



Q2 METALS CORP.

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(formerly Queensland Gold Hills Corp.)

MANAGEMENT DISCUSSION AND ANALYSIS

For the Year Ended February 28, 2023

Report date: June 28, 2023

This Management Discussion and Analysis ("MD&A") of financial position and results of operation is prepared as at June 28, 2023 and should be read in conjunction with the audited consolidated financial statements for the year ended February 28, 2023 for Q2 Metals Corp. (formerly, Queensland Gold Hills Corp.) (the "Company").

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). Except as otherwise disclosed, all dollar figures included therein and in the following MD&A are quoted in Canadian dollars. Additional information is provided in the Company's consolidated financial statements and other documents. These documents are available from SEDAR at www.sedar.com.

The Company is a Canadian mineral exploration company currently advancing exploration of its 8,668-ha flagship Mia Lithium Property in the Eeyou Istchee James Bay Territory of Quebec, Canada which is host to the Mia Li-1 and Mia Li-2 occurrences which grade 0.47% Li₂O and 2.27% Li₂O respectively (the "Mia Property"). The Company acquired by staking the Stellar Lithium Property with 77 claims totaling 3,972-ha, located approximately six kilometres north of the Mia Property (the "Stellar Property"). The Company continues to explore the Big Hill and Titan gold projects in Queensland, Australia, which cover approximately 110 km² in the Talgai Goldfields of the broader Warwick-Texas District, hosting 54 high-grade historical gold mines.

The Company is a reporting issuer in British Columbia, Alberta and Ontario and trades on Tier 2 of the TSX Venture Exchange ("TSXV") in Canada under stock symbol QTWO, the Frankfurt Stock Exchange in Germany ("458"), and the OTCQB ("QUEXF"). The head office and principal business address of the Company is Suite 904 – 409 Granville Street, Vancouver, BC V6C1T2.

The Company's disclosure of a technical or scientific nature in respect of the Mia Property has been reviewed by Neil McCallum, P.Geol, Vice President, Exploration as well as a director of the Company and a Qualified Person under the definition of *National Instrument 43-101*.

The Company's disclosure of a technical or scientific nature in respect of the Big Hill and Titan Projects has been reviewed by Paul Habermann MAIG, a consultant to the Company and a Qualified Person under the definition of *National Instrument 43-101*.

Highlights for the Year Ended February 28, 2023 and to the Date of this Report:

- On March 1, 2022, the Company commenced its initial field exploration campaign on the Big Hill Gold Project which consisted of two overlapping stages, with phase 1 involving surface work for drill target identification and phase 2 consisting of drilling at a high-priority target.
- On April 21, 2022, the Company announced that a drill rig and crew had been secured for the phase 2 drill campaign which was designed to gain a deeper understanding of the nature and location of the feeder systems beneath the historical workings of the Queenslander mine located on the Big Hill Gold Project.
- On June 2, 2022, the Company reported that a total of 1,457 metres of RC drilling had been completed in 11 holes with all samples being shipped to the analytical lab for assaying.
- On July 22, 2022, the Company announced that it had received final assay results from the drill campaign at the Big Hill Gold Project. The drilling program targeted extensions to mineralization below historic underground workings at the Queenslander prospect, one of a number of high-grade historic mines in the Talgai Goldfield. The drilling successfully demonstrated structural continuity of the mineralized vein system ~100m down dip from the base of historical workings. Assay results returned from ALS-Global Brisbane showed low-grade intercepts across the vein and altered wallrock, including 10m @ 0.49g/t Au from 97m (BH013) but this initial, modest program did not intersect the higher-grade shoots reported in historical production records.
- On August 24, 2022, the Company announced that Blair Way had stepped down as Chief Executive Officer. Alicia Milne, the Company's President, assumed the role of CEO.
- On November 15, 2022, the Company announced the appointment of Simon Cohn to the Board of Directors.
- On November 28, 2022, the Company announced it had entered into an agreement with 9219-8845 Quebec Inc., a private Quebec company dba Canadian Mining House ("CMH") and certain investors in CMH ("CMH Nominees") to acquire a 100% interest in the 86 square kilometre Mia Lithium Property in the Eeyou Istchee James Bay Territory of Quebec, Canada.
- On December 19, 2022, the Company announced it had received TSX approval for the acquisition of the Mia Property. In consideration, the Company completed the first payment of 6,500,000 common shares and \$200,000 cash.
- On December 19, 2022, the Company completed a non-brokered private placement of a total of 12,500,000 units (each, a "Unit") at a price of \$0.10 per Unit for gross proceeds of \$1,250,000. Each Unit consisted of one common share of the Company (each, a "Share")

and one half of one common share purchase warrant (each whole warrant, a “Warrant”). Each Warrant is exercisable into one additional Share at a price of \$0.305 for two years after the date of issuance. Directors of the Company participated in the private placement for an aggregate 331,612 units.

- On December 21, 2022, the Company announced the results from sampling programs completed on the Mia Property.
- On December 22, 2022, the Company held its Annual General Meeting with all matters passing.
- On January 5, 2023, the Company announced that effective January 9, 2023, the Company’s shares would commence trading on the TSX Venture Exchange under the new name Q2 Metals Corp. and the trading symbol would change from “OZAU” to “QTWO”.
- On January 10, 2023, the Company announced the appointment of Jason McBride as the head of corporate communications.
- On January 10, 2023, the Company announced it had granted 2,300,000 stock options to directors, officers, and consultants of the Company to purchase an aggregate 2,300,000 common shares in the capital of the Company at an exercise price of \$0.42 per share until January 10, 2028.
- On January 23, 2023, the Company announced the appointment of Neil McCallum as a Director and Vice President of Exploration.
- On February 23, 2023, the Company completed a non-brokered private placement of 12,908,333 units of the Company raising aggregate gross proceeds of \$10,250,000 as follows:
 - 6,250,000 units of Q2 at a price of \$1.04 per unit (the “Series C Units”). Each Series C Unit will consist of one flow-through common share of Q2 (a “FT Share”) and one share purchase warrant, entitling the holder to acquire one additional non-flow-through common share of Q2 at a price of \$1.25 per share for a period of two years (a “Warrant”);
 - 1,350,000 units of Q2 at a price of \$0.75 per unit (the “Series R Units”). Each Series R Unit will consist of one FT Share and one Warrant; and
 - 4,975,000 units of Q2 at a price of \$0.50 per unit (the “NFT Units”). Each NFT Unit will consist of one non-flow-through common share of Q2 and one Warrant.

