

TRAILBREAKER RESOURCES LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three and nine months ended September 30, 2023 and 2022

TRAILBREAKER RESOURCES LTD.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2023 and 2022

General

This Management's Discussion and Analysis ("MD&A") of Trailbreaker Resources Ltd. ("Trailbreaker", or the "Company") for the three and nine months ended September 30, 2023 has been prepared by management as at November 29, 2023 and should be read in conjunction with the condensed interim consolidated financial statements for the three and nine months ended September 30, 2023 and the audited consolidated financial statements for the year ended December 31, 2022 and the notes thereto, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. All dollar amounts included in this MD&A are stated in Canadian dollars unless otherwise indicated. Readers are encouraged to read the Company's public information filings on SEDAR at www.sedar.com.

Cautionary Note Regarding Forward-Looking Statements

In this MD&A, forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those implied by the forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of risks as set forth in the following discussions.

1. Company Overview

Trailbreaker is a British Columbia corporation located in Vancouver, BC. It is a publicly traded company listed on both the TSX Venture Exchange ("Exchange") under the symbol "TBK" and the Frankfurt Stock Exchange under the symbol "KCG". Trailbreaker's primary focus is mineral exploration.

1.1 Mineral Exploration

Prior to June 2011, the Company owned and operated several types of industrial commercial businesses. In June of 2011, the Company completed a change of business (the "COB") and became a mineral exploration company under the new name, Goldstrike Resources Ltd. and proceeded to acquire options on twenty-four mineral properties totaling 3,782 claims covering over 79,000 hectares in Yukon Territory, Canada.

Over the next several years, the Company continued to add mineral claims through staking and entering into option agreements with claim holders. Properties that have not demonstrated a likelihood for economic success were dropped and written off.

The Plateau developed into the Company's flagship property. In March 2017, the Company formed a strategic alliance with Newmont Canada FN Holdings ULC ("Newmont"), a subsidiary of Newmont Mining Corporation, to explore and develop the Plateau property. The alliance was terminated in January 2019 while the Company continued to work the property on its own.

On August 10, 2018, the Company completed a plan of arrangement (the "Arrangement") and spun-off its exploration and evaluation assets comprising the "White Gold District Properties" into a newly formed public company named Luckystrike Resources Ltd ("Luckystrike"). Luckystrike changed its name to Golden Sky Minerals Corp ("Golden Sky") in February 2020.

On January 17, 2020, the Company consolidated its issued and outstanding common shares on a 20-old-for-1-new share basis.

On March 22, 2021, the Company changed its name to Trailbreaker Resources Ltd, representing the Company's changing focus to developing an evolved brand of district-scale discoveries in safe jurisdictions. The Atsutla Gold project, acquired through grassroots staking, evolved into the Company's new flagship property with the discovery of widespread, high-grade gold in 2021. As of November 27, 2023 the Company holds eight mineral properties in British Columbia and two properties in Yukon Territory which the Company is actively working on.

TRAILBREAKER RESOURCES LTD.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2023 and 2022

1.2 Petroleum and Natural Gas

In November 2015, the Company entered into an agreement (the "POP Agreement") to acquire all issued and outstanding shares of Petro One Energy Corp. ("Petro One"), an Exchange listed company. The result of the acquisition, which completed during March 2016, allowed the Company to access \$1,250,000 in cash held by Petro One to advance the Company's mineral projects. Most of Petro One's oil and gas assets have been maintained since that time, but production has been suspended due to the reduced production and historical low world prices for oil and gas until recently.

Since 2021, the Company has been focusing on reclaiming and divesting Petro One's oil and gas assets in order to free its resources to be applied fully on mineral exploration business.

2. Mineral Properties

2.1 Atsutla Gold Project

The Atsutla Gold project represents a brand-new, high-grade gold discovery in British Columbia where greenfield exploration has returned rock samples assaying up to 18.38 oz/ton (630 g/t) gold and 55.25 oz/ton (1,894 g/t) silver in an area with no previously known gold mineralization. The project consists of 36 mineral tenures covering over 40,000 hectares of underexplored, highly prospective ground in northwestern British Columbia. All but one claim (132 ha) are 100%-owned by Trailbreaker Resources with no underlying royalties or payments.

