STRAIGHTUP RESOURCES INC.

Management Discussion and Analysis

For the year ended December 31, 2022

The purpose of this Management Discussion and Analysis ("MD&A") is to explain management's point of view of Straightup Resources Inc.'s (the "Company") past performance and future outlook. This report also provides information to improve the reader's understanding of the financial statements and related notes, and should therefore be read in conjunction with the audited financial statements of the Company and notes thereto for the year ended December 31, 2022 (the "Financial Statements"). Additional information on the Company is available on SEDAR and on the Company's website, www.straightupresources.com. All information contained in this MD&A is current as of April 28, 2023 unless otherwise stated.

All financial information in this MD&A has been prepared in accordance with International Financial Reporting Standards ("IFRS") and all dollar amounts are expressed in Canadian dollars unless otherwise indicated.

FORWARD-LOOKING STATEMENTS

Certain sections of this MD&A contain forward-looking statements and forward looking information.

All statements, other than statements of historical fact, made by the Company that address activities, events or developments that the Company expects or anticipates will or may occur in the future are forward-looking statements or forward-looking information, including, but not limited to, statements preceded by, followed by or that include words such as "may", "will", "would", "could", "should", "believes", "estimates", "projects", "potential", "expects", "plans", "intends", "anticipates", "targeted", "continues", "forecasts", "designed", "goal", or the negative of those words or other similar or comparable words.

Forward-looking statements and forward-looking information contained or incorporated by reference in this MD&A may relate to the Company's future financial condition, results of operations, plans, objectives, performance or business developments including, among other things, potential property acquisitions, exploration and work programs, drilling plans and timing of drilling, the performance characteristics of the Company's exploration and evaluation assets, exploration results of various projects of the Company, projections of market prices and costs, supply and demand for resource minerals, expectations regarding the ability to raise capital and to acquire resources and/or reserves through acquisitions and/or development, treatment under governmental regulatory regimes and tax laws, and capital expenditure programs and the timing and method of financing thereof. Forward-looking statements and forward looking-information are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company as of the date of such statements and information, are inherently subject to significant business, economic and competitive uncertainties and contingencies. The estimates and assumptions of the Company contained or incorporated by reference in this MD&A, which may prove to be incorrect, include, but are not limited to: (1) there being no significant disruptions affecting operations, whether due to labour disruptions, supply disruptions, power disruptions, damage to equipment, adverse weather conditions or otherwise; (2) permitting, access, exploration, expansion and acquisitions at our projects (including, without limitation, land acquisitions for and permitting of exploration plans) being consistent with the Company's current expectations; (3) the viability, permitting, access, exploration and, if warranted, development of the Company's projects being consistent with the Company's current expectations; (4) political developments in Canada including, without limitation, the implementation of new mining laws and related regulations being consistent with the Company's current expectations; (5) certain price assumptions for resource minerals; (6) prices for and availability of equipment, labor, natural gas, fuel oil, electricity, water and other key supplies remaining consistent with current levels; (7) the results of the Company's exploration programs on the Company's projects being consistent with the Company's expectations; (8) labour and materials costs increasing on a basis consistent with the Company's current expectations; and (9) the availability and timing of additional financing being consistent with the Company's current expectations. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements and forward-looking information. Such factors include, but are not limited to: the timing and availability of additional capital, fluctuations in the currency markets; fluctuations in the spot and forward price of resource minerals or other commodities (such as diesel fuel and electricity); changes in national and local government legislation, taxation, controls, regulations and political or economic developments in Canada or other countries in which the Company may carry on business in the future; business opportunities that may be presented to, or pursued by, us; our ability to successfully integrate acquisitions; operating or technical difficulties in connection with exploration activities; employee relations; the speculative nature of resource mineral exploration and development, including the risks of obtaining necessary licenses and permits; competition for, among other things, capital, acquisitions of resources and/or reserves, undeveloped lands and skilled personnel, incorrect assessments of the value of acquisitions, geological, technical, drilling and processing problems, fluctuations in foreign exchange or interest rates and stock market volatility, changes in income tax laws or changes in tax laws and incentive programs relating to the mineral resource industry; and contests over title to properties, particularly title to undeveloped properties. In addition, there are risks and hazards associated with the business of mineral exploration, development and mining, including environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins, flooding and resource mineral bullion losses (and the risk of inadequate insurance, or the inability to obtain insurance, to cover these risks). Many of these uncertainties and contingencies can affect the Company's actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements or forward-looking information made by, or on behalf of, the Company. There can be no assurance that forward-looking statements and forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements and information. Forward-looking statements and forward-looking information are provided for the purpose of providing information about management's expectations and plans relating to the future. All of the forward-looking statements and forward-looking information made in this MD&A are qualified by these cautionary statements and those made in our other filings with applicable securities regulators in Canada including, but not limited to, the Annual Financial Statements. These factors are not intended to represent a complete list of the factors that could affect the Company and readers should not place undue reliance on forward-looking statements or forward-looking information in this MD&A. The Company disclaims any intention or obligation to update or revise any forward-looking statements and forward-looking information, whether as a result of new information, future events or otherwise, or to explain any material difference between subsequent actual events and such forward-looking statements and forward-looking information, except to the extent required by applicable law.

The forward looking statements and forward-looking information contained herein are based on information available as of the date of this report.

BUSINESS OVERVIEW

The Company is principally engaged in the acquisition and exploration of mineral property assets in Canada and the USA. Its head office is at #207 - 5500 Warf Ave., PO BOX 609 Sechelt, British Columbia, Canada, V0N 3A0 and its satellite office is located in Melbourne, Australia. The Company's common shares trade on the Canadian Securities Exchange under the symbol "ST". On October 25, 2021, the Company commenced trading on the OTCQB Exchange in the USA under the symbol "STUPF". The Company's wholly owned subsidiary, 1318463 BC Ltd. ("1318463 BC"), is located in British Columbia, Canada and its wholly owned subsidiary, Golden Axe Metals Corp. ("Golden Axe"), is located in the Nevada, USA.

The Company's objective is to locate and develop economic precious and base metal properties of merit and to conduct exploration programs on its mineral properties. The properties are at an early stage of exploration; there are no estimates of mineral resources or reserves for the properties.

As at the date of this report, the Company's exploration projects include:

- the Belanger Project (includes RLX North and RLX South) (Canada); and
- Opatica Lithium Project (Canada).

Current Year Key Highlights

On January 4, 2022, Jacqueline Collins was appointed Corporate Secretary of the Company. In June 2022, Ms. Collins resigned from her position.

On January 13, 2022, the Company announced the receipt of the exploration permit for the RLX North property included in the Belanger Project.

On January 20, 2022, the Company entered into a Purchase Option agreement to acquire the Ranger/Otter Project.

On January 27, 2022, the Company granted 2,660,000 share options to certain directors and officers of the Company exercisable at $0.14 per share on or before January 27, 2027.

On April 8, 2022, the Company extended the expiry date of 2,907,084 warrants which were set to expire on April 29, 2022 by 12 months to April 29, 2023.

