

**GOLDSHORE RESOURCES INC.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023**

In Canadian Dollars

## **INTRODUCTION**

This management's discussion and analysis ("MD&A") presents the financial condition and results of operations of Goldshore Resources Inc. for the nine months ended September 30, 2024. This MD&A should be read in conjunction with the unaudited condensed consolidated interim financial statements and the notes thereto for the nine months ended September 30, 2024, and the audited consolidated financial statements and the notes thereto for the nine months ended December 31, 2023, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). This MD&A complements and supplements, but does not form part of, the Company's condensed consolidated interim financial statements.

This MD&A contains forward-looking statements. Statements regarding the adequacy of cash resources to carry out the Company's exploration programs or the need for future financing are forward-looking statements. All forward-looking statements, including those not specifically identified herein, are made subject to cautionary language included in this MD&A. Readers are advised to refer to the cautionary language when reading any forward-looking statements.

All dollar amounts contained herein are expressed in Canadian dollars unless otherwise indicated. This MD&A has been prepared as of November 28, 2024.

## **DESCRIPTION AND OVERVIEW OF BUSINESS**

Goldshore Resources Inc. ("Goldshore" or the "Company") is a gold focused Canadian exploration company. The Company's head office is located at 907 – 1030 West Georgia Street, Vancouver, British Columbia, V6E 2Y3 and its registered and records office is at Suite 2200, HSBC Building, 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8. The Company was incorporated under the Business Corporations Act (British Columbia) on April 30, 2009.

Effective December 31, 2023, the Company changed its fiscal year end from March 31 to December 31 in order to better align the Company's financial disclosure with other reporting issuers and with its internal operational processes. The Company's transition period was the nine-month period ended December 31, 2023. The comparative period is the nine-month period ended September 30, 2023.

**GOLDSHORE RESOURCES INC.**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

For the nine months ended September 30, 2024

**EXPLORATION AND EVALUATION ASSETS**

	<b>Moss Gold Project</b>		<b>Other Projects</b>		<b>Total</b>
<b>Acquisition costs</b>					
Balance, March 31, 2023	\$ 52,055,250		\$ 91,000		\$ 52,146,250
Additions	-		83,000		83,000
Balance, December 31, 2023	\$ 52,055,250		\$ 174,000		\$ 52,229,250
Additions	-		140,000		140,000
<b>Balance, September 30, 2024</b>	<b>\$ 52,055,250</b>		<b>\$ 314,000</b>		<b>\$ 52,369,250</b>
<b>Exploration and evaluation costs</b>					
Balance, March 31, 2023	\$ 33,047,869		\$ 229,053		\$ 33,276,922
Camp costs	202,417		-		202,417
Consulting and salaries	2,119,827		-		2,119,827
Technical studies	791,853		-		791,853
Database management	6,393		-		6,393
Drilling	75,697		-		75,697
Geochemistry and geophysics	34,793		-		34,793
Other costs	303,133		6,559		309,692
<b>Balance, December 31, 2023</b>	<b>\$ 36,581,982</b>		<b>\$ 235,612</b>		<b>\$ 36,817,594</b>
Camp costs	182,724		-		182,724
Consulting and salaries <sup>(1)</sup>	1,541,385		60,384		1,601,769
Database management	49,475		-		49,475
Drilling	425,755		-		425,755
Geochemistry and geophysics <sup>(1)</sup>	41,548		32,317		73,865
Other costs <sup>(1)</sup>	404,299		13,533		417,832
<b>Balance, September 30, 2024</b>	<b>\$ 39,227,168</b>		<b>\$ 341,846</b>		<b>\$ 39,569,014</b>
<b>Total, December 31, 2023</b>	<b>\$ 88,637,232</b>		<b>\$ 409,612</b>		<b>\$ 89,046,844</b>
<b>Total, September 30, 2024</b>	<b>\$ 91,282,418</b>		<b>\$ 655,846</b>		<b>\$ 91,938,264</b>

(1) During the nine-months ended September 30, 2024, the Company allocated certain payroll, geophysics and other overhead costs between the Moss Gold Project and the Vanguard Project pursuant to the terms of the option agreement with Thunder Gold Corp.

**Moss Gold Project**

On January 25, 2021, the Company entered into a purchase agreement with Moss Gold Mines Ltd. and Wesdome Gold Mines Ltd. ("Wesdome") to acquire a 100% interest in the Moss Gold project located in Ontario, Canada (the "Moss Gold Transaction") (the "Moss Gold Project"). A summary of the Company's commitments in exchange for 100% of the project are outlined in the Commitments section of this MD&A.

Future milestone payments totaling \$20,000,000 were recorded as an obligation to issue shares on the consolidated statement of financial position. During the year ended March 31, 2023, the Company issued 8,333,333 common shares to Wesdome with a value of \$5,000,000. During the nine-month period ended December 31, 2023, the Company issued 12,500,000 common shares to Wesdome with a value of \$7,500,000, resulting in a remaining future milestone payment of \$7,500,000.