The project covers a portion of the Atsutla mountain range within the Kawdy Plateau of northwestern BC; 70 km south of the BC-Yukon border and 120 km northwest of Dease Lake, BC. Although placer gold was recorded in multiple drainages in the area during the early 1900s, very little mineral exploration has occurred since then. The area was briefly explored for copper, tungsten, and molybdenum during the 1970s with gold mineralization completely overlooked.

The Atsutla Gold project is centred over the crustal-scale Teslin – Thibert fault system that marks the division between the Quesnel and Cache Creek tectonic terranes. Gold mineralization on the property is closely related to the Mesozoic intrusive batholiths that comprise the Atsutla mountain range. The geological setting suggests strong potential for multiple styles of gold mineralization including Cu-Au porphyry, epithermal, orogenic vein and intrusion-related.

To date, Trailbreaker has defined 5 significant gold zones over 26 kilometres: Highlands, Christmas Creek, Snook, Willie Jack and Swan.

- The Highlands zone is comprised of widespread high-grade gold and silver veins with coarse visible gold over a 750m x 600m area with assays up to 630 g/t (18.38 oz/ton) Au and 1,894 g/t (55.25 oz/ton) Ag.
- The Christmas Creek zone is located 2 km east of the Highlands zone and consists of high-grade mineralization with assays up to 102 g/t Au & 524 g/t Ag.
- The Snook zone is located 3.5 km northeast of the Highlands zone and displays multiple generations and styles of mineralized veins. Rock samples have returned assays up to 53.3 g/t Au.
- The Willie Jack zone consists of a 1.25-kilometer-long gold-in-soil anomaly, with soil sample assay values up to 3.77 g/t Au and rock grab samples up to 9.9 g/t Au.
- The Swan zone includes a 900m x 700m gold-in-soil anomaly, with soil sample assay values up to 406 ppb Au and grab samples up to 11.7 g/t Au and 212 g/t Ag. The Swan zone anomaly is directly adjacent to a historic molybdenum-copper (Mo-Cu) porphyry prospect that was not explored or analyzed for gold.

2.2 Plateau Property

Trailbreaker Resources' Plateau property is a newly discovered, district-scale gold system in the Selwyn Basin, 120 km east of Mayo, Yukon Territory. It is comprised of 2,805 contiguous quartz claims, covering 586 square kilometers.

TRAILBREAKER RESOURCES LTD.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2023 and 2022

Plateau's gold mineralization occurs across 50 km of strike within extensive sequences of quartz stockwork and hydrothermal breccias. Host rocks are Lake Proterozoic sedimentary rocks of the Yusezyu Formation (580 Ma) that have been metamorphosed to greenschist facies and deformed by northeast-directed folding and thrust faulting. Two granitic stocks of mid-Cretaceous age have intruded the Proterozoic rocks along the property's southern boundary.

Since the discovery in 2010, the property had seen relatively little exploration. From 2012 to 2017 Trailbreaker drilled 68 diamond drill holes totaling 7026 meters. Newmont Mining optioned the property from 2017 to 2019. Under Newmont, an additional 26 holes were drilled in 2018 totaling 7752 meters. Newmont also performed a property-wide airborne electromagnetic survey (SkyTEM), airborne magnetic survey, LiDAR survey, and a proprietary regional stream sediment survey (BLEG).

Significant drill results include 13.25 g/t Au over 17.5m at the Goldstack Zone and 7.6 g/t Au over 9.03m at the Gold Dome Zone (18km away).

On December 31, 2020, the Company decided to write down the carrying value of Plateau to \$2.14 million. The claims remain in good standing to at least 2030.

2.3 Skelly Property

The Skelly property covers 2,525.59 hectares (2 claims) and is 100% owned by Trailbreaker Resources with no underlying royalties or payments. It is located just south of the British Columbia-Yukon border, approximately 100 km southwest of Whitehorse, Yukon Territory. The property is contiguous to Bessor Mineral's 8,178 hectare Golden Eagle property that contains significant drilled gold prospects with the dominate mineralization consisting of high-grade gold-bearing quartz-sulphide veins. Exploration history dates back to the 1890s with old shafts providing the only evidence of past exploration. No documented modern exploration has been conducted on the majority of the Skelly property.

