GOLD LION RESOURCES INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE COMPANY'S FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR PERIODS ENDED DECEMBER 31, 2022 AND 2021

February 28, 2023

This Management Discussion and Analysis ("MD&A") of Gold Lion Resources Inc. ("Gold Lion" or the "Company") has been prepared by management as of February 28, 2023 and should be read together with the condensed consolidated interim financial statements and related notes for the periods ended December 31, 2022 and 2021 which are prepared in accordance with International Financial Reporting Standards ("IFRS"). Additional information regarding the Company can be found on SEDAR at www.sedar.com. All of the following amounts are expressed in Canadian dollars unless otherwise stated.

FORWARD-LOOKING STATEMENTS

The information set forth in this MD&A contains statements concerning future results, future performance, intentions, objectives, plans and expectations that are, or may be deemed to be, forward-looking statements. These statements concerning possible or assumed future results of operations of the Company are preceded by, followed by or include the words 'believes,' 'expects,' 'anticipates,' 'estimates,' 'intends,' 'plans,' 'forecasts,' or similar expressions. Forward-looking statements are not guarantees of future performance. These forward-looking statements are based on current expectations that involve numerous risks and uncertainties, including, but not limited to, those identified in the Risks Factors section. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately. These factors should be considered carefully, and readers should not place undue reliance on forward-looking statements. The Company may not provide updates or revise any forward-looking statements, except those otherwise required under paragraph 5.8(2) of NI 51-102, whether written or oral that may be made by or on the Company's behalf.

OVERALL PERFORMANCE

The Company was incorporated under the Business Corporations Act (British Columbia) on October 5, 2018 under the name "Blue Lion Holdings Inc.". The Company changed its name to "Gold Lion Resources Inc." on November 15, 2018. The Company's head office is located at #600 - 1090 West Georgia Street, Vancouver, British Columbia, V6E 3V7, and its registered and records office is located #810– 789 West Pender Street, Vancouver, British Columbia, V6C 1H2.

The Company is engaged in the business of mineral exploration in British Columbia, Canada.

As at the date of this MD&A, the following have resigned as directors and/or officers of the Company:

Mr. Guy Bourgeois, CEO, Corporate Secretary, and Director
Mr. Steven Hong, CFO and Director

As at the date of this MD&A, the following have been appointed as directors and/or officers of the Company:

Mr. Lawrence Hay, CEO, Corporate Secretary, and Director
Steven Inglefield, CFO

OVERALL PERFORMANCE (continued)

On June 6, 2022, the Company closed a share purchase agreement with 1000173975 Ontario Inc. ("OntarioCo"), whereby the Company has acquired all of the issued and outstanding shares of OntarioCo. OntarioCo's principal asset and undertaking is its interest in the Black Lake Mineral Property, which is located in northern Saskatchewan (the "Property"). The Property presents a significant opportunity for Gold Lion with respect to battery metals, including Cobalt, Nickel, Copper as well as Gold. The nearby KoBold Metals' Faith in Gravity site is being targeted due to its supply of Cobalt. KoBold's backers include venture capital firm Andreessen Horowitz and Breakthrough Energy Ventures. Pursuant to the SPA, the Company has issued an aggregate of 20,000,000 common shares (the "Consideration Shares") to the shareholders of OntarioCo with a fair value of $1,000,000.

On December 20, 2022, the Company sold its 100-per-cent interest in 1000173975 Ontario Inc, to an arm's-length purchaser through a share purchase agreement. Pursuant to the SPA, the company received an aggregate of $380,000 as consideration for the sale of Black Lake Mineral Property through the transfer of all the issued and outstanding shares in the capital of 1000173975. The company recognized an impairment of $945,709 from the disposition.

On July 20, 2022, the Company entered into a Share Purchase Agreement ("SPA") and acquired 100% of Sustainable Li-Ion Research Inc. ("SLIR"). SLIR's primary asset is a license agreement and sponsored research agreement in the field of recycling lithium-ion batteries. Pursuant to the SPA, the Company issued 10,000,000 consideration shares to SLIR's shareholders with a fair value of $400,000 on July 22, 2022. After in-depth research and assessment activities, The Company would like to introduce new generation battery recycling technology. This strategic acquisition of Sustainable Li-Ion Research Inc. will allow the Company to leverage a unique technology licensing opportunity from a leading Singapore University. This proprietary technology and process will significantly enhance the recovery, extraction and overall recycling performance while maintaining environmental and cost-effective metrics.

