MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS FOR THE SIX MONTHS ENDED FEBRUARY 28, 2022

INTRODUCTION

The following Management Discussion and Analysis ("MD&A") of Caprock Mining Corp. (the “Company”) is prepared with information as of April 29, 2022 and provides an analysis of the Company's performance and financial condition as at and for the six months ended February 28, 2022 (the “Period”) and comparative figures for the period from the date of incorporation (September 14, 2020) to February 28, 2021, as well as an analysis of prospects. The Board of Directors (the “Board”) of the Company carries out its responsibility to review this disclosure principally through its audit committee, comprised of independent directors. The audit committee reviews this disclosure and recommends its approval by the Board.

The Company was incorporated under the *Business Corporations Act* (Ontario) by articles of incorporation dated September 14, 2020, under the name "Blingold Corp.". The registered and head office of the Company is located at 77 King Street West, Suite 2905, Toronto, Ontario, M5K 1H1. The Company filed Articles of Amendment on July 12, 2021, to change its name to "Caprock Mining Corp. The Company does not have any subsidiaries. The financial year-end of the Company is August 31, 2021.

On January 26, 2022, the Company’s common shares were listed and posted for trading on the Canadian Securities Exchange (the “CSE”), therefore triggering the Liquidity Event to acquire the Big Ridge Property (see “Mineral Properties” below).

This MD&A has been prepared in compliance with National Instrument 51-102 – Continuous Disclosure Obligations requirements. This discussion should be read in conjunction with the Company’s unaudited condensed interim financial statements of the Company for the six months ended February 28, 2022, together with the notes thereto, as well as the audited financial statements of the Company for the year ended August 31, 2021, together with the notes thereto. All amounts are in Canadian dollars unless otherwise specified. The financial statements of the Company, along with Certifications of Annual and Interim Filings, news releases and other information, are available under the Company’s profile on SEDAR at www.sedar.com.

To prepare this MD&A, management considers the materiality of information in conjunction with the Board. Information is considered material if: (i) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (ii) it would significantly alter the total mix of information available to investors. In conjunction with the board of directors, management evaluates all relevant circumstances, including potential market sensitivity.

The Company is a mineral exploration company whose properties are only in the mineral exploration stage. The degree of risk increases substantially when an issuer’s properties are in the mineral exploration stage instead of the development or operational stage. See "*Mineral Exploration*.”

FORWARD-LOOKING STATEMENTS

This MD&A contains forward-looking information. Forward-looking information is necessarily based on several opinions, estimates and assumptions that we consider appropriate and reasonable as of the date such statements are made, are subject to known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information, including but not limited to the risk factors described under "Risk Factors." There can be no assurance that such forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, prospective investors should not place undue reliance on forward-looking information, which speaks only as of the date made.

The expected or predicted results in such forward-looking information may differ materially from actual results or events. The Company and its operations are also subject to a large number of risks, including the Company's liquidity and financing capability, fluctuations in gold prices, market conditions, the impact of the COVID-19 pandemic, results of current exploration activities, the possibility of a labour stoppage or shortage, delays in obtaining government permits and approvals and such other risks as discussed herein and in other publicly filed disclosure documents. Although the Company has attempted to identify important factors that could cause actual actions, events, or results to differ materially from those described in such forward-looking statements, other factors may cause performance, occurrences, or circumstances to differ materially from those described in forward-looking statements. There can be no assurance that forward-looking statements will prove to be accurate. Accordingly, readers should not try to place undue reliance on forward-looking statements contained in this MD&A.

Some of the statements contained herein, including, without limitation, financial and business prospects, and financial outlooks, may constitute forward-looking statements within the meaning of Canadian and U.S. securities laws, which reflect management's expectations regarding future plans and intentions, growth, results of operations, performance and business prospects and opportunities. Words such as "may", "will" "should", "could", "anticipate", "believe", "expect", "intend", "plan", "potential", "continue" and similar expressions have been used to identify these forward-looking statements. These statements reflect management's current beliefs and are based on information currently available to management. Forward-looking statements involve significant risks and uncertainties. Several factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to, changes in general economic and market conditions and other risk factors discussed under the heading "Risk Factors". Although the forward-looking statements contained herein are based upon what management believes to be reasonable assumptions, management cannot assure that actual results will be consistent with these forward-looking statements. Investors should not place undue reliance on forward-looking statements. These forward-looking statements are made as of the date hereof. The Company assumes no obligation to update or revise them to reflect new events or circumstances other than as required under applicable securities laws.

MINERAL EXPLORATION

The Company is a mineral exploration company whose properties are only in the mineral exploration stage. The degree of risk increases substantially when an issuer's properties are in the mineral exploration stage instead of the development or operational stage. An investment in common shares that is speculative involves a high degree of risk and should only be made by persons who can afford the total loss of their investment. Prospective investors should consider the risk factors connected with an investment in the Company as set out under the heading "*Risk Factors*."

QUALIFIED PERSON

The technical information contained in this MD&A has been approved by Vishal Gupta, M.Sc., P.Geo. (Ontario), who is a "qualified person" within the meaning of National Instrument 43-101, Standards of Disclosure for Mineral Projects.

TRENDS

The Company is a mineral exploration company focused on exploring gold resources in Ontario, Canada, and acquisitions of other mineral exploration properties should such investments be consistent with the objectives and acquisition criteria of the Company. The Company's financial success will be dependent upon the extent to which it can discover mineralization and the economic viability of developing its properties. Such development may take years to complete, and the resulting income is difficult to determine with any certainty. The Company lacks mineral reserves and has not generated any revenues to date. The sales value of any mineralization discovered by the Company depends on factors beyond the Company's control, such as the market value of any commodities produced.

There are significant uncertainties regarding the price of gold and other minerals and metals and the availability of equity financing for mineral exploration and development. The prices of gold and other minerals and metals have fluctuated substantially in recent years. The Company's future performance is primarily tied to developing its current mineral property interests and the overall financial markets. Current financial markets are likely to be volatile in Canada for the remainder of the calendar year and into 2023, reflecting ongoing concerns about the stability of the global economy and the COVID-19 pandemic. Companies worldwide have been affected negatively by these trends. As a result, the Company may have difficulties raising equity financing for mineral exploration and development, particularly without excessively diluting present shareholders of the Company. With continued market volatility and slower worldwide economic growth, the Company's strategy is to continue exploring the properties and seek out other prospective mineral properties to acquire until the capital markets stabilize. The Company believes this focused strategy will enable it to meet any near-term challenges presented by fluctuations in the capital markets while maintaining the momentum on critical initiatives.

