



**GOLDEN RIDGE RESOURCES LTD.**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS**

**Three Months Ended September 30, 2024**

# Golden Ridge Resources Ltd.

## Management's Discussion & Analysis

### Three Months ended September 30, 2024

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The following management's discussion and analysis ("MDA") has been prepared as of November 29, 2024 and should be read in conjunction with Golden Ridge Resources Ltd.'s unaudited condensed consolidated interim financial statements for three months ended September 30, 2024 and the comparative period September 30, 2023. The unaudited condensed consolidated interim statements have been prepared in accordance with International Financial Reporting Standards and all numbers are reported in Canadian dollars, unless otherwise stated.

Throughout the report we refer to Golden Ridge, the "Company", "we", "us", "our" or "its". All these terms are used in respect of Golden Ridge Resources Ltd. All amounts stated are in Canadian dollars unless otherwise stated.

#### ***Cautionary Statement on Forward-Looking Information***

This report contains "forward-looking statements", including, the Company's expectations as to but not limited to, comments regarding the timing and content of upcoming work programs and exploration budgets, geological interpretations, receipt of property titles, and potential mineral recovery processes. Forward-looking statements express, as at the date of this report, the Company's plans, estimates, forecasts, projections, expectations, or beliefs as to future events or results. The material factors and assumptions used to develop the forward-looking statements and forward looking information contained in this MD&A include the following: our approved budgets, exploration and assay results, results of the Company's planned exploration expenditure programs, estimated drilling success rates and other prospects. Due to the nature of the mineral resource industry, budgets are regularly reviewed in light of the success of the expenditures and other opportunities that may become available to the Company. Accordingly, while the Company anticipates that it will have the ability to spend the funds available to it, there may be circumstances where, for sound business reasons, a reallocation of funds may be prudent.

Forward-looking statements involve a number of risks and uncertainties, and there can be no assurance that such statements will prove to be accurate. Therefore, actual results and future events could differ materially from those anticipated in such statements and Golden Ridge assumes no obligation to update forward-looking information in light of actual events or results.

Factors that could cause results or events to differ materially from current expectations expressed or implied by the forward-looking statements, include, but are not limited to, factors associated with fluctuations in the market price of minerals, mining industry risks and hazards, environmental risks and hazards, economic and political events affecting metal supply and demand, uncertainty as to calculation of mineral reserves and resources, requirement of additional financing, and other risks. Actual results may differ materially from those currently anticipated in such statements.

Readers are cautioned that the foregoing list of important factors and assumptions is not exhaustive. Forward-looking statements are not guarantees of future performance. Events or circumstances could cause the Company's actual results to differ materially from those estimated or projected and expressed in, or implied by, these forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements or the foregoing list of factors, whether as a result of new information or future events or otherwise, except as may be required under applicable laws.

#### **OVERVIEW PERFORMANCE AND OPERATIONS**

Golden Ridge Resources Ltd. (the "**Company**") was incorporated under the Business Corporations Act in British Columbia on January 27, 2011 and trades on the TSX Venture Exchange under the symbol GLDN.

The Company's registered office is located at 301 – 1665 Ellis St, Kelowna, BC V1Y 2B3.

# Golden Ridge Resources Ltd.

## Management's Discussion & Analysis

### Three Months ended September 30, 2024

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The Company is primarily engaged in the acquisition, exploration and development of mineral properties located in Canada. To date, the Company has not earned significant revenues and is considered to be in the exploration stage. The Company's current active project is located in Newfoundland.

#### **Qualified Person:**

Dr. Stephen Amor, PhD, PGeo, technical advisor to the Company, is the Qualified Person as defined by National Instrument 43-101 who has reviewed and approved the technical data in this report.

*During the three months ended September 30, 2024 and as at the date of this report herein, the Company reports the following:*

#### **CORPORATE**

##### **The Proposed Transaction**

The Company has entered into an amending agreement dated November 21, 2024, with MM Group Ltda. ("**MMG**"), Minas Mineracao Ltda. and certain members of MMG (collectively, the "**Vendors**"), amending the terms of the share exchange agreement dated June 4, 2024 among the parties (as amended, the "**Share Exchange Agreement**").