Gross proceeds from the sale of the FT Shares will be used to incur during 2023 “Canadian exploration expenses”, as defined in the *Income Tax Act* (Canada) (the “Tax Act”), on the Mia Property in Quebec that the Company will renounce to the subscribers pursuant to

the Tax Act with an effective date not later than December 31, 2023, and that qualify as “flow-through critical mineral mining expenditures”, as defined in the Tax Act. Where applicable, gross proceeds from the sale of the FT Shares from purchasers in Québec will also qualify as exploration expenses under the *Taxation Act* (Québec). Proceeds from the sale of the NFT Units will be used for general working capital.

Highlights Subsequent to the Year Ended February 28, 2023 and to the Date of this Report:

- On March 2, 2023, the Company outlined its exploration plans for 2023. The Company continued its compilation of historical data and review of high-resolution satellite imagery at the Mia Property with plans to conduct orientation-style geophysical surveys, consisting of ground-IP/resistivity and ground gravity at the Mia Property as well as conduct a property-wide high-resolution airborne magnetic survey. A detailed mapping and sampling program was planned to commence as soon as weather and snow-cover permitted, with the spring work program to commence shortly after May 20th, to respect the local Cree Nation goose harvesting season of the Eeyou Istchee James Bay Territory from April 20th to May 20th, or as soon as snow-free conditions allow. A 10,000 m drilling campaign will follow with the first phase of drilling expected to commence in July, with up to two drill-rigs and continue until September.

The Company also announced it acquired, for the cost of staking, the Stellar Property consisting of 77 claims totaling 3,972 hectares approximately 6 km north of the Mia Property. The Stellar Property contains a strike-length of approximately 13 km of the equivalent Yasinski Group volcano-sedimentary (greenstone belt) rocks. The Stellar Property is located relatively close to infrastructure, at only about 30 km from the nearest highway and powerline corridor and brings Q2’s total land area within the Eeyou Istchee James Bay Territory to 248 mineral claims totaling 12,640 hectares.

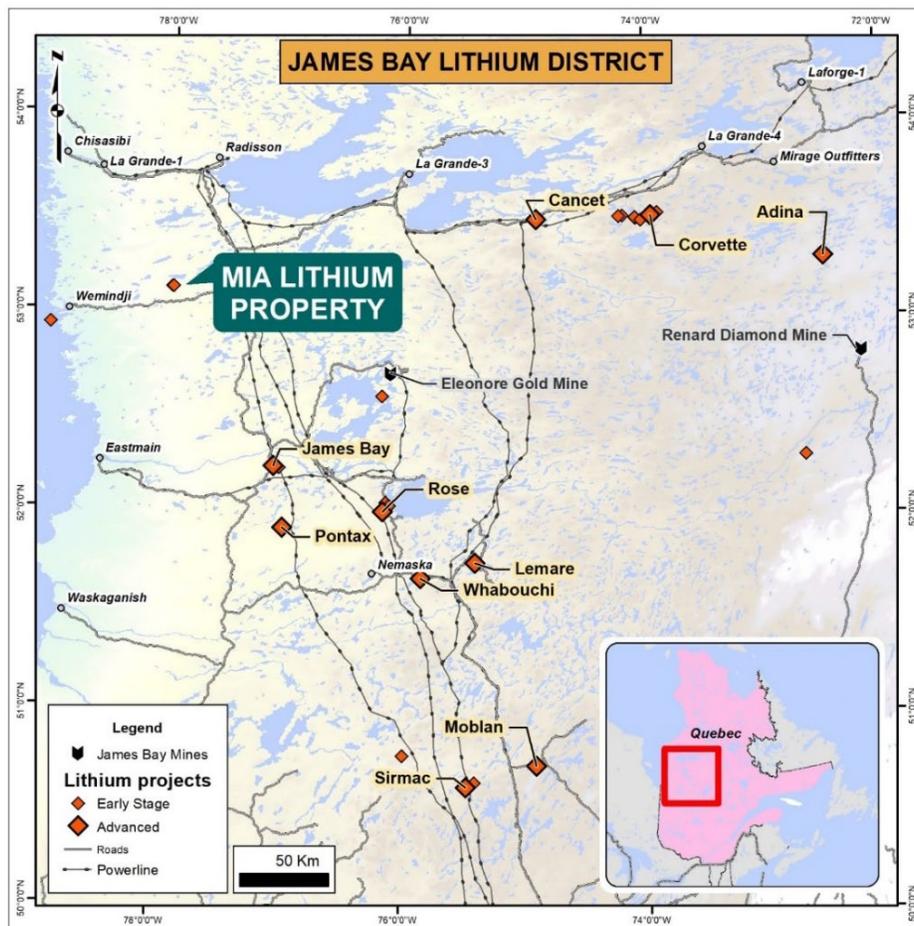
- On March 2, 2023, the Company granted 1,250,000 stock options to directors, officers, and consultants of the Company to purchase an aggregate of 1,250,000 common shares in the capital of the Company at an exercise price of \$0.85 per share until March 2, 2028.
- On April 3, 2023, the Company announced it had commenced the Phase 1 of the 2023 exploration campaign at the Mia Property which consisted of ground induced polarity, resistivity and detailed airborne magnetic surveying to support the exploration campaign.
- On April 26, 2023, the Company announced it had completed Phase 1 of the 2023 exploration campaign at the Mia Property. Surface geophysics, consisting of Induced Polarity and Resistivity surveying was completed on the western half of the approximately 8-km long lithium exploration trend.
- On May 31, 2023, the Company announced that it had initiated Phase 2 of its 2023 exploration campaign, which included surface mapping/prospecting, rock sampling, airborne magnetic and LiDAR surveys at the Mia Lithium Property.

