Targa Exploration Corp.

Management's Discussion and Analysis

For the years ended March 31, 2023 and 2022

(Expressed in Canadian dollars)

MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management's Discussion and Analysis ("MD&A") of the financial position and results of Targa Exploration Corp. (the "Company") should be read in conjunction with the Company's audited consolidated financial statements for the years ended March 31, 2023 and 2022 and the accompanying notes thereto (the "financial statements").

The financial statements have been prepared by management in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee. All amounts are expressed in Canadian dollars unless otherwise stated. Other information contained in this document has been prepared by management and is consistent with the data contained in the financial statements.

The Company's certifying officers are responsible for ensuring that the financial statements and MD&A do not contain any untrue statement of a 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 was made. The Company's certifying officers certify that the financial statements, together with the other financial information included in the filings, fairly present, in all material respects, the financial condition, financial performance and cash flows of the Company as of the date and for the periods presented in the filings.

In this MD&A, the "Company", or the words "we", "us", or "our", collectively refer to Targa Exploration Corp. The first, second, third and fourth quarters of the Company's fiscal years are referred to as "Q1", "Q2", "Q3" and "Q4", respectively. The years ended March 31, 2023 and 2022 are referred to as "Fiscal 2023" and "Fiscal 2022", respectively.

This MD&A provides management's comments on the Company's operations for the three months and years ended March 31, 2023 and 2022, and the Company's financial condition as at March 31, 2023, as compared with the prior fiscal year-end.

The Company's Audit Committee and the Board of Directors provide an oversight role with respect to all public financial disclosures by the Company. The Board of Directors approve the financial statements and MD&A after the completion of its review and recommendation for approval by the Audit Committee, which meets periodically to review all financial reports, prior to filing.

All technical disclosure covering the Company's mineral properties was prepared under the supervision of Lorne Warmer, P.Geo. for the Company and a "Qualified Person" within the meaning of NI 43-101.

The effective date of this MD&A is July 28, 2023.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this document constitute "forward-looking statements". All statements other than statements of historical fact contained in this MD&A, including, without limitation, those regarding the Company's future financial position and results of operations, strategy, proposed acquisitions, plans, objectives, goals and targets, and any statements preceded by, followed by or that include the words "believe", "expect", "aim", "intend", "plan", "continue", "will", "may", "would", "anticipate", "estimate", "forecast", "predict", "project", "seek", "should" or similar expressions or the negative thereof, are forward-looking statements. These statements are not historical facts but instead represent only the Company's expectations, estimates and projections regarding future events. These statements are not guarantees of future performance and involve assumptions, risks and uncertainties that are difficult to predict. Therefore, actual results may differ materially from what is expressed, implied or forecasted in such forward-looking statements.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to risks associated with: geological risks; limited operating history; inability to generate earnings or pay dividends for the foreseeable future; no current assets other than cash, goods and services tax recoverable, and prepaid expenses; uncertain ability to raise additional funds when required; reliance on a small number of key managers lacking backup; potential conflicts of interest among directors and officers of the Company; lack of liquidity for shareholders of the Company; ability to secure needed permits, ability to physically access and work the Company's property assets due to poor weather, a potential lack of key contract personnel and services providers needed to execute elements of the Company's exploration plans, and market risk consisting of fluctuations in the Company's share price, metal prices, credit market conditions and investor appetite for early stage exploration companies. See "Risks and Uncertainties" section.

Management provides forward-looking statements because they believe such statements deliver useful guidance and information to readers when considering their investment objectives. Though management believes such statements to be as accurate as possible in the context of the information available to management at the time in which they are made, management cautions readers that the guidance and information contained in such statements may rapidly be superseded by subsequent events. Consequently, all the forward-looking statements made in this MD&A are qualified by these cautionary statements and other cautionary statements or factors contained herein, and there can be no assurance that the actual results or developments suggested by such forward-looking statement will be realized or, even if substantially realized, that they will have the expected results, or effects upon, the Company. These forward-looking statements are made as of the date of this MD&A and the Company assumes no obligation to update or revise them to reflect subsequent information, events or circumstances or otherwise, except as required by securities law.

The forward-looking statements in this MD&A are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Company will operate in the future, including assumptions regarding business and operating strategies.

DESCRIPTION OF THE BUSINESS

The Company was incorporated under the Business Corporations Act of British Columbia on September 26, 2017, and changed its name from RCM Minerals Ltd. to Targa Exploration Corp. on July 20, 2021. The Company's registered office located at #700-1090 West Georgia Street, Vancouver, BC, V6E 3V7.

On September 27, 2022, the Company's common shares commenced trading on the Canadian Securities Exchange ("CSE") under the ticker symbol "TEX". On October 7, 2022, the Company's common shares commenced trading on the Frankfurt Stock Exchange under the ticker symbol "V6Y". Subsequent to the balance sheet date, on May 17, 2023, the Company's common shares commenced trading on the OTCQB Venture Market under the ticker symbol "TRGEF".

Targa is in the business of acquisition, exploration and development of mineral properties.

The business of mining and exploration involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of exploration and evaluation expenditures is dependent upon several factors. These include the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development of these properties, and future profitable production or proceeds from disposition of mineral properties.

The Company's mineral property interests are comprised of mineral properties owned by the Company and rights to ownership of mineral properties, which the Company can earn through cash or share payments, incurring exploration expenditures or combinations thereof. The Company accounts for its mineral property interests by charging all acquisition and exploration costs to profit or loss as incurred and crediting all property sales and option proceeds to profit or loss. When the existence of a mineral reserve on a property has been established, future acquisition, exploration and development costs will be capitalized for that property, then amortized using the unit-of-production method following commencement of production.

