METALITE RESOURCES INC.

(FORMERLY ROOGOLD INC.)

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED DECEMBER 31, 2023

MANAGEMENT DISCUSSION AND ANALYSIS

The following Management's Discussion and Analysis ("MD&A") dated as of April 30, 2024, supplements the consolidated financial statements of Metalite Resources Inc. (formerly RooGold Inc; the "Company") and the notes thereto for the years ended December 31, 2023 and 2022. The MD&A has been prepared in compliance with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the consolidated financial statements of the Company for the years ended December 31, 2023 and 2022 together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The Company's consolidated financial statements and the financial information contained in this MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC"). Information contained herein is presented as of April 30, 2024, unless otherwise indicated.

For the purposes of preparing this MD&A, Management, in conjunction with the Board of Directors, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company's common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

The Company's shares are listed on the Canadian Securities Exchange ("CSE"). Further information about the Company and its operations can be obtained from the offices of the Company or from www.sedarplus.ca and the Company's website www.metaliteresources.com.

COMPANY OVERVIEW

On April 1, 2019, Metalite Resources Inc. was incorporated under the laws of the province of British Columbia. The Company's principal business activity is the exploration for mineral resources in Liberia, and New South Wales, Australia. Metalite is a public company whose common shares trade on the Canadian Securities Exchange ("CSE") under the symbol METL. On March 21, 2023, the Company changed its name to Metalite Resources Inc., and its symbol for the common shares traded on the CSE was changed to METL from ROO. On October 20, 2023, the Company consolidated its share capital on a 1 new to 10 old shares basis. All share and per share amounts have been retroactively restated for all prior periods to reflect the share consolidation.

The Company's head office address is 82 Richmond Street East, Toronto, Ontario, M5C 1P1.

CORPORATE UPDATES

On January 31, 2023 the Company announced that it has appointed Mr. Efdal Olcer as its new Vice President of Exploration.

On February 22, 2023, the Company announced that it has closed the acquisition of Next Generation Resources Inc. ("NextGen") on February 21, 2023. The transaction was structured as a three-cornered amalgamation completed pursuant to an amalgamation agreement (the "Definitive Agreement") entered into between the Company, a newly incorporated wholly-owned subsidiary of the Company and NextGen. Pursuant to the terms of the Definitive Agreement, in connection with the amalgamation Metalite issued a total of 7,249,920 common shares, 2,990,160 common share purchase warrants and 168,800 agent warrants. All of such warrants expire on February 21, 2025. The 215,200 warrants with an exercise price of $0.25 contain an accelerated expiry provision such that if the closing price of the common shares in the capital of the Company on the Canadian Stock Exchange is in excess of $0.25 for a period of 10 consecutive trading days then the expiry date shall be accelerated to the date that is 30 days following the date that is 7 days after the end of the 10 consecutive trading day period referenced above. The 168,800 agent warrants also have an exercise price of $0.25 and are subject to the same acceleration clause. 2,574,960 of the common share purchase warrants have an exercise price of $1.00 until February 21, 2024 and an exercise price of $1.25 from February 22, 2024 until February 21, 2025. The final 200,000 warrants have an exercise price of $0.625. Following the completion of the Transaction, the Company has 14,505,915 common shares outstanding, of which the current shareholders of the Company hold just over 50% (on a non-diluted basis). No new control persons of the Company (i.e.

greater than 20% of the outstanding shares) were created as a result of the transaction.

On March 20, 2023, the Company announced the appointment of Mr. David Melling as Chief Executive Officer (CEO) and member of the Board of Directors, and Mr. Dale J. Schultz, M.Sc., P.Geo. to the Board of Directors. Mr. Vishal Gupta and Mr. Daniel Cohen resigned from their roles to pursue other ventures.

On March 21, 2023, the Company changed its name to "Metalite Resources Inc." from "RooGold Inc." and began trading on the Canadian Securities Exchange ("CSE") under the new name at the market open on March 27, 2023. The Company also concurrently changed its stock symbol to "METL" on the CSE.

On April 21, 2023, 16,000 common share purchase warrants were exercised at $0.25 per share for the issuance of 16,000 common shares.

Effective April 28, 2023 Mr. Michael Singer resigned from his role as director to pursue other ventures.

On May 10, 2023, the Company announced the appointment of Mario A. Miranda to the Company's board of directors. Mr. Miranda replaces Michael Singer, who has stepped down to pursue other business ventures.

On August 16, 2023, the Company announced the appointment of Mr. Paul L. Jones as Chairman to the Company's board of directors. Mr. Jones replaced David Kol who resigned from the board of directors on July 27, 2023.

On August 30, 2023, the Company announced that Dale Schultz has resigned from the board of directors of the Company for health reasons.

On October 2, 2023, the Company announced that David Kol, principal of Next Generation Resources Inc. ("Next Gen"), acquired by the Company earlier this year, has agreed to tender for cancellation 1,240,000 common shares of the Company in connection with the execution of a mutual release with the Company. The total number of post-consolidation number of common shares referenced above do not reflect this cancellation. The Company further advised that, in accordance with its press release dated July 27, 2023, it is commencing efforts to wind up Next Gen and it has abandoned all operations in Liberia. To this end, the Company has terminated the employment of its VP Exploration, Efdal Olcer.

On October 20, 2023, the Company consolidated its share capital on a 1 new to 10 old shares basis. All share and per share amounts have been retroactively restated for all prior periods to reflect the share consolidation.

On December 8, 2023, the Company entered into share for debt agreements and issued 10,763,613 shares to settle aggregate debt of $329,544.

CORPORATE EVENTS SUBSEQUENT TO DECEMBER 31, 2023

On January 19, 2024, the Company announced that it has entered into an arm's length non-binding letter of intent ("LOI") with Cachee Gold Mines Corp. dated January 19, 2024 to acquire an interest in an advanced stage critical metals project located in Flett and Angus townships, Ontario. Additionally the Company granted incentive stock options to certain directors, officers, employees and consultants of the Company to acquire an aggregate of 1,150,000 common shares in the capital of the Company at an exercise price of $0.05 (the "Options") in accordance with its Equity Incentive Plan. Of the total Options granted, 900,000 Options have been granted to certain directors and officers of the Company. All Options are fully vested as at the date of grant and exercisable for a five-year term expiring January 24, 2029.

On January 26, 2024 the Company announced that it has changed its auditor from Crowe MacKay LLP., Chartered Professional Accountants (the "Former Auditor") to DNTW Toronto LLP, Chartered Professional Accountants ("Successor Auditor") effective January 12, 2024.

On February 27, 2024, a meeting of creditors will be held by teleconference on February 27, 2024 at 11.00am EST as its subsidiary, Next Generation has filed an assignment under Section 49 of the Bankruptcy and Insolvency Act (Canada), effective February 12, 2024. In connection with the above, S. Funtig and Associates Inc. has been appointed as the bankruptcy trustee. The Company will provide further information in regard to Next Generation’s bankruptcy filing in due course.

On April 7, 2024, Osprey Advanced Materials Inc. ("Osprey"), a wholly-owned subsidiary of Cachee Gold Mines Corp. ("Cachee") entered into a contract mining agreement with Ferromin Inc. ("Ferromin") on Osprey's advanced stage critical metals project located in Flett and Angus townships, Ontario ("Titan Project").

On April 15, 2024, the Company announced by mutual agreement, Cachee and Metalite have extended the term of the LOI and the deadline for the completion of the financing by Metalite to May 31, 2024. It is expected that the definitive agreement will be entered prior to May 31, 2024. All other terms and conditions of the LOI (as further described in Metalite press release dated January 19, 2024) remain unchanged.

MINERAL PROPERTIES

During the year ended December 31, 2023, the Company engaged in the following activities which resulted in the acquisitions of a number of mineral properties.

On January 30, 2023, the Company filed a Technical Report in accordance with NI 43-101 for its Arthurs Seat and Gold Star properties in Australia.

As part of the NextGen acquisition that the Company closed on February 22, 2023, the Company acquired exploration licences in Liberia. These include Nimba South, Nimba North, Pleebo, Harper, as well as four additional licences. More information can be found on the Company's website www.metaliteresources.com, and the Company will also be filing a Business Acquisition Report within the prescribed period which will provide more information.

On March 3, 2023, the Company relinquished its title to its Solomons (EL 9110), Malebo (EL 9122), Goodwins Reef (EL 9132), Silver Creek (EL 9143), Glenrock (EL 9390), Lorne (EL 9232), and Trilby (EL 9242) projects in Australia.