- On June 5, 2023, the Company announced that Phase 2 of the 2023 exploration campaign had been temporarily halted due to active forest fires in Northern Quebec. The Quebec Ministry of Natural Resources and Forests had banned forest access and closed all roads in the Eeyou Istchee James Bay Territory and as a result, the crew and equipment were withdrawn from the Mia Property and camp.

Mineral Properties

Mia Lithium Property

The Mia Property is comprised of 170 mineral claims, located 62 km East of Wemindji Community in the Eeyou Istchee James Bay Territory, Quebec. The lithium mineral showings are located approximately 10 kilometres from the nearest highway.

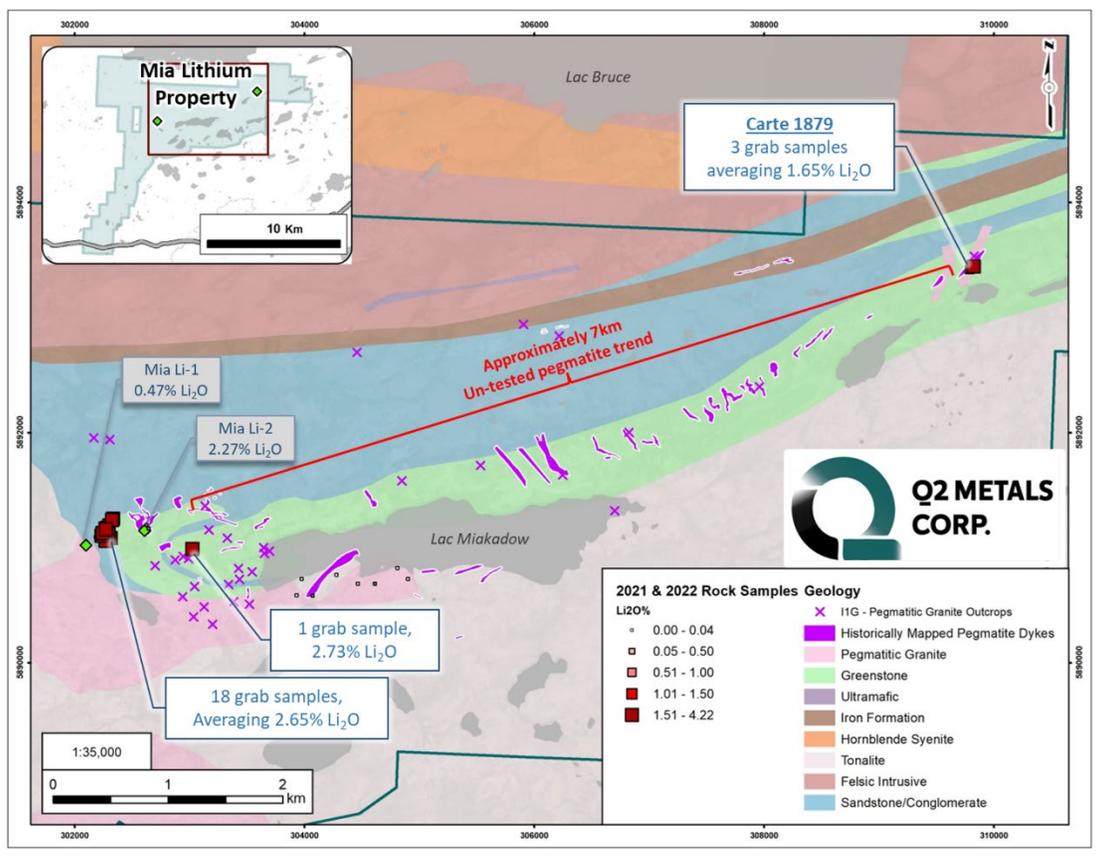


The Mia Property geology is part of the Yasinski Lake area, identified by narrow greenstone belt slivers, belonging to volcanic rocks and related sediment the Yasinski Group and pierced by syn-tectonic tonalite and granodiorite suite. The Property is situated in the western extremity of this geological area, covering various lithologies and favourable structures, known to host spodumene bearing pegmatites. The southern half of the Property covers a northeast limb of the Vieux Comptoir granite and a concordant intrusive body described as a spodumene granite on

SIGEOM, the Quebec provincial government’s geomining information system: https://sigeom.mines.gouv.qc.ca/signet/classes/I1108_afchCarteIntr.

Historical work by Main Exploration Company Ltd. in 1959 ([GM10200](#)) reported several spodumene-bearing pegmatites on the Property and mapped an 8.3 km trend of discontinuous pegmatite intrusions. SIGEOM lists nine metallic deposits directly on the Mia Lithium property including two for lithium, namely Mia Li-1 and Mia Li-2. Carte 1879 is listed as a spodumene mineral deposit as no assays were recorded for it.

The westernmost mineral showings Mia-Li1 and Mia-Li2 were sampled in 1997 by Quebec government geologists and assays returned grades of 0.47% Li₂O and 2.27% Li₂O respectively. Numerous pegmatite intrusions have been recorded along the 8.3 km long trend but were never followed up for their lithium potential. The 1959 report also details that the pegmatite dykes are as much as 100 feet (30.5 metres) in width and are commonly zoned, with spodumene crystals described as being as much as 2 feet (0.61 metres) in length.