On April 25, 2022, the Company's Exclusivity Agreement with Premier Silver Corp ("PSC") was extended to July 24, 2022. On July 24, 2022, the agreement was terminated.

On June 27, 2022, Mr. Matthew Markin was appointed Executive Chairman and Director of the Company and on October 5, 2022, Mr. Markin was appointed as the CFO of the Company. Upon appointment of Mr. Markin as the Company's CFO, Mr. Daniel Cruz resigned as the Company's CFO but remains on the Company's Board of Directors.

On June 27, 2022, the Company announced it had commenced a non-brokered private placement of up to 2,000,000 units at a price of $0.10 per unit for gross proceeds of up to $200,000 ("June 2022 PP"). Each unit will consist of one common share and one-half share purchase warrant with each whole warrant entitling the holder to purchase an additional common share at a price of $0.20 per common share for a period of two years from the date of closing. The Company may offer a portion of the June 2022 PP on a flow-through basis of up to 1,000,000 flow-through units at a price of $0.10 ("June 2022 FT Units"). Each June 2022 FT Unit will consist of one common share and one-half share purchase warrant with each whole warrant entitling the holder to purchase an additional common share at a price of $0.20 per common share for a period of two years from the date of closing.

On July 4, 2022, Mr. Rod Husband resigned as CEO of the Company.

On October 5, 2022, Mr. Mark Brezer was appointed as the CEO of the Company. Mr. Brezer is also the Company's President and a Director of the Company.

On October 26, 2022, the Company secured a Letter of Credit ("LOC") for $500,000 with Imarkin Investments PTY Limited, a company controlled by the Company's new CFO, Mr. Markin. The LOC carries an interest rate of 10% per annum and matures October 20, 2023, unless extended by writing for an additional one year. The principal advances under the LOC is convertible, at the lender's option, into units of the Company at $0.05 with each unit consisting of one common share and one warrant exercisable at $0.05 per warrant for a period of five years. All accrued interest is payable in cash.

On November 14, 2022, Mr. Barry Wattenberg was appointed to the Company's Board of Directors.

On November 22, 2022, the Company terminated the option agreement for the Bear Head Project.

Completed Financings

a) On January 10, 2022, the Company commenced a non-brokered private placement whereby the Company seeks to raise $1,500,000 through the issuance of up to 7,500,000 units and/or flow-through common shares ("FTS") of the Company at $0.20 per unit or FTS ("January 2022 PP"). Each unit consists of one common share and one-half share purchase warrant with each whole warrant entitling the holder to purchase an additional common share at a price of $0.20 per common share for a period of two years from the date of closing. The warrants are subject to an acceleration clause whereby if the common share price is equal to or greater than $0.50 for a period of 10 consecutive trading days, the Company may, by notice to the warrant holder, reduce the remaining exercise period applicable to the warrants to not less than 30 days from the date of such notice.

- On January 17, 2022, the Company completed the first tranche by issuing 125,000 units for a gross proceeds of $25,000. In connection with the first tranche, the Company paid finders fees of $1,850 and issued 8,750 finder warrants with each finder warrant being exercisable for a period of two years from the date of issuance at a price of $0.20 per common share. The fair value of the finder warrants was calculated to be $820 using the Black-Scholes option pricing model assuming an expected life of two years, a risk-free interest rate of 1.22%, an expected dividend rate of 0%, a price on grant date of $0.15, and an expected annual volatility of 138%. Additionally, the Company allocated $6,250 to reserves representing the value of the warrants issued.

- On January 24, 2022, the Company completed the second tranche by issuing 1,000,000 units and 150,000 FTS for a gross proceeds of $230,000. In connection with the second tranche, the Company paid finders fees of $5,135. Additionally, the Company allocated $60,000 to reserves representing the value of the warrants issued and $9,000 to flow-through shares premium representing the value of premium on the FTS.

- On January 27, 2022, the Company completed the third tranche by issuing 1,000,000 units and 100,000 FTS for a gross proceeds of $220,000. In connection with the third tranche, the Company paid finders fees of $14,100 and issued 70,000 finder warrants with each finder warrant being exercisable for a period of two years from the date of issuance at a price of $0.20 per common share. The fair value of the finder warrants was calculated to be $5,984 using the Black-Scholes option pricing model assuming an expected life of two years, a risk-free interest rate of 1.27%, an expected dividend rate of 0%, a price on grant date of $0.14, and an expected annual volatility of 137%. Additionally, the Company allocated $60,000 to reserves representing the value of the warrants issued and $6,000 to flow-through shares premium representing the value of premium on the FTS.

- On February 28, 2022, the Company completed the fourth tranche by issuing 1,375,000 units for a gross proceeds of $275,000. In connection with the fourth tranche, the Company paid finders fees of $10,600 and issued 52,500 finder warrants with each finder warrant being exercisable for a period of two years from the date of issuance at a price of $0.20 per common share. The fair value of the finder warrants was calculated to be $3,298 using the Black-Scholes option pricing model assuming an expected life of two years, a risk-free interest rate of 1.45%, an expected dividend rate of 0%, a price on grant date of $0.11, and an expected annual volatility of 138%. Additionally, the Company allocated $123,750 to reserves representing the value of the warrants issued.

b) On February 22, 2022, the Company issued 200,000 common shares with a fair value of $30,000 to Wawel Capital Corp. for management services rendered during the year ended December 31, 2021, which was included in accounts payable, and 200,000 common shares with a fair value of $30,000 to Wawel Capital Corp.for management services included in management fees and salaries.

c) On March 7, 2022, the Company issued 200,000 common shares pursuant to the Ranger/Otter Project agreement with a fair value of $28,000.

d) On March 17, 2022, the Company issued 400,000 common shares pursuant to the Ferdinand Gold Project agreement with a fair value of $44,000.

e) On March 30, 2022, the Company issued 41,341 common shares to settle accounts payable of $4,961 owing to a director of the Company.

f) On July 8, 2022, the Company issued 1,000,000 common shares pursuant to the Belanger Project agreement with a fair value of $80,000.

g) On July 8, 2022, the Company issued 500,000 common shares with a fair value of $50,000 to Wawel Capital Corp. for management services provided.

h) On November 7, 2022, the Company closed a non-brokered private placement by issuing 100,000 FTS at $0.10 per share for gross proceeds of $10,000. Additionally, the Company allocated $5,000 to flow-through shares premium representing the value of premium on the FTS.

i) During the year ended December 31, 2022, the Company issued 248,400 common shares for gross proceeds of $21,090 pursuant to the exercise of 75,000 warrants with an exercise price of $0.05 per common share and 173,400 warrants with an exercise price of $0.10 per common share. As a result, the Company transferred $11,875 representing the fair value of the exercised share purchase warrants from reserves to share capital.

j) During the year ended December 31, 2022, the Company issued 800,000 common shares for gross proceeds of $112,000 pursuant to the exercise of share options with an exercise price of $0.14 per common share. As a result, the Company transferred $98,524 representing the fair value of the exercised share purchase warrants from reserves to share capital.