On May 2, 2023 announced its new exploration strategy after completion of its recent acquisition of NextGen. The NextGen acquisition provided the Company with access to an extensive portfolio of properties covering 3,233 square kilometres which are prospective for lithium, and other rare earth elements (REEs) in Liberia, West Africa.

On July 27, 2023, the Company announced it was considering winding up its project in Liberia, which the Company acquired through its acquisition of NextGen. NextGen allowed most of its Liberian concessions lapse and the balance of the concessions are expected to lapse in the near term. Given the circumstances, the Company is conducting a strategic review to determine where the Company should best focus its resources.

EXPLORATION EVENTS SUBSEQUENT TO DECEMBER 31, 2023

There were no significant exploration events subsequent to December 31, 2023.

LIBERIA, WEST AFRICA PROJECTS

As part of the NextGen acquisition that the Company closed on February 22, 2023, the Company acquired several exploration licenses in Liberia. The portfolio of Liberian assets included 8 reconnaissance licenses covering more than 3,233 km2. The licenses are located in favorable geologic settings that have the potential to host Lithium and Rare Earth Elements (REE) deposits in addition to gold and polymetallic base metal deposits.

Prior to its amalgamation to form Metalite, NextGen had been actively investigating the LCT (Lithium-Caesium-Tantalum) Pegmatite potential of Liberia. Desktop studies and a compilation of historical geological, geophysical, and geochemical data was completed. Reconnaissance license selection was based on the results of this work.

Summary of Liberian Reconnaissance Licenses

License ID	License Name	Polygon ID	Date License Granted	Date of Initial Expiry	Date Extension Approved	Date of Final Expiry	Area km²
MRL9000522	Nimba South	P2	13-06-22	13-12-22	02-03-23	Pending[2]	562
MRL9000622	Nimba North	P3	13-06-22	13-12-22	02-03-23	Pending[2]	616
MRL9000722	Zorzor	P4	19-07-22	19-01-23	02-03-23	Pending[2]	429
MRL9000923	Pleebo	P6	09-03-23	09-09-23			186
APL 6258	River Cess	P8	Pending[1]				239
APL 6259	West Lofa	P5	Pending[1]				228
MRL9001023	Harper	P7	09-03-23	09-09-23			107
APL 6239	Voinjama	P1	Pending[1]				861

Notes:
1. Application has been approved, invoice issuance and payment are pending. Expiration date becomes fixed pending payment.
2. Extension has been approved by the Ministry of Mines and Energy. Invoice issued, expiration date becomes fixed pending invoice payment.

The Liberia Mining Law of 2000 establishes the regulations governing Reconnaissance, Exploration and Mining Licenses in Liberia. The Pleebo and Harper licenses are in good standing with all fees paid. The Nimba North, South and Zorzor license extensions have been approved and will be granted once the applicable fees have been paid. Applications for the River Cess, West Lofa and Voinjama licenses have been submitted and management anticipates that these licenses will be granted in due course upon payment of the applicable filing fees.

Reconnaissance Licenses

Upon application approval, Reconnaissance Licenses are granted for an initial 6 months which may be extended for 6 months. Individual Reconnaissance Licenses may not exceed 2,000 km^2 in size and license fees are 15,000 USD per license per 6-month period. During the reconnaissance period no drilling and pitting is permitted, only initial exploration work such as mapping, surface sampling and geophysics are allowed. No initial expenditure, work or social program commitments are required. Upon the completion of the reconnaissance period the license holder is entitled to convert all or part of the area into an Exploration License.

Exploration License

Upon approval and payment of fees, Exploration Licenses are granted for 3 years which may be extended for an additional 2 years. Individual Exploration Licenses may not exceed 500 km2 in size. Upon extension for 2 years, at least 50 % of the initial Exploration License area must be relinquished. All exploration works including drilling, pitting and test mining are allowed. Exploration plans and budgets must be submitted in advance. Minimum exploration expenditure commitments are required and based license size (Table 1). A commitment of 2% of annual exploration budget to social responsibility is mandatory. Individual annual license fees are 5,000 USD annually. In addition, annual surface right payments are required and calculated at $0.50 USD/ha.

Exploration License fee structure.

License Term and years	Expenditure Base Rate per/hectares
Initial Term first year	$3.75
Initial Term second year	$7.50
Initial Term third year	$11.25
Extended Term each year	$11.25

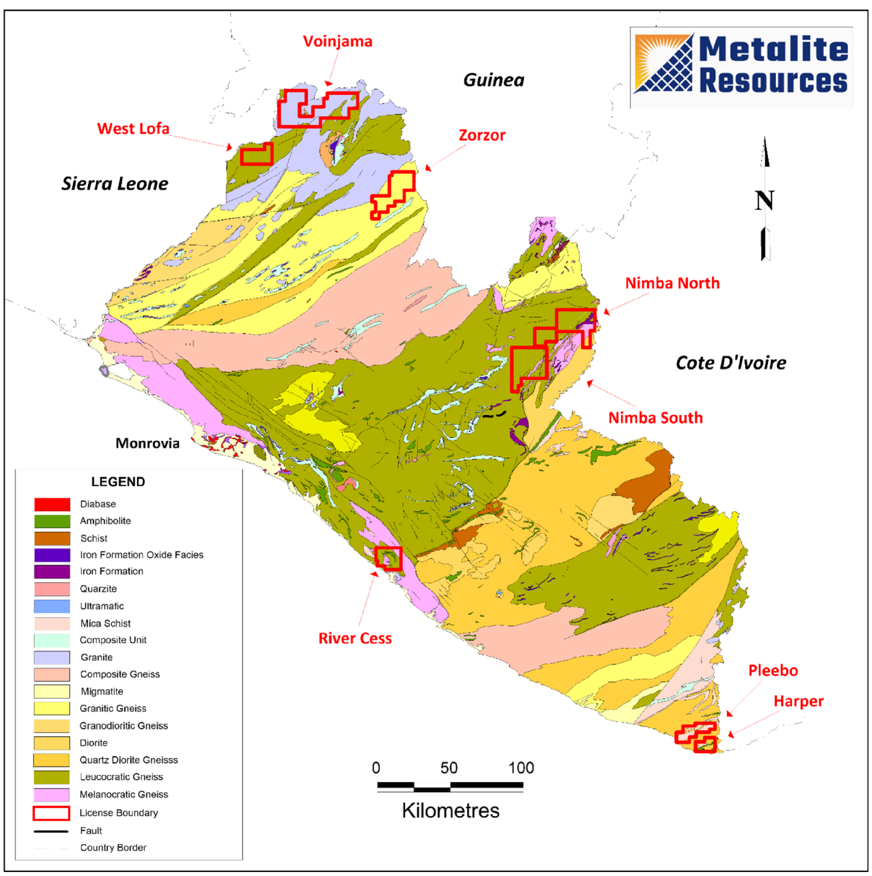
Mining License

Upon discovery of an exploitable mineral deposit and approval Mining Licenses are granted for 25 years and may be extended for an additional 25 years. Based on the results of a positive Feasibility Study a Mineral Development Agreement is negotiated between the Liberian Government and the Operator.

The Pleebo and Harper licenses are in good standing with all fees paid. The Nimba North, South and Zorzor license extensions have been approved and will be granted once the fees have been paid. The River Cess, West Lofa and Voinjama licenses have been applied for and management anticipates that these licenses will be granted in due course upon payment of the applicable filing fees.

Geological Background

Liberia is underlain by rocks of the west African craton and straddles the boundary between the Archean (3260-2850 Ma) and Paleoproterozoic (2150-1800 Ma) basement rocks. The Archean rocks in central and western Liberia and are characterized by gneisses, locally migmatitic, which are infolded with supracrustal greenstone belts of metavolcanic and metasedimentary rocks. In northern Liberia late-Archean granitoids intrude these strata. Eastern Liberia is underlain by Eburnean age tightly folded paragneiss, migmatite and amphibolite interpreted to be part of the Paleoproterozoic Birimian sequence (2200-2100 Ga). The prominent structural trend throughout most of the country is northeast to east-northeast. Along the coast to the southwest of the Archean basement is a north-northwest trending belt of Archean and Paleoproterozoic age metamorphosed sedimentary and mafic igneous rocks that were deformed during the much younger Pan African orogeny (580 Ma).



