



AMERICAN EAGLE GOLD

American Eagle Gold Corp.

(formerly Pacific Precious Inc.)

Management Discussion and Analysis
For the three and nine months ended September 30, 2022

(Expressed in Canadian Dollars)



The following interim management's discussion and analysis ("Interim MD&A") of American Eagle Gold Corp. ("American Eagle", the "Corporation", or the "Company") (formerly Pacific Precious Inc.), for the three and nine months ended September 30, 2022 has been prepared to provide material updates to the business operations, liquidity and capital resources of the Company since its last annual management's discussion and analysis, being the management's discussion and analysis for the year ended December 31, 2021 ("Annual MD&A"). This Interim MD&A does not reflect any non-material events since the date of the Annual MD&A.

For the purposes of preparing this Interim MD&A, management, in conjunction with the board of directors of the Company (the Board), considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company's common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

This discussion should be read in conjunction with the Company's Annual MD&A, audited annual consolidated financial statements for the years ended December 31, 2021 and 2020, together with the notes thereto, and unaudited condensed interim consolidated financial statements for the three and nine months ended September 30, 2022 and 2021, together with the notes thereto.

Results are reported in Canadian dollars, unless otherwise noted. The Company's unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations of the IFRS Interpretations Committee (IFRIC). The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Standard 34, Interim Financial Reporting.

This Interim MD&A has been prepared with reference to the MD&A disclosure requirements established under National Instrument 51-102 Continuous Disclosure Obligations (NI 51-102) of the Canadian Securities Administrators. Additional information regarding American Eagle is available on its website at www.americaneaglegold.ca or through the Company's SEDAR profile available at www.sedar.com. However, the information on the website is not in any way incorporated in or made a part of this Interim MD&A. This Interim MD&A has been prepared as of November 29, 2022.

Scientific and Technical Information

Mark Bradley, B.Sc, M.Sc., P.Geo., a Certified Professional Geologist and Qualified Persons as defined by NI 43-101, has reviewed and approved the scientific and technical content contained in this Interim MD&A.

Corporate Overview and Update

American Eagle was incorporated under the Business Corporations Act (Canada) on June 22, 2018. The Company's head office is located at Suite 1805, 55 University Avenue, Toronto, Ontario, M5J 2H7.

The Company's principal business is the acquisition and exploration of mineral properties. To date, the Company has not earned revenue as it is in the exploration stage. The ability of the Company to carry out its business plan rests with its ability to secure equity and other financing.

Core Business Strategy

American Eagle Gold is focused on exploring gold and copper deposits in North America. Its flagship is the NAK copper property located in British Columbia.



NAK is a classic porphyry copper-gold mineralized zone that exhibits many signs of a robust and large-scale system. Historic shallow drilling programs defined a near-surface copper-gold system with a footprint greater than 1.5km x 1.5km that was open and completely untested at depth. The current drill program on NAK was designed to test geophysical targets at a depth based on new interpretations from recent ZTEM, IP, and airborne magnetic surveys.

The NAK property is road accessible, and many target areas coincide with forest industry clear cuts. Drilling can be completed year-round, and no helicopter support is required. The NAK property is 85 kilometres from Smithers, BC, occurs in the Babine copper-gold porphyry district of west-central British Columbia, and is close to nearby Babine district deposits (Bell, Granisle). It is defined by a compelling geophysical signature that has similarities to classic porphyry systems (e.g. close association of airborne magnetic highs with annular IP chargeability highs).

Mineral Exploration Projects and Current Period Update

NAK, British Columbia

Exploration on the NAK dates back to the mid-1960s, and more than \$9 million has been spent.

Historical Exploration

- 1964-1971: Noranda Exploration completed soil and geophysical surveying and 28 BQ holes for 1837m.
- 1973: Ducanex Resources conducted geophysical and geochemical surveying and 480m in 8 holes.
- 1993-1997: Hera Resources carried out IP and magnetic surveying and drilled 71 BQ holes for 13,311m. No core retained.
- 2008: Copper Ridge completed soil, IP and magnetic surveying and 1,265m in 5 NQ holes. Core retained and stored in Smithers.
- 2010-2014: Copper Ridge and Redtail Metals completed a helicopter ZTEM and magnetic survey comprising 1,083 line-km and ground IP and magnetics.
- 2016-2019: Generation Mining re-logging B08-04 holes, preliminary metallurgy and several generations of soil sampling
- 2021: NAK Mining digitized, analyzed, reinterpreted and modelled all historical data for the first time on this property. Independent geophysical and geochemical analysis was completed for historical data. The company recently applied for a five-year, multi-hole drill permit.

