
CARSON RIVER VENTURES CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS
OF OPERATIONS ("MD&A")

For the Year Ended September 30, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended September 30, 2022

This Management's Discussion and Analysis of Carson River Ventures Corp. (the "Company" or "Carson") is dated December 30, 2022 and provides an analysis of Carson's financial position and results of operation for the year ended September 30, 2022. The following information should be read in conjunction with the financial statements for the year ended September 30, 2022 and related notes, which are available on SEDAR at www.sedar.com. Such financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

Except as otherwise disclosed, all dollar figures included therein and in the following management discussion and analysis are quoted in Canadian dollars.

Certain information included in this discussion may constitute forward-looking statements. Forward-looking statements are based on current expectations and entail various risks and uncertainties. These risks and uncertainties could cause or contribute to actual results that are materially different than those expressed or implied. The Company disclaims any obligation or intention to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

CORPORATE PROFILE AND MISSION

The Company is an exploration stage company engaged in the acquisition and exploration of exploration and evaluation assets. The Company is a reporting issuer in British Columbia, Alberta and Ontario, and its common shares began trading on the Canadian Securities Exchange ("CSE") on February 7, 2022 under the symbol **CRIV**. Additional information can be found at the website www.sedar.com.

OVERALL PERFORMANCE

Highlights

On January 20, 2021, the Company entered into a Exploration Lease with Option to Purchase Agreement, whereby the Company has been granted an exploration lease with the exclusive Option to acquire a 100% interest in the Chucker Property, subject to a 1.5% NSR, for consideration to be satisfied by a combination of cash payments and the issuance of common shares. The Chucker Property is located in the Silver Star Mining District, within Mineral County, Nevada, in the Walker Lane gold trend.

In exchange for the exploration lease, the Company issued an aggregate of 250,000 Common Shares to the Optionor on the Company's commencement of trading on the CSE. In addition, the Company paid the sum of C\$12,219 (US\$10,000) representing the lease payment for the first year and must make annual lease payments of US\$10,000 to the optionor thereafter. The lease payment due on January 20, 2022 has not been paid and has been accrued.

The option to acquire 100% of the Chucker Property is exercisable by the Company by making a one-time cash payment in the amount of US\$200,000.

Should the Company elect to exercise the option to purchase the Chucker Property, the annual lease payment(s) paid will not be credited against the purchase price. Further, the Company will not be obligated to pay any lease payments subsequent to the exercise and closing of the purchase of the Chucker Property from the optionor.

Upon exercise of the option and the payment of US\$200,000, the Company shall own the Chucker Property, subject to the 1.5% NSR payable to the optionor, one-half of a percent (0.5%) of the NSR may be purchased by the Company from the optionor at any time prior to commencement of commercial production for a cash payment of US\$200,000.

On May 10, 2021, the Company issued 1,750,000 Common Shares at a price of \$0.005 per Common Share for gross proceeds of \$8,750.

On June 23, 2021, the Company completed a non-brokered private placement issuing 3,000,000 Common Shares at a price of \$0.05 per Common Share for gross proceeds of \$150,000.

On August 23, 2021, the Company closed a crowdfunding financing utilizing a crowdfunding platform. Pursuant to the crowdfunding financing, the Company issued 920,000 Special Warrants at a price of \$0.05 for gross proceeds of \$46,000 and 200,000 Special Warrants issued on a non-cash compensatory basis. The Special Warrants automatically convert into common shares of the Company on a one- to-one basis (i) at any time, at the discretion of the Company or (ii) upon the issuance by a Canadian securities regulatory authority of a receipt for a final prospectus qualifying the issuance of the common shares upon conversion of the special warrants or (iii) on that date that is 18 months from the date of issuance of the Special Warrants.

On September 30, 2021, the Company completed a non-brokered private placement issuing 2,580,000 Common Shares at a price of \$0.10 per Common Share for gross proceeds of \$258,000.

On January 26, 2022, The Company received approval from the British Columbia Securities Commission for its Long Form Prospectus dated January 25, 2022. On February 7, 2022, the Company began trading on the CSE under the symbol CRIV.

On February 7, 2022, the Company's shares began trading on the CSE under the symbol "CRIV". In addition, pursuant to the crowdfunding financing, 1,115,000 of the 1,120,000 Special Warrants outstanding automatically converted into common shares of the Company on a one- to-one basis, the remaining 5,000 Special Warrants were not converted into Common Shares. The 5,000 Special Warrants were returned and cancelled upon the Company paying \$250 to the original holder of the Special Warrants.

On February 14, 2022, the Company issued 250,000 common shares to the Optionor (see above) as per the terms of the Exploration Lease with Option to Purchase Agreement.

