



(An Exploration Stage Company)

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEARS ENDED SEPTEMBER 30, 2022 AND 2021

The following Management Discussion and Analysis ("MD&A") prepared by the management of EnGold Mines Ltd. (the "Company", "EnGold") as at September 30, 2022, should be read in conjunction with the Company's audited financial statements for the year ended September 30, 2022 and related notes attached thereto which are prepared in accordance with International Financial Reporting Standards. Certain statements included or incorporated by reference in this MD&A constitute forward-looking statements or forward-looking information under applicable securities legislation. These forward-looking statements are not guarantees of future performance and involve risk and uncertainties, which could cause actual results to differ materially from those anticipated. The Company expressly disclaims any obligation to update forward-looking statements unless so required by applicable laws. The information in this MD&A is current as of January 25, 2023.

These statements speak only as of the date of this MD&A and are expressly qualified, in their entirety, by this cautionary statement. In particular, this MD&A contains forward-looking statements, pertaining to the following:

1. capital expenditure programs;
2. development of resources;
3. expectations regarding the Company's ability to raise capital;
4. expenditures to be made by the Company to meet certain work and flow-through commitments; and
5. work plans to be completed by the Company.

With respect to forward-looking statements listed above and contained in the MD&A, the Company has made assumptions regarding, among other things:

1. the British Columbian legislative and regulatory environment;
2. the impact of increasing competition;
3. unpredictable changes to the market prices for minerals;
4. anticipated results of exploration activities; and
5. the Company's ability to obtain additional financing on satisfactory terms.

The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and elsewhere in this MD&A:

1. volatility in the market prices for minerals;
2. uncertainties associated with estimating resources;
3. geological, technical, drilling and processing problems;
4. incorrect assessments of the value of acquisitions;
5. unanticipated results of exploration activities; and
6. unpredictable weather conditions.

All dollar amounts are expressed in Canadian dollars unless otherwise indicated. Note that additional information related to the Company is available on SEDAR at www.sedar.com.

1. Nature of Operations and Overall Performance

Description of Business

EnGold Mines Ltd. is incorporated under the Business Corporations Act (British Columbia) and is listed on the TSX Venture Exchange under the trading symbol "EGM". The Company changed its name pursuant to a shareholders' resolution passed at the Company's Annual General Meeting held April 22, 2016.

The Company is a mineral exploration company whose sole focus is the exploration of the Lac La Hache property located approximately 17 kilometres northeast of the town of Lac La Hache in south central BC (the "Property"). The Property is accessed by approximately 30 kilometres of all-weather logging roads. Lac La Hache is located on BC Highway 97 approximately 65 Kilometres south of Williams Lake, and is well served by rail, road and power infrastructure. Operations on the Property may be carried out 12 months of the year. The Company has accumulated the Property and conducted exploration since 1988.

On August 06, 2021, the Company consolidated its issued and outstanding capital on the basis of one (1) post-consolidation share for each ten (10) pre-consolidation shares. All per share amounts have been retroactively restated.

Exploration Program and Results

Work conducted during the 27 year period 1988-2015 was completed under the name GWR Resources Inc. and included exploration activities typical of mineral exploration: prospecting, soil, bedrock and stream sediment geochemical sampling, geological mapping, ground and airborne geophysical surveys and relatively shallow diamond drilling (< 300 metres vertically). This work led progressively to discovery of many mineralized showings/prospects related to island arc volcanic-hosted porphyry copper (gold-silver-moly) systems defining a District within the provincial-scale, Quesnel Trough geological belt, host to many of British Columbia's deposits and mines.

All available information to date at Lac La Hache Project supports interpretation of a large scale, ~200 million year old, island arc hosted, mineralized alkalic to calc-alkaline hydrothermal porphyry copper system. A variety of deposit types is characteristic of these systems in general, and Lac La Hache showings/deposits include low-grade bulk tonnage porphyry-hosted copper (gold-silver) prospects, intrusion-hosted quartz veins containing gold (copper-silver), hydrothermal breccia structures with gold-copper-silver deposits, and carbonate replacements/skarns lying outside the intrusions within volcano-sedimentary rocks. Undrilled molybdenum-bearing outcrops in the northern part of the project may represent another separate, calc-alkaline mineralizing porphyry system.

In the southern, core of the Property several drilled prospects lie along a 10 kilometer trend extending from Spout Deposit in the northwest to Tim showing in the southeast, including maiden resources more recently defined by EnGold at Spout, G1 and Aurizon Deposits.

Work/results conducted by EnGold 2015 onward is summarized chronologically below.

2015-2016

During 2015, rising gold prices prompted exploration focus on the Aurizon South zone to extend and in-fill known, structurally controlled high-grade gold (copper, silver) values over potentially underground minable widths. During the fourth quarter of fiscal 2015, EnGold Mines Ltd completed a \$400,000 flow-through equity financing and commenced a 2,600 metres diamond drilling program targeting the Aurizon South. The program was completed in two phases, one of which was completed after year end. Results successfully confirmed internal continuity of the host structure and extended known high-grade gold/copper/silver zones within it.

In addition to successful drill results at Aurizon South, in 2015 EnGold identified a new zone of porphyry copper mineralization named the Berkey Zone. The Berkey Zone is located west of the Ann North prospect and exhibits disseminated copper grades in the 0.4 % range within host rocks geologically similar to large orebodies in the region.

During the three-month period ended December 31, 2016, EnGold completed another 12 drill holes (3,851.5 metres) with encouraging results, supporting an additional \$1,100,000 flow-through funds, earmarked for additional Aurizon South drilling during FY2017.