105 diamond holes were completed for 18,475m, averaging 175m in length and to an average vertical depth of 150m. However, only four holes were drilled below 300m vertically and failed to test the top of the coincident magnetic and ZTEM anomaly, which starts at a depth of 500-600m.

The NAK property has excellent logistical advantages and can be accessed via well-maintained forest production roads from Topley Landing. The NAK copper-gold porphyry deposit occurs in the Stikine Island Arc Terrane, which hosts many copper porphyry deposits in British Columbia. In addition, NAK is associated with Babine Intrusive Suite, which is Eocene age and locally hosts the Bell, Granisle, Hearne Hill and Dorothy/Duke copper-gold deposits.

Current Exploration Activities:

During the first half of 2022, American Eagle engaged C.J. Greig and Associates to advise and execute the Company's exploration program at NAK. Geologist and president of C.J Greig & Associates, Charlie Greig, is a recipient of the prestigious 2022 Bill Dennis Award, recognizing his contribution to the prospecting and exploration industry or a significant mineral discovery.

In August 2022, the Company received drill permits for NAK, executed an exploration agreement with Lake Babine Nation and commenced the initial drill program. The strategy is to complete a discovery drilling



program that tests the most compelling geophysical anomalies at depth. The current drill plan is designed to vertically intersect the core of these new geophysical targets, which are situated directly below the shallow low-grade resource.

In October 2022, the Company and Orefinders Resources Inc. (“Orefinders”) entered into an option agreement and a call option agreement for Orefinders to earn a 20% interest in the NAK project in return for an aggregate of \$1 million in exploration work obligations being carried out on the project by the end of 2022. The call option agreement provides the Company the ability to repurchase the 20% interest at a price of \$1.5 million, which is subject to regulatory approvals. This agreement has allowed the Company to expand its current drill program by approximately 2,500 metres in three additional holes.

The first assayed hole was released on November 7, 2022 which returned 125 m of 1.02% Copper Equivalent from Surface within 851 m of 0.33% Copper Equivalent in the maiden drill hole at NAK, marking a significant discovery on the property.

As of November 29, 2022, six holes have been drilled, each of which are continuously mineralized to an approximate average of 850 m depth, along a strike length of nearly 750 m. The mineralized zone remains open in all directions. Other than the first hole, assays are currently outstanding. A total of seven holes and approximately 6,000 m will be completed in the 2022 drill program.

American Eagle is funded to complete the current program with the Orefinders option agreement. The Company’s focus for the remainder of the year is to maximize the success of its current program. The exploration plan for 2023 will be evaluated following the receipt and analysis of all assay results from the current program.

In November 2022, the Company filed a five year Notice of Work program on the property and plans to begin updating their exploration agreement with the Lake Babine Nation in the near term.

Corporate Updates

In August 2022, Mark Bradley, VP Exploration, stepped down from his role as VP Exploration and has continued with American Eagle as a geological consultant.

In October 2022, David Shaddrick resigned as a director of the Company.

On October 17, 2022, the Company granted stock options to directors, officers, employees and consultants allowing for the acquisition of up to 4,025,000 shares of the Company. These options will vest 12 months from the grant date, are exercisable at CAD \$0.10 for five years from the date of grant and are subject to regulatory policies.



REVIEW OF OPERATIONS FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2022 AND 2021

Three months ended September 30, 2022 and 2021

For the three months ended September 30, 2022, the Company has a net loss before taxes of \$1.1 million compared to the prior year period net loss before taxes of \$0.6 million, an increase in the net loss of \$0.5 million. The increase was due to increased exploration and evaluation expenditures as the Company executed its current exploration drill program at NAK.

