m @ 10.8 g/t Au and 38 g/t Ag;
  - 41.2m @ 1.1 g/t Au, including 3.1m @ 6.0 g/t Au and 12 g/t Ag ;
  - 24.4m @ 2.5 g/t Au and 73 g/t Ag, including 1.5m @ 33.4 g/t Au and 1,090 g/t Ag
- 15,000m of Historic Core & RC drilling. Highlights include:
  - 61.0m @ 0.8 g/t Au
  - 16.5m @ 53.5 g/t Au and 53 g/t Ag
  - 13.0m @ 9.6 g/t Au
  - 9.0m @ 10.2 g/t Au and 46 g/t Ag

Pilar Metallurgy Highlights

- 2021 Bottle Roll Results SGS (Durango) – Main Zone RC Drill Hole Composites (from JES-20-32, 94.6m at 1.6 g/t Au)
  - Sample 494801 – 1.15 g/t Au Head Grade, 91.6% Recovery of Au
  - Sample 494804 – 0.63 g/t Au Head Grade, 90.6% Recovery of Au
- 2022 Column Leach Study
  - Four (4) Column Leach Samples from Surface Trenches across Main Zone and 4T Trend
  - Head Grade Range: 0.4 g/t Au to 5.0 g/t Au*
  - Gold Recovery Range: 88.9% to 96.9%*

  **Important Note – Testing was completed by a local private producer and contractor based in Sonora, Mexico. The facility used to calculate head-grade and recovery is not a certified lab.*

In January of 2023, the Company begun preparation for an initial Bulk Sample at the Pilar Gold Project. The Company is planning to extract up to 1,000 tonnes of oxide-gold material from select areas exposed at surface across the Pilar project area, focusing on the Main Zone and 4-T Trends where preliminary column leach studies have returned promising head-grade and recovery results. Bulk Sample material will be extracted and prepared in February for processing by heap-leach method at a private mining operation less than 25 kilometers to the west of Pilar. Information from the sample will aim to provide a more detailed account of expected head-grade and recovery percentage of gold along with providing key information to optimize future production facilities. In coordination with the Bulk Sample, additional metallurgical sampling will be completed to identify gold characteristics to further improve gold extraction techniques. The process will be managed by an independent qualified professional specializing in the metallurgy of oxide-gold deposits. Total duration of the processing and analysis of the bulk sample is expected to span three to four months depending on the rate of precious metals actively recovered through the heap-leach process. The information provided from the sample will be used for planning in coordination for permitting of full-scale mine and process facilities on-site at Pilar.

El Picacho

The El Picacho Gold-Silver property is interpreted as an orogenic gold system within the regional Caborca Orogenic Gold Belt known for producing gold mines that include La Herradura and San Francisco. The project is 140 kilometers north of Hermosillo and totals 2,414 hectares. Six primary zones of mineralization have been identified across the property totaling over six kilometers of prospective trends. Surface sampling has identified high-grade gold and silver values. Surface geological and structural mapping has been completed by Tocvan in 2022 adding a new target area which was previously identified.

During the three-month period ended November 30, 2022, the Company carried out a maiden drill program targeting the shallow targets defined at the San Ramon Prospect, an area approximately 500-meters by 500-meters in size where two extensive underground workings have returned high-grade gold with silver. San Ramon represents one prospect of currently seven prospect areas across the 24km^2 property that are defined by artisanal underground workings (adits and shafts) that coincide with high grade gold and silver mineralization.

2022 El Picacho Project Highlights

- Surface Sampling, Mapping and Data Compilation Defining Key Target Areas
  - San Ramon Prospect – 500-meter trend, highlighted by two underground workings, up to 22 g/t Au (see news release September 13, 2022
  - Murcielago Prospect – 450-meter trend, highlighted by 7.2 g/t Au, 36 g/t Ag and 4.4% Pb in silicified brecciated limestone (see news release July 6, 2022)

- Jabali Prospect – 500-meter trend, highlighted by average sample grade of 3.2 g/t Au, up to 32 g/t Au
- Initial Drill Targeting at San Ramon Prospect was completed in December of 2022, totaling 1,075.1-meters. (See news releases January 10, 2023 and January 17, 2023)
- Drill results are highlighted by hole SRA-22-003 which returned 27.5-meters of 0.5 g/t Au, including 12.2m of 1.1 g/t Au and hole SRA-22-010 which returned 44.2-meters of 0.6 g/t Au, including 12.2m of 2.0 g/t Au.

Selected Financial Information

Following tables present the comparison of financial condition of the Company as at November 30, 2022, and August 31, 2022, and for the three-month period ended November 30, 2022 and 2021. The financial statements for these periods were prepared in accordance with International Financial Reporting Standards and are expressed in Canadian dollars.

