



LMEI
LAURION MINERAL
EXPLORATION INC.

**MANAGEMENT'S DISCUSSION AND
ANALYSIS FOR THE NINE MONTHS
ENDED SEPTEMBER 30, 2022 AND 2021**

LAURION Mineral Exploration Inc. Management's Discussion and Analysis

This Management's Discussion and Analysis ("MD&A") provides discussion and analysis of the financial condition and results of operations of LAURION Mineral Exploration Inc. (together with its subsidiary, "the Company" or "LAURION") for the nine months ended September 30, 2022, and should be read in conjunction with the condensed interim consolidated financial statements and the accompanying notes which have been prepared in accordance with International Financial Reporting Standards.

The MD&A is the responsibility of management and is dated as of November 18, 2022.

All dollar amounts in the MD&A are stated in Canadian dollars unless otherwise indicated.

The scientific and technical content and interpretations contained in this MD&A have been reviewed and approved by Jean Philippe Paiement, P.Geo., MSc., a consultant to LAURION, and a "qualified person", as defined by Canadian National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("NI 43-101").

Additional information relating to the Company is available on SEDAR at www.sedar.com and the Company's website at <http://LAURION.ca> or by contacting Cynthia Le Sueur-Aquin, President and Chief Executive Officer of the Company, at LAURION Mineral Exploration Inc., 40 King Street West, Suite 5800, Toronto, ON M5H 3S1, Telephone: 705 788-9186, Fax: 705 805-9256, email: clesueuraquin@LAURION.ca.

Forward-Looking Statements

This MD&A may contain, without limitation, statements concerning possible or assumed future operations, performance or results preceded by, followed by or that include words such as "believes", "expects", "potential", "anticipates", "estimates", "intends", "plans" and words of similar connotation, which would constitute forward-looking statements. Forward-looking statements are not guarantees. The reader should not place undue reliance on forward-looking statements and information because they involve risks and uncertainties that may cause actual operations, performance, or results to be materially different from those indicated in these forward-looking statements. The Company is under no obligation to update any forward-looking statements contained herein should material facts change due to new information, future events, or other factors. These cautionary statements expressly qualify all forward-looking statements in this MD&A.

See page 16 for Material assumptions and risk factors for forward-looking statements.

Description of Business

The Company is a public company engaged in the acquisition, exploration, and development of Canadian gold and base metal mineral resource properties. The Company is a reporting issuer in Ontario, Alberta and British Columbia and its common shares are listed for trading on the TSX Venture Exchange under the trading symbol "LME", and in the United States on the OTC under the trading symbol LMEFF.

The Company has a 100% interest in Ishkoday, a gold-rich and base metal property located 28 km northeast of the Town of Beardmore, Ontario, and 220 km northeast of Thunder Bay, Ontario and a 30% joint venture interest in Midlothian and Doon, a platinum group elements-nickel-copper-zinc-gold property located 80 km west-southwest of Kirkland Lake and 25 km west-southwest of the Town of Matachewan.

Exploration Projects

Ishkoday

The Company's emphasis is on the development of its flagship project, the 100% owned mid-stage 47 km² Ishkoday Project, and its gold-silver and gold-rich polymetallic mineralization with a significant upside potential.

The Ishkoday Project is located 220km northeast of Thunder Bay and 28km northeast of the town of Beardmore, and straddles the townships of Elmhirst, Walters, Pifher and Irwin. The Ishkoday Project has favourable year-round access and proximity to all services, including grid power and water supply, which management believes translates to lower exploration and development costs.

The Ishkoday Project is host to the Sturgeon River Mine, which operated between 1936 and 1942, producing 73,322 ounces of gold and 15,929 ounces of silver from the milling of approximately 145,123 tonnes of ore grading 17 g/t gold (Mackasey 1975). Gold is found in quartz veins, in pyrite and between pyrite and gangue minerals, but also in fractures and most commonly associated with pyrite-chlorite-sericite of the wall rocks. The Sturgeon River Mine is open at depth beyond the current diamond drill limit of -200m from surface, based on the historical mining to a -685 m depth, as evidenced in the past producing Sturgeon River Mine.

The Brenbar Property, which was acquired in 2020 and is contiguous with the Ishkoday Property, hosts the historic Brenbar Mine. The Company believes the mineralization to be a direct extension of mineralization from the Ishkoday Property.

As of November 18, 2022, the Company has a property-wide database of 419 diamond drill holes totalling 78,663 m, and several geophysics databases, forming an extensive GIS database. The Company has also completed property-wide detailed sampling, trenching and channel sampling, mapping and geochemical analyses.

Two mineralization styles have been identified on the Ishkoday:

- gold-and-zinc-rich volcanogenic veins/horizons; and
- orogenic style gold veins.

The Company holds the following interests in the Ishkoday Project situated in the Onaman-Tashota Greenstone Camp in the Irwin, Walters, Elmhirst and Pifher Townships:

100% interest:	Interest	Hectares
Ishkoday	15 mining leases	657
Ishkoday North	164 boundary and single cell claims	2,864
Ishkoday South	5 boundary cell claims	64
Ishkoday East	28 boundary and single cell claims	336
Jubilee-Elmhirst	4 mining leases	74
Beaurox	1 mining lease	447
		4,442
60% interest with an option to increase to a 100% interest:		
Brenbar	2 mining leases	255
		4,697

Jubilee-Elmhirst

The Company holds a 100% interest in Jubilee-Elmhirst, subject to a 2% net smelter return royalty. At any time, the Company has the option to reduce the royalty to 1% by making a payment of \$1,000,000.