	Three months ended		
	September 30, 2022	September 30, 2021	Change
EXPENSES			
Exploration and evaluation expenses	\$904,768	\$408,504	\$496,264
Consulting and management fees	89,567	70,002	19,565
Office, general and administrative	2,206	7,152	(4,946)
Amortization	5,227	-	5,227
Audit, accounting and legal	5,880	14,606	(8,726)
Transfer agent, filing fees and shareholder communications	45,743	31,713	14,030
Share-based compensation	2,105	-	2,105
Unrealized loss on investment	30,000	50,000	(20,000)
TOTAL EXPENSES	\$1,085,496	\$581,977	\$503,519

- Exploration expenses increased from \$0.4 million to \$0.9 million, which consisted of planning and executing the drill program at NAK.
- Consulting and management fees increased as a result of increased activity in the Company including the NAK project which did not exist in the prior year period.
- Transfer agent, filing fees and shareholder communications expenses increased due to the timing of activities compared to the prior year.
- Unrealized loss on investment represents the revaluation of publicly listed securities and reflects the change in the market value during the current period.

Nine months ended September 30, 2022 and 2021

For the nine months ended September 30, 2022, the Company has a net loss before taxes of \$2.5 million consistent with the prior year period. The loss in the current period was driven by exploration and evaluation expenditures from both the Golden Gate project earlier in the year as well as the drill program at NAK which is ongoing. The increased exploration activity was supported by higher consulting and management as well as office, general and administrative expenses which were offset by lower expenses in all other areas.



	September 30, 2022	Nine months ended September 30, 2021	Change
EXPENSES			
Exploration and evaluation expenses	\$1,933,116	\$680,077	\$1,253,039
Consulting and management fees	264,711	202,145	62,566
Office, general and administrative	28,006	13,065	14,941
Amortization	15,680	-	15,680
Audit, accounting and legal	53,359	173,366	(120,007)
Transfer agent, filing fees and shareholder communications	105,209	370,624	(265,415)
Share-based compensation	27,066	655,706	(628,640)
Unrealized loss on investment	75,000	400,000	(325,000)
TOTAL EXPENSES	\$2,502,147	\$2,494,983	\$7,164

- Exploration expenses increased from \$0.7 million to \$1.9 million, which primarily consisted of the drill program at Golden Gate in early 2022 as well as planning and execution of the ongoing drill program at NAK.
- Consulting and management fees increased as a result of increased activity in the Company including the NAK project which did not exist in the prior year period.
- Audit, accounting and legal as well as transfer agent, filing fees and shareholder communications expenses decreased for a total of about \$0.4 million as a result of less capital markets related activities in the current period.
- Unrealized loss on investment represents the revaluation of publicly listed securities and reflects the change in the market value during the current period.

Summary of Quarterly Results

The following is a summary of American Eagle's financial results on a quarterly basis for the last eight quarters:

	September 30, 2022	June 30, 2022	March 31, 2022	December 31, 2021
Total assets	\$1,431,424	\$1,870,418	\$2,297,139	\$3,665,757
Total liabilities	765,125	167,224	238,690	570,873
Total shareholders' equity	619,803	1,703,194	2,058,449	3,094,884
Total revenue	-	-	-	-
Total expenses	2,502,147	377,778	1,038,873	1,257,126
Net loss	(2,502,147)	(377,778)	(1,038,873)	(1,257,126)
Basic and diluted net loss per share	\$(0.04)	\$(0.01)	\$(0.01)	\$(0.02)

	September 30, 2021	June 30, 2021	March 31, 2021	December 31, 2020
Total assets	\$2,556,037	\$3,086,994	\$4,075,856	\$874,392
Total liabilities	28,713	11,693	337,410	43,560
Total shareholders' equity	2,527,324	3,075,301	3,738,446	830,832
Total revenue	-	-	-	-
Total expenses	581,977	1,317,851	595,155	207,850
Net loss	(581,977)	(1,317,851)	(595,155)	(207,850)
Basic and diluted net loss per share	\$(0.03)	\$(0.01)	\$(0.04)	\$(0.03)



There are no known trends in the expenditures incurred by the Company. Total assets and shareholders' equity have fluctuated based on the timing of equity financing activities, offset by the execution of exploration and evaluation programs. Total expenses have fluctuated based on the timing of carrying out exploration and evaluation programs which is dependent on the timing of permits and availability of contractors to carry out the planned work.