On August 12, 2022, the Company completed a non-brokered private placement (the "Private Placement") by issuing an aggregate of 8,300,000 units (the "Units") at a price of \$0.05 per Unit for gross proceeds of \$415,000. Each Unit is comprised of one common share ("Share") and one-half of a non-transferable Share purchase warrant, whereby each whole warrant ("Warrant") entitles the holder to purchase one additional Share for a period of 24 months from the date of issuance at an exercise price of \$0.10 per additional Share. Certain insiders of the Company, namely Jeffrey Cocks, Chief Executive Officer and Director of the Company, and Christopher Hobbs, Chief Financial Officer and Director of the Company, each acquired 500,000 Units. In addition, Mr. Jeff Wolburgh ("Wolburgh") became a significant shareholder and new insider of the Company. Wolburgh, through Bear Park Capital Corp., a private company he holds, and Noah's Ark 2021 Family Trust, for which he acts as Trustee, subscribed for an aggregate of 4,500,000 Units. As a result, Wolburgh beneficially owns, directs or controls 10% or more of the Company's current outstanding voting securities. Following closing of the Private Placement, Wolburgh holds or controls approximately 27.65% of the current issued and outstanding Shares on an undiluted basis and 36.11% on a partially diluted basis.

On November 4, 2022, the Company acquired a 100% of Novo Lithium Argentina, SRL, an Argentine limited liability company ("Novo") that holds six mining concessions (the "Properties"), located in the Catamarca Province of Argentina.

The Properties include four concessions totaling 12,901 hectares in the southern region of the Antofalla Salar and two concessions totaling 3,373 hectares south of the Hombre Muerto Salar. At 130 km long, the Antofalla Salar the largest catchment basin in the region. Albemarle Corporation (NYSE: ALB), the world's largest lithium producer, owns large claim blocks throughout the Antofalla Salar, the southernmost of which is located approximately 20 km north of Novo's concessions. The Hombre Muerto Salar has been Argentina's only source of lithium production for over 25 years at properties owned and operated by Livent Corporation (NYSE: LTHM) just 10 km north of Novo's concessions.

The Company acquired 100% equity interest in Novo and the Properties under the terms of a share purchase agreement with five individuals for a purchase price of \$325,000, payable by \$85,000 in cash and the issuance of 4,000,000 common shares of the Company. All securities issued in connection with this transaction are subject to a statutory four-month hold period plus one day, in accordance with applicable securities legislation expiring March 8, 2023.

On November 7, 2022, the Company announced it has completed the initial 2022 exploration program on the Chucker. The exploration program consisted of air-borne and ground-based geophysical surveying, reconnaissance prospecting, geological mapping, surface trenching, and relocating historical workings. The results from the above exploration program will be compiled, providing accurate modern data to assist in the planning of a potential follow up drill program.

RESULTS OF OPERATIONS

Summary of exploration activities

Mineral Property:

On January 20, 2021, the Company entered into a Exploration Lease with Option to Purchase Agreement, whereby the Company has been granted an exploration lease with the exclusive Option to acquire a 100% interest in the Chucker Property, subject to a 1.5% NSR, for consideration to be satisfied by a combination of cash payments and the issuance of common shares. The Chucker Property is located in the Silver Star Mining District, within Mineral County, Nevada, in the Walker Lane gold trend.

In exchange for the exploration lease, the Company issued an aggregate of 250,000 Common Shares to the Optionor on the Company's commencement of trading on the CSE. In addition, the Company paid the sum of C\$12,219 (US\$10,000) representing the lease payment for the first year and must make annual lease payments of US\$10,000 to the optionor thereafter. The lease payment due on January 20, 2022 has not been paid and has been accrued.

The option to acquire 100% of the Chucker Property is exercisable by the Company by making a one-time cash payment in the amount of US\$200,000.

Should the Company elect to exercise the option to purchase the Chucker Property, the annual lease payment(s) paid will not be credited against the purchase price. Further, the Company will not be obligated to pay any lease payments subsequent to the exercise and closing of the purchase of the Chucker Property from the optionor.

Upon exercise of the option and the payment of US\$200,000, the Company shall own the Chucker Property, subject to the 1.5% NSR payable to the optionor, one-half of a percent (0.5%) of the NSR may be purchased by the Company from the optionor at any time prior to commencement of commercial production for a cash payment of US\$200,000.