Pursuant to which it will acquire an 80% interest in MMG in consideration of the issuance of common shares in the capital of Golden Ridge (the "**Golden Shares**") to the Vendors (the "**Proposed Transaction**"). Pursuant to the Share Exchange Agreement, it is anticipated that Golden Ridge will acquire 80% of the issued and outstanding membership interests in MMG from the Vendors in consideration of the issuance of 500,000,000 Golden Shares (the "**Proposed Transaction**"). If completed, the Proposed Transaction will constitute a "Reverse Takeover" of Golden Ridge in accordance with Policy 5.2 – *Changes of Business and Reverse Takeovers* of the TSX Venture Exchange (the "**Exchange**"), with the resulting entity the ("**Resulting Issuer**") continuing the business of MMG under a name to be determined by the Company and MMG prior to the closing of the Proposed Transaction (the "**Name Change**").

The completion of the Proposed Transaction remains subject to a number of terms and conditions, among other standard conditions for transactions of this nature, including, among other things: (i) MMG delivering a NI 43-101 compliant technical report for MMG's material properties that is acceptable to the Exchange and Golden Ridge; (ii) if required by the Exchange, MMG delivering a title opinion for each of its material properties in form and content satisfactory to the Exchange and the Company; (iii) no material adverse changes occurring in respect of either MMG or Minas; (iv) the parties obtaining all necessary consents, orders and regulatory and shareholder approvals, including the conditional approval of the Exchange subject only to customary conditions of closing; (v) if required by the Exchange, delivery of a sponsor report and an independent valuation satisfactory to the Exchange; (vi) the Name Change; (vii) and (viii) Exchange acceptance. There can be no assurance that all of the necessary regulatory and shareholder approvals will be obtained or that all conditions of closing will be met.

In accordance with the policies of the Exchange, trading in Golden Shares were voluntarily halted on June 6, 2024 and are not expected to resume trading until completion of the Proposed Transaction.

The Transaction remains subject to all requisite approvals, including the approval of the Exchange. All securities to be issued pursuant to the Concurrent Financing will be subject to a statutory four month and one day hold period from the closing date as prescribed under applicable securities laws.

**Golden Ridge Resources Ltd.**  
**Management's Discussion & Analysis**  
**Three Months ended September 30, 2024**

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**PROJECTS & EXPLORATION**

The Company is primarily engaged in the acquisition, exploration and development of mineral properties located in Canada. To date, the Company has not earned significant revenues and is considered to be in the exploration stage. The Company's current active properties include the Williams Property in Newfoundland as described herein below.

**PROJECTS**

**Newfoundland**

***Property Agreements***

**Williams Property**

On January 31, 2020, the Company entered into an option agreement with two arm's length vendors (collectively the "**Williams Optionors**"), subject to a 2% net smelter return royalty ("**Williams NSR**") retained by the Optionors (the "**Williams Option**") wherein Golden Ridge can acquire a 100% interest in the Williams gold property (the "**Williams Property**" or "**Property**") located in the Province of Newfoundland that is surrounded by New Found Gold Corp<sup>1</sup> Queensway South Gold Property in the Central Newfoundland Gold Belt of the province of Newfoundland and Labrador.

During the year ended June 30, 2024 the Company exercised the Williams Option effective December 31, 2023 and acquired a 100% interest in the Williams Property.

Under the Williams Option Golden Ridge can purchase 1.0% of the Williams NSR for \$1,000,000 at any time before the commencement of commercial production. Beginning on December 31, 2024 and annually thereafter, Golden Ridge will make annual advanced minimum royalty ("**AAMR**") payments of \$7,500 to the Williams Optionors. AAMR payments are deductible from future NSR payments.

