

# PROAM EXPLORATIONS CORPORATION

## Management Discussion and Analysis

For the period ended September 30, 2022

This management discussion and analysis (“MD&A”) of financial position and results of operations is prepared as at November 21, 2022 and should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2021 of ProAm Explorations Corporation (“ProAm” or the “Company”) with the related notes thereto.

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is also responsible for ensuring that information disclosed externally, including the financial statements and MD&A, is complete and reliable.

Those consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) applicable to the preparation of interim financial statements. All dollar amounts are expressed in Canadian dollars except where noted.

This discussion contains forward-looking statements that involve risks and uncertainties. Such information, although considered to be reasonable by the Company’s management at the time of preparation, may prove to be inaccurate and actual results may differ materially from those anticipated in the statements made. Additional information on the Company is available for viewing on SEDAR at [www.sedar.com](http://www.sedar.com).

### Description of Business

ProAm Explorations Corporation is a junior mineral and oil and natural gas exploration and development company. The Company operates in Canada and the United States. Mineral exploration is currently focused in the USA and Canada while little oil and natural gas activity has been pursued.

The Company, as a junior Exploration Company, has been putting its emphasis on mineral properties as economic conditions in natural gas markets have been unsettled .

The Company has completed an airborne geophysical survey comprising some 585line kms on of the Nevada Jet property and is currently defining an exploration program based upon the result of this survey and the substantial amount of data collected in prior work.

With current copper and nickel prices we are considering doing some geophysical work on the Samuel Lake property if circumstances allow.

### Mineral Properties

#### Samuel Lake Project

Samuel Lake Property: Pursuant to certain agreements, the Company owns an undivided 100% interest, subject to a 2.5% NSR, in certain claims comprising the Samuel Lake Property.

#### Nevada, USA Jet Property

In 2018 the Company entered into an option agreement to acquire an undivided 100% interest subject to 2.5% NSR, in certain claims comprising the Jet Property, located in Elko County, Nevada.

## Jet property – Nevada – Historical exploration activity results

ProAm Explorations Corp. has partially outlined 4 significant areas of Ag, Ba, Cu, Pb, Zn, Sb and F mineralization in the Lead Mine Hills area 24 km (16 miles) south of West Wendover, Nevada . From north to south the four areas are referred to as the Fluorite Quarry, Barite Hill, Emma, and Jet properties, all of which warrant further exploration..

The geology in this area shows intense faulting and brecciation related to the development of the basin and range terrane in Nevada. The mineralization is related to hydrothermal fluids emanating from an adjacent Oligocene alkaline granitic stock and dykes which intrude Paleozoic limestones, dolomites and sandstones percolating through the faulting and brecciation.

The mineralization consists largely of carbonates, for example the lead carbonate Cerussite ( $\text{PbCO}_3$ ), Smithsonite ( $\text{ZnCO}_3$ ), and Malachite ( $\text{Cu}_2\text{CO}_3(\text{OH})_2$ ) and Azurite  $\text{Cu}_3(\text{CO}_3)_2(\text{OH})_2$ , and sulphates like the barium sulphate, Barite ( $\text{BaSO}_4$ ). Silver minerals have not yet been identified but these minerals are all amenable to metallurgical separation.

Grab sampling by ProAm geologists show marked enrichment of the above mineralization; several showing percent values as shown in the accompanying table. These minerals are also electrically non-conductive and no conductive sulphides have been mapped thus far, but there are indications of electrical (Induced Polarization) anomalies at depths of 250- 300 metres (820-1000 feet). The results of the geophysical survey are shown in the attached report.

From work done in 2018, the Fluorite Quarry, Barite Hill-Emma and Jet properties are associated with 3 gravimetric anomalies indicating a significant presence of dense minerals. The source of the gravity anomaly at the Fluorite Quarry, drilled in 2020 to a shallow depth of 76.2 metres (250 feet), remains unqualified.

The gravity anomaly at Barite Hill was selected for further definition on a test basis to develop essential tools needed for further exploration. Accordingly, magnetic and electrical induced polarization (IP) surveys were profiled along the previously conducted gravity survey Line 4.

The magnetic survey detected contacts of different rock types, and structures, presumably in the Precambrian basement rocks in 2 profiles. There are trace amounts of magnetite in the Oligocene dyke rocks and one can also interpret them in the magnetic profiles. From examination of stratigraphic sections in the area, the basement may be as deep as 3-5,000 feet (914.4 – 1,524 metres), but the surface manifestations of shallower mineralization are Proam's immediate focus.

The IP survey profile noted better conductivity at depths of 250 to 300 metres. One conductivity anomaly, coincides with the surface geochemical and gravity anomalies but does not preclude a mineral deposit at a shallower depth.