During the 2016 campaign, visible-gold-bearing quartz veins were discovered for the first time on the project, within Aurizon South drill cores at shallow (15 metres vertically) and intermediate depths. Surface trenching above the shallow intersection exposed a well mineralized portion of the 15 cm wide quartz vein (Main Vein), where several grab samples assayed multi-ounces of both gold and silver and many percent copper due to chalcocite. Subsequent soil sampling, prospecting and very shallow drilling discovered additional veins, lying at surface and within shallow parts of the footwall to (on the west side of) the Aurizon South structure (see details below, 2018). These do not add significant tonnes to the Aurizon South resource however, they represent bonanza grades, with high potential for discovery of additional veins.

Encouraging results from several drilling campaigns at Aurizon South prompted the Company to initiate a resource estimate, which was announced on January 19, 2018. Based on metal prices at that time the maiden Aurizon South inferred resource estimate determined using a 2.5 gram per tonne (gpt) cut-off grade was 1,073,000 tonnes grading 3.6 gpt gold equivalent containing 124,206 ounces of gold equivalent. NOTE: A recalculation in 2021 using updated metals prices and a 2.0 gram per tonne cut-off grade significantly increased the maiden Aurizon South inferred resource to 1,991,000 tonnes grading 3.18 grams per tonne gold equivalent containing 204,000 ounces gold equivalent. For detailed disclosures related to the assumptions underlying this resource disclosure, please see the Company's news release available via its website (www.engold.ca). A Technical Report dated May 11, 2021 disclosing full particulars of the resource prepared in accordance with NI43-101 has been filed on www.sedar.com.

2017-2018: Discovery

In September 2016, drilling logistical issues at Aurizon South prompted the Company to drill-test a high gravity anomaly defined in 2015. Drilling started in 2016 (DDH G16-01) but completed in 2017, intersecting a significant new 27 m thick copper-magnetite (gold-silver) zone at a depth of 337 m. Striking geological similarities between the new zone and existing Spout Deposit located 1800 m to the north-west, suggested the two may be genetically related and possibly hosted within the same Nicola carbonate-rich, volcanosedimentary horizon.

The downhole uniformity of the “G1 Discovery” mineralization and high grades (27 m grading 1.76 % Cu, 0.27 gpt Au, 10.29 gpt Ag, 35.8 % Fe, and including 14 m grading 2.09 % Cu) were duplicated in many subsequent drill holes completed in a 50 m step-out pattern. A total of 30 vertical drill holes were completed at G1 as of March 31, 2018. The maximum true thickness to date within the sub-horizontal, stratiform, carbonate replacement-style zone was intersected in DDH G17-16 (43.45 m grading 1.31 % Cu, 0.20 gpt Au, 4.06 gpt Ag and 31.14 % Fe and including 24 m grading 1.67 % Cu). At that time, the G1 Zone defined an irregular, crudely elliptical polygon measuring approximately 320 m NE-SW by 130 m NW-SE, with a thicker (43.5 m to date), NE-SW trending axis, narrowing outwards. Boundaries were defined by narrow or low-grade intersections in several peripheral holes, based on large 50 m step-outs, allowing possible extensions in several directions. Of particular note, the thickest intersection in DDH G17-16, did not extend to holes collared 50-70 metres to north, east or northwest, requiring additional drilling to locate the zone edge and determine the nature of the boundary (see 2020 drilling summary, below).

To support improved geological understanding and drill targeting, regional and very detailed ground gravity surveying was completed in 2017 by Excel Geophysics, Edmonton. A detailed airborne gravity/magnetic survey was also completed, by Sander Geophysics, Ottawa. In addition to maps provided by the contractors, digital data from both airborne and ground surveys were further processed to produce 3D shapes by geophysical consultant Trent Pezzot. These results were then modeled as 3D isosurfaces for viewing and incorporation with other 3D data by EnGold’s VP Exploration.

Collectively, the gravity anomalies define a 6 km long trend extending from the Spout Resource across the property to the east-southeastern limit of the surveys. Only three of approximately 9 gravity anomalies defined by these surveys were drill tested, each by a single drill hole, with negative results, but these contribute to a better general understanding of the significance of the anomalies. Future drilling is warranted, both within the three “one-hole-tested” anomalies and the remaining 6 untested anomalies.

The field exploration program was interrupted for ten weeks during July to September 2017 by extreme forest fire activity throughout the Cariboo region of BC. Although the Lac La Hache project area was not directly affected by fire, hot and dry conditions and related extreme fire danger required the Company to cease operations in compliance with the BC Wildfire Act with respect to high-risk activities.

Drilling to extend and infill the G1 zone continued until December 9, 2017. Four holes were completed (G17-37, G17-38, G17-39 and G17-40) including two located midway between large, 71m step-outs along the central, thicker axis of the zone. These holes intersected much thicker mineralization than was previously drilled in the nearest holes, demonstrating the value of in-fill between the offset 50 m-spaced initial pattern of drilling. A geological explanation for the thicker central axis of G1, has not been confirmed.

In 2018, additional geophysical methods were completed at G1. These included experimental borehole and surface Induced Polarization surveys, borehole electromagnetic methods and detailed ground magnetic surveys, to complement the existing geophysical model at G1 and to support improved exploration along the G1 axis and in the 1800 metre gap between G1 and Spout Deposit. The new data delineated the previously undefined western part of the historical, Peach Melba IP anomaly, a high intensity (up to 38 mV/V) and large (1500 m x 1000 m) IP chargeability anomaly located approximately 1000 m east of G1. (Reinterpretation in 2020 based on the IP data, drill results and our existing geological exploration model suggests the IP anomaly may relate to porphyry system east of G1 Zone, as described below.)