The Chucker Property is located in west-central Nevada in Mineral County, Nevada, Township 4 North, Range 32 East, Sections 10, 11, 14 and 15. The Property is found on the U.S.G.S. "Little Huntoon Valley Quadrangle" Nevada - Mineral Co., 7.5-minute series topographic map. Geographically, the Property is located in the eastern foothills of the Excelsior Mountain Range due west of Teels Marsh, Nevada.

The Chucker Property consists of 11 unpatented mining claims 181 miles (290 km) south east of the city of Reno, Nevada. The unpatented lode mining claims cover a total area of slightly more than 227 acres (91 hectares) and are located on federal land and managed by the Carson City District Office of the Bureau of Land Management ("BLM").

The Property is a grass roots property and, therefore, historical data and information is limited. The Property is located in the Marietta Historic Mining District, according to the Nevada Division of Minerals Open Data Site, and a variety of commodities are known to exist in this district, but not necessarily on the Chucker Property, including Au, Ag, Pb, W, Cu, U, Be.

EXPLORATION ACTIVITIES

The Chucker Property contains numerous prospect pits, two shafts and a 55-foot drift. These workings are generally located on mineralized quartz vein exposures within the granite host rock. From previous observations and assay values, gold, silver, lead, zinc and copper are found in amounts large enough to pique interest and generate further exploration.

The Company has completed the initial 2022 exploration program on the Chucker. The exploration program consisted of air-borne and ground-based geophysical surveying, reconnaissance prospecting, geological mapping, surface trenching, and relocating historical workings. The results from the above exploration program will be compiled, providing accurate modern data to assist in the planning of a potential follow up drill program. Further results will be released as they become available.

Description of exploration program activities is as follows:

Mapping and Sampling - In order to gain a better understanding of the style, age and control factors of the mineralization, selected areas of the Property need to be mapped and sampled in detail.

Trenching - There are numerous areas on the Property that host potential extensions of known mineralized zones and these extensions are not well exposed. A 1,000 foot (305m) trenching program will expose these zones. The trenches will be mapped and sampled in detail.

Magnetic Survey - A Property-wide ground magnetic survey will complete the geophysical data base for the Property and help locate zones of intrusion-related alteration and mineralization.

Data Compilation and Drill Target Selection - Once the initial exploration program has been completed, the new data will be combined with existing data, and drill targets will be selected.

SELECTED ANNUAL INFORMATION

	Period ended September 30, 2022	Year ended September 30, 2021
Operating expenses (\$)	177,195	95,360
Net loss (\$)	(177,033)	(95,360)
Basic and diluted loss per share (\$)	(0.02)	(0.04)

	As at September 30, 2022	As at September 30, 2021
Cash (\$)	673,389	295,531
Total assets (\$)	812,108	455,457
Total current liabilities (\$)	121,272	14,837
Long term liabilities (\$)	Nil	Nil

RESULTS OF OPERATIONS

Year ended September 30, 2022 and 254 days ended September 30, 2021

During the year ended September 30, 2022, the Company reported a net loss of \$177,033 (2021-\$95,360). Included in the determination of the loss was accounting fees of \$11,121 (2021 - Nil), consulting fees of \$25,000 (2021-Nil), management fees \$64,875 (2021-\$7,500), office expense of \$24,808 (2021-\$7,368), professional fees of \$9,565 (2021-\$1,742), and transfer agent and filing fees of \$41,826 (2021-Nil). The Company was incorporated on January 19, 2021 and operated for 254 days in the fiscal year ended September 30, 2021.

SUMMARY OF QUARTERLY RESULTS

	December 31, 2020	March 31, 2021	June 30, 2021	September 30, 2021
Revenue (\$)	–	–	–	–
Net gain (loss) (\$)	–	(211)	(122)	(95,027)
Basic and diluted loss per share (\$)	–	(0.00)	(0.00)	(0.01)

	December 31, 2021	March 31, 2022	June 30, 2022	September 30, 2022
Revenue (\$)	–	–	–	–
Net gain (loss) (\$)	(27,793)	(38,238)	(36,271)	(74,731)
Basic and diluted loss per share (\$)	(0.00)	(0.00)	(0.00)	(0.01)

LIQUIDITY AND CAPITAL RESOURCES

The Company's cash and cash equivalents at September 30, 2022 were \$673,389 compared to \$295,531 at September 30, 2021.

The Company plans to continue to fund its operations through equity financings; there are no guarantees that the Company can do so in the future.

SHARE CAPITAL

Authorized share capital

Unlimited number of common and preferred shares without par value.

As at September 30, 2022, the Company had 16,995,000 common shares outstanding, and the date of this MD&A, the Company had 20,995,000 common shares outstanding.

Share capital issuances

On May 10, 2021, the Company issued 1,750,000 Common Shares at a price of \$0.005 per Common Share for gross proceeds of \$8,750.