ProAm's working thesis has these minerals forming from circulating hydrothermal fluids related to Oligocene granitic magmatism and plating out as four or more Manto style ore deposits, when those fluids are neutralized by Paleozoic limestones and dolomites.

The geological content herein was approved by D.L.Trueman, Ph.D, P. Geo who was is a qualified person acting under the NI 43-101 guidelines.

The Company has recently completed an airborne geophysical survey comprising some 585 line kilometers and is currently assessing and determining future exploration plans based upon these results from this data pak.

# JET PROPERTY

## SELECTED GRAB SAMPLES

	Cu ppm	%	Pb ppm	%	Zn ppm	%	Ag ppb	Oz	Ba ppm	%	F ppm	%
Quarry	9,189	0.92%	5,665	0.006	507.4	0.001	28,747	8.98	1,069		>10,000	
Quarry	8,737	0.87%	7,947	0.008	310.3	0.000	56,593	17.69	697	11.01	>10000	
Quarry	3,522	0.35%			337.9	0.000	41,860	13.08	3,579		>10000	
FQ -Quarry			1,330	0.13	104	0.01	30	0.94				
BH			2,310	0.23			22	0.70				
BH			1,950	0.20	8250	0.83						
BH			4,280	0.43	246	0.02	17	0.53				
BH				0.34			13	0.40				
Blue	>10000	6.11%					6,937	2.17	851		247	
Blue	1,747	0.17%					919	0.29	349		110	
Blue	2,460	0.25%					3,999	1.25	68		313	
Blue	0	8.47%					9,794	3.06	3,982	0.39	306	
Blue	2,073	0.21%	1,140	0.001	25	0.000	20,291	6.34	619	29.86	348	
Blue	2,270	0.23%					2,100	0.66	136		200	
Blue	4,653	0.47%	2,434	0.002			43,986	13.75	1,280	35.24		5.88
Blue (BH)	8,069	0.81%	866	0.001			198,240	61.95	387			8.33
Blue (BH)			2,605	0.003			19,478	6.09	680		3721	
Blue							24,540	7.67	1,005	1.78		
Blue	13,880	1.39%	1,590	0.002			55,154	17.24	17	1106	>10000	26.92
Blue	13,420	1.34%	1,951	0.002			108,975	34.05	4,216	0.44	>10000	
Blue	1,732	0.17%	1,172	0.001			111,410	34.82	1,459	39.59	>10000	
Blue	27,650	2.77%	6,217	0.006	3864	0.004	139,950	43.73	1,244	0.13		
Emma		0.41		0.10			147	4.59				
Emma		1.98		0.59			283	8.84				
Emma		3.11		0.32		0.72						
Emma		3.96		0.74		0.98						
Jet	25,710	2.57%					33,181	10.37	1,342	2.95	>10000	
Jet	8,512	0.85%					40,697	12.72	584	12.65	>10000	
Jet	44,960	4.50%					56,635	17.70	579	13.97	>10000	
Jet				3.60%		11.14	45,629	14.26	428	11.26		
Jet				16.56%	3863.8	0.004	146,671	45.83	479	15.02		
Jet			1,882	0.002		2.88	7,783	2.43	3,625	1.01		
Jet				12.08%	1053	0.001	36,991	11.56	1,217	2.88		
Jet			30,500	0.0305			14,333	4.48	53			
Jet			421	0.000	6503.5	0.007	4,915	1.54	2,704	0.29	>10000	
Jet				1.20		0.21	176	5.5				

## Samuel Lake History and future expectation of activity

This property is located near Atikokan, Ontario and this area has excellent services.

Samuel Lake is prospect upon which some 30 exploratory holes have drilled by a combination of the Company and Teck. The mineralization is primarily nickel, copper, cobalt and PGMs (See table below). Whilst Samuel Lake has seen positive exploration its sister lakes, Whelan, Harnett and Surprise, in the immediate vicinity have only been subject to surface sampling and analysis as well as an airborne survey. With copper (4.25 +1b), Nickel (7.25+1b), Cobalt (25K -30K MT) and PGM hanging in there this property deserves additional attention in the coming months.

The company has updated the geochemistry and geophysical data which was initially collected in 1998, at the time of the original discovery.

In August of 1998 prospectors discovered and sampled the area. One sample assayed 10.3 g/t platinum + palladium + gold, while eight other averaged 4.3 g/t platinum + palladium + gold, with significant values in copper and nickel.

Work conducted at Samuel Lake consisted of grid controlled geological mapping, geochemical sampling, trenching, magnetometer, and Horizontal Loop Electro-Magnetic (HLEM) geophysical surveys over the claim area. The ground geophysics identified a 300m long HLEM conductor and associated magnetic anomaly under Samuels Lake.