Beaurox

The Company holds a 100% interest in Beaurox, subject to a 3% net smelter return royalty. At any time, the Company has the option to reduce the royalty to 1.5% by making a payment of \$1,500,000 or to 2% by making a payment of \$1,000,000.

Brenbar

The Company holds a 60% interest in Brenbar consisting of 2 leases covering 255 hectares contiguous and to the west of Ishkoday. The Company has an option to increase its interest to 100% by making option payments, issuing common shares and incurring exploration expenditures, as follows:

	Option	Common shares		Exploration
	payments	Number	Fair value	expenditures
	\$		\$	\$
December 18, 2021 (paid, issued and incurred)	25,000	100,000	72,000	100,000
December 18, 2022	25,000	100,000	–	100,000
	165,000	760,000	72,000	300,000

Midlothian and Doon

The Company owns a 30% joint venture interest in Midlothian which consists of 11 claims (152 claim units) covering 2,520 hectares located 80 km west-southwest of Kirkland Lake and 25 km west-southwest of the Town of Matachewan and Doon consisting of 1,721 hectares located adjacent to Midlothian. Doon is subject to the following:

- a) net smelter royalty of 2% covering 333 hectares which can be reduced to 1% by making a payment of \$1,500,000 plus a \$1,500,000 commercial payment; and
- b) net smelter royalty of 2% covering 1,388 hectares which can be reduced to 1% by making a payment of \$1,500,000 and commercial payment of \$1,500,000.

The joint venture will incur exploration expenditures. If a joint venture partner does not fund its proportionate interest in the joint venture, its interest will be diluted and, when its interest is reduced below 10%, its interest will be reduced solely to a 3% net smelter returns royalty on Midlothian (“Midlothian NSR”) and 1% net smelter returns royalty on Doon. The other joint venture partner will have the option to reduce the Midlothian NSR from 3% to 2% by making a payment of \$1,000,000.

On November 19, 2021, the Company and Canadian Gold granted an option to Canada Nickel Company Inc. (“Canada Nickel”) to acquire a 100% interest in Midlothian by making payments, issuing common shares and incurring exploration expenditures, as follows:

	Option payments \$	Common shares	Exploration expenditures \$
Upon grant of option (received)	50,000	100,000	–
November 19, 2022	–	–	500,000
May 19, 2023	100,000	35,000	–
February 19, 2024	200,000	70,000	–
November 19, 2024	300,000	105,000	–
November 19, 2025	400,000	140,000	2,000,000
	1,050,000	450,000	2,500,000

All option payments and common shares will be allocated 30% to the Company and 70% to Canadian Gold based on their respective joint venture interest at the time of payment. Effective February 16, 2022, the Company received an option payment of \$15,000 and 30,000 common shares of Canada Nickel with a fair value of \$88,800 and the Company recorded option income of \$82,408.

The Company and Canadian Gold retain a net smelter return royalty of 4% for gold and 2% for nickel with a commercial production payment of \$4,000,000.

Davidson-Tisdale and North Tisdale

As part of the consideration for the Company selling its interest in Davidson-Tisdale and North Tisdale in 2010, the Company received and continues to hold a 2% net smelter royalty payable on commercial production from certain mineral rights known as the North Tisdale.

Overall Performance

2022 Ishkoday Exploration Program Outline

In 2021, the Company retained Ronacher McKenzie Geosciences Inc. (“RMG”) of Sudbury, ON to work with LAURION in the design, execution, and geological management of exploration work on its Ishkoday Project. The Company’s engagement of the RMG provides consistency and accessibility to a variety and depth of diverse geological expertise with innovative approaches and new techniques, to achieve the next level exploration successes and development of efficient operations. The RMG group of geologists and geophysicists provided a unique combination of solutions for innovative targeting and resource development.

In January of 2022, LAURION announced that it would commence the planned 15,000-metre drilling program, completing 14,211.5 m in 46 drill holes. The goal of this drill program was to define the continuity of the Ishkoday mineralized system from the CRK to A - Zones, extending over 1.4 km strike length. Many of the targets were located in untested areas of the swamp between the A-Zone and McLeod Zone Area, hence winter conditions and freezing permitted access to these areas.

The diamond drilling commenced at the A-Zone to follow up on the southeast extension of gold and base metal-rich mineralized zones intersected in 2020.

In the 2022 drill program, nine drill holes were located in a swamp to the northeast of the McLeod zone and were designed to intercept the modelled gold-and zinc-rich veins and gold orogenic veins along the northeast-trending Ishkoday mineralized trend. Once spring conditions availed, three additional drill holes were planned and drilled in the swamp to target a large chargeability anomaly coinciding with interpreted mineralized horizons. The drill was then moved to the A-Zone to further investigate a newly opened area; and the continuity of the CRK and A-Zone.

