

ACME GOLD COMPANY LIMITED

Management's Discussion and Analysis

For the Period Ended September 30, 2023

Overview

This Management's Discussion and Analysis ("MD&A") of the financial position and results of operations of Acme Gold Company Limited ("Acme" or the "Company") is dated December 19, 2023. The MD&A should be read in conjunction with the audited financial statements for the year ended September 30, 2023. The audited financial statements were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. All amounts are presented in Canadian dollars, which is the Company's functional currency.

The information in this MD&A contains forward-looking statements. These statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those included in the forward-looking statements. (See "Cautionary Notes – Forward-looking Statements" below.)

The Company is in the process of exploring its exploration and evaluation assets (or "mineral properties") and has not yet determined whether these properties contain reserves that are economically recoverable. The recoverability of the amounts shown for mineral properties and related deferred exploration costs is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete development, and upon future profitable production.

The Company's certifying officers, based on their knowledge, having exercised reasonable due diligence, are also responsible to ensure that these filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by these filings, and these financial statements together with the other financial information included in these filings. The Board of Directors approves the financial statements and the MD&A and ensures that management has discharged its financial responsibilities. The Board of Directors review is accomplished principally through the Audit Committee, which meets periodically to review all financial reports, prior to filing.

Cautionary Notes – Forward-looking Statements

Certain statements included in this MD&A may contain forward-looking statements that relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. These statements include, but are not limited to, statements concerning the future financial and operating performance of the Company and its search for resource properties; the future prices of natural resource based commodities; the estimation of reserves and resources; the realization of reserve estimates; timing of technical reports, scoping studies, and preliminary economic assessments; expected content of scoping studies and preliminary economic assessments; anticipated working-capital requirements; capital expenditures; costs and timing of future exploration; requirements for additional capital; government regulation of resource operations; environmental risks; title disputes or claims; and limitation of insurance coverage.

Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "proposes", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or state 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 factors include, but are not limited to, general business and economic uncertainties; exploration and resource extraction

risks; uncertainties relating to surface rights; the actual results of current exploration activities; the outcome of negotiations; conclusions of economic evaluations and studies; future prices of natural resource based commodities; increased competition in the natural resource industry for properties, equipment and qualified personnel; risks associated with environmental compliance and permitting, including those created by changes in environmental legislation and regulation; the risk of arbitrary changes in law; title risks; the risk of loss of key personnel; and the effects of the COVID-19 pandemic on the economy and financial markets.

The forward-looking statements contained herein are based on a number of assumptions that the Company believes are reasonable but may prove to be incorrect. These assumptions include, but are not limited to, assumptions that there is no material deterioration in general business and economic conditions; that there is no unanticipated fluctuation of interest rates and foreign exchange rates; that the supply and demand for natural resource based commodities develops as expected; that the Company receives regulatory approvals for its exploration projects on a timely basis; that the Company is able to obtain financing for its projects on reasonable terms; that the Company's reserve estimates are within reasonable bounds of accuracy and that the geological, operational and price assumptions upon which they are based are reasonable; and that the Company is able to hire the personnel needed to carry out its business plan.

The foregoing lists of factors and assumptions are not exhaustive. The reader should also consider carefully the matters discussed under the heading "Risks Factors and Uncertainties" elsewhere in this MD&A. Forward-looking statements contained herein are made as of the date hereof (or as of the date of a document incorporated herein by reference, as applicable). No obligation is undertaken to update publicly or otherwise revise any forward-looking statements or the foregoing lists of factors and assumptions, whether as a result of new information, future events or results or otherwise, except as required by law. Because forward-looking statements are inherently uncertain, readers should not place undue reliance on them. The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement.

Business Overview

Acme was incorporated under the laws of British Columbia, Canada, on September 25, 2020. The Company's head office address is 992 East 13th Avenue, Vancouver, BC, V5T2L6. The registered and records office address is Suite 880, 320 Granville Street, Vancouver, BC, Canada, V6B0G5. Acme's principal business activity is the acquisition and exploration of mineral resource properties. The Company is listed on the Canadian Securities Exchange ("CSE") under the symbol "AGE". Additional information regarding the Company may be found on SEDAR at www.sedar.com.