Skelly is situated in the northern-most end of British Columbia's Stikine terrane that contains the Stuhini volcanic package and a strong Au-As geochemical signature. This northern portion of the Stikine terrain is highly prospective for gold yet has seen far less exploration than other gold districts in BC. Trailbreaker's exploration team believes this district has been overlooked and has strong potential to host similar gold deposits to that of the Golden Triangle district, 300 kilometers to the south. The property covers some of BC's strongest Cu-Au-As-Sb government-collected stream sediment geochemical anomalies and resides in a geological setting indicative for both epithermal, VMS, and intrusion-related gold deposits.

Since the summer of 2020, Trailbreaker has conducted 5 days of exploration on the property. Two historic shafts have been re-identified with grab samples assaying up to 35.5 g/t (1.03 oz/ton) Au and 1147 g/t (33.46 oz/ton) Ag. A chip sample conducted across one of the showings returned an assay of 25.4 g/t Au and 882 g/t Ag over 1.5m. Mineralization related to these historic showings have been traced along strike for 180 meters to the northwest. It is interpreted to be related to a shear zone at the contact between late Cretaceous granite to the southwest, and older, late Paleozoic metamorphic rocks to the northeast.

Multiple mineralized quartz veins have been discovered 200 meters west-southwest of the historic showings in a deeply incised creek canyon which also cuts through the aforementioned high-grade shear. Assays returned grades as high as 3.43 g/t Au and 78.3 g/t Ag. Soil sample results indicate that the gold mineralization discovered in this zone likely extends westward along the creek for a minimum of 250 meters and remains open.

2.4 McMurdo Property

The McMurdo property covers 1727.62 hectares (1 claim) and is 100%-owned by Trailbreaker Resources with no underlying royalties or payments. McMurdo is a regional grassroots exploration target, generated in-house by Trailbreaker's exploration team. The property is situated in southeastern British Columbia within the Spillimacheen Mountain Range, 30 km southwest of Golden, BC.

TRAILBREAKER RESOURCES LTD.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2023 and 2022

The property has a rich history of discovery and small-scale mining spanning from the 1890s through to the early 1900s. Mining was focused on high-grade gold veins and strata-bound polymetallic Pb-Zn-Ag replacement type mineralization. Though several prospectors and geologists have examined the numerous historical gold showings on the property over the decades, this is the first time modern exploration methods have been employed to identify the gold potential of the McMurdo area.

The property overlies Precambrian marine sediments of the Horsethief Group within a regional scale anticlinorium that is deformed by faults and folds and intruded by the Cretaceous Battle Range suite. The property was explored for shale-hosted lead-zinc SEDEX deposits in the early 1980s with significant prospecting, mapping and geochemical sampling programs. Gold mineralization was vastly overlooked during this time frame and most of the geochemical samples were not assayed for gold.

In the summer of 2020, Trailbreaker Resources conducted a limited first pass program of prospecting and geochemical surveying at the McMurdo property to confirm the presence and grades of historic gold-bearing quartz-sulphide veins and to evaluate the vein density for a potential bulk tonnage model. The program was successful in both extending historical gold showings and confirming high-grade gold mineralization in quartz veins. This includes in-situ and float rock samples that assayed up to 175.9 g/t (5.13 oz/t) Au from its newly expanded "Crown Point" zone. A total of 33 soil samples and 74 rock grab samples were collected during the program.

The Crown Point zone comprises a 400m x 300m area that contains auriferous quartz veins hosted in a micaceous grit unit. This area has been exposed following roughly 700m of glacial retreat since the turn of the 20th century, which provided company geologists with the opportunity to significantly expand the known historic mineralized zone. The quartz veins range from a few centimeters to 3m in width and contain irregularly disseminated pyritic mineralization throughout. The confirmed high-grade gold values in quartz veins highlights the potential for significant precious metal mineralization in the area.

2.5 Eakin Creek Property

In March, 2022, the Company announced the acquisition of the Eakin Creek property via staking and the amalgamation of historical claims and showings. The Eakin Creek property is located 100 kilometers north of Kamloops, BC and can be accessed via Highway 24 and by well-maintained forest service roads. The property covers 1,610 ha of prospective ground that drains into placer gold-bearing Eakin Creek. Eakin Creek lies in an underexplored portion of the Quesnel tectonic terrane that hosts many of BC's producing copper and gold mines, such as New Afton, Ajax, Mt Polley, Highland Valley, and Copper Mountain. The claim package is 100%-owned by Trailbreaker Resources with no underlying royalties or payments.