In Q2-2022, LAURION announced the assay results for diamond drill holes LBX22-056 and 56A to LBX22-0561, which were designed to expand on the gold-and-zinc-rich mineralization at the A-Zone (See Press Releases April 19, 2022, and May 21, 2022)

The assay results below confirmed the continuity of the A-Zone to the southwest and intercepted the stacked gold- and zinc-rich epithermal and orogenic gold veins located in this newly drilled area. The gold- and zinc-rich epithermal and orogenic gold mineralization are highlighted below and were reported with the following intercepts:

- LBX22-057: 1.21g/t Au, 6.40% Zn and 0.80% Cu over 8.70 m, including 1.67 g/t Au, 10.56% Zn, and 0.79% Cu over 2.68 m; 1.75 g/t Au, 13.36% Zn and 2.09% Cu over 1.45 m
- LBX22-056a: 0.85 g/t Au, 1.98% Zn and 0.18% Cu over 3.45 m, including 1.55 g/t Au, 7.79% Zn and 0.27% Cu over 0.5 m
- LBX22-058: 1.55 g/t Au, 1.12% Zn, 0.11% Cu over 1.30 m, including 2.79 g/t Au, 1.85% Zn and 0.15% Cu over 0.70 m
- LBX22-059 from 141 m to 148 m: 7.00 m (5.60 m true width ("TW")) @ 0.14 g/t Au and 0.63% Zn; including 1.00 m (0.80 m TW) @ 0.38 g/t Au and 1.60% Zn and 1.00 m (0.80 m TW) @ 0.38 g/t Au and 1.84% Zn.
- LBX22-060 from 201.5 m to 209.9 m: 8.40 m (6.72 m TW) @ 0.62 g/t Au, 3.05% Zn and 0.15% Cu; including 1.00m (0.80m TW) @ 0.61g/t Au, 4.27% Zn and 0.19% Cu and 2.30 m (1.84 m TW) @ 1.15 g/t Au, 4.20% Zn and 0.23% Cu.
- LBX22-060 from 251m to 255 m: 4.00 m (3.20 m TW) @ 0.37 g/t Au, 2.90% Zn and 0.28% Cu; including 1.00m (0.80m TW) @ 1.21g/t Au, 10.70% Zn and 0.93% Cu.
- LBX22-061 from 327.5m to 329.1 m: 1.60 m (1.28 m TW) @ 1.31 g/t Au, 1.66% Zn and 0.36% Cu; including 0.50m (0.40m TW) @ 3.04g/t Au, 3.71% Zn and 0.75% Cu.
- LBX22-061 from 420 m to 422.6 m: 2.60 m (2.08 m TW) @ 1.11 g/t Au and 0.21% Zn; including 0.60m (0.48m TW) @ 3.49g/t Au and 0.01% Zn.

The drill was then moved to the northeastern portion of the A-Zone. The assay results reported below (See Press Release dated May 31, 2022), confirmed that the gold-and-zinc-rich synvolcanic mineralization extended to a depth over more than 240 m vertical. The drilling also identified a new mineralized structure, associated with the Behzik Shear Zone, bordering the northeastern edge of the A-Zone.

The depth extension of the A-Zone returned the following highlights:

- LBX22-063 from 173.5 to 175.25 m: 1.75 m (1.47 m true width (TW)) @ 0.52 g/t Au and 1.82% Zn.
- LBX22-064 from 234 to 239.95: 5.95 m (4.83m TW) @ 0.85 g/t Au, 0.54% Zn and 0.20% Cu. Including 1.95m (from 238 to 239.95m) @ 2.44 g/t Au, 1.58% Zn and 0.56% Cu.
- LX22-065 from 282 to 290 m: 8 m (6.69 m TW) @ 0.39 g/t Au, 2.48% Zn and 0.32% Cu. Including 1.00 m (from 289 to 290m) @ 1.68 g/t Au, 6.26% Zn and 1.12% Cu.

The new mineralized structure in association with the Behzik Shear returned the following highlights:

- LBX22-065 from 175.3 to 178.10 m: 2.80 m (2.24 m TW) @ 2.12 g/t Au, 3.07% Zn and 0.34% Cu.

This new mineralized structure, associated with the Behzik Shear Zone discovered in drill holes LBX22-063 to LBX22-065 is open to the southwest and the A-Zone remains open at depth. The extensions were further tested by drill holes LBX22-077, LBX22-078, LBX22-079 and LBX22-080.

Drill holes LBX22-072 and 074 tested a potential N-S zone at 300m depth, of the A-Zone which was found to hold mineralization. Holes LBX22-073, located to 205 m to the northeast of drill holes LME11-013 (3.22g/t Au, 27.5g/t Ag, 0.38% Cu and 5.63% Zn over 3.10 metres) in the Ahki Zone area, has also confirmed the northeast extension of this system.

Drill holes LBX22-075 and 076 successfully confirmed the southwestern continuity of the McLeod Zone at depth. Drill holes LBX22-077 to 082 also tested the potential extension of the A-Zone mineralization to the southwest between the A-Zone and McLeod Zone, with current results confirming the continuity of the mineralized system.