Detailed B-soil geochemical sampling was completed in 2018 over the gold-copper-rich quartz veins on surface at Aurizon South, west of the main Aurizon South Deposit structure. Results provided prospecting focus which led to discovery of new gold bearing quartz veins and silicified zones on surface, just west of the Aurizon Deposit structure. All 7 short follow-up drill holes (484 m total) encountered mineralization, with the best intercepts being AZS18-69 which cut 12.75 gpt Au, 7.5 gpt Ag & 0.27% Cu over 1.64 m within a larger intercept grading 5.82 gpt Au, 5.47 gpt Ag & 0.16% Cu over 3.9 m, and AZS18-68 that cut 13.60 gpt Au, 12.60 gpt Ag & 1.87% Cu over 0.94 m. AZS18-68 also cut another intercept further down the hole, grading 5.12 gpt Au, 2.40 gpt Ag & 0.05% Cu over 2.18 m. Intercept lengths as the true width of the mineralized zones has not yet been determined.

Also during 2018 under a joint venture, Pacific Empire Minerals Corp. (“PEMC”) completed reverse circulation drilling of 8 vertical holes to depths ranging from 27 to 95 m (403 m total) on the Red Property. No significant copper mineralization was encountered, and results suggest the related IP chargeability patterns relate to graphite within a volcano-sedimentary. The work on the Red Property was funded solely by PEMC with no dilution to EnGold.

2019

2019 summer/fall drilling at Aurizon South Deposit included two holes designed to test extensions of previous high-grade gold results, at the northern end of the Deposit. One of the holes, AZS19-80, intersected 6.18 gpt gold, 0.8 % copper and 2.63 gpt silver over 4.55 metres, including 13.9 gpt gold, 1.55 % copper and 4.8 gpt silver over 0.72 metres. The summer 2019 program also included an extensive B-soil geochemistry survey that revealed large and significant new areas of interest at Aurizon West, 8000 Area, Jodie Prospect and the Scorpio porphyry-Mo prospect.

2020: Deep Targets

The first of several holes designed to explore deep beneath existing prospects on the project commenced March 2, 2020 at the Ann North prospect (hole AN20-01), where shallow (<350m) historical (pre-2005) drilling intersected chalcopryite and trace bornite within hydrothermal breccias and fractures (DDH 00-15 cut 125 m grading 0.2 % Cu, 0.3 gpt Au; DDH 00-16 cut 210 m grading 0.16 % Cu, 0.12 gpt Au; DDH 04-19 cut 105 m grading 0.29 % Cu, 0.33 gpt Au). The copper-gold-silver zone lies within a pronounced magnetic low, coincident with a central IP low and surrounded by higher IP values where copper-poor pyrite was intersected at shallow levels. 3-D modeling of the IP data suggested the IP low dips roughly 75-80 degrees to the west, in keeping with structural evidence of a 15 degree tilt of the entire project geological package.

Concerns for worker safety and related travel restrictions related to Covid-19 prompted suspension of drilling at 604 m on March 19. Geologically, this hole provided encouragement, intersecting quartz-bearing intrusive phases not seen elsewhere on the project except at Ann North, with intense potassic alteration, sparsely distributed, narrow hydrothermal breccia veins, quartz-sulphide veins with chalcopryite, bornite and tentatively identified chalcocite, and disseminated and vein-hosted molybdenite (latter not observed elsewhere within the 10-km mineralized corridor at Lac La Hache). A wider (20 cm core length) quartz-carbonate-sulphide vein carried 2.11 % Cu, 0.63 gpt Au and 6.3 gpt Ag. At that time, alteration appeared to be weakening towards the bottom of the incomplete hole, which contained traces of chalcopryite and bornite.

Drilling within AN20-01 resumed August 12, 2020 and was drilled to 804 m downhole. Unfortunately, the lower 200 m of the hole continued to be less mineralized/alterd than the upper portion, suggesting the hole skirted under and south of the zone defined by historical drilling. The results were incorporated into subsequent deep drilling design in 2021 (see below).

Drilling at G1 Prospect during 2020 included four holes, 3 designed to investigate edges of the thickest part of the zone and 1 testing possible extension to the SE. Results were successful in both cases. Hole G20-46, located 20 m northeast of hole G17-16, cut 15.43 m grading 1.6% Copper Equivalent (*abbreviated CuEq and meaning the amount of copper required to equal the dollar value of ALL metals in the rock, including gold and silver value, with assumptions on recoveries and metal values*) within a broader 34.46 m mineralized interval grading 1.02 % CuEq. Hole G20-47, located 20 m southeast of G17-16, cut 22.4 m grading 1.43 % CuEq within a broader 38.6 m interval grading 1.05 % CuEq. Hole G20-48, collared 20 m northwest of G17-16, encountered an intrusive dike throughout the expected mineralized interval and thus was not sampled. Holes G20-46 and G20-47 successfully confirmed extension of mineralization encountered in G17-16, which cut 43.45 m of 1.54% CuEq.

In the southern part of G1 Deposit, DDH G20-49 was collared to test possible extension beyond previous, widely spaced drilling. Results within this 50 m step-out exceeded expectations, extending the semi-massive stratiform mineralization typical of the G1 "Main zone" (20.3 m grading 0.81 % Cu), but also cutting a significantly broader, lower-grade interval stratigraphically above the Main zone, totalling 215 m grading 0.3 copper equivalent. The new-style of magnetite-chalcopryite-pyrite carbonate replacement occurs within silty-sandy bedded, calcsilicate-altered volcanoclastic sediments.

The positive results in G20-49 were followed up by 50 m step-outs G20-50 and G20-51. Results indicate thinning of the semi-massive magnetite/chalcopryite mineralization typical of G1 Main Zone (G20-51 intersected 5 m true thickness grading 1% copper). However, long intervals of lower grade material occur at higher elevations within these vertical holes (hole 51 intersected 86 m grading 0.25 % copper). Increased faulting and down-dropped marker beds lying stratigraphically below the Main Zone are interpreted to result from porphyry-related structures extending up from the east, where a strong induced polarization anomaly occurs. The interpretation postulates that metal-bearing hydrothermal solutions and intrusive dikes extend upwards from a deeper porphyry system, along fault structures. The solutions deposit metals in subvertical fractures and stringers observed in the drill cores, within the overlying sedimentary sequence, accompanied by preferential replacements within subhorizontal carbonate-rich, porous horizons. The Main Zone and lower marker beds dip and are locally down-dropped, to the east by faulting. This bedding/structural relationship also appears to extend from G1 northwesterly to Spout Deposit, as evident within the Spout South Zone drilling. This interpretation was drill tested in 2021 (see below).