2021 & 2022 Sampling Details

A total of 17 pegmatite outcrop grab samples were collected in 2021 by Services Géologiques T-Rex Inc. of Rouyn-Noranda, Québec (“SGT”), with the aim of verifying the Mia Li-1 and Mia Li-2 lithium occurrences (Figure 1, Table 1). The sample results confirmed the Mia Li-1 occurrence with five grab samples averaging 2.31% Li₂O, but were not able to confirm the Mia Li-2 occurrence

with two grab samples returning background lithium. One sample was collected 700 metres east of the Mia Li-1 area with 2.73% Li₂O (herein named MIA 3). Additionally, nine samples were collected south of Lac Miakadow to test a coarse-grained granitic rock type that is outside of the main trend and returned background lithium.

A follow-up sampling program was conducted in fall 2022, with nineteen pegmatite outcrop grab samples collected by SGT for CMH (Figure 1, Table 1). Thirteen samples were collected in the Mia Li-1 area and further confirmed the occurrence with an average grade of 2.79% Li₂O. Additionally, three samples were collected in the Carte 1879 occurrence and for the first time verified spodumene at this location with the results averaging 1.65% Li₂O. Three samples were collected from a pegmatite occurrence, outside of Figure 1 and returned only background levels of lithium.

Collectively, the sampling from 18 outcrop grab samples at the Mia Li-1 occurrence (5 in 2021 and 13 in 2022) have an average grade of 2.65% Li₂O.

Table 1 - Results Table, 2021 and 2022 Samples

Sample Year	Sample ID	Li ₂ O (%)	Ta ₂ O ₅ (ppm)	Occurrence
2022	881540	2.30	6.6	Mia Li-1
2022	881541	3.25	7.8	Mia Li-1
2022	881536	1.64	16.7	Mia Li-1
2022	881531	3.68	4.3	Mia Li-1
2022	881545	1.31	20.3	Mia Li-1
2022	881537	2.67	24.7	Mia Li-1
2022	881542	3.49	9.6	Mia Li-1
2022	881539	3.25	17.2	Mia Li-1
2022	881538	2.97	2.1	Mia Li-1
2022	881534	4.22	15.1	Mia Li-1
2022	881544	2.50	6.0	Mia Li-1
2022	881543	2.43	10.7	Mia Li-1
2022	881535	2.50	16.0	Mia Li-1
2021	E6410654	0.02		Mia Li-1
2021	E6410659	3.01		Mia Li-1
2021	E6410662	4.37		Mia Li-1
2021	E6410664	1.05		Mia Li-1
2021	E6410667	3.10		Mia Li-1
2022	881546	0.66	26.5	Carte 1879
2022	881547	3.40	4.3	Carte 1879
2022	881548	0.88	171.0	Carte 1879
2021	V881514	2.73		MIA 3
2021	E6410678	-		Mia Li-2
2021	E6410679	-		Mia Li-2
2022	881530	0.01	1.3	Regional
2022	881533	-	2.1	Regional

Sample Year	Sample ID	Li2O (%)	Ta2O5 (ppm)	Occurrence
2022	881532	0.01	0.6	Regional
2021	E6410690	0.01		MIA SOUTH
2021	E6410695	0.03		MIA SOUTH
2021	E6410704	-		MIA SOUTH
2021	E6410707	0.02		MIA SOUTH
2021	E6410714	0.02		MIA SOUTH
2021	E6410714 (B)	0.02		MIA SOUTH
2021	E6410720	-		MIA SOUTH
2021	E6410722	0.02		MIA SOUTH
2021	E6410725	0.01		MIA SOUTH

2023 Exploration Work

On March 2, 2023, the Company outlined its 2023 Exploration plans:

- Q1: Continued historical data compilation and review of high-resolution satellite imagery at the Mia lithium property;
- Q1/Q2: Commencement of field program which will include geophysical surveys to guide a detailed mapping and sampling campaign at the Mia lithium property;
- Q3: Commencement of 10,000-metre inaugural drilling campaign at the Mia lithium property, with rolling results expected throughout Q3 and into Q1 2024.

Phase 1

The Company continued the compilation of historical data and review of high-resolution satellite imagery at the Mia Property and completed its Phase 1 2023 exploration campaign in April, 2023. Surface geophysics, consisting of induced polarity and resistivity (IP-resistivity) surveying, were completed on the western half of the approximately eight-kilometre-long lithium exploration trend. The Company is awaiting the results of interpretation before deciding whether to complete the eastern half of the trend.

The IP-resistivity geophysical survey was carried out by TMC Geophysique out of Val d'Or, Que., and focused on the western section of the greenstone belt within the Mia Property and spanned approximately 4 kilometres, with 11 lines at 100-metre line spacing. IP-resistivity is a geophysical tool that has traditionally been used in gold and base metal exploration, but has been useful in identifying resistive rock units, such as pegmatite, as at the James Bay deposit of Alkem Inc.

Phase 2

Phase 2 of the 2023 Exploration program, including surface mapping/prospecting, rock sampling, airborne magnetic and lidar surveys, was scheduled to begin shortly after May 20 to respect the

local Cree Nation goose harvesting season of the Eeyou Istchee James Bay Territory which runs from April 20 to May 20, and as soon as snow-free conditions allow.

The high resolution airborne magnetic surveying will provide property-wide coverage to guide the exploration team to define potential pegmatite bodies at depth by outlining regional geological corridors and magnetic susceptibility variations that may directly be caused by pegmatite intrusions. A property-wide LiDAR survey will be conducted to provide high-quality topographic control and add to the pegmatite targeting toolkit, providing precise local surface control for detailed geological modelling at the drilling stage.

Phase 2 of the 2023 exploration program is based out of a local Wemindji owned and operated camp. The Company has secured all the required drilling and helicopter contracts for its inaugural drill program this summer as well.

The Company's exploration team mobilized in late May and immediately began the surface mapping/prospecting and rock sampling program to explore and identify drill targets along the approximately 8-km long lithium trend, located within a greenstone belt where numerous occurrences of high-grade spodumene pegmatites were sampled at a reconnaissance-scale in 2021 and 2022.