Subsequent Events

a) On January 27, 2023, the Company closed a brokered private placement by issuing 9,400,000 units at $0.05 per unit for gross cash proceeds of $470,000 ("January 2023 PP"). Each unit consists of one common share and one share purchase warrant. Each whole warrant will entitle the holder to purchase an additional common share at a price of $0.05 per common share for a period of two years. In connection with the January 2023 PP, the Company paid finder fees of $18,000 and issued 360,000 finder's shares and 360,000 finder's warrants with each finder's warrant having the same terms as the warrants issued under the January 2023 PP. As at December 31, 2022, the Company had received $150,000 in share subscriptions for the January 2023 PP.

b) On March 2, 2023, the Company entered into a Share Exchange Agreement to acquire 100% of the outstanding shares of 1379596 B.C. Ltd. ("1379596 BC") which owns 100% of the outstanding shares of Battery X Recycling Technologies Inc. ("Battery X"). 1379596 BC has the exclusive right to acquire a 100% interest in the Opatica Lithium Project located in the James Bay region of Quebec, Canada. Battery X is developing a technological method for battery metals refining, including the processing of black mass from spent lithium-ion batteries.

   In accordance with the agreement, the Company must issue 12,000,002 common shares of the Company upon closing of the agreement (issued on March 22, 2023) and will issue 19,999,998 common shares of the Company over four tranches: 4 months, 8 months, 12 months, and 16 months from the closing of the agreement.

The option agreement relating to the Opatica Lithium Project, entered into on October 7, 2022 by 1379596 BC, requires the Company to complete the following remaining considerations to acquire the 100% interest to the property:

- pay $50,000 on or before October 7, 2023;
- issue $250,000 in common shares on or before April 7, 2024;
- incur a further $500,000 in exploration expenditures on the property before October 7, 2023; and
- incur a further $500,000 in exploration expenditures on the property before October 7, 2024.

The Opatica Lithium Project Optionor retained a 2.0% net smelter return royalty of which the Company has the right to repurchase 1.0% at any time by way of a one-time payment of $1,000,000.

c) Subsequent to December 31, 2022, 1,000,000 stock options with exercise prices of $0.14 and $0.28 were cancelled.

SELECTED ANNUAL FINANCIAL INFORMATION

As at December 31, 2022, the Company was listed on the Canadian Securities Exchange and the OTCQB Exchange. The Company has not recorded any revenues, and depends upon share issuances to fund its administrative and exploration expenses. See the summary of results, below:

	December 31, 2022	December 31, 2021	December 31, 2020
	$	$	$
Revenues	-	-	-
Operating Expenses	(1,115,925)	(1,698,377)	(575,638)
Other items	(1,968,555)	(2,182,107)	-
Net and comprehensive loss for the year	(3,084,480)	(3,880,484)	(575,638)
Basic and diluted net loss per common share	(0.06)	(0.12)	(0.03)
Exploration and evaluation assets	654,517	1,587,666	389,124
Total assets	804,269	1,776,174	1,548,441
Total long-term liabilities	-	-	-
Working capital (deficit)	(834,617)	(269,243)	1,053,732
Dividends per share	-	-	-

The Company's current projects are at the exploration and development stages and have not generated any revenues.

At December 31, 2022, the Company had not yet achieved profitable operations and had accumulated losses of $7,581,546 (2021 – $4,661,541) since inception. The net losses for the years ended December 31, 2022 and 2021 resulted in a net loss per share of $0.06 and $0.12, respectively.

At December 31, 2022, the Company has no continuing source of operating revenues. The Company has not paid any dividends on its common shares nor does it have any present intention of paying dividends on its common shares, as it anticipates that all available funds for the foreseeable planning horizon will be invested to finance its business activities, primarily the development of its exploration projects.

RESULTS OF OPERATIONS

The table below details the significant changes in administrative expenditures for the year ended December 31, 2022 as compared to the year ended December 31, 2021.

Expenses	Increase / Decrease in Expenses	Explanation for Change
Consulting	Decrease of $68,845	Decreased as the Company did not engage any consultants in the current year.
Management fees and salaries	Increase of $132,486	Increased due to the Company commencing employment and consulting agreements with management in 2021 Q2.
Marketing	Decrease of $436,665	Decreased due to management reducing overall corporate costs during the current year. Additionally, the comparative year included the engaging of two marketing firms in 2021 Q2 to create digital marketing campaigns aimed at increasing awareness of the Company.
Office and administrative	Decrease of $56,630	Decreased due to management reducing overall corporate costs during the current year.
Professional fees	Decrease of $162,221	Decreased due to the comparative year including additional legal fees relating to the PSC Exclusivity Agreement and acquisition of the Bear Head Gold and West Cat Mine projects.

In addition to the above, the Company reported the following variations from the year ended December 31, 2022 as compared to the year ended December 31, 2021:

- an increase of $1,103,882 in the write-off of exploration assets as the current year included $1,271,505 for the write-off of the Bear Head Gold Project, Ferdinand Gold Project, Ranger/Otter Project and West Cat Mine Project while the comparative year included $167,623 from the write-off of the Hi Mars Project; and
- a decrease in the write-off of acquisition advances of $1,297,434 relating to the write-off of the advances made to PSC.

FOURTH QUARTER

During the fourth quarter of 2022, the Company's cash increased by $138,013 mostly due to the Company receiving $150,000 in share subscriptions for the January 2023 PP.

The table below details the significant changes in administrative expenditures for the quarter ended December 31, 2022 as compared to the quarter ended December 31, 2021.

Expenses	Increase / Decrease in Expenses	Explanation for Change
Marketing	Increase of $186,746	Increased due to the Company reversing fees accrued in 2021 Q3 in the comparative quarter for one marketing firm due to the cancellation of a marketing agreement.
Professional fees	Decrease of $92,999	Decreased due to the comparative year including additional legal fees relating to the PSC Exclusivity Agreement and acquisition of the West Cat Mine Project.

In addition to the above, the Company reported the following variations from the quarter ended December 31, 2022 as compared to the quarter ended December 31, 2021:

- an increase of $1,029,120 in the write-off of exploration assets as the current year included $1,181,743 for the write-off of the Ferdinand Gold Project, Ranger/Otter Project and West Cat Mine Project while the comparative year included $152,623 from the write-off of the Hi Mars Project; and
- a decrease in the write-off of acquisition advances of $2,014,484 relating to the write-off of the advances made to PSC as nothing was written-off in the current quarter.