During the year ended March 31, 2023, the Company focused its efforts on drilling the Moss Gold Project and the related analytical and metallurgical work. The focus of the drill programs in 2023 was to update the Company's mineral resource estimate ("MRE"), which was originally announced on November 15, 2022, with the corresponding NI 43-101 Technical Report filed on December 12, 2022. Subsequent to March 31, 2023, an updated MRE was announced on May 8, 2023, with the corresponding NI 43-101 Technical Report filed on June 19, 2023, and amended on July 13, 2023. An independent review of the updated MRE was completed by SRK Consulting (Canada) Ltd. in August 2023, confirming the resource complies with the Canadian Institute of Mining guidelines for the reporting of inferred mineral resources.

During the nine-month period ended December 31, 2023, the Company continued to focus on analytical and metallurgical work. The Company engaged Ausenco Engineering Canada Inc. ("Ausenco") as its lead engineering firm to conduct the preliminary economic assessment ("PEA"), which is currently being re-scoped, as discussed below. Ausenco completed Phase One of the ongoing PEA for the Moss Gold Project. This identified that the PEA was being overly influenced by large tonnages of low-grade material that was not well represented by the 2023 MRE. Ongoing geological modelling work and evaluation of the historical drill data by APEX Geosciences allowed the generation of an updated MRE that is more representative of gold grades. The Company announced an updated MRE on February 6, 2024, with the corresponding 43-101 Technical Report filed on March 21, 2024. Phase One was an initial high-level review of various bulk mining and milling rates and different plant processes to select the optimal configuration for the detailed PEA (Phase Two). While not definitive, Phase One indicated that the most economic method to process mineralized material from the Moss Gold Project is conventional whole-ore cyanide leaching. Phase One results also indicated that an alternative (though more complex) flotation-leach process with heap-leaching of low-grade material provided similar returns. However, these results are preliminary and require heap leach test work. In addition, the size and scope of this approach still needs to be better studied and understood.

During Phase Two, further metallurgical test work will be conducted to better define the cost and recovery profile resulting from heap-leaching low-grade material, to determine if heap leaching is economically viable. The Company will then evaluate various project scope alternatives, in an effort to maximize project economics. These alternatives may include a low capital expenditure project, including heap leaching, if able to utilize heap leach as one of the processing streams; it may also include a high throughput, larger capital expenditure alternative to realize maximum project economics on the current resource.

The Company is focused on its twelve-month strategic plan for the Moss Gold Project, released in June 2024, specifically growth potential, advancement of economic studies, development of a permitting plan, and continued engagement with our host indigenous communities. Some of the value drivers include:

- 2,780m summer drill program, which was completed in July 2024;
- Completing a PEA in Q1 2025 with the focus of prioritizing IRR by mining the highest grades at the start of the mine life;
- District scale exploration work including first systematic geochemistry and geophysics across 23kms of mineralized trends; and
- Prioritize permitting plan as the Company focuses on advancing Moss toward production.

### ***Other Projects***

#### Vanguard Project

On July 7, 2022, the Company executed an option agreement with Thunder Gold Corp. ("Thunder Gold") to earn into certain mining claims held by Thunder Gold in the Shebandowan greenstone belt known as the Vanguard Project. A summary of the Company's commitments in exchange for rights to earn into certain mining claims of the Vanguard Project are outlined in the Commitments section of this MD&A.

The work performed at the Vanguard Project during the year ended March 31, 2023, consisted of airborne geophysics, mapping, and data compilation, with limited work performed during the nine-month period ended December 31, 2023. Simcoe Geophysics completed a limited ground gravity survey over selected conductors during the nine months ended September 30, 2024. This work was conducted to help discriminate sulphide and graphite sources for the conductivity anomalies.

In May 2024, the Company and Thunder Gold agreed to amend the expenditure commitments, refer to Commitments section of this MD&A.

## **GOLDSHORE RESOURCES INC.**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**For the nine months ended September 30, 2024**

---

#### Hillcrest Project

On May 8, 2023, the Company staked 390 cell claims covering 8,261 hectares which comprise the Hillcrest Project for \$19,500. The Hillcrest Project represents a greenfield approach to gold exploration and is part of a strategy to build a multi-year pipeline of gold projects in the Thunder Bay area.

The current focus remains on the Moss Gold Project and fieldwork is not planned on the Hillcrest Project until 2025.

#### **FINANCINGS**

At September 30, 2024, there were 300,760,206 issued and fully paid common shares (December 31, 2023 – 259,667,918). At September 30, 2024, there were no shares held in escrow (December 31, 2023 – 20,843,434).

On October 29, 2024, the Company a brokered private placement for aggregate gross proceeds of \$13,972,358. In connection with the private placement, the Company issued:

- 15,848,159 flow-through common shares of the Company (the "October 2024 FT Shares") at a price of \$0.475 per October 2024 FT Share; and
- 12,159,400 charity flow-through common shares of the Company (the "October 2024 Charity FT Shares") at a price of \$0.53 per October 2024 Charity FT Share.

In connection with the private placement, brokers received a cash commission of \$813,220, and the Company granted the brokers 1,627,565 non-transferable compensation warrants (the "Compensation Warrants"). Each Compensation Warrant will entitle the holder thereof to purchase one common share at an exercise price of \$0.475 per common share for a period of 24 months following the closing of the private placement.

On July 26, 2024, the Company issued 400,000 common shares with a fair value of \$110,000 and paid \$30,000 cash to Thunder Gold Corp. pursuant its option agreement for the Vanguard Project.

On April 24, 2024, 1,290,472 common shares were issued in connection with the vesting of certain restricted share units. The remaining 383,496 vested restricted share units were paid in cash of \$55,607.