The Company obtained a listing on the Canadian Securities Exchange ("CSE") effective May 24, 2022 under the symbol "AGE", and commenced trading on May 26, 2022. On May 25, 2022 the Company completed a brokered public placement of 4,000,000 common shares at \$0.10 for total gross proceeds of \$400,000. These funds are for general and administrative expenses, and to fund the exploration of its mineral properties.

Effective April 26, 2022, the Company became a Reporting Issuer in the Canadian provinces of British Columbia and Alberta.

Old Fort Property

On February 14, 2023, the Company acquired by staking a 100% interest in two contiguous mineral claims covering 3,314 hectares (the "Old Fort Property") located in the Babine District of northern British Columbia, approximately 22 km north of the village of Granisle, BC.

Pursuant to an agreement with Silver North Resources Inc. ("SNAG") (formerly Alianza Minerals Ltd.), in recognition of the assistance provided by SNAG to Acme in identifying and staking the Old Fort Property, Acme has granted a 1% Net Smelter Return Royalty ("NSR") on the Property to SNAG. A director of the Company is also a director and officer of SNAG.

A two-day field program was completed on the Old Fort property during the summer of 2023. Rock sampling and mapping was the main focus of the program along with locating and verifying the location and geological setting of a historical trench adjacent to the Property. A total of 15 rock samples consisting of outcrop and sub-crop were collected across the property, and various lithologies including monzodiorite, diorite, feldspar porphyry and

silicified sediments. Samples were prepped and analyzed by SGS in Vancouver, BC. Samples underwent a four-acid digestion package and were analyzed by fire assay.

Gold values in samples range from below detection limit (1ppb) to 34 ppb. Of the 15 total samples taken, 10 contained gold concentrations over the detection limit of 1 ppb. Copper concentrations range from 11.3-221 ppm. Of the 15 total samples taken, 4 returned copper concentrations over 100 ppm. Molybdenum concentrations were relatively low (between <1ppm -39ppm). Overall sampling identified weakly anomalous values of copper and gold mineralization present on the Old Fort Property.

Old Fort Property exploration and evaluation expenditures were incurred as follows:

	September 30, 2023
Balance, beginning of year	\$ -
Acquisition cost	5,799
Camp, travel, and transportation	4,679
Data compilation and mapping	3,000
Field equipment rentals	1,137
Field supplies	298
Geological consulting	7,145
Licence and permits	500
Shipping and storage	193
Balance, end of year	\$ 22,751

Subsequent to September 30, 2023, up to the date of this report the Company spent approximately an additional \$2,845 on assays and geological consulting on the Old Fort Property.

The area of the Old Fort Property is predominantly till covered and limited exploration in the area has proven difficult to explore in limited time periods. Despite this, historical mapping, prospecting, geochemical and geophysical surveys have identified a number of targets on the Old Fort Property which may be worthy of continued exploration. Recent exploration was unable to identify significant metals on the property; however, weakly anomalous gold and copper in rocks were identified to host minor sulphide mineralization with chalcopyrite, pyrite and possible molybdenite. Nearby Minfile showings are suggestive that mineralizing events that may also be present on the property including Porphyry Type Cu +/- Mo +/- Au, associated with biotite-feldspar porphyry phases of the Eocene aged Babine Plutonic Suite rocks.

Recent sampling was unable to identify any strongly mineralized zones of rocks on the Old Fort Property; however, further work is required to fully test exploration targets present on the Old Fort Property. The Company has not yet developed a 2024 exploration plan for the Old Fort Property. The decision to perform any additional exploration work is affected not only by the 2023 exploration program results, but also the commodities market with respect to the price of gold and copper, as well as the capital markets and the Issuer's ability to raise funds to perform further exploration of the Old Fort Property.