A regional-scale till sampling survey conducted by the Geological Survey of Canada has shown that this underexplored portion of the Quesnel terrane has an anomalous Cu-Au-As-Mo geochemical signature that is indicative of copper porphyry environments elsewhere in BC. Furthermore, some of BC's highest gold grain-count values are recorded from till samples from the Eakin Creek property.

Placer gold was first discovered in Eakin Creek in the late 1800s with small scale placer mining occurring through to the 1940s. The hard rock source of the placer gold was never found and remained a mystery for over 100 years. Gold in bedrock was first discovered on the property in 1983 during the construction of Highway 24, with subsequent hard rock discoveries continuing through to the early 1990s.

The property hosts a strong, widespread gold-in-soil anomaly with 58 historical samples containing greater than 100 ppb Au, to a maximum of 2,600 ppb (2.6 g/t). Prospecting and trenching have proved difficult in the area due to widespread glacial till cover, however the limited prospecting and trenching completed to date have been successful in determining the causes of gold-in-soil anomalies. Numerous high-grade float rock grab samples have been obtained from surficial pits, assaying up to 2.60 oz/ton (89.13 g/t) Au and locally containing visible gold. Limited outcrop sampling to date has returned a 3.0 m chip sample interval grading 3.15 g/t Au, within a 14.0 m interval grading 0.9 g/t Au. Gold is associated with fracture-controlled quartz-calcite veins and breccias, hosted by a Jurassic altered diorite.

TRAILBREAKER RESOURCES LTD.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2023 and 2022

In 2022, Trailbreaker completed a 302-sample Mobile Metal Ion (MMI) soil survey, a 10.75 line-kilometre IP survey, and reconnaissance prospecting. The MMI survey defined a 1,000 x 600 metre Au-Ag-Cu-Sb (gold-silver-copper-antimony) anomaly that is open to the south. This anomaly is coincident with resistivity and chargeability anomalies defined by the IP survey, which is strongest at 50 to 100m of depth.

Prospecting identified gold-bearing mineralization hosted by two main lithologies, with the majority of mineralized samples occurring within the geochemical and geophysical anomalies. Grab samples from bedrock returned assay values up to 8.2 g/t Au and 130 g/t Ag from separate outcrops more than 1 km apart.

In the spring of 2023, Trailbreaker completed a diamond drill program at the Eakin Creek property. The drill program consisted of 2,039 metres in eleven diamond drill holes. Drilling commenced on May 24th, 2023 and was completed by June 20th, 2023. The drill holes covered 750 metres of strike length and 800 metres across strike. Drilling returned gold-bearing intervals in all eleven drillholes, and successfully identified a bedrock source of the surface geochemical anomalies. Highlights of the drill intersections include:

- EC-23-02: 1.0 m of 14.3 g/t Au from 67.0 m
- EC-23-01: 3.0 m of 2.42 g/t Au from 145.0 m, including 1.0 m of 4.94 g/t Au from 147.0 m
- EC-23-05: 15.7 m of 0.32 g/t Au from 38.3 m, including 2.0 m of 1.50 g/t Au from 52.0 m

Additional drilling is recommended in order to expand the known zones of mineralization.

2.6 Connector Gold Property

In May, 2022, the Company announced the staking of the Connector Gold property in the Merritt area of British Columbia. The 1,894 ha, 100%-owned Connector Gold property straddles Highway 97C and is located 40 km west of Kelowna and 55 km southeast of Merritt in south-central BC. The property is contiguous with Glencore Corp's Brenda property which hosts the past-producing Cu-Mo porphyry Brenda Mine. The mine is located just 500 meters to the south of Trailbreaker's claims.

The Connector Gold property was aggressively explored for Cu-Mo deposits in the early 1960s through to the 1990s, when the Brenda deposit was discovered and developed into a producing mine. At the Connector, many Cu-Mo soil geochemical anomalies were identified, and several drill holes intersected significant Cu-Mo porphyry mineralization. Exploration for precious metals, however, was largely ignored until 2008 with the rise in precious metal prices.