On November 17, 2023, the Company completed a private placement for aggregate gross proceeds of \$3,750,000. In connection with the private placement, the Company issued 37,500,000 units at a price of \$0.10 per unit, each unit is comprised of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder thereof to acquire one common share at an exercise price of \$0.13, for a period of 36 months following the closing of the private placement. In connection with the private placement, the Company paid a finder's fee of 1,008,000 units to Eventus Capital Corp. There were no cash finder's fees paid in connection with the private placement; however, other cash share issuance costs of \$69,020 were incurred.

On July 28, 2023, the Company issued 300,000 common shares with a fair value of \$43,500 and paid \$20,000 to Thunder Gold Corp. pursuant its option agreement for the Vanguard Project.

On May 16, 2023, the Company settled outstanding accounts payable of \$513,157 through the issuance of 3,018,572 units at a deemed price of \$0.17 per unit on the same terms as the April 2023 Units below (the "Settlement Units"). The fair value of the common shares was determined to be \$724,457, based on the closing price of \$0.24 on May 16, 2023, the date of issuance. The fair value of the warrants was determined to be \$168,844 using the Black-Scholes Option Pricing Model using the following assumptions: risk-free rate of 3.95%, expected life of 2 years, volatility factor of 85.80% and dividend yield of Nil. The aggregate fair value of the Settlement Units was \$893,301, resulting in a non-cash loss on settlement of \$380,144.

On April 13, 2023, the Company completed a private placement for aggregate gross proceeds of \$6,900,000. In connection with the private placement, the Company issued 16,419,220 units ("April 2023 Units") at a price of \$0.17 per unit, and 21,070,423 flow-through units ("April 2023 FT units") at a price of \$0.195 per flow-through unit (the "April 2023 Financing"). Each April 2023 Unit is comprised of one common share of the Company and one-half common share purchase warrant. Each April 2023 FT unit is comprised of one flow-through common share and one-half common share purchase warrant.

Each warrant entitles the holder thereof to acquire one common share at an exercise price of \$0.25, for a period of 24 months following the closing of the private placement. No value was ascribed to the warrants under the residual value method.

Based on the difference in price between the Flow-Through Unit and Non-Flow-Through Unit, management accounted for the premium paid on the Flow-Through Units on a residual basis as a flow-through premium liability of \$526,761. In connection with the April 2023 Offering, the Company paid the agents a cash commission equal to 6% of the gross proceeds of the April 2023 Offering in the amount of \$373,552, paid agents' expenses of \$96,530, and incurred other cash share issuance costs of \$128,618. In addition, the Company issued to the agents 2,011,912 compensation options and 64,705 advisory options of the Company, exercisable for a period of 24 months at an exercise price of \$0.17. The aggregate fair value of the compensation and advisory warrants was determined to be \$226,826 using the Black-Scholes Option Pricing Model using the following assumptions: risk-free rate of 3.62%, expected life of 2 years, volatility factor of 82.70% and dividend yield of Nil.

#### *Stock options*

On November 8, 2022, the Company's Board of Directors adopted an Omnibus Incentive Plan (the "Plan"), approved by shareholders at the Company's annual general meeting on January 23, 2024, under which the Company may grant its directors, officers, employees and consultants stock options, restricted share units, and deferred share units (together the "Share Based Compensation") of the Company and which reserves up to 10% of its outstanding shares as Share Based Compensation.

As at September 30, 2024, the Company had 17,131,833 stock options outstanding (December 31, 2023 – 15,040,166) with a weighted average exercise price of \$0.40 and a remaining life 3.02 years. As at September 30, 2024, there were 9,989,778 stock options exercisable (December 31, 2023 – 6,425,000). On November 28, 2024, 6,950,000 stock options were granted to certain directors, officers and consultants of the Company. The stock options vest 1/3 vest on May 28, 2025, 1/3 on May 28, 2026, and 1/3 on May 28, 2027 and are exercisable at \$0.38 for a period of 5 years.

During the three and nine months ended September 30, 2024, the Company recognized \$165,025 and \$674,212 (2023 - \$226,812 and \$948,372) respectively, in stock-based compensation expense related to the vesting of stock options. During the period ended September 30, 2024, the fair value of expired stock options of \$67,105 was reclassified to deficit (2023 - \$235,058).

On May 28, 2024, the Company granted 2,250,000 stock options to an officer of the Company. The stock options are exercisable at a price of \$0.23 per common share for a period of 5 years. Of the options granted, 1/3 vest on November 28, 2024, 1/3 on November 28, 2025, and 1/3 on November 28, 2026. The fair value of the stock options was determined to be \$359,886 using the Black-Scholes Option Pricing Model using the following assumptions: risk-free rate of 3.81%, expected life of 5 years, volatility factor of 89.23% and dividend yield of Nil.

On December 22, 2023, the Company granted 3,569,333 stock options to certain directors, officers, employees and consultants. The stock options are exercisable at a price of \$0.15 per common share for a period of 5 years, vesting 1/3 on May 22, 2024, 1/3 on May 22, 2025, and 1/3 on May 22, 2026. The fair value of the stock options was determined to be \$276,839 using the Black-Scholes Option Pricing Model using the following assumptions: risk-free rate of 3.18%, expected life of 5 years, volatility factor of 84.92% and dividend yield of Nil.

