



**Management's Discussion and Analysis**

For the three and six months ended April 30, 2023 and 2022

(Expressed in Canadian Dollars)

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This Management's Discussion and Analysis ("MD&A") of financial position and results of operations of Exploits Discovery Corp. ("Exploits Discovery" or the "Company") has been prepared based on information available to Exploits Discovery at June 22, 2023 the date of this MD&A, and should be read in conjunction with Exploits Discovery's financial statements and related notes for the six months ended April 30, 2023 and 2022. The financial statements and MD&A are presented in Canadian dollars and have prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee. Information contained herein is presented as of June 22, 2023, unless otherwise indicated.

Readers are cautioned that this MD&A may contain forward-looking statements and that actual events may vary from management's expectations. Readers are encouraged to read the "Cautionary Statement on Forward-Looking Information" at the end of this MD&A and to consult Exploits Discovery's financial statements and related notes for the six months ended April 30, 2023 and 2022, which are available on our website at [www.exploitsdiscovery.com](http://www.exploitsdiscovery.com) and under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com)

## Company Overview

Exploits Discovery Corp. was incorporated under the *Business Corporations Act* (British Columbia) on May 28, 2018. The Company's head office is at 2 Toronto St., Suite 206, Toronto, ON, M5C 2B5. The Company is focused on evaluating, acquiring, and exploring mineral properties with significant potential for advancement from discovery through to production, in Newfoundland and Labrador, Canada. On May 30, 2019, the common shares of the Company were listed on the Canadian Securities Exchange (the "Exchange" or "CSE") and trade under the trading symbol "NFLD".

The Company's principal property interests are its gold exploration properties located in the Exploits Subzone in Newfoundland and Labrador, as shown below. Two maps showing a close-up of each group of properties in the north and south are also depicted.

### Exploits Discovery Corp. Mineral Claims Overview

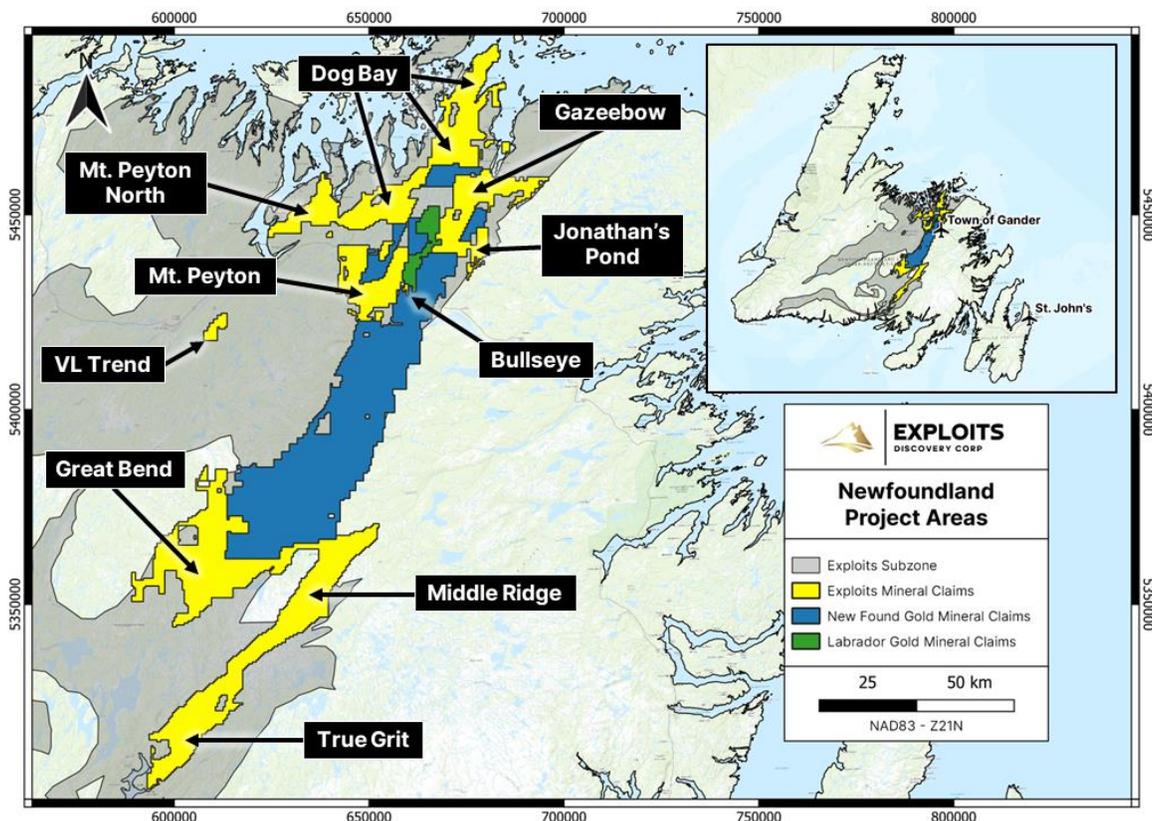


Figure 1: Exploits Discovery Corp. mineral claims overview. Claims are located within the prospective Exploits Subzone throughout central Newfoundland; (Exploits Subzone Outline modified from C.G Squires 2005 and Newfoundland Geologic Survey regional detailed geology).