***<sup>1</sup>This report contains information about adjacent properties on which Golden Ridge has no right to explore or mine. Readers are cautioned that mineral deposits on adjacent properties are not indicative of mineral deposits on the Company's properties.***

**EXPLORATION ACTIVITIES AND OUTLOOK**

**Qualified Person:**

Dr. Stephen Amor, PhD, PGeo, technical advisor to the Company, is the Qualified Person as defined by National Instrument 43-101 who has reviewed and approved the technical data in this report.

**Williams Gold Property**

As previously reported the Company received the final assay results from the 2023 Phase II drilling campaign at the Williams Property wherein Golden Ridge continued to generate encouraging results at the Property noting the latest assays were recording mineralization up to 24.65 meters grading 2.22 g/t Au.

***See news releases dated April 2, 2024, January 29, 2024, November 23, 2023 and further details on the Williams Property exploration results on the Company's website [www.goldenridgeresources.com](http://www.goldenridgeresources.com) or under the Company's profile [www.sedarplus.ca](http://www.sedarplus.ca).***

**Golden Ridge Resources Ltd.**  
**Management's Discussion & Analysis**  
**Three Months ended September 30, 2024**

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**OUTLOOK**

The Company is currently working towards the completion of the Proposed Transaction and upon the anticipated completion of same will look to allocated funds to exploration and development of the combined assets at that time and update shareholders accordingly.

The following table outlines the details of capitalized exploration expenditures for the period ended September 30, 2024:

|  | <b>Williams</b>  |
|--|------------------|
| <b>Balance as at June 30, 2024</b>       | <b>3,121,156</b> |
| <b>Exploration Costs</b>                 |                  |
| Geological                               | 33,938           |
| Camp/Site Costs/Mgmt                     | 4,079            |
| Transport, helicopter & rental equipment | 1,752            |
| <b>Total Exploration costs</b>           | <b>39,769</b>    |
| <b>Balance at September 30, 2024</b>     | <b>3,160,925</b> |

The following table outlines the details of capitalized exploration expenditures for the year ended June 30, 2024:

|  | <b>Williams</b>  |
|--|------------------|
| <b>Balance as at June 30, 2023</b>                               | <b>2,140,567</b> |
| <b>Acquisition costs</b>   |                  |
| Cash payments  | 50,000           |
| Share payments   | 8,500            |
| <b>Total Acquisition Costs</b>                                   | <b>58,500</b>    |
| <b>Exploration Costs</b>   |                  |
| Assaying   | 110,958          |
| Drilling   | 529,017          |
| Field equipment and supplies                                     | 17,600           |
| Fieldwork  | 258,080          |
| Geological   | 36,284           |
| GIS Mapping and reports  | 1,350            |
| Camp/Site Costs/Mgmt   | 40,048           |
| Community relations  | 300              |
| Transport, helicopter & rental equipment                         | 29,965           |
| Travel/Site  | 13,987           |
| <b>Total Exploration costs</b>                                   | <b>1,037,589</b> |
| <b>Total Costs</b>   | <b>1,096,089</b> |
| <b>Recovery of exploration and evaluation asset expenditures</b> | <b>(115,500)</b> |
| <b>Balance at June 30 2024</b>                                   | <b>3,121,156</b> |

**Golden Ridge Resources Ltd.**  
**Management's Discussion & Analysis**  
**Three Months ended September 30, 2024**

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**British Columbia**

***Hank Property***

The Company holds a 100% interest in the Hank property (the "**Hank Property**"), located in the Liard district of British Columbia, subject to a 2% net smelter return ("**NSR**") to Lac Properties.

On March 6, 2023, the Company entered into an option agreement with Kingfisher (subsequently amended on March 25, 2023) (the "**Kingfisher Option**") to acquire the Company's 100% interest in the Hank Property for certain cash, share issuances (collectively the "**Option Payments**") and work commitments over a four year period. During the period ended September 30, 2024 there were no Option Payments due (2023 – Nil).

**Results of Operations**

**Financial Results for the three months ended September 30, 2024 and 2023**

The Company has no operating revenues and relies on external financings to generate capital for its continued operations. As a result of its activities, the Company continues to incur losses.