Highlights from the assays results comprising LBX22-072 to LBX22-080, nine (9) diamond drill holes (See Press Release dated August 31, 2022), returned the following:

- LBX22-075 – from 398.40 to 400.0 m: 1.60 m (1.28 m TW) @ 2.79 g/t Au, 0.34% Cu and 31.66 g/t Ag

The drill was then moved to an area between the McLeod and CRK Zones, to test the possible southeastern extents of the McLeod Zone. Anomalous gold-silver-zinc mineralization was intersected in each of the six (6) recently completed drill holes linking the A-Zone and McLeod Zones for more than 200 m along strike (See Press Release June 14, 2022). Highlights from these six diamond drill holes returned the following results:

- LBX22-066 from 106.00 to 130.50 m: 24.50 m (22.26 m TW) @ 0.43 g/t Au, 3.86 g/t Ag and 0.49% Zn; including 2.20 m @ 0.87 g/t Au, 1.07% Zn and 7.55 g/t Ag.
- LBX22-067 from 63.00 to 64.40 m: 1.40 m (1.04 m TW) @ 0.70 g/t Au and 0.84 g/t Ag.\
- LBX22-068 from 32.35 to 34.40 m: 1.95 m (1.57 m TW) @ 1.66 g/t Au, 0.70% Zn, and 7.79 g/t Ag.
- LBX22-068 from 197.00 to 211.20 m: 14.20 m (11.24 m TW) @ 0.26 g/t Au, 0.43% Zn, and 1.97 g/t Ag.
- LBX22-069 from 100.10 to 101.40 m: 1.30 m (0.97 m TW) @ 1.16 g/t Au and 0.85 g/t Ag.
- LBX22-069 from 174.95 to 179.00 m: 4.05 m (3.02 m TW) @ 0.41 g/t Au, 0.26% Zn, and 1.70 g/t Ag.
- LBX22-070 from 12.06 to 14.00 m: 1.94 m (1.57 m TW) @ 0.29 g/t Au, 0.11% Zn, and 2.74 g/t Ag.
- LBX22-071 from 65.00 to 84.50 m: 19.50 m (15.00 m TW) @ 0.22 g/t Au and 1.02 g/t Ag; including 4.50 m @ 0.54 g/t Au, and 2.72 g/t Ag.
- LBX22-071 from 126.30 to 138.00 m: 11.70 m (8.92 m TW) @ 0.31 g/t Au, and 2.11 g/t Ag; including 5.30 m @ 0.51 g/t Au, and 3.65 g/t Ag, and 2.80 m @ 0.82 g/t Au; 1.09% Zn, and 5.41 g/t Ag.

Drill Holes LBX22-081 to LBX22-089, nine (9) diamond drill holes confirmed the continuity of the mineralization in an undrilled area between the CRK and McLeod Zones, and expanded the A-Zone to McLeod Zone strike length by 400m to 1.4km in undrilled areas, significantly expanded the mineralized

trends and also confirming that the stacked vein system remains open at depth and along strike (See Press Release Dated October 18, 2022).

Drill holes LBX22-083 and 085 were located approximately 45 m NW of drill holes LBX20-020 and 021, targeting a high-grade sulphide zone at the McLeod Zone, 400 m southwest of the A-Zone. This area is interpreted to represent the confluence of the A-Zone syn-volcanic mineralization and the orogenic mineralization associated with the Niish Shear Zone.

Drill hole LBX22-084 was drilled 108 m southwest of drill hole LBX20-083 and approximately 127 m northwest of drill hole LBX20-021, which targeted the southwest extension of the high-grade sulphide zone at the McLeod Zone, 400 m southwest of the A-Zone.

Drill hole LBX086 was set back 75m to northwest of drill holes LBX22-083 and 085 and targeted an undrilled strong I.P. chargeability high and resistivity low anomaly on the McLeod Zone. Drill hole LBX22-087 was set back 123m to southwest of drill hole LBX22-085 and targeted an undrilled strong I.P. chargeability high anomaly on the McLeod Zone.

Drill hole LBX22-088 is located 80 m southwest of drill hole LBX22-084 and tested the continuity of a strong I.P. chargeability high anomaly below the McLeod Zone and is associated with the Niish Shear Zone.

Drill hole LBX22-089 is located 100 m NE of drill hole LBX22-088. This hole targeted the southeastern continuity of high-grade sulphide zone in the McLeod Area, 400 m southwest of the A-Zone. Past drilling in the area (LBX20-021) returned assay results of 5.95 g/t gold, 29.6 g/t silver over 0.49 m; 6.98 g/t gold, 15.2 g/t silver, 1.93% zinc over 0.57 m; and 0.89 g/t gold, 4.0 g/t silver and 1.04 % zinc over 14.08 m (See Press Release dated 25 October 2022).

Continuity from A-Zone to McLeod Zone in this undrilled area and at depth, was confirmed in the following highlighted intercepts:

LBX22-087 from 167 to 169 m: 1.86 m (1.49 m TW) 2.77 g/t Au, 4.58% Zn, 0.09% Cu and 1.09g/t Ag, including 5.77 g/t Au, 8.40 g/t Ag, 0.17% Cu and 1.80% Zn over 1.8m (0.69 m TW).

- LBX22-089 from 70.50 to 73.05 m: 2.55 m (2.04 m TW) 2.50 g/t Au, 7.96 g/t Ag and 1.17% Zn Including 0.55m of 8.91 g/t Au.

The 2022 drill program tested areas with strong density of lineaments identified by a 2021 LiDAR survey, where minimal drilling and exploration were previously completed. Winter conditions and freezing permitted excellent access to areas of planned drilling, located in a swamp.

The drill program defined new drill targets, which were tested in this drilling program, significantly increasing the mineral exploration potential of the Ishkoday Au-Zn-Cu-Ag deposit; and expanded the stacked vein system in the A-Zone and McLeod zone area from an area of 1.1 km by 250 m to 1.5 km by up to 400 m in the A-Zone and up to 600 m in the McLeod Zone.