Geology of Liberia and illustrating the location of Metalite's reconnaissance licenses.

Exploration Update

In 2022, reconnaissance scale soil sampling and prospecting/mapping programs were initiated on 5 of Metalite's 8 reconnaissance licenses. A total of 7,764 soil samples and 137 rock samples were taken during the field program. All these samples are being analyzed using a Niton XL3t 950 GOLDD+ XRF. Although XRF units are not capable of detecting lithium directly they are very effective at analyzing for the suite of pathfinder elements commonly associated with LCT Pegmatites (B, Be, Cu, Cs, Hf, K, Nb, Rb, Ta, Sn, W and Zr) as well as gold, REE and polymetallic base metal deposits. After processing these results selected anomalous samples will be sent to ALS Laboratories for geochemical analysis. 444 soil and 137 rock samples have been sent to the laboratory for analysis. The results of this work will be reported when all analyses have been completed and the data sets interpreted.

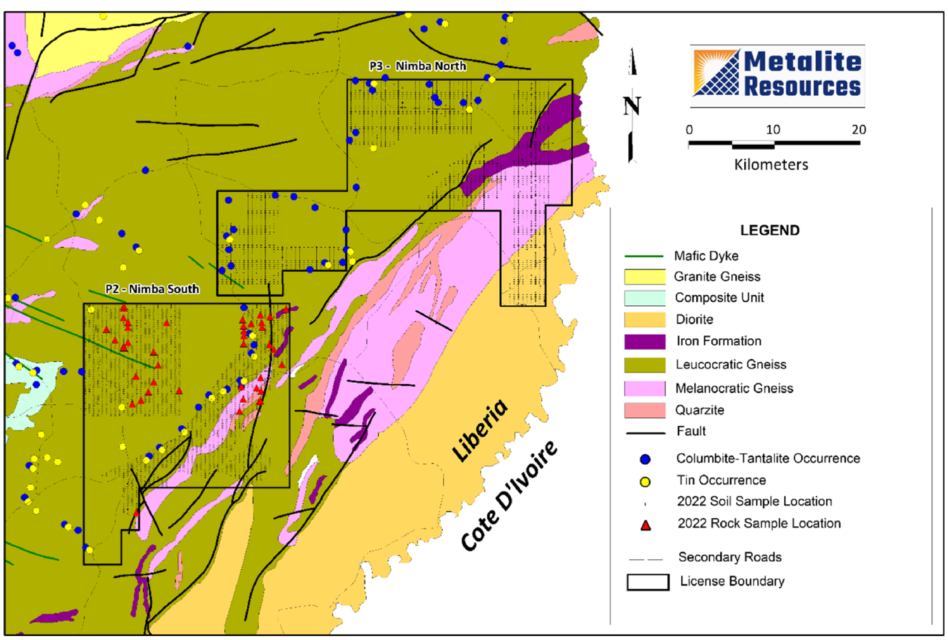
Voinjama License (P1)

The Voinjama reconnaissance license is under application and covers 865 km2 in Lofa County, northwest Liberia. The geology of the area is dominated by Archean granitic rocks intruding northwest trending leucocratic and granitic gneissic rock assemblages. USGS maps and mineral occurrence database show Monazite, coltan, lead and gold occurrences together with artisanal gold mining sites within and near the license area. Historical stream geochemistry indicates lithium anomalism within the license area. The granitic intrusive rocks and gneissic terrain represent good exploration target areas for LCT pegmatites and pegmatitic dykes as well as gold and other metal occurrences such as coltan, and REE. No sampling was completed on the Voinjama reconnaissance license in 2023.

Nimba North (P2) and Nimba South (P3) Licenses

The Nimba North and South reconnaissance licenses cover 616 and 562 km2 respectively, in Nimba County north-eastern Liberia. The bedrock geology consists of leucocratic gneiss to the west and Melanocratic gneiss, quartzite and iron formation units to the east. The contact between the two packages is marked by a northeast-trending fault zone that may be related to the Cestos shear zone located to the south where gold mineralization is known to occur. Numerous coltan (columbite-tantalite) and tin occurrences were documented in the area by the USGS in 1979 and recompiled in 2007.

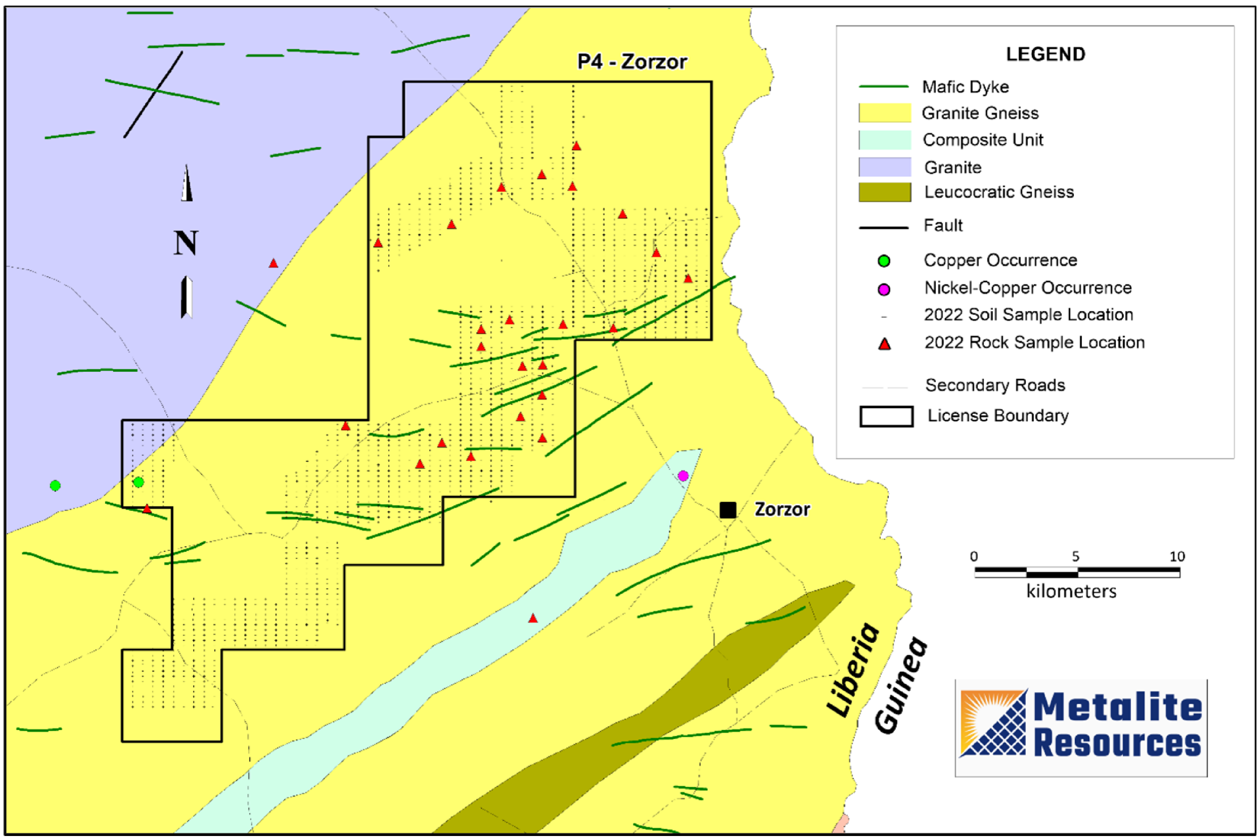
A total of 5,503 soil samples and 44 rock samples were taken in 2022. Soil samples were taken at a depth of 40 cm on 500 m grid lines at 250 m intervals. Most of the rock samples were from pegmatite dikes. The results of the XRF analyses are pending.



Nimba North (P3) and Nimba South (P2) license map illustrating geology, mineral occurrences, soil and rock samples.

Zorzor Reconnaissance License (P4)

The Zorzor reconnaissance license covers 430 km2 in Lofa County, northern Liberia. The bedrock geology is dominated by granitic gneiss. To the northwest of the license there is a large granite intrusion. A total of 1,838 soil samples and 26 rock samples were taken in 2022. Soil samples were taken at a depth of 40 cm on 500 m grid lines at 250 m intervals. Most of the rock samples were from pegmatite dykes. Potential for LCT pegmatites and REEs within the migmatitic rocks within the granitic gneiss and is high, particularly in proximity to the granite intrusion on the north boundary of the license. Copper mineralization has been documented in the eastern part of the license area. The results of the XRF analyses are pending.