**Exploits Discovery Corp. Mineral Claims: Northern Properties**

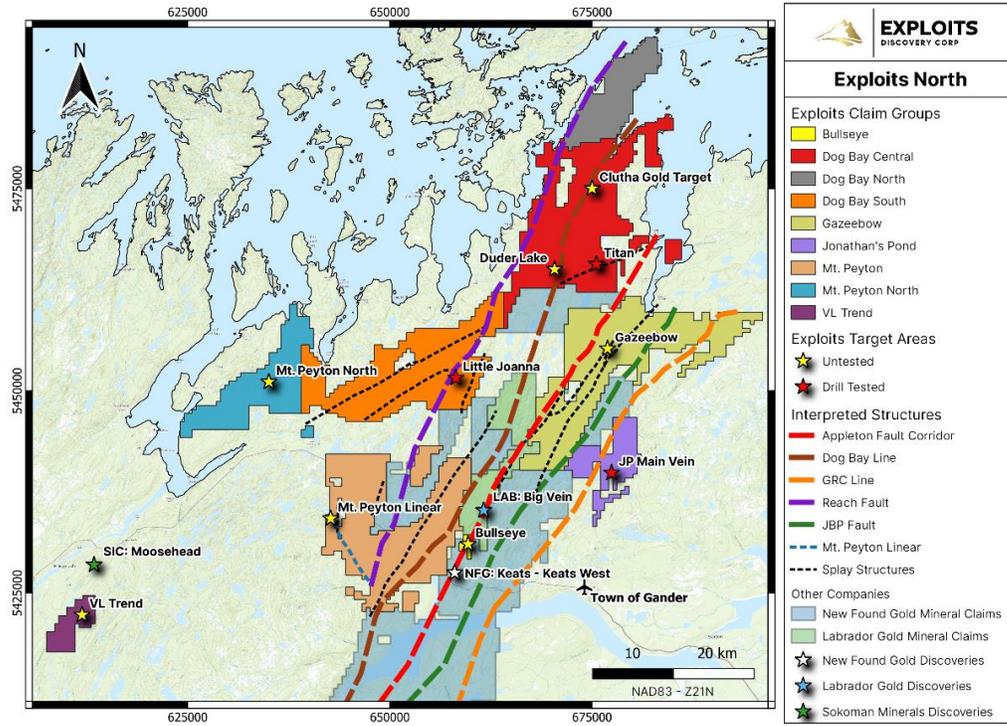


Figure 2: Exploits Discovery Corp. northern mineral claim areas and prospects located in central Newfoundland.

**Exploits Discovery Corp. Mineral Claims: Southern Properties**

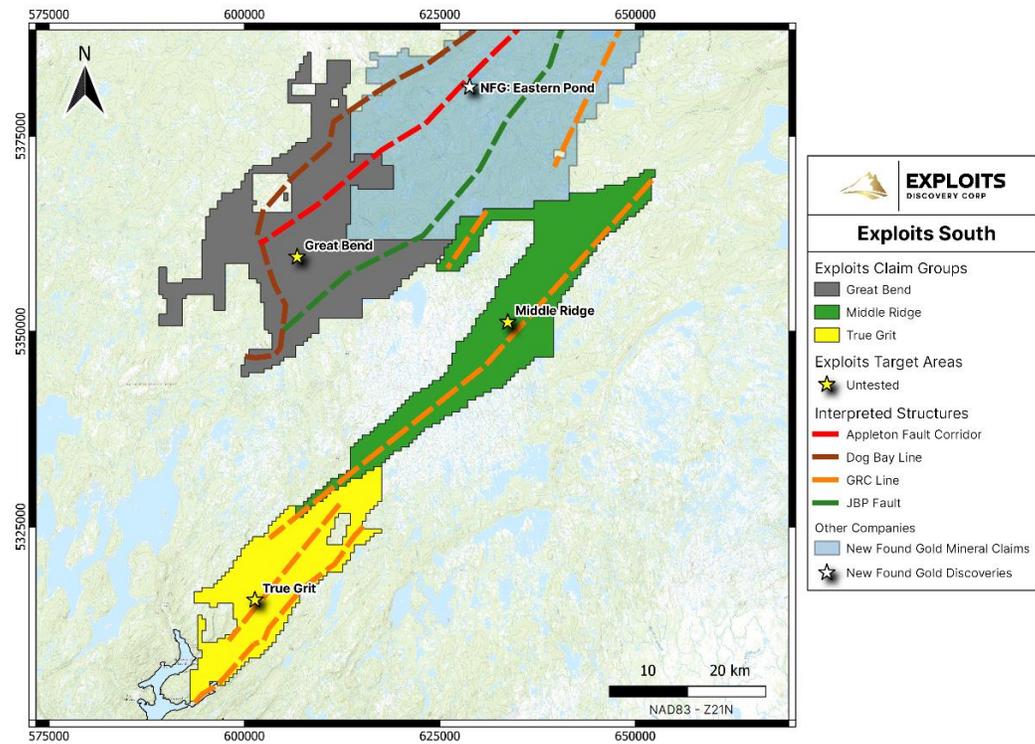


Figure 3: Exploits Discovery Corp. southern mineral claim areas and prospects located in central Newfoundland.