2020: Road Gold, new 43-101 Report

The new Road Gold Zone discovery resulted from follow-up to a cluster of strong soil Au-Cu geochem anomalies that occur within part of a 1,600 m long, linear ground magnetic low extending from Ann North Zone to the visible-gold-bearing Jodie showing, located 300 m to the south of Road Gold. The magnetic low is strongest and widest (~ 60 m) at the Road Gold zone, where bedrock grab samples obtainable over 30 m assayed anomalous gold up to 2.5 gpt. An attempt was made to test a portion of the structure in October 2020 using two shallow, 45-degree drill holes (R20-01 and R20-02, 182 m total). Both holes encountered intense stockwork fracturing and localized quartz veining, chalcopyrite and pyrite within highly K-altered monzonite. Intensely blocky faulting forced abandonment of both holes at 71 m and 111 m, respectively, with only low gold grades within very poor core recovery. Results suggested the strong surface results may dip easterly as drilling failed to reach the mineralized zone.

2021: Resource Estimation, Consultation, Deep Drilling

The 12-month period ending September 30, 2021 included 6,088 metres drilling, publication of maiden/updated resource estimates at Spout, G1 and Aurizon Gold, significant investments in geological research and data processing, as well as the design and commencement of an ambitious new deep drilling campaign commencing Fall 2021 at Ann North and G1 (see below). Exploration expenditures at LLH during the year totalled \$826,703 compared to \$693,743 during the prior fiscal year.

In 2021 the Company disclosed a maiden inferred mineral resource estimate at the G1 Copper Deposit (as prepared by independent consultants SRK Consulting), a revised mineral resource estimate at the Spout Copper Deposit, and a revised valuation of Aurizon South maiden resource (latter described above). The technical report is entitled "Independent Technical Report for the Lac La Hache Project, Canada," effective March 18, 2021, and signed May 11, 2021. The technical report was authored by independent qualified persons in accordance with National Instrument 43-101 -- Standards of Disclosure for Mineral Projects.

G1 Deposit consists of 1.71 million tonnes grading 1.65 per cent copper equivalent containing 21,400 tonnes of copper (47,178,440 pounds), 354,400 ounces of silver, 10,200 ounces of gold and 529,100 tonnes of magnetite. At Spout, the mineral resource estimate includes a potentially open-pitatable indicated mineral resource of 6.5 million tonnes grading 0.48 per cent CuEq and an inferred mineral resource of 7.66 million tonnes grading 0.39 per cent CuEq, containing 21,000 and 20,400 tonnes of copper, respectively (46,296,600 pounds Cu and 44,973,840 pounds Cu, respectively). Also at Spout, an additional 390,000 tonnes of inferred mineral resources grading 1.19 per cent CuEq is included with potential for underground mining extraction. Please see the data tables and notes for full results, including cut-off grades and other important assumptions.

In May 2021, EnGold completed a ten-day technical meeting with invited experts on skarn/CRD and porphyry copper deposits. The team reviewed many selected drill cores, drill logs and assay results from several Prospects including G1, Spout, Ann North, Aurizon, Road Gold and others. The work included independent and group re-logging of drill cores and a site-visit. The experts were highly encouraged by all results to date and provided written reports with strong recommendations for future deep drilling in selected areas, including Ann North, Aurizon and Spout Deposits.

In June 2021 drilling resumed at the Road Gold Zone where a third attempt (DDH R21-03) again failed to reach the relatively shallow target depth. Improved drilling gear was utilized in a fourth hole (DDH R21-04) but this was suspended due to extreme fire risk. Drilling contractor Ardor Exploration Ltd decided to demobilize equipment and crews, for safety reasons. The casing was left in the hole and will resume when the fire risk is less. Despite the challenges caused by extremely broken, altered rocks at Road Gold, assays at the bottom of the prematurely terminated hole R21-03 produced the best gold values to date. Assays from R21-03 reveal anomalous values at shallow depths, including 0.53 gpt gold over 1.5 m (37.5 - 39 m), 0.43 gpt gold over 2 m (49 - 51 m) and, at the very bottom of the hole, 7.51 gpt gold over 1.5 m (59 - 60.5 m). Drilling at Road Gold Zone resumed September 2021 in DDH R21-04, completed to a depth of 176 m. This hole intersected 8 m grading 1.5 gpt Au, 0.17 % Cu and 1.4 gpt Ag at shallow depth (25 - 33 m). The relatively sparse results to date at Road Gold suggest gold enrichment occurs within the upper 100m due to surficial weathering, similar to the hanging wall gold values at Aurizon South Deposit. The coincident, strong, linear magnetic low at Road Gold has been shown to relate to magnetite destructive potassic alteration (also similar to Aurizon), and extends 1800 m from Jody to the south, through Road Gold and then northerly to Ann North, offering significant exploration potential for shallow gold enrichment.

Current FY2022

Since completing a share consolidation and \$4 million flow-through financing in August of 2021, EnGold completed 10 holes totalling 8,372 metres of drilling at the Lac La Hache Property. Highlights are summarized below. No active exploration was conducted in Q1 2023, as efforts were directed towards data consolidation and transfer to ALS Goldspot Discoveries Ltd in support of their rigorous Machine Learning/Artificial Intelligence analyses of the large Lac La Hache Property database. This work is ongoing at the time of writing, with initial results expected sometime during Q2 2023. The Company is also in the process of renewing its 5-year MYAB (Multi-Year Area Based) exploration permit. It is anticipated that exploration may resume, pending results of the AI analysis, funding and permit renewal, sometime during Q3 2023.