The Company has not yet generated any revenue and operating cash flows. The ability of the Company to fulfil its obligations and pay for the ongoing operating as well as mineral properties expenditures depends on its success in raising external funds from debt and equity. Therefore, it is difficult to identify any meaningful trends or develop an analysis of cash flows.

AMALGAMATION

The Company entered into an amalgamation agreement dated September 3, 2021 (the "Amalgamation Agreement") with Bellatrix Capital Corp. ("Bellatrix"), and 1322768 B.C. Ltd., a wholly owned subsidiary of the Company ("1322768"). Pursuant to the Amalgamation Agreement, Bellatrix, and 1322768 amalgamated (the "Amalgamation") to form 1326091 B.C. Ltd. ("Amalco").

The Company issued the following consideration with the following effect:

- One Company share in exchange for the 188,250 Class B common shares of Bellatrix issued and outstanding at the time of the Amalgamation; and
- Eighty Company shares in exchange for the 12,500 Class A common shares of Bellatrix issued and outstanding at the time of the Amalgamation.

The 1,188,250 common shares that were issued to the shareholders of Bellatrix by the Company pursuant to the Amalgamation were valued at $59,413, or $0.05 per share. The Amalgamation has been accounted for as an asset acquisition in accordance with the guidance provided in IFRS 2 *Share-based Payment* since it did not constitute a business combination under IFRS 3 *Business Combinations* as the significant inputs, processes, and outputs, that together constitute a business, did not exist in Bellatrix at the time of the transaction. Since 1326091 B.C. Ltd. had no assets or liabilities, the total amount of $59,413 was allocated as transaction expense on the consolidated statement of loss and comprehensive loss.

Pursuant to the Amalgamation, the one common share of 1322768 was cancelled and replaced by one common share in the capital of Amalco. The Amalgamation took effect on September 28, 2021.

The financial statements include the financial statements of the Company and its one subsidiary, 1326091 B.C. Ltd. All significant intercompany transactions are eliminated on consolidation. An amount of $59,413 was recognized as transaction expense during the year ended March 31, 2022.

SHANGHAI PROPERTY

On October 6, 2021, the Company entered into an option agreement (the "Agreement") with Shawn Ryan and Wildwood Exploration Inc. ("Wildwood"), who were the owners 70% and 30%, respectively, of the mineral claims situated in the Mayo Mining District, Yukon Territory, which are generally known and described as the Shanghai Property (the "Shanghai Property"). The 2,640-hectare project is located along the Robert Service Thrust fault in the western part of the prolific Selwyn basin. Pursuant to the agreement, the Company granted an option to acquire 100% right, title and interest in those mineral claims.

In accordance with the Agreement, the Company has the option to acquire a 100% undivided interest in the Shanghai Property in exchange for i) paying Wildwood an aggregate of $750,000; ii) issuing an aggregate of 4,000,000 common shares to Shawn Ryan; and iii) incurring expenditures of $2,850,000, over agreed installments and dates.

Under the Agreement, the Company is required to pay Shawn Ryan and Wildwood in accordance with their respective interests, a Net Smelter Returns royalty ("NSR") equal to 2.5% of net smelter returns. The Company may reduce the NSR by 1.0% for a payment of $2,000,000.

To date, the Company has paid $150,000 to Wildwood, issued 1,000,000 common shares to Shawn Ryan and incurred $310,366 of expenditures meeting its required installments.

As reported on November 8, 2022, fieldwork related to the phase 1 program at Targa Exploration Corp.'s Shanghai project located in the western part of the Selwyn basin in Yukon has been completed.

The phase 1 program followed on from soil sampling programs (2004 to 2021) that indicated anomalous silver, lead and zinc in soils over areas of known polymetallic silver-lead-zinc veins and the indication of anomalous gold in soil values associated with Tombstone suite intrusions along the trace of the Robert Service thrust fault.

The fieldwork completed by the Company at the Shanghai project included:

- Collection of 1,297 soil samples; and
- Completion of 19-line-kilometre magnetometer and very-low-frequency electromagnetic (VLF) geophysical survey along 28 survey lines tracking 1,978 readings at 10-metre station spacing.

On April 26, 2023, the Company announced the results of the phase 1 soil sampling and ground VLF survey at its Shanghai Property. The results of the phase 1 program include:

- The discovery of a new, extremely high tenor gold ("Au") in soil anomaly over 700m in length at the center of the 27.48km^2 property.
- Gold in soil values grading up to 6.1 grams per tonne ("g/t") and 2.0 g/t Au from this newly discovered zone, representing the highest-grade gold in soil sampled collected on the Shanghai Project to date.
- Of the 1297 samples collected in 2022, 388 samples returned values over 10ppb Au, 14 samples returned values greater than 0.1 g/t Au, and 2 samples greater than 1g/t Au.

The field work completed has provided valuable insights into the area and will allow the Company to focus their efforts on further defining these anomalies. The gold in soil anomaly is thought to coincide with second order mineralized fluid pathways between the Robert Service Thrust and Tombstone Thrust, two major structural features of the region. Next steps will include detailed infill soil sampling and high-resolution geophysics focused on the newly discovered gold in soil anomaly.

LITHIUM PROJECTS

On December 12, 2022, the Company entered into an agreement (the "Kenorland Agreement") with Kenorland Minerals North America Ltd. ("Kenorland") who were the owners of a 100% interest in two lithium exploration projects. The project situated in the James Bay region of northern Quebec is generally known and described as the Opinaca Project (the "Opinaca Project"), and the project located in eastern Manitoba is generally known and described as the Superior Project (the "Superior Project"), together known as the "Lithium Projects".

On January 25, 2023, in accordance with the Kenorland Agreement, the Company acquired a 100% undivided interest in the Lithium Projects, in exchange for 4,377,375 common shares of the Company, a payment of $100,000 in cash, and a 3% NSR. In addition, the Company is required to issue 9.9% of the issued common shares to Kenorland when the Company has raised an aggregate of $5,000,000 in funding through future common share issuances.