The Company is currently executing its exploration programs on its Newfoundland properties in the Exploits Subzone. These exploration programs include prospecting, soil sampling, rock sampling, trenching and channel sampling, airborne and ground geophysics, diamond drilling and regional anomaly identification.

## Recent Highlights and Outlook

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### Exploration:

- The Bullseye drilling campaign as well as other exploration programs targeted along the Appleton Fault Corridor are the principal focus of the Company's exploration activities this year.
- On June 13, 2023, the Company announced assay results from four recent diamond drill holes at the newly discovered "Horseshoe" Gold Zone on its 100% owned Bullseye property along the Appleton Fault Zone ("AFZ"). Of note, 55 grains of visible gold were observed within a network of quartz veins in drill hole BE-23-019, located approximately 450 metres north of New Found Gold's recently reported high-grade intercepts at Everest in Central Newfoundland. Horseshoe gold zone highlights include:
  - BE-23-019 intersected **38.21 g/t Au over 2.80 m** core-length, located at a vertical depth of approximately 145 m below surface, where 55 grains of visible gold were noted within a network of quartz veins. Including **118.92 g/t Au contribution from a 0.85 m** sample.
  - BE-23-015 intersected **4.65 g/t Au over 2.00 m** core-length, located at a vertical depth of approximately 166 m below surface.
  - Horseshoe Gold Zone remains open in all directions.
  - Diamond drilling totaling 11,292 m has been safely and cost-effectively completed over the 30-hole first phase evaluation at Bullseye.
  - Assay results from 18 of the 30 drill holes have been received and publicly reported to date. The results from the 12 remaining drill holes are pending
- On May 17, 2023, the Company announced assay results from eight recent exploration drill holes at its Bullseye property in Central Newfoundland. Several grains of visible gold were observed within a network of quartz veins in drill hole BE-23-014. Drilling highlights include:
  - BE-23-014 intersected **9.84 g/t Au over 12.00 m** core-length, located at a vertical depth of approximately 133 m below surface, where 10 grains of visible gold were noted within a network of quartz veins.
- On April 5, 2023, the Company announced assay results from drill holes numbered four, five and six, at its Bullseye property. Visible gold grains have been observed within three of the six holes reported to date in close proximity to the Appleton Fault Zone as it tracks across Exploits' wholly owned mineral claims. Drilling highlights include:
  - Drill hole BE-23-005: Five occurrences of visible gold observed within veining encountered at 27.50 – 28.16 m depth downhole. Intersected **12.55 g/t Au over 3.50 m** core-length located at a vertical depth of approximately 20 m below surface.
- On March 20, 2023, the Company announced assay results on the initial drill holes at its Bullseye gold property. A total of 10 holes consisting of 3,232 metres of NQ drilling, have been completed of the 6,000-metre, results-oriented, drill program. Visible gold was identified in two of the first three drill holes. This initial drilling program is designed to determine the potential for high grade gold discoveries along Exploits' interpreted 1.2 kilometre "km" segment of the Appleton Fault Zone. Drilling highlights include:
  - Drill hole BE-23-001: intersected **8.58 g/t Au over a 1.0 m** core-length located at a vertical depth of 41.3 m below surface, including **14.24 g/t Au screen metallic assay contribution from a 0.5 m sample** where a half-dozen fine grains of visible gold were noted within a network of quartz veins.
  - Drill hole BE-23-002: intersected **4.96 g/t Au over 3.0 m** core-length located at a vertical depth of 119.6 m below surface, including a **16.66 g/t Au assay contribution from a 0.65 m** sample and fine grain visible gold was also observed.
- On January 25, 2023, the Company announced the assay results from its 2022 drilling program completed at the Titan gold target.
- On January 18, 2023, the Company announced the results and interpretation from the Company's detailed ground-based geophysical survey conducted on Exploits' highly prospective Bullseye gold property.

- On January 11, 2023, the Company announced the results and interpretation from its extensive regional 2022 soil sampling program conducted in the Dog Bay Central area. This includes 8,089 samples, covering approximately 14 kms of strike length along the Dog Bay Line fault. This soil program identified new prospective mineralized areas (Second Pond), and more importantly expanded, the existing gold targets (Clutha, Clutha North and Duder Lake).
- On December 5, 2022, the Company received the exploration permit from the Province of Newfoundland and Labrador that pertains to responsibly conducting exploration activities within the Company's Bullseye claims.
- On November 2, 2022, the Company received the license from the Government of Newfoundland and Labrador relating to the ownership of the Bullseye parcel ("Bullseye") and surrounding staked claims.