Statement of Comprehensive Loss Data		Three-month period ended November 30, 2022		2021
Total revenue	$	–	$	–
Operating expenses	$	(624,057)	$	(274,641)
Other gain/(loss)	$	278,269	$	–
Net loss and comprehensive loss	$	(345,788)	$	(274,641)
Basic and diluted loss per share	$	(0.01)	$	(0.01)

Balance Sheet Data		As at November 30, 2022		As at August 31, 2022
Total assets	$	7,586,863	$	7,639,985
Total liabilities	$	3,373,465	$	4,052,562
Total equity	$	4,213,398	$	3,587,423

Results of Operations

During the period ended November 30, 2022, the Company incurred a net loss of $345,788 (November 30, 2021 – $274,641).

The expenses for the periods ended November 30, 2022 and 2021 included the following major items:

		Three-month period ended November 30, 2022		2021
Advertising and promotion	$	204,532	$	146,345
Consulting	$	27,966	$	14,700
Legal fees	$	11,951	$	–
Management fees	$	17,000	$	17,500
Meals & entertainment	$	9,781	$	106
Office and miscellaneous	$	5,988	$	6,161
Registration and transfer fees	$	10,556	$	13,722
Share-based compensation	$	316,003	$	71,803

The major items that were included in other gain/(loss) for the period ended November 30, 2022 and 2021 included the following major items:

		Three-month period ended November 30, 2022		2021
Realized loss on financial asset at fair value through profit and loss	$	(158,870)	$	-
Unrealized loss on financial asset at fair value through profit and loss	$	(263,395)	$	-

Unrealized gain on convertible debenture	$	394,103	$	-
Unrealized gain on warrants payable	$	320,446	$	-

The increase in net loss was primarily due to increased operating expenses, of which share-based compensation of $316,003 had the biggest impact, as it increased by $244,200, as compared to $71,803 the Company incurred during the comparative period. The second largest expense item was associated with $204,532 the Company incurred in advertising and promotion expenses, an increase of $58,187 as compared to $146,345 incurred in the comparative period. Consulting, management, and legal fees also increased in comparison to the period ended November 30, 2021. These increases were further affected by losses incurred from the Sorbie Transaction, associated with $263,395 loss the Company recognized on revaluation of fair value of the future Monthly Settlements, and $158,870 loss from the difference between the expected proceeds from the Monthly Settlements and actual cash received.

The above transactions were in part offset by $394,103 and $320,446 gain on revaluation of Sorbie Notes and warrants, respectively, and to a smaller extent, decreases in registration and transfer fees of $10,556, as compared to $13,722 incurred during the period ended November 30, 2021, and decrease in management fees of $17,000, as compared to $17,500 in comparative period.

Summary of Quarterly Results

The following sets out a summary of the Company's quarterly results for the eight most recently completed quarters. All periods listed below were prepared in accordance with International Financial Reporting Standards and are expressed in Canadian dollars.

	Three months ended November 30, 2022	Three months ended August 31, 2022	Three months ended May 31, 2022	Three months ended February 28, 2022
Total assets	$ 7,586,863	$ 7,292,120	$ 4,554,009	$ 4,600,323
Working capital	$ (1,484,068)	$ (2,031,619)	$ 391,205	$ 46,916
Shareholders' equity	$ 4,213,398	$ 3,253,208	$ 4,321,522	$ 4,381,504
Comprehensive loss	$ 345,788	$ 1,151,438	$ 726,512	$ 380,690
Loss per share	$ 0.01	$ 0.03	$ 0.02	$ 0.01

	Three months ended November 30, 2021	Three months ended August 31, 2021	Three months ended May 31, 2021	Three months ended February 28, 2021
Total assets	$ 4,491,902	$ 2,836,618	$ 2,989,167	$ 2,182,426
Working capital	$ 430,277	$ 219,101	$ 490,722	$ 223,877
Shareholders' equity	$ 4,383,702	$ 2,754,230	$ 2,770,682	$ 2,009,254
Comprehensive loss	$ 274,641	$ 192,177	$ 499,731	$ 294,912
Loss per share	$ 0.01	$ 0.01	$ 0.02	$ 0.01

Liquidity and Capital Resources

To date, the Company has not yet realized profitable operations and has relied on equity financings and trade credit to fund the losses. The Company does not have sufficient funds to satisfy its exploration expenditure plans for the current fiscal year and will be required to raise capital through the equity market.

The Company has incurred losses since inception and the ability of the Company to continue as a going-concern depends upon its ability to develop profitable operations and to continue to raise adequate financing. Management is actively targeting sources of additional financing through alliances with financial, exploration and mining entities, or other business and financial transactions which would assure continuation of the Company's operations and exploration programs. In order for the Company to meet its liabilities as they come due and to continue its operations, the Company is solely dependent upon its ability to generate such financing.