Apart from these and the risk factors noted under the heading "Risk Factors," management is not aware of any other trends, commitments, events, or uncertainties that would have a material effect on the Company's business, financial condition, or results of operations.

MINERAL PROPERTIES

Description of the Business

The primary business objectives of the Company are to create a diversified portfolio of property holdings and achieve rapid growth through the acquisition of additional mineral properties, coupled with the implementation of recommended programs concerning the exploration of such properties. To date, the Company has entered into the Big Ridge Agreement (as defined below) to acquire a 100% interest in six separate properties, including the Miner Lake Property (as described below), subject to the Royalties (as defined below). The closing of the Big Ridge Agreement was subject to the satisfaction of certain closing conditions, including the completion of a Going Public Transaction (as defined below) and has now been completed. A Technical Report has been commissioned regarding the Miner Lake Property, which includes a Phase I recommended work program and, dependent upon the results of Phase I, Phase II recommended work program.

The Company also plans to target specific types of properties for acquisition and exploration, including properties that are prospective for gold or other resources; however, the Company has not begun searching, nor has it identified any prospective properties for acquisition and exploration. As the Company's portfolio of properties grows, it is anticipated that there will be a greater emphasis placed on the exploration of such properties, with the long-term goal of developing the properties and achieving commercial production. The Company may enter into partnerships to fully exploit the potential of exploration assets.

History

The Company entered into an agreement with Big Ridge Gold Corp. (“Big Ridge”) dated March 11, 2021 (the "Big Ridge Agreement"), to acquire a 100% interest in an aggregate of 523 mining claims and 15 leases in the province of Ontario comprising the properties known as Mud Lake, Golden Heart, Brookbank East, Three Towers, Miner Lake and Green Oaks, subject to the Royalties (collectively, the "Property") for the purchase price of 10,000,000 common shares at a deemed price of $0.20 per common share. The Property acquisition closed on February 28, 2022 and the shares were issued.

The acquisition of the Property is not expected to affect the financial condition, financial performance and cash flows of the Company, other than acquisition costs and Phase I and Phase II expenses, as described herein, as there is currently no operations or production occurring on the Property.

Business Objectives and Operations

The primary business objectives of the Company are to create a diversified portfolio of property holdings and achieve rapid growth through the acquisition of additional mineral properties, coupled with the implementation of recommended programs concerning the exploration of such properties.

The Company also plans to target specific types of properties for acquisition and exploration, including properties that are prospective for gold or other resources. The Company has begun searching for prospective properties. As the Company's portfolio of properties grows, it is anticipated that there will be a greater emphasis placed on the exploration of such properties, with the long-term goal of developing the properties and achieving commercial production. The Company may enter into partnerships to fully exploit the potential of exploration assets.

In determining whether additional properties are prospective in nature and therefore suitable for acquisition, the Company is considering a variety of factors, including (i) the mineral exploration potential of the property; (ii) the specific location of the property, including its accessibility, proximity to populated areas and any other governmental and regulatory considerations applicable to the region; (iii) the exploration history of the property, and in particular the nature and extent of the previous exploration completed and the availability of geological data on the property; (iv) applicable market conditions concerning the type of resource for which the property is prospective; (v) the success of exploration conducted in surrounding areas; and (vi) the political climate and stability of the region in which the property is situated. The Company will primarily target Ontario mineral resource properties for acquisitions; however, the Board may consider properties in other jurisdictions based on the foregoing acquisition factors.

For the Company to achieve its business objectives of (i) creating a more diverse portfolio of mineral properties by acquiring properties that correspond to its acquisition criteria as set forth above; and (ii) exploring for gold and other minerals and metals, the Company's execution plans over the ensuing 12 months include: (a) completion of the Phase I recommended program for the Property set out in the Technical Report at an estimated cost of $330,000; (b) if warranted based on the results of the Phase I recommended program, completion of the Phase II recommended program for the Property set out in the Technical Report; (c) search for and acquisition of additional properties by the acquisition criteria set forth above; and (d) pursuit of additional financing, if required.

There are currently no exploration permits for the Miner Lake Property. The Company intends on applying for an exploration permit to MENDM in the second half of 2022 for approval before beginning the field work portion of the Phase I work program. See "Risk factors - Environmental Risks and Hazards."

The Company commenced the data compilation component of the Phase I work program recommended in the Technical Report in early April 2022. Initially, the Company will complete the compilation and digitization of all relevant data related to the Property, leading to a three-dimensional digital database and exploration model. Management anticipates this work to take approximately two months to complete. Management, taking into account relevant considerations, including the type of work that may be completed in the spring months, will utilize the database and exploration model results to determine the work that will follow. If the Company should substantially follow the steps set out in Phase I of the recommended work program, it is expected that such work will take between six and nine months to complete at an estimated cost of $330,000. If the results of Phase I warrant the completion of Phase II of the recommended work program, it is anticipated that such exploration would cost approximately $325,000; however, management is unable to estimate when the Company would be in a position to commence Phase II of the recommended work program as the timing is based on the results and timing of the completion of Phase I. Potential delays associated with Phase I of the recommended program which may impact the commencement of Phase II of such work program include inclement weather and related accessibility considerations, availability of equipment, availability of contractors and other personnel, and the ongoing COVID-

19 crisis. These factors may impact the timing of completion of Phase I of the recommended program and cannot be accurately predicted at present. Management will consider all of these factors when planning for Phase II of the recommended work program and, contingent upon the results obtained in the recommended Phase I work program, will act upon the recommended Phase II program accordingly.

Environmental Regulation

All phases of the Company's operations are subject to environmental regulation in the various jurisdictions in which it operates. See "*Risk Factors*." The Company maintains a policy of conducting its business in compliance with all environmental regulations.