## GOLDSHORE RESOURCES INC.

### MANAGEMENT'S DISCUSSION AND ANALYSIS

For the nine months ended September 30, 2024

---

On April 24, 2023, the Company granted 4,100,000 stock options to certain directors, officers, employees and consultants. The stock options are exercisable at a price of \$0.25 per common share for a period of 5 years. Of the options granted, 3,900,000 vested 1/3 on October 24, 2023, 1/3 on October 24, 2024, and 1/3 on October 24, 2025; and 200,000 vested 1/3 immediately, and 1/3 annually thereafter. The fair value of the stock options was determined to be \$536,399 using the Black-Scholes Option Pricing Model using the following assumptions: risk-free rate of 2.98%, expected life of 5 years, volatility factor of 83.10% and dividend yield of Nil.

#### *Restricted Share Units*

On July 29, 2024, the Company issued 3,000,000 restricted share units ("RSUs") to certain consultants of the Company, pursuant to the Company's Omnibus Incentive Plan. These RSUs vest on July 29, 2025, one year from the grant date. Once vested, each RSU represents the right to receive one common share of the Company, the equivalent cash value thereof, or a combination of the two, at the Company's discretion. A summary of the RSU activity is as follows:

Grant date	Vesting date	RSU's granted		Value at grant date
April 24, 2023	April 24, 2024 <sup>(1)</sup>	1,673,968	\$	0.095
November 17, 2023	November 17, 2024 <sup>(2)</sup>	3,000,000	\$	0.095
December 11, 2023	December 11, 2024	1,536,665	\$	0.130
December 22, 2023	December 22, 2024	558,667	\$	0.120
May 28, 2024	May 28, 2025	600,000	\$	0.225
July 29, 2024	July 29, 2025	3,000,000	\$	0.275

(1) The April 24, 2023 tranche vested on April 24, 2024, and was settled by way of 1,290,472 common shares and \$55,607 in cash.

(2) In October 2024, 112,500 RSU's originally granted in the November 17, 2023 tranche were forfeited. On November 17, 2024, the remaining 2,887,500 RSU's vested and were settled by way of equity, resulting in the issuance of 2,887,500 common shares.

At September 30, 2024, the Company had 8,695,332 RSU's outstanding (December 31, 2023 – 6,769,300). During the three and nine months ended September 30, 2024, the Company recognized \$293,744 and \$634,238 (2023 - \$86,496 and \$149,488) respectively, in stock-based compensation expense related to the vesting of RSUs.

In October 2024, 112,500 RSU's were forfeited. On November 16, 2024, 2,887,500 RSU's vested and were settled by way of equity, resulting in the issuance of 2,887,500 common shares. On November 28, 2024, 2,637,500 RSU's were granted to certain directors, officers and consultants of the Company. The RSUs vest after one year.

#### *Compensation options*

As at September 30, 2024, the Company had 1,349,801 compensation options outstanding (December 31, 2023 – 3,080,432) with a weighted average exercise price of \$0.17 and a remaining life 0.53 years.

On September 24, 2024, 726,816 compensation options were exercised at an exercise price of \$0.25 for gross proceeds of \$123,559.

On April 6, 2024, 1,003,815 compensation options with a weighted average exercise price of \$0.57 expired unexercised.

**GOLDSHORE RESOURCES INC.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For the nine months ended September 30, 2024**

---

*Warrants*

As at September 30, 2024, the Company had 32,724,657 (December 31, 2023 - 80,642,273) warrants outstanding with a weighted average exercise price of \$0.30 and a remaining life at September 30, 2024 of 0.47 years.

During the nine months ended September 30, 2024, 37,500,000 warrants were exercised into common shares at an exercise price of \$0.13 and 1,175,000 warrants were exercised into common shares at an exercise price of \$0.25, for aggregate gross proceeds of \$5,168,750. Share issuance costs of \$725 were incurred in relation to the exercises.

During the nine months ended September 30, 2024, 9,242,616 warrants with an exercise price of \$0.75 expired unexercised.

On April 8, 2024, 500,000 warrants were exercised at an exercise price of \$0.13 for gross proceeds of \$65,000.

Subsequent to September 30, 2024, 2,047,450 warrants were exercised at an exercise price of \$0.25 and 259,577 compensation options were exercised at an exercise price of \$0.17 for aggregate gross proceeds of \$555,991.

**RESULTS OF OPERATIONS**

***Three months ended September 30, 2024***

The Company recognized a loss before income taxes of \$1,293,026 for the three months ended September 30, 2024, compared to a loss before income taxes of \$849,069 for the three months ended September 30, 2023.

The primary drivers of the increase in loss were:

- an increase in shareholder information and investor relations of \$360,928, primarily the result of a marketing and investor outreach campaign in the quarter focused on increasing investor awareness; and
- an increase in stock-based compensation of \$145,461 compared to the prior quarter, as a result of vesting of previously granted options and RSU's.

The remaining classes of expenses incurred nominal fluctuations, which occur in the normal course of operations.

The Company incurred a deferred income tax expense of \$223,000 in the current quarter, compared to \$186,000 in the comparative quarter. The larger deferred income tax expense in the current period is driven by greater flow-through eligible expenditures in the current period, resulting in an accounting addition not recognized for tax purposes.