Drilling of 8,196 m during this 9 month period included 9 deep holes using 1 or 2 drills, at Ann North DDH AN21-02 (917 m), AN21-03 (835 m), AN21-04 (886 m), AN22-05 (1017 m), G1 Deposit G21-52 (755 m), G21-53 (841 m), G21-54 (817 m) and Aurizon Deposit AZS22-82 (1235 m), and AZS 22-83 (893 m)

Ann North Zone

DDH AN21-02 extended near-surface mineralization cut in AN04-19 by 200m down dip, and intersected visible chalcopryite, bornite, chalcocite and molybdenite to more than 750 m depth. AN21-03 was drilled vertically from the same collar to a depth of 830.35m, intersecting 478 m grading 0.23% CuEq between 345m and 823m, as visible pyrite, chalcopryite, bornite, chalcocite and molybdenite within locally intense potassic alteration and quartz stockwork fracturing. AN21-04 was drilled from the south, diagonally across the same drill section to determine width of the mineralization at that location, but it intersected narrow, subparallel, mafic dike(s) throughout several intervals, cutting out the mineralization. This prompted drilling at DDH AN22-05 on the same collar as -02 and 03, to further extend the zone to the north. AN22-05 cut 0.14% CuEq. over an impressive 655m from 355m to 1010m, including more than a dozen intervals ranging from 0.2 up to 1.68% CuEq. Management believes the results of deep exploration to date indicate high potential for significant porphyry mineralization at depth and that a significantly expanded exploration program is warranted

G1 Deposit

Drilling at G1 during the period targeted the down-dip/down-dropped extension of G1 Deposit to the southeast, as indicated by mineralized intervals typical of G1 style (calcisilicate alteration with chalcopryite and magnetite) but also porphyry-style (chalcopryite + potassium feldspar + epidote + chlorite), at increasingly deeper depths. This structurally controlled, mineralized, alteration corridor is interpreted as a possible feeder zone or metal source pathway, extending from an undiscovered intrusion responsible for the large and strong (>35mV/V) IP chargeability anomaly located south and east of G1, where previous drilling encountered abundant pyrite. Results in DDH G21-52 (0.54 CuEq over 33.6 m, including 0.78 CuEq over 14.8 m) extended the copper mineralization 200 m beyond the current G1 Zone. Although mineralization and alteration extend still further to the southeast in DDHs G21-53 and -54, they become weaker, narrower, suggesting future drilling is warranted due east of G1, towards the large IP chargeability anomaly.

Aurizon Deposit

The Aurizon Gold Deposit (Inferred Mineral Resource of 1,991,000 tonnes at a grade of 3.18 grams per tonne (g/t) AuEq, 2.32 g/t Au, 0.60% Cu and 5.3 g/t Ag based on a 2.0 g/t Gold Equivalent cut-off grade) is hosted within a potassically altered, hydrothermal breccia structure cutting monzonite, along a 400 m strike and to depths exceeding 700 meters in one location. During the period, two deep holes designed using average deviation "lift and swing" factors established from all previous drilling, were collared on the hanging wall west of the near-vertical Aurizon structure to test below 900 meters. DDH AZS22-82 (1,235.37 metres) did not deviate into the structure as predicted and appears to have paralleled the main structure. Assays show the upper 142 meters of this hole cut 16 narrow (1-2 m core length) intervals ranging from 0.2 to 1.2 grams per ton gold, typical of the western hanging wall of the Deposit.

Improved orientation of collar AZS22-83 proved more successful. This hole also cut hangingwall mineralization, with better gold grades (2.5 m grading 11.40 AuEq and 7.11 m grading 7.15 gpt AuEq, including 0.75 m grading 79.21 gpt AuEq). Although hole deviation was again far less than expected, the hole intersected narrow intervals with potassic alteration, quartz veining, silicification and hydrothermal brecciation typical of the main structure, from 736.9 – 741 m and 770 – 775.9 m. Assays include 0.8% Cu, 0.5 gpt Au, 4.3 gpt Ag over 8.1m and 0.3% Cu, 1.9 gpt Au, 16.4 gpt Ag over /1.85 m.

Despite the narrow intersections at this location within the structure at Aurizon Deposit, management believes future drilling at Aurizon South is clearly warranted, at depth and along strike, to test the structure below 700 m along its current, 400+ m strike length, and in-fill drilling is still required at shallower depths within the Deposit.

For further information about the Lac La Hache Property, visit www.engold.ca

Resource Property Interests – Exploration and evaluation expenditures

Activities of the Company for the year ended September 30, 2022, focused on the continuing exploration work on its Lac La Hache property as indicated in the *Exploration Program and Results* described above.

Exploration and evaluation expenditures for the year ended September 30, 2022 and 2021 are detailed below:

	2022	2021
Government credits	\$ -	\$ (22,008)
Assays	208,825	18,345
Drilling	1,241,925	284,174
Equipment rentals	433,873	68,731
Geological services	382,773	221,828
Geophysical services	-	55,869
Field Supervision	225,210	73,660
Supplies and other	354,796	86,281
Rent	16,057	1,166
Travel	189,581	38,657
Staking	2,231	-
Total	\$ 3,055,271	\$ 826,703

The strong exploration results recently obtained at the Lac La Hache Property has prompted management's continued commitment to exploring the Property. Management intends to raise additional equity financing to continue with its ongoing exploration activities.