Lemon Lake Property

On February 18, 2021 the Company entered into a mineral property option agreement (the “Option Agreement”) with Orogen Royalties Inc. (“Orogen”) pursuant to which the Company was granted the option (the “Option”) to acquire the Lemon Lake Property by making certain cash payments and performing exploration work on the property over several years. During the years 2021 and 2022 the Company performed various exploration activities on the Lemon Lake Property and made a cash payment to Orogen in accordance with the Option Agreement.

After having reviewed the results of the exploration activities, including assay and geological reports, the Company decided that further exploration activity and expenditures on the Lemon Lake Property was not warranted, and the Option should be terminated. The Company notified Orogen in writing of the Option termination pursuant to the terms of the Option Agreement, effective as of February 15, 2023.

Lemon Lake exploration and evaluation expenditures were incurred as follows:

	September 30, 2023	September 30, 2022
Balance, beginning of year	\$ 207,683	\$ 87,820
Acquisition cost	-	7,500
Assays and sampling	-	11,545
Camp, travel, and transportation	-	13,032
Data compilation and mapping	-	300
Drilling	-	79,221
Field equipment rentals	-	10,944
Field supplies	-	326
Geological consulting	-	19,912
Reclamation and remediation	-	397
Shipping and storage	-	1,485
	-	144,662
Mining exploration tax credit	(41,148)	(24,799)
	166,535	207,683
Write-off of exploration and evaluation asset	(166,535)	-
Balance, end of year	\$ -	\$ 207,683

At September 30, 2023, the Company had working capital of \$112,321. The current operations of the Company have primarily been funded by the issuance of capital stock. The Company's ability to continue as a going concern is dependent on obtaining continued financial support, completing public equity financing or generating profitable operations in the future.

Qualified Person

Ron Britten, Ph.D., P.Eng is the Qualified Person as defined under National Instrument 43-101 responsible for the technical disclosure in this document. Dr. Britten is a director of the Company and has either prepared or reviewed the technical information contained in this MD&A.

Selected Annual Financial Information:

	2023	2022	2021
Loss for the year	\$(230,881)	\$(149,234)	\$(61,742)
Loss per share	\$(0.02)	\$(0.01)	\$(0.01)
Total assets	\$135,072	\$376,232	\$208,321
Long-term debt	-	-	-

This annual financial information is derived from the Company's audited annual financial statements which were prepared in accordance with IFRS applicable to a going concern, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. All amounts are presented in Canadian dollars.

Fiscal 2023

The most significant items that contributed to the increased loss for the 2023 fiscal year are:

- The Company wrote-off its Lemon Lake Property resulting in a \$166,535 charge to the Statement of Loss and Comprehensive Loss.

The write-off charge for the Lemon Lake Property was partially offset by:

- A \$57,495 decrease in professional fees related to legal, audit, and tax services. This reduction is primarily related to legal fees, as the fees in 2022 were higher in connection with the preparation of the Company's prospectus and the resultant \$400,000 financing and listing on the CSE.
- Regulatory and Transfer Agent fees decreased by \$12,600 with the completion of the Company's public financing and CSE listing in the prior year.
- Share-based compensation expense decreased \$14,800 as there were no stock options granted to directors and officers of the Company during 2023.

The Company also expended \$5,799 on the acquisition by staking its Old Fort Property, plus \$16,952 for the initial exploration program on this property. The Company wrote-off its Lemon Lake Property, resulting in a net decrease in its Exploration and Evaluation Assets.

Fiscal 2022

In the 2022 fiscal year, the Company completed a \$400,000 equity brokered public financing and obtained a listing on the CSE. The funds from this financing enabled the Company to perform the Phase 1 diamond drilling exploration on its mineral property.