The Company is most pleased with the success of the 2022 drilling and mapping programs, which have demonstrated that the stacked vein systems remain open at depth, along strike, and to both the northwest and southeast, suggesting that the mineral exploration potential of the Ishkoday Au-Zn-Cu-Ag deposit could well increase with continued targeted future drilling and explorations programs.

The majority of the stacked vein systems on the Ishkoday occur from surface to a 300 m vertical depth, indicating that the potential volume of the stacked vein system was increased in 2022 drilling across the A-Zone and McLeod zone.

To date, 419 drill holes for a total of 78,663 m have been drilled on the Ishkoday.

The Company is still awaiting assay results for 5 drill holes.

2022 Ishkoday Mapping Program

In June 2022, LAURION commenced a geological mapping program at a scale of 1:2,500 in the A-Zone, McLeod and CRK Zones, covering the northeastern part of the Ishkoday mineralized trend (over an area of 2.5 km by 1.5 km), along strike with the Sturgeon River historic gold mine. The mapping program was designed to help unravel the structural complexity of the area, identify key alteration profiles and increase the current mineral exploration potential of the Ishkoday Au-Zn-Cu-Ag veins.

A hand-stripping, power-washing and channel sampling program commenced in advance of the mapping program, with the aim of exposing key areas to the west of the McLeod and CRK Zones; and assisting with the critical structural and alteration mapping, which is crucial to enhancing the 3D model and future drill targeting. These key exploration activities are key to the confirmation of the continuity and expansion of the mineralized strike length.

Downhole Televiwer Program

On September 26, 2022, DGI Geoscience Inc. (DGI) of Toronto, was retained to complete the surveying of twenty-four (24) NQ diamond drill holes and the televiwer survey of seven (7) NQ diamond drill holes with an Optical Viewer and for and physical rock property (PRP) probes: Density, Chargeability/Resistivity, Magnetic Susceptibility, and Inductive Conductivity.

The survey and downhole televiwer program were completed by October 15, 2022. The technical data once received will be provided to Terrane Geoscience for data processing.

Downhole Televiwer survey data enables the Company's technical team to characterize any conditions of subsurface in considerable detail. Structural data collection from the drill core relies on the ability to be accurately oriented with respect to the drill holes required to for accurate drilling targeting on the Ishkoday and to create superior 3D interpretations and accurate geological models, which contributes significantly to increased efficiency and quality in our exploration programs.

Ore Sorting Technology

As announced on September 9, 2022, the Company is jointly studying with DRA Americas Inc. ("DRA") the potential application of ore sorting technology to monetize the available material through recovery of contained gold within the stockpiles and/or existing shaft at the Company's wholly owned Ishkoday project.

The Company is currently in discussions with DRA to potentially provide consulting and engineering services to develop the stockpile and shaft-based project. It is currently contemplated that, pursuant to such an engagement, DRA would conduct all the technoeconomic studies and also manage any additional metallurgical test work that may be required. The planned studies in regard to the project would be stage gated with the goal of producing a final feasibility study. Further details of any engagement with DRA will be provided when available.

Exploration Outlook

LAURION is focused on validating the existence of near surface bulk mineralization in gold-silver and gold-zinc rich polymetallic component which extends over a 6 km strike within a 1 km corridor. Within this corridor, three major gold-mineralized trends, Sturgeon River Mine, M25/Marge and Loki Trend (A-Zone, CRK and McLeod Zone), which extends along strike for 2+km, 1.8+km and 3+km, respectively were identified.

The 2022 drilling expanded the stacked vein system in the A-Zone and McLeod Zone area from an area of 1.1 km by 250 m to 1.5 km by up to 400 m in the A-Zone and up to 600 m in the McLeod Zone. The mineralized trend remains open at depth and on strike.

The 2022 drill program has helped prove the continuity of the current mineralized zones while also identifying new exploration targets. The above noted results significantly increase the mineral exploration potential of the Ishkoday Au-Zn-Cu-Ag deposit.

Assays for the remaining 5 drill holes from LBX22-090 to LBX22-094 are in progress and as such are still awaited. Once all assay results are received together with the televiewer data, and all data has been integrated into the Ishkoday database and 3D model, this will enable LAURION and the technical team to commence the detailed planning of the 2023 winter and summer diamond drilling and exploration program. LAURION is currently estimating an approximate 8,000 m drill program, mapping, excavation and trench stripping and channel sampling program on three trench areas. Drill hole targeting for this drill program has not yet been finalised until all the data has been integrated into the 3D model.

On September 27, 2022, LAURION completed a flow through financing for the amount of \$2,013,104. Use of proceeds for this amount will be used to conduct the exploration program for the above activities in 2023.

Exploration and Evaluation Expenditures

During the nine month period ended September 30, 2022, the Company incurred \$3,348,578 (2021 - \$2,547,960) in exploration and evaluation expenditures.