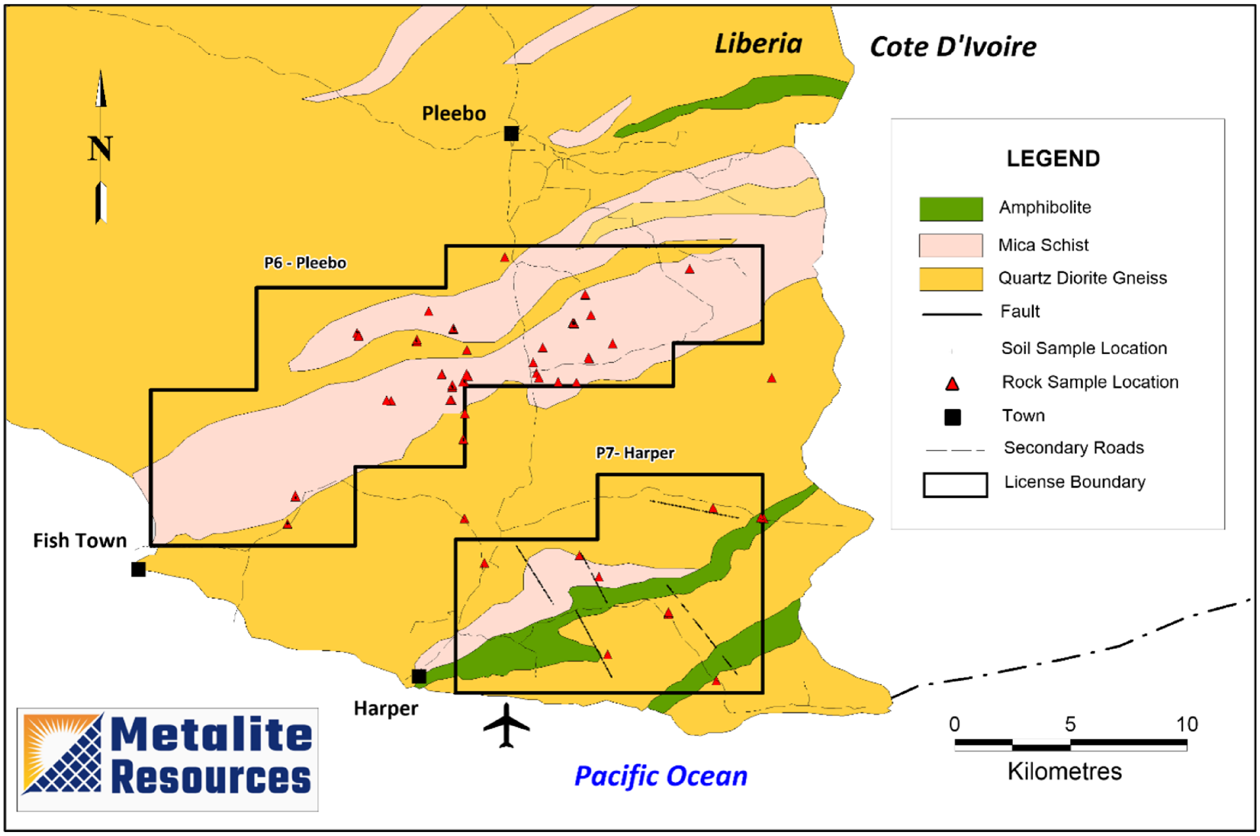
Zorzor (P4) license map illustrating geology, mineral occurrences, soil and rock samples.

West Lofa License (P5)

The West Lofa reconnaissance license is under application and covers 228 km2 in Lofa County, northwest Liberia. The bedrock geology consists of Archean age assemblage of leucocratic and granitic gneiss and lesser amphibolite, intruded by younger Archean granitic rocks. USGS maps and mineral occurrence database show gold occurrences together with artisanal gold mining sites within and at the vicinity of the license area. Granitic rocks and surrounding the surrounding terrain are good exploration target areas for LCT pegmatites, as well as gold and other mineral occurrences such as coltan, and REE. No sampling was completed on the West Lofa reconnaissance license in 2022.

Pleebo (P6) and Harper Licenses (P7)

Pleebo (P6) and Harper (P7) reconnaissance licenses cover 186 and 107 km2 respectively, in Maryland County, south-eastern Liberia. The bedrock geology is dominated by quartz diorite schists with lesser units of mica schist and amphibolite. A total of 423 soil samples and 67 rock samples were taken in 2022 (Figure 4). Soil samples were taken at a depth of 40 cm at 100 m intervals. on reconnaissance grid lines. Most of the rock samples were from pegmatite dikes. The results of the XRF and laboratory analysis are pending.



Pleebo (P6) and Harper (P7) license map illustrating geology, mineral occurrences, soil and rock samples.

River Cess (P8)

The River Cess reconnaissance license is under application and covers 239 km2, in River Cess County, southern Liberia. The bedrock geology consists of Archean gneissic rock assemblages with lesser amphibolite intruded by Archean granites. The northwest trending Todi Shear zone traverses the license and the Cestos shear zone is located to the northeast. Both these major regional structures are known to host mineralization. Numerous artisanal gold mining sites occur within the region. No sampling was completed on the River Cess reconnaissance license in 2022.

QUALIFIED PERSON

David Melling, P.Geo acts as Metalite's Qualified Person for its Liberian projects, under National Instrument 43-101 rules for mineral deposit disclosure. Mr. Melling is a Professional Geoscientist (P.Geo) and a registered member of the Engineer and Geoscientists of British Columbia (no. 18999) a Recognized Professional Organization. Mr. Melling is Metalite's CEO and has sufficient experience relevant to the crystallization of lithium-cesium-tantalum (LCT) type pegmatite deposits under evaluation.

AUSTRALIAN EXPLORATION PROJECTS

Exploration activities are focused on establishing land access agreements with landowners over key prospects at Metalite's priority project, shown in the table below.

The Company is focusing on Arthurs Seat (EL 9144), where it has a land access agreement to continue exploration work. The Company has relinquished title to Gold Star (EL 9215), Gold Belt (EL 9226), Dingo (EL 9227), Castlerag (EL 9141), and Blue Bell (EL 9229).

Metalite's high priority projects for land access and prospect sampling. Prospect information sourced from NSW Government database Minview.

Project	Target	
Arthurs Seat EL9144	IRG, orogenic Au/Ag	Mine dump samples up to 750g/t Ag & 11.6% Sb. Stream sampling low level Ag and base metal anomalism. Mostly Sb prospects.

Gold Projects

Arthurs Seat

Exploration License No. 9144 (“EL 9144”) was granted on April 30, 2021 by the Department of Regional NSW – MEG. Additionally, the Company estimates that a minimum exploration expenditure and associated expenses of AUD $25,000 in year one and AUD $50,000 in year two will be required, based on certain MEG requirements.

Arthurs Seat spans 42 km² across the northwestern region of the New England Orogenic Terrane. The New England Orogenic Terrane comprises island-arc and continental-arc gold-Silver mineralized belts, which host extensive intrusion related polymetallic deposits. These include Mount Carrington (24 Moz Ag), Webb (>12 Moz Ag), Hillgrove (2 Moz Au), Gympie (5 Moz Au), Hillgrove (2 Moz Au), Cracow (3 Moz Au), Mount Morgan (>5 Moz Au) and Mount Rawdon (2 Moz Au).

The property is centred on the regional Severn Thrust Fault and mineralized granitic/sandstone contact. The property Includes 3 historic silver mines and prospects. Mineralization is found in white quartz and tourmaline veins cutting the greisenised granite - Meta- sedimentary contact zone. This contact spans over 15 km strike length within the concession, historically mined for silver and tin ore. The contact target and associated mines remain unexplored sub-surface since mining ended in 1890.

Elevated gold grades observed at the Cox gold/silver Prospect, are interpreted as related with the hanging wall of the deep-seated Severn Thrust Fault – potentially representing a robust 7km long un-explored secondary target.

The Property includes:

- Murray and Co Mine: Worked in the late 1890’s - underground adits and shafts were driven on silver and tin rich quartz and tourmaline veins, which intrude metasediments along the greisenised granite contact.
- Sampling of large mine waste dumps adjacent to Murray and Co mine returned grades of up to 1085 g/t Ag and 1400 ppm Sb. Indicating historic mining on the property was highly selective and extremely high-grade.