In 2009, Bitterroot Resources discovered a high-grade gold-bearing vein system located only 300 meters from the highway, during a trenching program targeting gold-in-soil anomalies. Numerous narrow gold-bearing shear zones and quartz veins were intersected over a 900-meter span with bedrock grab samples assaying up 187.5 g/t Au and 71.8 g/t Ag. Several significant channel sample intercepts were encountered, including 39 g/t Au and 6.3 g/t Ag over 0.25 meters. In 2018, an inaugural 6-hole drill campaign tested a portion of the gold-bearing quartz vein system exposed by trenching. While no significant high-grade gold intercepts were encountered, anomalous gold values were detected in all holes. No exploration has been conducted on the property since 2018, rendering several other gold-in-soil anomalies un-tested by drilling.

The geological setting and style of gold mineralization are very similar to the currently producing Elk Gold mine located 15 km to the southwest (806,000 oz AuEq, M+I resource). As with the Connector Gold property, high-grade gold and silver within the Elk deposit is hosted in narrow quartz veins cutting Jurassic intrusive rocks adjacent to Triassic Nicola volcanic rocks. Trailbreaker's team believes this recent, high-grade gold discovery at the Connector Gold property has been overlooked and has strong potential to host high-grade gold mineralization similar to the nearby Elk Gold deposit. At the Elk Gold mine, Gold Mountain Mining continues to grow their resource, with a 32% increase in its total resource base reported in late 2021.

2.7 Eagle Lake Property

In May, 2022, the Company announced the acquisition of the Eagle Lake property in south-central British Columbia. The property was acquired through a combination of staking and a sale agreement with Teck Resources Limited ("Teck") on their Takomkane property.

TRAILBREAKER RESOURCES LTD.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2023 and 2022

The 18,990-ha Eagle Lake property is an early-stage porphyry copper-gold and mesothermal gold prospect located in the Cariboo Mining district, approximately 55 km east of Williams Lake, BC. The property is road accessible by an extensive network of well-maintained forest service roads. The Eagle Lake property is 100%-owned by Trailbreaker, with a portion of it subject to an underlying 1% NSR to Teck.

The newly consolidated Trailbreaker claims are situated within the Quesnel terrane which is host to several of BC's large tonnage copper-gold porphyry deposits. These include New Gold's Afton mine, Imperial Metals' Mount Polley mine, Taseko's Gibraltar mine, and Centerra Gold's Mount Milligan and Kemess mines. The Quesnel terrane also hosts numerous advanced-stage gold projects, such as the Spanish Mountain Gold project (measured and indicated resource of >4.5 M oz Au) located 45 km north of Eagle Lake, and Karus Gold's FG gold project, located 35 km to the east.

The property is underlain by Late Triassic to Early Jurassic intrusive rocks of the Takomkane Batholith, with minor late Triassic volcanic rocks of the Nicola Group. The Eagle Lake property is contiguous to the advanced-stage Woodjam Cu-Au project and shares a similar geological setting. The Woodjam project covers a Cu-Au porphyry deposit with an inferred resource of 1.7 billion lbs copper and 968,100 oz gold.

Trailbreaker's team believes the gold potential of the property has been overlooked in the past, as copper porphyry-style mineralization was the focus of all previous exploration conducted on the property. For example, in 2010, a small diamond drill program targeting Cu-Au porphyry mineralization (the "Moffat zone") at the south end of the Eagle Lake property encountered significant gold-only mineralization. At the Moffat zone, drilling returned an intercept of 3.52 g/t Au over 9.9 m, (commencing at 253 m) within quartz stockworks and breccias. No follow-up work was ever done. A regional-scale till sampling program executed in 2019 demonstrated that anomalous gold-in-till values were returned from the southern portion of the Eagle Lake property hosting this drill hole.

In September, 2022, Trailbreaker reported the results of its 2022 exploration program. The program included prospecting, geological reconnaissance mapping, and a 432-sample Mobile Metal Ion (MMI) soil geochemical survey covering a 3 x 3.5-kilometre area.