To date, the Company has paid $100,000 in cash and issued 4,377,375 common shares to Kenorland meeting its required terms.

On February 26, 2023, the Company entered into an operator services agreement with Kenorland, pursuant to which Kenorland has agreed to provide technical advice and perform certain operations with respect to the Opinaca Project and the Superior Project. In accordance with the agreement, Kenorland will conduct all operations and incur all exploration expenses which will be funded by the Company. Exploration expenses will incur based on a work program and a budget prepared by Kenorland and approved by a technical committee. The technical committee will consist of two members appointed by Kenorland and two members appointed by the Company.

Opinaca Project

The Opinaca Project covers 43,595 hectares and 40 kilometers of strike length within the Opinaca sub-province in the James Bay region of northern Quebec. The project covers a discrete cluster of highly anomalous and coincident regional lithium and cesium lake sediment geochemical anomalies which potentially suggest the presence of Li-Cs-Ta pegmatite mineralisation.

Superior Project

The Superior Project includes two mineral exploration licenses totalling 19,029 hectares, located in eastern Manitoba, which cover the Red Sucker Lake and Red Cross Lake lithium-bearing pegmatite occurrences.

PEGMATITE LITHIUM PROJECTS

Subsequent to the balance sheet date, on May 11, 2023, the Company completed the acquisition of a 100% interest in the Leaf River lithium project (the "Leaf River Project"), the Raglan South lithium project (the "Ungava Project"), and the Musquaro Lake lithium project (the "Musquaro Lake Project" and, collectively with the Leaf River Project and the Ungava Project, the "Pegmatite Lithium Projects") from a syndicate of sellers consisting of Shawn Ryan, Wildwood, Isaac Fage, Callum Ryan, Simon Cash and Adam Fage (collectively, the "Sellers").

In accordance with the agreement, the Company acquired a 100% interest in the Pegmatite Lithium Projects, in exchange for 7,500,000 common shares of the Company ("Consideration Shares"), a payment of $315,000 in cash to Wildwood and a 1% NSR granted to Shawn Ryan. In addition, the Sellers have agreed to a voluntary escrow arrangement whereby one-third of the Consideration Shares will be released from escrow every four months after May 1, 2023, with the first such release date to occur on September 1, 2023.

The Pegmatite Lithium Projects are located in northern and eastern regions of Quebec and comprise of 3,488 active claims, covering an area of approximately 165,916 hectares. The Company believes that the Pegmatite Lithium Projects hold great potential for spodumene-bearing lithium pegmatites.

Leaf River Project

The Leaf River Project consists of two individual claim blocks that include 564 active claims totaling 25,636 hectares within the Nunavik region of northern Quebec and 140km from the community of Tasiujaq located on the western side of the Ungava Bay. The claim blocks were staked to cover highly anomalous lake sediment geochemistry in lithium, caesium, and rubidium. Both claim blocks hold many samples that are over the 99th percentile for all three elements in the Quebec wide lake sediment dataset.

Ungava Project

The Ungava Project in the Raglan South District consists of 1,529 active claims totaling 63,865 hectares and is located within the Nunavik region of northern Quebec in the Ungava peninsula with the closest town of Salluit located 120 km northwest of the project and the Raglan Nickel Mine 75 km northeast of the claim block. The claim block was staked to cover a cluster of anomalous LCT lake sediment anomalies, exhibiting significant enrichment in lithium, caesium, and rubidium, with numerous samples displaying values well above the 99th percentile for all elements in the Quebec government data base.

Musquaro Lake Project

The Musquaro Lake Project consists of three individual claims blocks with 1,395 active claims totaling 76,415 hectares located within the Côte-Nord region of eastern Quebec. The Musquaro Project is situated 60 km northeast of the Natashquan community. The project area is characterized by the presence of over 96 mapped individual pegmatites and were staked to cover a highly anomalous population of lake sediment geochemistry anomalies in lithium, caesium, and rubidium.

PAN CANADIAN LITHIUM

Subsequent to the balance sheet date, on May 19, 2023, the Company completed the acquisition of a 100% of the issued and outstanding shares of Pan Canadian Lithium Corp ("Pan Canadian Lithium") pursuant to a share exchange agreement where the Company issued 5,766,666 common shares to the shareholders of Pan Canadian Lithium. In addition, the Company acquired Pan Canadian Lithium's positive cash position of approximately $240,000. Following the closing of the acquisition, Cameron Tymstra, former Chief Executive Officer of Pan Canadian Lithium, has been appointed as the Company's new Chief Executive Officer and President. The Company's former CEO, Jon Ward, joined his new role as the Vice President of Corporate Development and will remain as a director on the board.

Pan Canadian Lithium, now a wholly owned subsidiary of the Company, holds the mining claims to highly prospective lithium projects located in Saskatchewan and Ontario, Canada. The claims cover a total of 49,248 hectares and were identified using regional lake sediment samples obtained from provincial geochemical data that were highly anomalous with lithium pathfinder elements. The Company believes that the projects display significant potential for lithium bearing pegmatites.

Pan Canadian Lithium owns a 100% interest in four exploration projects with two located in each of the provinces of Saskatchewan and Ontario.

White Metal Project

The White Metal Project, located 40km north of Stony Rapids in northern Saskatchewan, consists of eight contiguous mineral concessions totalling 38,765 hectares. The claims cover the highest concentration in Saskatchewan of regional lake sediment samples from the Geological Survey of Canada dataset that are anomalous for cesium, rubidium, and tantalum, elements considered pathfinders for lithium mineralization. With historical exploration activities in the region primarily focused on uranium, the White Metal Project represents a district-scale opportunity to explore for lithium mineralization in a mining-friendly jurisdiction.

