



Western Exploration
A Legacy of Discovery

WESTERN EXPLORATION, INC. (Formerly, Crystal Peak Minerals Inc.)
MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2022.

DATED: APRIL 11, 2023

WESTERN EXPLORATION, INC. (Formerly, Crystal Peak Minerals Inc.)**MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2022****Management Discussion and Analysis**

This Management's Discussion and Analysis ("MD&A") compares the financial results of Western Exploration Inc., formerly Crystal Peak Minerals, Inc. (referred to as "Western" or the "Company") for the year ended December 2022 ("fiscal 2022") with the comparable year in 2021 ("fiscal 2021"). This MD&A has been prepared as at April 11, 2023 and should be read in conjunction with the audited consolidated financial statements and accompanying notes for the year ended December 31, 2022 and the MD&A for all relevant periods.

Financial information for the year ended December 2022 and the year ended 2021 set forth in this MDA has been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

All amounts are presented in US\$ unless otherwise stated.

History of the Company

Western, formerly Crystal Peak Minerals, Inc. ("CPM"), was originally incorporated in the Yukon Territory, Canada on June 25, 2015. The Company commenced trading on the TSX Venture Exchange (the "TSXV") under the symbol "CPM." Effective November 13, 2020, the listing of the Company's common shares was transferred from the TSXV to the TSX NEX Board as a result of the corporate restructuring in connection with a Reverse Take Over transaction (the "RTO"). The Company's registered and records office is located at Suite 2500, Park Place, 666 Burrard Street, Vancouver, British Columbia. The Company has an operations and project office in the United States at Suite 140, 121 Woodland Avenue in Reno, Nevada.

On February 19, 2021, Western entered into a definitive arrangement agreement with CPM which outlined a Reverse Take Over of CPM by the Company. The arrangement agreement was amended by the parties on July 12, 2021, October 12, 2021, and November 9, 2021. The transactions described in the arrangement agreement were affected pursuant to a statutory plan of arrangement (the "Arrangement") under Part 9, Division 5 of the Business Corporations Act (British Columbia) (the "BCBCA"), following the continuance of CPM from the Yukon Territory to British Columbia, which was required in order for the arrangement to proceed under the BCBCA. CPM shareholders voted to approve the arrangement on December 15, 2021 and Supreme Court of British Columbia issued the approval of the arrangement on December 17, 2021.

On December 22, 2021, the Company changed its name from Crystal Peak Minerals Inc. to Western Exploration Inc. in conjunction with the RTO and resumed trading on the TSXV at the opening of the market under the new symbol "WEX" on January 19, 2022. On February 14, 2022, the Company also began trading on the OTCQX under the symbol of "WEXPF".

WESTERN EXPLORATION, INC. (Formerly, Crystal Peak Minerals Inc.)**MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2022****OVERVIEW**

Western is principally engaged in the evaluation, acquisition and exploration of precious metal properties located in the state of Nevada. The Company's projects contain exploration targets ranging from early-stage exploration to advanced-stage resource delineation and expansion. The Company's business model is to build shareholder value through systematic project advancement while concurrently maintaining an opportunistic approach to the acquisition of additional precious metals properties. All the Company's projects are conducted pursuant to claims, leases, permits, and licenses granted by appropriate authorities or on fee land leased by the Company. In the future, when deemed appropriate certain projects may be pursued on a joint venture basis to share the associated risk and to assist in the project funding.

Mineral Projects

Western has an interest in one exploration project in Nevada, the Aura Project, and had, up until October 5, 2021, a residual interest for an NSR and an exploration success payment at a former project, the Trout Creek project.

The Aura project is at an advanced exploration stage with numerous drilling campaigns having been completed and mineral resource estimates stated. The company continues an active exploration effort at Aura and has the financial resources to complete the Phase 1 exploration as proposed in the Technical Report with a budget of approximately \$2,840,000.

The Trout Creek project which was sold in 2019 was acquired from Doby George LLC in January 2019, for \$100,000 and subsequently sold to Marigold Mining Company ("Marigold") a subsidiary of SSR Mining with a future net smelter royalty of up to 1%, and a maximum top up payment based on new resources of up to \$4,000,000. The resulting sale of the property resulted in a gain of \$950,000. The future net smelter royalty and the top up payment were subsequently sold to Marigold for \$1,650,000 on October 5, 2021.

Aura Project, Elko County, Nevada

The Aura project is located one hundred kilometers north of the city of Elko and twenty kilometers south of Mountain City. The project is located on public lands within the Mountain City Ranger District of the Humboldt-Toiyabe National Forest. Exploration activities are conducted under the terms of approved Plans of Operation effective through 2028 and 2029 for Doby George and Wood Gulch-Gravel Creek, respectively. The project consists of 709 unpatented lode mining claims totaling 12,848 acres and mineral leases on 2,296 acres of fee land in nine different parcels. The property is subject to several NSR royalties of between 1 and 2%.

Mineral Resource Estimate

In May 2021, the Company updated the mineral resource estimate for the Aura Project to incorporate exploration results from the 2020 drill campaign. In addition, resources were reported at an \$1,800 gold price and were pit constrained at both Wood Gulch (Saddle and Southeast) and Doby George.

WESTERN EXPLORATION, INC. (Formerly, Crystal Peak Minerals Inc.)**MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2022**Estimated Indicated and Inferred Resources – Aura Project

INDICATED	Tonnes	Au (g/t)	Au (ozs)	Ag (g/t)	Ag (ozs)	Aueq (g/t)	Aueq(ozs)
Doby George ₁	12,922,000	0.98	407,000			0.98	407,000
Wood Gulch ₂							
Gravel Creek ₃	2,079,000	3.72	249,000	59.6	3,986,000	4.58	305,943
Total	15,000,001	1.36	656,000	59.6	3,986,000	1.48	712,943
INFERRED	Tonnes	Au(g/t)	Au(ozs)	Ag (g/t)	Ag(ozs)	Aueq (g/t)	Aueq(ozs)
Doby George ₁	4,999,000	0.73	118,000			0.73	118,000
Wood Gulch	4,359,000	0.66	93,000	5.8	808,000	0.74	104,543
Gravel Creek ₃	5,394,000	3.12	540,000	45.5	7,897,000	3.77	652,814
Total	14,752,000	1.58	751,000	27.8	8,705,000	1.84	875,347

\$1,800 Gold price, 70:1 Ag:Au ratio

1. Pit Constrained 0.2 g/tAu cutoff oxide, 0.3 g/tAu cutoff for mixed. 1.4 g/tAu for unoxidized

2. Pit Constrained 0.3 g/tAueq cutoff

3. 2.0 g/t Aueq cutoff

The Resource Estimate for the Aura Project was prepared by Derick Unger, CPG, Steven Ristorcelli, CPG, Peter Ronning, P.Eng. of Mine Development Associates (MDA) and Jack S. MacPartland, M.M.S.A. of McClelland Labs in accordance with NI 43-101. NI 43-101 of the Canadian Securities Administrators – Standards for Disclosure for Mineral Projects – requires that each category of mineral reserves and mineral resources be reported separately. Readers should refer to the Company's continuous disclosure documents available at www.sedar.com for this detailed information, which is subject to the qualifications and notes therein.

In October 2021, the Company updated the Aura Project Technical Report to include up-to-date disclosure on various elements of the land status and property payments made during the period from the completion of the Technical Report in May, 2021 and the filing of Information Circular for the RTO on November 12, 2021. The mineral resources in this period did not change but the recommendations for Phase 1 and 2 explorations were amended to allow for additional surface work to be completed in Phase 1 based on the results from drilling completed at Gravel Creek in 2020. The current Technical Report is current and has an effective date of October 14, 2021.

The Technical Report recommended a 2 Phase exploration program for both Gravel Creek and Doby George. At the end of Phase 2, the Company will have completed a Pre-Feasibility level study for Doby George and a Preliminary Economic Assessment for the Gravel Creek deposit.

Phase 1 includes, among other things, the following, with the overall work program (as summarized in Table 1 below):

- In respect of the Doby George area:
 - Complete up to 2,134m (7,000ft) of PQ core drilling in 10-12 holes within the in-pit resource to acquire oxide, mixed and unoxidized mineralization for cyanide leaching test work and

WESTERN EXPLORATION, INC. (Formerly, Crystal Peak Minerals Inc.)**MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2022**

geotechnical information, while also confirming the historical-drill assay grades and the geologic model. Four to eight of the holes will be completed in the West Ridge deposit and the remainder will be split between the Daylight and Twilight deposits (Estimated Cost: US\$1,471,000).