The Phase 2 field activities were temporarily halted on June 5, 2023 due to active forest fires in Northern Quebec. The Quebec Ministry of Natural Resources and Forests has banned forest access and closed all roads in the Eeyou Istchee James Bay Territory. As a result, the exploration team and equipment were withdrawn from the Mia Property and camp.

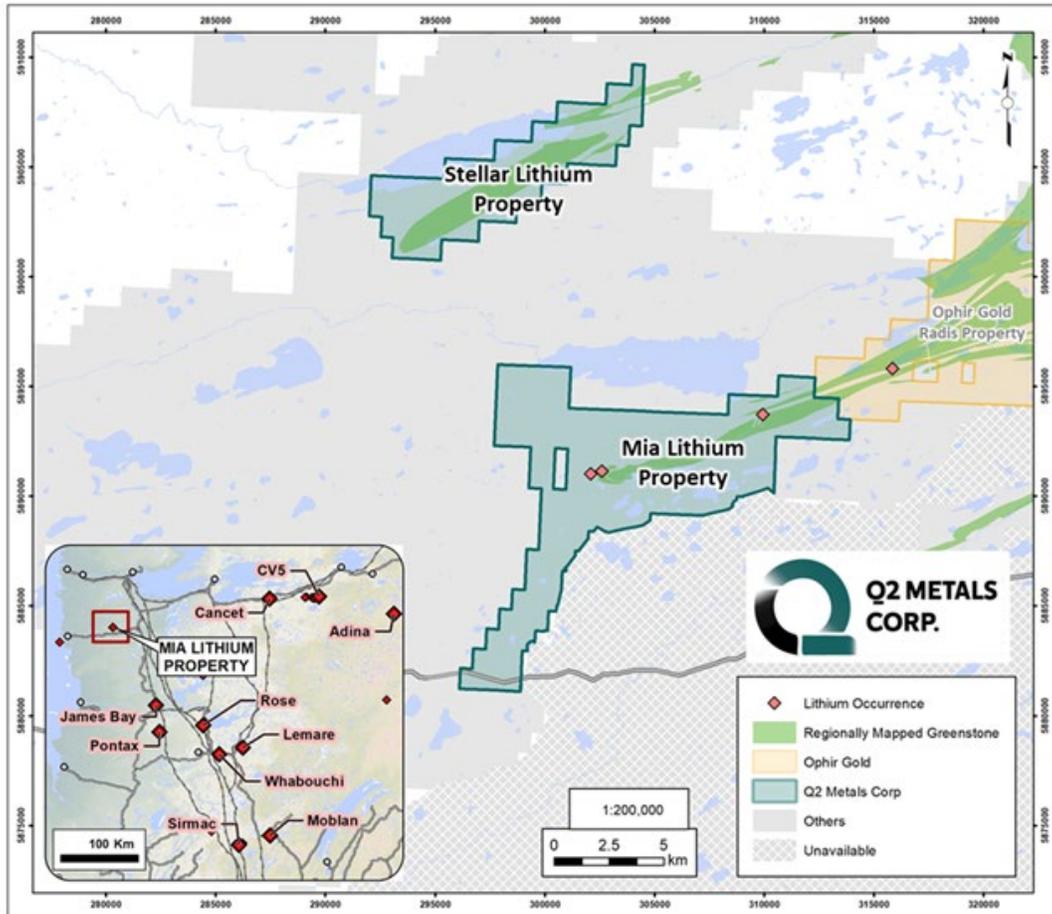
As of the date of this MD&A, exploration activities in the Eeyou Istchee James Bay Territory are still prohibited by the Quebec Ministry of Natural Resources and Forests.

Stellar Property

The Company acquired the Stellar Property for the cost of staking and is comprised of 77 claims totaling 3,972 hectares in the Eeyou Istchee James Bay Territory, Quebec, Canada.

The Stellar Property has seen minimal historical exploration yet holds potential for spodumene-bearing pegmatite due to the regionally mapped greenstone belt rocks on the property. The majority of the spodumene-bearing LCT-style pegmatites in the Eeyou Istchee James Bay Territory are hosted within greenstone-belt rock types.

The Company intends to explore the Stellar Property along-side the spring/summer exploration work that is planned at the Mia Property.



Big Hill & Titan Gold Projects

The Big Hill Gold Project consists of a single Exploration Permit (“EPM”) EPM 18255 covering 24km² and includes two discrete granted mining leases (“ML”) owned by Big Hill on the EPM. The EPM, which is within the Talgai Goldfield, covers the historic mines of Big Hill (ML50287), Queenslander, Monte Cristo and Sultan & Taylor (ML50286).

The Talgai Goldfield is one of eight historical Goldfields in the broader Warwick-Texas District active in the late 19th century, which include Canal Creek, Thanes Creek, Leyburn, Palgrave, Pikedale, Lucky Valley and MacDonald Goldfields. The bulk of production in the historical mines of EPM18255 and the broader Warwick-Texas District occurred from initial discovery in 1864 until the early 1900s. Small-scale activity continued during intermittent periods in the 20th century with many of the larger historic mines remaining under mining leases and which have had limited modern exploration over the main lode deposits to date.

Parts of EPM18255 have been covered by exploration permits almost continuously since 1980 as part of gold exploration programs within the broader Texas–Warwick district. The work programs involved varying amounts of mapping, stream sediment, soil and rock chip sampling.

The Titan Gold Project, contiguous to the Big Hill Gold Project, covers 109km² with 40 historic small scale high-grade mines under a single Exploration Permit 27507. Like the Big Hill Gold Project, Titan has had little modern exploration conducted since the 1980's and gives the Company a wider range of targets to explore for the source of the historic gold mines.