Prince Albert Project

The Prince Albert Project, located in northeast Saskatchewan, covers 2,895 hectares of prospective geology including a band of metasediments and metavolcanic rocks in close proximity to a granite intrusion. Boulders with lithium contents over 3,400ppm have been found several kilometers to the southwest by other explorers, potentially in the down-ice glacial direction from Prince Albert. The Prince Albert Project is adjacent to other active lithium exploration projects held by ACME Lithium and ALX Resources.

Slim Jim and Sky Lake Projects

The Slim Jim and Sky Lake Projects are located in the Quetico Subprovince in northwestern Ontario. The Quetico Subprovince is host to several known lithium pegmatite deposits and occurrences, most notably the Georgia Lake and Jackpot deposits and the Wisa Lake and Hearst/Lowther occurrences. Both the Slim Jim and Sky Lake Projects have good local infrastructure with year-round road access from the nearby provincial highway and are near a rail line.

The Slim Jim Project covers 4,746 hectares of mostly metasediments along the boundary of a muscovite-bearing granite intrusive with noted pegmatite. Local lake sediment samples across the Slim Jim Project have elevated values of lithium, cesium, rubidium, and tantalum. Several faults also run through the Slim Jim Project and could present favorable pathways for pegmatite intrusion.
The Sky Lake Project is located about 16 kilometers east of Slim Jim and is 2,842 hectares in size. The Sky Lake Project is centered on a cluster of lake sediment samples with anomalous lithium, cesium, rubidium, and tantalum and has a fault structure running north-south through the project. Sky Lake is also covered with a network of logging roads, making for easy access and low-cost future exploration work.

FINANCIAL CONDITION

As at March 31, 2023, current assets were $653,155 (March 31, 2022 - $1,240,496) and current liabilities were $38,877 (March 31, 2022 - $12,657), resulting in working capital of $614,277 (March 31, 2022 - $1,227,839). The decrease in working capital is the result of an increase in cash payments made in relation to the Lithium Projects acquisition.

As at March 31, 2023, the Company had total assets of $653,155 (March 31, 2022 - $1,240,496), which is comprised of cash, goods and services tax recoverable and prepaid expenses, which are expected to be received within the next twelve months.

As at March 31, 2023, the Company had total liabilities of $38,878 (March 31, 2022 - $12,657) comprising of accounts payable and accrued liabilities.

As at March 31, 2023, shareholders' equity was comprised of share capital of $3,656,958 (March 31, 2022 - $804,413), subscription receivable of $nil (March 31, 2022 - $5,000), reserves of $46,800 (March 31, 2022 - $665,000), and a deficit of $3,089,481 (March 31, 2022 - $236,574) for a total shareholders' equity of $614,277 (March 31, 2022 - $1,227,839).

The number of common shares outstanding as at March 31, 2023 was 44,780,625 (March 31, 2022 - 33,188,250).

The number of securities held in escrow as at March 31, 2023, was 376,875 common shares and 375,000 warrants (March 31, 2022 - nil).

LIQUIDITY, CAPITAL RESOURCES AND GOING CONCERN

The Company has not yet generated any revenue and thus cash flow from operations. Its only source of funds since incorporation has been from the issuance of common shares and units.

As at March 31, 2023, the Company had cash of $604,316 (March 31, 2022 - $1,240,496) and a net working capital of $614,277 (March 31, 2022 - $1,227,839).

The Company's cash flows from operations are negative as it is an exploration stage company. During the year ended March 31, 2023, the Company used cash of $652,680 in operating activities (2022 - $139,384) attributed to the operating expenses for the period, in particular acquisition cash payments included in exploration and evaluation costs associated with the Shanghai Property and the Lithium Projects, as well as, paying down accounts payable.

During the year ended March 31, 2023 and 2022, the Company did not use cash for investing activities.

During the year ended March 31, 2023, cash provided by financing activities of $16,500 related to the collection of subscription receivable outstanding as at March 31, 2022 and proceeds received from exercise of warrants, while cash provided by financing activities in the comparable period of $1,257,500 related to the issuance of common shares and units on private placements.

While the information in the financial statements has been prepared in accordance with IFRS on a going concern basis, which presumes the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future, there are conditions and events that cast significant doubt on the validity of this presumption. The Company's ability to continue as a going concern is dependent on the Company's ability to obtain additional debt or equity financing to successfully advance the exploration and development of mineral property interests in its exploration portfolio and to be able to derive material proceeds from the sale or divestiture of those properties and/or other assets. While the Company is making its best efforts in this regard, the outcome of these matters cannot be predicted at this time.

SHARE CAPITAL HIGHLIGHTS

During Fiscal 2023, the Company had the following share capital transactions:

- On September 22, 2022, previously issued 6,650,000 special warrants were automatically converted into 6,650,000 units for no additional consideration. Each unit consists of one common share of the Company and one warrant. Each warrant entitles the holder to purchase one common share of the Company at a price of $0.20 per share for a period of five years until September 22, 2027. The total fair value of the common shares is $665,000. The warrants were accounted for using the residual value method. As the fair value of the common shares issued exceeded the cash proceeds, there was $nil residual value allocated to the warrants.
- On October 7, 2022, the Company issued 500,000 common shares at $0.50 per share for the total value of $250,000 to Shawn Ryan in connection with the Shanghai Property agreement.
- On December 21, 2022, the Company issued 50,000 common shares from the exercise of warrants for proceeds of $10,000.
- On January 25, 2023, the Company issued 4,377,375 common shares at $0.44 per share for the total value of $1,926,045 as a payment to acquire the Lithium Projects.
- On February 21, 2023, the Company issued 15,000 common shares from the exercise of warrants for proceeds of $1,500.