- Continued metallurgical testing to define the optimal heap-leaching conditions for oxidized material is planned using large-diameter columns. Mixed material, which has undergone very little metallurgical test work, will be tested. Unoxidized mineralization is untested and will receive little attention with respect to metallurgy. Large-diameter (PQ) core will provide sample material (Estimated Cost: US\$250,000).
- In respect of the Wood Gulch-Gravel Creek area:
 - Surface mapping, geochemical sampling and geophysics (IP and Resistivity) to define priority targets within the broad (1.5 x 4.0km) area of alteration within the Jarbidge volcanics north and northeast of Gravel Creek, and in between Gravel Creek and Wood Gulch, in preparation for 2022 exploration drilling (Estimated Cost: US\$170,000, including geologist time, geochemical sampling and geophysics).
 - Complete follow up metallurgical test work as recommended by McClelland Laboratories in 2020. This work will include testing concentrates with fine grinding and intense cyanidation to produce doré. Additional flotation test work will focus on minimizing arsenic contents in the precious metal concentrate (Estimated Cost: US\$50,000).

Table .1 Crystal Peak Estimated Phase 1 Recommended Budget

PHASE 1	TOTAL	NOTES
PERMITTING, BOND, FEES		
Reclamation Bond premiums	\$10,000	
Permitting and Bond	\$176,000	
County and BLM Claim Fees	\$125,000	
Subtotal Permit-Bond-Fees	\$311,000	TOTAL PERMIT-BOND-FEES
DRILLING		
Doby George:		
Access Road	\$50,000	<i>repair access road</i>
MET Drilling - PQ \$142/ft - \$464/m	\$994,000	<i>7,000ft (2,134m)</i>
Subtotal DG Drilling	\$1,044,000	TOTAL DRILL Doby George
Drilling Support		
General Drilling Expense+Assay \$23/ft - \$75/m	\$161,000	<i>7,000ft (2,134m)</i>
Road Construction drill support \$38/ft - \$125/m	\$266,000	<i>7,000ft (2,134m)</i>
Subtotal Drilling Support	\$427,000	TOTAL DRILL SUPPORT
METALLURGY		
Doby George	\$250,000	
Gravel Creek	\$50,000	
Subtotal Metallurgy	\$300,000	TOTAL METALLURGY
Mountain City Field Costs		
	\$160,000	

WESTERN EXPLORATION, INC. (Formerly, Crystal Peak Minerals Inc.)**MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2022**

PHASE 1	TOTAL	NOTES
<i>Subtotal Capital</i>	\$160,000	TOTAL CAPITAL
EXPLORATION		
Geological Expense	\$336,000	
Data management/manager	\$90,000	
Geophysics	\$150,000	
Geochemical Samples	\$20,000	
<i>Subtotal Exploration</i>	\$596,000	TOTAL EXPLORAATION
TOTAL BUDGET:	\$2,838,000	TOTAL BUDGET

As of December 31, 2022, approximately \$2.3M has been committed to the Phase 1 exploration effort. The expenditures have focused on drilling activities at Doby George and field mapping and sampling activities at Wood Gulch and Gravel Creek. GoldSpot Discoveries Corp. has made significant progress with a full data compilation for an AI targeting effort over the entire Aura project and has expensed approximately CAD\$188k of the CAD\$350k budget. This work has been prepaid by the company. The exploration expenses will significantly decrease over the next two quarters as the diamond drill program was completed in September, 2022 and all assays have been received. A total of \$410k remains in the current exploration budget, mainly for IP geophysics and metallurgical work at Doby George. The metallurgical test work is in progress and is expected to be completed in Q2 2023 while the IP geophysics will be completed in early Q3.

Phase 2 will be focused on advancing the Doby George deposits to Pre-Feasibility level and Gravel Creek to Preliminary Economic Assessment level. Exploration plans and budgets have been completed to commence Phase 2 and drill contracts have been executed to commence a 5,000 meter reverse circulation and a 3,000 meter diamond drill program at Gravel Creek starting in June, 2023. Additional field work and drilling would continue through to the end of 2024 to complete Phase 2. The Company will need to secure additional financing to commence and complete the Phase 2 exploration program.

Phase 2 would include the following work program, budgeted at US\$16.2 million as summarized in Table 3 below:

- In respect of the Doby George area:
 - At Doby George, the successful completion of Phase 1 should provide enough geological and metallurgical knowledge to advance the project to a Pre-Feasibility study (Estimated Cost: Approx. US\$1,000,000).
 - Metallurgical test work will be completed at both Doby George to at least a Pre-Feasibility level. The focus at Doby George will be to outline and optimize crush size, reagent needs and consumption, leach time and kinetics (Estimated Cost: Approx. US\$300,000).
 - Complete 3,330m (10,000') of RC drilling in 15 to 25 holes to extend the current limits of the resource by moderate step-outs of 30-60m at depth and on the periphery of the known mineralization (Estimated Cost: Approx. US\$1,210,000).

WESTERN EXPLORATION, INC. (Formerly, Crystal Peak Minerals Inc.)**MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2022**

- In respect of the Wood Gulch-Gravel Creek area:
 - Complete 4,900m (16,000ft) of RC drilling testing favorable geologic-structural-geophysical target areas within both the "GAP" area between Wood Gulch and Gravel Creek resources and along the Tomasina Fault zone and other known geological, geochemical and geophysical targets around Gravel Creek (Estimated Cost: Approx. US\$1,936,000).
 - Complete 14,600 meters of diamond drilling in 12 to 18 drill holes in newly identified targets from above, and step outs of, the current resource area (Estimated Cost: Approx. US\$7,895,800).
 - The data collected through 2022 should be sufficient for completing a Preliminary Economic Analysis on the Gravel Creek deposit in 2023 (Estimated Cost: Approx. US\$250,000).
 - Additional flotation and gravity-recovery tests will be completed to better understand variations in recovery across different ore styles and blends and deliver a study on the grade and composition of final float concentration products (Estimated Cost: Approx. US\$200,000).

Table 3 - Phase 2 Aura Project Recommendations and Budget

PHASE 2	TOTAL	NOTES
PERMITTING, BOND, FEES		
Reclamation Bond premiums	\$9,500	
Permitting - Stantec -Doby Mine Plan	\$250,000	
Permitting - Stantec	\$75,000	
County and BLM Claim Fees	\$124,500	
Subtotal Permit-Bond-Fees	\$459,000	
DRILLING		
Gravel Creek:		
Access Road Repair	\$100,000	
Core -follow up on 2021 exploration	\$4,429,000	32,800ft (10,000m)
and GC stepout \$100/ft-\$328/m	\$1,500,000	15,000ft (4,600m)
Gap RC and Generative Holes \$60/ft-\$197/m	\$960,000	16,000ft (4,900m)
Subtotal GC Drilling	\$6,989,000	TOTAL DRILL Gravel Creek
Doby George:		
Access Road	\$100,000	
RC Drilling – Generative \$60/ft - \$197/m	\$600,000	10,000ft (3,300m)
Subtotal DG Drilling	\$700,000	TOTAL DRILL Doby George
Drilling Support		
General Drilling Expense+Assay \$23/ft - \$75/m	\$1,697,000	73,800ft (22,500m)
Road Construction drill support \$38/ft - \$125/m	\$2,804,000	73,800ft (22,500m)
Subtotal Drilling Support	\$4,501,000	TOTAL DRILL SUPPORT
METALLURGY		
Doby George	\$300,000	
Gravel Creek	\$200,000	

WESTERN EXPLORATION, INC. (Formerly, Crystal Peak Minerals Inc.)**MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2022**

PHASE 2	TOTAL	NOTES
<i>Subtotal Metallurgy</i>	\$500,000	TOTAL METALLURGY
TECHNICAL STUDIES		
<i>Doby George PFS</i>	\$1,000,000	
<i>Gravel Creek PEA</i>	\$250,000	
<i>Subtotal Technical Studies</i>	\$1,250,000	
MTN CITY COSTS		
<i>Field costs</i>	\$160,000	
<i>Subtotal Mtn. City</i>	\$160,000	
EXPLORATION		
Geological Expense	\$1,500,000	
<i>Subtotal Exploration</i>	\$1,500,000	TOTAL EXPLORATION
TOTAL BUDGET:	\$16,219,000	TOTAL BUDGET

Between June and October 2022, the company completed the majority of the Phase 1 exploration field program. A total of 9 large diameter PQ core holes were completed at Doby George for a total of 1,138 meters. The purpose of the Phase 1 drill program was to:

- Validate and delineate current mineral resources.
- Locally assess for the expansion potential and structural controls on mineralization.
- Provide samples for metallurgical test work to outline leach kinematics, as well as mineralized material and waste rock characteristics; and expand upon geotechnical studies through additional test work.