SUMMARY OF QUARTERLY RESULTS

Below is a summary of the Company's last eight quarterly results, selected from financial statements prepared under International Financial Reporting Standards:

	2022 Q4	2022 Q3	2022 Q2	2022 Q1
	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022
	$	$	$	$
Net and comprehensive loss	(1,327,577)	(202,529)	(162,141)	(1,392,233)
Loss per share-basic and diluted	(0.02)	(0.00)	(0.00)	(0.03)
	2021 Q4	**2021 Q3**	**2021 Q2**	**2021 Q1**
	December 31, 2021	**June 30, 2021**	**June 30, 2021**	**March 31, 2021**
	$	$	$	$
Net and comprehensive loss	(2,260,782)	(656,580)	(806,284)	(156,838)
Loss per share-basic and diluted	(0.05)	(0.03)	(0.03)	(0.01)

The variations in net loss from quarter to quarter are a result of the extent of the amount of administrative expenses needed and the amount of write-downs and impairments recorded.

The following one-time events also occurred:

- the quarter ended December 31, 2022 included an expense of $1,181,743 relating to the write-off of the Ferdiand Gold Project, Ranger/Otter Project, and West Cat Mine Project;
- the quarter ended September 30, 2022 included an expense of $89,762 relating to the write-off of the Bear Head Gold Project;
- the quarter ended March 31, 2022 included an expense of $717,050 relating to the write-off of advances to Premier Silver Corp.;
- the quarter ended December 31, 2021 included an expense of $152,623 relating to the write-off of the Hi Mars Project, an expense of $2,014,484 relating to the write-off of advances to Premier Silver Corp., and a reversal of $254,820 in marketing expenses from the cancellation of a digital marketing campaign accrued in 2021 Q3;
- the quarter ended September 30, 2021 included an expense of $432,135 relating to two digital marketing campaigns; and
- the quarter ended June 30, 2021 included an expense of $341,402 relating to the grant of share options, an expense of $258,536 from the commencement of two digital media marketing campaigns, and an expense of $15,000 relating to the write-off of the Hi Mars Project.

SUMMARY OF EXPLORATION ACTIVITIES

The total cumulative acquisition and exploration and evaluation expenditures for the Company's current project at December 31, 2022 is summarized as follows:

	Belanger Project
	$
Property acquisition	406,500
Exploration costs	
Assay	170,627
Data and reporting	2,000
Equipment rental	4,000
Geological consulting	16,954
Labour	41,616
Staking	200
Supplies and other	12,620
Travel	-
Balance, December 31, 2022	**654,517**

For the year ended December 31, 2022, the Company incurred $338,356 in exploration expenditures compared to incurring $1,366,166 in exploration expenditures during the year ended December 31, 2021.

Change during the year ended December 31, 2022

	Belanger Project	Ferdinand Gold Project	Bear Head Gold Project	West Cat Mine Project	Ranger/ Otter Project	Total
	$	$	$	$	$	$
Property acquisition	130,000	76,000	-	-	40,000	246,000
Exploration costs						
Assay	489	2,964	-	-	-	3,452
Geological consulting	14,420	58,442	-	-	-	72,862
Labour	9,421	-	-	-	-	9,421
Supplies and other	6,620	-	-	-	-	6,620
Subtotal	**160,950**	**137,406**	**-**	**-**	**40,000**	**338,355**
Write-off of exploration asset	-	(411,743)	(89,762)	(730,000)	(40,000)	(1,271,505)
	160,950	**(274,337)**	**(89,762)**	**(730,000)**	**-**	**(933,149)**

Change during the year ended December 31, 2021

	Hi Mars Project	Belanger Project	Ferdinand Gold Project	Bear Head Gold Project	West Cat Mine Project	Total
Property acquisition	-	55,000	106,500	89,500	730,000	981,000
Exploration costs						
Assay	-	170,138	111,946	-	-	282,084
Data and reporting	-	2,000	-	-	-	2,000
Equipment rental	-	4,000	4,000	-	-	8,000
Geological consulting	-	2,534	22,785	262	-	25,581
Labour	-	32,195	23,740	-	-	55,935
Staking	-	200	-	-	-	200
Supplies and other	-	6,000	2,172	-	-	8,172
Travel	-	-	3,194	-	-	3,194
Subtotal	-	272,067	274,337	89,762	730,000	1,366,166
Write-off of exploration asset	(167,624)	-	-	-	-	(167,624)
Balance, December 31, 2021	**(167,624)**	**272,067**	**274,337**	**89,762**	**730,000**	**1,198,542**

Current Projects

Belanger Project

Pursuant to an option agreement dated June 1, 2020 with Bounty Gold Corp. ("Belanger Project Optionor"), the Company was granted an option to acquire a 100% undivided interest in certain unpatented mining claims comprising the RLX North, RLX South, and Belanger properties (collectively, the "Belanger Project") located in the District of Red Lake, Ontario, Canada.

The RLX North and RLX South properties (the "RLX Properties") form a large (approximately 10,000 hectare) land package contiguous to, and almost entirely surrounding, Great Bear Resources Ltd.'s Sobel property. The RLX Properties are also situated along the same geological trend as the Red Lake Gold Mines, now operated by Evolution Mining Limited, with gold endowment of 29.63 M oz Au at an average grade of 21 g/t Au.

Exploration activities in 2020 on the RLX Properties consisted of historical data review and reinterpretation, geological mapping and sampling, all of which may be conducted prior to the issuance of an exploration permit and are not ground-disturbing activities.

On August 6, 2020 the Company reported that it had completed an initial field examination of its RLX Properties.

Consulting geologist Mr. Tim Twomey, P. Geo, recommended that further work be conducted on the RLX Properties, including:

- compiling, digitizing and interpreting all historical data on the RLX Properties; and
- conducting a detailed geological mapping and sampling program (including geology, structure, alteration, mineralization, and geochemistry) in order to better understand the geologic complexity and provide better targeting for potential future exploration.

In March 2021, a ground magnetic survey was commenced on the RLX North Property over an area identified from historical data review and interpretation to be the possible location of the Balmer-Confederation unconformity. The ground survey completed 143.1 km of ground magnetics data collection before ground conditions deteriorated causing the survey program to end prior to completion.

A Heli-bourne survey was completed on the RLX properties in October 2021. A final report was issued that included interpretation of data and correlation with historic information ongoing.

In January 2022, management engaged Orix Geoscience Inc. ("Orix") to provide the Company with a team of geologists, including an experienced associate senior geologist, to review, organize and compile public and proprietary datasets for the RLX North and South properties. The purpose of the work is to provide a detailed work history and summarize results of previous exploration programs and exploration targets of merit. Final deliverables will include all acquired public and proprietary data organized in a standardized folder structure, a summary of historical work and results, and a presentation that showcases the property highlights which can be shared internally or with external parties of interest. Orix completed its final report in July 2022 which is currently being analyzed by the Company's geological team.

The Belanger property is an approximately 2,100 hectare property located 2.2 km north of Infinite Ore Corp.'s Garnet/Arrow deposit in the District of Red Lake, Ontario. The Belanger property is interpreted to be primarily underlain by the 2.74 Ga Confederation Assemblage. Historic exploration on the Belanger property has identified three significant gold-copper occurrences over an interpreted strike length of 600 meters.