For the three months ended September 30, 2024, the Company reported a \$149,721 net loss or \$0.00 basic and diluted income per share compared to a \$74,813 net loss or \$0.00 income per share for the same comparative year ended September 30, 2023. The primary component of the current period loss included general and administration costs of \$169,622 (2023 - \$80,800), directors' fees of \$6,000 (2023 - \$6,000) and depreciation of \$5,462 (2023 - \$3,356). During the period ended September 30, 2024 total expenses were offset by interest income of \$10,587 (2023 - \$18,569), dividend income from investments of \$1,983 (2023 - \$169) and \$18,793 (2023 - \$3,395 loss) gain on sale of marketable securities.

For the period ended September 30, 2024, the Company reported a fair value gain of \$138,969 (2023 – \$227,193) in connection with the Company's investments in marketable securities and recorded a loss and comprehensive loss of \$29,545 (2023 – \$148,985 income). Additionally \$18,793 (2023 - \$3,395 loss) was reclassified from net loss to other comprehensive loss in connection with the gain on the sale of marketable securities.

The summary of general and administrative expenditures included:

|                                | For the three months ended |           | Variance |
|--------------------------------|----------------------------|-----------|----------|
|                                | September 30               |           |          |
|                                | 2024                       | 2023      |          |
| Accounting and legal           | \$ 65,877                  | \$ 6,912  | 58,965   |
| Consulting                     | 55,600                     | 38,250    | 17,350   |
| Office and administration fees | 17,394                     | 17,512    | (118)    |
| Marketing and social media     | 675                        | 5,200     | (4,525)  |
| Rent                           | 2,400                      | 5,400     | (3,000)  |
| Filing fees                    | 23,184                     | -         | 23,184   |
| Shareholder communication      | 430                        | 6,576     | (6,146)  |
| Transfer agent fees            | 757                        | 950       | (193)    |
| Travel                         | 3,305                      | -         | 3,305    |
|                                | \$ 169,622                 | \$ 80,800 | 88,822   |

**Golden Ridge Resources Ltd.**  
**Management's Discussion & Analysis**  
**Three Months ended September 30, 2024**

Significant variances to note included:

The Company recognized a significant increase in general and administrative costs of approximately \$88,822 (109%) for the three months ended September 30, 2024 primarily attributed to the legal, accounting and consulting fees related to the Proposed Transaction (as described hereinabove) for due diligence. The increase in filing fees relates to regulatory fees in connection with the Proposed Transaction. The Company recorded a decrease in shareholder communication in relation to fewer news release dissemination and the prior year included annual general meeting expenses. The increase in travel primarily related to the Proposed Transaction.

**Summary of quarterly results**

|                                  | <b>Q1 2025</b><br><b>Sept 24</b><br>\$ | Q4 2024<br>June 24<br>\$ | Q3 2024<br>Mar 24<br>\$ | Q2 2024<br>Dec 23<br>\$ |
|----------------------------------|--|--------------------------|-------------------------|-------------------------|
| Revenue                          | —                                      | —                        | —                       | —                       |
| Loss                             | <b>(149,721)</b>                       | (416,986)                | 16,497                  | (70,255)                |
| Loss and comprehensive loss      | <b>(29,545)</b>                        | (323,391)                | (97,755)                | (200,332)               |
| Basic and diluted loss per share | <b>(0.00)</b>                          | (0.01)                   | (0.00)                  | (0.00)                  |

  

|   | Q1 2024<br>Sept 23<br>\$ | Q4 2023<br>June 23<br>\$ | Q3 2023<br>Mar 23<br>\$ | Q2 2023<br>Dec 22<br>\$ |
|---|--------------------------|--------------------------|-------------------------|-------------------------|
| Revenue   | —                        | —                        | —                       | —                       |
| Net income loss                                   | (74,813)                 | (6,134)                  | (2,559,683)             | (111,639)               |
| Income and (loss) and comprehensive income (loss) | 152,380                  | 199,423                  | (2,689,508)             | 299,474                 |
| Basic and diluted loss per share                  | (0.00)                   | (0.00)                   | (0.04)                  | (0.00)                  |