The most significant items that contributed to the increased loss for the 2022 fiscal year are:

- a \$6,000 increase in management fees as there was a general increase in business activity.
- a \$68,611 increase in professional fees related to legal, audit, and tax services. The legal fees related to preparation of the Company's prospectus and the resultant \$400,000 financing and listing on the CSE. The Company also engaged an auditor to audit its financial statements, there was no similar expense in the prior year.
- Regulatory and Transfer Agent fees increased by \$27,816 with the completion of the Company's public financing and CSE listing. There were no comparative expenses in the prior year.
- Share-based compensation expense was incurred in connection with stock options granted to directors and officers of the Company. While the amount is less than in the prior year, it is not directly comparative to the amount recorded in the 2021 fiscal year.

The Company also expended \$137,162 on the Phase 1 diamond drilling exploration program of its Exploration and Evaluation asset, the Lemon Lake property. And made a \$7,500 acquisition payment to the vendors of the Lemon Lake property.

Fiscal 2021

The Company was incorporated on September 25, 2020, as such the 2020 financial information only covers a 5 day period, with the only transaction being the \$1,938 costs of incorporation. The 2021 fiscal year was the first full year of operations, during which time the company incurred \$61,742 of expenses and had no revenues. The Company also expended \$87,820 on the initial exploration of its Exploration and Evaluation asset, the Lemon Lake property.

The most significant items that contributed to the loss for the 2021 fiscal year are:

- Management fees of \$12,000 for services provided to administer the day-to-day operations of the Company by a director and officer of the Company.
- Professional fees of \$19,535 are for legal services incurred for the initial financing of the company, agreements to acquire the Lemon Lake property, and general corporate legal services.
- The Company issued founders 2,000,000 common shares at a price of \$0.005 per share for cash proceeds of \$10,000. The founders' shares had a fair value of \$40,000 and as a result, the Company recorded share-based compensation of \$30,000 and a corresponding increase to share-based payments reserve.

Selected Quarterly Financial Information:

Fiscal year	2023				2022			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Fiscal quarter	Sept 30/23	Jun 30/23	Mar 31/23	Dec 31/22	Sept 30/22	Jun 30/22	Mar 31/22	Dec 31/21
Loss for the period	\$(7,106)	\$(6,934)	\$(190,430)	\$(26,411)	\$(8,345)	\$(56,162)	\$(53,289)	\$(31,438)
Loss per share	\$(0.00)	\$(0.00)	\$(0.01)	\$(0.00)	\$(0.00)	\$(0.01)	\$(0.01)	\$(0.00)
Total assets	\$135,072	\$142,178	\$160,901	\$354,684	\$376,232	\$502,522	\$172,119	\$208,758
Long-term debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

This quarterly financial information is derived from the Company's unaudited quarterly financial statements which were prepared in accordance with IFRS applicable to a going concern, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. All amounts are presented in Canadian dollars.

The most significant items that contributed to the variations of the quarterly period losses are:

- 2022 Q1 – The Company granted officers and directors stock options and as a result, the Company recorded share-based compensation of \$14,800 and a corresponding increase to share-based payments reserve.
- 2022 Q2 – The company incurred costs of \$48,577 for legal, audit and regulatory fees associated with the proposed public financing prospectus and CSE listing.
- 2022 Q3 – The company incurred costs of \$51,558 for legal, audit, regulatory, and transfer agent fees associated with the completion of public financing prospectus and CSE listing.
- 2023 Q2 – The Company wrote-off its Lemon Lake Property resulting in a \$166,535 charge to the Loss for the period, and a corresponding decrease in Total Assets during the quarter.

During the 2022 Q3 period the Company completed a financing \$400,000 resulting in the increase in the Total Assets in this quarterly period.

Results of Operations

Year ended September 30, 2023

The Company incurred \$230,881 in general and administrative expenses during the fiscal year ended September 30, 2023, as compared to \$149,234 in the 2022 fiscal year.

Management fees paid to a director and officer totaled \$18,000 for both the years ended September 30, 2023, and 2022.

Professional fees include legal, accounting, and audit fees. The company paid or accrued professional fees of \$30,651 (2022: \$88,146). The 2023 fees relate to general legal matters, audit fees, and other services. While the 2022 fees included similar costs, plus additional amounts related to the Company's IPO financing and listing on the CSE.