Exploration activities in 2020 on the Belanger property consisted of historical data review and reinterpretation, geological mapping and sampling (including validating the historical sampling results in Trenches "C", "D" and "E"), all of which may be conducted prior to the issuance of an exploration permit. Exploration permit applications have recently been submitted and are anticipated to be issued in the near-term. The issuance of an exploration permit will allow more advanced exploration activities on the Belanger property in the future, if warranted, such as diamond drilling of high-priority targets identified by the early exploration program.

On September 9, 2020, the Company announced that Clark Exploration and Consulting had commenced compilation and reinterpretation work of all of the available historical data (the “Program”) on the Company's Belanger property. The Program includes repatriating, re-logging and assaying historic drill core from diamond drilling conducted in 2002 by King's Bay Gold Corporation. Initial work on the Program has already commenced, with the historic drill core being relocated to Thunder Bay, Ontario. This initial work is expected to assist the Company with additional sampling and with the interpretation of the gold mineralization trends on the Belanger property. Additional work on the Program will consist of a mapping and sampling program which will assist the Company in defining potential diamond drill targets on the Belanger property.

Re-logging and sampling of the historic Kings Bay drill core was completed and submitted for analysis in December 2020 with results received in January 2021. In total 318 drill core samples were submitted for analysis to AGAT Laboratories in Thunder Bay, ON. The additional sampling revealed multiple areas of mineralization not previously identified. Selective assays of split core samples include: 1.02g/t Au over 0.91m in hole GL-3, 0.464 g/t Au, 6.5g/t Ag, 0.73% Cu over 0.91m in hole GL-6, and 5.1g/t Ag, 0.81% Cu over 0.91m in hole GL-10. It should be noted that the accuracy of the hole locations and condition of the drill core would require re-drilling some of the holes to have better constraint on the mineralization present.

In accordance with the option agreement, the Company can acquire the 100% interest in the project by: (i) making cash payments in the aggregate amount of $150,000; and (ii) issuing common shares in the capital of the Company (the “Consideration Shares”) having an aggregate cash value of $300,000 to the Belanger Project Optionor as follows:

	Consideration Shares		**Cash**
	#	**$**	**$**
Upon execution of the option agreement on June 1, 2020 (issued and paid respectively)	300,000	30,000	25,000
On or before the 1st anniversary on June 1, 2021 (issued 115,385 and paid respectively)		30,000	25,000
On or before the 2nd anniversary on June 1, 2022 (issued 1,000,000 shares and paid respectively)		100,000	50,000
On or before the 3rd anniversary on June 1, 2023		140,000	50,000
	300,000	**300,000**	**150,000**

The Belanger Project Optionor retained a 3% net smelter returns royalty which the Company has the right to purchase the first 1% of the royalty for $750,000 and the remaining 2% for $2,000,000 at any time prior to the commencement of commercial production.

During the Option period, the Company will be responsible for maintaining the Belanger Project in good standing, paying all exploration licenses fees and taking such other steps as may be required to carry out the foregoing. There will be no other work commitments, and any work carried out on the Belanger Project will be at the sole discretion of the Company.

On October 22, 2020, the Company entered into an agreement to acquire a digital database of compilation and field exploration data for the Belanger Project (the “Digital Database Agreement”). In consideration of the Digital Database Agreement, the Company will pay cash consideration of $100,000 and issue 200,000 warrants as follows:

	Cash	Warrants
	$	#
Upon closing of the Digital Database Agreement on October 22, 2020 (paid and issued respectively)	50,000	100,000
Upon the earlier of (i) the commencement of a work program on either of the Property, or (ii) April 22, 2021 (paid and issued respectively)	50,000	100,000
	100,000	**200,000**

Under the Digital Database Agreement, each warrant will be exercisable to purchase one common share of the Company for a period of three years from the date of issuance at an exercise price of $0.26 per share. For the year ended December 31, 2020, the value of the warrants was determined to be $20,000 which has been capitalized by the Company as an acquisition cost.

Previous Projects

Hi Mars Project

Pursuant to an option agreement dated October 30, 2017, with Rich River Exploration (“Rich River”) and Craig A. Lynes, (collectively, the “Hi Mars Optionors”), the Company was granted an option to acquire a 100% undivided interest in two mineral claims located near Powel River area in the Vancouver Mining Division, British Columbia (the “Hi Mars Project”). The Hi Mars Project is located approx. 17 km NE of the city of Powell River in southwestern British Columbia and consists of 11 contiguous mineral titles covering an area of 1788 hectares within the Vancouver Mining Division.

In accordance with the option agreement, the Company could acquire a 51% interest in the Hi Mars Project by making a cash payment of $5,000 upon execution of the option agreement (paid). The Company would acquire the additional 49% interest in consideration of the following cash payments, share issuances, and work commitments:

	Common Shares	Cash	Exploration Expenditures
	#	$	$
Upon listing of the Company’s common shares on a Canadian Stock Exchange (the “Listing”) (issued)	100,000	-	-
On or before the first anniversary of the Listing	100,000	-	-
On or before the second anniversary of the Listing	100,000	25,000	200,000
On or before the third anniversary of the Listing	100,000	30,000	100,000
On or before the fourth anniversary of the Listing	200,000	100,000	300,000
	600,000	**155,000**	**600,000**

The Hi Mars Optionors retained a 3% net smelter returns royalty which the Company had the right to purchase the first 1% of the royalty for $750,000 and the remaining 2% for $1,000,000 at any time prior to the commencement of commercial production. The Company was listed on the Canadian Stock Exchange on March 10, 2020.

Management decided not to proceed with the Hi Mars Project; as such, the option agreement was terminated and the project was written off during the year ended December 31, 2021.

Bear Head Gold Project

Pursuant to an option agreement dated July 12, 2021 with 1544230 Ontario Inc. and Gravel Ridge Resources Ltd. which was subsequently assigned to Solstice Gold Corp. (the “Bear Head Gold Project Option0r”), the Company was granted an option to acquire a 100% undivided interest in 31 unpatented mining claims comprising 97 cells and encompassing 4,850 hectares, which are situated in the Meen Lake area of the Patricia Mining area of Ontario, Canada (the “Bear Head Gold Property”).

In accordance with the agreement, the Company could acquire the 100% interest in the Bear Head Gold Project in consideration of the following cash payments and share issuances:

	Common Shares	**Cash**
	#	**$**
Upon execution of the option agreement on July 12, 2021 (issued and paid respectively)	350,000	16,000
On or before the 1st anniversary on July 12, 2022	-	20,000
On or before the 2nd anniversary on July 12, 2023	-	25,000
On or before the 3rd anniversary on July 12, 2024	-	35,000
	350,000	96,000

The Bear Head Gold Project Optionor retained a 1.5% net smelter return royalty of which the Company had the right to repurchase 0.5% at any time by way of a one-time payment of $350,000.

The Bear Head Project comprises 31 mining claims totaling 1,944 hectares in the Meen-Dempster Greenstone Belt of the Uchi Subprovince. The Bear Head Property is located 80 kilometres west of the Pickle Lake Gold Camp and is contiguous to Ardiden’s (ASX: ADV) massive Pickle Lake Gold Project which covers 870 km^2. The Meen-Dempster Greenstone Belt is host to the Golden Patricia former gold mine which produced 620,000 ounces of gold at an average grade of 15.2 g/t Au from 1988-1997. The Bear Head Property lies 14 kilometres northeast of the Golden Patricia Mine.