***Nine months ended September 30, 2024***

The Company recognized a loss before income taxes of \$2,697,463 for the nine months ended September 30, 2024, compared to a loss before income taxes of \$3,159,607 for the nine months ended September 30, 2023.

The primary drivers of the decrease in loss were:

- A decrease in shareholder information and investor relations of \$294,288, a result of decreased advertising and marketing activity over the nine-month period compared to the same period of the prior year;
- A decrease in consulting fees of \$192,609 and professional fees of \$45,118 as a result efforts to conserve cash and reduce overhead costs;

## GOLDSHORE RESOURCES INC.

### MANAGEMENT'S DISCUSSION AND ANALYSIS

For the nine months ended September 30, 2024

- A decrease in travel expenses of \$106,616 as the Company incurred less travel related expenses; and
- A loss on debt settlement of \$380,144 in the comparative period with no corresponding loss on debt settlement in the current year period.

The decrease in loss is partially offset by:

- A decrease in the reversal of flow-through premium in the current period of \$449,696, as a result of decreased eligible expenditures relating to exploration and evaluation activities; and
- An increase to stock-based compensation expense of \$210,590, driven by the vesting of stock options and RSUs in the period.

The remaining classes of expenses incurred nominal fluctuations, which occur in the normal course of operations.

The Company incurred a deferred income tax expense of \$406,000 in the current period, compared to \$1,014,000 in the comparative period. The larger deferred income tax expense in the comparative period is driven by greater flow-through eligible expenditures, resulting in an accounting addition not recognized for tax purposes.

The following is a summary of the Company's results for the eight most recently completed quarters:

	Q3 '24	Q2 '24	Q1 '24	Q3 '24	Q2 '24	Q1 '24	Q4 '23	Q3 '23
	Sep 30,	Jun 30,	Mar 31,	Dec 31,	Sep 30,	Jun 30,	Mar 31,	Dec 31,
	2024	2024	2024	2023	2023	2023	2023	2022
<b>Financial Results</b>								
Loss and comprehensive loss for the period	\$(1,516,026)	\$(809,958)	\$(777,479)	\$(224,254)	\$(1,035,069)	\$(1,783,214)	\$(1,355,324)	\$(1,555,608)
Loss per share	\$(0.01)	\$(0.00)	\$(0.00)	\$(0.00)	\$(0.00)	\$(0.01)	\$(0.01)	\$(0.01)
<b>Balance Sheet Data</b>								
Cash and cash equivalents	6,226,202	4,012,640	4,553,606	5,269,421	2,817,775	4,589,515	1,237,564	3,999,652
Total assets	98,703,195	94,888,024	94,639,555	94,820,453	91,730,659	92,684,645	87,599,116	88,232,099
Shareholders' equity	85,653,152	81,867,825	81,794,039	82,102,188	78,417,952	79,096,213	73,823,779	74,782,921

#### Notes:

- The increase in loss reported for the three months ended June 30, 2023, is a result of the loss on debt settlement of \$380,144.
- The decrease in loss for the three months ended December 31, 2023, is a result of reductions to all cost categories driven by the Company's efforts to reduce overhead costs, as well as a deferred income tax recovery of \$380,000 in the quarter, a result of the issuance of shares to Wesdome pursuant to the Moss Gold Transaction.
- The decrease in loss for the three months ended March 31, 2024, is a continued result of reductions to all cost categories driven by the Company's efforts to reduce overhead costs.
- The main driver of loss before income and taxes for the three months ended June 30, 2024, was stock-based compensation expenses of \$380,351 due to increased vesting of options and restricted share units.
- The increase in loss reported for the three months ended September 30, 2024, is a result of increased shareholder information and investor relations expenditure of \$623,319. Refer to discussion above.

## LIQUIDITY AND CAPITAL RESOURCES

Goldshore 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 years, can consume significant resources and is largely based on factors that are beyond the control of the Company's management. As at September 30, 2024, the Company's current assets exceeded its current liabilities by \$5,841,307 (December 31, 2023 – \$4,764,243) and the Company had an accumulated deficit of \$25,181,010 (December 31, 2023 – \$23,098,261).

## GOLDSHORE RESOURCES INC.

### MANAGEMENT'S DISCUSSION AND ANALYSIS

For the nine months ended September 30, 2024

---

The Company's ability to continue as a going concern is dependent upon its ability to raise equity capital or borrowings sufficient to meet current and future obligations. The business of mining and exploration involves a high degree of risk and there can be no assurance that management's plans will be successful. The Company currently is not generating any revenue. Whether and when the Company can obtain profitability and positive cash flows from its operations is uncertain. These material uncertainties may cast significant doubt on the Company's ability to continue as a going concern. These consolidated financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

#### *Operating Activities*

Net cash used by the Company in operating activities for the nine months ended September 30, 2024 was \$1,525,005 compared to \$1,106,745 in the comparative period. The variance is driven by the timing of working capital movements, as well as reduced operating activity levels, as discussed above.

#### *Investing Activities*

Net cash used in investing activities for the nine months ended September 30, 2024, was \$2,699,382 compared to \$6,299,026 in the comparative period. In the current and prior year period, the expenditures were primarily incurred on the Moss Gold Project. The decrease in expenditures compared to the prior period was primarily driven by an active drill program during the comparative period in 2023, whereby drilling in the current period did not commence until June 2024.