Liquidity and Financial Condition

Due to the nature of the junior mineral exploration business, the Company relies upon external financing to fund its ongoing business activities. Financing options are continually being evaluated and pursued by the Company, such as the issuance of share capital and/or debt financing. The Company's ability to continue as a going concern is dependent upon financing arrangements for its business activities. As with any business in this industry, there are uncertainties associated with its ability to raise additional financing through private placements, or other sources to fund these activities. As such, the Company is subject to liquidity risks.

As at September 30, 2022, the Company had working capital of \$485,581 compared to December 31, 2021 when it had a working capital of \$2,892,934. As at September 30, 2022, the Company had \$1,250,706 in current assets, being a decrease of \$2,163,186 from December 31, 2021 as a result of spending in the current period and a reduction of outstanding accounts payable and accrued liabilities. As at September 30, 2022, the Company's current liabilities totaled \$765,125 and as at September 30, 2022 other long-term liabilities totaled \$46,496.

The Company had a cash balance of \$1,040,625 as at September 30, 2022, a decrease of \$1,860,682 from \$2,901,307 as at December 31, 2021. In the nine months of 2022, cash used in operating activities was \$1,851,918 compared to \$1,537,623 in the prior year period. Cash used in financing was limited to payments on equipment loan compared to the prior year period which included cash provided from the issuance of shares and equipment financing activities.

Related Party Transactions

Key management personnel compensation

Key management includes directors, CEO, and CFO. The remuneration of the key management of the Company during the three and six months ended September 30, 2022 and 2021 was as follows:

	Three months ended		Nine months ended	
	September 30		September 30	
	2022	2021	2022	2021
Geological and project consulting included in exploration expenses	\$47,300	-	\$121,900	-
Management and consulting fees	81,864	40,000	239,299	122,000
Share-based payments	-	-	24,961	-
	\$129,164	\$40,000	\$386,160	\$122,000

Standard Ore Corporation ("Standard Ore"), a company controlled by a director that holds 11.58% ownership in the Company as at September 30, 2022, provides corporate and administrative services to the Company.



The following is the balance due from related party as at:

	September 30, 2022	December 31, 2021
Due from Standard Ore Corporation	\$ 739	\$ 17,512

The balance receivable is unsecured, non-interest bearing and due on demand.

As at September 30, 2022, the Company held 3,000,000 common shares of Orefinders Resources Inc. at a fair value of \$90,000 (December 31, 2021 – 3,000,000 common shares -\$165,000) based on the quoted market price of the Orefinders' shares. The Company has directors in common with Orefinders.

Financial Risk Management

The Company is exposed in varying degrees to a variety of financial instrument related risks. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Fair value of financial instruments

The fair value of financial instruments approximates their carrying value due to the short-term maturity of these instruments. As at September 30, 2022 and 2021, the Company's investment was carried at fair value. It was classified at Level 1 in the fair value hierarchy.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's exposure to credit risk is on its cash held in bank accounts. Cash is held with major banks in Canada. Management assesses credit risk of cash as remote.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company strives to ensure that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash. The Company's accounts payable and accrued liabilities generally have contractual maturities of less than 30 days and are subject to normal trade terms. In the long-term, the Company may have to issue additional equity to ensure there is sufficient capital to meet long-term objectives.

Currency and interest rate risk

The Company is exposed to foreign currency risk on financial assets and liabilities that are denominated in a currency other than the Canadian dollar. The currencies giving rise to this risk are the US dollar.

Market price risk

The Company was exposed to market risk relating to its investment and unfavourable market conditions could result in dispositions of its investment at less than favourable prices. The Company's investment is comprised of a publicly-traded corporation. The Company's investment is subject to fair value fluctuations. As at September 30, 2022, if the fair value of the investments



fluctuated by 10% all other factors held constant, consolidated net loss would change by approximately \$12,000 (December 31, 2021 - \$16,500).