Management decided not to proceed with the Bear Head Gold Project; as such, the option agreement was terminated and the project was written off during the year ended December 31, 2022.

Ferdinand Gold Project

Pursuant to an option agreement dated March 19, 2021 with 1544230 Ontario Inc. which was subsequently assigned to Solstice Gold Corp. (the “Ferdinand Gold Project Optionor”), the Company was granted an option to acquire a 100% undivided interest in 17 unpatented mining claims comprising 354 cells and encompassing 6,600 hectares, which are situated near Red Lake, Ontario (the “Ferdinand Gold Property”).

In accordance with the agreement, the Company can acquire the 100% interest in the Ferdinand Gold Project in consideration of the following cash payments and share issuances:

	Common Shares	Cash
	#	$
Upon execution of the option agreement on March 19, 2021 (issued and paid respectively)	350,000	26,000
On or before the 1st anniversary on March 19, 2022 (issued and paid respectively)	400,000	32,000
On or before the 2nd anniversary on March 19, 2023	-	40,000
On or before the 3rd anniversary on March 19, 2024	-	50,000
	750,000	148,000

The Ferdinand Gold Project Optionor retained a 1.5% net smelter return royalty of which the Company has the right to repurchase 0.5% at any time by way of a one-time payment of $500,000.

The Ferdinand Gold Project is 13 km northwest of the town of slate falls. Access is currently by logging roads with forestry logging operations scheduled for expansion into the property. It is located within the eastern extension of the Confederation-Uchi greenstone belt,one of the best metal endowed greenstone belts in the world. Crustal Scale structural features such as the Fry-Bamaji deformation zone traverse the length of the property. Total magnetic intensity of the Ferdinand Gold property display folded stratigraphy along D2 structures. These are important structural features that are important for gold- bearing hydrothermal fluids and traps. The Ferdinand Gold Project is situated within the prolific Uchi Subprovince, which is one of the most metal endowed greenstone belts in the world by square kilometer.

In July 2021, a ground crew began grab and sample exploration on the property with the results delivered to Actlabs in August 2021. Final results were delivered in October 2021.

A Helicopter bourne magnetic survey was completed on the Ferdinand Gold Project in June 2021 and Orix Geosciences was engaged to do a structural analysis with final reports received November 22, 2021.

Management decided not to proceed with the Ferdinand Gold Project and wrote off the carrying amount of $411,743 during the year ended December 31, 2022.

West Cat Mine

On October 11, 2021, the Company acquired 100% of the outstanding shares of 1318463 BC, pursuant to a Share Purchase Agreement dated September 23, 2021, which owns 100% of the outstanding shares of Golden Axe. Golden Axe owns a 100% interest in unpatented lode mining claims on federal land in the historic Beatty Mountain Nevada Mining District in Nye County, Nevada, located about 15 kilometers east of U.S. Route 95 and approximately 20 kilometers from Beatty, Nevada, at the base of the Bare Mountain Range.

In accordance with the agreement, the Company issued 4,000,000 common shares of the Company at a value of $680,000 (issued October 25, 2021), and made a cash payment of $50,000 (not yet paid).

Management decided not to proceed with the West Cat Mine Project and wrote off the carrying amount of $730,000 during the year ended December 31, 2022.

Ranger/Otter Project

Pursuant to an option agreement dated January 20, 2022 with 1544230 Ontario Inc. and Gravel Ridge Resources Ltd. (the “Ranger/Otter Project Optionor”), the Company was granted an option to acquire a 100% undivided interest in 3 unpatented mining claims comprising 61 cells and encompassing 3,050 hectares, which are situated in the Red Lake area of Ontario, Canada (the “Ranger/Otter Property”). The project borders the northeast section of the Company’s Belanger Project.

In accordance with the agreement, the Company can acquire the 100% interest in the Ranger/Otter Project in consideration of the following cash payments and share issuances:

	Number of Common Shares	Cash
	#	$
Upon execution of the option agreement on January 27, 2022 (issued and paid respectively)	200,000	12,000
On or before the 1st anniversary on January 27, 2023	-	14,000
On or before the 2nd anniversary on January 27, 2024	-	18,000
On or before the 3rd anniversary on January 27, 2025	-	28,000
	200,000	72,000

The Ranger/Otter Project Optionor retained a 1.5% net smelter return royalty of which the Company has the right to repurchase 0.5% at any time by way of a one-time payment of $500,000.

Management decided not to proceed with the Ranger/Otter Project and wrote off the carrying amount of $40,000 during the year ended December 31, 2022.

LIQUIDITY, FINANCIAL POSITION, AND CAPITAL RESOURCES

The Company is not in commercial production on any of its properties. Accordingly, the Company does not generate cash from operations. The Company finances development and exploration activities by raising capital from equity markets from time to time.

As at December 31, 2022, the Company had current assets of $149,752 (2021 - $188,508), including cash of $136,725 (2021 - $164,965), and current liabilities of $984,369 (2021 - $457,751) resulting in a working capital deficit of $834,617 (2021 - $269,243).

The Company’s operations consist of acquisition, maintenance, and exploration of mineral properties. The Company’s financial success will be dependent on the extent to which it can discover new resources. In order for the Company to continue exploration of these assets, the Company will need to raise additional financing through or a combination of equity offerings and debt.

During the year ended December 31, 2022, the Company’s cash flows used in operating activities decreased by $1,916,610 compared to the prior year due to funding the Company’s administrative and operating expenses and the decrease in the write-off of the PSC advances of $1,297,434. Cash flows used in investing activities decreased by $435,208 for the same periods due to the Company incurring less exploration asset expenditures. Cash flows provided by financing activities decreased by $1,448,804 for the same period due to the Company receiving less funds from the closing of private placements and the exercise of warrants and share options.

The Company does not generate cash flows from operations and accordingly, the Company will need to raise additional funds through the issuance of shares. Although, the Company has been successful in raising funds in the past there can be no assurance that the Company will be able to raise sufficient funds in the future, in which case the Company may be unable to meet obligations in the normal course of business. These factors may cast significant doubt regarding the Company's ability to continue as a going concern. Should the Company be unable to discharge liabilities in the normal course of business, the net realizable value of the Company's assets may be materially less than amounts on the statement of financial position.

COMMITMENTS AND CONTINGENCIES

The Company has no material or significant commitments or contingencies, not disclosed elsewhere, as at December 31, 2022 or the date of this report.

RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

On April 21, 2021, the Company entered into a Financial Advisory Services Agreement ("FAS Agreement") with Wawel Capital Corp. ("Wawel Capital"), a consulting firm which the Company's former CFO serves as a director, to provide financial advisory services to the Company, effective March 1, 2021, in consideration of $240,000 per annum, payable quarterly with up to 50% of the quarterly payment eligible to be paid in common shares of the Company at a price per share equal to the discounted market price at the time of payment. Included in the agreement is a provision for a three-month payout in the event of a termination. On October 5, 2022, the CFO resigned and the agreement was terminated.