Regulatory fees of \$13,322 (2022: \$25,316) consist of payments to various regulatory authorities and administrators including the BC Securities Commission, the Alberta Securities Commission, the CSE, and the Canadian Securities Administrators. The 2023 regulatory fees decreased compared to the previous year with the completion of the Company's IPO financing and CSE listing in 2022.

The Company also incurred \$1,894 (2022: \$2,500) for transfer agent services.

The Company grants stock options which can result in significant charges for share-based payments. The fair value of the stock options granted during the year ended September 30, 2022 was estimated to be \$14,800 based on calculations using the Black Scholes pricing model. This amount was recorded as share-based compensation during the year ended September 30, 2022. No stock options were granted in the 2023 year.

After having reviewed the results of the exploration activities, including assay and geological reports, the Company decided that further exploration activity and expenditures on the Lemon Lake Property was not warranted, and the Option should be terminated. Accordingly, the Lemon Lake Property was written-off in February 2023 with corresponding charge of \$166,535 on the Statement of Loss and Comprehensive Loss.

As noted above, the Company spent \$22,751 for the acquisition and exploration of its Old Fort Property during the 2023 fiscal year. These amounts have been capitalized and are included in the Exploration and Evaluation Asset on the Company's Statement of Financial Position. In March 2023, the Company received a BC Mining Exploration Tax Credit cash refund of \$41,148.

Three months ended September 30, 2023 (Q4)

The Company incurred \$7,105 (Q4 2022: \$8,345) in general and administrative expenses during the three month period ended September 30, 2023.

Pursuant to a Management Services Agreement, the Company incurred \$4,500 (Q4 2022: \$4,500) in management fees for the quarter, paid to a director and officer of the Company.

Professional fees are legal fees for general legal matters. The company paid or accrued professional fees of \$92 (Q4 2022: \$1,194).

Regulatory fees of \$2,250 (Q4 2022: \$2,633) consist of payments to various regulatory authorities and administrators including the, the CSE, news release dissemination services, and the Canadian Securities Administrators.

Of the total amount of exploration expenditures in fiscal 2023 noted above, the Company spent \$13,452 on its Old Fort Property exploration program during the Q4 2023 period. These amounts have been capitalized and are included in the Exploration and Evaluation Asset on the Company's Statement of Financial Position.

Corporate, General, and Administrative

Directors and Officers

On February 22, 2023, the Company held its Annual General Meeting (“AGM”) at which the Company’s shareholders elected the following individuals as directors of the Company:

Donald Crossley
Jason Weber

Mark Lotz
Ron Britten

At a directors meeting, the following committee and officer appointments were made:

Audit Committee – Jason Weber(Chair), Donald Crossley, Ron Britten
Chief Executive Officer and President – Donald Crossley
Chief Financial Officer and Secretary – Mark Lotz

Management Agreements

On January 1, 2021, the Company entered into a management agreement with a director and officer of the Company, whereby the Company will pay a quarterly management fee of \$4,500. The management services include general corporate administration; liaising with consultants, lawyers, and auditors; and maintaining the Company’s business records.

These transactions are in the normal course of operations and are measured at the exchange amount which is the amount established and agreed to by the related parties. These agreements have received regulatory approval where required.

Financing Activities

No shares or other securities were issued during the year ended September 30, 2023, or subsequently up to the date of this MD&A.

Share Capital, Warrants, and Stock Options

Share Capital

As of the date of this MD&A, there have been no changes in the issued share capital from the information provided in the September 30, 2023 financial statements.

Warrants

As of the date of this MD&A, there have been no changes in the issued warrants from the information provided in the September 30, 2023 financial statements.

At September 30, 2023 there were 1,575,001 common shares and 675,000 common share warrants subject to escrow agreements. Pursuant to the escrow agreements, these securities will be released from escrow semi-annually at a rate of 393,750 common shares and 168,750 common share warrants. On November 24, 2023, there was a semi-annual release from escrow of 393,750 common shares and 168,750 common share warrants.