The MMI survey was designed to cover historic drill showings which include a drill intercept of 3.52 g/t Au over 9.9 metres (2011 drill hole MOF-5). The survey identified an 850 x 700 metre Au-Cu-Ag-Mo (gold-copper-silver-molybdenum) anomaly which occurs over MOF-5 and extends east and north into an area where there is no documented historic drilling.

During the 2022 program, the exploration team located the historic drill core from the 2011 drill campaign and was able to examine and re-log the gold- and copper-bearing mineralized intercepts. Significant amounts of hydrothermal breccia, quartz-carbonate-potassium feldspar veining, and fault gouge were observed within the gold-bearing interval of MOF-5 which commences at 253 metres depth. Trailbreaker geologists have determined that these features are representative of a regional-scale fault structure that parallels the northwest-trending geological contact between the late Triassic Copper Mountain Plutonic Suite and the early Jurassic Takomkane Batholith. The MMI soil anomaly occurs along this contact.

To further investigate the surficial expression of the auriferous fault zone observed in drill core at depth, a large-scale induced polarization (IP) survey is recommended for the area of the 2022 MMI soil survey, as well as further MMI soil sampling to the east and north.

On June 12th, 2023, the Company announced the signing of an option agreement with Vizsla Copper Corp. ("Vizsla Copper") for a portion of Trailbreaker's Eagle Lake property. The Eagle Lake property borders Vizsla Copper's Woodjam copper-gold porphyry project. The option deal includes four of the fourteen claims comprising Eagle Lake. The four claims account for 6,482 hectares (ha) of the 19,000 ha property.

Vizsla Copper has the option to acquire a 100% interest in the four claims by issuing an aggregate of 400,000 common shares to Trailbreaker over three years.

TRAILBREAKER RESOURCES LTD.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2023 and 2022

The optioned claims are subject to a 2% NSR (Net Smelter Return royalty). Trailbreaker and Teck Resources Limited will retain a 1% NSR each on three of the claims and Trailbreaker will retain a 2% NSR on the fourth claim. Half of the 1% NSR may be bought from Trailbreaker for \$500,000. Half of the 2% NSR may be bought from Trailbreaker for \$1,000,000.

2.8 Castle Rock Property

The Castle Rock property is an early-stage copper-gold porphyry prospect situated on northern Vancouver Island, British Columbia. Covering of 3,108 hectares or prospective land, the claims are located approximately 70 km northwest of Campbell River, BC. The property is easily accessible via active Forest Service Roads that branch off of Highway 19. Trailbreaker owns half of the claims with no underlying payments or royalties, while the other half was optioned from Cazador Resources Ltd.

Northern Vancouver Island is host to several large Cu-Au porphyry deposits including Northisle's Hushamu deposit that contains an Inferred Resource of over 5.57 Moz AuEq and BHP Billiton's past producing Island Copper deposit that produced >2.7 B lb Cu and >1.0 Moz Au. The Merry Widow gold camp is situated 75 km to the northwest and the Zebellos gold camp is located 40 km to the west.

Castle Rock represents a relatively new gold discovery within a part of Vancouver Island that has seen limited exploration to date and was not previously known for its gold potential. The steep, rugged terrain of the Schoen Creek drainage has kept this area underexplored. The area was first opened to logging activity in the early 2000s. The new logging road networks allowed for a property-scale geochemical silt survey in 2012 which led to the discovery of a large gossanous outcrop (coined the Heart zone) with a chip sample returning 2.0 g/t Au over a 30 meter interval. The gold is hosted in Jurassic age granodiorite dykes that have intruded along a regional-scale fault zone separating Lower to Middle Triassic age sediments from the Upper Triassic Karmutsen basalts. The auriferous intrusive displays strong hydrothermal alteration and brecciation with gold mineralization associated with disseminated and veined pyrite.

Trailbreaker Resources completed a 3-day project evaluation program in 2022, focusing attention on the Heart zone. The program included a detailed soil sample survey consisting of 116 samples as well as 32 meters of channel sampling designed to confirm the historic grades and thickness. The program successfully confirmed historic gold grades, with 2022 values up to 0.680 g/t Au over 13.11m, including a subinterval of 1.85 g/t Au over 2.92m. Soil sampling successfully outlined a 400m x 50m anomaly associated with the Heart zone with samples up to 5.44 g/t Au.