#### *Financing Activities*

Net cash generated in financing activities in the current period was \$5,181,168 compared to \$6,223,894 in the comparative period, related to the private placement in the prior period, settlement of certain RSU's and the repayment of lease obligations.

The table below summarizes the expected use of proceeds and the actual use of proceeds for the April 2023 financing:

<b>April 2023 Financing</b>	Expected Use of Proceeds	Actual Use of Proceeds to Date	Variance <sup>(2)</sup>
Exploration and development of the Moss Gold Project	\$4,109,000	\$4,109,000	-
Operating expenses for 12 months <sup>(1)</sup>	\$2,192,000	\$2,192,000	-

Notes:

- (1) Consists of consulting fees of \$571,200, marketing of \$276,500, professional fees of \$182,500, and general and administrative costs of \$301,700.
- (2) The Company's actual use of proceeds from the April 2023 Financing is trending in line with budget on operating expenses. The allocated expenditures for operating expenses was incurred during the three months ended September 30, 2024, in line with expectations. The allocated exploration and development expenditures were completed during the three months ended September 30, 2024.

### RELATED PARTY TRANSACTIONS

The Company's related parties consist of its key management personnel and close family members of its key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, and consist of its directors, the Chief Executive Officer and the Chief Financial Officer.

## **GOLDSHORE RESOURCES INC.**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**For the nine months ended September 30, 2024**

---

During the three and nine months ended September 30, 2024, the Company paid \$60,000 and \$100,000 (2023 - \$Nil and \$Nil) respectively, for CEO consulting services by Micheal Henrichsen, which were recorded as consulting fees. As of September 30, 2024, the Company owed Micheal Henrichsen \$21,000 in respect of services provided to the Company (December 31, 2023 - \$Nil), and \$Nil in respect of expenses incurred on behalf of the Company (December 31, 2023 - \$Nil).

During the three and nine months ended September 30, 2024, the Company incurred \$Nil and \$50,000 (2023 - \$75,000 and \$190,000) respectively, for CEO consulting services by Richards Enterprises Inc., which were recorded as consulting fees. Richards Enterprises Inc. is owned and operated by the Company's former CEO, Brett Richards. As at September 30, 2024, the Company owed Richard Enterprises Inc. \$Nil in respect of services provided to the Company (December 31, 2023 - \$Nil), and \$Nil in respect of expenses incurred on behalf of the Company (December 31, 2023 - \$25,314).

During the three and nine months ended September 30, 2024, the Company paid \$36,000 and \$78,000 (2023 - \$36,000 and \$108,000) respectively, for CFO consulting services by Marlis Yassin, which were recorded as consulting fees. As of September 30, 2024, the Company owed Marlis Yassin \$Nil in respect of services provided to the Company (December 31, 2023 - \$Nil), and \$Nil in respect of expenses incurred on behalf of the Company (December 31, 2023 - \$Nil).

During the three and nine months ended September 30, 2024, the Company paid \$70,000 and \$241,516 (2023 - \$70,000 and \$210,000) respectively, for VP Exploration services by Peter Flindell, which were capitalized to exploration and evaluation assets. As at September 30, 2024, the Company owed Peter Flindell \$5,389 (December 31, 2023 - \$Nil) in respect of services provided to the Company, and \$7,775 in respect of expenses incurred on behalf of the Company (December 31, 2023 - \$1,227).

On June 14, 2022, the Company advanced \$60,000 to Peter Flindell, VP Exploration, included in other receivables. The advance earns simple interest at the Canada Revenue Agency prescribed annual interest rate of 1%, and is repayable on June 14, 2025. During the nine months ended September 30, 2024, \$18,059 of the loan was repaid. The balance due at September 30, 2024 was \$43,265 (December 31, 2023 - \$60,929).

During the three and nine months ended September 30, 2024, the Company incurred \$Nil and \$Nil (2023 - \$38,000 and \$93,333) for director's fees. At September 30, 2024, the Company owed directors \$Nil (December 31, 2023 - \$Nil) for retainer fees.

During the three and nine months ended September 30, 2024, the Company incurred stock-based compensation expense to related parties of \$256,845 and \$944,066 (2023 - \$153,288 and \$546,072) related to the vesting of stock options and RSUs.

The Company does not have offices or direct personnel in British Columbia, but rather is party to an administration services agreement, whereby it has contracted administrative, corporate and financial reporting services with Sentinel Corporate Services Inc. ("Sentinel"), a company controlled by a close family member of the CFO. Sentinel has a continuing service agreement with the Company.

During the three and nine months ended September 30, 2024, the Company incurred expenses with Sentinel for administration, corporate and financial reporting services of \$28,500 and \$85,500 (2023 - \$28,500 and \$113,500). As at September 30, 2024, there was \$Nil (December 31, 2023 - \$Nil) owing to Sentinel for services and \$11 owing to Sentinel in respect of expenses incurred on behalf of the Company (December 31, 2023 - \$1,156).

All transactions are incurred in the normal course of business and are negotiated on terms between the parties which are believed to represent fair market value for all services rendered. Any amounts due to related parties arising from the above transactions are unsecured, non-interest bearing and are due upon receipt of invoices.

## **OFF-BALANCE SHEET ARRANGEMENTS**

The Company did not enter into any off-balance sheet arrangements during the nine months ended September 30, 2024.