SELECTED ANNUAL INFORMATION

	Year ended March 31,		
	2023	2022	2021
	$	$	$
Total operating expenses	**2,852,907**	177,041	120
Net loss and comprehensive loss	**2,852,907**	236,454	120
Basic and diluted loss per share	**0.08**	0.01	0.00
Cash	**604,316**	1,240,496	122,380
Total assets	**653,155**	1,240,496	122,380
Total liabilities	**38,878**	12,657	-
Share capital	**3,656,958**	804,413	122,500
Shareholders' equity	**614,277**	1,227,839	122,380

The increase in operating expenses in the current year compared to the prior years is primarily driven by the increase in exploration and evaluation expense as a result of the Lithium Projects acquisition during Q4 2023. The decrease in total assets is mainly due to an increase in cash payments made for evaluation and exploration expenditures in relation to the Shanghai Property and Lithium Projects. The increase in share capital in the current year compared to the prior years is mainly due to the issuance of common shares to acquire the Lithium Projects and Shanghai Property.

RESULTS OF OPERATIONS

A summary of the Company's results of operations for the three months ended March 31, 2023 and 2022 is as follows:

	Q4 2023	Q4 2022	Change
	$	$	$
Operating expenses			
Exploration and evaluation expenditures	**2,040,826**	50,000	1,990,826
Filing and transfer agent fees	**10,903**	1,150	9,753
General and administrative	**14,157**	110	14,047
Investor relations	**10,189**	-	10,189
Legal and professional fees	**49,464**	10,507	38,957
Management and consulting fees	**15,000**	3,000	12,000
Net loss and comprehensive loss	**(2,140,539)**	(64,767)	(2,075,772)

Q4 2023 compared to Q4 2022

The Company had a net loss of $2,140,539 compared to $64,767 in the prior year comparable period. The primary drivers of this increase in the net loss were as follows:

- Exploration and evaluation expenditures increased to $2,040,826 in relation to the Lithium Projects, due to the issuance of 4,377,375 common shares for acquisition at a fair value of $1,926,045 and a cash payment of $100,000 compared to $50,000 during the prior year comparable period, which was due to the acquisition payment to Wildwood in relation to the Shanghai Property;
- Filing and transfer agent fees increased to $10,903 compared to $1,150 in the prior year comparable period due to the Company preparing for a listing on the OTCQB venture market exchange during Q4 2023;
- General and administrative expenses increased to $14,157 compared to $110 in the prior year comparable period as a result of additional expenses for office rent and office services in the current period while prior year expenses related solely to bank charges;
- Investor relations expense increased to $10,189 compared to $nil in the prior year comparable period as a result of the Company listing on the CSE in Q2 2023 which resulted in increased marketing and communication services required in the current period;
- Legal and professional fees increased to $49,464 compared to $10,507 in the prior year comparable period resulting from additional audit review matters and accounting advisory services provided in the current period; and
- Management and consulting fees increased to $15,000 compared to $3,000 in the prior year comparable period due to increased management fees paid to the CEO and the addition of CFO as a result of the Company listing on the CSE in Q2 2023.

A summary of the Company's results of operations for the years ended March 31, 2023 and 2022 is as follows:

	Fiscal 2023	Fiscal 2022	Change
	$	$	$
Operating expenses			
Exploration and evaluation expenditures	**2,547,103**	154,089	2,393,014
Filing and transfer agent fees	**34,218**	1,150	33,068
General and administrative	**38,799**	295	38,503
Investor relations	**12,779**	-	12,779
Legal and professional fees	**127,208**	10,507	116,701
Management and consulting fees	**46,000**	11,000	35,000
Share-based compensation	**46,800**	-	46,800
	2,852,907	177,041	2,675,865
Other expenses			
Transaction expense	**-**	59,413	(59,413)
Net loss and comprehensive loss	**(2,852,907)**	(236,454)	(2,616,452)

Fiscal 2023 compared to Fiscal 2022

The Company had a net loss of $2,852,907 compared to $236,454 in the prior year comparable period. The primary drivers of this increase in the net loss were as follows:

- Exploration and evaluation expenditures increased to $2,547,103 in relation to the Lithium Projects acquisition, due to the issuance of 4,377,375 common shares at a fair value of $1,926,045 and a cash payment of $100,000 compared to $154,089 during the prior year comparable period, which was due to the issuance of 500,000 common shares to Shawn Ryan at a fair value of $25,000, cash payment of $50,000 to Wildwood and start-up field work exploration costs relating to the Shanghai Property;
- Filing and transfer agent fees increased to $34,218 compared to $1,150 in the prior year comparable period due to the Company listing on the CSE and the OTCQB venture market exchange during the current year period;
- General and administrative expenses increased to $38,799 compared to $295 in the prior year comparable period as a result of additional expenses for office rent and office services in the current period while prior year expenses related solely to bank charges;
- Investor relations increased to $12,779 compared to $nil in the prior year comparable period as a result of increased marketing and communication services provided relating to the Company listing on the CSE and Frankfurt stock exchange in the current period;
- Legal and professional fees increased to $127,208 compared to $10,507 in the prior year comparable period resulting from additional tax advisory services, audit review services and accounting advisory services provided in the current period;
- Management and consulting fees increased to $46,000 compared to $11,000 in the prior year comparable period due to increased management fees paid to the CEO and the addition of CFO as a result of the Company listing on the CSE in Q2 2023; and
- Share-based compensation increased to $46,800 compared to the prior year comparable period of $nil due to the vesting of stock options granted to officers and employees of the Company in the current year period.

Partially offsetting the increase in the net loss was a decrease in transaction expense to $nil compared to $59,413 during the prior year comparable period due to the issuance of shares to the shareholders of Bellatrix in relation to the Amalgamation agreement in the prior year period.