Significant variances to note in other quarters included:

During the fourth quarter ended June 30, 2024, the Company reported a net loss of \$416,986 or \$0.01 per share primarily the result of general and administrative costs of \$420,069, depreciation of \$3,741 and directors fees of \$6,000 offset by interest income of \$11,608, dividend income from investments of \$555, gain on sale of marketable securities of \$3,271 and loss on write-off of receivables of \$2,610.

Loss and comprehensive loss for the quarter ended June 30, 2024 included the gain on fair value of marketable securities of \$93,381.

During the fourth quarter ended June 30, 2023, the Company reported a net loss of \$6,134 or \$0.00 per share primarily the result of general and administrative costs of \$108,791, directors fees of \$6,000 offset by gain on sale of exploration and evaluation assets of \$96,429 and interest income of \$24,481.

Loss and comprehensive loss for the quarter ended June 30, 2023 included the gain the fair value of marketable securities of \$205,556.

During the quarter ended March 31, 2023 the Company elected not to proceed on the Heritage Option and Davis Cove Option and recorded a write-off of exploration and evaluation assets of \$2,492,174.

**Golden Ridge Resources Ltd.**  
**Management's Discussion & Analysis**  
**Three Months ended September 30, 2024**

**Liquidity and capital resources**

| <b>Financial position:</b>        | <b>September 30<br/>2024</b> | <b>June 30<br/>2023</b> |
|-----------------------------------|------------------------------|-------------------------|
| Cash and cash equivalents         | \$ 884,352                   | \$ 2,633,862            |
| Marketable securities             | \$ 1,592,516                 | \$ 1,250,674            |
| Working capital                   | \$ 2,394,515                 | \$ 3,832,335            |
| Equipment                         | \$ 112,170                   | \$ 36,733               |
| Exploration and evaluation assets | \$ 3,160,925                 | \$ 2,140,567            |
| Total Assets                      | \$ 5,841,487                 | \$ 6,418,212            |
| Shareholders' equity              | \$ 5,710,083                 | \$ 6,181,865            |

As at September 30, 2024, the Company's working capital balance was \$2,394,515 (June 30, 2023 - \$3,832,335).

|   | <b>The Three Months Ended<br/>September 30</b> |              |
|---|--|--------------|
|   | <b>2024</b>                                    | <b>2023</b>  |
| Cash flows used in operating activities:      |  |              |
| - before non-cash working capital adjustments | \$ (163,052)                                   | \$ (68,062)  |
| Changes in non-cash working capital           |  |              |
| - Receivables                                 | 6,073  | 56,025       |
| - Prepaids                                    | 5,525  | 3,562        |
| - Trade and other payables                    | (202,337)                                      | 19,229       |
| Cash flows used in investing activities       | (41,765)                                       | (781,141)    |
| Decrease) in cash during the period           | (395,556)                                      | (770,386)    |
| Cash and cash equivalents beginning of period | 1,279,908                                      | 2,633,862    |
| Cash and cash equivalents end of period       | \$ 884,352                                     | \$ 1,863,476 |

- Cash flows used in operating activities increased in the current period primarily attributed to the increase in general and administrative expenses as described hereinabove.
- The decrease in cash flows used in investing activities primarily related to the decrease in exploration expenditures with limited expenditures on the Williams Property compared to the work program carried out in the comparative period. The expenditures were offset by the proceeds received from the sale of marketable securities and the purchase of mutual funds.

The Company has not yet generated revenue to date and will not generate funds from operations for the foreseeable future as such the Company is primarily reliant upon the issuance of equity securities in order to fund operations. As the Company is in the exploration stage, the recoverability of the costs incurred to date on exploration properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties and upon future profitable production or proceeds from the disposition of the properties and deferred exploration expenditures. The Company has financed its operations to date primarily through the issuance of common shares and exercise of stock options and share purchase warrants.