Classification of financial instruments

Financial assets included in the statement of financial position are as follows:

	September 30, 2022	December 31, 2021
Financial assets at amortized costs:		
Cash	\$1,040,625	\$2,901,307
Due from related party	739	17,512
Financial assets at FVPL:		
Investment in Orefinders	90,000	165,000
	\$1,131,364	\$3,083,819

	September 30, 2022	December 31, 2021
Financial liabilities at amortized costs:		
Accounts payable and accrued liabilities	\$722,221	\$511,483
Equipment loan	57,061	59,390
Due to related party	32,339	-
	\$811,621	\$570,873

Capital Management

The Company’s objectives when managing capital are to safeguard the Company’s ability to continue as a going concern, so that it can provide returns to shareholders and benefits to other stakeholders. The Company considers the items included in equity as capital. The Company manages the capital structure and adjusts it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares through equity offerings or return capital to shareholders.

There can be no assurance that the Company will be successful in its efforts to arrange additional financing, if needed, on terms satisfactory to the Company.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company’s approach to capital management in the period.

Equity Securities Issued and Outstanding

As at November 29, 2022:

- 70,224,791 common shares issued and outstanding
- 10,710,000 incentive stock options outstanding
- 15,517,837 warrants outstanding

Corporate Governance Matters



The Company has an independent audit committee and a compensation committee that meets periodically as required to review and approve financial statements and to approve management compensation.

Commitments and Contingencies

- (a) The Company's exploration activities are subject to various federal and state laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.
- (b) Flow-through common shares require the Company to spend an amount equivalent to the proceeds of the issued flow-through common shares on Canadian qualifying exploration expenditures. The Company may be required to indemnify the holders of such shares for any tax and other costs payable by them in the event the Company has not made the required exploration expenditures in the period permitted. On December 24, 2021, the Company received \$1,510,774 through the issue of flow-through shares. As at September 30, 2022, the Company requires additional flow-through expenditures of \$509,216 by December 31, 2022 to fulfill its commitments.
- (c) In March 2020, the COVID-19 outbreak was declared a global pandemic by the World Health Organization. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy, capital markets and the Company's financial position cannot be reasonably estimated at this time. The Company is monitoring developments and will adapt its business plans accordingly. The actual and threatened spread of COVID-19 globally could adversely impact the Company's operations and ability to raise capital.

Off Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Risks and Uncertainties

American Eagle's business of exploring mineral resources involves a variety of operational, financial and regulatory risks that are typical in the natural resource industry. The Company attempts to mitigate these risks and minimize their effect on its financial performance, but there is no guarantee that the Company will be profitable in the future.

Capital Requirements

The Company will require significant capital in order to fund its operating costs and to explore and develop any project. American Eagle has no revenues and is wholly reliant upon external financing to fund all of its capital requirements. American Eagle will require additional financing from external sources to meet such requirements. There can be no assurance that such financing will be available to American Eagle or, if it is, that it will be offered on acceptable terms. If additional financing is raised through the issuance of equity or convertible debt securities of American Eagle, the interests of shareholders in the net assets of American Eagle may be diluted. Any failure of American Eagle to obtain financing on acceptable terms could have a material adverse effect on American Eagle's financial condition, prospects, results of operations and liquidity and require American Eagle to cancel or postpone planned capital investments.

Dependence on Mineral Exploration Projects

Any adverse development affecting the progress of Company's exploration projects such as, but not limited to, obtaining financing on commercially suitable terms, hiring suitable personnel and contractors, or securing supply agreements on commercially suitable terms, may have a material adverse effect on the Company and its business or prospects.



Metal Prices

The development and success of any project of the Company will be primarily dependent on the future spot prices of copper and gold (and other metals). The copper and gold spot prices, like any other commodity, is subject to significant fluctuation and is affected by a number of factors, which are beyond the control of the Company. Such factors include, but are not limited to, interest rates, exchange rates, inflation or deflation, fluctuation in the value of the United States dollar and foreign currencies, global and regional supply and demand, and the political and economic conditions of major gold-producing countries throughout the world. Future serious gold price declines could cause any future development of and commercial production from the Company's projects to be impracticable.