QUARTERLY FINANCIAL INFORMATION

The following summarizes quarterly financial results of the Company for the last eight most recently completed quarters:

	Q4 2023	Q3 2023	Q2 2023	Q1 2023
	$	$	$	$
Net loss	**2,140,540**	451,460	193,009	67,898
Basic and diluted loss per share	**0.05**	0.01	0.00	0.00

	Q4 2022	Q3 2022	Q2 2022	Q1 2022
	$	$	$	$
Net loss	64,768	82,180	87,460	2,046
Basic and diluted loss per share	0.00	0.00	0.00	0.00

The quarterly trend in loss for the period and loss per share is primarily driven by the Company's operating expenses.

During Q4 2023, the net loss for the period increased significantly due to an increase in exploration and evaluation expenditures as the Company issued common shares and made a cash payment in accordance with the Lithium Projects acquisition agreement. During Q3 2023 and Q2 2023, the net loss for the periods increased from prior quarters due to exploration and evaluation field work expenses as well as additional common share issuances and cash payment made in relation to the Shanghai Property agreement. During Q2 2022, the net loss increased from prior quarter mainly due to the one-off transaction expense incurred in the period relating to the payment to Bellatrix in relation to the Amalgamation agreement.

RELATED PARTY TRANSACTIONS

Key management personnel include those persons having the authority and responsibility of planning, directing and executing the activities of the Company. The Company has determined that its key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

During the year ended March 31, 2023, the Company incurred management and consulting fees of $35,000 (2022 - $11,000) to the Chief Executive Officer ("CEO"), and $11,000 (2022 - $nil) to the Chief Financial Officer ("CFO"), respectively; and recorded share-based compensation of $36,126 (2022 - $nil) related to the vesting of stock options granted to the key management personnel.

A summary of the Company's related party transactions for the year ended March 31, 2023 and 2022 is as follows:

	Fiscal 2023	Fiscal 2022
	$	$
Management and consulting fees	**46,000**	11,000
Share-based compensation	**36,126**	-
	82,126	11,000

As at March 31, 2023, $5,050 was due to the CEO and CFO and included in accounts payable and accrued liabilities (March 31, 2022 - $1,000). The payable is unsecured, due on demand and is non-interest bearing.

USE OF ESTIMATES AND SIGNIFICANT ACCOUNTING POLICIES

Preparing financial statements requires management to make estimates and assumptions that affect the reported results. The estimates are based on historical experience and other assumptions believed to be reasonable under the circumstances. Critical accounting policies are disclosed in the financial statements for the years ended March 31, 2023 and 2022.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements as at March 31, 2023 or at the date of this MD&A and does not contemplate having them in the foreseeable future.

PROPOSED TRANSACTIONS

The Company has no undisclosed transactions as at March 31, 2023 or at the date of this MD&A.

CAPITAL EXPENDITURE

Other than the expenditures, payments and share issuances required under the Shanghai Property agreement, Lithium Project agreement and the Pegmatite Lithium Projects agreement, the Company has no commitments for capital expenditure as at the date of this MD&A.

OUTSTANDING SECURITY DATA

A summary of the number of the Company's issued and outstanding equity instruments is as follows:

	March 31, 2023	Date of this MD&A
	#	#
Common shares (1)	44,780,625	58,047,291
Warrants (2)	29,085,000	29,085,000
Stock options	1,425,000	3,575,000

(1) Common shares include 376,875 common shares held in escrow.
(2) Warrants include 375,000 warrants held in escrow.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair value

As at March 31, 2023, the fair value of the financial instruments cash and accounts payable and accrued liabilities are classified and measured at amortized cost. The carrying value of cash and accounts payable and accrued liabilities approximate the fair value due to the relatively short-term maturity of these instruments.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to fulfill its contractual obligations. The Company's credit risk relates primarily to cash. The Company minimizes its credit risk related to cash by placing cash with major financial institutions.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company is exposed to liquidity risk through accounts payable and accrued liabilities but controls liquidity risk by ensuring that it has sufficient cash resources to pay for its financial obligations.

As at March 31, 2023, the Company had sufficient cash on hand to discharge its accounts payable and accrued liabilities as they become due. As the Company's operations does not generate cash, financial liabilities are discharged using funding through the issuance of common stock or debt as required, the Company may need to seek a combination of debt and equity to meet the spending requirements under the Shanghai Property option agreement.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and foreign exchange rates. The Company is not exposed to significant interest rate risk on the basis that its financial liabilities bear no interest or interest at fixed rates. The Company does not carry financial assets or liabilities that are denominated in a foreign currency and is therefore not exposed to significant foreign exchange rate risk.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

The significant components of operating expenses are presented in the financial statements. Significant components of mineral property expenditures are included in the section Results of Operations.

ADDITIONAL INFORMATION

Additional information relating to the Company is available at www.sedar.com.

SUBSEQUENT EVENTS

- On May 11, 2023, the Company completed an acquisition of a 100% interest in the Leaf River lithium project, the Raglan South lithium project, and the Musquaro Lake lithium project (collectively, the "Pegmatite Lithium Projects") from a syndicate of sellers consisting of Shawn Ryan, Wildwood, Isaac Fage, Callum Ryan, Simon Cash and Adam Fage (collectively, the "Sellers") in exchange for 7,500,000 common shares of the Company, a payment of $315,000 in cash to Wildwood and a 1% NSR granted to Shawn Ryan.

- On May 19, 2023, the Company completed the acquisition of a 100% of the issued and outstanding shares of Pan Canadian Lithium Corp ("Pan Canadian Lithium") pursuant to a share exchange agreement where the Company issued 5,766,666 common shares to the shareholders of Pan Canadian Lithium. In addition, the Company acquired Pan Canadian Lithium's positive cash position of approximately $240,000.

- On June 13, 2023, the Company granted stock options to its directors, officers, employees, and consultants, under the Company's stock option plan. The Company issued 2,150,000 stock options with an exercise price of $0.44 and expiry date of June 13, 2028.