#### **Corporate:**

- On December 20, 2022, the Company completed a non-brokered private placement for gross proceeds of \$4,420,143 by issuing 16,370,899 flow-through common shares at a price of \$0.27 per FT Share. The gross proceeds received by the Company from the Offering will be used to incur eligible "Canadian exploration expenses" ("CEE") that are "flow-through mining expenditures" (as such term is defined in the Income Tax Act (Canada)) related to the Company's mining projects.
- On December 9, 2022, the Company announced that Davidson & Company LLP, Chartered Professional Accountants have been appointed as the Company's auditor until the next annual general meeting of the Company. Davidson & Company LLP replaces Dale Matheson Carr-Hilton Labonte LLP as the Company's auditor.
- On November 29, 2022, the Company held its Annual General Meeting, with all resolutions fully supported and passed.
- On November 22, 2022, the Company announced the appointment of Fiona Fitzmaurice as Chief Financial Officer of the Company, effective December 1, 2022. The Company also announced that it granted officers and directors of the Company an aggregate of 475,000 incentive stock options, exercisable on or before November 22, 2025 at price of \$0.20 per share.

## **Results of Operations**

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### ***Second Quarter ended April 30, 2023 (Q2 2023)***

As the Company does not currently generate revenue, a net loss of \$2,271,473 was incurred for the three months ended April 30, 2023 ("Current Quarter") compared to a net loss of \$ 1,135,109 for the three months ended April 30, 2022 ("Prior Quarter"), mainly due to exploration activities on its' Newfoundland properties, management and director fees, investor relation expenses and professional fees.

- The Company incurred \$2,247,870 in exploration expenditures in Q2 2023 (Q2 2022 – \$420,728) comprising exploration activity expenditures on its' Central Newfoundland properties;
- Share-based compensation, a non-cash expense, of \$71,060 (Q2 2022 – \$195,398), due to options vesting during the period;
- Investor relations expense decreased to \$85,598 in Q2 2023 (Q2 2022 - \$112,759) due to lesser shareholder and investor relation-related activities and campaigns compared to the prior year comparable period. Investor relation expenses are costs related to creating an awareness of the Company's staking and drilling of the Bullseye property.
- Management fees and director fees decreased slightly to \$219,641 in Q2 2023 (Q2 2022 - \$233,571).

### ***Six months ended April 30, 2023 (YTD)***

The Company realized a net loss of \$4,707,631 for the six months ended April 30, 2023 compared to a net loss of \$3,048,780 for the six months ended April 30, 2022 mainly due to exploration activities on its' Newfoundland properties, management and director fees, investor relation expenses and professional fees.

- The Company incurred \$4,193,199 in exploration expenditures during the six months ended April 30, 2023 (2022 – \$1,727,334) comprising exploration activity expenditures on its' Central Newfoundland properties;

- Share-based compensation, a non-cash expense, of \$181,006 (2022 – \$345,761), due to options vesting during the six months ended April 30, 2023;
- Investor relations expense increased to \$221,122 during the 6 month period (2022 - \$200,153) due to increased investor relation activities to create awareness of the Company's staking and drilling of the Bullseye property.
- Management fees and director fees increased to \$474,590 during the six months ended April 30, 2023 (2022 - \$414,997) due to the addition of a senior management position and consulting fees.

**Summary of Quarterly Information**  
(Expressed in Canadian dollars)

	Q2 2023	Q1 2023	Q4 2022	Q3 2022
<b>Statement of Loss and Comprehensive Loss</b>				
Exploration and property acquisition expenditures	\$ 2,247,870	\$ 1,945,250	\$ 2,470,291	\$ 743,271
Share-based payments	71,060	109,946	108,858	114,700
Net loss	(2,271,472)	(2,436,159)	(2,848,939)	(1,657,558)
Basic and diluted loss per share	\$ (0.02)	\$ (0.02)	\$ (0.02)	\$ (0.02)
<b>Statement of Financial Position</b>				
Cash & cash equivalents	\$ 8,404,297	\$ 10,690,758	\$ 10,069,257	\$ 10,801,991
Total assets	33,187,165	35,185,131	34,403,458	35,480,603
Total liabilities	1,548,654	1,346,207	1,362,430	424,826
Shareholders' equity (deficiency)	\$ 31,638,511	\$ 33,838,924	\$ 33,041,028	\$ 35,055,777

	Q2 2022	Q1 2022	Q4 2021	Q3 2021
<b>Statement of Loss and Comprehensive Loss</b>				
Exploration and property acquisition expenditures	\$ 420,728	\$ 1,306,606	\$ 2,118,553	\$ 2,266,984
Share-based payments	195,398	150,363	271,024	1,390,257
Net loss	(1,135,109)	(1,913,671)	(2,817,123)	(3,906,340)
Basic and diluted loss per share	\$ (0.01)	\$ (0.02)	\$ (0.03)	\$ (0.04)
<b>Statement of Financial Position</b>				
Cash & cash equivalents	\$ 12,493,068	\$ 13,406,955	\$ 12,663,252	\$ 15,199,344
Total assets	37,002,694	38,559,350	37,700,080	39,141,912
Total liabilities	404,059	1,021,004	888,426	1,000,494
Shareholders' equity (deficiency)	\$ 36,598,635	\$ 37,538,346	\$ 36,811,654	\$ 38,141,418

**Exploration Activities**

**Bullseye Property**

The Bullseye property has been the principal focus of the Company's exploration activities over the first half of 2023. These claims are located within 10 kms of the small town of Appleton situated on the Trans-Canada highway as it passes through central Newfoundland. The Bullseye claims are directly contiguous to the New Found Gold and Labrador Gold exploration sites where over a dozen drill rigs have been operating throughout 2022-2023. Exploits' current structural interpretation indicates that the same belt of prospective gold mineralization associated with the Appleton Fault Zone extends for approximately 1.2 km northwards across the Bullseye mineral claims.