Stock Option Plan

The Company grants stock options to directors, officers, employees, and consultants pursuant to the Company’s Stock Option Plan (the “Plan”). The number of options that may be issued pursuant to the Plan are limited to 10% of the Company’s issued and outstanding common shares, and to other restrictions with respect to any single participant (not greater than 5% of the issued common shares), or any one consultant (not greater than 2% of the issued common shares), or consultants performing investor relations activities (not greater than 1% of the issued common shares).

Vesting provisions may also be applied to other option grants, at the discretion of the directors. Options issued pursuant to the Plan will have an exercise price as determined by the directors, and permitted by the regulatory authorities, at the time of the grant. Options have a maximum expiry date of 10 years from the grant date.

At the date of this MD&A, there have been no changes in the stock options from the information provided in the September 30, 2023 financial statements.

Liquidity and cash flow

At September 30, 2023, the Company had working capital of \$112,321.

These funds are for general and administrative expenses, and to fund exploration work and maintenance of the mineral property.

Cashflows decreased in the September 30, 2023 period, compared to the September 30, 2022 period, mainly due to the completion of the public financing on May 25, 2022. There were no similar financings during the September 30, 2023 fiscal period.

The above mentioned brokered \$400,000 financing provided funds both for the Company to continue its exploration activities and for general working capital purposes. However, the Company's ability to continue as a going concern is dependent on obtaining continued financial support, completing public equity financing, or generating profitable operations in the near future. Due to financial market conditions affecting the junior resource public company markets, the Company may not be able to secure additional financing.

Investor Relations

The Company does not have any investor relations agreements. All investor relations activities are currently handled by management of the Company.

Related Party Transactions

In addition to certain related party transactions mentioned above, the Company had transactions with related parties, as are summarized below.

The Company's related parties consist of individuals who are executive officers and/or directors of the Company, or are directly related to a director of the Company.

The Company incurred the following fees in connection with transactions with key management personnel.

	Year ended September 30,	
	2023	2022
Management fees	\$ 18,000	\$ 18,000
Share-based compensation	\$ -	\$ 14,800

On January 1, 2021, the Company entered into a management agreement with a director and officer of the Company, whereby the Company will pay a quarterly management fee of \$4,500.

During the year ended September 30, 2023, the Company paid or accrued legal fees in the amount of \$19,505 (September 30, 2022 - \$62,012) to a company controlled by a family member of a director and officer of the Company.

Accounts payable and accrued liabilities includes \$Nil (September 30, 2022 - \$5,318) owed to related parties.

On October 31, 2021, the Company granted 400,000 options to directors and officers of the Company. The Company recorded an amount of \$14,800 as share-based compensation for these options for the year ended September 30, 2022.

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

Risk Factors and Uncertainties

The Company's ability to generate revenue and profit from its natural resource properties, or any other resource property it may acquire, is dependent upon a number of factors, including, without limitation, the following:

Precious and Base Metal Price Fluctuations

The Company's ability to finance its mineral property acquisition, exploration and eventual development is dependent upon the market price of certain precious and base metals. The price of such metals has fluctuated widely and is affected by numerous economic and political factors, consumption patterns, speculative activities, levels of supply and demand, increased production due to new mine developments and productivity, metal substitutes and stock levels. These fluctuations may result in the Company not receiving an adequate return on invested capital or the investment retaining its value.

Operating Hazards and Risks

Mining operations generally involve a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Company has a direct or indirect interest will be subject to all the hazards, risks and liabilities normally incidental to exploration, development and production of precious and base metals.

Exploration and Development

There is no known body of commercial ore on the Company's mineral properties. Development of the Company's properties will only follow upon obtaining satisfactory exploration results. Mineral exploration and development involves a high degree of risk and few exploration properties are ultimately developed into producing mines. There is no assurance that the Company's mineral exploration and development activities will result in any commercially viable discoveries.