**Golden Ridge Resources Ltd.**  
**Management's Discussion & Analysis**  
**Three Months ended September 30, 2024**

The Company will continue to have to raise funds for operations and, although it has been successful in doing so in the past, there is no assurance it will be able to do so in the future. The Company's policy is to invest its cash in highly liquid, short term, interest bearing investments with maturities of 90 days or less from the date of acquisition or for longer periods where such investment may be redeemable after 30 days. The Company is not subject to externally imposed capital requirements.

The Company believes that its cash and cash equivalents on hand will enable the Company to fund required to complete the Proposed Transaction as described hereinabove. Should the Company not conclude the Proposed Transaction the Company believes it will have future overhead working capital for the next 12 months however it will require additional funding to complete any further significant development of its Williams Property.

***Off balance-sheet arrangements***

There are currently no off-balance sheet arrangements and no new information to report since the annual management's discussion and analysis.

***Transactions with related parties***

|  | September 30<br>2024 | September 30<br>2023 |
|--|----------------------|----------------------|
| Key management personnel compensation comprised: |                      |                      |
| Administration and management fees               | \$11,570             | \$9,545              |
| Consulting fees                                  | 46,600               | \$38,250             |
| Director fees                                    | 6,000                | \$24,000             |
|  | <b>\$64,170</b>      | <b>\$71,795</b>      |

**a) Key Management Compensation**

- i) Consulting fees of \$25,500 (2023 - \$25,500) were paid or accrued to Tank Enterprises, a company controlled by the President, CEO and director of the Company;
- ii) Consulting fees of \$21,100 (2023 - \$12,750) were paid or accrued to Minco, a company controlled by the Chief Financial Officer;
- iii) Administration fees of \$11,570 (2023 - \$9,545) were paid or accrued to Minco, a company controlled by the Chief Financial Officer for administration and accounting personnel services; and
- iv) Director fees of \$3,000 per quarter were paid to each of the non-executive directors.

**b) Rent**

The Company currently pays BruMar Holdings, a company owned 100% by the CEO, for rent and expenses on a month-to-month basis for an exploration office space at approximately \$800 per month for a total \$2,400 for the period ended September 30, 2024 (2023 - \$2,400).

**Golden Ridge Resources Ltd.**  
**Management's Discussion & Analysis**  
**Three Months ended September 30, 2024**

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**b) Related Party Liabilities**

| <b>Amounts due to:</b> | <b>Service for:</b>              | <b>September 30<br/>2024</b> | <b>June 30<br/>2024</b> |
|------------------------|----------------------------------|------------------------------|-------------------------|
| Minco                  | Consulting & Administration Fees | \$11,420                     | \$-                     |
| M Blady                | Expenses                         | 2,825                        | 10,254                  |
| L. Nagy                | Directors Fees                   | 3,000                        | -                       |
| W. Lindqvist           | Directors Fees                   | 3,000                        | 3,000                   |
|                        |                                  | <b>\$20,245</b>              | <b>\$13,254</b>         |

**c) Related Party Receivables**

| <b>Amounts due from:</b>  | <b>Service for:</b> | <b>September 30<br/>2024</b> | <b>June 30<br/>2024</b> |
|---------------------------|---------------------|------------------------------|-------------------------|
| Minco                     | Rent & Expenses     | \$6,300                      | \$7,350                 |
| South Atlantic Gold Corp. | Rent & Expenses     | 7,875                        | 7,875                   |
| Bronco Resources Corp.    | Rent & Expenses     | 7,875                        | 7,875                   |
|                           |                     | <b>\$22,050</b>              | <b>\$23,100</b>         |

Amounts due from related parties' expenditures are incurred for shared office space and administrative personnel that have common directors or officers and amounts due are without interest or stated terms of repayment.

***Critical Accounting Policies and Estimates***

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both.

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the condensed consolidated interim financial statements within the next financial year are discussed below.