Big Hill Gold Project Acquisition

On September 3, 2021, the Company signed a definitive Share Sale Agreement (the "Big Hill Agreement") with Mining Projects Accelerator Pty Ltd. ACN 629 011 196 ("MPX"), a private Australian company, pursuant to which the Company acquired MPX's ownership of 80% of the outstanding common shares (each, a "Big Hill Share") of Big Hill Gold Mining Company Pty Ltd. ACN 081 474 179 ("Big Hill"). Big Hill holds a 100% interest in an exploration permit and two mining licenses comprising the Big Hill Gold Property located in Queensland, Australia (the "Big Hill Gold Property").

Pursuant to the terms of the Big Hill Agreement, the Company acquired all of the shares that MPX owned in Big Hill, equal to 80% of the outstanding Big Hill Shares (the "Sale Shares") and assumed all of the rights and obligations of MPX as a shareholder of Big Hill. In consideration for the purchase of the Sale Shares, the Company issued 17,500,000 common shares of the Company (the "Payment Shares") to MPX and pro rata to its shareholders at a fair value of \$0.17 per Payment Share. The Big Hill Acquisition received TSX approval on December 1, 2021 and on December 17, 2021, the Company acquired an additional 15% of the outstanding Big Hill Shares, increasing its shareholdings to 95% of the total outstanding Big Hill Shares by paying \$275,325 CAD (AU\$300,000) to the minority shareholder of Big Hill.

The remaining 5% of the shares of Big Hill may be acquired from the minority shareholder for AU\$700,000. Upon the Company acquiring the remaining 5% of Big Hill the non-controlling interest will receive a 0.75% net smelter royalty.

Titan Gold Project Acquisition

On January 28, 2022, the Company completed a definitive Share Sale Agreement (the "Orefox Agreement") with Orefox Exploration Pty Ltd. ACN 636 974 420 ("Orefox Exploration"), a private Australian company, pursuant to which the Company acquired 100% of the outstanding common shares of Orefox Titan Pty Ltd. ACN 640 056 131 ("Orefox Titan"). Orefox Titan holds a 100% interest the Titan Gold Project.

Pursuant to the terms of the Orefox Agreement, the Company acquired all of the shares that Orefox Exploration owned of Orefox Titan and assumed all of the rights and obligations of Orefox Exploration as a shareholder of Orefox Titan. In consideration for the purchase of the Sale Shares, the Company issued 300,000 common shares of the Company to Orefox Exploration at a deemed price of \$0.35 per share. At the acquisition date, the sole assets of Orefox Titan consisted of the Titan Gold Property only.

Exploration Work

Exploration over the EPM completed by MPX in 2020 comprised surface geochemical sampling including rock chips and soils, a ground magnetic survey and 2 diamond drillholes. In March, 2022, the Company commenced an initial exploration program on the Big Hill Project which consisted of two overlapping stages, with Phase 1 involving surface work for drill target identification and Phase 2 consisting of drilling at high priority targets.

The Phase 1 surface field program was designed to verify the locations of historical drill collars, adits and open-cut locations as well as property-wide prospecting, rock sampling, soil sampling, and channel cutting in outcrops, historic workings, adits and other areas of interest.

Phase 2 of the exploration program consisted of an 11 hole, 1,457 meters RC drill campaign that targeted extensions to the mineralization below historic underground workings at the Queenslander mine. The drilling successfully demonstrated structural continuity of the mineralized vein system ~100m down dip from the base of historical workings and assay results returned from ALS-Global Brisbane showed low-grade intercepts across the vein and altered wallrock, including 10m @ 0.49g/t Au from 97m (BH013).

Preliminary field work on the Titan Gold Project was included in the first phase of the Big Hill Gold Project exploration program to determine key areas of interest. A limited rock and soil sampling program was completed and sent for lab analysis at ALS-Global Brisbane. A rock sample of quartz veining from the Guiding Star prospect returned 4.63 g/t Au, however the remaining rock and soil sample results were not significant.

Selected Annual Financial Data

The following selected financial data is derived from the audited financial statements of the Company prepared in accordance with IFRS.

	Year ended February 28, 2023	Year ended February 28, 2022	Year ended February 28, 2021
		\$	\$
Operations			
Revenues	-	-	-
Expenses	1,898,841	1,432,921	181,345
Net Loss	1,898,841	2,251,394	163,666
Balance Sheet			
Working Capital	11,238,880	1,012,909	(318,704)
Total Assets	19,361,507	4,794,807	909,278

Results of Operations

The Company had a net loss of \$1,898,841 (\$0.04 per share) during the year ended February 28, 2023, compared with a net loss of \$1,432,921 (\$0.17 per share) during the year ended February

28, 2022. No revenues were earned in either period. The significant expenses for the periods include the following:

- Advertising and promotions (2023: \$212,565; 2022: \$134,968) increased due to additional marketing costs incurred by the Company promoting the new properties;
- Consulting fees (2023: \$346,500; 2022: \$225,881) and legal fees (2023: \$169,193; 2022: \$37,664) both increased due to the increased business activities of the Company and the acquisition of new projects; and
- Share-based compensation (2023: \$936,338, 2022: \$826,000) increased due to the options granted during the period.

Summary of Quarterly Results

The following selected information has been extracted from the Company's unaudited quarterly financial statements. All amounts stated are stated in Canadian dollars in accordance with IFRS.

	February 28, 2023	November 30, 2022	August 31, 2022	May 31, 2022
		\$	\$	\$
Revenue (loss)	Nil	Nil	Nil	Nil
Net income (loss)	(1,386,666)	(111,251)	(213,694)	(187,230)
Net (loss) per share	(0.03)	(0.00)	(0.01)	(0.00)
Total assets	19,361,507	4,464,288	4,311,353	4,564,838
Working capital	11,238,880	479,942	406,020	678,964
Total liabilities	1,902,919	185,977	131,644	171,435
Equity	17,458,587	4,278,311	4,179,709	4,393,403

	February 28, 2022	November 30, 2021	August 31, 2021	May 31, 2021
	\$	\$	\$	\$
Revenue (loss)	Nil	Nil	Nil	Nil
Net income (loss)	(2,059,938)	(135,078)	(32,421)	(23,957)
Net (loss) per share	(0.05)	(0.03)	(0.01)	(0.00)
Total assets	4,782,749	2,392,572	913,491	908,744
Working capital	1,012,909	878,689	(402,856)	(360,835)
Total liabilities	202,116	618,303	424,769	387,601
Equity	4,580,633	1,774,269	488,722	521,143

Liquidity and Capital Resources

The Company is dependent on raising funds by the issuance of shares, borrowings or subsequent disposition of interests in mineral properties it may own or otherwise acquire in order to finance further acquisitions, undertake exploration of other mineral properties and meet general and administrative expenses in the immediate and longer term.