Substantial expenditures are required to establish reserves through drilling, to develop metallurgical processes and the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis.

The marketability of any minerals acquired or discovered may be affected by numerous factors which are beyond the Company's control and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting minerals and environmental protection.

Calculation of Reserves and Mineralization and Precious and Base Metal Recovery

There is a degree of uncertainty attributable to the calculation of reserves and mineralization and corresponding grades being mined or dedicated to future production. In addition, there can be no assurance that precious or other metal recoveries in small-scale laboratory tests will be duplicated in larger scale tests under on-site conditions or during production.

Government Regulation

Operations, development, and exploration on the Company's properties are affected to varying degrees by government regulations relating to such matters as environmental protection, health, safety, and labour; mining law reform; restrictions on production; price controls; tax increases; maintenance of claims; tenure; and expropriation of property. There is no assurance that future changes in such regulation, if any, will not adversely affect the Company's operations.

Environmental Factors

All phases of the Company's operations are subject to environmental regulation in the various jurisdictions in which it operates. Environmental legislation is evolving and requires stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation will not adversely affect the Company's operations. Environmental hazards may exist on the Company's properties, which are unknown to the Company at present and which have been caused by previous or existing owners or operators of the properties.

Title to Assets

Although the Company has or will receive title opinions for any properties in which it has a material interest, there is no guarantee that title to such properties will not be challenged or impugned. The Company has not conducted surveys of the claims in which it holds direct or indirect interests and therefore, the precise area and location of such claims may be in doubt.

The Company's claims may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by undetected defects.

Climate Change

The Company's current business and exploration activities are not a significant contributor to the greenhouse gases that are commonly believed to be responsible for climate change and a source of adverse weather patterns. The Company does not currently believe climate change will have a significant impact on its future operations. However, there is no assurance that future changes in the environment resulting from climate change will not adversely affect the Company's operations.

Off Balance Sheet Arrangements

The Company has no off balance sheet arrangements.

Changes in Accounting Policies**New standards, interpretations and amendments not yet effective**

Certain new accounting standards and interpretations have been published that are not mandatory for the September 30, 2023 reporting period. The Company has not early adopted the following new and revised standards, amendments and interpretations that have been issued but are not yet effective:

IAS 1 - Presentation of Financial Statements

An amendment to IAS 1 was issued in January 2020 and applies to annual reporting periods beginning on or after January 1, 2023. The amendment clarifies the criterion for classifying a liability as non-current relating to the right to defer settlement of a liability for at least 12 months after the reporting period.

The Company anticipates that the application of the above new and revised standards, amendments and interpretations will have no material impact on its results and financial position.

Financial Instruments

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

Financial instrument risk exposure and risk management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company considers the fluctuations of financial markets and seeks to minimize potential adverse effects on financial performance.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management process.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

The fair value of the Company's accounts payables approximate their carrying values. The Company's other financial instrument, being cash, is measured at fair value using Level 1 inputs.

The Company is exposed to varying degrees to a variety of financial instrument related risks:

Credit risk

Credit risk is the risk of a financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligation. The Company's exposure to credit risk includes cash and receivables. The Company reduces its credit risk by maintaining its bank accounts at large international financial institutions. The Company's receivables consist primarily of tax receivables due from federal government agencies.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments. The Company is exposed to liquidity risk.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. Such fluctuations may be significant.

- a) Interest rate risk – The Company has nominal cash balances. The Company's current policy is to invest excess cash in investment-grade short-term demand deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit rating of its banks.
- b) Foreign currency risk – The Company may be exposed to foreign currency risk on fluctuations of currency related to monetary items with a settlement currency other than Canadian dollars. Currently the Company is not exposed to foreign currency risk.
- c) Price risk – The Company may be exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold and other precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Capital Risk Management

The Company considers items included in shareholders' equity as capital. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

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, issue new debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents.

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.

To maximize ongoing development efforts, the Company does not pay out dividends. The Company's approach to managing capital remains unchanged from the year ended September 30, 2022.