The following is a breakdown of the material components of the Company's exploration and evaluation expenditures for the nine months ended September 30, 2022 and September 30, 2021:

	Ishkoday Project \$
For the nine months ended September 30, 2022	
Exploration and evaluation expenses	
Administrative and supplies	99,751
Assay analysis	443,329
Claim and maintenance fees	21,674
Drilling	1,500,189
Equipment rental	35,297
Exploration and field support	460,001
Exploration survey	31,993
Geophysical	11,500
Geotechnical	657,753
Stockpile evaluation and development	87,091
	<u>3,348,578</u>
For the nine months ended September 31, 2021	
Exploration and evaluation expenses	
Administrative and supplies	144,036
Assay analysis	288,039
Claim maintenance fees	19,599
Drilling	1,308,975
Equipment rental	29,892
Exploration and field support	454,264
Geophysical	30,750
Geotechnical	44,269
Stockpile evaluation and development	160,544
Structural evaluation	67,592
	<u>2,547,960</u>

Corporate Developments

On October 5, 2022, the Company announced the appointment of Tyler Dilney as the Company's Chief Financial Officer. In connection with Mr. Dilney's appointment, the Company has accepted the resignation of Miles Nagamatsu as Chief Financial Officer of the Company. The Company also announced that, pursuant to its stock option plan, the Company granted incentive stock options to Mr. Dilney to acquire a total of 250,000 common shares of the corporation, exercisable for a period of five years at an exercise price of \$0.95, subject to vesting requirements.

Results of Operations

As an exploration and development company, the Company has yet to generate any revenue from its planned operations and has, to date, incurred annual net losses from operating expenses. The Company is dependent on equity or other external financings to fund the Company's mineral exploration and evaluation operations and to fund all of the Company's general and administrative expenses. As a result, the Company expects to incur operating losses until such time that an economic mineral resource is identified, developed and put into profitable commercial production on one or more of the Company's mineral properties or the Company profitably sells one of more of its resource properties.

During the nine month period ended September 30, 2022, the Company incurred a loss of \$3,928,077, compared to a loss of \$3,229,892 for the nine month period ending September 30, 2021, an increase of \$698,185. Significant variances between the nine months ended September 30, 2022 and September 30, 2021 are discussed below.

During the nine month period ended September 30, 2022, the Company incurred exploration and evaluation expenditures of \$3,348,578 (2021 - \$2,547,960). The increase of \$800,618 in the current period is as a result of the increased exploration and drilling completed in the current period. During the nine month period ended September 30, 2022, the Company was in the process of completing a 15,000 m drill program which was an increase of 5,000 m over the comparable prior period.

During the nine month period ended September 30, 2022, the Company incurred director bonuses of \$36,250 (2021 - \$100,694). The decrease in the current period of \$64,444 results from the fact that bonuses are granted by the Company's Board of Directors from time to time on a discretionary basis, which is based on whether a director of the Company made unusually time-consuming contributions to the Company in a specified fiscal year within their current role as a director. Consequently, the amount of director bonuses may vary significantly from period-to-period.

The Company recorded non-cash share-based compensation expense of \$99,621 attributable to the estimated value of stock options earned and vested during the nine month period ended September 30, 2022. In the prior period, the Company recorded an expense of \$309,199, resulting in a decrease of \$209,578 in the current period. Differences period over period are largely attributable to size and timing of the options granted in each period.

On February 16, 2022, the Company received \$15,000 cash and 30,000 common shares of Canadian Nickel Company Inc. with a fair value of \$88,800, for the Midlothian option granted to Canadian Nickel Company Inc. As a result of this transaction the Company recorded total option income of \$82,408 for the period ended September 30, 2022. As a result of a change in the fair value of Canadian Nickel Company Inc. common shares received, as at September 30, 2022, the Company recorded an unrealized loss on marketable securities of \$45,000 (2021 - \$Nil).

During the nine month period ended September 30, 2022, the Company incurred public company costs of \$75,871 (2021 - \$23,105). The increase of \$52,766 from the prior period is largely as a result of the increased fees associated with the Company's annual listing fees.

Summary of Quarterly Results

	September 30, 2022 \$	June 30, 2022 \$	March 31, 2022 \$	December 31, 2021 \$
Working capital	7,587,836	8,217,704	7,960,560	6,865,902
Exploration expenditures	887,620	1,456,977	1,003,981	361,384
Net loss	(1,108,984)	(1,681,789)	(1,137,304)	(518,188)
Net loss per share basic and diluted	(0.004)	(0.007)	(0.005)	(0.002)
	September 30, 2021 \$	June 30, 2021 \$	March 31, 2021 \$	December 31, 2020 \$
Working capital	5,907,044	5,001,156	1,247,295	1,431,293
Exploration expenditures	1,078,794	1,307,489	161,677	669,654
Net loss	(1,260,737)	(1,516,345)	(452,810)	(953,962)
Net loss per share basic and diluted	(0.005)	(0.007)	(0.002)	(0.005)

The significant items impacting the Company's net loss are primarily from the changing levels of financing available, and the timing and size of exploration programs. Changing levels in exploration and evaluation expenditures fluctuate according to field activities at the Company's exploration properties.

Liquidity, Financial Position, and Capital Resources

As an exploration and development company, the Company has yet to generate any revenue from its planned operations and has, to date, incurred annual losses from operating expenses. To date the Company has financed its operations with equity financings and the proceeds on the exercise of stock options warrants. The Company is dependent on equity or other external financings to fund the Company's mineral exploration and evaluation operations and to fund all of the Company's general and administrative expenses. As a result, the Company expects to incur operating losses until such time that an economic mineral resource is identified, developed and put into profitable commercial production on one or more the Company's mineral properties or the Company profitably sells one or more of its mineral properties.

As at September 30, 2022, the Company had working capital of \$7,587,836 with an unrestricted cash balance of \$7,560,461. The Company had a restricted cash balance of \$1,955,722 which is not available for working capital purposes and must be expended exclusively for Canadian Exploration Expenditures by December 31, 2023.