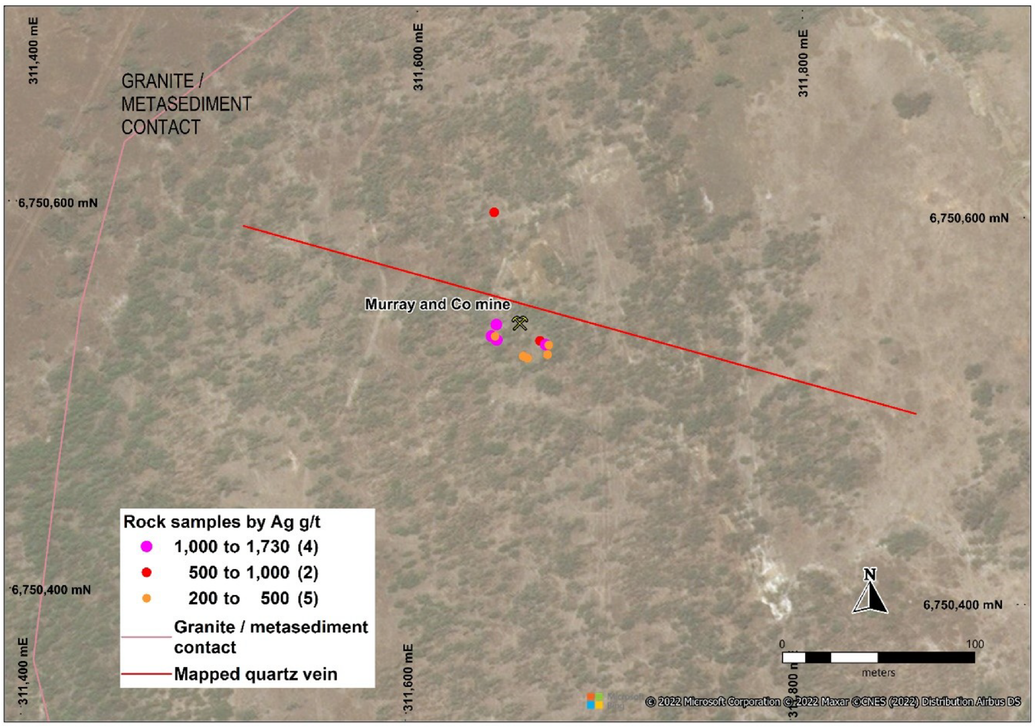
Exploration work
Despite historic mining activity, the property remains largely under-explored. Field work will initially focus on field sampling of historic workings and prospects, in conjunction with gridded soil geochemical sampling and geophysics to better define mineralization across the contact and Severn Fault targets.

A total of 274 rock chip samples have been collected at the Arthurs Seat Project (EL 9144). Field work was targeted at sampling mullock dumps and shafts at the Murray and Co mine and McDonalds Prospect, as well as sampling along the N-S fault and the greisen altered granite contact at the Arthurs Seat Prospect. Key results are described below.

Murray and Co Mine

Twenty seven (27) rock samples were collected from the Murray and Co Mine dump heaps and historic shafts. Highly anomalous gold and silver assays were returned over 40 m strike length at the Murray and Co Mine, demonstrated in the figure below. The Murray and Co Mine is located within a zone of quartz veined metasediment approximately 350 m in E-W strike length.

The highest gold value of **6.27 g/t Au and 1,385 g/t Ag** was returned from the westerly most shaft from a brecciated and silicified metasediment containing multiple quartz veins. The table below shows significant assay results from the rock chip sampling at Murray and Co Mine. Very little historic work has been done at Murray and Co Mine. These gold assays are the first to be reported at this prospect.



High-grade sampling results from Murray and Co Mine coloured by Ag g/t. Highest gold result of 6.27 g/t Au and 1,725 g/t Ag in 40 m zone of historic shafts.

Other assays surrounding Murray and Co Mine include 16 samples that graded between 0.2 g/t – 0.01 g/t Ag.

Significant assay results from rock chip sampling program at the Murray and Co Mine (>100 g/t Ag, > 0.09g/t Au) from Arthurs Seat Project, EL 9144. Listed in order of sample number.

Sample ID	Easting	Northing	RL	Lithology	Au g/t	Ag g/t
R00244	311642	6750598	524	Brecciated metasediment	0.17	517
R00245	311670	6750530	533	Brecciated metasediment	0.09	1125
R00246	311666	6750526	532	Brecciated metasediment	1.23	141
R00248	311667	6750532	534	Brecciated metasediment	0.76	677
R00249	311644	6750532	537	Brecciated metasediment	6.27	1385
R00252	311660	6750523	532	Brecciated metasediment	2.11	445
R00258	311644	6750540	529	Brecciated metasediment	0.55	1725
R00259	311641	6750534	529	Brecciated metasediment	1.77	1585
R00261	311643	6750534	530	Brecciated metasediment	0.67	236
R00262	311671	6750525	526	Brecciated metasediment	0.34	411
R00263	311658	6750524	525	Brecciated metasediment	1.23	463
R00264	311671	6750530	529	Brecciated metasediment	0.26	313
R00329	314608	6749317	456	Brecciated siltstone	0.09	130

<u>McDonalds Mine Prospects</u>

Forty seven (47) rock samples were collected at the McDonalds prospect and returned anomalous gold and silver assays over an area 600 m x 350 m. Visual observations of some samples included massive stibnite and returned antimony (Sb) values up to 12.75% Sb.

These results are encouraging and show the potential for a polymetallic precious and base metal deposit along strike from the high-grade silver values at the Murray and Co Mine located 2.75 km to its west.

Significant assay results from rock sampling program at the McDonalds prospect (>0.1g/t Au and >20g/t Ag) from Arthurs Seat Project, EL 9144. Listed in order of sample number, rounded to 2 decimal places.

Sample_ID	Easting	Northing	RL	Lithology	Au g/t	Ag g/t	Sb %
R00296	314205	6749347	468	Metasediment	0.11	7.14	0.54
R00299	314200	6749351	465	Metasediment	0.2	13.4	8.85
R00300	314203	6749353	465	Metasediment	0.25	6.2	1.85
R00301	314208	6749352	466	Metasediment	0.12	15.15	2.87
R00302	314207	6749350	466	Metasediment	0.14	3.98	0.42
R00303	314207	6749347	466	Metasediment	0.15	7.3	0.98
R00304	314215	6749348	468	Metasediment	0.13	13.35	2.46
R00306	314212	6749349	469	Metasediment	0.15	9.82	2.52
R00313	314125	6749299	462	Metasediment	0.05	47.6	0.43
R00314	314302	6749465	460	Fine quartz vein in metasediment	0.02	57.2	0.91
R00326	314374	6749531	468	Fine quartz vein in metasediment	0.06	42.1	1.86
R00327	314375	6749533	469	Fine quartz vein in metasediment	0.02	71.1	12.75
R00328	314597	6749326	455	Metasediment	0.23	49.4	0.52
R00329	314608	6749317	456	Fine quartz vein in metasediment	0.09	130	0.11
R00330	314603	6749322	455	Fine quartz vein in metasediment	0.05	17.55	0.20
R00331	314637	6749298	455	Fine quartz vein in metasediment	0.24	59.5	0.34
R00337	314101	6749399	461	Fine quartz vein in metasediment	0.1	3.83	0.50
R00338	314575	6749351	451	Fine quartz vein in metasediment	0.05	51.2	0.43
R00346	314074	6749619	474	Fine quartz vein in metasediment	0.03	57.7	5.40
R00347	314067	6749615	473	Fine quartz vein in metasediment	0.02	44.3	0.77
R00349	314127	6749540	472	Fine quartz vein in metasediment	0.03	23.2	0.26

The Company has not developed an exploration plan or budget for the Arthur's Seat property.

Qualified Person

Qualified Person Kym Revington, Geological Consultant, and Qualified Person under NI 43-101, has reviewed and approved the technical content of this release. Kym Revington is a Member of the Australian Institute of Geoscientists (AIG) (no. 2871).