The drill sites are listed below in Table 2. As of December 31, 2022 assay results for all of the drill holes had been received and are reported in Table 3. The assay results confirm past drilling results and locally indicate more continuous high grades in excess of 2 g/t Au. Cyanide soluble gold assay AuCN were completed on all assay intervals as an indication of the oxidation state of the mineralization. Samples with a AuCN:AuFA ratio of >80% are strongly oxidized. One hole, DG 796 tested an area of the deposit that had been classified as mixed to sulfide and the AuCN:AuFA of < 50% confirm that the mineralization was not oxidized. The sample intervals have been composited for metallurgical test work that commenced in December, 2022. The test work includes:

- Heap Leach Testing
- Variability Composite Testing
- Column Test Drill Core Composite Testing
- Bottle Roll Tests
- Column Leach Testing
- Load/Permeability Testing
- Project Management/Final Reporting

WESTERN EXPLORATION, INC. (Formerly, Crystal Peak Minerals Inc.)**MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2022***Table 2: 2022 Diamond Drill Hole Locations*

Drill Hole	Easting	Northing	Elevation	Azimuth	Dip	Depth (m)
DGC789	577,267	4,612,525	2,093	45	53	167.64
DGC790	577,626	4,612,300	2,055	140	55	104.24
DGC791	577,622	4,612,374	2,058	148	45	109.27
DGC792	578,370	4,612,480	2,027	0	55	82.9
DGC793	578,379	4,612,423	2,023	0	55	82.29
DGC794	578,222	4,612,097	1,966	285	54	118.87
DGC795	578,221	4,612,098	1,966	285	82	88.39
DGC796	577,404	4,612,379	2,103	55	69	283.47
DGC797	577,672	4,612,716	2,039	47	53	100.6

Table 3: 2022 Diamond Drill Hole Intersections

Hole	Area	From (m)	To (m)	Drill Width (m)	Est True Width (m)	AuFA (g/t)	AuCN (g/t)	AuCN/AuFA Ratio (3)
DGC 789 (2)	West Ridge	63.09	83.97	20.88	19.6	1.41	1.36	96%
and		89.15	112.78	23.63	22.2	3.27	2.94	90%
Including		89.15	96.47	7.32	6.9	5.27	4.67	89%
and		124.05	132.44	8.39	7.9	1.09	1.02	94%
DGC790 (2)	West Ridge	33.83	88.39	54.56	42.0	2.08	1.88	90%
Including		65.08	71.48	6.40	4.9	4.70	4.26	91%
DGC791 (3)	West Ridge	14.78	89.00	74.22	54.0	1.71	1.63	95%
Including		41.15	71.93	30.78	22.0	2.48	2.41	97%
DGC792 (3)	Daylight	5.90	46.30	40.40	40.0	2.18	1.82	83%
DGC793 (3)	Daylight	24.99	51.97	26.98	25.0	2.12	1.66	78%
and		58.22	77.42	19.20	18.0	1.46	1.04	71%
DGC794	Twilight	31.70	37.19	5.49	3.5	2.10	2.00	95%
and		52.27	78.33	26.06	19.0	6.93	5.56	80%
and		84.28	96.62	12.34	9.0	4.57	3.59	78%
and		101.50	107.90	6.40	5.0	1.66	1.45	83%
and		114.00	116.89	2.90	2.0	1.59	1.00	63%
DGC795	Twilight	18.90	33.38	14.48	12.0	1.30	1.25	96%
and		42.06	73.00	30.94	28.0	2.07	1.97	95%
DGC796	West Ridge Deep	197.21	221.44	24.23	23.0	0.87	0.02	2%
and		230.74	247.50	16.76	16.0	2.12	1.07	52%
and		250.55	265.79	15.24	14.0	1.30	0.41	32%
DGC797	West	85.34	90.83	5.49	5.5	1.24	1.22	98%

WESTERN EXPLORATION, INC. (Formerly, Crystal Peak Minerals Inc.)

**MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Hole	Area	From (m)	To (m)	Drill Width (m)	Est True Width (m)	AuFA (g/t)	AuCN (g/t)	AuCN/AuFA Ratio (3)
	Ridge NE							

In addition to the diamond drilling the company completed surface geologic mapping and rock sampling around Gravel Creek and Wood Gulch. Rock geochemistry (70 samples) and detailed structural mapping on Discovery Hill above the Gravel Creek resource area provides additional evidence supporting the concept of NE-trending structures as a secondary ore control to the Gravel Creek system. Systematic mapping and sampling of veins and hydrothermal breccia dikes on Discovery Hill, approximately 400 meters vertically above the Gravel Creek deposit, has shown that mineralized samples show a strong preferred orientation of N50-85E/235-265SW, dipping over 80 meters to the NW or SE (see Table 4).

Table 4. Select 2022 Rock Geochemical Results from Gravel Creek Discovery Hill and NE Badger areas. A complete list of assays is included in Appendix 1.*

AREA	Sample #	Au ppm	Ag ppm	Ag/Au ratio	As ppm	Sb ppm	Mo ppm	Azimuth *	Dip
DISCOVERY HILL	AU22-172	0.87	23.8	27	904	34	6	50	90
	AU22-136	0.80	31.3	39	452	43	4	50	80
	AU22-144	0.52	48.2	93	334	87	7	50	80
	AU22-169	0.70	22.1	32	630	85	14	55	75
	AU22-140	0.50	28.8	57	358	92	6	60	90
	AU22-146	0.67	41.7	63	625	156	8	65	90
	AU22-177	0.68	15.6	23	753	50	5	75	90
	AU22-170	0.98	92.2	94	781	186	160	85	80
	AU22-135	1.12	59.1	53	370	71	5	155	80
	AU22-141	0.55	34.4	63	532	81	8	235	80
	AU22-178	0.59	15.7	27	592	49	5	250	75
	AU22-182	0.54	22.3	41	792	45	5	255	80
	AU22-162	0.53	24.5	47	217	33	11	265	80
	AU22-159	0.66	21.7	33	456	92	12	270	85
	AU22-174	0.60	19.4	32	636	59	17	320	75
	AU22-155	0.57	17.9	31	443	80	226	325	40
	AU22-143	0.60	37.6	63	547	111	7	335	90
	AU22-142	0.59	42.7	72	446	147	8	350	70
* Samples > 0.5 ppm Au, sorted by Azimuth (full set of sample assays in Appendix 1)									
AREA	Sample #	Au ppm	Ag ppm	Ag/Au ratio	As ppm	Sb ppm	Mo ppm		
N. BADGER	781634	0.23	36.4	160	416	34	351		
	781636	0.22	8.4	39	627	44	4		
	781638	1.62	19.4	12	1355	84	26		
	781640	0.04	3.4	97	198	7	5		
	781645	0.53	21.8	41	902	49	56		
	781647	0.72	42.3	58	672	48	224		

WESTERN EXPLORATION, INC. (Formerly, Crystal Peak Minerals Inc.)**MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2022**

781649	1.21	36.2	30	1130	73	46
781651	0.09	3.0	35	150	6	5

All analyses by ALS Chemex: gold by AuAA23 and other elements by ME-ICP41

Of broader exploration significance, the 2022 data gives additional support for the exploration potential associated with strong, multi-element soil anomaly, which extends 2.0 kilometers to the NE of the Gravel Creek area, parallel to a density anomaly which extends from Wood Gulch through Gravel Creek and to the NE. Rock outcrop/sub crop sampling of a small area of alteration and veining 1.0 kilometer NE of the Gravel Creek resource in the NE Badger area returned Au-Ag-As-Sb-Mo values comparable to the levels seen directly over the Gravel Creek deposit. The 1.61 g/t Au sample from the NE Badger anomaly is the highest-grade surface gold value collected to-date in the Jarbidge rhyolite and the highly anomalous Mo (up to 256 ppm) is suggestive of a upflow zone within the hydrothermal system (see Table 4).

There was no drilling or exploration completed in 2021 as the company was completing a full technical report of its previous activities and preparing for the RTO.