Competitive Conditions

The mineral exploration and mining business is competitive in exploration, development, and production phases. The Company competes with several other entities in the search for and the acquisition of prospective mineral properties. In particular, there is a high degree of competition faced by the Company in Canada and elsewhere for desirable mineral resource property interests, suitable contractors for drilling operations and necessary mineral exploration and mining equipment, and many competitor companies have more significant financial resources, operational experience and more advanced properties than the Company. As a result of this competition, the Company may be unable to acquire attractive properties in the future on terms it considers acceptable or at all.

The ability of the Company to acquire and explore additional properties depends on its success in exploring and developing its existing property interests and on its ability to select, acquire and bring to production suitable properties or prospects for mineral exploration and development. Factors beyond the control of the Company may affect the marketability of any minerals mined or discovered by the Company. See "*Risk Factors*."

Business Objectives and Milestones

The business objectives the Company expects to achieve using the available funds are to (i) complete the exploration program recommended in the Technical Report and (iii) begin looking for potential mineral properties to acquire that meet the Company's acquisition criteria.

The Company successfully listed its common shares on the CSE on January 26, 2022, and as such has completed the Going Public Transaction.

The significant events that must occur to complete the Phase I and Phase II business objectives to be achieved are set out in the recommended program in the Technical Report. There is some risk that the coronavirus (COVID-19) pandemic may cause a delay to complete the recommended work program if travel restrictions are imposed and personnel become unable to travel to the Property. As the vaccination program continues to roll out in Canada, the risk of COVID-19 on the Company’s business objectives reduces.

Exploration Plans

The objectives of the Company over the ensuing 12 months include: (a) the completion of the Phase I recommended program for the Property set out in the Technical Report at an estimated cost of $330,000; (b) if warranted based on the results of the Phase I recommended program, the completion of the Phase II recommended program for the Property set out in the Technical Report; (c) the search for and acquisition of additional properties by the acquisition criteria set forth above; and (d) the pursuit of additional financing, if required. The Company commissioned the Technical Report regarding the Miner Lake Property, which recommended the following Phase I program at the noted cost estimates.

Cost estimate for Phase I exploration

Item	Unit	No of Units	Cost$/Unit	Total Cost
3-D integrated exploration model compilation and selection of targets.	Hour	100	150	$15,000
Ground truth prospecting, hand tool trenching and surface rock geochemical sampling at generated targets from modelling including support costs.	Day	30	1,000	$30,000
Beep mat and portable spectrometer survey of selected areas on the Miner Lake Property.	Day	25	1,000	$25,000
Diamond drilling (lightweight short holes 50-100 m) of recommended generated targets including mob-demob.	Metre	800	300	$240,000
Geochemical rock and core samples analyses.	sample	500	40	20,000
				$330,000

SELECTED ANNUAL INFORMATION

The following is selected information from the Company's most recently fiscal year-end:

Annual Information	**Year Ended August 31, 2021 ($) (1)**
Total revenue	-
Net loss from continuing operations	(555,006)
Net loss and comprehensive loss	(555,006)
Loss per share - basic and fully-diluted	(0.029)
Total assets	1,477,300
Non-current financial liabilities	-
Working capital	1,407,319
Dividends declared	-

(1) Period from incorporation date (September 14, 2020) to August 31, 2021.

Reference is made to the annual MD&A section in the prospectus dated December 23, 2021 of the Company for a discussion of financial results for the year ended August 31, 2021. The prospectus can be found under the Company's profile at www.sedar.com. Economic and industry factors are essentially unchanged since that time.

SUMMARY OF QUARTERLY RESULTS

The following is selected financial information for the two most recent interim periods:

		Net Income (Loss)		
Quarter Ended	**Total Revenue ($)**	**Total ($)**	**Per Share ($)**	**Total Assets ($)**
February 28, 2022	-	(167,879)	(0.006)	3,080,291
November 30, 2021	-	(231,849)	(0.008)	1,302,733

Results of Quarterly Operations

Financial Position

Below are the condensed statements of financial position of the Company as of February 28, 2022 and 2021:

	February 28, 2022 ($)	February 28, 2021 ($)
Assets		
Cash and cash equivalents	1,029,726	40,548
Receivables	18,008	4,485
Prepaid and other assets	32,557	363
Exploration and evaluation assets	2,000,000	-
Total assets	3,080,291	45,395
Liabilities		
Trade payables and accrued liabilities	72,701	65,752
Shareholders' equity		
Share capital	3,553,824	50,000
Warrants reserve	408,500	-
Deficit	(954,734)	(85,356)
	3,007,590	(20,356)
Total liabilities and shareholders' equity	3,080,291	45,395

Assets

Current assets included cash and cash equivalents held in the Company's bank accounts at a Canadian Chartered Bank and in trust accounts with legal counsel, which amounts are under the Company's control.

Receivables consist of HST refund. Prepaid and other assets represent deposits paid to suppliers and service providers.

Liabilities

Current liabilities represent amounts payable to its service providers, all considered current.

Shareholders' equity

As at February 28, 2022, shareholders' equity is comprised of the following components:

- The share capital of $3,553,824 which represents the value of common shares issued less share issuance costs;
- Warrants reserve of $408,500 represents the amount ascribed to the warrants issued under the private placement and broker warrants issued as commissions to certain finders as part of financings that occurred during fiscal 2021. The values ascribed to the warrants were estimated using the Black Scholes Asset Pricing Model with various inputs. Reference is made to the Company's financial statements for further information; and
- A deficit of $954,734 represents the cumulative net loss and comprehensive loss incurred to those dates. This amount also includes exploration and evaluation (“E&E”) expenditures (see below).

Six Months Ended February 28, 2022

The following table outlines the Company's unaudited condensed interim statements of loss and comprehensive loss for the six months ended February 28, 2022 and the period from incorporation to February 28, 2021:

	February 28, 2022 ($)	February 28, 2021 ($)
Expenses		
Non-recoverable input tax credits	24,439	-
Exploration and evaluation expenditures	27,436	22,272
General and administrative	24,504	-
Advertising and promotion	6,180	-
Travel and entertainment	3,525	-
Professional fees	283,899	63,085
Shareholder costs	29,745	-
Net loss and comprehensive loss	399,728	85,357

Such expenses were wholly funded through the proceeds raised under financings that occurred during fiscal 2021. There were no substantial business activities during the 6 month period ended February 28, 2021 other than costs and activities involved in the preparation of a prospectus and other filings required for a public listing.