## **COMMITMENTS**

### *Moss Gold Project*

On January 25, 2021, the Company entered into a purchase agreement with Moss Lake Gold Mines Ltd. and Wesdome Gold Mines Ltd. ("Wesdome") to acquire a 100% interest in the Moss Gold project located in Ontario, Canada. The Moss Gold Transaction closed on June 4, 2021 ("Closing"). In exchange for a 100% interest in the project, the Company will:

- Pay \$12,500,000 cash to Wesdome upon closing (paid);
- Issue common shares with a fair value equal to the greater of a) \$19,500,000 and b) 30% of the issued and outstanding common shares of the Company to Wesdome at closing (issued 30,085,000 common shares);
- Issue \$20,000,000 in common shares to Wesdome in the form of milestone payments consisting of:
  - \$5,000,000 within 12 months of Closing (issued 8,333,333 common shares on June 6, 2022);
  - \$7,500,000 upon the earlier of (i) the Company completing an updated Preliminary Economic Assessment ("PEA") or pre-feasibility study; and (ii) 30 months from Closing (issued 12,500,000 common shares on December 4, 2023); and
  - \$7,500,000 upon the earlier of (i) the Company completing a feasibility study, (ii) the date on which the Company makes a development decision on the Moss Gold Project, and (iii) June 4, 2025 (48 months from Closing).
- Grant to Wesdome a 1.00% net smelter royalty ("NSR") on all metal production from the Moss Gold Project. The Company shall have the right to repurchase the NSR for (i) \$5,000,000 by December 4, 2023 (30 months of Closing), or (ii) \$7,500,000 between December 4, 2023 and June 4, 2025 (30 and 48 months after Closing). The Company did not exercise its NSR repurchase right by December 4, 2023. The NSR buyback shall expire if not exercised by June 4, 2025.
- Grant Wesdome the option of representation on the Company's Board of Directors with two appointees (completed). During the nine months ended September 30, 2024, this nomination right lapsed.

The number of common shares issued to satisfy the remaining milestone payment of \$7,500,000 noted above is calculated at the greater of (i) \$0.60 per share, and (ii) the volume-weighted average share price for the 20 days prior to the date of issuance.

The Moss Gold Project carries an underlying advanced royalty commitment of \$6,250, due quarterly, until the project enters production, which was inherited from Wesdome at the time of acquisition, presented as "Other costs" in the Exploration and Evaluation Assets table above.

### *Vanguard Project*

On July 5, 2022, and amended on May 29, 2023 and May 21, 2024, the Company executed an option agreement with Thunder Gold Corp. to earn-in to certain mining claims held by Thunder Gold in the Shebandowan greenstone belt known as the Vanguard Project. The effective date of the agreement was July 28, 2022 (the "Effective Date"). The key terms of the option agreement are as follows:

1. Total cash payments in aggregate of \$110,000 to Thunder Gold over 3 years, to be paid as follows:
  - a. \$10,000 within five days of July 28, 2022 (paid);
  - b. an additional \$20,000 on or before July 28, 2023, the 12-month anniversary of the Effective Date (paid);
  - c. an additional \$30,000 on or before July 28, 2024, the 24-month anniversary of the Effective Date (paid); and
  - d. an additional \$50,000 on or before July 28, 2025, the 36-month anniversary of the Effective Date.

## GOLDSHORE RESOURCES INC.

### MANAGEMENT'S DISCUSSION AND ANALYSIS

For the nine months ended September 30, 2024

---

2. Total share issuance of an aggregate of 1,500,000 common shares of the Company (each, a "Share") (such Shares to be subject to resale restrictions) as follows:
  - a. 300,000 Shares within five days of the Effective Date (issued on August 2, 2022 at fair value of \$81,000);
  - b. An additional 300,000 Shares on or before July 28, 2023, the 12-month anniversary of the Effective Date (issued on July 28, 2023 at a fair value of \$43,500);
  - c. an additional 400,000 Shares on or before July 28, 2024, the 24-month anniversary of the Effective Date (issued on July 26, 2024 at a fair value of \$110,000); and
  - d. an additional 500,000 Shares on or before July 28, 2025, the 36-month anniversary of the Effective Date.
3. Total incurred expenditures on the Vanguard Project of not less than \$1,650,000 over 3 years as follows:
  - a. \$100,000 on or before January 28, 2023, the six-month anniversary of the Effective Date (completed);
  - b. an additional \$120,000 on or before July 28, 2023, the 12-month anniversary of the Effective Date (completed);
  - c. an additional \$80,000 on or before July 28, 2024, the 24-month anniversary of the Effective Date (completed); and
  - d. an additional \$1,350,000 on or before July 28, 2025, the 36-month anniversary of the Effective Date.
4. Other non-material administrative and technical matters guiding the earn in relationship between the Company and Thunder Gold.

### PROPOSED TRANSACTIONS

None.

### SIGNIFICANT ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The critical judgments and estimates that management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the financial statements are as follows:

#### *Going concern*

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures and meet its liabilities for the ensuing year involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

#### *Impairment of long-lived assets*

The carrying value and the recoverability of long-lived assets, including exploration and evaluation assets, are evaluated at each reporting date. Management assesses for indicators of impairment, which includes assessing whether facts or circumstances exist that suggest the carrying amount exceeds the recoverable amount, specifically whether the Company expects to continue with further exploration expenditure on the project, and that the period for which the Company has the right to explore has not and will not expire.