As at February 28, 2023, the Company had cash and cash equivalents of \$12,010,842 as compared to \$946,403 at February 28, 2022. The Company had a working capital of \$11,238,880 at February 28, 2023, compared with a working capital of \$1,012,909 at February 28, 2022.

The future funding needs of the Company are dependent upon the Company's ability to obtain additional equity and/or debt financing. The inability to raise adequate financing would jeopardize the Company's ability to maintain its property. The Company continues to closely monitor its ongoing requirements and to explore all methods of raising additional funds. There can be no certainty that such additional funds may be raised when required.

Fourth Quarter

The Company had a net loss of \$1,386,666 (\$0.03 per share) during the three months ended February 28, 2023, compared with a net loss of \$2,059,938 (\$0.41 per share) during the three months ended February 28, 2022. No revenues were earned in either period. The significant expenses for the periods include the following:

- Consulting fees (2023: \$208,755; 2022: \$170,881) and legal fees (2023: \$156,307; 2022: \$18,130) both higher due to increased business activities of the Company and the acquisition of new projects; and
- Share-based compensation (2023: \$936,338, 2022: \$826,000) increased due to the options granted during the period.

Related Party Transactions

During the years ended February 28, 2023 and 2022, the Company incurred the following transactions with officers or directors of the Company:

	2023	2022
Key management compensation* - cash	\$ 318,000	\$ 271,500
Compensation – share-based compensation	\$ 590,300	\$ 531,000

* Key management includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including the Company's executive officers and certain members of its Board of Directors.

Officers and directors of the Company and companies controlled by such individuals were owed \$19,996 as at February 28, 2023 (2022 – \$121,500) for services rendered and for expenses incurred in the ordinary course of business. The amounts are unsecured, non-interest bearing with no fixed terms of repayment.

On April 1, 2022, the Company transferred its Nevada Rose, Angelo Bell, Coral Zinc and Round Pond properties to its wholly-owned subsidiary Minfocus International Inc. ("MFI") and on May

30, 2022, the Company sold MFI to a former director, now an arm's length party, as settlement for aggregate amounts owing of \$60,000.

Outstanding and Convertible Common Shares

The total issued and outstanding shares of the Company total 75,748,693 as February 28, 2023 (2022: 40,348,146).

On December 2, 2022, the Company issued 6,500,000 shares with a fair value of \$3,152,500 in connection with the acquisition of the Mia Property.

On December 15, 2022, the Company completed a non-brokered private placement of 12,500,000 units (each, a "Unit") at a price of \$0.10 per Unit for gross proceeds of \$1,250,000. Each Unit consists of one common share of the Company (each, a "Share") and one half of one common share purchase warrant (each whole warrant, a "Warrant"). Each Warrant is exercisable into one additional Share at a price of \$0.305 for two years after the date of issuance. Directors of the Company participated in the private placement for an aggregate 331,612 units.

On February 23, 2023, the Company completed a non-brokered private placement of 4,975,000 units at a price of \$0.50 per unit (the "NFT Units") for gross proceeds of \$2,487,500. Each NFT Unit consists of one non-flow-through common share and one warrant, entitling the holder to acquire one additional non-flow-through common share at a price of \$1.25 per share for a period of two years.

On February 23, 2023, the Company completed a non-brokered private placement of 333,333 units at a price of \$0.75 per unit (the "Additional Units") for gross proceeds of \$250,000. Each Additional Unit consists of one non-flow-through common share and one warrant, entitling the holder to acquire one additional non-flow-through common share at a price of \$1.25 per share for a period of two years.

On February 23, 2023, the Company completed a non-brokered private placement of 6,250,000 units at a price of \$1.04 per unit (the "Series C Units") for gross proceeds of \$6,500,000. Each Series C Unit consists of one flow-through common share (a "FT Share") and one share purchase warrant, entitling the holder to acquire one additional non-flow-through common share at a price of \$1.25 per share for a period of two years. A total of 312,500 units ("Finder Units"), consisting of one common share and one warrant ("Finders Unit Warrants") and an additional 625,000 warrants ("Finder's Warrants") were issued to Churchill SIG Pty Ltd. of Subiaco, Western Australia. Each of the Finder's Unit Warrants are each exercisable into one Share at a price of \$1.25 per share for a period of two years, and the Finder's Warrants are each exercisable into one Share at a price of \$0.50 per share for a period of two years.

On February 23, 2023, the Company completed a non-brokered private placement of 1,350,000 units at a price of \$0.75 per unit (the "Series R Units") for gross proceeds of \$1,012,500. Each Series R Unit consists of one FT Share and one Warrant; entitling the holder to acquire one additional non-flow-through common share at a price of \$1.25 per share for a period of two

years.

Gross proceeds from the sale of the FT Shares will be used to incur during 2023, “Canadian exploration expenses”, as defined in the Income Tax Act (Canada) (the “Tax Act”), on the Mia Property in Quebec that the Company will renounce to the subscribers pursuant to the Tax Act with an effective date not later than December 31, 2023, and that qualify as “flow-through critical mineral mining expenditures”, as defined in the Tax Act. Where applicable, gross proceeds from the sale of the FT Shares from purchasers in Québec will also qualify as exploration expenses under the Taxation Act (Québec). Proceeds from the sale of the NFT Units will be used for general working capital.