Government Regulation, Permits and Licenses

The Company's mineral exploration and potential development activities are subject to various laws governing prospecting, mining, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local people and other matters. 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 exploration, development or production. Many of the mineral rights and interests of the Company are subject to government approvals, licenses and permits. Such approvals, licenses and permits are, as a practical matter, subject to the discretion of the applicable governments or governmental officials. No assurance can be given that the Company will be successful in maintaining any or all of the various approvals, licenses and permits in full force and effect without modification or revocation. To the extent such approvals are required and not obtained; the Company may be curtailed or prohibited from continuing or proceeding with planned exploration or development of mineral projects.

Where required, obtaining necessary permits and licenses can be a complex, time consuming process and the Company cannot assure that required permits will be obtainable on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could stop or materially delay or restrict the Company from proceeding with the development of an exploration project or the operation or further development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in interruption or closure of exploration, development or mining operations or material fines, penalties or other liabilities. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations or in the exploration or development of mineral projects may be required to compensate those suffering loss or damage by reason of such mining activities, and may have civil or criminal fines or penalties

imposed for violations of applicable laws or regulations. Amendments to current laws and regulations governing operations or more stringent implementation thereof could have a substantial adverse impact on the Company and cause increases in exploration expenses, capital expenditures or production costs or reduction in levels of production at producing projects or require abandonment or delays in development of new mining projects.

Competition

The mining industry is competitive in all of its phases. The Company faces strong competition from other exploration and mining companies in connection with the acquisition of projects producing or capable of producing, precious and base metals. Many of these companies have greater financial resources, operational experience and technical capabilities than American Eagle. As a result of this competition, American Eagle may be unable to maintain or acquire attractive mining projects on terms it considers acceptable or at all. Consequently, the financial condition and any future revenues and operations of American Eagle could be materially adversely affected.



Exploration, Development and Operational Risk

The exploration for, and development of, mineral deposits involve significant risks that even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, few projects, which are explored, are ultimately developed into producing mines. Major expenses may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are the particular attributes of the deposit, such as size, grade and proximity to infrastructure, metal prices which are highly cyclical, and government regulations including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in American Eagle not receiving an adequate return on invested capital.

The Company does not currently operate a mine on any of its projects. There is no certainty that the expenditures made by American Eagle towards the search for, and evaluation of, mineral deposits will result in discoveries of commercial quantities of ore. Mining operations generally involve a high degree of risk. Such operations are subject to all the hazards and risks normally encountered in the exploration for, and development and production of gold. Such hazards and risks include unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of mines and other producing facilities, damage to life or project, environmental damage and possible legal liability. Milling operations are subject to hazards such as equipment failure or failure of retaining dams around tailings disposal areas which may result in environmental pollution and consequent liability.

Reliance on Management and Key Employees

The success of the operations and activities of American Eagle is dependent to a significant extent on the efforts and abilities of its management, a relatively small number of key employees, outside contractors, experts and other advisors. Investors must be willing to rely to a significant extent on management's discretion and judgment, as well as the expertise and competence of its key employees, outside contractors, experts and other advisors. American Eagle does not have in place formal programs for succession of management and training of management nor does it have key person insurance on its key employees. The loss of one or more of these persons, if not replaced, could adversely affect American Eagle's operations and financial performance.

No Assurance of Titles, Boundaries or Approvals

Titles to American Eagle's projects may be challenged or impugned, and title insurance is generally not available. American Eagle's mineral projects may be subject to prior unregistered agreements, transfers or claims, and title may be affected by, among other things, undetected defects. In addition, American Eagle may be unable to operate its projects as permitted or to enforce its rights with respect to its projects. American Eagle cannot assure that it will receive the necessary approval or permits to exploit any or all of its mineral projects in the future. The failure to obtain such permits could adversely affect American Eagle's operations.

Environmental Risks and Hazards

All phases of American Eagle's operations are subject to environmental regulation in the jurisdiction in which it operates. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect American Eagle's operations. Environmental hazards may exist on the projects in which American Eagle holds interests which are unknown to American Eagle at present and which have been caused by previous or existing owners or operators of the projects.