Non-recoverable input tax credits

This amount represents the amount of Harmonized Sales Tax paid during the period that cannot be claimed as a refund according to applicable legislation and regulation and consequently, was written off during the period.

Exploration and evaluation expenditures

During the period ended February 28, 2022, the Company incurred a total of $27,436 in exploration expenditures which were expensed. The Company has incurred a total of $65,457 of E&E expenditures on its properties to date as follows:

	Expenditures ($)
Year ended August 31, 2021:	
Exploration and evaluation expenditures	38,021
Period ended February 28, 2022:	
Exploration and evaluation expenditures	27,436
	65,457

Amounts spent to date represent the cost of the technical report on the Property prepared in accordance with NI 43-101, property visits and data gathering and compilation. These expenditures will increase upon the commencement of the ground phase of the Company's planned exploration program.

General and administrative

General and administrative expenses were $24,504 during the period, which included $14,310 in premiums for directors' and officers' liability insurance as well as small items such as postage, couriers, telephone and other expenses.

Advertising and promotion

Advertising and promotion expenses consist mainly of costs related to the creation and maintenance of the Company's website and internet presence.

Travel and entertainment

Travel and entertainment expenses consist of travel to and from the Company's properties and head office as well as travel for administrative purposes.

Professional fees

Professional fees primarily include legal, audit, accounting, consulting and advisory fees. Professional fees are dependent on the number and the nature of the transactions the Company undertakes at any given time and will fluctuate from time to time as the Company grows. Some of these fees also include payments to investigate other prospective properties for possible acquisitions.

Included in professional fees are as follows:

	February 28, 2022 ($)	**February 28, 2021 ($)**
Accounting	36,500	2,500
Legal	37,069	10,585
Business consulting	131,790	-
Financial advisory	62,600	50,000
Audit fees	15,940	-
	283,899	63,085

Shareholder costs

Shareholder costs during the period represents the amounts paid to its transfer agent for services rendered for the issuance of share certificates and for keeping the Company's stock journals and ledgers. These costs are dependent on the number and the nature of share transfer transactions between the Company and its shareholders, as well as filing fees and costs paid to regulatory agencies and others related to shareholder information. This amount includes $26,182 in filing fees paid in connection with the filing of a prospectus and stock exchange listing fees and $2,063 paid to its transfer agent. These costs will fluctuate from time to time dependent on the fiscal quarter and as the Company grows.

Three Months Ended February 28, 2022

The following table outlines the Company's statements of loss and comprehensive loss for the three months ended February 28, 2022 and February 28, 2021:

	February 28, 2022 ($)	**February 28, 2021 ($)**
Expenses		
Exploration and evaluation expenditures	-	8,529
General and administrative	15,860	-
Advertising and promotion	2,997	-
Travel and entertainment	600	-
Professional fees	137,233	40,585
Shareholder costs	11,189	-
Net loss and comprehensive loss	167,879	49,114

Such expenses were wholly funded through the proceeds raised under financings that occurred during fiscal 2021. There were no substantial business activities during the three months ended February 28, 2021 other than costs and activities involved in the preparation of a prospectus and other filings required for a public listing.

General and administrative

General and administrative expenses were $15,860 during the period, which included $7,155 in premiums for directors' and officers' liability insurance as well as small items such as postage, couriers, telephone and other expenses.

Advertising and promotion

Advertising and promotion expenses consist mainly of costs related to the creation and maintenance of the Company's website and internet presence.

Travel and entertainment

Travel and entertainment expenses consist of travel to and from the Company's properties and head office as well as travel for administrative purposes.

Professional fees

Professional fees primarily include legal, audit, accounting, consulting and advisory fees. Professional fees are dependent on the number and the nature of the transactions the Company undertakes at any given time and will fluctuate from time to time as the Company grows. Some of these fees also include payments to investigate other prospective properties for possible acquisitions.

Included in professional fees are as follows:

	February 28, 2022 ($)	**February 28, 2021 ($)**
Accounting	17,500	2,500
Legal	8,055	8,085
Business consulting	72,540	-
Financial advisory	32,600	30,000
Audit fees	6,538	-
	137,233	40,585

Shareholder costs

Shareholder costs during the period represents the amounts paid to its transfer agent for services rendered for the issuance of share certificates and for keeping the Company's stock journals and ledgers. These costs are dependent on the number and the nature of share transfer transactions between the Company and its shareholders, as well as filing fees and costs paid to regulatory agencies and others related to shareholder information. This amount includes $18,789 in filing fees paid in connection with the filing of a prospectus and stock exchange listing fees and $1,000 paid to its transfer agent. These costs will fluctuate from time to time dependent on the fiscal quarter and as the Company grows.

Off-Balance Sheet Arrangements

The Company had no off-balance sheet arrangements as of February 28, 2022 and 2021.

LIQUIDITY, CAPITAL RESOURCES AND FINANCING

The Company is currently in a growth-phase, which requires capital in all facets of its business. The Company believes that having unallocated cash resources provides the Company with meaningful flexibility for its operations and positioning of the Company in the mining sector. The Company has no agreements or commitments with respect to any acquisitions or investments at this time, other than in respect of the Property.

The Company believes it has sufficient liquidity to support continued operations and to meet its short-term liabilities and commitments as they become due. The Company manages its liquidity risk by monitoring its operating requirements. The Company prepares budget and cash forecasts to ensure it has sufficient funds to fulfill obligations. In managing working capital, the Company may, where necessary, limit or control the amount of working capital used for operations or other initiatives, pursue additional financing, manage the timing of its expenditures, or sell assets. The Company is not subject to externally imposed capital requirements.

In the short term and long term, additional sources of capital and/or financing will be required to meet planned growth requirements and to fund development activities on the Property. Liquidity will fluctuate based on demand for working capital resources required for these initiatives.

The Company is subject to risks and uncertainties that could significantly impair its ability to raise funds through debt or equity or to generate profits sufficient to meet future obligations, operational, or development needs. See "*Risk Factors*" for information on the risks and uncertainties that could have a negative effect on the Company's liquidity.

The Company manages its capital with the following objectives:

- to ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future growth opportunities, and pursuit of accretive acquisitions; and
- to maximize shareholder return through enhancing the share value.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by management and the board of directors on an ongoing basis.