On June 23, 2021, the Company completed a non-brokered private placement issuing 3,000,000 Common Shares at a price of \$0.05 per Common Share for gross proceeds of \$150,000.

On August 23, 2021, the Company closed a crowdfunding financing utilizing a crowdfunding platform. Pursuant to the crowdfunding financing, the Company issued 920,000 Special Warrants at a price of \$0.05 for gross proceeds of \$46,000 and 200,000 Special Warrants issued on a non-cash compensatory basis. The Special Warrants automatically convert into common shares of the Company on a one- to-one basis (i) at any time, at the discretion of the Company or (ii) upon the issuance by a Canadian securities regulatory authority of a receipt for a final prospectus qualifying the issuance of the common shares upon conversion of the special warrants or (iii) on that date that is 18 months from the date of issuance of the Special Warrants.

On September 30, 2021, 2021 the Company completed a non-brokered private placement issuing 2,580,000 Common Shares at a price of \$0.10 per Common Share for gross proceeds of \$258,000 of which \$128,000 was receivable at September 30, 2021. The \$128,000 receivable balance was received subsequent to September 30, 2021.

On February 7, 2022, 5,000 Special Warrants were returned for cancellation in return for the payment of \$250 representing the original subscription amount.

On February 7, 2022, the Company's Common Shares began trading on the CSE, as per the terms of the Special Warrants, the remaining Special Warrants automatically converted into common

shares of the Company on a one- to-one basis.

On February 14, 2022, the Company issued 250,000 shares as per the terms of the Exploration Lease with Option to Purchase Agreement.

On August 12, 2022, the Company completed a non-brokered private placement by issuing an aggregate of 8,300,000 units at a price of \$0.05 per unit for gross proceeds of \$415,000. Each unit is comprised of one Share and one-half of a non-transferable Share purchase Warrant, whereby each whole Warrant entitles the holder to purchase one additional Share for a period of 24 months from the date of issuance at an exercise price of \$0.10 per additional Share.

On November 4, 2022, the Company issued 4,000,000 common shares for equity interest in Novo and the Properties under the terms of a share purchase agreement. All securities issued in connection with this transaction are subject to a statutory four-month hold period plus one day, in accordance with applicable securities legislation expiring March 8, 2023.

Stock Options

As at September 30, 2022 and the date of this MD&A, the Corporation had no incentive stock options outstanding.

Share Purchase Warrants

As at September 30, 2022 and the date of this MD&A, Company had 4,150,000 share purchase warrants outstanding.

Details of common share purchase warrants outstanding on September 30, 2022, are as follows:

	Warrants	Weighted average exercise price
Balance, September 30, 2021	-	\$ -
Issued	4,150,000	\$ 0.10
Balance, September 30, 2022	4,150,000	\$ 0.10

A summary of warrants outstanding and exercisable as of September 30, 2022, is as follows:

Outstanding and exercisable	Exercise Price	Expiry Date
4,150,000	\$ 0.10	August 12, 2025

At September 30, 2022, the average remaining contractual life of the outstanding share-purchase warrants was 2.87 years.

RELATED PARTY TRANSACTIONS

The Company has identified its directors and certain senior officers as its key management personnel.

The remuneration of the Company's directors and related parties are as follows:

	September 30, 2022	September 30, 2021
Management fees	\$ 60,000	\$ 7,500
Consulting fees	25,000	-
	<u>\$ 85,000</u>	<u>\$ 7,500</u>

The following amounts were due to related parties as at September 30, 2022:

	September 30, 2022	September 30, 2021
Companies controlled by a director of the Company	<u>\$ 10,500</u>	<u>\$ 8,000</u>

COMMITMENTS

None

CAPITAL MANAGEMENT

The Company's objective in managing capital is to ensure sufficient liquidity to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. The Company defines capital as net equity and debt. The Company seeks to ensure that it has sufficient cash resources to maintain its ongoing operations and finance its research and development activities, corporate and administration expenses, working capital and overall capital expenditures. Since inception, the Company has primarily financed its liquidity needs through private placements of common shares.

RISKS AND UNCERTAINTIES

FINANCIAL INSTRUMENTS

The Company classifies its cash and cash equivalents as financial assets at fair value through profit or loss and accounts payable and accrued liabilities, convertible debenture and loan payable as other financial liabilities.

The fair value of accounts payable and accrued liabilities and loan payable approximate their carrying value due to the short-term nature of these liabilities.

The Company classifies its fair value measurements within a fair value hierarchy, which reflects the significance of the inputs used in making the measurements as defined in IFRS 7 – Financial Instruments – Disclosures.