In 2020 the Company completed:

- a diamond drill program designed to test the extensions of the Gravel Creek deposit along strike and down dip. A total of 6,568 meters of core drilling was completed in eleven drill holes, WG444 to WG454.
- a program of soil geochemistry to extend the existing soil grid to the north by approximately six hundred meters. A total of 361 soil samples were collected on 200-meter spaced lines with one hundred meters between samples on lines.
- A scoping level metallurgical study of mineralization from the Gravel Creek mineral resource.

Between July 30 and November 8, 2020, the Company completed a diamond drill program focused on extensions of known controls to mineralization along strike to the NW and the SE (WG 446, 449, 451, 452 and 453), down dip of the main feeder zone (WG 444, 445, 447, 448 and 454) and in the overlying Miocene rhyolites in the hanging wall of the main feeder structure, (WG450).

Drilling confirms the Gravel Creek mineral resource alteration and mineralization continue along strike and down dip with modest step outs of 100 to 160 meters. Moreover, the drilling validates the presence and orientation of high-grade epithermal veins in the hanging wall of the mineral resource and within the main feeder structure.

The Company completed Scoping level metallurgical test work on the Gravel Creek deposit using drill core samples from drill core collected in the 2017 drilling program. The laboratory work was completed by McClelland Laboratories, Inc of Reno, NV. The test work was conducted on a total of nine drill core composites from the Gravel Creek project to evaluate response of the Gravel Creek gold and silver bearing sulfidic material types to conventional flotation treatment. The composites represented Schoonover rock unit material (4 composites) and Frost Creek rock unit material (5 composites) and included one master composite of each of the two types. Head assays conducted on each of the composites showed that they contained between 2.61 g/t and 18.41 g/t gold (8.33 g/t, avg.) and between 14.06 g/t and 236.94 g/t silver (97.04 g/t, avg.). Test work was completed on nine composites made up of drill core samples from the Gravel Creek mineral deposit. The samples were from the Frost Creek host – 85% of the mineral resource and the Schoonover host – 15% of the mineral resource.

WESTERN EXPLORATION, INC. (Formerly, Crystal Peak Minerals Inc.)**MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2022**

- A Bond ball mill work index test was conducted on the Frost Creek master composite. The work index was 16.82 kW-hr/st, which would be characterized as hard material. Sample limitations precluded comminution testing on the Schoonover master composite.
- Conventional rougher flotation tests of nine composites consisting of the various mineralization styles (at an 80%-200M feed size contained between +92.3% to 99.4% of the total gold).
- A locked-cycle flotation test series was conducted on the Frost Creek master composite (4568-009), at an 80%-200M feed size (with rougher concentrate regrind) to evaluate the effects of cleaner tailings recycle on concentrate grade and recovery. Available test results indicated that a flotation concentrate of 7.8% of the feed weight was produced at a grade of 3.67 oz Au/ton, 52.3 oz Ag/ton and 35.0% sulfide sulfur, and representing recoveries of greater than 95% gold, silver, and sulfide sulfur.
- Additional metallurgical testing is planned to improve and optimize a revised understanding for metallurgical recoveries as we move forward with the Gravel Creek project (H2 2021)

Summary Gold and Silver Results, Rougher Flotation, Gravel Creek Composites, 80%-200M Feed Size

Composite	Weight, %		Gold Grade g/t		Gold Distribution %			Silver Grade g/t		Silver Distribution %		
	Conc.	Tail	Conc.	Tail	Calc'd Head	Conc.	Tail	Conc.	Tail	Calc'd Head	Conc.	Tail
Schoonover												
4568-001	15.1	84.9	15.91	0.12	2.54	94.3	5.7	351.09	5.49	57.60	91.9	8.1
4568-002	8.1	91.9	26.61	0.07	2.26	95.8	4.2	670.98	5.14	58.97	92.0	8.0
4568-003 ¹⁾	12.1	88.0	56.13	1.41	8.50	79.00	21.0	550.29	5.83	71.31	93.0	7.0
4568-004 ²⁾	14.1	85.9	28.77	0.27	4.39	92.3	7.7	345.26	7.54	55.20	88.2	11.8
Frost Creek												
4568-005	11.4	88.6	82.59	0.17	9.63	97.8	2.2	1,920.02	11.66	229.37	95.5	4.5
4568-006	10.1	89.9	26.61	0.05	2.74	97.8	2.2	141.94	0.34	14.74	97.9	2.1
4568-007	10.5	89.5	79.71	0.27	8.71	96.1	3.9	489.95	2.06	53.14	96.5	3.5
4568-008	14.6	85.4	130.01	0.10	19.10	99.4	0.6	514.98	2.06	76.80	97.7	2.3
4568-009 ³⁾	14.4	85.6	77.97	0.36	10.97	96.00	4.0	1,088.24	7.54	154.63	96.0	4.0

1) Average of 2 tests.

2) Master composite, average of 3 tests.

3) Master composite, average of 2 tests.

In addition, cyanide shake analysis results showed that the average cyanide soluble to assayed (CN/FA) gold content averaged 23.7% for the Schoonover composites and 58.6% for the five Frost Creek composites. These comparative results indicate that the Schoonover type material is refractory to cyanidation treatment, and that the Frost Creek material may be more amenable to cyanidation. The Schoonover and Frost Creek master composites contained 3.72% and 3.07% sulfide sulfur, respectively. Neither composite contained significant quantities of organic carbon. Arsenic head grades for the respective composites were 0.23% and 0.40%. Preliminary mineralogical characterization conducted on the master composites showed that the primary sulfide minerals contained pyrite (~ 8.0%), with lesser amounts of arsenopyrite (0.77% - 1.57%) and trace levels of pyrrhotite, chalcopyrite, sulfosalts, and other sulfides.

WESTERN EXPLORATION, INC. (Formerly, Crystal Peak Minerals Inc.)**MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Future metallurgical test work will focus on continued optimization of float concentration and test work focused on detailed mineralogy, including gold and silver deportment studies, Rougher optimization testing, to confirm indicated grind sensitivity and further optimize reagent suites, Cleaner flotation testing, to optimize production of a high grade, high recovery final concentrate, Testing to evaluate regrind/cyanide leaching of flotation concentrate generated from the various ore types and ore variability testing – including evaluation of flotation and if appropriate, regrind/cyanide leaching of flotation concentrate.

RESULTS OF OPERATIONS**Summary of Quarterly Results**

The following table summarizes information derived from the Company's financial statements for each of the eight most recently completed quarters.

Year:	2022	2022	2022	2022	2021	2021	2021	2021
Quarter Ended:	31-Dec	30-Sep	30-Jun	31-Mar	31-Dec	30-Sep	30-Jun	31-Mar
Net income (loss):	\$(675,904)	\$(2,188,709)	\$(1,917,057)	\$(602,065)	\$25,193	\$(348,894)	\$(929,279)	\$(603,973)
(i) in total (000s)	\$(676)	\$(2,189)	\$(1,917)	\$(602)	\$25	\$(349)	\$(929)	\$(604)
(ii) per [shares]	\$(0.02)	\$(0.07)	\$(0.06)	\$(0.02)	\$0.00	\$(0.01)	\$(0.03)	\$(0.02)

Three months ended December 31, 2022 vs. three months ended December 31, 2021

For the three months ended December 31, 2022, the Company recorded a net loss of \$676k, compared to a net income of \$25k in the three months ended December 31, 2021. The change was primarily due to increase in general and administrative expenditures of \$721k, gain on sale of royalty in 2021 for \$1.65M in connection with the sale of a retained resource discovery payment and royalty on property, and partially offset by listing expenses in 2021 of \$1.86M.

For the three-month period ended December 31, 2022, general and administrative expenses were \$637k compared to a recovery of \$84k in the prior year. The principal components include:

- Office and general of \$112k (\$93k – 2021): The change was primarily driven by increase in investor relations, marketing and investor services expenses in 2022
- Stock based compensation of \$196k (\$nil – 2021): This was due to the vesting of stock options and RSU's granted in previous periods.
- Legal and regulatory fees of \$173K (recovery of \$369k – 2021): In Q4 2021, legal and regulatory fees were reclassified to listing expenses in connection with RTO transaction of Crystal Peak Minerals Inc.

Exploration expenditures for the three-month period ended December 31, 2022 were approximately \$59k compared with \$155k in the same period of 2021.