Recent activities include:

- On September 27, 2022, Exploits acquired, through the province's map-staking 'gazette' process, the 100% interest in six claim units within the Exploits Sub Zone geologic region of Central Newfoundland. The Bullseye property consists of 11 mineral claims and encompasses a land area totaling 2.8 km<sup>2</sup>.

- On December 7, 2022, the Company announced that it has received the exploration permit from the Province of Newfoundland and Labrador that pertains to responsibly conducting exploration activities within its new ‘Bullseye’ claims.
- Over the 4<sup>th</sup> Quarter of 2022, the Company conducted several exploration programs including prospecting and sampling, LiDAR airborne survey, claim-perimeter land surveying, and ground geophysics (magnetics and VLF).
- As of April 30th, 2023, a total of 22 exploration holes, consisting of 7924 metres of NQ-sized diamond drilling, have been completed on the Bullseye claims. This initial drilling program campaign was designed to determine if gold-bearing quartz veining and associated sulphide mineralization was emplaced within Exploits’ 1.2 km segment of the Appleton Fault Corridor. The company believes this plan was successful - several encouraging gold values have been reported from the sawn core samples from the 14 holes assayed to June 1st (refer to 2023 press releases dated March 20, April 5, May 17 and June 13). Geologists have identified fine grains of visible gold (‘VG’) in five of these drill holes.

#### **Dog Bay Property Group – Dog Bay North, Dog Bay Central, Dog Bay South**

The large Dog Bay property encompasses several contiguous groupings of mineral claims situated from the town of Lewisporte extending northwards to the tip of the Port Albert Peninsula, Newfoundland.

Recent exploration activities include:

- In 2021, a regional airborne electromagnetic geophysical survey conducted by Geotech Ltd. utilising their proprietary ‘VTEM’ system, covering 3,173 line-km flown at 100 to 150 m spaced lines.
- In 2022, Exploits commissioned Geotech Ltd. (“Geotech”) to fly proprietary VTEM surveys over additional areas that were not covered during the 2021 campaign. A total of 1,319 line-km of surveying was flown by Geotech
- In 2022, Exploits commissioned an extensive soil sample collection program. The data was independently examined and analyzed by Dr. Stephen D. Amor (P.Geol).
- Prospecting, sampling, and mapping were completed at various areas across the property group between May and December 2022. A total of 2,521 samples were collected.
- Titan Property:
  - Simcoe Geoscience completed a high-definition Alpha IP™ survey to assist with interpretation of the structurally complex stratigraphy underlying the Titan claims.
  - Exploits completed a results-driven exploration drilling program at Titan in 2022, consisting of 20 NQ-diameter holes, totalling 6,059 m.
- The south-eastern quadrant of the Dog Bay Central claims, including Titan, were covered by additional airborne VTEM geophysical survey flown in October 2022.

#### **Gazeebow Property Group**

The Gazeebow property consists of several contiguous claim groups that were assembled between 2020 and February 2023. This now-extensive property is located approximately 20 km north from the town of Gander within central Newfoundland, and sits approximately 17 km to the northeast of New Found Gold’s recent Keats and Lotto high-grade gold discoveries.

Recent exploration activities conducted at Gazeebow include:

- In 2021, an airborne electromagnetic geophysical survey was conducted by Geotech Ltd. utilising their proprietary ‘VTEM’ system totaling 1,050 line-km.
- In 2022, prospecting and till sampling programs were completed focusing on a relatively large exposure of massive white quartz locally known as “Mega Vein”, overlying the northeastern projection of the Appleton Fault Corridor. This coverage also included the 2nd vein system identified by Exploit’s prospectors called “Angie’s Vein”.
- The eastern half of the Gazeebow claim group was covered by additional VTEM airborne geophysical survey flown in late 2022. A high resolution, helicopter-mounted light ranging/diffraction system (‘LiDAR’) was also flown over the Gander-Bay (Gazeebow) claim group.

- In 2022, the Company staked a 100% interest in 220 new mineral claims within the Exploits Sub Zone area of central Newfoundland. These claims cover an additional 55 km<sup>2</sup> and are located 10 kilometres northeast from the Bullseye property along the Appleton Fault Corridor.
- The company intends to commence prospecting and geological mapping within the southern quadrant of Gazeebow in early June, 2023.

### **Jonathan's Pond Property**

The Jonathan's Pond property is accessible by traveling approximately 10 kilometres north from the town of Gander, Newfoundland, along highway 330.