2. Selected Annual Financial Information

	2022	2021	2020
Net Sales	\$ Nil	\$ Nil	\$ Nil
Loss	\$ (2,296,708)	\$ (1,480,422)	\$ (1,349,144)
Basic and diluted Loss per share	\$ (0.07)	\$ (0.06)	\$ (0.06)
Total Assets	\$ 3,029,680	\$ 6,636,435	\$ 3,313,635
Total Long-term liabilities	\$ Nil	\$ Nil	\$ Nil
Cash dividends per common share	N/A	N/A	N/A

3. Results of Operations

During the year ended September 30, 2022, the Company had a loss of \$2,296,708 (2021 – \$1,480,422). Significant expenditures during the period were as follows:

- **Depreciation** – increased to \$50,752 (2021 - \$43,813) as a result of a new vehicle lease acquired during the year.
- **Exploration and evaluation expenditures** – increased to \$3,055,271 (2021 - \$826,703) as a result of a large drill program conducted on the Company's Lac La Hache property during the year.
- **Filing and regulatory** – decreased to \$13,034 (2021 - \$32,114) as a result of fewer transactions and filing requirements.
- **Insurance** – increased to \$34,551 (2021 - \$24,725) as a result of new vehicle insurance on vehicle leases acquired during the year.
- **Office and other** – increased to \$44,254 (2021 - \$29,576) as a result of additional costs related to the Company's new office space.
- **Management and consulting fees** – increased to \$212,193 (2021 - \$193,646) primarily related to staffing and payroll charges as compared to the prior year.

- **Professional fees** – decreased to \$62,875 (2021 - \$501,936) and related primarily to general corporate legal during the year. The comparative period included an accrual for plaintiff legal costs related to the lawsuit with the Company's former management.
- **Share-based payments** – decreased to \$962 (2021 - \$26,486) relating to the fair value of stock options granted and vested during the year.
- **Shareholder communications** – increased to \$32,830 (2021 - \$20,444) as the Company had more news to disseminate relating to its drill program on the Lac La Hache project.
- **Travel and promotion** – increased to \$18,598 (2021 - \$2,548) as the Company engaged in increased travel and promotional activity following the loosening of COVID-19 restrictions.

4. Summary of Quarterly Results

	September 30, 2022	June 30, 2022	March 31, 2022	December 31, 2021
Total assets	\$3,029,680	\$3,144,426	\$4,403,477	\$5,039,450
Working capital	(1,337,252)	(1,255,628)	(499,108)	(45,423)
Shareholders' equity	1,452,272	1,535,719	2,294,116	2,734,941
Loss	(122,841)	(758,397)	(445,125)	(970,345)
Loss per share	(0.00)	(0.02)	(0.01)	(0.03)
	September 30, 2021	June 30, 2021	March 31, 2021	December 31, 2020
Total assets	\$6,636,435	\$3,080,319	\$2,913,300	\$2,930,835
Working capital	975,240	(703,856)	(948,261)	(548,018)
Shareholders' equity	3,704,324	2,026,716	1,783,195	2,197,412
Loss	(567,225)	(235,212)	(425,489)	(254,496)
Loss per share	(0.02)	(0.01)	(0.01)	(0.01)

Fourth Quarter results

During the three-month period ended September 30, 2022, the Company had a loss of \$122,841 (2021 – \$567,225). Significant expenditures during the period were as follows:

- **Exploration and evaluation expenditures** – decreased to \$33,765 (2021 - \$402,706) as a result of completing the drilling program on the Company's Lac La Hache property during the period.
- **Filing and regulatory** – decreased to \$760 (2021 - \$14,539) resulting from fewer regulatory filings in the current period.
- **Management and consulting fees** – increased to \$48,464 (2021 - \$47,994) resulting from higher Workers' compensation costs in the current period.
- **Depreciation** – increase to \$13,575 (2021 - \$8,581) as a result of a new vehicle lease acquired during the period.
- **Office and other** – decreased to \$1,832 (2021 - \$6,884) as a result of the Company's reduced administrative expense during the period.
- **Insurance** – increased to \$8,284 (2021 - \$6,920) as a result of a new vehicle insurance during the period.
- **Shareholder communications** – increased to \$9,444 (2021 - \$3,219) as the Company had more news to disseminate relating to its drill program on the Lac La Hache project and financing.

5. Liquidity

The Company's historical capital needs have been met by issuance of shares. As at September 30, 2022, the Company had a working capital deficiency of \$1,337,252 (September 30, 2021 – positive working capital of \$975,240). The Company proposes to meet any additional financing requirements through equity financing.

The Company's cash position as at September 30, 2022 was \$59,381 (September 30, 2021 - \$3,713,788). During the year ended September 30, 2022, operating activities required cash of \$3,532,825 (2021 - \$1,188,784) and investing activities required \$12,757 (2021 - \$5,000) related to the purchase of new equipment and options payments on mineral properties.

During the year ended September 30, 2022, \$108,825 was used for (2021 – \$4,561,142 generated from) financing activities which included outflows of \$66,130 (2021 - \$37,358) towards lease liabilities, \$23,000 (2021 - \$nil) in transfers to restricted cash, and \$69,695 (2021 - \$21,500) in share issuance costs, and inflows of \$50,000 (2021 - \$4,600,000) in proceeds from share private placements and \$475,000 (2021 - \$nil) in subscriptions receivable.

The Company does not have operations that generate cash flow and it is unlikely that it will generate cash flow from operations in the foreseeable future. Cash requirements will depend primarily on the extent of future exploration programs. Subsequent phases will depend, both on cost and duration, and on results from previous phases, and it is therefore extremely difficult to predict future cash requirements.

As at September 30, 2022, the Company's accounts payable and accrued liabilities of \$425,726 (2021 - \$528,830) included \$240,446 payable to the Company's legal counsel for services primarily related to the Company's legal proceedings with the Company's former CEO (note 9 below). The Company has made an arrangement with its law firm, whereby it makes \$10,000 monthly payments.