***Going Concern***

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures, meet its liabilities for the ensuing year, and to fund planned and contractual exploration programs, involves significant judgement based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

***Impairment of Exploration and Evaluation Assets***

The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits will flow to the Company. If, after exploration and evaluation expenditures are capitalized, information becomes available suggesting that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount the Company

## **Golden Ridge Resources Ltd.**

### **Management's Discussion & Analysis**

### **Three Months ended September 30, 2024**

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carries out an impairment test at the cash-generating unit or group of cash-generating unit's level in the year the new information becomes available. The assessment of impairment indicators, impairment tests and recoverable value models have a degree of estimation and judgment which may differ in the future.

#### *Valuation of Share-based Payments*

The Company uses the Black-Scholes option pricing model for valuation of share-based payments. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

#### *Recovery of Deferred Tax Assets*

The Company estimates the expected manner and timing of the realization or settlement of the carrying value of its assets and liabilities and applies the tax rates that are enacted or substantively enacted on the estimated dates of realization or settlement. The Company has not recognized a deferred tax asset as management believes it is not probable that taxable profit will be available against which deductible temporary differences can be utilized.

#### **Financial instruments and other instruments**

The Company is exposed through its operations to the following financial risks:

- Market Risk
- Credit Risk
- Liquidity Risk

#### **General Objectives, Policies and Processes**

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout the condensed consolidated interim financial statements.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous years unless otherwise stated in the note.

The Board of Directors has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's management. The effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets are reviewed periodically by the Board of Directors if and when there are any changes or updates required.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. Further details regarding these policies are set out below.

# Golden Ridge Resources Ltd.

## Management's Discussion & Analysis

### Three Months ended September 30, 2024

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#### Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices are comprised of interest rate and commodity price risk.

#### Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company has cash balances and non-interest-bearing debt. The Company's current policy is to invest excess cash in guaranteed investment certificates or interest-bearing accounts of major Canadian chartered banks. The Company regularly monitors compliance to its cash management policy.

Cash and guaranteed investment certificates are subject to floating interest rates.

As at September 30, 2024 the Company does not have any borrowings. Interest rate risk is limited to potential decreases on the interest rate offered on cash and cash equivalents held with chartered Canadian financial institutions. The Company considers this risk to be immaterial.

#### Commodity Price Risk

The Company's ability to raise capital to fund exploration or development activities may be subject to risks associated with fluctuations in the market prices of the relevant commodities. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company. The Company also holds marketable securities that are subject to changes in market price. A 10% decrease in fair value of marketable securities would result in approximate \$160,000 (June 30, 2024 - \$142,000) increase in comprehensive loss for the year.

#### Foreign Exchange Risk

Foreign currency risk is the risk that a variation in exchange rates between the Canadian dollar and United States dollar and other foreign currencies will affect the Company's operations and financial results. The Company does not hold significant monetary assets or liabilities in foreign currencies and therefore is not exposed to significant risks arising from the fluctuation of foreign exchange rates.

#### Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Financial instruments which are potentially subject to credit risk for the Company consist primarily of cash and receivables. Cash and cash equivalents are maintained with financial institutions of reputable credit and may be redeemed upon demand and third party receivables are entered into with credit-worthy counterparties. The Company is directly exposed to credit risk from its related party receivables. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognized as at September 30, 2024.

#### Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's policy is to endeavour that it will have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. However, circumstances may arise where the Company is

## **Golden Ridge Resources Ltd.**

### **Management's Discussion & Analysis**

### **Three Months ended September 30, 2024**

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unable to meet those goals. The key to success in managing liquidity is the degree of certainty in the cash flow projections. If future cash flows are fairly uncertain, the liquidity risk increases.

Typically, the Company ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 90 days. To achieve this objective, the Company would prepare annual capital expenditure budgets, which are regularly monitored and updated as considered necessary. Further, when required the Company utilizes authorizations for expenditures on exploration projects to further manage expenditure. The Company monitors its risk of shortage of funds by monitoring the maturity dates of existing trade and other accounts payable and option payment commitments. The Company endeavours not to maintain any trade payables beyond a 30-day period to maturity.