- On June 21, 2023, the Company issued 20,000 common shares, pursuant to the exercise of warrants at $0.10 per share.

- On June 29, 2023, the Company announced a non-brokered private placement for gross proceeds of up to $3,000,000. The private placement consists of the sale of: (i) non flow-through units of the Company at a price of $0.40 per non flow-through unit; (ii) flow-through units of the Company at a price of $0.46 per flow-through unit; and (iii) Quebec super-flow-through units of the Company at a price of $0.48 per super-flow-through unit. Each unit will consist of one common share of the Company and one-half of a common share purchase warrant. Each whole warrant will entitle the holder to acquire one additional common share of the Company at an exercise price of $0.70 for 24 months from the closing date of the private placement.

RISKS AND UNCERTAINTIES

The operations of the Company are subject to significant uncertainty due to the high-risk nature of its business, which is the acquisition, exploration, discovery, development and production of gold and lithium from a portfolio of exploration and development stage assets. The following risk factors could materially affect the Company's financial condition and/or future operating results and could cause actual events to differ materially from those described in forward-looking statements relating to the Company. Additional risks and uncertainties, including those that the Company does not know about now or that it currently deems immaterial, may also adversely affect the Company's business.

Resource exploration and development is a speculative business

Resource exploration and development is a speculative business and involves a high degree of risk, including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but from finding mineral deposits which, though present, are insufficient in size to return a profit from production. The marketability of natural resources that may be acquired or discovered by the Company will be affected by numerous factors beyond the control of the Company. These factors include market fluctuations, the proximity and capacity of natural resource markets, government regulations, including regulations relating to prices, taxes, royalties, 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.

Substantial expenditures are required to establish ore reserves through drilling and metallurgical and other testing techniques, determine metal content and metallurgical recovery processes to extract metal from the ore, and construct, renovate or expand mining and processing facilities. No assurance can be given that any level of recovery of ore reserves will be realized or that any identified mineral deposit, even it is established to contain an estimated resource, will ever qualify as a commercial mineable ore body which can be legally and economically exploited. The great majority of exploration projects do not result in the discovery of commercially mineable deposits of ore.

The Company is an early stage company

The Company has only recently commenced operations and has no operating earnings. The likelihood of success of the Company must be considered in light of the problems, expenses and difficulties, complications and delays frequently encountered in connection with the establishment of any business. The Company has limited financial resources and there is no assurance that additional funding will be available to it for further exploration and development of its projects or to fulfil its obligations under applicable agreement. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of the property interest of the Company with the possible dilution or loss of such interest. Further, revenues, financings and profits, if any, will depend upon various factors, including the success, if any, of exploration programs and general market conditions for natural resources. There is no assurance that the Company can operated profitably or that it will successfully implement its plans.

Mining industry is intensely competitive

The Company's business of the acquisition, exploration and development of mineral properties is intensely competitive. Increased competition could adversely affect the Company's ability to attract necessary capital funding or acquire suitable producing properties or prospects for mineral exploration in the future.

Fluctuation of metal prices

The mining industry is intensely competitive and there is no assurance that, even if commercial quantities of a mineral resource are discovered, a profitable market will exist for the sale of the same. There can be no assurance that metal prices will be such that the Company's properties can be mined at a profit. Factors beyond the control of the Company may affect the marketability of any minerals discovered. Metal prices are subject to volatile price changes from a variety of factors including international economic and political trends, expectations of inflation, global and regional demand, currency exchange fluctuations, interest rates and global or regional consumption patterns, speculative activities and increased production due to improved mining and production methods. There can be no assurance that the price of any commodities will be such that any of the properties in which the Company has, or has the right to acquire, an interest may be mined at a profit.

Significant resources are required to conduct mining exploration activities

Mining exploration requires ready access to mining equipment such as drills, and crews to operate that equipment. There can be no assurance that such resources will be available to the Company on a timely basis or at a reasonable cost. Failure to obtain these resources when needed may result in delays in the Company's exploration programs.

No assurance of profitability

The Company operates at a loss and there is no assurance that the Company will ever be profitable. The Company had a negative operating cash flow since its founding and will continue to for the foreseeable future. The Company cannot predict when it will reach positive operating cash flow.

Uninsured or uninsurable risks

Exploration, development and mining operations involve various hazards, including environmental hazards, industrial accidents, metallurgical and other processing problems, unusual or unexpected rock formations, structural cave-ins or slides, flooding, fires, metal losses and periodic interruptions due to inclement or hazardous weather conditions. These risks could result in damage to or destruction of mineral properties, facilities or other property, personal injury, environmental damage, delays in operations, increased cost of operations, monetary losses and possible legal liability. The Company may not be able to obtain insurance to cover these risks at economically feasible premiums or at all. The Company may elect not to insure where premium costs are disproportionate to the Company's perception of the relevant risks. The payment of such insurance premiums and of such liabilities would reduce the funds available for exploration and production activities.

Financing risks

Although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that it will be able to obtain adequate financing in the future or that the terms of such financing will be favorable. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of its projects with the possible loss of such properties.

Increased costs

Management anticipates that costs at the Company's projects will frequently be subject to variation from one year to the next due to a number of factors, such as the results of ongoing exploration activities (positive or negative), changes in the nature of mineralization encountered, and revisions to exploration programs, if any, in response to the foregoing. Increases in the prices of such commodities or a scarcity of consultants or drilling contractors could render the costs of exploration programs to increase significantly over those budgeted. A material increase in costs for any significant exploration programs could have a significant effect on the Company's operating funds and ability to continue its planned exploration programs.

Permits and licenses

The operations of the Company will require licenses and permits from various governmental authorities. There can be no assurance that the Company will be able to obtain all necessary licenses and permits that may be required to carry out exploration, development and mining operations at its projects, on reasonable terms or at all. Delays or a failure to obtain such licenses and permits or a failure to comply with the terms of any such licenses and permits that the Company does obtain, could have a material adverse effect on the Company.