As at January 25, 2023, incentive stock options were outstanding as follows:

	Number	Exercise price	Expiry date
Stock Options	263,000	\$1.00	March 27, 2023
	50,000	\$1.00	October 14, 2023
	<u>50,000</u>	\$0.70	June 09, 2024
	363,000		

As at January 25, 2023, share purchase warrants were outstanding as follows:

	Number	Exercise price	Expiry date
Share Purchase Warrants	600,000	\$0.75	April 23, 2023
	4,000,000	\$0.75	August 11, 2023
	<u>3,500,000</u>	\$0.20	September 30, 2024
	8,100,000		

The Company is dependent on raising funds by the issuance of shares in order to undertake exploration and development interests and meet general and administrative expenses beyond one year in the future. There can be no assurance that the Company will be successful in obtaining their required financing.

6. Capital Resources

The Company's ability to raise additional funds from the equity markets will largely depend upon general market conditions and the Company's ability to achieve certain exploration milestones.

Issued and outstanding common shares at January 25, 2023, the date of this report is 37,181,546 (September 30, 2022 – 37,181,546).

Instruments and Other Instruments

The following is a summary of the accounting model the Company has elected to apply to each of its significant categories of financial instruments outstanding:

Cash	Amortized cost
Receivables	Amortized cost
Reclamation deposits	Amortized cost
Restricted cash	Amortized cost
Accounts payable and accrued liabilities	Amortized cost

Determination of Fair value

Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The Statement of Financial Position carrying values for: cash; receivables; accounts payables and accrued liabilities, approximates fair value due to their short-term or demand nature.

7. Related Party Transactions

Key management personnel comprise the Chief Executive Officer, Chief Financial Officer, Corporate Secretary, Vice President of Exploration and Directors of the Company. The remuneration of the key management personnel for the year ended September 30, 2022, is as follows:

- Included in management, salaries, and consulting fees was \$120,000 (2021 - \$120,000) for services provided by the CEO, \$24,000 (2021 - \$24,000) paid to the corporate secretary, and \$48,000 (2021 - \$48,000) to a company that employs the CFO of the Company.
- Included in exploration and evaluation expenditures are \$174,400 (2021 - \$135,290) for geological consulting services to a company controlled by the Vice President of Exploration.
- Share-based payments of \$nil (2021 - \$nil) related to the fair value of stock options issued to key management personnel.

An amount of \$74,243 (September 30, 2021 - \$38,335) included in accounts payable is owed to related parties. These balances are unsecured, non-interest bearing, have no fixed repayment terms, and are due on demand.

8. Office-Balance Sheet Arrangements

There are no off-balance sheet arrangements to which the Company is committed.

9. Proposed Transactions

The Company has no specific proposed transactions. However, consistent with the nature of the Company's operations, the Company is continuously reviewing potential mineral property acquisitions and is likely to acquire additional mineral properties in the future.

10. Legal Proceedings

During the year, the Company was a party to the following legal proceeding.

Eisler v EnGold. In fiscal Q4 of 2015, a holding company 100% owned by Mr. Irvin Eisler, a former CEO of the Company brought a lawsuit in the Supreme Court of BC against EnGold for wrongful dismissal arising out of the termination of Mr. Eisler's employment in 2011. Management believed that the Company's termination of Mr. Eisler for cause was entirely justified, and the case was wholly without merit. The Company filed a counterclaim against Mr. Eisler et al for unspecified damages relating to significant amounts of inappropriate related party payments that accrued to Mr. Eisler's benefit during his tenure. During the year ended September 30, 2018, the Company registered a Certificate of Pending Litigation ("CPL") against certain real estate holdings of Mr. Eisler and adjoined Mr. Eisler's wife Olga Eisler in relation to the CPL. An action was brought by the plaintiffs that the Company's counterclaim be held on a summary basis instead of at a full trial and also made application to have the CPL lifted. The Company opposed both actions. The court dismissed the application for a summary trial but did order that the CPL be lifted on the condition that Mr. Eisler provide \$400,000 in security against the Company's counterclaim. During fiscal 2018, The case was set down for a three-week trial commencing November 26th, 2018. Notably, Mr. Eisler passed away in August of 2018, but the executor of Mr. Eisler's estate elected to proceed to trial in Mr. Eisler's absence.

The trial proceeded as scheduled and wound up on December 14th, 2018, with the judge reserving judgment, with a ruling issued on November 22, 2019. In the ruling, the Court found that the Estate was entitled to \$72,500 in damages

from the Company for wrongful dismissal plus costs, initially estimated to be \$60,000. Further, the Company's counterclaim for disgorgement of funds by the Estate related to multiple alleged breaches of legal duties by the late Mr. Eisler was dismissed. Following receipt of the ruling, the Company has filed a notice of appeal with the Court of Appeal. Following filing of the notice of appeal, the plaintiffs sought recovery of full indemnity costs, which would be in excess of the quantum of costs allowable under rules of court in BC.

The Company disputed the higher cost demands in court, with the judge ruling in favour of the plaintiffs. The plaintiffs further sought security for their costs and release of the above referenced \$400,000 security. Despite the Company's vigorous objections, the court ordered that the \$400,000 in security be release and that the Company post \$250,000 in security in favour of the plaintiffs with \$60,000 (paid) to be posted 30 days from the decision and \$190,000 posted 90 days from the decision paid for the year ended September 30, 2020). The appeal was heard on January 19th, 2021, with the decision of the court reserved pending a written ruling of unknown timing. During the year ended September 30, 2020 the Company paid into trust all the ordered amounts, totaling \$339,045. Accordingly, for the year ended September 30, 2020 the Company recognized an additional \$206,545 in professional fees for the plaintiff's costs, of which the entire amount has been paid into trust pending the appeal. During the year ended September 30, 2021, the Company's appeal was dismissed, and the Court found that the Company would also be liable full indemnity costs for the appeal. Total estimated court costs payable on behalf of the plaintiff are \$663,923, of which \$140,000 was paid during the year ended September 30, 2021. The Company accrued an additional \$403,262 to professional fees for the year ended September 30, 2021.