The Company considers its capital to be equity, comprising share capital, reserves and deficit.

The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. The forecast is updated based on activities related to its business activities.

The Company's capital management objectives, policies and processes have remained substantially unchanged during the Period.

DISCLOSURE OF OUTSTANDING SHARE DATA

The Company's outstanding capital was as follows as at the dates indicated:

	February 28, 2022		April 29, 2022	
	Basic	**Diluted**	**Basic**	**Diluted**
Common shares	40,372,500	50,773,010	40,372,500	53,773,010
Warrants	10,400,510	-	10,400,510	-
Options	-	-	1,988,000	-
Restricted Share Units	-	-	1,012,000	-

TRANSACTIONS BETWEEN RELATED PARTIES

Key management personnel are defined as those individuals having authority and responsibility for planning, directing, and controlling the activities of the Company. Compensation to those individuals included:

(a) Effective June 7, 2021, the Company entered into a management agreement with Windmark Financial Ltd. ("Windmark"), a company controlled by the Company's President and Chief Executive Officer, for $175,000 per year to be paid in $14,583 monthly installments as follows:

(i) $7,292 per month, with the balance, accruing; and shall increase to,
(ii) $10,000 per month, with the balance accruing, upon the occurrence of a Liquidity Event (see note 10 Warrants footnote (A), and shall increase to,
(iii) $14,583 per month upon the earlier completion of (a) financing; or (b) asset acquisition.

All accrued balances of the yearly fee not paid to Windmark shall, at the sole discretion of the Board, be paid in the form of either cash or settled in securities on the anniversary of this Agreement or as agreed to between the Parties. Windmark is also eligible to receive a cash bonus upon the Company meeting specific targets concerning its mining properties within 12 months from the commencement of the agreement. Windmark can terminate the agreement upon 30 days' notice or by the Company upon 60 days' notice.

During the period ended February 28, 2022, the amount of $88,024 was paid to Windmark, which is included in professional fees. As of February 28, 2022, included in prepaid expense is an amount of $7,291, which was paid to Windmark in advance for the March 2022 consulting fees and included in accounts payable is the amount of $61,458, which represents the balance of compensation accrued under the terms of the management agreement.

(b) During the period ended February 28, 2022, Branson Corporate Services Ltd. ("Branson"), where the Company's current and former Chief Financial Officers ("CFO") are employed, charged fees of $36,500 (period ended February 28, 2021 - $2,500) for CFO services as well as other accounting and administrative services provided to the Company, which amount is included in professional fees. As of February 28, 2022, the amount of $nil was owed to Branson (February 28, 2021 - $nil).

(c) During the period ended February 28, 2022, Nebu Consulting, LLC ("Nebu"), where the Company's Vice-President Exploration is employed, charged fees of $40,485 for professional consulting services provided to the Company, which amount is included in professional fees. As of February 28, 2022, $nil was owed to Nebu.

(d) Key management personnel compensation during the periods ended February 28 is comprised of:

	February 28, 2022 ($)	**February 28, 2021 ($)**
Management and consulting fees	128,509	-
Professional fees	36,500	2,500

(e) On February 28, 2022, the Company issued 10,000,000 common shares to Big Ridge upon the completion of the acquisition of its mining properties. A director of the Company is also the President and a director of Big Ridge.

SUBSEQUENT EVENTS

On March 9, 2022, The Company granted 1,988,000 options to purchase common shares at the price of $0.12 per common share (the "Options") to senior executives and directors of the Company. 50% of the Options vested immediately and the remaining 50% vest on March 9, 2023. The Options expire on March 9, 2027.

On March 10, 2022, the Board approved and granted 1,012,000 Restricted Share Units (each, an "RSU") to senior executives and directors of the Company at a deemed price of $0.12 per common share. 50% of the RSUs vested immediately and the remaining 50% vest on March 10, 2023. The RSUs expire on March 10, 2025.

CRITICAL ACCOUNTING ESTIMATES, JUDGMENTS, ACCOUNTING POLICIES AND PRONOUNCEMENTS

Critical Accounting Estimates and Judgements

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

The following are the critical judgments and estimate areas that have the most significant effect on the amounts recognized in the Company's unaudited condensed interim financial statements:

Valuation of share-based payments

The Black-Scholes valuation model is used for the valuation of the share-based payments granted and the assumptions used for the valuation include volatility of the share price, risk free interest rate and the life of the warrant granted. These assumptions are highly subjective and materially affect the calculated fair value.

Fair value of financial assets and financial liabilities

Where the fair values of financial assets and financial liabilities recorded on the statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques. The inputs to these models are derived from observable market data where possible, but where observable market data are not available, judgment is required to establish fair values. Refer to note 5 for further details.

Income taxes

Measurement of income taxes payable and deferred income tax assets and liabilities requires management to make judgments in the interpretation and application of the relevant tax laws. The actual amount of income taxes only becomes final upon filing and acceptance of the tax return by the relevant authorities, which occurs subsequent to the issuance of the consolidated financial statements

Restoration, rehabilitation and environmental obligations

Management's assumption of no material restoration, rehabilitation and environmental exposure, is based on the facts and circumstances that existed in the current and prior periods.

New accounting pronouncements

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for annual periods beginning on or after January 1, 2022, or later periods. The Company is currently assessment the impact of adopting the following amendments on its financial statements.

IAS 1 – *Presentation of Financial Statements* ("IAS 1") was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or noncurrent is based solely on a company's right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company's own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. The amendments are effective for annual periods beginning on January 1, 2023.

IAS 37 – *Provisions, Contingent Liabilities and Contingent Assets* ("IAS 37") was amended. The amendments clarify that when assessing if a contract is onerous, the cost of fulfilling the contract includes all costs that relate directly to the contract – i.e. a full-cost approach. Such costs include both the incremental costs of the contract (i.e. costs a company would avoid if it did not have the contract) and an allocation of other direct costs incurred on activities required to fulfill the contract – e.g. contract management and supervision, or depreciation of equipment used in fulfilling the contract. The amendments are effective for annual periods beginning on January 1, 2022.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

Set out below is a comparison, by category, of the carrying amounts and fair values of all of the Company's financial instruments that are carried in its financial statements and how the fair value of financial instruments is measured.