Diamond drilling targeted HLEM conductor under the lake was carried out March to October of 1999 for an aggregate total of 2,747.6 meters of NQ core in twelve drill holes. Drill holes SM 99-5, 6, 7, 8, 10 and 11 were subsequently used to carry out down-hole Crone Pulse EM Surveys which identified three significant off hole conductors.

In 2000 Fugro geophysics conducted an airborne EM survey over Samuel Lake and the 3 adjacent lakes. The adjacent lakes display aeromagnetic signatures like that of Samuel Lake. Each of these adjacent lakes have multiple conductive features which have never been drilled. Their lithology, when their chemistry is investigated, are common to Samuel Lake.

Geophysical surveys of the Samuel Lake property have been conducted by Mtec Geophysics in 1999, Fugro Airborne Surveys in 2000, Empluse Geophysics in 2005, and Teck Corporation in 2007. The Fugro AEM survey of 2000 included Whalen, Harnett, and Surprise Lake anomalies as well as Samuel lake.

## Samuel Lake representative drill core samples

HOLE #	From (m)	To (m)	Interval (m)	% Cu	% Ni	% Co
SM-99-3	71.71	141.05	69.34	0.22	0.15	0.07
Incl.	177.06	222.60	45.74	0.82	0.64	0.80
Incl.	208.00	213.33	5.33	1.74	1.13	0.80
SM-99-5	130.10	235.22	105.12	0.25	0.17	0.02
SM-99-6	73.60	229.38	155.78	0.28	0.20	0.02
SL-08-13	145.00	270.00	125.00	0.25	0.17	0.02
Incl.	231.60	261.90	30.30	0.48	0.30	0.04
Incl.	234.70	249.00	14.30	0.85	0.39	0.08
SL-08-14	109.90	273.50	163.60	0.20	0.14	0.02
Incl.	167.00	200.50	33.50	0.30	0.21	0.03
SL-08-15	102.00	291.00	189.00	0.14	0.08	0.01
Incl.	107.40	122.60	15.20	0.52	0.23	0.03
Incl.	107.40	110.50	3.10	1.30	0.57	0.07
Incl.	230.40	239.00	8.60	0.32	0.20	0.03
SL-08-16	237.60	240.40	2.80	0.25	0.20	0.03
SL-08-17	258.80	284.90	26.10	0.06	0.05	0.01
SL-08-18	NSV					
SL-08-19	285.00	317.00	32.00	0.04	0.05	0.01

Table 1: (from NI 43-101 in 2011) Summary of significant intersections

## **Oil and Natural gas**

Natural gas prices are up significantly with futures currently running around the \$7 to \$8 based totally on the current politics in the USA.

### **Elder's Ridge Natural gas property**

OSEC Petroleum Inc., a wholly owned subsidiary, has a 100% working interest in 42 wells and a 50% working interest an additional well in this Appalachian natural gas field in Indiana County, Pennsylvania. These wells have been shut-in since late 2014 due to pipeline issues.

## **Oil and Natural Gas Production and Exploration**

### **Indiana County, Pennsylvania**

OSEC Petroleum Inc., a wholly owned subsidiary, has a 100% working interest – 75% net revenue interest in 41 non-producing oil wells in Indiana County, Pennsylvania. These wells have been shut-in since late 2014 due to pipeline issues. The Company is currently contemplating selling this property

### **Arkansas**

The Company has a 10.1% working interest a well in Logan County Arkansas.

### **Oklahoma**

The Company has a 10.2% working interest a well.

### **Ohio**

The Company has two producing natural gas wells in Ohio.

### **Okotoks, Alberta, Canada**

The Company has two wells which are referred to as Okotoks 5-15-22-28W4 and Okotoks 6-15-22-28W4. The spacing units allow for two additional wells which await a better market environment. The 2 wells are on penalty for not participating in a rework. Prices at that time did not support that action. The wells will return to a Proam revenue stream once the operator has recouped the Proam share of the costs of the rework.

## **Results of Operations**

For the period ended June 30 2022 the Company reported a loss of \$18,921 compared to a loss of \$8,094 for the period ended June 30, 2021.

Production revenue of \$13,377 was recorded during the period ended June 30, 2022 compared to \$31,187 recorded for the period ended June 30, 2021.

General and administrative expenses of \$26,145 (2021 - \$31,991) were recorded for the period ended June 30, 2022.