Recent exploration activities include:

- In 2021, Exploits completed an airborne VTEM survey conducted by Geotech Ltd. totaling 674 line-km flown at 75 m spaced lines, a ground magnetic geophysical grid which covered an area of 4.5 km<sup>2</sup> consisting of approximately 80 line-km walked at 50 m line spacings, and a small soil sample grid consisting of 44 samples.
- 21 drill holes were completed at the 'Main Vein' in 2021 targeting the down-dip extension of outcropping quartz veining, located adjacent to the grab samples containing visible gold and returned fire assays of up to 28.00 g/t Au. Drilling also targeted areas displaying anomalous Au trends defined by SGH (Spatiotemporal Geochemical Hydrocarbon) sampling completed in 2020.

### **Mt. Peyton Property**

The Mt. Peyton property is accessible by traveling west on the Trans-Canada Highway approximately 15 km past the town of Glenwood, Newfoundland.

Recent exploration activities include:

- In 2021, VTEM airborne geophysical survey, local ground geophysics surveys, soil sampling grids, prospecting, and drilling were completed. The airborne VTEM survey consisted of 2,183 line-kms conducted at 100 m spaced lines.
- Drilling was completed at both Schooner North and South in 2021 (10 holes at Schooner North, 8 holes at Schooner South).
- 2022 exploration on the Mt. Peyton property consisted of additional prospecting and geological mapping. A total 34 rock samples were collected and submitted for analysis.
- The contiguous Glenwood claims were staked in late September 2022, and are located approximately 6.5 kilometres north of the town of Appleton. Simcoe Geoscience was contracted to complete 85 line-kilometers of ground ('walking') geophysics over the central portion of the claims between February 27<sup>th</sup> and March 17<sup>th</sup>, 2023. Their high-definition magnetics and VLF-EM survey procedures essentially detect structural and alteration features within the underlying bedrock that are may be indicative of gold mineralization. The company intends to follow-up this preparatory work by mobilizing several prospecting crews into Glenwood by June, 2023.

### **Great Bend Property**

The Great Bend Property is accessible by traveling approximately 50 km south from the town of Bishops Falls on the Bay d'Espoir Highway.

Recent exploration activities include:

- A VTEM airborne geophysical survey was completed in 2021 over the Great Bend and western Middle ridge properties totaling 6,839 line-km.
- In 2021, soil sampling grids, totaling 386 samples, were conducted over interpreted structures identified from VTEM geophysical analysis. A total of 33 rock/float grab samples were also collected on the Great Bend claims.
- In late 2022, a high resolution, helicopter-mounted light ranging/diffraction system ('LiDAR') survey was flown over portions of the Great Bend property.

### **Middle Ridge Property**

The Middle Ridge property is accessible by traveling approximately 75 km south from the town of Bishop's Falls on the Bay d'Espoir Highway.

Recent exploration activities include:

- In 2021, a VTEM airborne geophysical survey was completed totaling 3,344 line-km.
- In 2022, a high resolution, helicopter-mounted light ranging/diffraction system ('LiDAR') survey was flown over portions of the Middle Ridge property.

### **True Grit Property**

The True Grit property is accessible by traveling approximately 20 km north from the town of Bay d'Espoir.

Recent exploration activities include:

- In 2021, a VTEM airborne geophysical survey was completed totaling 2,830 line-kms.
- In 2022, a high resolution, helicopter-mounted light ranging/diffraction system ('LiDAR') survey was flown over portions of the True Grit property.

### **Grievances**

In a staking rush on October 20, 2020, the Company staked three mineral licences 31452M, 31453M and 31454M. Following a complaint made to the NL Mineral Claims Recorder, the Recorder rejected these licence applications. The Company has grieved the Mineral Claims Recorder's rejection of these licence applications under the Mineral Act. This hearing was held in June 2023 before the Mineral Rights Adjudication Board. At the conclusion of the hearing, the Mineral Rights Adjudication Board reserved its decision and advised that its decision will be made later in 2023.

The Company's management believes that Mineral Rights Adjudication Board will accept the grievance and rule that these mineral licences must be issued to Exploits Discovery Corp.

### **The Company's mineral property expenditures by property for the six months ended April 30, 2023 consists of:**

<b>Period Ended:</b>	<b>Great Bend</b>	<b>True Grit</b>	<b>Mt. Peyton (North and South)</b>	<b>Gazeebow</b>	<b>Dog Bay</b>	<b>Middle Ridge</b>	<b>Bullseye</b>	<b>General</b>	<b>Total</b>
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Airborne surveys	79,502	79,502	-	79,502	132,504	79,502	226,681	-	677,193
Assays	-	-	-	-	227,000	-	179,093	-	406,093
Claim Maintenance	-	-	78,750	141,750	15,750	-	82,763	-	319,013
Fieldwork and Consumables	-	-	-	-	-	-	104,637	22,259	126,896
Geological consulting	23,380	23,380	23,380	-	9,352	-	36,4342	-	115,924
Drilling	-	-	-	-	244,777	-	1,369,976	-	1614,753
Geophysics	-	-	-	-	-	-	134,382	-	134,382
Rentals	4,223	4,223	-	-	3,000	4,223	124,063	9,003	148,735
Travel	-	-	-	-	28,787	-	30,925	-	59,712
Wages	-	-	-	-	118,211	-	472,209	-	590,420
<b>Total</b>	<b>107,105</b>	<b>107,105</b>	<b>102,130</b>	<b>221,252</b>	<b>779,381</b>	<b>83,725</b>	<b>2,761,159</b>	<b>31,262</b>	<b>4,193,119</b>