Fair values

Fair value represents the price at which a financial instrument could be exchanged in an orderly market, in an arm's length transaction between knowledgeable and willing parties who are under no compulsion to act.

The Company classifies its financial instruments carried at fair value according to a three-level hierarchy that reflects the significance of the inputs used in making the fair value measurements. The three levels of fair value hierarchy are as follows:

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

Categories of Financial Instruments

Financial Assets

	Level 1 ($)	Level 2 ($)	Level 3 ($)	Total ($)
February 28, 2022:				
Cash and cash equivalents	1,029,726	-	-	1,029,726
February 28, 2021:				
Cash and cash equivalents	40,547	-	-	40,547

The fair values of all the Company's financial instruments approximate the carrying value due to the short-term nature of the financial instruments. The Company's activities expose it to various financial risks: credit risk, liquidity risk and market risk (currency fluctuations, interest rates and commodity prices). The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

Currency risk

As most of the Company's expenditures are in Canadian dollars, the Company limits its exposure to currency risk by maintaining its cash and cash equivalents in Canadian dollars.

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. All of the Company's cash is deposited with highly-rated financial institutions, and accordingly, management considers credit risk to be low. There have been no significant changes to the Company's credit risk management policies since the end of the last fiscal year-end.

The Company's receivables comprise of HST refund due from the Canada Revenue Agency. Management believes that the credit risk concentration concerning receivables is low.

The Company applies the simplified approach to providing for expected credit losses ("ECL") prescribed by IFRS 9 - *Financial Instruments*, which permits the use of the lifetime expected loss provision for all receivables. Receivables have been grouped based on shared credit risk characteristics and the days past due to measuring the ECL.

Liquidity risk

Liquidity risk is the risk that the Company will not meet its financial obligations as they become due or can only do so at a high cost. The Company does not yet generate revenues from its principal operations and has been generating cash flows primarily from financing activities for the periods ended February 28, 2022 and 2021.

The following is an analysis of financial obligations based on their due dates:

	Less than 1 year ($)	**1-5 years ($)**	**More than 5 years ($)**	**Totals ($)**
February 28, 2022:				
Trade payables and accrued liabilities	72,701	-	-	72,701
February 28, 2021:				
Trade payables and accrued liabilities	65,752	-	-	65,752

There have been no significant changes to the Company's liquidity risk management policies since the end of the last fiscal year-end.

Considering the available liquidity as of February 28, 2022, the expected burn rates from operations and future commitments, the Company's exposure to liquidity risk is deemed to be high as of February 28, 2022. The Company expects to address this risk by raising funds through external financing as needed.

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 not exposed to interest rate risk due to the short-term nature of its financial instruments.

Commodity price and equity price risk

The Company is not exposed to commodity price risk concerning gold and other precious metals because the Company is not in the production stage and does not hold any of the above commodities. The Company is also not exposed to equity price risk because it does not hold any marketable securities investment subject to equity price fluctuation.

DISCLOSURE AND INTERNAL FINANCIAL CONTROLS

Management has established processes, which are in place to provide them sufficient knowledge to support management representations that they have exercised reasonable diligence that (i) the financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the financial statements, and that (ii) the financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented by the financial statements.

In contrast to the certificate required under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings (NI 52-109), the Company utilizes the Venture Issuer Basic Certificate which does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in NI 52-109. In particular, the certifying officers filing the Certificate are not making any representations relating to the establishment and maintenance of: (a) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and (b) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate.

Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

RISK FACTORS

There are certain risks associated with the Company, including those listed below.

Exploration, Development and Operating Risks

Mineral exploration operations generally involve a high degree of risk. The Company's operations are subject to all the hazards and risks normally encountered in the exploration, development and production of gold, precious metals and other minerals and metals, including unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other facilities, damage to life or property, environmental damage and possible legal liability. Although adequate precautions to minimize risk will be taken, mineral exploration activities are subject to hazards such as equipment failure or failure of retaining dams around tailings disposal areas, which may result in environmental pollution and consequent liability.

The exploration for and development of mineral deposits involves significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of a mineral-bearing structure may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Major expenses may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the exploration or development programs planned by the Company will result in a profitable commercial mining operation. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as quantity and quality of mineralization and proximity to infrastructure; commodity prices which are highly cyclical; and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital.

There is no certainty that the expenditures made by the Company towards the search and evaluation of deposits of minerals or other metals will result in discoveries of commercial quantities of gold or other minerals or metals.

Risks Associated with the Property

The Property is a high risk, speculative venture, with limited exploration conducted by the Company. No indicated or proven mineral resources or any mineral reserves have been identified with respect to the Property to date and there is no certainty that the expenditures made by the Company towards the search and evaluation of gold with regard to the Property or otherwise will result in discoveries of commercial quantities of gold or other minerals or metals.

In addition, even in the event of the successful completion by the Company of the recommended program on the Project as set out in the Technical Report, there is no assurance that the results of such exploration will warrant the completion of additional investments. In such circumstances, the Company may be required to acquire and focus its operations on one or more additional mineral properties. There can be no assurance that any such additional mineral properties will be available for acquisition by the Company or that, if available, the terms of acquisition will be favourable to the Company.

Risks Associated with Pandemics

The transmission of COVID-19 and efforts to contain its spread have recently resulted in international, national and local border closings, travel restrictions, significant disruptions to business operations, supply chains and consumer activity and demand, service cancellations, reductions and other changes and quarantines, as well as considerable general concern and uncertainty. The continued prevalence of COVID-19 or other pandemics could result in the delay of proposed exploration and development plans of the Company, delays in the permitting process, increases in costs associated with efforts to mitigate the impact of the pandemic, and/or limitations on the Company's ability to obtain financing on terms acceptable to it or at all, resulting in a material adverse effect on the Company and its results of operations.

The overall severity and duration of COVID-19-related adverse impacts on the Company will depend upon future developments which cannot currently be predicted, including directives of government and public health authorities, the speed at which business can return to full operation and the status of labour availability. Even after the COVID-19 outbreak has subsided, the Company may continue to experience material adverse impacts as a result of its global economic impact, including any related recession, as well as lingering impacts on the demand for or oversupply of mineral resources.