11. Critical Accounting Estimates and Judgments

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the period. Actual results could differ from these estimates.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to:

Critical accounting estimates

- i. Share-based payments are subject to estimation of the value of the award at the date of grant using pricing models such as the Black-Scholes option valuation model. The option valuation model requires the input of highly subjective assumptions including the expected share price volatility. Because the Company's warrants have characteristics significantly different from those of traded options and because the subjective input assumptions can materially affect the calculated fair value, such value is subject to measurement uncertainty.

Critical accounting judgments

- i. The carrying value and recoverability of exploration and evaluation assets requires management to make certain estimates, judgments and assumptions about each project. Management considers the economics of the project, including the latest resources prices and the long-term forecasts, and the overall economic viability of the project. Management has assessed these indicators and does not believe an impairment provision is required.
- ii. Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.
- iii. The estimate for contingencies and settlement provisions require management to make judgments as to the likelihood of outcomes and estimates of the timing and the possible outflow of economic benefits.

12. Changes in Accounting Policies

There were no changes in accounting policies during the year ended September 30, 2022.

13. Disclosure Control and Procedures

Internal Controls and Procedures

The Chief Executive Office and Chief Financial Officer are responsible for designing internal controls over financial reporting in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Company's financial statements for external purposes accordance with IFRS.

Certain weaknesses exist in internal controls over financial reporting. As indicative of many small companies, the lack of segregation of duties and effective risk assessment were identified as areas which existed. The existence of these weaknesses is to be compensated by senior management monitoring, which exists. The officers will continue to monitor very closely all financial activities of the Company and increase the level of supervision in key areas. It is important to note that this issue will also require the Company to hire additional staff in order to provide greater segregation of duties. Since the increased costs of such hiring could threaten the Company's financial viability, management has chosen to disclose the potential risk in its filings and proceed with increased staffing only when the budgets and workload will enable the action.

Risk Factors

In conducting its business, the Company, like all development-stage mineral exploration companies, faces a variety of risks uncertainties. While unable to eliminate all of them, the Company aims at managing and reducing such risks as much as possible.

Exploration and Development - Resource exploration and development is a highly speculative business, characterized by a number of significant risks including, but not limited to, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. Few exploration projects successfully achieve development due to factors that cannot be predicted or anticipated, and even one such factor may result in the economic viability of a project being detrimentally impacted such that it is neither feasible nor practical to proceed. The Company closely monitors its activities and those factors that could impact them and employs experienced consulting to assist in its risk management and to make timely adequate decisions.

Title Risks - Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims, as well as the potential for problems arising from the frequently ambiguous conveyance history characteristic of many mineral properties.

Permitting Risks - The development of mineral resources in British Columbia is subject to a comprehensive review, approval and permitting process involving various provincial and regional agencies, in addition to the various First Nations groups that have jurisdiction in the Company's area of claims. There can be no assurance given for the required approvals and permits for a mining project, even if technically and economically warranted, can be obtained in a timely or cost-effective manner.

Fluctuating Metal Prices - Factors beyond the control of the Company have a direct effect on global metal prices, which have fluctuated widely, particularly in recent years. Consequently, the economic viability of any of the Company's exploration projects and the Company's ability to finance the development of its projects cannot be accurately predicted and may be adversely affected by fluctuations in metal prices.

Environmental Regulations Permits and Licenses - Environmental laws and regulation could also impact the viability of a project. The Company has ensured that it has complied with these regulations, but there can be changes in legislation outside the Company's control that could also add a risk factor to a project.

Competition - The mineral exploration industry is intensely competitive in all its phases, and the Company competes with some companies that have greater financial and technical resources. Competition could adversely affect the Company's ability to acquire suitable properties or prospects in the future.

Future Financings - The Company's continued operation will be dependent in part upon its ability procure additional financing. To date, the Company has done so through a combination of: (i) equity financing; and (ii) cash payments received as property option payments from third parties. The current state of global equity markets has had a direct effect on the ability of exploration companies, including the Company, to finance project acquisition and development through the equity markets. There can be no assurance that forms of financing can be obtained at a future date. Failure to obtain additional financing on a timely basis may cause the Company to postpone development plans, forfeit rights in some or all of the properties or joint ventures, or reduce or terminate some or all of the operations.

Price Volatility of Publicly Traded Securities - During recent months, global securities markets have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price that have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur.

14. Approvals

The Board of Directors of EnGold Mines Ltd. has approved the disclosures contained in the Management Discussion and Analysis for the year ended September 30, 2022, prepared as at January 25, 2023.

15. Information regarding forward looking statements

The technical disclosures herein have been reviewed and approved by Mr. Robert Shives, PGeo, vice-president of exploration to the company and a qualified person as defined in National Instrument 43-101.

This Management's Discussion and Analysis of Financial Condition and Results of Operations contain certain forward-looking statements. Forward-looking statements include but are not limited to those with respect to the prices of gold and other metals, the estimation of mineral resources and reserves, the realization of mineral reserve estimates, the timing and amount of estimated future production, costs of production, capital expenditures, costs and timing of the development of new deposits, success of exploration activities, permitting time lines, currency fluctuations, requirements for additional capital, Government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage and the timing and possible outcome of pending litigation. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes" or variations of such words and phrases, or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such risks and uncertainties include, among others, the actual results of current exploration activities, conclusions or economic evaluations, changes in project parameters as plans continue to be refined, possible variations in grade and or recovery rates, failure of plant, equipment or processes to operate as anticipated, accidents, labour disputes or other risks of the mining industry, delays in obtaining government approvals or financing or incompleteness of development or construction activities, risks relating to the integration of acquisitions, to international operations, and to the prices of gold and other metals. While the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company expressly disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise except as required by law.