#### 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 condensed consolidated interim statements of financial position carrying amounts for receivables, and trade and other payables approximate fair value due to their short-term nature.

Due to the use of subjective judgments and uncertainties in the determination of fair values these values should not be interpreted as being realizable in an immediate settlement of the financial instruments.

#### Fair Value Hierarchy

Financial instruments that are measured subsequent to initial recognition at fair value are grouped in Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities which include cash and cash equivalents and marketable securities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value of the sale of the marketable securities and cash and cash equivalents, have been determined by reference to published price quotations in an active market, a Level 1 valuation.

#### ***Capital Management***

The Company monitors its common shares, warrants and stock options as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares. Although the Company has been successful at raising funds in the past through the issuance of share capital, it is uncertain whether it will continue this method of financing due to the current difficult market conditions.

In order to facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. Management reviews the capital structure on a regular basis to ensure that the above objectives are met. The Company's capital is not subject to any externally imposed

## Golden Ridge Resources Ltd.

### Management's Discussion & Analysis

#### Three Months ended September 30, 2024

capital requirements. There have been no changes to the Company's approach to capital management during the period ended September 30, 2024.

#### ***Outstanding Share Data***

Golden Ridge's authorized capital is unlimited common shares without par value. As at the date of this report 58,541,320 common shares were issued and outstanding and share purchase warrants, agent warrants and options as follows:

#### **Stock Options**

| Expiry Date      | Exercise Price | Number of Options | Vested and Exercisable | Unvested |
|------------------|----------------|-------------------|------------------------|----------|
| October 5, 2025  | \$0.25         | 577,500           | 577,500                | -        |
| July 14, 2026    | \$0.32         | 830,000           | 830,000                | -        |
| June 10, 2027    | \$0.13         | 1,000,000         | 1,000,000              | -        |
| February 1, 2028 | \$0.13         | 200,000           | 200,000                | -        |
|                  |                | 2,607,500         | 2,607,500              | -        |

#### Shares in Escrow

As at the date of this report hereof there are Nil common shares held in escrow.

#### ***Risks and uncertainties***

The Company is in the mineral exploration and development business and as such, is exposed to a number of risks and uncertainties that are not uncommon to other companies in the same business. The industry is capital intensive and is subject to fluctuations in market sentiment, metal prices, foreign exchange and interest rates. There is no certainty that properties which the Company has described as assets on its balance sheet will be realized at the amounts recorded. The only sources of future funds for further exploration programs or, if such exploration programs are successful for the development of economic ore bodies and commencement of commercial production thereon, which are presently available to the Company are the sale of equity capital or the offering by the

Company of an interest in its properties to be earned by another party carrying out further exploration or development.

Although the Company has been successful in accessing the equity market during the past years, there is no assurance that such sources of financing will be available on acceptable terms, if at all.

The Company currently has 1 employee. All other work is currently carried out through independent consultants and the Company requires that all consultants carry their own insurance to cover any potential liabilities as a result of their work on a project. In certain cases where consultants are unable to carry their own insurance the Company includes such individuals under its coverage.

#### ***Going Concern***

The Company had working capital of \$2,394,515 to fund future overhead working capital for the next 12 months however it will require additional funding to complete any significant development of its exploration and evaluation assets. *See Liquidity and Capital Resources and Proposed Transaction.*

**Golden Ridge Resources Ltd.**  
**Management's Discussion & Analysis**  
**Three Months ended September 30, 2024**

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As the Company is in the exploration stage, the recoverability of the costs incurred to date on exploration properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties and upon future profitable production or proceeds from the disposition of the properties. The Company has financed its operations to date primarily through the issuance of common shares and exercise of stock options and share purchase warrants.

***Other Requirements***

Additional disclosure of the Company's material change reports, news release and other information can be obtained under the Company's profile on SEDAR at [www.sedarplus.ca](http://www.sedarplus.ca).