Uninsured Risks

American Eagle's business is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labor disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral projects or production facilities, personal injury or death, environmental damage to American Eagle's projects or the projects of others, delays in development or mining, monetary losses and possible legal liability. Although American Eagle maintains insurance to protect against certain risks in such amounts as it considers commercially reasonable, its insurance will not cover all of the potential risks associated with its operations. American Eagle may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration is not generally available to American Eagle on affordable and acceptable terms. American Eagle might also become subject to liability for pollution or other hazards which may not be insured against or which American Eagle may elect not to insure against because of premium costs or other reasons. Losses from these events may cause American Eagle to incur significant costs that could have a material adverse effect upon its financial condition and results of operations.

COVID-19

The COVID-19 pandemic is causing a widespread health crisis that has affected economies and financial markets around the world resulting in an economic downturn. In response to the outbreak, governmental authorities in Canada and internationally have introduced various recommendations and measures to try to limit the pandemic, including travel restrictions, border closures, non-essential business closures, quarantines, self-isolations, shelters-in-place and social distancing. The COVID-19 outbreak and the response of governmental authorities to try to limit it are having a significant impact on the private sector and individuals, including unprecedented business, employment and economic disruptions. The continued spread of COVID-19 nationally and globally could have an adverse impact on the Company's business, operations and financial results, as well as a deterioration of general economic conditions including a possible national or global recession. Due to the speed with which the COVID-19 situation is developing and the uncertainty of its magnitude, outcome and duration, it is not possible to estimate its impact on the Company's business, operations or financial results, including the Company's ability to secure financing; however, the impact could be material

Evaluation of Disclosure Controls and Procedures

Management has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence to ensure that (i) the unaudited interim condensed consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the unaudited interim condensed consolidated financial statements; and (ii) the unaudited interim condensed consolidated financial statements fairly present in all material respects the financial condition, financial performance and cash flows of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate filed by the Company does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing such certificate are not making any representations relating to the establishment and maintenance of: i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and ii) a



process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of unaudited interim condensed consolidated financial statements for external purposes in accordance with the issuer's generally accepted accounting principles (IFRS).

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in such certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Cautionary Note Regarding Forward-Looking Statements

Certain of the statements made and information contained herein is "forward-looking information". These statements relate to future events or the Company's future performance. All statements, other than statements of historical fact, may be forward-looking statements. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "anticipates", "plans", "budget", "scheduled", "continue", "estimates", "forecasts", "expect", "is expected", "project", "propose", "potential", "targeting", "intends", "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might", or "will be taken", "occur" or "be achieved" or the negative connotation thereof. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes that the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this MD&A should not be unduly relied upon by investors as actual results may vary. These statements speak only as of the date of this MD&A and are expressly qualified, in their entirety, by this cautionary statement. In particular, this MD&A contains forward-looking statements, pertaining to the following: capital expenditure programs, development of resources, treatment under governmental and taxation regimes, expectations regarding the Company's ability to raise capital, expenditures to be made by the Company on its projects and work plans to be conducted by the Company. With respect to forward-looking statements listed above and contained in the MD&A, the Company has made assumptions regarding, among other things:

- uncertainties relating to receiving exploration permits;
- the impact of increasing competition;
- unpredictable changes to the market prices for minerals;
- exploration and developments costs for its projects;
- availability of additional financing and opportunities for acquisitions or joint-venture partners;
- anticipated results of exploration and development activities; and
- the Company's ability to obtain additional financing on satisfactory terms.

The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and elsewhere in this MD&A and Financial Statements and Notes to the Financial Statements as at September 30, 2022 and the Annual MD&A and Financial Statements and Notes to the Financial Statements as at December 31, 2021, uncertainties associated with estimating resources; geological, technical, drilling and processing problems; liabilities and risks, including environmental liabilities and risks, inherent in mineral and oil and gas operations;



fluctuations in currencies and interest rates; incorrect assessments of the value of acquisitions; unanticipated results of exploration activities; competition for, amongst other things, capital, undeveloped lands and skilled personnel; lack of availability of additional financing and farm-in or joint venture partners and unpredictable weather conditions. Although the Company has attempted to identify important factors that could cause results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Readers are cautioned that the foregoing lists of factors are not exhaustive. Forward looking statements are made as of the date hereof and accordingly are subject to change after such date. The forward-looking statements contained in this MD&A are expressly qualified by this cautionary statement. The Company does not undertake to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws.

“Stephen Stewart”

On behalf of American Eagle’s Board of Directors