Level 1 – Observable inputs other than quoted prices include in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities that are not active; or other inputs that are observable or can be corroborated by observable market data. Cash and cash equivalents are classified as Level 1.

Level 2 – Observable inputs other than quoted prices, included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3 – Significant unobservable inputs which are supported by little or no market activity.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The majority of cash is deposited in bank accounts held with a major bank in Canada. As most of the Company's cash is held by one bank there is a concentration of credit risk. This risk is managed by using major banks that are high credit quality financial institutions as determined by rating agencies. Credit risk related to cash is assessed as low.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash. As of September 30, 2022, the Company had working capital of \$552,117 to cover short term obligations.

Historically, the Company's sole source of funding has been loans from related parties and private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding. Liquidity risk is assessed as moderate.

Foreign exchange risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company is not exposed to foreign exchange risk.

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. As at September 30, 2022, the Company did not have any financial instruments subject to interest rate risk. For capital management, the Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of equity and cash. There were no changes in the Company's approach to capital management during the period. The Company is not subject to any externally imposed capital requirements.

New Significant Accounting Policies

IFRS 16 Leases

IFRS 16 specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17 Leases. The Company has not early-adopted this standard.

Business Combinations

Judgement is used in determining whether an acquisition is a business combination or an asset acquisition. In determining the allocation of the purchase price in a business combination, including any acquisition-related contingent consideration, estimates including market based and appraisal values are used.

The Company measures all assets acquired and liabilities assumed at their acquisition-date fair values. Non-controlling interests in the acquiree are measured on the basis of the non-controlling interests' proportionate share of this equity in the acquiree's identifiable net assets. The excess of the aggregate consideration paid over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed, is recognized as goodwill as of the acquisition date.

Risk and Uncertainties

Risks inherent in the nature of mineral exploration and development

Exploration and development involve several risks which experience, knowledge and careful evaluation may not be sufficient to overcome. Large capital expenditures are required in advance of anticipated revenues from operations. Many exploration programs do not result in the discovery of mineralization; moreover, mineralization discovered may not be of sufficient quantity or quality to be profitably mined. Unusual or unexpected formations, formation pressures, fires, power outages, labor disruptions, flooding, explosions, tailings impoundment failures, cave-ins, landslides and the inability to obtain adequate machinery, equipment or labor are some of the risks involved in the conduct of exploration programs and the operation of mines. The commercial viability of exploiting any precious metal deposit is dependent on a number of factors including infrastructure and governmental regulations, in particular those respecting the environment, price, taxes, and royalties. No assurance can be given that minerals of sufficient quantity, quality, size and grade will be discovered on any of the Company's properties to justify commercial operation. Numerous external factors influence and may have significant impacts on the operations of the Company and its financing needs.

Financial risks

The Company is an exploration company. The Company will periodically have to raise additional funds to continue operations, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future.

Claims and title risks

Although the Company has taken steps to verify title to properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

Tax

No assurance can be made that Canada Revenue Agency will agree with the Company's characterization of expenditures as Canadian exploration expenses or Canadian development expenses.

Dependence on key personnel

The development of the Company's business is and will continue to be dependent on its ability to attract and retain highly qualified management and mining personnel. The Company faces competition for personnel from other employers.

Conflicts of interest

Certain directors of the Company are also directors, officers or shareholders of other companies that are similarly engaged in the business of acquiring, developing and exploiting natural resource properties. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required by law to act honestly and in good faith of view to the best interests of the Company and to disclose any interest, which they may have in any project or opportunity of the Company. If a conflict arises at a meeting of the board of directors, any director in a conflict will disclose his interest and abstain from voting on such matter.

Environmental risks

The Company is subject to various environmental incidents that can occur during exploration work. The Company maintains an environmental management system including operational plans and practices.

SUBSEQUENT EVENTS

On November 4, 2022, the Company acquired a 100% of Novo Lithium Argentina, SRL, an Argentine limited liability company (“Novo”) that holds six mining concessions (the “Properties”), located in the Catamarca Province of Argentina.

The Company acquired 100% equity interest in Novo and the Properties under the terms of a share purchase agreement with five individuals for a purchase price of \$325,000, payable by \$85,000 in cash and the issuance of 4,000,000 common shares of the Company. All securities issued in connection with this transaction are subject to a statutory four-month hold period plus one day, in accordance with applicable securities legislation expiring March 8, 2023.

ADDITIONAL INFORMATION

Additional information relating to the Company, including the Company’s audited year-end financial results and unaudited quarterly financial results, can be accessed on SEDAR (www.sedar.com).