WESTERN EXPLORATION, INC. (Formerly, Crystal Peak Minerals Inc.)**MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2022****Year ended December 31, 2022 and December 31, 2021**

For the year ended December 31, 2022, the Company recorded a net loss of \$5.384M, compared to a net loss of \$1.857M in the year ended December 31, 2021. The increase in loss was primarily due to increase in exploration and evaluation expenditures of \$1.310M, increase in general and administrative expenditures of \$2.357M, gain on sale of royalty in 2021 for \$1.65M in connection with the sale of a retained resource discovery payment and royalty on property, and partially offset by listing expenses in 2021 of \$1.86M.

For the year ending December 31, 2022 general and administrative expenses totaled \$3.454M versus \$1.097M for the year 2021. The principal components include:

- Stock based compensation of \$1.473M (\$nil – 2021): This was due to the vesting of stock options and RSU's granted in previous periods.
- Office and general of \$864k (\$277k – 2021): The change was primarily driven by increase in investor relations, marketing and investor services expenses in 2022
- Legal and regulatory costs of \$519k (\$240k – 2021): The Legal and regulatory fees, in the current year, are still tracking above budget due to increased costs for the closing of the RTO, the public listing of the company on the TSX-V and OTCQX exchanges in Q1 -2022 and the preparation and filing of the Company's AIF and the preparation of a corporate prospectus in Q2 – 2022. Legal and regulatory should return to 2021 levels going forward.

Exploration expenditures for the year ended December 31, 2022 were approximately \$2.156M which is in line with budget and approximately a \$1.310M increase from the year ended December 31, 2021. The largest expense was related to drilling activities of \$1.096M and geological activities of \$840k, which is related to geologic consulting, data management and field costs related to the Aura project. Permitting was approximately \$83k which is higher than the 2021 year (\$57k) due to the increased reclamation bond premiums for the Aura project.

Financing Activities

On October 13, 2021, the Company completed a concurrent financing, issuing a total of 2,248,936 subscription receipts each at a price of CAD\$2.65 for aggregate proceeds of CAD\$5,959,680 (\$4,611,684). On closing of the RTO, each subscription receipt converted into one common share and one common share purchase warrant exercisable into one additional common share at a price of CAD\$3.975 up until October 13, 2023. The Company incurred cash broker fees and legal fees of \$423,508 in relation to the financing. Proceeds were allocated to common shares and warrants using the relative fair value method. The fair value of the warrants was determined to be \$975,801 on the date of issuance, estimated using the Black Scholes pricing model using a fair value share price of CAD\$2.03, risk free interest rate of 0.96%, an expected dividend yield of 0%, volatility rate of 94% based on historical share prices of comparable companies and an expected life of 1.81 years.

In addition to the cash broker fees and legal fees paid, the Company also issued a total of 89,957 broker warrants, each exercisable into a common share of the Company at a price of CAD\$3.05 for a period of one year from the closing date of the RTO. The fair value of the broker warrants was determined to be \$27,185 on the date of issuance, estimated using the Black Scholes pricing model using a fair value share price of CAD\$2.03, risk free interest rate of 0.96%, an expected dividend yield of 0%, volatility rate of 81% based on historical share prices of comparable companies and an expected life of 1 year.

WESTERN EXPLORATION, INC. (Formerly, Crystal Peak Minerals Inc.)

**MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Concurrent with the RTO transaction, on December 22, 2021 the Company entered into an agreement with Agnico to repurchase 2,358,490 post RTO common shares in exchange for a 1% net smelter royalty on the Aura project deemed to hold a fair value of \$nil and 748,668 warrants (the "Redemption Agreement"). Under the terms of the warrants, each warrant shall entitle the holder to purchase one common share of the Company at a price of \$2.67 up until May 15, 2023.

On closing of the Redemption Agreement, amounts totaling \$3,573,306, equal to the average cost of shares repurchased were charged to share capital, with amounts totaling \$3,300,660 in excess of the fair value of consideration paid totaling \$272,646 recognized directly as a charge to retained earnings.

The fair value of the warrants was determined to be \$272,646 on the date of issuance, estimated using the Black Scholes pricing model. As the exercise price of the warrants are denominated in a currency other than the Company's functional currency and therefore do not meet the fixed for fixed criteria, they have been classified as a derivative financial instrument held at FVTPL and included as a warrant liability on the consolidated statement of financial position. As at December 31, 2022, the warrant liability was revalued at \$14,350 (December 31, 2021 - \$276,110) resulting in a gain on fair value of warrant liability totaling \$70,309 and \$261,760 recognized in the consolidated statement of loss and comprehensive loss for the year ended December 31, 2022.

The inputs utilized in the Black Scholes pricing model on the date of issuance and on revaluation at December 31, 2021 and December 31, 2022 were as follows: fair value share price of \$0.82 - \$1.60, risk free interest rate of 0.95% - 3.76%, an expected dividend yield of 0%, volatility rate of 84%-115% based on historical share prices of comparable companies and the Company's own historical share price and an expected life of 0.37 - 1.40 years.

Concurrent with the RTO transaction, the Company settled debt owing to various related parties totaling \$1,155,290 through the issuance of 544,646 common shares valued at \$857,416.

On January 27, 2022, the Company settled an outstanding debt of \$352,752 (CAD\$448,394) to a legal advisor by issuing 169,205 units, each comprised of one common share and one common share purchase warrant exercisable into one additional common share at a price of CAD\$3.975 for a period of 24 months from the date of issuance. On the date of settlement, the fair value of the common shares was determined to be \$339,440. The fair value of the warrants was determined to be \$127,146 on the date of settlement, estimated using the Black Scholes pricing model using a fair value share price of CAD\$2.55, risk free interest rate of 1.27%, an expected dividend yield of 0%, volatility rate of 91% based on historical share prices of comparable companies and an expected life of 2 years. In connection with the settlement, a loss on settlement of debt totaling \$113,834 was included in the consolidated statement of loss and comprehensive loss for the year ended December 31, 2022.

On June 8, 2022, a total of 62,500 RSU's were exercised into 62,500 common shares of the Company at no additional cost. Upon exercise, the fair value of RSU's amounting to \$82,237 was transferred from contributed surplus to share capital.

On October 24, 2022, the Company amended its notice of articles to change the identifying name of its outstanding class of shares from "Common Shares" to "Variable Voting Shares" to reflect that the outstanding class of listed shares of the Company are subject to a voting reduction to the shares held by residents of the United States to ensure that not more than 50% of the outstanding voting securities of

WESTERN EXPLORATION, INC. (Formerly, Crystal Peak Minerals Inc.)

**MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2022**

the Company are held, directly, or indirectly, by residents of the United States.

On December 21, 2022, the Company completed a non-brokered private placement financing, issuing a total of 814,286 units each at a price of CAD\$1.40 for gross proceeds of CAD\$1,140,000 (USD \$837,496). Each Unit is comprised of one variable voting share of the Company and one-half of one Variable Voting Share purchase warrant of the Company. The Company incurred legal fees of \$3,389 in relation to the financing. Under the terms of the warrants, each warrant shall entitle the holder to purchase one common share of the Company at a price of CAD\$1.96 up until December 21, 2024. Proceeds were allocated to common shares and warrants using the relative fair value method. The fair value of the warrants was determined to be \$120,070 on the date of issuance, estimated using the Black Scholes pricing model using a fair value share price of CAD\$1.40, risk free interest rate of 3.72%, an expected dividend yield of 0%, volatility rate of 76% based on historical share prices of the Company and an expected life of 2 years.

Off Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements.

Transactions with Related Parties

On December 22, 2021, \$859,156 of the \$1,299,251 due to a corporation controlled by Marceau Schlumberger was settled in exchange for 405,262 common shares as part of the RTO (note 11). As at December 31, 2022 amounts totaling \$440,095 (December 31, 2021 - \$440,095) were due to a corporation controlled by a director of the Company. During the year ended December 31, 2022, the repayment terms of the payable were extended to January 1, 2024, bearing no interest.

On June 9, 2021, the Company entered into a series of Promissory Notes totaling \$275,000 with certain Officers and Directors of the Company. Under the terms of the Notes, the Company promises to pay to the order of the noteholder or its registered assigns, the principal amount or such lesser amount as shall equal the outstanding principal amount hereof, together with simple interest from the date of the Promissory Note (the "Note") on the unpaid principal balance at a rate equal to 15% per annum, computed on the basis of the actual number of days elapsed and a year of 365 days. All unpaid principal, together with any then accrued but unpaid interest and any other amounts payable hereunder, shall be due and payable on the earliest to occur of (i) fifteen days following the demand of Holder, which demand may not be made earlier than June 9, 2022, (ii) the occurrence of an Event of Default, or (iii) such other time as expressly provided for in the Note.