On September 19, 2022, the Company entered into a mineral option agreement ("Option Agreement") to acquire up to 50% interest in a mining license from Ermazon SARL (the "License") , a wholly owned subsidiary of Elcora Advanced Materials Corp. On execution of the Option Agreement, Gold Lion has acquired a 25% interest in the License by making a cash payment of $75,000 (including any amounts previously paid by Gold Lion as a deposit) and by issuing 5,000,000 common shares of the Company. Those 5,000,000 common shares were issued with a fair value of $275,000 on September 21, 2022. In November 2022, the Company and Elcora mutually rescinded the Option Agreement, and as a result, Elcora returned the 5,000,000 common shares of the Company on November 15, 2022 and the cash payment of $75,000 to the Company. Neither party will be required to pay the other a termination fee as a result of the rescindment of the Agreement.

RESULTS OF OPERATIONS

As at December 31, 2022, the Company had total assets of $1,371,693 (June 30, 2022: $2,423,978) and total liabilities of $205,815 (June 30, 2022: $163,792).

For the six months ended December 31, 2022

For the period ended December 31, 2022, the Company recognized a net loss and comprehensive loss of $1,525,590 compared to $179,871 during the period ended December 31, 2021. The loss was primarily comprised of the following:

- Consulting fees of $166,518 (2021 – $95,278). The increase is due to the Company engaging new consultants as the Company is deciding on a new direction. In the current period the company completed acquisition of SLIR and consultants were involved to assist the acquisition.
- Legal fees of $54,435 (2021 – $9,642). The increase is due to acquisition of SLIR and Black Lake Property claims.
- Investor relations of $208,385 (2021 - $Nil) increased by $208,385. The increase is related to Company's efforts to increase awareness.
- General and admin of $23,718 (2021 - $28,101) decreased by $4,383.
- A non-cash share-based compensation charge of $16,281 (2021 - $Nil) was incurred to reflect the fair value of stock options vested during the period.
- An amortization of intangible asset charge of $56,662 (2021 - $Nil) was incurred to reflect the amortization of the newly acquired intangible asset in this period.
- Impairment of exploration and evaluation assets $945,709 (2021 – $24,846). The increase is due to disposition of Black Lake Mineral Property.

SUMMARY OF QUARTERLY RESULTS

The results of the Company's previous eight quarters is presented in the table below.

	Q2	Q1	Q4	Q3
	2023	2023	2022	2022
Net loss ($)	(1,054,311)	(471,278)	(3,849,616)	(1,692,536)
Loss per share ($)	(0.02)	(0.01)	(0.10)	(0.04)
	2022	2022	2021	2021
Net loss ($)	(94,598)	(88,022)	(969,591)	(113,615)
Loss per share ($)	(0.01)	(0.00)	(0.03)	-

EXPLORATION AND PROJECTS

Fairview Property

On December 10, 2018, the Company entered into an agreement with Christopher Paul, Oliver Friesen, and 1132902 BC Ltd. to option a 100% interest in the Fairview Property (the "Property"). The Property consists of two mineral titles located in the Kamloops Mining District, British Columbia.

The option will terminate if the Company does not complete all the following within the relevant time period:

(i) Make cash payment of $32,000 upon 60 days of signing of the agreement (paid);
(ii) Incur minimum exploration expenditures of $75,000 by December 31, 2019 (incurred);
(iii) Issuing an aggregate of 255,320 common shares between January 1, 2020 and December 31, 2020 (issued);
(iv) Incur exploration expenditures of $250,000 between January 1, 2021 and December 31, 2021 (not met); and
(v) Incur exploration expenditures of $500,000 between January 1, 2022 and December 31, 2022.

The Company did not fulfill the required exploration expenditures between January 1, 2021 and December 31, 2021, and as such the option agreement terminated and management impaired the property to $Nil.

Cuteye Properties

On January 24, 2020, Gold Lion Resources Inc. ("Gold Lion" or the "Company") completed an acquisition agreement and an amalgamation agreement (collectively, the "Agreements") with a private British Columbia numbered company ("Numberco") pursuant to which Gold Lion acquired the Cuteye Group of Properties (the "Property"). Under the Agreements, Gold Lion and Numberco completed a "three-cornered amalgamation" pursuant to which Gold Lion issued an aggregate of 6,000,000 Gold Lion common shares to the shareholders of Numberco, and Numberco amalgamated with Gold Lion's wholly-owned subsidiary to continue as 1238339 BC LTD. ("123 LTD.").
During the year-ended June 30, 2022, the Company impaired the property to $Nil as a result of the claims being lapsed.