Subsequent to February 28, 2023 and up to the date of this report, 513,500 share purchase warrants priced at \$0.25 per share were exercised for gross proceeds of \$128,375, 484,339 share purchase warrants priced at \$0.305 per share were exercised for gross proceeds of \$147,723, and 100,000 stock options priced at \$0.20 were exercised for gross proceeds of \$20,000.

During the year ended February 28, 2023, 3,054,000 share purchase warrants priced at \$0.25 were exercised for gross proceeds of \$763,500, 100,000 share purchase warrants priced at \$0.305 were exercised for gross proceeds of \$30,500, and 25,714 stock options priced at \$0.40 were exercised for gross proceeds of \$10,286.

The following is a breakdown of the share capital of the Company, on an annual basis and the date of this report:

	June 28, 2023	February 28, 2023	February 28, 2022
Common Shares	83,346,532	75,748,693	40,348,146
Stock Options	7,154,286	6,004,286	3,889,428
Warrants	24,654,694	25,652,533	9,484,700
Fully Diluted Shares	115,155,512	107,405,512	53,722,274

The following table summarizes information about stock options outstanding and exercisable at the date of this report:

Number of Options	Exercise Price	Expiry Date	Number of Exercisable Options
204,285	\$0.35	September 9, 2025	204,285
3,400,000	\$0.20	December 7, 2026	3,400,000
2,300,000	\$0.42	January 10, 2028	2,300,000
1,250,000	\$0.85	March 2, 2028	1,250,000
7,154,285			7,154,285

On March 2, 2023, the Company issued 1,250,000 stock options to directors and consultants. The options are exercisable at the price of \$0.85 per share until March 2, 2028

On December 7, 2021, the Company granted 3,500,000 stock options to directors, officers, and

consultants of the Company to purchase 3,500,000 common shares in the capital of the Company at an exercise price of \$0.20 per share until December 7, 2026. A fair value of \$826,000 was determined using the Black-Scholes valuation model. The following weighted average assumptions were used: share price - \$0.24; dividend yield – 0%; expected volatility – 206.30%; risk free interest rate – 1.48%; and expected life – 5 years. The options vested immediately upon grant.

The following table summarizes information about warrants outstanding and exercisable at the date of this report:

Number of Warrants	Exercise Price	Expiry Date	Number of Exercisable Warrants
5,020,000	\$0.25	December 1, 2023	5,020,000
123,200	\$0.25	December 1, 2023*	123,200
5,665,661	\$0.305	December 19, 2024	5,665,661
12,908,333	\$1.25	February 23, 2025	12,908,333
625,000	\$0.50	February 23, 2025*	625,000
312,500	\$1.25	February 23, 2023*	312,500
24,654,694			24,654,694

On July 3, 2022, 774,000 warrants priced at \$0.25 expired unexercised.

A total of 406,000 warrants were exercised during the year ended February 28, 2022. Each warrant was exercised into one common share of the Company at a price of \$0.25 per share for gross proceeds of \$101,500.

Financial Risk Factors

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate, foreign exchange rate, and metals price risk).

Risk management is carried out by the Company's management team with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if the Company's access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or related to matters specific to the Company. The Company generates cash flow primarily from its financing activities. As at February 28, 2023, the Company had a cash balance of \$12,010,842 (2022 - \$946,403) to settle current liabilities of \$1,902,919 (2022 - \$202,116). All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. The Company regularly

evaluates its cash position to ensure preservation and security of capital as well as maintenance of liquidity. The Company has no other contractual obligations other than trade and other payables. As discussed in Note 1 of the condensed interim consolidated financial statements, the Company's ability to meet its obligations and carry out its planned exploration activities is uncertain and dependent upon the continued financial support of its shareholders and securing additional financing.

Market risk

(a) Interest rate risk

The Company has cash balances and no interest-bearing debt, other than the debt owing to a (former) director discussed above. The Company's current policy is to invest excess cash in guaranteed investment certificates or interest-bearing accounts of select major Canadian chartered banks. The Company regularly monitors compliance to its cash management policy.

(b) Foreign currency risk

The Company's functional and reporting currency is the Canadian dollar and a significant portion of the Company's expenditures are transacted in Canadian dollars. As a result, the Company's exposure to the foreign currency risk is minimal at this time but may increase as the Company develops its Australia-based properties.

(c) Commodity price risk

The Company is exposed to price risk with respect to base and precious metal prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to price movements and volatilities. The Company closely monitors prices to determine the appropriate course of action to be taken by the Company.

(d) Credit risk

Credit risk is the risk of an unexpected loss if a third party to a financial instrument fails to meet its contractual obligations. Credit risk for the Company is primarily associated with amounts receivable, which is comprised of GST/HST receivable due from the Government of Canada. The Company has no significant concentration of credit risk arising from its operations. Management believes that the credit risk concentration with respect to amounts receivable is low.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Significant Accounting Policies and Estimates

The preparation of consolidated financial statements requires management to establish accounting policies, estimates and assumptions that affect the timing and reported amounts of

assets, liabilities revenues and expenses. These estimates are based on historical experience and on various other assumptions that management believes to be reasonable under the circumstances and require judgement on matters which are inherently uncertain. Details of the Company's significant accounting policies and new standards not yet adopted by the Company can be found in the audited consolidated financial statements for the year ended February 28, 2023.

Forward Looking Statements

This discussion includes certain statements that may be deemed "forward-looking statements". All statements in this discussion, other than statements of historical facts, which address future production, reserve potential, exploration activities and events or developments that the Company expects, are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, continued availability of capital and financing, and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance, that the Company expressly disclaims any responsibility for revising or expanding the forward-looking statements to reflect actual results or developments, and that actual results or developments may differ materially from those projected, in the forward-looking statements.

Readers are referred to the more detailed information described in other disclosure documents filed with the applicable Canadian securities regulatory authorities and available at www.sedar.com.