Current Economic Conditions

There are significant uncertainties regarding the price of gold and other minerals or metals and the availability of equity financing for the purposes of mineral exploration and development. The prices of gold and other minerals or metals have fluctuated substantially over the past years. The Company's future performance is largely tied to the development of its current mineral properties and the overall financial markets. Current financial markets are likely to be volatile in Canada for the remainder of the calendar year, reflecting ongoing concerns about the stability of the global economy and the COVID-19 pandemic. Companies worldwide have been affected particularly negatively by these trends. As a result, the Company may have difficulties raising equity financing for the purposes of mineral exploration and development, particularly without excessively diluting present shareholders of the Company. These economic trends may limit the Company's ability to develop and/or further explore its mineral property interests.

Operating History

The Company has a very limited history of operations, is in the early stage of exploration and must be considered a start-up company. As such, the Company is subject to many risks common to such enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and lack of revenues. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of its early stage of operations.

Negative cash flow from operations

The Company's cash and cash equivalents balance as at February 28, 2022 were $1,029,726 in the aggregate. The Company's negative cash flow from operations for the period ended February 28, 2022 was $359,933. To the extent the Company has negative cash flow from operations in any future period, all or a portion of the net cash and cash equivalents of the Company may be used to fund such negative cash flow from operations..

Reliance on Limited Number of Properties

The only property interest of the Company is its interest in the Property pursuant to the Big Ridge Agreement (see "*Mineral Properties*"). As a result, unless the Company acquires additional property interests, any adverse developments affecting this Property could have a material adverse effect upon the Company and would materially and adversely affect the potential mineral resource identification and/or production (if any), profitability, financial performance and results of operations of the Company.

Insurance and Uninsured Risks

The Company's business is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or related facilities, personal injury or death, environmental damage to the Company's properties or the properties of others, delays in mineral exploration or development, monetary losses and possible legal liability.

Although the Company may in the future maintain insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all the potential risks associated with a mineral exploration company's operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mineral exploration industry on acceptable terms. The Company might also become subject to liability for pollution or other hazards which may not be insured against or which the Company may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations. At the present time, the Company only carries Directors’ and Officers’ Liability Insurance. As such, the mineral properties of the Company, including its interest in the Property, are not fully insured at this time. Any liability relating to risks that would otherwise be insured will be borne by the Company.

Environmental Risks and Hazards

All phases of the Company's operations are subject to environmental regulation in the jurisdictions in which it operates. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. 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 on which the Company holds interests which are unknown to the Company at present and which have been caused by previous or existing owners or operators of the properties.

There are currently no exploration permits for the Property. Government approvals, approval of aboriginal people and permits are currently, and may in the future be required in connection with the Company's operations. To the extent that any government approvals, approval of aboriginal people or permits are required and not obtained in respect of any of the Company's property interests, the Company may be curtailed or prohibited from continuing its exploration or development operations or from proceeding with planned exploration or development of mineral properties.

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 or mineral exploration activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining and exploration companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in exploration expenses, capital expenditures or other costs or reduction in levels of production at any future producing properties (if any), or require abandonment or delays in development of new mineral exploration properties.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants, which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's operations, financial condition and results of operations.

Land Title

Although the title to the Property has been reviewed by or on behalf of the Company, no assurances can be given that there are no title defects affecting such Property. Title insurance generally is not available, and the Company's ability to ensure that it has obtained secure claim to individual mineral properties or mining claims may be severely constrained. Furthermore, the Company has not conducted surveys of the claims in which it holds an interest and, therefore, the precise area and location of such claims may be in doubt. Accordingly, the Company's mineral 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 its properties as permitted or to enforce its rights with respect to its properties.

Competition

The mineral exploration industry is competitive in all of its phases. The Company faces strong competition from other mineral exploration companies in connection with the acquisition of properties producing, or potentially capable of producing, precious and base metals. Many of these companies have greater financial resources, operational experience and technical capabilities than the Company. As a result of this competition, the Company may be unable to maintain or acquire attractive mineral exploration properties on terms it considers acceptable or at all. Consequently, the Company's revenues, operations and financial condition could be materially adversely affected.

Additional Capital

The development and exploration of the Company's properties will require substantial additional financing. Failure to obtain sufficient financing may result in the delay or indefinite postponement of exploration, development or production (if any) on any or all of the Company's properties or even a loss of property interest.

The primary source of funding available to the Company consists of equity financing. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favourable to the Company.

Commodity Prices

The price of the Company’s common shares, the Company's financial results and exploration and development may in the future be significantly adversely affected by declines in the price of gold or other minerals. The price of gold and other minerals and metals fluctuates widely and is affected by numerous factors beyond the Company's control such as the sale or purchase of commodities by various central banks and financial institutions, interest rates, exchange rates, inflation or deflation, fluctuation in the value of the United States dollar and foreign currencies, global and regional supply and demand, the political and economic conditions of major mineral-producing countries throughout the world, the prevalence of COVID-19 or other pandemics, and the cost of substitutes, inventory levels and carrying charges. Future serious price declines in the market value of gold or other minerals or metals could cause further exploration and any future development of the Company's properties to be impractical. Depending on the price of gold and other minerals or metals, cash flow from future operations, if any, may not be sufficient and the Company could be forced to discontinue its operations and may lose its interest in, or may be forced to sell, some of its properties. Future production from the Company's properties, if any, will be dependent upon the prices of gold and other minerals or metals being adequate to make these properties economic.

In addition to adversely affecting the Company's mineral resource estimates and its financial condition, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if the project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

Government Regulation

The mineral exploration activities of the Company are subject to various laws governing prospecting, development, production, taxes, labour standards and occupational health, safety, toxic substances, land use, water use, land claims of local people and other matters. Although the Company's exploration and development activities are currently carried out in accordance with all applicable rules and regulations in all material respects, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration or development. Amendments to current laws and regulations governing operations and activities of mineral exploration or more stringent implementation thereof could have a substantial adverse impact on the Company.