On December 22, 2021 the promissory notes and accrued interest was \$296,134, which was settled in exchange for common shares as part of the RTO. During the year ended December 31, 2021 interest expense was \$21,134.

Concurrent with the RTO transaction, on December 22, 2021 the Company entered into an agreement with Agnico to repurchase 2,358,490 post RTO common shares in exchange for a 1% net smelter royalty on the Aura project deemed to hold a fair value of \$nil and 748,668 warrants (the "Redemption Agreement"). Under the terms of the warrants, each warrant shall entitle the holder to purchase one common share of the Company at a price of \$2.67 up until May 15, 2023.

WESTERN EXPLORATION, INC. (Formerly, Crystal Peak Minerals Inc.)**MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Major shareholders:

To the knowledge of the directors and senior officers of the Company, as at December 31, 2022, no person or corporation beneficially owns or exercises control or direction over common shares of the Company carrying more than 10% of the voting rights attached to all common shares of the Company other than as set out below:

	Number of common Shares	Percentage of outstanding shares
Golkonda LLC	19,969,391	63.4%
Agnico Eagle (USA) Ltd	5,442,191	17.3%

Key Management Personnel

Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers, including the Company's Chief Executive Officer and Chief Financial Officer.

During the year ended December 31, 2022 and 2021, the Company paid, or accrued remuneration to key management of the Company as follows:

	December 31, 2022	December 31, 2021
Salaries and fees (i)	\$203,750	\$150,000
Director's fees (ii)	\$nil	\$18,750
Stock-based compensation (iii)	\$963,279	\$nil

- (i) As at December 31, 2022, \$nil (December 31, 2021 - \$6,251) was due to key management of the Company and the amount were included in due to related party.
- (ii) As at December 31, 2022, directors were owed \$nil (December 31, 2021 - \$18,750) and this amount was included in accounts payable and accrued liabilities.
- (iii) On June 8, 2022, the Company granted 1,115,000 options and 20,000 RSU's to directors and officers of the Company

LIQUIDITY AND CAPITAL RESOURCES

Western has no operations that generate cash flows and the Company's future financial success will depend on the discovery of one or more economic mineral deposits. This process can take many years, can consume significant resources, and is largely based on factors that are beyond the control of the Company's management.

For the foreseeable future, Western will rely upon its ability to raise financing through the sale of equity.

WESTERN EXPLORATION, INC. (Formerly, Crystal Peak Minerals Inc.)**MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2022**

This is dependent on positive investor sentiment, which in turn is influenced by a positive climate for precious metal exploration generally, a company's track record and the experience and caliber of a company's management.

Western has no operations that generate cash flows and the Company's future financial success will depend on the discovery of one or more economic mineral deposits. This process can take many years, can consume significant resources, and is largely based on factors that are beyond the control of the Company's management.

The consolidated financial statements have been prepared by management on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its obligations in the normal course of operations. Several adverse conditions indicate the existence of a material uncertainty that may cast significant doubt on the validity of this assumption. The Company has incurred operating losses to date and is currently unable to self-finance any future operations. The Company's ability to continue as a going concern is dependent upon raising additional capital or evaluating strategic alternatives.

The consolidated financial statements do not reflect adjustments that would be necessary if the going concern assumption was not appropriate. If the going concern assumption was not appropriate for these consolidated financial statements, adjustments would be necessary in the consolidated statement of financial position classifications used. Such adjustments could be material.

The working capital of the Company as at December 31, 2022 is approximately \$1.27M, consisting entirely of cash holdings. The working capital is being used to fund the Phase 1 exploration program and corresponding General and Administration expenses of the company. The Phase 1 exploration program, as recommended by the technical report, totals approximately \$2.84M and to the end of the year ending December 31, 2022 approximately \$2.3M has been committed to the program which is about \$518k less than budget due to lower drilling and permitting expenditures. The drill budget was reduced by approximately \$417k by relocating holes to use existing infrastructure which resulted in less earth moving costs and less drill meters. Permitting costs were \$101k less due to less ground disturbance and decision to not pursue drilling at Maggie Summit until additional field sampling and geophysics are completed. The remaining exploration budget for Phase 1 is approximately \$410k principally for metallurgical test work and geophysics. The metallurgy is ongoing and will be completed at the end of Q2 2023 while the geophysics will be completed in Q3 2023. Exploration expenses will be closely monitored due to the effect of inflation on consumables such as fuel, drilling additives and equipment cost and rental.

The supporting General and administration budget for the Company in 2022 is approximately \$1.7M. In the 12 months of 2022 approximately \$2M of that budget has been spent. The administration costs were heavily skewed towards the first half of 2022 due to the high legal and regulatory costs for the completion of the RTO with Crystal Peak Minerals Inc., regulatory and legal expenses for the TSX-V and OTCQX listings and the preparation and filing of the Company AIF and corporate prospectus.

A detailed comparison of expenses compared to the Use of Proceeds, provided from the private placement financing in October 2021 as outlined in the Information Circular of November 12, 2021 are shown below.

(all amounts are approximate, expressed in Canadian dollars) ⁽¹⁾	Prior Disclosure	Actual Spent	Remaining	Total	Variance
Diamond drilling (Gravel Creek)	\$0	\$0	\$0	\$0	Nil

WESTERN EXPLORATION, INC. (Formerly, Crystal Peak Minerals Inc.)**MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2022**

(all amounts are approximate, expressed in Canadian dollars)⁽¹⁾	Prior Disclosure	Actual Spent	Remaining	Total	Variance
Diamond drilling (Doby George) ⁽²⁾	\$1,900,000	\$1,376,095	\$0	\$1,376,095	\$(523,905)
Geophysics ⁽²⁾	\$187,500	\$6,280	\$182,120	\$188,400	\$900
Soil Geochemistry (Gravel Creek) ⁽²⁾	\$25,000	\$0	\$25,120	\$25,120	\$120
Metallurgy (Gravel Creek and Doby George) ⁽²⁾	\$375,000	\$99,162	\$277,638	\$376,800	\$1,800
Geological Expense and Data Management ⁽²⁾⁽³⁾	\$523,500	\$523,500	\$0	\$523,500	\$0
General and administrative expenses ⁽²⁾⁽⁴⁾	\$2,000,000	\$2,500,318	\$0	\$2,500,318	\$500,318
Property Costs ⁽²⁾	\$155,625	\$157,770	\$(770)	\$157,000	\$1,375
Permitting Costs ⁽²⁾	\$231,875	\$104,600	\$0	\$104,600	\$(127,275)
Mountain City Field Costs ⁽⁵⁾	\$0	\$200,960	\$0	\$200,960	\$0
Unallocated working capital ⁽⁵⁾	\$287,034	\$253,425	\$33,609	\$287,034	\$0
TOTAL	\$5,685,534	\$5,222,110	\$517,717	\$5,739,827	\$54,293

Notes:

- (1) All dollar amounts are presented in Canadian dollars and are based on an exchange rate of C\$1.256 for each US\$1.00, based on the exchange rate used the management information circular of the Company dated November 12, 2021 (the "Circular").
- (2) Variance represents difference between the amount disclosed by the Corporation in the Circular and the amount provided in the recommended budget set forth in the Aura Technical Report, resulting from the conversion of United States dollars into Canadian dollars.
- (3) Geological expense and data management include approximately C\$422,016 in geological expenses and C\$113,040 in data management.
- (4) The Circular provided for C\$2,500,000 in general and administrative expenses for which \$500,000 in working capital was allocated. Accordingly, the amount included above has been reduced to C\$2,000,000 such that only the net proceeds of the Subscription Receipt Financing are included above.
- (5) Mountain City field costs were not included in the Circular but are included in the Exploration Program budget. As such, \$200,960 in unallocated working capital has been allocated to the Mountain City field costs."

As at the date of this MD&A, the Company expects its existing capital resources to support planned Phase 1 exploration activities and short-term contractual commitments, however, the Company will need to raise additional funds in order to meet the Company's commitments due after the completion of the Phase 1 exploration activities. While the Company has been successful at raising capital in the past, there can be no assurance that the Company will have sufficient financing to meet its future capital requirements or that additional financing will be available on terms acceptable to the Company in the future. The outlook for the world economy remains uncertain and vulnerable to various events that could adversely affect the Company's ability to raise additional funds going forward.