On May 15, 2021 and amended on June 3, 2021, the Company entered into an employment agreement with the CEO of the Company whereby the CEO will be paid an annual salary of $80,000. Included in the agreement is a provision for a three-month payout in the event of a termination without notice. The employment agreement was amended on December 16, 2021, whereby the CEO resigned and maintained the position of the President of the Company. On October 5, 2022, the former CEO was reappointed as the Company's CEO. On March 1, 2023, the Company entered into a new employment agreement with the CEO whereby the CEO will be paid an annual salary of $120,000. Additionally, the CEO will receive an annual bonus of $120,000, payable in cash or shares, on the first and second anniversaries of the agreement. Included in the new agreement is a provision for a three-month payout in the event of a termination without notice.

On March 1, 2023, the Company entered into a consulting agreement with the CFO of the Company whereby the CFO will be paid $10,000 per month until March 1, 2025, unless extended by mutual agreement. Additionally, the CFO will receive an annual bonus of $120,000, payable in cash or shares, on the first and second anniversaries of the agreement.

Key management includes directors and key officers of the Company, including the President, Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO").

During the year ended December 31, 2022, the Company entered into the following transactions with related parties:

a) Incurred management salaries of $80,000 (2021 - $53,333) and share-based compensation of $44,336 (2021 - $142,173) to Mark Brezer. As at December 31, 2022, $63,455 (2021 - $nil) was included in accounts payable and accrued liabilities as owing to Mr. Brezer.

b) Incurred management fees of $240,000 (2021 - $180,000) to Wawel Capital. As at December 31, 2022, $185,000 (2021 - $60,000) was included in accounts payable and accrued liabilities as owing to Wawel Capital. During the year ended December 31, 2022, Wawel Capital was issued 900,000 common shares valued at $110,000 pursuant to the FAS Agreement, of which $80,000 is included in management fees and salaries and $30,000 was applied to accounts payable for services rendered during the year ended December 31, 2021.

c) Incurred management fees of $nil (2021 - $12,000) to Mathew Coltura., former President, CEO, and director of the Company.

d) Incurred management fees of $72,000 (2021 - $nil) and share-based compensation of $246,309 (2021 - $nil) to Mara Management Ltd., a company controlled by Rod Husband, former CEO of the Company. As at December 31, 2022, $53,800 (2021 - $nil) was included in accounts payable and accrued liabilities as owing to Mara Management Ltd.

e) Incurred professional fees of $nil (2021 - $34,629) to Lotz CPA Inc., a company controlled by Mark Lotz, former CFO and director of the Company.

f) As at December 31, 2022, $194 (2021 - $nil) was included in accounts payable and accrued liabilities as owing to Mr. Markin.

g) As at December 31, 2022, $30,440 (2021 - $nil) was included in loan payable as owing to Imarkin Investments PTY Limited, a Company controlled by Mr. Markin.

The Company incurred the following key management personnel cost from related parties:

	For the year ended December 31, 2022	2021
	$	$
Management fees and salaries	392,000	257,333
Professional fees	-	34,629
Share-based compensation	290,645	142,173
	682,645	434,135

OFF BALANCE SHEET TRANSACTIONS

The Company has no off-balance-sheet transactions as at December 31, 2022 or the date of this report.

RISKS AND UNCERTAINTIES

The business and operations of the Company are subject to numerous risks, many of which are beyond the Company's control. The Company considers the risks set out below to be some of the most significant to potential investors in the Company, but not all of the risks are associated with an investment in securities of the Company. If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which the Company is currently unaware or which it considers to be material in relation to the Company's business actually occur, the Company's assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects, are likely to be materially and adversely affected. In such circumstances, the price of the Company's securities could decline and investors may lose all or part of their investment.

The Company is engaged in the acquisition, exploration and development of mineral properties. Given the nature of the resource business, the limited extent of the Company's assets, and the present stage of exploration, the following risks factors, among others, should be considered.

Global Pandemics

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. At this point, the impact on the Company has been minimal. The Company continues to monitor the situation and is taking all necessary precautions in order to follow rules and best practices as set out by the federal and provincial governments.

Exploration, Development and Operating Risks

The Company is in the process of exploration and development of its projects and has not yet generated any revenues from production. The recovery of expenditures on mineral properties and the related exploration and evaluation expenditures are dependent on the existence of economically recoverable mineralization, the ability of the Company to obtain financing necessary to complete the exploration and development of its projects, and upon future profitable production, or alternatively, on the sufficiency of proceeds from disposition. Resource exploration is highly speculative in nature, involves many risks and frequently is non-productive. There is no assurance that the Company's efforts will be successful and will result in commercial production or profitability.

Fluctuating Resource Prices

The economics of resource exploration and development are affected by many factors beyond the Company's control, including commodity prices, the cost of operations, variations in the quantity and quality of resources and fluctuations in the market price of those resources. Depending on the price of resources, the Company may determine that it is impractical to continue a resource exploration operation or to develop one. Resource prices are prone to fluctuations and the marketability of resources are affected by government regulation relating to price, royalties, allowable production and the importing and exporting of resources, the effect of which cannot be accurately predicted.

Financing Risks and Dilution to Shareholders

The Company has limited financial resources and no revenues. The Company will require additional funds to continue with its current business. Additionally, if the Company's programs on its projects are successful, additional funds will be required for the purposes of further exploration and development. There can be no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be available on favourable terms or at all. It is likely such additional capital will be raised through the issuance of additional equity, which will result in dilution to the Company's shareholders.

Title to Properties

Acquisition of title to mineral properties can be a very detailed and time-consuming process. Title to, and the area of, properties could be disputed. The Company cannot give a certain assurance that title to its properties will not be challenged or impugned. A successful claim that the Company does not have title to its properties could cause the Company to lose any rights to explore, develop and mine any resources or minerals on its properties without compensation for its prior expenditures relating to its projects.

Regulatory, Permit and License Requirements

The current or future operations of the Company require permits from various governmental authorities, and such operations are and will be governed by laws and regulations concerning exploration, development, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, site safety and other matters. Companies engaged in the exploration and development of mineral properties generally experience increased costs and delays in development and other schedules as a result of the need to comply with applicable laws, regulations and permits. There can be no assurance that all permits which the Company may require for facilities and the conduct of exploration and development operations on the properties will be obtainable on reasonable terms, or that such laws and regulations will not have an adverse effect on any exploration or development project which the Company might undertake.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in exploration and development operations may be required to compensate those suffering loss or damage by reason of the exploration and development activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations. Amendments to current laws, regulations and permits governing operations and activities of resource companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or exploration and development costs, or require abandonment or delays in the development of new or existing properties.