Robber Gulch / South Orogrande/Erikson Ridge

On April 7, 2020, the Company's wholly-owned subsidiary, Gold Lion Resources (NV) Inc., entered into an option agreement to earn 100% interest in the South Orogrande, Robber Gulch, and Erikson Ridge gold projects (the "Projects") in Idaho from Bronco Creek Exploration Inc., a wholly-owned subsidiary of EMX Royalty Corp ("EMX").

Each Project is covered by a separate exploration and option agreement (each, an "Agreement"), with identical terms (as described below). Pursuant to each Agreement, the Company can exercise its option to earn 100% interest in the respective Project by completing the following milestones on or before the dates indicated:

EXPLORATION AND PROJECTS (continued)

Robber Gulch / South Orogrande/Erikson Ridge (Continued)

(i) Make a cash payment of US$15,000 and issue 200,000 common shares upon of signing of the agreement (paid and issued for all three project, Note 6);
(ii) Make a cash payment of US$25,000 and incur minimum exploration expenditures of US$100,000 on or before July 7, 2021 (paid and met for all three projects);
(iii) Make a cash payment of US$40,000 and issue 250,000 common shares and incur minimum exploration expenditures of US$200,000 on or before April 7, 2022 (not met);
(iv) Make a cash payment of US$70,000 and incur minimum exploration expenditures of US$300,000 on or before April 7, 2023;
(v) Make a cash payment of US$150,000 and incur minimum exploration expenditures of US$400,000 on or before April 7, 2024; and
(vi) Make cash payment of US$300,000 and issue 500,000 common shares and incur minimum exploration expenditures of US$500,000 on or before April 7, 2025.

As of June 30, 2021, management decided not to continue with the Robber Gulch option agreement and subsequent to June 30, 2021 provided notice to Bronco Creek Exploration Inc. of its intention to terminate the option agreement. Accordingly, at June 30, 2021, the Company recognized an impairment charge of $695,948 to reduce the exploration and evaluation assets at Robber Gulch to $nil.

On March 24, 2022, the Company terminated its South Orogrande and Erickson Ridge option agreements and consequently impaired the properties to $Nil.

South Orogrande Extension

On July 15, 2020, the Company acquired, through the purchase of Ohadi GeoEx Inc., four additional gold properties, The Doc, Majestic, Mammoth, and Red Cloud, which lie to the south of Gold Lion's South Orogrande property. During the year ended June 30, 2022, the Company determined that it would not pursue the South Orogrande Extension further, and consequently, the property was impaired to $Nil.

Black Lake Mineral Property

On June 6, 2022 (the "Effective Date"), the Company acquired, through the purchase of 1000173975, an option agreement (the "Option Agreement") for the Black Lake Mineral Property, which is located in northern Saskatchewan.

Pursuant to the Option Agreement, the Company can exercise its option to earn 100% interest in the Black Lake Mineral Property by completing the following milestones on or before the dates indicated:

- Make a cash payment of $50,000 thirty days from the Effective Date (paid by 1000173975);
- Make a cash payment of $50,000 and expend $100,000 in exploration and evaluation expenditures 12 months from the Effective Date;
- Make a cash payment of $50,000 and expend $100,000 in exploration and evaluation expenditures 24 months from the Effective Date;
- Make a cash payment of $50,000 and expend $100,000 in exploration and evaluation expenditures 26 months from the Effective Date;
- Issue 300,000 common shares within 6 months from the Effective Date (issued subsequent to year-end);
- Issue 300,000 common shares within 12 months from the Effective Date;
- Issue 300,000 common shares within 24 months from the Effective Date; and
- Issue 300,000 common shares within 26 months from the Effective Date.

The Option Agreement is subject to a 2% net smelter return, of which ½ can be purchased back for $1,000,000.

EXPLORATION AND PROJECTS (continued)

Black Lake Mineral Property (Continued)

The Black Lake Mineral Property comprises 22 mineral claims. On October 14, 2022, the Company completed a combined aeromagnetic, VLF-electromagnetic and radiometric survey over all 4 claim groups compromising its Nickel Plate project in northeastern Saskatchewan. MPX Geophysics Ltd. ("MPX") flew the 2,528 km survey using a Piper Navajo PA31 aircraft. The survey included 2,295 km flown at 100 metre line spacing and 273 km of orthogonal tie lines at 1,000 metre spacing over the Breynat, Father Lake, Twin Lakes and Nickel Plate claim groups. The airborne survey covers approximately 40 nickel-copper occurrences which were discovered by previous workers and are located within the 4 claim groups. These occurrences include the "Laura showing" with up to 4615 ppm nickel and 2801 ppm copper detected in a 2008 grab sample which was collected by previous workers. The Company expects to generate additional drilling targets from the new airborne survey and intends to utilize the survey to plan a follow-up exploration program.