Cash and Financial Condition

The Company's capital is the shareholders' equity balance. The Company's objectives in managing its capital are to maintain the ability to continue as a going concern and to continue to explore the Company's mineral properties for the benefit of its shareholders. To effectively manage the Company's capital

WESTERN EXPLORATION, INC. (Formerly, Crystal Peak Minerals Inc.)**MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2022**

requirements, the Company has a planning and budgeting process in place setting out the expenditures required to meet its strategic goals. The Company compares actual expenses to budget on all exploration projects and overhead to manage costs, commitments, and exploration activities. As the Company is in the exploration stage, its operations have been substantially funded by the issuance of member units and mineral property earn-in agreements. The Company is not subject to any externally imposed credit or capital requirements. However, the Company will continue to rely on such funding depending upon market and economic conditions at the time. There have been no changes in the Company's approach to capital management during the year ended December 31, 2022.

Financial Instruments

The Company's financial instruments currently consist of cash and restricted cash which are classified as financial assets measured at amortized cost, accounts payable and accrued liabilities, and due to related parties, which are classified as financial liabilities measured at amortized cost. The carrying values of the Company's financial instruments approximate fair values due to their short-term nature.

The Company's financial instruments are exposed to certain financial risks including interest rate risk, liquidity risk and credit risk. The Company's exposure to these risks and its methods of managing the risks are summarized as follows:

i. Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate because of changes in market interest rates. The Company is not exposed to material interest rate risk.

ii. Liquidity Risk

Liquidity risk is the risk that the Company will be unable to meet financial obligations as they fall due. The Company's approach to managing liquidity risk to provide reasonable assurance that it will have sufficient funds to meet liabilities when due by forecasting cash flows for operations, anticipated investing, and financing activities and through management of its capital structure. As of December 31, 2022 and December 31, 2021, all the Company's financial liabilities are either due immediately or have contractual maturities of less than 90 days.

iii. Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge its contractual obligations. The Company is mainly exposed to credit risk with respect to managing its cash and restricted cash. The Company's risk management policies require that significant cash deposits are held with U.S. FDIC insured banks. All investments must be less than one year in duration.

RISK FACTORS

As a company active in the mineral resource exploration and development industry, the Company is exposed to a number of risks.

Exploration Stage Operations

The Company's operations are subject to all the risks normally incident to the exploration for and the development and operation of mineral properties. The Company has implemented comprehensive safety and environmental measures designed to comply with government regulations and ensure safe, reliable, and efficient operations in all phases of its operations. The Company maintains liability and property insurance, where reasonably available, in such amounts it considers prudent. The Company may become

WESTERN EXPLORATION, INC. (Formerly, Crystal Peak Minerals Inc.)**MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2022**

subject to liability for hazards against which it cannot insure or which it may elect not to insure against because of high premium costs or other reasons.

All the Company's properties are still in the exploration stage. Mineral exploration involves a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to avoid. Few properties that are explored are ultimately developed into producing mines.

Unusual or unexpected formations, fires, power outages, labor disruptions, flooding, explosions, landslides, and the inability to obtain adequate machinery, equipment or labor are some of the risks involved in mineral exploration activities. Substantial expenditures are required to establish mineral reserves and resources through drilling, to develop metallurgical processes to extract the metal from the material processed and to develop the mining and processing facilities and infrastructure at any site chosen for mining.

There is no assurance that commercial quantities of ore will be discovered. Even if commercial quantities of ore are discovered, there is no assurance that the properties will be brought into commercial production or that the funds required to mine mineral reserves and resources discovered by the Company will be obtained on a timely basis or at all. The commercial viability of a mineral deposit once discovered is also dependent on a number of factors, some of which are the particular attributes of the deposit, such as size, grade, and proximity to infrastructure, as well as metal prices. Most of the above factors are beyond the control of the Company. In the event that commercial viability is never attained, the Company may seek to transfer its property interests or otherwise realize value or may even be required to abandon its business and fail as a "going concern."

COVID-19 global pandemic

During the 2020 fiscal year, there was a global outbreak of COVID-19 ("Coronavirus"), which has had a significant impact on businesses through the restrictions put in place by the Canadian and U.S. governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the Coronavirus outbreak may have on the Company as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by the U.S. government or local state authorities, and other countries to fight the virus. While the extent of the impact is unknown, the Company has employed new standards of operation and safety at its field sites. The Company formally adopted the Association of Mineral Exploration in British Columbia's "COVID-19 Exploration Fieldwork Safety Guidelines". The guidelines define best practices for preventing and controlling the spread of COVID-19 in a remote exploration environment. Western Exploration LLC requires all contractors and employees to self-monitor their health at all times and not report to work if they have any associated symptoms. There has been no impact on operations as a result of COVID-19

Competition

The mining industry is intensely competitive in all of its phases and the Company competes with other companies with greater technical and financing resources than itself with respect to acquiring properties of merit, the recruitment and retention of qualified employees and other persons to carry out its mineral exploration activities. Competition in the mining industry could adversely affect the Company's prospects

WESTERN EXPLORATION, INC. (Formerly, Crystal Peak Minerals Inc.)

MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2022
for mineral exploration in the future.

Financial Markets

The Company is dependent on the equity markets as its principal source of operating working capital and the Company's ability to attract investment is largely determined by the strength of the junior resource markets and by the status of the Company's projects in relation to these markets and its ability to compete for investor support of its projects.

Environmental and Government Regulation

Exploration activities are subject to various laws and regulations relating to the protection of the environment, historical and/or archaeological sites and endangered or protected species of plants and animals. Although the exploration activities of the Company are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development. Amendments to current laws and regulations governing the operations and activities of the Company or more stringent implementation thereof could have a substantial adverse impact on the Company.

Title to Properties

While the Company has investigated title to all of the properties for which it holds concessions or other mineral leases or licenses or in respect of which it has a right to earn an interest, the Company cannot guarantee that title to such properties will not be challenged or impugned. The Company can never be certain that it will have valid title to its mineral properties. The Company does not carry title insurance on its properties. A successful claim that the Company does not have title to a property could cause the Company to lose its rights to that property, perhaps without compensation for its prior expenditures relating to the property.

Government actions

The Company's exploration activities require permits from various governmental agencies charged with administering laws and regulations governing exploration, labor standards, occupational health and safety, control of toxic substances, waste disposal, land use, environmental protection, and other matters. Failure to comply with laws, regulations and permit conditions could result in fines and/or stop work orders, costs for conducting remedial actions and other expenses. In addition, legislated changes to existing laws and regulations could result in significant additional costs to comply with the revised terms and could also result in delays in executing planned programs pending compliance with those terms.

There is no assurance that the government of any jurisdiction in which the Company holds properties will not change environmental regulations or taxation policies in a manner that would adversely affect the economic viability of those properties.

OUTSTANDING SECURITIES DATA

Prior to closing of the RTO on December 22, 2021, the Company's authorized capital consisted of membership interests represented by units consisting of four classes: "Class A", "Class A-1", "Class B" and "Common units". Class A, Class-1 and Class B units entitled the holders to share in the income, gains,

WESTERN EXPLORATION, INC. (Formerly, Crystal Peak Minerals Inc.)**MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2022**

losses, deductions, credits, or similar items of distribution. Class A and Class A-1 membership interests have a distribution priority equal to a cumulative 6% annual return, compounded annually on any unreturned capital contributions.

Upon closing of the RTO, the Company's authorized capital consisted solely of variable voting common shares without par value.

On October 24, 2022, the Company amended its notice of articles to change the identifying name of its outstanding class of shares from "Common Shares" to "Variable Voting Shares" to reflect that the outstanding class of listed shares of the Company are subject to a voting reduction to the shares held by residents of the United States to ensure that not more than 50% of the outstanding voting securities of the Company are held, directly, or indirectly, by residents of the United States.

Issued Share Capital

31,481,117 common shares issued and outstanding as at December 31, 2022.