Exploration and acquisition costs for the year ended December 31, 2023 is as follows:

	Acquisition costs	Assays	Claim costs	Field costs	Geological	Total
Imperial	$ -	$ -	$ -	$ 1,337	$ -	**$ 1,337**
Gold belt	-	-	-	-	2,466	**2,466**
Blue Bell	-	-	-	-	247	**247**
Glenrock	-	-	-	-	224	**224**
Goodwins Reef	-	-	-	-	224	**224**
Arthur's Seat	-	-	3,191	-	36,073	**39,264**
Castle Rag	-	-	-	-	6,412	**6,412**
Silver Creek	-	-	-	-	224	**224**
Dingo	-	-	-	-	11,363	**11,363**
Gold Star	-	-	-	-	13,168	**13,168**
Trilby	20,642	-	4,245	-	-	**24,887**
Lorne	20,642	-	2,692	-	-	**23,334**
Total	**$ 41,284**	**$ -**	**$ 10,128**	**$ 1,337**	**$ 70,401**	**$ 123,150**

Selected Annual Financial Information

The following is selected financial data derived from the audited consolidated financial statements of the Company for the years ended December 31, 2023, December 31, 2022 and December 31, 2021.

	Year ended December 31, 2023 ($)	Year ended December 31, 2022 ($)	Year ended December 31, 2021 ($)
Total revenues	nil	nil	nil
Comprehensive loss	5,033,101	2,168,117	9,081,669
Net loss per share	0.36	0.30	1.26
Total assets	117,262	735,664	2,651,405
Total long term liabilities	45,971	nil	nil
Dividends	nil	nil	nil

Summary of Quarterly Results

Quarter Ended	Revenues	Comprehensive Loss for the Period	Loss Per Share - Basic and Diluted
December 31, 2023	$ nil	$ 140,159	$ 0.00
September 30, 2023	$ nil	$ 155,730	$ 0.01
June 30, 2023	$ nil	$ 349,740	$ 0.02
March 31, 2023	$ nil	$ 4,387,472	$ 0.43
December 31, 2022	$ nil	$ 536,724	$ 0.07
September 30, 2022	$ nil	$ 457,366	$ 0.06
June 30, 2022	$ nil	$ 603,747	$ 0.08
March 31, 2022	$ nil	$ 570,280	$ 0.08

RESULTS OF OPERATIONS

Three months ended December 31, 2023, compared with three months ended December 31, 2022

	For the three months ended December 31,			
	2023	**2022**	**Variance**	**Comments**
Exploration expenditures	$ 59,489	$ 92,553	$ (33,064)	This was primarily due to the geological surveys and technical review of the mineral properties in Australia, and the acquisition of the properties in the prior comparative period. See "Mineral Properties" above for more information.
Management fees	39,620	155,947	(116,327)	The decrease in the quarter was due to severance fees paid in the comparative period.
Marketing and shareholder communication	2,997	83,513	(80,516)	During the current period the Company decreased cost related investor relation and marketing while it undertook a review of it's properties.
Professional fees	(8,230)	117,638	(125,868)	Professional fees increased during the period due to the closing of the NextGen acquisition. In the current period the Company changed auditors resulting in a lower fee causing a reversal in the period.
Share-based compensation	-	61,874	(61,874)	This was a result of the Company granting 590,000 stock options with vesting conditions compared to nil stock options in the comparative period.
Other expenses and revenues	37,261	21,139	16,122	Non-significant variances in other expenses and revenue items.
Net loss	**$ 131,137**	**$ 532,664**	**$ (401,527)**	

Year ended December 31, 2023, compared with year ended December 31, 2022

	For the year ended December 31,			
	2023	2022	Variance	Comments
Exploration expenditures	$ 123,150	$ 559,722	$ (436,572)	See "Mineral Properties" above for more information.
Management fees	236,626	341,001	(104,375)	Management fees decreased during the year due the change in management personnel.
Marketing and shareholder communication	128,329	470,395	(342,066)	During the current year the Company decreased cost related investor relation and marketing while it undertook a review of its properties.
Share-based compensation	106,076	238,426	(132,350)	The change in the stock based compensation is due to the granting of 800,000 stock options in the comparative period, and the vesting of those options in the current period.
Transaction costs	3,898,136	-	3,898,136	During the year the Company acquired NextGen.
Other expenses and revenues	541,040	572,796	(31,756)	Non-significant variances in other expenses and revenue items.
Net loss	**$ 5,033,357**	**$ 2,182,340**	**$ 2,851,017**	

Liquidity and Capital Resources

The Company finances its operations through the sale of its equity securities, loans and other financing activities. The Company has no producing mineral properties. The Company intends to obtain financing in the future primarily through equity financing, loans and other financing activities. There can be no assurance that the Company will succeed in obtaining additional financing, now and in the future. Failure to raise additional financing on a timely basis could cause the Company to suspend its operations and/or sell its interests in certain properties.

The continuing operations of the Company are dependent on its ability to generate future cash flows or obtain additional financing. Management believes it will be able to raise funds as required in the long term, but recognizes the risks attached thereto.

As at December 31, 2023, the Company had current assets of $43,738 (December 31, 2022 - $584,383) and current liabilities of $443,575 (December 31, 2022 – $126,947). As of December 31, 2023, the Company has a working capital deficit of $399,837 (December 31, 2022 - working capital surplus of $457,436). The company initiated restructuring activities in order to preserve cash until such time it can obtain additional financing.

Selected Cash Flow Information

	Year Ended December 31, 2023
Operating activities	
Net loss for the year	(5,033,357)
Items not affecting cash (a)	4,011,604
Changes in non-cash working capital items (b)	499,483
Net cash used in operating activities	(522,270)

(a) Non cash items of $5,029,008 consisted of transaction costs of $3,898,136, share-based compensation of $106,076, depreciation of $15,659, interest paid of $4,482, offset by a gain in foreign exchange of $8,400, a and gain on sale of vehicle of $4,349.

(b) Cash used for working capital purposes of $184,965 consisted of a decrease in accounts receivables of $54,454, a decrease in prepaid expenses of $35,519, an increase in accounts payable and accrued liabilities of $180,616 adjusted for settled debt, an increase in assets related to operations to be woundup of $6,993, an increase in liabilities related to operations to be woundup of $235,887.

During the year ended December 31, 2023, the Company had cash inflows from investing activities of $116,855, which was for the return of site restoration deposits as the Company relinquished title to a number of properties during the period of $111,252, proceeds from the sale of vehicle of $26,511, and offset by lease payments of $20,908.

During the year ended December 31, 2023, the Company issued $56,250 the shares due to an agreement, and 16,000 agent purchase warrants were exercised at $0.25 for gross proceeds of $4,000.

RELATED PARTY TRANSACTIONS

Related parties include Officers, the Board of Directors, close family members and enterprises which are controlled by these individuals as well as certain persons performing similar functions. Related party transactions conducted in the normal course of operations are measured at the exchange value (the amount established and agreed to by the related parties).

The Company had the following transactions involving officers and directors for the year ended December 31, 2023:

(i) Management fees of $18,540 (2022 - $18,572) were paid or accrued for CFO services to the CFO of the Company.

(ii) Management fees of $nil (2022 - $32,000) were paid or accrued to a company controlled by a former Director of the Company.

(iii) Management fees of $20,000 (2022 - $17,500) were paid or accrued to a company controlled by the former interim CEO and Director of the Company.

(iv) Management fees of $40,000 (2022 - $10,000) were paid or accrued to a company controlled by a former Director of the Company.

(v) Management fees of $nil (2022 - $249,896) were incurred to the previous CEO and President of the Company. During the Company has issued $56,250 in common shares to the previous CEO and President.

(vi) Geological fees of $nil (2022 - $126,583 (AUD 140,103)) were paid to the former VP of Exploration of the Company.

(vii) Management fees of $78,400, respectively (2022 - $nil) were paid or accrued to a company controlled by the CEO and Director of the Company.

(viii) Management fees of $55,675 (2022 - $nil) were paid or accrued to a company controlled by the former VP of Exploration of the Company.

On February 9, 2022, the Company granted 75,000 stock options to the former VP of Exploration. The stock options vest 25,000 on February 9, 2022, and the remainder vesting 25,000 each year on the anniversary. The stock options have an exercise price of $2.50 and are exercisable for a period of five years, expiring February 9, 2027. During the year ended December 31, 2023, the Company recognized $nil (December 31, 2022 - $39, 592) in share-based compensation, in connection with the option grant. In October 2022, the VP of Exploration left the Company, and 50,000 of the unvested option were forfeited immediately, with the remainder being forfeited in January 2023.