	November 30, 2022	**August 31, 2022**
Working capital deficit	$ 1,484,068	$ 1,756,511
Deficit	$ 5,354,946	$ 5,009,158

As at November 30, 2022, the Company had a cash balance of $40,724, working capital deficit of $1,484,068 and net cash used in operations of $222,304 for the period. The Company recorded dividend payable of $600,000, being the fair value of

5,000,000 shares of Cascade Copper Corp. ("Cascade"), which the Company resolved to distribute to its shareholders on the date Cascade is listed on a recognized stock exchange. The decrease in the working capital deficit was associated with decrease in fair values of convertible debt and warrants payable, which was in part offset by change in fair value of the financial asset associated with Monthly Settlements receivable from Sorbie.

Net cash used in operating activities during the three-month period ended November 30, 2022, was $222,304. The Company used the cash to cover its cash operating expenses of $315,065, calculated at a net loss of $345,788 adjusted for non-cash items of $30,723 to decrease its accounts payable and accrued liabilities by $75,543, and to increased its receivables by $4,866. These uses of cash were offset by $75,111 decrease in prepaids, and $98,059 increase in amounts due to related parties. During the comparative period ended November 30, 2021, the Company used $205,726 to support its operating activities, of which $202,838 was used to cover its cash operating expenses, calculated as net loss of $274,641 adjusted for non-cash item of $71,803, to increase its prepaid expenses by $82,765, to decrease accounts payable and accrued liabilities by $8,339, and to increase amounts receivable byo $935. These uses of cash were in part offset by $55,000 decrease in amounts due from related parties, and $34,151 increase in amounts due to related parties.

Cash provided by financing activities during the period ended November 30 2022, was $333,276 (November 30, 2021 – $467,310), of which $327,516 was associated with cash received from Sorbie Monthly Settlements (November 30, 2021 - $Nil), and to a smaller extent from warrant exercises. In the comparative period, the Company received $467,310 from private placement financing the Company closed in November 2021.

Net cash used in investing activities during the three-month period ended November 30, 2022, was $156,687 (November 30, 2021 – $53,296), of this amount the Company paid $75,000 to acquire interest in the Pilar Project in compliance with the option purchase agreement (November 30, 2021 - $25,000), and remaining $81,687 (November 30, 2021 - $28,296) were used to pay for deferred exploration expenses on the Pilar and El Picacho Projects.

There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favorable. If adequate financing is not available when required, the Company may be unable to continue operating. The Company may seek such additional financing through debt or equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all. Any equity offering will result in dilution to the ownership interests of the Company's shareholders and may result in dilution to the value of such interests.

The Company has sufficient funds to cover anticipated administrative expenses and continue to conduct exploration activities throughout the current fiscal year. It will continue to focus on actively exploring its mineral properties.

Related Party Transactions

Key management personnel include those persons having 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 members of the Company's Board of Directors and corporate officers. The remuneration of directors and key management personnel during the periods ended November 30, 2022 and 2021 was as follows:

Description	**November 30, 2022**	**November 30, 2021**
Share-based compensation	$ 170,155	$ 27,820
Exploration expenses	84,574	–
Management fees	17,000	17,500
	$ 271,729	$ 45,320

Related party balances

At November 30, 2022, $79,142 was owed to the Company's CEO, Brodie Sutherland, and Minerite Enterprises Inc., a company controlled by Mr. Sutherland (August 31, 2022 - $64,739).

At November 30, 2022, $16,050 was owed to Derek Wood, a former director, and Conduit Investor Relations Ltd., a company controlled by him (August 31, 2022 - $20,250).

At November 30, 2022, $160,838 was owed to Servicios Geologicos IMEX, a company controlled by Rodrigo Calles, a director of the Company (August 31, 2022 - $125,948).

At November 30, 2022, $Nil was owed to Yanika Silina, CFO of the Company (August 31, 2022 - $1,050).

At November 30, 2022, $2,000 was owed to Jutland Capital, a company controlled by Fred Jones, a former director of the Company (August 31, 2022 - $Nil).

All amounts due to related parties are unsecured, non-interest bearing, and with no fixed repayment terms

Significant Accounting Policies

All significant accounting policies adopted by the Company have been described in the notes to the audited consolidated financial statements for the year ended August 31, 2022.

Financial Instruments

Fair Values

The Company's financial instruments consist of cash, amounts receivable, marketable securities, accounts payable and accrued liabilities which are all classified at amortized cost. The fair values of these financial instruments approximate their carrying values because of their current nature. The financial asset, debenture payable, warrants payable and dividends payable, are all classified at FVTPL. Financial assets and liabilities at fair value through profit and loss are revalued at each reporting date based on the three levels of a fair value hierarchy.