During the year ended December 31, 2022 and December 31, 2021, the Company issued the following shares:

	Class A	Class A-1	Class B	Common Shares
Balance - January 1, 2021	17,634	993	1,560	-
Conversion as a result of RTO (note 5)	(17,634)	(993)	(1,560)	29,509,468
Shares issued on RTO	-	-	-	490,566
Units issued for cash	-	-	-	2,248,936
Shares issued in settlement of debt	-	-	-	544,646
Share redemption	-	-	-	(2,358,490)
Balance - December 31, 2021	-	-	-	30,435,126
Units issued in settlement of debt	-	-	-	169,205
Units issued for cash	-	-	-	814,286
Exercise of restricted stock units	-	-	-	62,500
Balance - December 31, 2022	-	-	-	31,481,117

Share Purchase Warrants

As of December 31, 2022, the following share purchase warrants of the Company were issued and outstanding:

Total Warrants	Strike Price	Grant Date	Expiration Date
2,248,936	CAD\$3.975	2021-12-22	2023-10-13
748,668	\$2.67	2021-12-22	2023-05-15
169,205	CAD\$3.975	2022-01-27	2024-01-27
407,143	CAD\$1.96	2022-12-21	2024-12-21
3,573,952			

Restricted Stock Units

The Company has established a Restricted Share Unit Plan (the "RSU Plan"). Under the RSU Plan, together with any other share compensation arrangement. The Board may in its own discretion, at any time, and from time to time, grant RSUs to any employee, director or consultant of the Company or its subsidiaries,

WESTERN EXPLORATION, INC. (Formerly, Crystal Peak Minerals Inc.)**MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2022**

other than persons conducting investor relations activities, from time to time by the Board, subject to the limitations set forth in the RSU Plan. The Board may designate one or more performance periods under the RSU Plan.

On June 8, 2022, the Company granted a total of 125,000 RSU's, of which 62,500 RSU's vested immediately, with the remaining 62,500 vesting equally on the first and second anniversary from the date of grant. Each RSU is exercisable into one variable voting share of the Company at no additional cost. On the date of grant, the fair value of RSU's granted was determined to be \$164,464 based on the fair market trading price of the Company's common shares. During the year ended December 31, 2022, \$117,024 of stock-based compensation expense was recognized in the relation to the vesting of RSU's.

Following is a summary of changes in RSU's outstanding for the year ended December 31, 2022:

Balance, January 1 and December 31, 2021	-
Granted	125,000
Exercised	(62,500)
Balance, December 31, 2022	62,500

Stock Options

The Company has established a rolling Stock Option Plan (the "Plan"). Under the Plan, the number of shares reserved for issuance may not exceed 10% of the total number of issued and outstanding shares and, to any one optionee, may not exceed 5% of the issued shares on a yearly basis. The maximum term of each option shall not be greater than 5 years. The exercise price of each option shall not be less than the market price of the Company's shares at the date of grant. Options vest at the discretion of the Board of Directors.

On June 8, 2022, the Company granted a total of 1,596,025 options to directors, officers, employees and consultants of the Company. Under the terms of the options, a total of 50% of the options are to vest immediately, 25% vesting on June 8, 2023 and the remaining vesting on June 8, 2024. The fair value of the options was determined to be \$1,905,154 on the date of issuance, estimated using the Black Scholes pricing model using a fair value share price of CAD\$1.65, risk free interest rate of 3.18%, an expected dividend yield of 0%, and volatility rate of 157%. During the year ended December 31, 2022, \$1,355,608 of stock-based compensation expense was recognized in the relation to the vesting of options.

Following is a summary of changes in stock options outstanding for the year ended December 31, 2022:

	Amount	Weighted Average Exercise Price
Balance, January 1 and December 31, 2021	-	-
Granted	1,596,025	C \$2.65
Balance, December 31, 2022	1,596,025	C \$2.65

As at December 31, 2022, 798,013 stock options are vested and exercisable.

WESTERN EXPLORATION, INC. (Formerly, Crystal Peak Minerals Inc.)

MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE YEAR ENDED DECEMBER 31, 2022

OUTLOOK

The Company continues to evaluate and discuss with other parties' potential gold and silver projects for possible acquisition, potential transactions, and corporate opportunities to add to its current portfolio of properties. In addition, the company is reviewing the results from past projects to determine how best to advance and explore its properties.

REDUCED VOTING RIGHTS OF UNITED STATES SHAREHOLDERS

The Corporation is considered a "foreign private issuer" ("FPI") under both the U.S. Securities Act of 1933 and the U.S. Securities Exchange Act of 1934, as amended, which allows the Corporation to avoid the additional costs associated with registration requirements in the United States. In order to preserve its status as a FPI, the Corporation's shareholders approved certain amendments to the Corporation's articles on December 15, 2021, which resulted in, among other things, limiting the aggregate voting power of Variable Voting Shares or other voting share capital of the Corporation held of record by residents of the United States in certain circumstances (the "Voting Reduction").

Pursuant to the Voting Reduction, if at any time, more than 50% of the aggregate voting power of all of the issued and outstanding Variable Voting Shares and other voting share capital of the Corporation is held of record by residents of the United States, then such Variable Voting Shares held of record by residents of the United States shall be deemed a separate series of Variable Voting Shares, which vote together with the Variable Voting Shares as a single class on all matters, and the vote attached to each Variable Voting Share held of record by residents of the United States shall be reduced proportionately such that no more fifty (50) percent of the aggregate votes attached to the all of the issued and outstanding Variable Voting Shares and other voting share capital of the Corporation are held of record by residents of the United States. The determination of the percentage of the aggregate voting power held of record by residents of the United States shall be applied successively as many times as may be necessary to ensure that the aggregate voting power of all of the issued and outstanding Variable Voting Shares and other voting share capital of the Corporation held of record by residents of the United States does not exceed fifty (50) percent of the aggregate voting power of all of the issued and outstanding Variable Voting Shares and other voting share capital of the Corporation at any time. For greater certainty, if the aggregate voting power of all of the issued and outstanding Variable Voting Shares and other voting share capital of the Corporation held of record by residents of the United States is less than fifty (50) percent, the voting rights of all holders of Variable Voting Shares (including residents of the United States) will be the same.

As at the end of the fourth quarter, approximately 22,592,357 Variable Shares are held by residents of the United States, representing approximately 71.77% of the aggregate voting power of all of the issued and outstanding Variable Voting Shares, and (ii) approximately 8,888,221 Common Shares are held by Canadian residents or residents of other international jurisdictions other than the United States (collectively, the "**Non-U.S. Shareholders**"), representing approximately 28.23% of the aggregate voting power of all of the issued and outstanding Variable Voting Shares. Therefore, in order to preserve its status as a FPI, the Voting Reduction has the effect of proportionally reducing the voting power attached to each Variable Voting Share held by a resident of the United States equals 0.393 of one vote. In other words, a holder 100 Variable Voting Shares has 39.3 votes. This results in the aggregate voting power of all outstanding Variable Voting Shares held by such resident of the United States will be reduced from 22,592,357 votes to 8,878,796 votes, being less than 50% of the votes held by all Non-U.S. Shareholders.

WESTERN EXPLORATION, INC. (Formerly, Crystal Peak Minerals Inc.)

**MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2022**

The Corporation has applied for certain exemptive relief from the Canadian Securities Administrators to enable its Common Shares and any Variable Voting Shares be treated collectively as if they were a single class for certain purposes, including for take-over bid and early warning reporting purposes and to permit the Corporation to refer to the Variable Voting Shares as "variable voting shares".

FORWARD-LOOKING INFORMATION

Certain of the statements made and information contained herein is "forward-looking information" within the meaning of the British Columbia Securities Act. This includes statements concerning the Company's plans at its mineral properties, which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. Forward-looking information is subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward - looking information, including, without limitation, the ability of the Company to continue to be able to access the capital markets for the funding necessary to acquire and maintain exploration properties and to carry out its desired exploration programs; competition within the minerals industry to acquire properties of merit, and competition from other companies possessing greater technical and financial resources; difficulties in executing exploration programs on the Company's proposed schedules and within its cost estimates, whether due to weather conditions in the areas where it operates, increasingly stringent environmental regulations and other permitting restrictions, or other factors related to exploring of its properties, such as the availability of essential supplies and services; factors beyond the capacity of the Company to anticipate and control, such as the marketability of mineral products produced from the Company's properties, government regulations relating to health, safety and the environment, and the scale and scope of royalties and taxes on production; the availability of experienced contractors and professional staff to perform work in a competitive environment and the resulting adverse impact on costs and performance and other risks and uncertainties, including those described in each management's discussion and analysis of financial condition and results of operations. In addition, forward-looking information is based on various assumptions including, without limitation, assumptions associated with exploration results and costs and the availability of materials and skilled labor. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements. Accordingly, readers are advised not to place undue reliance on forward-looking information. Except as required under applicable securities legislation, the Company undertakes no obligation to publicly update or revise forward-looking information, whether as a result of new information, future events or otherwise.