Market Price of Common Shares and Unpredictable Litigation

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 gold or other mineral or metal prices or in the Company's financial condition or results of operations. 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 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 market price of the common shares at any given point in time may not accurately reflect the Company's long-term value. Securities class action litigation often has been brought against companies following periods of volatility in the market price of their securities. The Company may in the future be the target of similar litigation or other litigation concerning operational, employment, title, environmental or other matters of which the Company is not presently aware. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

The fact that a small market currently exists for the common shares may affect the pricing of the common shares in the market, the transparency and availability of trading prices, the liquidity of the common shares and the extent of issuer regulation.

Current Market and Liquidity Concerns

While the Company’s common shares are now listed for trading on the Canadian Securities Exchange, to date there is currently no active market through which the Company's securities may be sold and purchasers may not be able to resell the common shares of the Company. If an active public market for the common shares does not develop, the liquidity of a shareholder's investment may be limited and the Common Share price may decline.

Dividend Policy

No dividends on the common shares have been paid by the Company to date. Payment of any future dividends will be at the discretion of the Company's board of directors after taking into account many factors, including the Company's operating results, financial condition and current and anticipated cash needs.

Key Executives

The Company is dependent on the services of key executives, including the directors of the Company and a small number of highly skilled and experienced executives and personnel. Due to the relatively small size of the Company, the loss of these persons or the Company's inability to attract and retain additional highly skilled employees may adversely affect its business and future operations.

The success of the Company is currently largely dependent on the performance of its directors and officers. The loss of the services of any of these persons could have a materially adverse effect on the Company's business and prospects. There is no assurance the Company can maintain the services of its directors, officers or other qualified personnel required to operate its business. As the Company's business activity grows, the Company will require additional key financial, administrative, and technical personnel as well as additional operations staff. There can be no assurance that these efforts will be successful in attracting, training, and retaining qualified personnel as competition for persons with these skill sets increase. If the Company is not successful in attracting, training and retaining qualified personnel, the efficiency of its operations could be impaired, which could have an adverse impact on the Company's operations and financial condition.

Climate Change May Make Mineral Exploration and Development Operations More Costly

Due to changes in local and global climatic conditions, many analysts and scientists predict an increase in the frequency of extreme weather events such as floods, droughts, forest and brush fires and extreme storms. Such events could materially disrupt the Company's operations, particularly if they affect the Company's sites, impact local infrastructure or threaten the health and safety of the Company's employees and contractors. Any such event could result in material economic harm to the Company. The Company is focused on operating in a manner designed to minimize the environmental impacts of its activities; however, environmental impacts from mineral exploration and mining activities are inevitable. Increased environmental regulation and/or the use of fiscal policy by regulators in response to concerns over climate change and other environmental impacts, such as additional taxes levied on activities deemed harmful to the environment, could have a material adverse effect on the Company's financial condition or results of operations.

Conflicts of Interest

Certain of the directors and officers of the Company also serve as directors and/or officers of other companies involved in natural resource exploration and development and consequently there exists the possibility for such directors and officers to be in a position of conflict. Any decision made by any of such directors and officers involving the Company should be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of the Company and its shareholders. In addition, each of the directors is required to declare and refrain from voting on any matter in which such directors may have a conflict of interest in accordance with the procedures set forth in the *Business Corporations Act* (Ontario) and other applicable laws.

Reduced Disclosure Requirements

The Company is an emerging growth company and the Company intends on taking advantage of reduced disclosure requirements applicable to emerging growth companies, which could make the common shares less attractive to investors.

The Company may take advantage of some, but not all, of the available exemptions available to emerging growth companies. The Company cannot predict whether investors will find the common shares less attractive if we rely on these exemptions. If some investors find the common shares less attractive as a result, there may be a less active trading market for the common shares and our share price may be more volatile.

Future Acquisitions and Dispositions

The Company may not be able to successfully identify and execute future acquisitions or dispositions or to successfully manage the impacts of such transactions on our operations.

The Company may pursue acquisition opportunities to advance its strategic plan. The successful integration of an acquired business typically requires the management of the pre-acquisition business strategy, including the retention and addition of senior management, customers, realization of identified synergies, retention of key staff and the development of a common corporate culture. Achieving the benefits of acquisitions depends in part on successfully consolidating functions and integrating operations and procedures in a timely and efficient manner, as well as the ability to realize anticipated growth opportunities and synergies from newly formed partnerships. Any failure to integrate an acquired business or realize the anticipated benefits of new partnerships may have a material adverse effect on the Company's business, results of operations, financial condition and prospects, including its future prospects for acquisitions or partnerships. There is no assurance that the Company will be able to successfully integrate an acquired business in order to maximize or realize the benefits associated with an acquisition.

In addition, from time to time the Company may enter into letters of intent and memoranda of understanding with respect to which definitive agreements have not yet been, but are expected to be, executed. The Company may not be able to perform under these contracts as a result of operational or other breaches or due to events beyond its control, and the Company may not be able to ultimately execute a definitive agreement in cases where one does not currently exist.

Tax and Accounting Requirements

Tax and accounting requirements may change in ways that are unforeseen to us and we may face difficulty or be unable to implement or comply with any such changes.

The Company is subject to numerous tax and accounting requirements, and changes in existing accounting or taxation rules or practices, or varying interpretations of current rules or practices, could have a significant adverse effect on financial results or the manner in which the Company conducts business. These operations, and any expansion thereto, will require the Company to comply with the tax laws and regulations of multiple jurisdictions, which may vary substantially. Complying with the tax laws of these jurisdictions can be time consuming and expensive and could potentially subject the Company to penalties and fees in the future if the Company were to fail to comply.

International Conflict

International conflict and other geopolitical tensions and events, including war, military action, terrorism, trade disputes and international responses to it, have historically led to and may lead to, uncertainty or volatility in global commodity and financial markets and supply chains. Russia's recent invasion of Ukraine has led to sanctions being levied against Russia by the international community. It may result in additional sanctions or other global action, which may have a destabilizing effect on supply chain disruptions that may adversely affect the Company's business, financial condition and results of operations. The extent and duration of the current Russia-Ukraine conflict and related international action cannot be accurately predicted. The effects of such conflict may magnify the impact of the other risks identified in this document, including those relating to commodity price volatility and global financial conditions. The situation is rapidly changing, and unforeseeable effects, including our shareholders and counterparties on which we rely and transact, may materialize and may have an adverse impact on the Company's business, results of operation and financial condition.