**Selected Annual Financial Information**

	For the year ended December 31, 2017	For the year ended December 31, 2018	For the year ended December 31, 2019	For the year ended December 31, 2020	For the year ended December 31, 2021
Total Revenues	35,022	26,408	29,828	32,486	44,369
Depletion & Amortization	6,440	4,502	4,732	6,040	10,943
Operations	25,150	23,583	23,135	28,102	14,341
General & Admin Expense	41,552	42,099	56,209	122,674	43,892
Income (loss) before extra ordinary items and income taxes	47,751	43,776	54,248	(124,390)	(24,813)
Extraordinary impairment charge & other	-	71,567	130,768	37,579	-
Net Income (loss) after tax	(47,751)	(115,343)	(185,016)	(145,517)	(34,671)
Net Income (loss) per share before tax and comprehensive income	(.01)	(.01)	(0.03)	(0.02)	(0.00)
Total Assets	\$ 528,007	\$ 487,342	393,828	621,706	917,852

**Selected Quarterly Financial Information**

	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sept 21	Dec 21	Mar 22	Jun 22	Sep 22
Revenue	4,036	10,346	12,455	10,099	21,088	12,145	11,136	5,978	7,399	6,309
Operations	3,203	7,384	11,205	4,693	3,203	2,597	4,460	2,703	4,559	971
Depletion, amortization and accretion	-	-	-	-	-	-	-	-	-	-
General and Administrative Expense	23,980	7,274	60,321	8,211	31,991	9,925	17,745	16,908	3,159	-214
Extraordinary charge	38,714	-	-	-	-	-	-	-	-	-
Comprehensive Income (loss) before taxes	-79,079	-33,635	86,008	4,337	-8,094	(843)	(21,397)	(30,083)	(319)	5,546
Earnings per share before taxes *	(0.03)	(0.03)	(0.01)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)

**Liquidity and Capital Resources**

The Company had a working capital of \$71,019 and cash on hand of \$85,591 at September 30, 2022. This compares to a working capital of \$282,399 and cash on hand of \$317,853 at December 31, 2021.

Other information relating to the company's oil and natural gas reserves may be viewed on the Sedar website on which a 51-101 compliant report entitled "Statement of Reserve Data and Other Oil and Gas Information" is posted.

## **Related Party Transactions**

No related party transactions occurred in the comparative periods other than advances related to working capital.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties, unless otherwise noted.

## **Risk, Uncertainties and Outlook**

The business of mineral deposit exploration and extraction involves a high degree of risk. Few properties that are explored ultimately become producing mines. At present, none of the Company's properties has a known commercial ore deposit. Other risks facing the Company include competition for mineral and oil and natural properties, environmental and insurance risks, fluctuations in metal prices, fluctuations in exchange rates, share price volatility and uncertainty of additional financing.

Management is aware that material uncertainties exist, related to current economic conditions, which could adversely affect the Company's ability to continue to finance its activities. Management's plan may include continuing to pursue additional sources of financing and reducing overhead costs. As a result of the implementation of this plan, the use of existing working capital and revenue from oil and gas interests, management expects that the Company will have sufficient capital to fund operations and keep its resource interests in good standing for the upcoming fiscal year. Further discussion of liquidity risk has been disclosed in the audited financial statements.

The audited financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

## **Disclaimer**

The information provided in this document is not intended to be a comprehensive review of all matters concerning the Company. It should be read in conjunction with all other disclosure documents provided by the Company, which can be accessed at [www.sedar.com](http://www.sedar.com). No securities commission or regulatory authority has reviewed the accuracy or adequacy of the information presented herein.

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

This MD&A contains forward-looking statements. Forward-looking statements are statements that relate to future events or to our future financial performance. In some cases, you can identify forward-looking statements by terminology such as "may", "should", "expects", "plans", "anticipates", "believes", "estimates", "predicts", "potential" or "continue" or the negative of these terms or other comparable terminology. These statements are only predictions and involve known and unknown risks, uncertainties and other factors, including:

- the risks of the oil and gas industry, such as operational risks in exploring for, developing and producing oil and natural gas, and market demand;
- the risks and uncertainties involving geology of oil and gas deposits;
- the uncertainty of reserve estimates;
- the uncertainty of estimates and projections relating to exploration, development and production costs and expenses;
- potential delays or changes in plans with respect to exploration or development projects or capital expenditures;
- fluctuations in oil and gas prices, foreign currency exchange rates and interest rates;
- health, safety and environmental risks;

- uncertainties as to the availability and cost of financing;
- risks in conducting foreign operations (for example, political and fiscal instability or the possibility of civil unrest);
- general economic conditions;
- the effect of acts of, or actions against, international terrorism;

### **Outstanding Share Data**

ProAm is a Tier 2 issuer and its shares are traded on the TSX Venture Exchange under the symbol PMX.

As at September 30, 15, 2022 the Company has:

- a) 16,601,334 common shares outstanding on a consolidated basis;
- b) 775,000 stock options outstanding exercisable at \$0.07 per share and 300,000 stock options outstanding exercisable at \$0.06 per share

Additional information is available on SEDAR at [www.sedar.com](http://www.sedar.com)

### **Contingencies**

The Company has no undisclosed contingencies as at November 21, 2022

### **Off Balance Sheet Arrangements**

The Company has no off-balance sheet arrangements as at November 21, 2022

### **Subsequent Events**

nil