During the nine month period ended September 30, 2022, the Company's operations used \$3,847,518 (2021 - \$2,797,679) of cash. The increased cash used in the current period of \$1,049,839 is largely a result of the increased exploration and drilling activity conducted in the current period compared to the comparable prior period.

During the nine month period ended September 30, 2022, the Company received \$143,167 (2021 - \$47,495) from the exercise of 1,663,333 (2021 - 249,983) stock options and \$1,574,513 (2021 - \$4,865,848) from the exercise of 5,271,831 (2021 - 27,463,251) warrants. Of the stock options exercised during the nine month period ended September 30, 2022, the President and Chief Executive Office of the Company, Cynthia Le Sueur-Aquin, exercised 1,530,000 stock options.

Estimated Working Capital Requirements for 2022	\$
Corporate and general costs	650,000
Brenbar option payment	25,000
Brenbar option exploration	100,000
Total	775,000

Corporate and general costs for the years ended December 31, 2021 and 2020 were approximately \$685,000 and \$575,000, respectively. For the year ended December 31, 2022, the Company estimates its corporate and general costs at approximately \$650,000. For the nine months ended September 30, 2022, the Company incurred corporate and general costs of approximately \$579,000.

Management is of the opinion that sufficient working capital will be obtained from equity financings and the exercise of stock options and warrants to meet the Company's liabilities and commitments as they become due. Based on the closing price of \$0.58 per common share on November 17, 2022, exercisable in-the-money stock options and warrants, if exercised, would provide proceeds of \$813,103.

Financing and Used of Proceeds

On September 27, 2022, the Company closed a non-brokered private placement consisting of flow-through (FT) units. Pursuant to the private placement, the Company issued 1,917,242 FT units at a subscription price of \$1.05 per FT Unit, for aggregate gross proceeds to the Company of \$2,013,104. Each FT Unit consists of one common share of the Company and one-half of one common share purchase warrant. Each warrant entitles the holder thereof to acquire one non flow-through common share of the Company at a price of \$1.15 per share for a period of 12 months from the date of issuance. The gross proceeds of the private placement will be used for "Canadian exploration expenses" (within the meaning of the Tax Act), which will qualify, once renounced, as "flow-through mining expenditures", as defined in the Tax Act, which will be renounced with an effective date of no later than December 31, 2022.

The following table sets out the stated use of proceeds from the flow-through financing completed on September 27, 2022:

Principal Purpose	Estimated Amount to be Expended \$
Ishkoday Project	
Winter drilling	600,000
Channel sampling	40,000
Assays	323,000
Mapping program	50,000
Summer drilling	1,000,000
Total	2,013,000

The Company is planning on using the proceeds to complete the above noted purposes before December 31, 2023.

Transactions with Related Parties

	For the nine month period ended September 30, 2022			
	Fees \$	Director bonus \$	Stock-based compensation \$	Total \$
Key Management Personnel				
AquinTerra Inc. ("AquinTerra"), a company controlled by Cynthia Le Sueur-Aquin, for exploration services and her services as Chief Executive Officer	274,750	–	2,281	218,531
John Covello for his services as a director	–	18,125	32,740	50,865
Michael Burmi for his services as a director	–	–	6,206	6,206
Nick Ierfino for his services as a director	–	18,125	31,056	49,181
Marlborough Management Limited, a company controlled by Miles Nagamatsu, for his services as Chief Financial Officer	58,500	–	5,521	64,021

During the nine month period ended September 30, 2022, the Company paid rent of \$600 (2021 - \$2,700) to AquinTerra.

Outstanding Share Data

Authorized:

- Unlimited number of common shares
- Unlimited number of special shares, voting, redeemable, convertible, participating
- 500,000 Class A shares, voting, non-redeemable, convertible, non-participating

Outstanding: 255,969,855 common shares.

Stock Options

Pursuant to a stock option plan approved on October 4, 2010, the Company may grant stock options to its directors, officers, employees and consultants for up to 10% of the number of common shares outstanding. The maximum term of each option is 10 years and the exercise price shall not be less than the closing price of the common shares prevailing on the date of the grant, less a discount up to 25% in accordance with the policies of the TSX Venture Exchange.

All outstanding options granted under the Original Option Plan will remain outstanding and be governed by the terms of the Original Option Plan. The Original Option Plan allowed the Company to issue options to directors, officers and service providers, enabling them to purchase common shares. The Company set aside 4,000,000 common shares for the exercise of options granted pursuant to the plan. Each option granted under the plan had a maximum term of five years. The exercise price was determined by the Board of Directors at the time the option is granted and was subject to regulatory approval.

During the nine month period ended September 30, 2022, the Company received \$143,167 on the exercise of 1,663,333. Of the stock options exercised, the President and Chief Executive Officer of the Company, Cynthia Le Suer-Aquin, exercised 1,530,000 stock options on June 15, 2022. On January 11, 2022, the Company granted 58,000 stock options to directors the Company with an exercise price of \$0.82 and an expiry date of five years from the grant date. On October 5, 2022, the Company granted 250,000 stock options to an officer of the Company with an exercise price of \$0.95 and an expiry date of five years from the grant date.