#### *Valuation of stock-based compensation and compensation options*

The Company uses the Black-Scholes option pricing model for the valuation of stock-based compensation and compensation options. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate, forfeiture rate, risk-free market interest rate, expected volatility in the price of the underlying stock and expected life of the instruments. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

*Income taxes*

The Company recognizes deferred tax assets for deductible temporary differences, unused tax losses and other income tax deductions only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and other income tax deductions can be utilized. In assessing the probability of realizing the income tax benefits of deductible temporary differences, unused tax losses and other income tax deductions, management makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. The likelihood that tax positions taken will be sustained upon examination by applicable tax authorities is assessed based on individual facts and circumstances of the relevant tax position evaluated in light of all available evidence.

As at September 30, 2024, the Company has not recognized any deferred tax assets for deductible temporary differences. Changes in any of the above-mentioned estimates can materially affect the amount of income tax assets recognized. In addition, where applicable tax laws and regulations are either unclear or subject to varying interpretations, changes in these estimates can occur that materially affect the amounts of income tax assets recognized. The Company reassesses unrecognized income tax assets at the end of each reporting period.

*Flow-through premium liability*

Pursuant to the terms of the flow-through share agreements, flow-through shares transfer the tax deductibility of qualifying resources expenditures to investors. On issuance, the Company bifurcates the flow-through shares into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability, and ii) share capital. Upon expenses being incurred, the Company derecognizes the liability on a pro-rata basis and recognizes a deferred tax recovery for the amount of tax reduction renounced to the shareholders.

**FINANCIAL AND OTHER INSTRUMENTS**

The Company's financial assets and liabilities are classified as follows:

	<b>September 30, 2024</b>	<b>December 31, 2023</b>
<b>Financial assets:</b>		
<b><i>Amortized cost</i></b>		
Cash and cash equivalents	\$ 6,226,202	\$ 5,269,421
Amounts receivable	\$ 138,041	\$ 149,948
<b>Financial liabilities:</b>		
<b><i>Amortized cost</i></b>		
Accounts payable and accrued liabilities	\$ 606,612	\$ 414,229
Lease liabilities	\$ 219,887	\$ 266,989

Amounts receivable and accounts payable and accrued liabilities include amounts due from and due to related parties. The Company's cash and cash equivalents, amounts receivable and accounts payable and accrued liabilities approximate their carrying amounts due to the short-term nature of these instruments.

The Company's risk exposures arising from financial instruments are consistent with those discussed in the consolidated financial statements for the nine-month period ended December 31, 2023, with the exception of:

### *Liquidity risk*

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company has aimed to manage liquidity risk by maintaining adequate cash and managing its capital and expenditures.

At September 30, 2024, the Company had cash and cash equivalents of \$6,226,202 and accounts payable and accrued liabilities of \$606,612 with contractual maturities of less than one year. The Company's ability to continue as a going concern is dependent on management's ability to raise financing until such time that the Company is profitable. The Company manages its liquidity risk by forecasting cash flows from operations and investing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments. At September 30, 2024, the Company assessed its liquidity risk as moderate.

### **OUTSTANDING SHARE DATA**

As at the date of this MD&A, the Company had 333,962,292 common shares issued and outstanding, 2,717,789 compensation options outstanding, 24,081,833 stock options outstanding, 8,332,832 restricted share units outstanding, and 30,677,207 warrants convertible into common shares outstanding.

The Company has authorized an unlimited number of common shares without par value.

### **RISKS AND UNCERTAINTIES**

The Company is in the mineral exploration and development business and as such is exposed to a number of risks and uncertainties that are not uncommon to other companies in the same business. Prospective investors should carefully consider the risks described below, together with all of the other information included in this MD&A and the Company's annual information form ("AIF") dated July 29, 2022 available on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)), before making an investment decision.

### **CAUTION REGARDING FORWARD LOOKING STATEMENTS**

Some of the statements contained in this MD&A are "forward-looking statements." Such forward looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements, or developments to differ materially from the anticipated results, performance or achievements expressed or implied by such forward-looking statements. Forward looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects," "plans," "anticipates," "believes," "intends," "estimates," "projects," "potential" and similar expressions, or that events or conditions "will," "would," "may," "could" or "should" occur.

Forward-looking statements in this MD&A include, among others, statements relating to expectations regarding the exploration and development of the Moss Gold Project, the Vanguard Project, and the Hillcrest Project, the release of an updated mineral resource estimate and preliminary economic assessment, including the timing of when these activities may occur, and other statements that are not historical facts. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors and risks include, among others: the Company may require additional financing from time to time in order to continue its operations which may not be available when needed or on acceptable terms and conditions acceptable; compliance with extensive government regulation; domestic and foreign laws and regulations could adversely affect the Company's business and results of operations; the stock markets have experienced volatility that often has been unrelated to the performance of companies and these fluctuations may adversely affect the price of the Company's securities, regardless of its operating performance; and the impact of COVID-19.

**GOLDSHORE RESOURCES INC.**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**For the nine months ended September 30, 2024**

---

The forward-looking information contained in this MD&A represents the expectations of the Company as of the date of this MD&A and, accordingly, is subject to change after such date. Readers should not place undue importance on forward-looking information and should not rely upon this information as of any other date.

The Company undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change.

This MD&A does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.