## Financial Instruments and Risk Management

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### *Financial instruments risk*

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counter party limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

### *Credit risk*

Credit risk is defined as the risk of loss associated with counterparty's inability to fulfill its payment obligations. The maximum exposure to credit risk is the carrying amount of the Company's financial assets.

### *Liquidity risk*

Liquidity risk is defined as the risk that the Company will not be able to settle its obligations as they come due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds available to meet its short-term business requirements by taking into account the anticipated cash expenditures for its exploration and other operating activities, and its holding of cash and cash equivalents. The Company will pursue further equity or debt financing as required to meet its commitments. There is no assurance that such financing will be available or that it will be available on favourable terms.

As at April 30, 2023, the Company's financial liabilities consist of its accounts payable and accrued liabilities and, which are all current obligations.

### *Foreign currency risk*

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to foreign exchange risk is minimal.

### *Capital Management*

The Company monitors its equity as capital. The Company's objectives in managing its capital are to maintain a sufficient capital base to support its operations and to meet its short-term obligations and at the same time preserve inventor's confidence and retain the ability to seek out and acquire new projects of merit. The Company is not exposed to any externally imposed capital requirements.

## **Related Party Transactions**

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Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. Key management personnel include the Board of Directors and the executive management team.

Compensation for key management personnel of the Company for the six months ended April 30, 2023 and 2022 was as follows:

	<b>2023</b>	<b>2022</b>
	\$	\$
Management fees and wages paid to key management and directors	<b>568,130</b>	309,833
Geological consulting paid to a company with common directors	<b>58,900</b>	30,000
Share-based compensation	<b>161,572</b>	-
	<b>788,602</b>	<b>339,833</b>

As at April 30 2023, \$45,765 (October 31, 2022 - \$94,818) included in accounts payable is due to related parties. These amounts are non- interest bearing, unsecured and due on demand.

### **Liquidity, Capital Resources and Going Concern**

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The financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to obtain adequate financing in the future. Working capital at April 30, 2023 was \$8,042,095. The Company estimates based on its current working capital and December 2022 financing that it has sufficient funds to operate for the ensuing 12 months.

The Company's cash resources may be sufficient to meet its working capital and mineral property requirements for the pursuing year, however, the Company has no source of revenue and therefore management will continue to seek new sources of capital to maintain its operations and to further the development and acquisition of its mineral properties.

### **Outstanding Share Data**

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Exploits Discovery Corp. is authorized to issue an unlimited number of common shares.

As of June 22, 2023, the date of this MD&A, the number of common shares outstanding or issuable under other outstanding securities of the Company was as follows:

<b>Common Shares</b>	<b>Number</b>
Outstanding	134,715,036
Issuable upon the exercise of share purchase warrants <sup>(1)</sup>	300,000
Issuable upon the exercise of stock options <sup>(2)</sup>	7,640,000
<b>Fully diluted common shares</b>	<b>142,655,036</b>

(1) 300,000 common share purchase warrants were outstanding with exercise price of \$0.50 per common share.

(2) There were 7,640,000 stock options under the Company's Stock Option Plan outstanding to directors, officers and consultants with exercise prices ranging from \$0.20 to \$1.19 per common share.

### **Securities held in escrow**

Upon closing of the IPO, 2,765,000 common shares of the Company outstanding at October 31, 2018 were subject to an Escrow Agreement. Under the Escrow Agreement, 10% of the escrowed common shares were released from escrow on the date the Company's common shares are listed for trading (the "Initial Release") and an additional 15% was released on the dates that are 6 months, 12 months, 18 months, 24 months, 30 months, and 36 months following the Initial Release. On June 3, 2022 the remaining shares were released from escrow.

### ***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. Financial risks include commodity prices, interest rates and foreign exchange rates, all of which are beyond the Company's control.

Regulatory risks include 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 as well as the introduction of ever more complex reporting requirements, the cost of which the Company must meet in order to maintain its exchange listing.

### *Competition*

The mineral exploration and mining business is competitive in all of its phases. The Company will compete with numerous other companies and individuals, including competitors with greater financial, technical and other resources, in the search for and the acquisition of attractive exploration and evaluation properties. The Company's ability to acquire properties in the future will depend not only on its ability to develop its present Property, but also on its ability to select and acquire suitable prospects for mineral exploration or development. There is no assurance that the Company will be able to compete successfully with others in acquiring such prospects.

### *Price Volatility and Lack of Active Market*

In recent years, the securities markets in Canada and elsewhere have experienced a high level of price and volume volatility, and the market prices of securities of many public companies have experienced significant fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. It may be anticipated that any quoted market for the Company's securities will be subject to such market trends and that the value of such securities may be affected accordingly.