As at the date of this MD&A the Company has 5,547,036 stock options outstanding, as detailed below:

Exercise price	Expiry date	Number of stock options exercisable	Number of stock options outstanding
\$0.17	February 14, 2025	250,000	250,000
\$0.17	June 2, 2025	1,250,729	1,250,729
\$0.23	December 14, 2025	935,778	1,403,674
\$0.23	January 26, 2026	166,650	200,000
\$0.23	April 13, 2026	282,726	507,424
\$0.55	August 19, 2026	12,070	36,212
\$0.82	January 11, 2027	19,332	58,000
\$0.05	June 15, 2028	349,333	349,333
\$0.11	May 15, 2029	250,000	250,000
\$0.11	June 24, 2029	250,000	250,000
\$0.11	July 16, 2029	500,000	500,000
\$0.15	September 9, 2029	241,664	241,664
\$0.95	October 5, 2027	83,333	250,000
		4,591,615	5,547,036

Warrants

During the nine month period ended September 30, 2022, the Company received \$1,574,513 on the exercise of 5,271,831 warrants. On September 27, 2022, the Company completed a flow-through financing and issued 958,620 warrants with an exercise price of \$1.15 and an expiration date of September 27, 2023.

As at the date of this MD&A the Company has 2,843,585 warrants outstanding, as detailed below:

Outstanding:

Exercise Price	Expiry date	Number of warrants
\$0.82	December 8, 2022	1,328,299
\$0.26	December 30, 2022	240,000
\$0.82	December 30, 2022	316,666
\$1.15	September 27, 2023	958,620
		2,843,585

Off-Balance Sheet Arrangements

As at September 30, 2022, the Company had no material off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Company.

Proposed Transactions

Except as elsewhere disclosed in this document, there are no other proposed transactions under consideration.

Critical Accounting Policies and Estimates

The Company's accounting policies are described in Notes 4 of its audited consolidated financial statements for the year ended December 31, 2021.

Risks and Uncertainties

Going Concern

The Company is in the exploration stage and does not generate revenue. For the nine months ended September 30, 2022, the Company incurred a loss of \$3,928,077 (2021 - \$3,229,892) and a cashflow deficit from operations of \$3,847,518 (2021 - \$2,797,679). The losses and cashflow deficit from operations limit the Company's ability to fund operations and the acquisition, exploration and development of mineral resource properties.

The continued operation of the Company is dependent upon the Company's ability to secure equity financing to meet its existing obligations and finance the acquisition, exploration and development of mineral resource properties. The Company is actively seeking to raise the necessary advances and equity financing, however, there can be no assurance that additional financing will be available. These uncertainties may cast significant doubt about the Company's ability to continue as a going concern.

Exploration

The Company is exposed to the inherent risks associated with mineral exploration and development, including the uncertainty of mineral resources and their development into mineable reserves; the uncertainty as to potential project delays from circumstances beyond the Company's control; and the timing of production; as well as title risks, risks associated with joint venture agreements and the possible failure to obtain mining permits, fluctuations in commodity prices and government and environmental regulations.

Financial Instruments and Other Instruments

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Cash, restricted cash, accounts payable and accrued liabilities

The fair values of cash, restricted cash and accounts payable and accrued liabilities approximated their respective carrying value due to their short term to maturity.

Financial Risk Management

The Company's activities expose it to a variety of financial risks that arise as a result of its exploration and financing activities, including credit risk, liquidity risk and market risk.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included throughout these financial statements.

The Board of Directors oversees management's establishment and execution of the Company's risk management framework. Management has implemented and monitors compliance with risk management policies. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to market conditions and the Company's activities.

Credit Risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Company's cash and restricted cash. The Company's limits its exposure to credit risk on its cash by holding deposits with a Canadian chartered bank.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial liabilities that are settled in cash or other financial assets. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities as they come due, other than amounts owing to related parties. Accounts payable and accrued liabilities are subject to normal trade terms and the loan payable is due on demand.

Capital Management

Capital of the Company consists of share capital, warrants reserve, contributed surplus and deficit. The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern so that it can acquire, explore and develop mineral resource properties for the benefit of its shareholders. The Company manages its capital structure and makes adjustments based on the funds available to the Company in light of changes in economic conditions. The Board of Directors has not established quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain the future development of the Company. In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that consider various factors, including successful capital deployment and general industry conditions. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

As the Company is an exploration stage company and has no revenues, its principal source of capital is from the issuance of common shares or advances from related parties. In order to achieve its objectives, the Company intends to raise additional funds as required.

The Company is not subject to any other externally imposed capital requirements and there were no changes to the Company's approach to capital management during the year.

Material assumptions and risk factors for forward-looking statements

The following table outlines certain forward-looking statements contained in this MD&A and provides material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

Page	Forward-Looking Statement	Assumption	Risk Factor
12	Liquidity and Capital Resources "Management is of the opinion that sufficient working capital will be obtained from equity financings and the proceeds on the exercise of stock options and warrants to meet the Company's liabilities and commitments as they become due."	Equity financings and the proceeds on the exercise of stock options and warrants will be obtained.	The Company is unable to obtain future financing to meet its liabilities and commitments as they become due.
12	Based on closing price of \$0.58 per common share on November 17, 2022, exercisable in-the-money stock options and warrants, if exercised, would provide proceeds of \$813,103.	Exercisable stock options and warrants remain in-the-money and stock option and warrant holders exercise exercisable stock options and warrant holders.	The common share price declines and exercisable stock options and warrants fall out-of-the-money. Stock option and warrant holders do not exercise exercisable stock options and warrant holders.

Other Information

Additional information regarding the Company is available on SEDAR at www.sedar.com and on the Company's website at www.laurion.ca.