Competition

The resource exploration and development industry is highly competitive. The Company will have to compete with other companies, many of which have greater financial, technical and other resources than the Company, for, among other things, the acquisition of minerals claims and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel. Failure to compete successfully against other mining companies could have a material adverse effect on the Company and its prospects.

Reliance on Management and Dependence on Key Personnel

The success of the Company will be largely dependent upon the performance of its directors and officers and the ability to attract and retain key personnel. The loss of the services of these persons may have a material adverse effect on the Company's business and prospects. The Company will compete with numerous other companies for the recruitment and retention of qualified employees and contractors. There is no assurance that the Company can maintain the service of its directors and officers or other qualified personnel required to operate its business. Failure to do so could have a material adverse effect on the Company and its prospects.

Environmental Risks

The Company's exploration and development programs will, in general, be subject to approval by regulatory bodies. Additionally, all phases of the resource business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of international conventions and state and municipal laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with mining operations. The legislation also requires that wells and facility sites be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs.

Local Resident Concerns

Apart from ordinary environmental issues, the exploration and development the Company's projects could be subject to resistance from local residents that could either prevent or delay exploration and development of its properties.

Conflicts of Interest

Certain of the directors and officers of the Company will be engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies (including mineral resource companies) and, as a result of these and other activities, such directors and officers may become subject to conflicts of interest. The BCBCA provides that in the event that a director has a material interest in a contract or proposed contract or agreement that is material to an issuer, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement, subject to and in accordance with the BCBCA. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the BCBCA and applicable internal corporate governance or board policies where and when applicable.

Political Risks

The Company's operations may be adversely affected by changes in governmental policies or other economic developments which are not within the control of the Company including a change in taxation policies, economic sanctions, and currency control. The Company is subject to various laws governing exploration, development, production, export of products, taxes, labour standards and occupational health, toxic substances, land use, water use, land claims of local people and other matters. No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner, which could increase the cost of operations.

Uninsurable Risks

Exploration, development and production operations on resource properties involve numerous risks, including unexpected or unusual geological and/or operating conditions, fires, floods, earthquakes and other environmental occurrences, any of which could result in damage to, or destruction of, producing facilities, damage to life or property, environmental damage and possible legal liability. Although precautions to minimize risk will be taken, operations are subject to hazards that may result in environmental pollution and consequent liability that could have a material adverse impact on the business, operations and financial performance of the Company. It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks as a result of high premiums or other reasons. Should such liabilities arise, they could have an adverse impact on the Company's results of operations and financial condition and could cause a decline in the value of the Company's shares.

Litigation

The Company and/or its directors may be subject to a variety of civil or other legal proceedings, with or without merit.

CRITICAL ACCOUNTING ESTIMATES

The preparation of these consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Significant accounting estimates

a) the measurement of deferred income tax assets and liabilities; and

b) the inputs used in accounting for share-based payments.

Significant accounting judgments

a) the determination of categories of financial assets and financial liabilities;

b) the evaluation of the Company’s ability to continue as a going concern; and

c) the assessment of indications of impairment of the exploration and evaluation assets and related determination of the net realizable value and write-down of the exploration and evaluation assets where applicable.

ACCOUNTING PRONOUNCEMENTS NOT YET ADOPTED

The Company has performed an assessment of new standards issued by the IASB that are not yet effective and has determined that any standards that have been issued would have no or very minimal impact on the Company’s consolidated financial statements.

FINANCIAL INSTRUMENTS AND FINANCIAL RISK

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The Company's financial instruments consist of cash, sales taxes receivable, and accounts payable. The fair value of sales taxes receivable and accounts payables approximates their carrying values. Cash is measured at fair value using level 1 inputs.

The Company is exposed to risks of varying degrees of significance from its use of financial instruments which could affect its ability to achieve its strategic objectives for growth and stakeholder returns. The principal risks to which the Company is exposed, and the actions taken to manage them, are described below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner

The risks associated with the Company's financial instruments and the policies on how to mitigate these risks are set out below.

a) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company's corporate office is based in Canada and all of the Company's assets and expenses are denominated in Canadian dollars. The Company does not have any significant foreign currency denominated monetary liabilities.

b) Interest rate risk

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short-term.

The Company has not entered into any derivative instruments to manage interest rate fluctuations.

c) Credit risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. The Company's cash is held in a large Canadian financial institution. The Company maintains certain cash deposits, which from time to time may exceed federally insured limits. The Company has not experienced any significant credit losses on its cash deposits and believes it is not exposed to any significant credit risk on these deposits. The Company's sales tax receivable is due from the Government of Canada; therefore, the credit risk exposure is low.

d) Liquidity risk

In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations. As at December 31, 2022, the Company had a cash balance of $136,725 to settle current liabilities of $984,369. Subsequent to December 31, 2022, the Company closed a non-brokered private placement raising gross proceeds of $470,000.

DISCLOSURE OF DATA FOR OUTSTANDING COMMON SHARES, OPTIONS AND WARRANTS

Common Shares

The Company has one class of common shares. Below is a summary of the common shares, share options, and warrants issued and outstanding as at December 31, 2022 and the date of this report.

	As at December 31, 2022	As at the date of this report
Common shares	54,194,461	75,954,463
Share options	2,610,000	1,610,000
Warrants	18,277,434	28,037,434

Share Options

The Company has issued incentive options to certain directors, officers, and consultants of the Company. As of the date of this report, the following share options were outstanding.

Number of Share Options	Exercise Price	Expiry date
	$	
300,000	0.245	August 4, 2025
100,000	0.20	November 16, 2025
500,000	0.20	May 13, 2026
350,000	0.28	June 7, 2026
360,000	0.14	January 27, 2027
1,610,000		

Warrants

As of the date of this report, the following warrants were outstanding.

Number of Warrants	Exercise Price	Expiry date
	$	
2,907,084	0.20	April 29, 2023
250,000	0.30	August 27, 2023
7,425,000	0.05	August 31, 2023
502,750	0.30	September 3, 2023
1,070,000	0.05	September 21, 2023
820,800	0.30	September 24, 2023
855,000	0.30	September 27, 2023
1,244,650	0.30	October 29, 2023
250,000	0.30	November 15, 2023
100,000	0.26	November 26, 2023
495,900	0.30	December 3, 2023
375,000	0.30	December 9, 2023
100,000	0.26	May 17, 2024
71,250	0.20	January 17, 2024
500,000	0.20	January 24, 2024
570,000	0.20	January 27, 2024
740,000	0.20	February 28, 2024
9,760,000	0.05	January 27, 2025
28,037,434		

OTHER DISCLOSURES

Internal Controls Over Financial Reporting

There were no changes in the Company's internal control over financial reporting during the year ended December 31, 2022 that have materially affected, or are reasonably likely to affect, the Company's internal control over financial reporting.

Additional Information

Additional information relating to the Company may be found on or in:

- SEDAR at www.sedar.com;
- the Company's audited consolidated financial statements for the years ended December 31, 2022 and 2021.

This MD&A was approved by the Board of Directors of Straightup Resources Inc. effective April 28, 2023.