Title matters

Although the Company has taken steps to verify the title to the mineral properties in which it has or has a right to acquire an interest in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee title (whether of the Company or of any underlying vendor(s) from whom the Company may be acquiring its interest). Title to mineral properties may be subject to unregistered prior agreements or transfers, and may also be affected by undetected defects or the rights of indigenous peoples. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties for which titles have been issued are in good standing.

Regulatory requirements

The activities of the Company are subject to extensive regulations governing various matters, including environmental protection, management and use of toxic substances and explosives, management of natural resources, exploration, development of mines, production and post-closure reclamation, exports, price controls, taxation, regulations concerning business dealings with indigenous peoples, labour standards on occupational health and safety, including mine safety, and historic and cultural preservation. Failure to comply with applicable laws and regulations may result in civil or criminal fines or penalties, 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, any of which could result in the Company incurring significant expenditures. The Company may also be required to compensate those suffering loss or damage by reason of a breach of such laws, regulations or permitting requirements. It is also possible that future laws and regulations, or more stringent enforcement of current laws and regulations by governmental authorities, could cause additional expense, capital expenditures, restrictions on or suspension of the Company's operations and delays in the exploration and development of the Company's properties.

Exploration and mining risks

Fires, power outages, labour disruptions, flooding, explosions, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labour are other risks involved in the operation of mines and the conduct of exploration programs. Substantial expenditures are required to establish reserves through drilling, to develop metallurgical processes, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis. The economics of developing mineral properties is affected by many factors including the cost of operations, variations of the grade of ore mined, fluctuations in the price of nickel or other minerals produced, costs of processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. In addition, the grade of mineralization ultimately mined may differ from that indicated by drilling results and such differences could be material. Short term factors, such as the need for orderly development of ore bodies or the processing of new or different grades, may have an adverse effect on mining operations and on the results of operations. There can be no assurance that minerals recovered in small scale laboratory tests will be duplicated in large scale tests under on-site conditions or in production scale operations. Material changes in geological resources, grades, stripping ratios or recovery rates may affect the economic viability of projects.

Environmental restrictions

The activities of the Company are subject to environmental regulations promulgated by government agencies in different countries from time to time. Environmental legislation generally provides for restrictions and prohibitions on spills, releases or emissions into the air, discharges into water, management of waste, management of hazardous substances, protection of natural resources, antiquities and endangered/threatened species (such as the Mexican Spotted Owl) and reclamation of lands disturbed by mining operations. Certain types of operations require the submission and approval of environmental impact assessments. In addition, such laws and regulations can constrain or prohibit the exploration and development of new projects or the development or expansion of existing projects. Environmental legislation is evolving in a manner which means stricter standards, and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations.

Foreign countries and political risk

Any changes in regulations or shifts in political conditions are beyond the control of the Company and may adversely affect its business, or if significant enough, may make it impossible to continue to operate in the country. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, foreign exchange restrictions, export controls, income taxes, expropriation of property, environmental legislation and mine safety.

Climatic change

The Company's operations in the future may be energy intensive. While the Company will review numerous processes to reduce its overall carbon footprint in future economic studies, such as the use of electric battery powered mining equipment, the Company acknowledges climate change as an international and community concern. Legislation and regulations relating to emission levels and energy efficiency are becoming more rigorous and may result in increased costs at its future operations. While the Company has taken measures to manage the use of energy, such regulatory requirements may have an adverse impact on the Company.

Potential conflicts of interest

The directors and officers of the Company may serve as directors and/or officers for other public and private companies, including companies in which the Company has invested in, and may devote a portion of their time to manage other business interests. This may result in certain conflicts of interest. To the extent that such other companies may participate in ventures in which the Company is also participating, and to the extent that such companies may receive funds from the Company, such directors and officers of the Company may have a conflict of interest in negotiating and reaching an agreement with respect to the extent of each company's participation. The Business Corporations Act (British Columbia), which governs the Company, requires the directors and officers to act honestly, in good faith, and in the best interests of the Company and its shareholders. However, in conflict of interest situations, directors and officers of the Company may owe the same duty to another company and will need to balance the competing obligations and liabilities of their actions. There is no assurance that the needs of the Company will receive priority in all cases. From time to time, several companies may participate together in the acquisition, exploration and development of natural resource properties, thereby allowing these companies to: (i) participate in larger programs; (ii) acquire an interest in a greater number of programs; and (iii) reduce their financial exposure to any one program. A particular company may assign, at its cost, all or a portion of its interests in a particular program to another affiliated company due to the financial position of the Company making the assignment. In determining whether or not the Company will participate in a particular program and the interest therein to be acquired by it, it is expected that the directors and officers of the Company will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

Litigation

Defense and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. Like most companies, the Company is subject to the threat of litigation and may be involved in disputes with other parties in the future which may result in litigation or other proceedings. The results of litigation or any other proceedings cannot be predicted with certainty. If the Company is unable to resolve these disputes favourably, it could have a material adverse effect on the Company's business, financial condition and results of operations.

Key executives and outside consultants

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

The Company has also relied upon outside consultants, geologists, engineers and others and intends to rely on these parties for their exploration and development expertise. Substantial expenditures are required to construct mines, to establish mineral resources and reserves estimates through drilling, to carry out environmental and social impact assessments, to develop metallurgical processes and to develop the development, exploration and plant infrastructure at any particular site. If such parties' work is deficient or negligent or is not completed in a timely manner, it could have a material adverse effect on the Company's business, financial condition and results of operations.

Dividend policy

The Company has not paid any dividends since incorporation and does not anticipate declaring any dividends on the Common Shares in the foreseeable future. The directors of the Company will determine if and when dividends should be declared and paid in the future based on the Company's financial position at the relevant time.