On March 4, 2022, the Company granted 100,000 stock options to the previous Chief Executive officer ("CEO") and President, of which 16,667 stock options vest every six months starting on September 4, 2022. The stock options have an exercise price of $3.00 and are exercisable for a period of five years, expiring March 4, 2027. During the year ended December 31, 2023, the Company recognized $nil (December 31, 2022 - $18,401) in share-based compensation, in connection with the option grant. In November 2022, the former CEO left the Company, and 83,333 of the unvested option were forfeited immediately, with the remainder being forfeited in February 2023.

On March 17, 2022, the Company granted 35,000 stock options to a Director of which 8,750 stock options vest every six months starting September 17, 2022. The stock options have an exercise price of $3.00 and are exercisable for a period of five years, expiring March 17, 2027. During the year ended December 31, 2023, the Company recognized $13,308, respectively (December 31, 2022 - $41,380), in share-based compensation, in connection with the option grant. During the period the remaining unvested options received accelerated vesting terms.

On December 29, 2022, the Company granted 590,000 stock options to Officers, and Directors of which 333,750 stock options vested immediately, and 256,250 stock options vesting on June 29, 2023. The stock options have an exercise price of $0.50 and are exercisable for a period of five years, expiring December 29, 2027. The fair value of these options at the date of grant was estimated at $216,090 using the Black-Scholes option pricing model with the following assumptions: share price - $0.50; risk free interest rate – 3.37%; expected volatility – 116.67%; expected dividend yield - nil; expected life - 5 years. During the year ended December 31, 2023, the Company recognized $92,768 (December 31, 2022 - $132,322), in share-based compensation, in connection with the option grant. During the year ended December 31, 2023 options totaling 243,750 received accelerated vesting terms due primarily to the departure of certain directors. The balance of options vested on June 29, 2023.

During the year ended December 31, 2023, the Company entered into share for debt agreements and issued 2,090,003 to the CEO, VP of exploration, and a company controlled by the employer of the CFO, to settle debt of $69,336.

Included in accounts payable and accrued liabilities at December 31, 2023 is $41,887 (December 31, 2022 - $25,172) owed to related parties. The amounts owed to related parties are unsecured, non-interest bearing and due on demand.

The Company has a cost sharing agreement with Zodiac Gold Inc. ("Zodiac"), a company related by a common officer and director, whereby the Company shares services and other expenses. During years ended December 31, 2023 the Company was allocated $nil and $50,629, respectively (December 31, 2022 – $nil) for its share of these expenses, of which $50,629 (December 31, 2022 – $nil) was payable to Zodiac.

SHARE DATA

As of the date of this MD&A the Company had 25,285,524 outstanding common shares.

The Company had the following stock options outstanding as of the date of this MD&A.

Expiry Date	Exercise Price ($)	Number of Options Outstanding	Number of Options Vested (Exercisable)
January 24, 2029	0.050	1,150,000	1,150,000
December 29, 2029	0.500	25,000	25,000
	0.060	**1,175,000**	**1,175,000**

The Company had the following share purchase warrants outstanding as of the date of this MDA.

Expiry Date	Exercise Price ($)	Number of warrants Outstanding
July 17, 2024	0.67	1,607,500
February 21, 2025	0.625	200,000
April 13, 2025	1.00	2,574,960
	0.86	**4,382,460**

The Company no agent warrants outstanding as of the date of this MDA.

FINANCIAL RISK MANAGEMENT

Fair value

The Company's financial instruments consist of cash and cash equivalents, site restoration deposits, and accounts payable and accrued liabilities. The carrying amounts of these financial instruments are a reasonable estimate of their fair values because of their nature and market rates for similar financial instruments.

Financial risk factors

The Company's risk exposures and the impact on the Company's financial statements are summarized below:

Credit risk
Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. As at December 31, 2023, management believes that the credit risk with respect to cash and cash equivalents, and accounts receivables is minimal. Cash and cash equivalents are held with reputable Canadian and Australian financial institutions, from which management believes the risk of loss to be minimal. Accounts receivables are due from individuals which management believes there to be a low risk of default.

Liquidity risk
Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if its access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or matters specific to the Company. The Company generates cash flow primarily from its financing activities. As at December 31, 2023, the Company had cash, and accounts receivable of $33,769 (December 31, 2022 - $538,895) to settle current liabilities of $434,280 (December 31, 2022 - $126,947). All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms, except for the debentures payable. The Company regularly evaluates its cash position to ensure preservation and security of capital as well as liquidity and the Company's ability to continue as a going concern.

Currency risk
Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognized assets and liabilities are denominated in a currency that is not the Company's functional currency. The Company is exposed to foreign exchange risk arising from various currency exposures primarily with respect to the USD and AUS, because the company holds the majority of its foreign financial instruments in USD. The Company's policy is not to enter into any currency hedging transactions. The Company's has AUD $4,231, and USD $537 of net monetary assets and monetary liabilities.

Sensitivity analysis
A 10% strengthening or weakening of the Canadian Dollar against the United States Dollar or Australian Dollar would have increased or decreased cumulative translation adjustments by approximately $711. This analysis assumes that all other variables, in particular interest rates, remain constant.

Commodity price risk
The Company's ability to raise capital to fund exploration or development activities is subject to risks associated with fluctuations in the market price of gold and silver. The Company closely monitors commodity prices to determine the appropriate course of actions to be taken.

CAPITAL RISK MANAGEMENT

Capital is comprised of the Company's shareholders' equity. The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital. The Company is not subject to external capital restrictions. There were no changes in the Company's approach to capital management.

ENVIRONMENTAL LIABILITIES

The Company is not aware of any environmental liabilities or obligations associated with its mineral properties. The Company is conducting its operations in a manner consistent with governing environmental legislation.

OFF BALANCE SHEET ARRANGEMENTS

The Company is not a party to any off-balance sheet arrangements or transactions.

ADOPTION OF NEW ACCOUNTING POLICIES

Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)

The IASB has published Classification of Liabilities as Current or Non-Current (Amendments to IAS 1) which clarifies the guidance on whether a liability should be classified as either current or non-current. The amendments:

- clarify that the classification of liabilities as current or non-current should only be based on rights that are in place "at the end of the reporting period"
- clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability
- make clear that settlement includes transfers to the counterparty of cash, equity instruments, other assets or services that result in extinguishment of the liability.

The Company adopted the amendment on January 1, 2023, the adoption of these amendments did not have any material impact on the Company's consolidated financial statements.

Disclosure initiative – accounting policies (Amendments to IAS 1 and IFRS Practice Statement 2)

Beginning on January 1, 2023, the Company adopted the amendments to IAS 1, Presentation of Financial Statements (IAS 1) and IFRS Practice Statement 2, Making Materiality Judgements. These amendments help companies provide useful accounting policy disclosures and requires the disclosure of material accounting policy information rather than disclosing significant accounting policies. The adoption of these amendments did not have a material impact on the consolidated financial statements.

ACCOUNTING STANDARDS ISSUED BUT NOT YET APPLIED

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for annual periods beginning on or after January 1, 2023 or later periods. The Company is currently evaluating the impact of the adoption of these new standards on its consolidated financial statements.

TRENDS AND ECONOMIC CONDITIONS

The Company continues to monitor its spending and will amend its plans based on business opportunities that may arise in the future. Management regularly monitors economic conditions and estimates their impact on the Company's operations and incorporates these estimates in both short-term operating and longer term strategic decisions.

The Company's business financial condition and results of operations may be affected by economic and other consequences from Russia's military action against Ukraine and the sanctions imposed in response to that action in late February 2022. While the Company expects any direct impacts, of the pandemic and the war in the Ukraine, to the business to be limited, the indirect impacts on the economy and on the mining industry and other industries in general could negatively affect the business and may make it increasingly difficult for it to raise additional equity or debt financing. Management cannot accurately predict the future impact these items may have on:

- Global gold, and lithium prices
- Demand for gold and lithium, and the ability to explore for gold and lithium;
- The severity and the length of potential measures taken by governments to manage the spread of the virus, and their effect on service provider availability, such as legal and accounting;
- Purchasing power of the Canadian dollar; and
- Ability to obtain funding.

RISKS AND UNCERTAINTIES

The information provided in this document is not intended to be a comprehensive review of all matters concerning the Company. The users of this information, including but not limited to investors and prospective investors, should read it in conjunction with all other disclosure documents provided including but not limited to all documents filed on SEDAR+ (www.sedarplus.ca).