On December 20, 2022, the Company sold its 100-per-cent interest in 1000173975 Ontario Inc, to an arm's-length purchaser through a share purchase agreement. Pursuant to the SPA, the company received an aggregate of $380,000 as consideration for the sale of Black Lake Mineral Property through the transfer of all the issued and outstanding shares in the capital of 1000173975. The company recognized an impairment of $945,709 from the disposition

The continuity of the Company's exploration and evaluation assets is as follows:

	Black Lake **$**	**Total** **$**
Acquisition Costs		
Balance, June 30, 2022	**1,080,393**	**1,080,393**
Incurred during the period	15,000	15,000
Balance, December 31, 2022	**1,095,393**	**1,095,393**
Deferred Exploration Costs		
Balance, June 30, 2022	**-**	**-**
Geological and geophysical	114,708	114,708
Taxes and mineral claims	115,608	115,608
Balance, December 31, 2022	**230,316**	**230,316**
Proceeds of disposition	(380,000)	(380,000)
Impairment	(945,709)	(945,709)
Total exploration and evaluation	**-**	**-**

EXPLORATION AND PROJECTS (continued)

The continuity of the Company's exploration and evaluation assets is as follows:

	Fairview $	South Orogrande $	Erickson Ridge $	Cuteye $	Black Lake $	South Orogrande Extension $	Total $
Acquisition Costs							
Balance, June 30, 2021	**167,320**	**91,200**	**91,200**	**1,800,000**	**-**	**1,456,000**	**3,605,720**
Incurred during the year	-	31,670	31,670	-	1,080,393	-	1,143,733
Balance, June 30, 2022	**167,320**	**122,870**	**122,870**	**1,800,000**	**1,080,393**	**1,456,000**	**4,749,453**
Deferred Exploration Costs							
Balance, June 30, 2021	**58,427**	**381,458**	**252,862**	**-**	**-**	**6,435**	**699,182**
Drilling	-	132,485	-	-	-	-	132,485
Equipment rental	-	12,609	2,937	-	-	-	15,546
Geological and geophysical	-	31,961	-	-	-	-	31,961
Project preparation and support	-	22,551	3,985	576	-	-	27,112
Permitting	-	13,341	-	-	-	-	13,341
Sampling and analysis costs	-	25,889	56,472	-	-	-	82,361
Travel and accommodations	-	12,812	-	-	-	-	12,812
Report and data compilation	-	-	13,111	-	-	-	13,111
Taxes and mineral claims	-	91,461	23,233	500	-	-	115,194
Balance, June 30, 2022	**58,427**	**724,567**	**352,600**	**1,076**	**-**	**6,435**	**1,143,105**
Impairment	(225,747)	(847,437)	(475,470)	(1,801,076)	-	(1,462,435)	(4,812,165)
Total exploration and evaluation	**-**	**-**	**-**	**-**	**1,080,393**	**-**	**1,080,393**

LIQUIDITY AND CAPITAL RESOURCES

The following table summarizes the Company's cash on hand, working capital and cash flow:

As at	December 31, 2022	June 30, 2022
	$	$
Cash and cash equivalents	934,872	1,055,552
Working capital	761,200	1,179,793

Quarter Ended	December 31, 2022	June 30, 2022
Cash used in operating activities	270,365	1,045,421
Cash provided in investing activities	149,648	587,657
Cash provided by financing activities	-	499,000
Change in cash	(120,681)	(1,134,078)

The Company's ability to continue as a going concern is dependent upon its ability to generate future profitable operations and/or obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due.

During the period from July 1, 2022 to December 31, 2022, the Company issued the following share capital:

- On July 5, 2022, the Company issued 300,000 common shares to the Optionors with a fair value of $15,000 in satisfaction of the first share issuance due pursuant to the Option Agreement for the Black Lake Mineral Property.
- On July 22, 2022, the Company issued 10,000,000 common shares with a fair value of $400,000 pursuant to the acquisition of SLIR.

Stock Options

The Company has adopted a stock option plan, pursuant to which the board of directors of the Company may from time to time, in its discretion, and in accordance with the Canadian Securities Exchange ("Exchange") requirements, grant to directors, officers, and technical consultants to the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares exercisable for a period of up to five years from the date of issuance.