### *Key Executives*

The Company is dependent on the services of key executives and a small number of highly skilled and experienced consultants and personnel, whose contributions to the immediate future operations of the Company are likely to be of importance. Locating mineral deposits depends on a number of factors, not the least of which is the technical skill of the exploration personnel involved. Due to the relatively small size of the Company, the loss of these persons or the Company's inability to attract and retain additional highly skilled employees or consultants may adversely affect its business and future operations. The Company does not currently carry any key man life insurance on any of its executives.

### *Potential Conflicts of Interest*

Certain directors and officers of the Company are, and may continue to be, involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of the Company. Situations may arise in connection with potential acquisitions in investments where the other interests of these directors and officers may conflict with the interests of the Company. Directors and officers of the Company with conflicts of interest will be subject to and will follow the procedures set out in applicable corporate and securities legislation, regulation, rules and policies.

### *Dividends*

The Company has no earnings or dividend record and is unlikely to pay any dividends in the foreseeable future as it intends to employ available funds for mineral exploration and development. Any future determination to pay dividends will be at the discretion of the Board of Directors of the Company and will depend on the Company's financial condition, results of operations, capital requirements and such other factors as the Board of Directors of the Company deem relevant.

### *Nature of the Securities*

The purchase of the Company's securities involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks. The Company's securities should not be purchased by persons who cannot afford the possibility of the loss of their entire investment. Furthermore, an investment in the Company's securities should not constitute a major portion of an investor's portfolio.

### *Comparative Properties*

This MD&A contains information with respect to adjacent or similar mineral properties in respect of which the Company has no interest or rights to explore or mine. Readers are cautioned that the Company has no interest in or right to acquire

any interest in any such properties, and that mineral deposits on adjacent or similar properties are not indicative of mineral deposits on the Company's properties.

### **Off-Balance Sheet Transactions**

The Company has not entered into any significant off-balance sheet arrangements or commitments.

### **Critical Accounting Estimates**

The preparation of the financial statements requires management to make certain estimates, judgments and assumptions that affect the amounts reported and disclosed in its financial statements and related notes. Those include estimates that, by their nature, are uncertain and actual results could differ materially from those estimates. The impacts of such estimates may require accounting adjustments based on future results. Revisions to accounting estimates are recognized in the period in which the estimate is revised. The preparation of the financial statements requires the Company to make judgements regarding the going concern of the Company and discussed in Note 1 of the audited financial statements.

The areas which require management to make significant estimates, judgments and assumptions in determining carrying values include:

#### *Exploration and evaluation assets*

The application of the Company's accounting policy for exploration and evaluation assets requires judgment in determining whether it is likely that costs incurred will be recovered through successful exploration and development or sale of the asset under review. Furthermore, the assessment as to whether economically recoverable reserves exist is itself an estimation process. Estimates and assumptions made may change if new information becomes available. If, after the expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in profit or loss in the period when the new information becomes available.

#### *Share-based compensation*

The fair value of stock options and non-cash compensation are subject to limitations in Black-Scholes option pricing and fair value estimates that incorporate market data involving uncertainty in estimates used by management in the assumptions. The Black-Scholes option pricing model has subjective assumptions, including the volatility of share prices, which can materially affect the fair value estimate.

#### *Going concern*

The preparation of the financial statements requires management to make judgments regarding the going concern of the Company as previously discussed in Note 1 of the accompanying unaudited consolidated financial statements for the six months ended April 30, 2023.

#### *Income taxes*

The determination of the Company's tax expense for the period and deferred tax assets and liabilities involves significant estimation and judgement by management. In determining these amounts, management interprets tax legislation in Canada and makes estimates of the expected timing of the reversal of deferred tax assets and liabilities, the deferral and deductibility of certain items and the interpretation of the treatment for tax purposes for exploration and development activities. The Company is subject to assessment by Canadian tax authorities, which may interpret legislation differently which may affect the final amount or timing of the payment of taxes. The Company provides for such differences where known based on management's best estimate of the probable outcome of these matters.

#### *Deferred Flow-Through Premium Estimates*

Recorded costs of flow-through share premium liabilities reflect premiums received by the Company on the issue of flow-through shares. The premium is subject to measurement uncertainties and requires the Company to assess the value of non-flow-through shares. The determination is subjective and does not necessarily provide a reliable single measure of the fair value of the premium

liability.

**Proposed Transactions**

None.

**Qualified Person**

The technical content disclosed in this MD&A report regarding the Company's exploration activities has been reviewed and approved by Ken Tylee, P. Geo., a Qualified Person as defined under National Instrument 43-101. Mr. Tylee certifies that this MD&A report fairly and accurately represents the information for which he is responsible.

**Approval**

The Audit Committee on behalf of the Board of Directors of the Company approved the disclosures contained in this MD&A.

**Other Information**

Additional information related to the Company and risk factors is available for viewing on SEDAR at [www.sedar.com](http://www.sedar.com).