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position.

Nature of Mineral Exploration and Mining

The Company's future is dependent on the Company's exploration and evaluation programs. The exploration and evaluation of mineral deposits involves significant financial risks over a prolonged period of time, which a combination of careful evaluation, experience and knowledge may not eliminate. Few properties that are explored are ultimately developed into economically viable operating mines. Major expenditures on the Company's exploration properties may be required in constructing mining and processing facilities at a site, and it is possible that even preliminary due diligence will show adverse results, leading to the abandonment of projects. It is impossible to ensure that preliminary feasibility studies or final feasibility studies on the Company's projects or the current or proposed exploration programs on any of the properties in which the Company has exploration rights will result in any profitable commercial mining operation. The Company cannot give any assurance that its current and future exploration activities will result in a discovery of mineral deposits containing Mineral Reserves. The Company's exploration and evaluation may be hampered by mining, heritage and environmental legislation, industrial accidents, industrial disputes, cost overruns, land claims and compensation and other unforeseen contingencies.

The Company does not currently operate a mine on any of its properties. There is no certainty that the expenditures made by the Company towards the search for and evaluation of mineral deposits will result in discoveries that are commercially viable. Whether a deposit will be commercially viable depends on a number of factors, some of which are the particular attributes of the deposit, such as its size and grade, proximity to infrastructure, financing costs and governmental regulations, including regulations relating to prices, taxes, royalties, infrastructure, land use, importing and exporting of metal concentrates, exchange controls and environmental protection. The effect of these factors cannot be accurately predicted, but the combination of any or all of these factors may result in the Company not receiving an adequate return on invested capital or have a material adverse effect on the Company's business and financial condition. In addition, assuming discovery of a commercial ore-body, depending on the type of mining operation involved, several years can elapse from the initial phase of drilling until commercial operations are commenced. Most of the above factors are beyond the Company's control.

Limited Operating History

The Company's properties are in the exploration stage and are not commercially viable at this time. The Company has not recorded any revenues from mining operations and there is no certainty that the exploration expenditures towards the search and evaluation of mineral deposits will result in discoveries of commercial quantities of ore or that the Company will generate revenue, operate profitably or provide a return on investment in the future. There can be no assurance that significant additional losses will not occur in the future. The operating expenses and capital expenditures may increase in subsequent years with advancing exploration, evaluation, development of properties if proven successful and/or production of the properties. The Company does not expect to receive revenues from operations in the foreseeable future. The Company expects to incur losses until such time as its properties enter into commercial production and generate sufficient revenue to fund its continuing operations. The development of the Company's properties will require the commitment of substantial resources and there can be no assurance that the Company will be able to finance its operations externally.

There can be no assurance that the Company's exploration programs will result in locating commercially exploitable mineral ores or that its properties will be successfully developed. There can be no assurance that the underlying assumed levels of expenses will prove to be accurate.

Ability to Continue as a Going Concern

The Company's ability to continue as a going concern is highly dependent upon its ability to continue to raise adequate financing to fund its continuing exploration, evaluation activities and development of properties if they are proven successful. There is no assurance that the Company will either achieve or maintain profitability in the future.

Requirement for Further Financing

The further exploration of the various mineral properties in which the Company holds interests and the acquisition of additional properties depends upon the Company's ability to obtain financing through joint ventures of projects, debt financing, equity financing or other means. There can be no assurance that the Company will able to raise the balance of the financing required or that such financing can be obtained without substantial dilution to shareholders. Failure to obtain additional financing on a timely basis could cause the Company to reduce or terminate its operations or lose its interest in one or more of its properties.

In order to continue exploring the Company's mineral properties and acquiring additional properties, management will be required to pursue additional sources of financing. While management has been successful in obtaining such financing in the past, there is no assurance that it will be successful in the future. Failure to obtain sufficient financing may result in delaying or indefinitely postponing exploration, evaluation, development of or production on any or all of the Company's properties if they are proven successful, or even loss of property interest. It may also prevent the Company from meeting its obligations under agreements to which it is a party as a result of which, its interest in the properties may be reduced. There can be no assurance that additional capital or other types of financing, if needed, will be available or, if available, the terms of such financing will be favourable to the Company.

The amount of administrative expenditures is related to the level of financing and exploration activities that are being conducted, which in turn may depend on our recent exploration experience and prospects, as well as general market conditions relating to the availability of funding for exploration-stage resource companies. As a result, there may not be predictable or observable trends in our business activities and comparison of financial operating results with prior years may not be meaningful.

Title Matters

The Company has taken reasonable measures, in accordance with industry standards for properties at the same stage of exploration as those of the Company to ensure proper title to its properties. However, there is no guarantee that title to any of its properties will not be challenged or impugned. Title insurance generally is not available for mining claims in Canada and the Company's ability to ensure that it has obtained secure claim to individual mineral properties or mining concessions may be limited. The Company's properties may be subject to prior unregistered liens, agreements, transfers or claims, including native land claims and title may be affected by, among other things, undetected defects. In addition, the Company may be unable to operate the properties as permitted or to enforce its rights with respect to its properties. The failure to comply with all applicable laws and regulations, including a failure to pay taxes, carry out and file assessment work, may invalidate title to portions of the properties where the mineral rights are not held by the Company.

Market Factors and Volatility of Ore Prices

There is no assurance that a profitable market will exist for the sale of mineralized material which may be acquired or discovered by the Company. There can be no assurance that ore prices received will be such that the Company's properties can be mined at a profit. Prices of minerals have fluctuated widely, particularly in recent years, and are affected by numerous factors beyond the Company's control. Commodity prices are subject to volatile price changes from a variety of factors including international economic and political trends, expectations of inflation, global and regional demand, currency exchange fluctuations, interest rates and global or regional consumption patterns, speculative activities and increased production due to improved mining and production methods.

Future mineral prices cannot be accurately predicted. A severe decline in the price of a mineral being produced or expected to be produced by the Company would have a material adverse effect on the Company, and could result in the suspension of mining operations by the Company if such mining operations have commenced. Factors impacting the price of ore include political and economic conditions in mineral producing and consuming countries and production levels and costs of production in other jurisdictions.

Environmental Regulations and other Regulatory Requirements

The Company is subject to substantial environmental and other regulatory requirements and such regulations are becoming more stringent. All phases of exploration and development operations are subject to environmental regulations. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on the properties in which the Company holds interests which are presently unknown to the Company and which have been caused by previous or existing owners or operators of the properties.

Although the Company intends to comply fully with all environmental regulations, failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, 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 mining operations or in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Market Price of Common Shares

Securities of micro-cap and small-cap companies have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include macroeconomic developments in North America and globally, and market perceptions of the attractiveness of particular industries. The price of the Common Shares is also likely to be significantly affected by short-term changes in precious and base metal mineral prices or in its financial condition or results of operations as reflected in its quarterly earnings reports. Other factors unrelated to the Company's performance that may have an effect on the price of the Common Shares include the following: the extent of analytical coverage available to investors concerning the Company's business may be limited if investment banks with research capabilities do not follow the Company's securities; lessening in trading volume and general market interest in the Company's securities may affect an investor's ability to trade significant numbers of Common Shares; the size of the Company's public float may limit the ability of some institutions to invest in the Company's securities; and a substantial decline in the price of the Common Shares that persists for a significant period of time could cause the Company's securities, if listed on an exchange, to be delisted from such exchange, further reducing market liquidity. As a result of any of these factors, the price of the Common Shares at any given point in time may not accurately reflect the Company's long-term value.

Foreign Jurisdictions

Certain of the Company's projects are located in foreign jurisdictions and are subject to risks relating to political stability and changes in laws relating to foreign ownership, government participation, taxation, royalties, duties, rates of exchange, exchange controls, export controls, land use and operational safety, and the potential for terrorism or military repression. Because a significant percentage of its operating costs, exploration expenditures and lease maintenance and acquisition costs are denominated in Australian Dollars, the Company's results of operations are subject to the effects of fluctuations in exchange rates and inflation. The Company does not engage in any hedging activities to minimize such risks.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement. The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward looking statements.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond the Company's ability to predict or control. Please, in addition, also make reference to those risk factors referenced in the "Risk and Uncertainties" section above. Readers are cautioned that the above chart does not contain an exhaustive list of the factors or assumptions that may affect the forward-looking statements, and that the assumptions underlying such statements may prove to be incorrect. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.