During the period ended December 31, 2022, 85,000 stock options with an exercise price of $0.225, 85,000 stock options with an exercise price of $0.220, 250,000 stock options with an exercise price of $0.285, 150,000 stock options with an exercise price of $0.400, and 375,000 stock options with an exercise price of $0.185 were cancelled without exercise. The original fair value of the options calculated on the date of grant was $216,489 which was transferred from the equity reserve to deficit on cancellation of the options.

On May 13, 2022, the Company issued 750,000 stock options at a price of $0.05 per share, expiring May 13, 2027, with one-fourth of the options vesting on August 13, 2022, November 13, 2022, February 13, 2023 and May 13, 2023. The estimated fair value of the options was $27,270 which was determined using the Black-Scholes Option Pricing Model. with the following assumptions: an annualized volatility of 153%; an expected life of 5 years; a dividend yield rate of 0%; and a risk-free interest rate of 2.75%. The amount vested as of June 30, 2022 was $7,418. The amount vested as of December 31, 2022 was $10,660.

The Company may continue to have capital requirements in excess of its currently available resources. In the event the Company's plans change, its assumptions change or prove inaccurate, or its capital resources in addition to projected cash flow, if any, prove to be insufficient to fund operations, the Company may be required to seek additional financing.

There can be no assurance that the Company will have sufficient financing to meet its future capital requirements or that additional financing will be available on terms acceptable to the Company in the future.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not utilize off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

The Company's related parties consist of the directors, executive officers and companies owned in whole or in part by them. Transactions are measured at the exchange amount, which is the amount agreed to by the parties.

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

During the period ended December 31, 2022 and 2021, the Company carried out the following transactions with key management personnel:

		December 31, 2022		December 31, 2021
Consulting fees to the former CFO	$	-	$	5,250
Management fees to the CEO	$	24,476	$	-
Management fees to the CFO	$	10,500	$	-
Share-based compensation	$	16,281	$	-

As at December 31, 2022, included in accounts payable and accrued liabilities are balances due to related parties of $7,000 (2022 - $13,500). The amounts owed are due on demand, unsecured and non-interest bearing.

ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

A number of new standards, and amendments to standards and interpretations, are not yet effective for the period ended December 31, 2022, and have not been early adopted in preparing the consolidated financial statements. These new standards, and amendments to standards and interpretations are either not applicable or are not expected to have a significant impact on the Company's consolidated financial statements.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The carrying amounts of accounts payable and accrued liabilities approximate fair value because of the short-term maturity of these items. The fair value of the Company's cash is measured at fair value in accordance with level 1 of the fair value hierarchy.

The Company is exposed to a variety of financial risks by virtue of its activities including credit, interest rate, liquidity, commodity price, and global economic risk.

a) *Credit risk*
Credit risk is risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's cash is held in large Canadian financial institutions and its receivables are due from the Government of Canada. As such, the Company determined that it is not exposed to significant credit risk.

b) *Interest rate risk*
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to limited interest rate risk as it only holds cash.

c) *Liquidity risk*
Liquidity risk is the risk that the Company will not be able to meet its obligations as they come due. The Company's ability to continue as a going concern is dependent on management's ability to raise the required capital through future equity or debt issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning, and approval of significant expenditures and commitments.

d) *Commodity price risk*
The ability of the Company to explore and develop its exploration and evaluation assets and the future profitability of the Company are directly related to the price of base metals. The Company monitors these metal prices to determine the appropriate course of action to be taken.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS (continued)

e) *Foreign currency risk*
The Company is not exposed to significant foreign currency risk on fluctuations related to cash and accounts payable liabilities that are denominated in United States dollars ("US$"). The Company does not use derivatives or other techniques to manage foreign currency risk.

f) *Global economic risk*
General global economic conditions, including, without limitation, general levels of economic activity, fluctuations in the market prices of securities, participation by other investors in the financial markets, economic uncertainty, national and international political circumstances, natural disasters, public health crises (such as the recent global outbreak of a novel coronavirus, COVID-19, refer to note below) and other events outside of our control, may affect the activities of the Company.

RISK AND UNCERTAINTIES

Risk is inherent in all business activities and cannot be entirely eliminated. Our goal is to enable the Company's business processes and opportunities by ensuring that the risks arising from our business activities, the markets and political environments in which we operate is mitigated. The risks and uncertainties described in this section are considered by management to be the most important in the context of the Company's business. The risks and uncertainties described are not inclusive of all the risks and uncertainties the Company may be subject to and other risks may apply.