The following table summarizes the carrying values of the Company's financial instruments:

	November 30, 2022	August 31, 2022
Financial assets at amortized cost (i)	$ 124,479	$ 200,627
Financial assets at fair value through profit and loss (ii)	$ 2,138,050	$ 2,852,532
Financial liabilities at amortized cost (iii)	$ 327,929	$ 299,481
Financial liabilities at fair value through profit and loss (iv)	$ 3,045,536	$ 3,753,081

(i) Cash, amounts receivables, and due from related parties
(ii) Monthly Settlements resulting from Sorbie Transaction and marketable securities
(iii) Due to related parties, accounts payable and accrued liabilities
(iv) Sorbie Notes, warrants payable issued to Sorbie as a result of Sorbie Transaction and dividend payable

Credit Risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash, which is held with a high credit quality financial institution and GST receivable from the Government of Canada and amounts due from a related party. As such the Company's credit risk exposure is minimal.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure and financial leverage as outlined above.

The Company monitors its ability to meet its short-term exploration and administrative expenditures by raising additional funds through share issuances when required. All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. The Company does not have investments in any asset backed deposits.

Foreign Exchange Risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company has offices in Canada and Mexico, and holds cash in Canadian, United States, and Mexican Peso currencies. A significant change in the currency exchange rates between the Canadian dollar relative to US dollar and Mexican Peso could have an effect on the Company's results of operations, financial position, and/or cash flows. At November 30, 2022, the Company had no hedging agreements in place with respect to foreign exchange rates. As the majority of the transactions of the Company are denominated in CAD and Mexican Peso currencies, movements in the foreign exchange rates are not expected to have a material impact on the consolidated statements of comprehensive loss.

Interest Rate Risk

Interest rate risk is the risk that arises from fluctuating interest rates. The Company is not exposed to significant interest rate risk.

Equity Price Risk

The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors the commodity prices of precious metals and the stock market to determine the appropriate course of action to be taken by the Company. The Company is exposed to equity price risk as a result of its investment in common shares of Cascade following sale of the Rogers Creek Property in exchange for 5,000,000 common shares of Cascade.

Off-Balance Sheet Arrangements

The Company did not have any off-balance sheet arrangements as at November 30, 2022.

Additional Disclosure for Venture Issuers without Significant Revenue

Please refer to Note 3 in the consolidated financial statements for the year ended August 31, 2022, and to Note 4 in the condensed interim consolidated financial statements for the period ended November 30, 2022, for a description of the capitalized exploration and development costs on the Pilar and El Picacho properties. For a description of the general and administrative expenses, please refer to the statement of comprehensive loss contained in the consolidated financial statements for the periods ended November 30, 2022 and 2021.

Outstanding Share Data

The following table summarizes the outstanding share capital as of the date of this MD&A:

	Number of shares issued or issuable
Common shares	37,753,213
Stock options	2,712,750
Warrants	9,700,479
	50,166,442

Business Risks

Natural resources exploration, development, production and processing involve a number of business risks, some of which are beyond the Company's control. These can be categorized as operational, financial and regulatory risks.

- Operational risks include finding and developing reserves economically, marketing production and services, product deliverability uncertainties, changing governmental law and regulation, hiring and retaining skilled employees and contractors and conducting operations in a cost effective and safe manner. The Company continuously monitors and responds to changes in these factors and adheres to all regulations governing its operations. Insurance may be maintained at levels consistent with prudent industry practices to minimize risks, but the Company is not fully insured against all risks, nor are all such risks insurable.

- Financial risks include commodity prices, interest rates and the Canada/United States/Mexico exchange rates, all of which are beyond the Company's control.

- Inflation and other economic factors beyond the Company’s control may cause an increase in costs and expenses, resulting in the Company being unable to complete its objectives with its currently available funds, if at all, which may have an adverse impact on the Company’s operations.

- Regulatory risks include the possible delays in getting regulatory approval to the transactions that the Board of Directors believe to be in the best interest of the Company, and include increased fees for filings, the introduction of ever more complex reporting requirements the cost of which the Company must meet in order to acquire and maintain its exchange listing.

- The Company currently does not have adequate cash for planned exploration expenditures and general and administrative expenses in the next fiscal year and will require financing in the future to continue in business. There can be no assurance that such financing will be available or, if available, that it will be on reasonable terms. If financing is obtained by issuing common shares from treasury, control of the Company may change and investors may suffer additional dilution. To the extent financing is not available, lease payments, work commitments, rental payments and option payments, if any, may not be satisfied and could result in a loss of property ownership or earning opportunities for the Company.

Internal Controls over Financial Reporting

Management has designed internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Lack of optimal segregation of duties has been observed due to the relatively small size of the Company, but management believes that these weaknesses have been adequately mitigated through management and director oversight.

Management’s Responsibility for Financial Statements

The information provided in this report, including the condensed consolidated interim financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the interim condensed financial statements.

Further Information

Additional information relating to the Company can be found on SEDAR at www.sedar.com.