Limited Operating History

The Company has a limited operating history upon which an evaluation of the Company, its current business and its prospects can be based. You should consider any purchase of the Company's securities in light of the risks, expenses and problems frequently encountered by all companies in the early stages of their corporate development.

No Known Economic Deposits

The Company is an exploration stage company and cannot give assurance that a commercially viable deposit, or "reserve," exists on any properties for which the Company currently has or may have (through potential future joint venture agreements or acquisitions) an interest. Therefore, determination of the existence of a reserve depends on appropriate and sufficient exploration work and the evaluation of legal, economic, and environmental factors. If the Company fails to find a commercially viable deposit on any of its properties, its financial condition and results of operations will be materially adversely affected.

COVID-19

Since December 31, 2019, the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. Global equity markets have experienced significant volatility and weakness.

The Company may face future disruption to operations, supply chain delays, travel and trade restrictions and impact on economic activity in affected countries or regions can be expected and can be difficult to quantify. Such pandemics or diseases represent a serious threat to maintaining a skilled workforce industry and could be a major health-care challenge for the Company. There can be no assurance that the Company's personnel will not be impacted by these pandemic diseases. In addition, the COVID-19 pandemic has created a dramatic slowdown in the global economy. The duration of the COVID-19 outbreak and the resultant travel restrictions, social distancing, Government response actions, business closures and business disruptions, can all have an impact on the Company's operations and access to capital. There can be no assurance that the Company will not be impacted by adverse consequences that may be brought about by the COVID-19 pandemic on global financial markets may reduce resource prices, share prices and financial liquidity and thereby that may severely limit the financing capital available.

Dependence on Management

The Company is very dependent upon the personal efforts and commitment of its existing management. To the extent that management's services would be unavailable for any reason, a disruption to the operations of the Company could result, and other persons would be required to manage and operate the Company.

SUBSEQUENT EVENTS

On February 2, 2023, the Company acquired the rights to the option agreement under a share exchange agreement, among Gold Lion, 1391740 B.C. Ltd. and the shareholders of 1391740 B.C. Ltd. pursuant to which Gold Lion acquired all of the issued and outstanding shares of 1391740 B.C. Ltd. from 1391740 B.C. Ltd shareholders. As consideration under the SEA, Gold Lion: has made an initial aggregate cash payment of $50,000 to the 139 B.C. shareholders, has issued an aggregate of 10 million common shares of Gold Lion at a deemed price of 6.75 cents per share, representing an aggregate value for the shares of $675,000, to the 139 B.C. shareholders, and is required to make an additional aggregate cash payment of $50,000 to the shareholders of 1391740 B.C. Ltd on or before March 6, 2023.

On February 23, 2023, The Company closed a non-brokered private placement financing for gross proceeds of $367,275 through the issuance of an aggregate of 4,896,999 common shares at a price of 7.5 cents per share.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

Management has designed internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The design of the Company's internal control over financial reporting was assessed as of the date of this MD&A. Based on this assessment, it was determined that certain weaknesses existed in internal controls over financial reporting. As indicative of many small companies, the lack of segregation of duties and effective risk assessment were identified as areas where weaknesses existed. The existence of these weaknesses is to be compensated for by senior management monitoring, which exists. Management will continue to monitor very closely all financial activities of the Company and increase the level of supervision in key areas. It is important to note that this issue would also require the Company to hire additional personnel in order to provide greater segregation of duties. Since there is insufficient work at this time to warrant the additional costs, management has chosen to disclose the potential risk in its filings and proceed with increased personnel only when the budgets and work load will enable the action. The Company has attempted to mitigate these weaknesses, through a combination of extensive and detailed review by management of the financial reports, and the integrity and reputation of senior accounting personnel.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The information provided in this report as referenced from the Company's consolidated financial statements for the referenced reporting period is the sole responsibility of management. In the preparation of the information along with related and accompanying statements and estimates contained herein, management uses careful judgement in assessing the values (or future values) of certain assets or liabilities. It is the opinion of management that such estimates are fair and accurate as presented.

OUTSTANDING SHARE DATA

Authorized: Unlimited number of common shares without par value.

Common shares: 83,616,486 (December 31, 2022 – 68,219,487)
Warrants: 31,628,542 (December 31, 2022 – 32,128,542)
Options: 4,150,000 (December 31, 2022 – 2,150,000)

APPROVAL

The Board of Directors of the Company has approved the disclosure contained in this MD&A