During 2023, Trailbreaker completed a program consisting of the collection of 497 soil samples, 50 prospecting grab samples, and geological mapping. Highlights from the surficial exploration program include:

- Definition of a 3 km gold-in-soil geochemical anomaly along a magnetic lineament, including the newly defined Kokummi and Watchtower zones;
- Rock samples assaying up to 42.1 g/t Au and 1.93% Cu at the Flan zone, confirming historic results;
- Extension of the Heart zone in outcrop, with rock sample results up to 2.21 g/t Au (175 m north of the Heart showing) and 2.18 g/t Au (80 m east of it);
- Moss-mat sampling indicates gold mineralization may occur in drainages where no previous exploration has occurred;
- Interpretation of magnetic lineaments suggests that mineralization is associated with northwest trending structures splaying off the Kokummi granodioritic stock in the southwest property area. This indicates much of the unexplored property areas may have elevated mineral potential.

Future work at the Castle Rock property will be focused toward continuing to define the extent of mineral potential on the property, as well as advancing individual targets toward initial drill testing. This work will include permitting to conduct advanced exploration activities, additional surface geochemical work, and geophysical surveying.

TRAILBREAKER RESOURCES LTD.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2023 and 2022

2.9 Golden Sable Property

The Golden Sable property is an intrusion related gold-target in south-central BC. It was acquired by Trailbreaker in May, 2023 through an option deal and additional staking. The property covers 2,568 hectares and is located 175 km northeast of Kamloops, BC and 20 km south of Bridge Lake, BC. It is easily accessible via Highway 24 and the Bonaparte forest service road.

The claims lie within the Quesnel tectonic terrane that hosts many of British Columbia's active and past-producing gold mines. Middle to Upper Triassic volcanics and sedimentary rocks of the Nicola Group underlie the claim blocks. The property straddles the margins of a large early Jurassic hornblende-biotite granodiorite pluton with prevalent younger mafic and andesite dikes.

Historic exploration by Amarc Resources from 2006 to 2013 outlined a 3-kilometre-long gold-in-soil anomaly that remains open to southeast (GS West).

An inaugural, 1,339-metre drill program conducted by Sable Resources during 2018 encountered gold mineralization in 5 of 7 blind drill holes testing the soil anomaly. Results include an intersection of 0.83 g/t gold over 24m including 2.4 g/t gold over 4m. Gold mineralization was found to be associated with mafic and intermediate dike swarms trending northwest – southeast along the granitic contacts.

No follow-up drilling has been conducted to date and the majority of the 3-kilometre-long gold-in-soil anomaly remains untested. The recent construction of both wildfire and logging road networks since the 2018 drilling has exposed a significant amount of bedrock.

During 2023 Trailbreaker completed a surficial exploration program designed to evaluate the quality of the historic soil sample locations, locate the historic drill holes, map and prospect available outcrops, and continue soil sampling to the southeast of the GS West historic gold-in-soil trend.

The program was successful in extending the GS West gold-in-soil anomaly 1 km farther to the southeast, where it remains open. Assaying of the soil samples within this trend returned values up to 242 ppb Au.

A tightly-spaced soil sample grid was also performed over historic soil samples in the area of drilling to evaluate the consistency and quality of previous results. Assay results within this grid returned values up to 601 ppb Au and displayed a similar anomalous signature to that of the historic soil sampling, confirming the validity of the historic anomaly.

Geological mapping revealed outcrops of granite and andesitic dikes within the gold-in-soil trend. Significant pyrite mineralization occurs in the area of the historic drilling.

2.10 Sheldon Property

On July 31, 2023, Trailbreaker announced the addition of the 919-hectare Sheldon property, located in central Yukon, as part of its robust property portfolio.

The Sheldon property covers a "Reduced Intrusion Related Gold System" (RIRGS), located within the Tombstone Gold Belt of the Selwyn Basin. The Tombstone Belt is host to gold (Au)-bearing prospects and deposits including: Snowline Gold's Valley discovery, Kinross Gold's Fort Knox mine (10 million ounces of gold, including past production) and Victoria Gold's Eagle mine (4.3 million ounces of gold).

The property is located along the North Canol Road approximately 110 km northeast of the town of Ross River, YT. The property has excellent infrastructure with road access within 800 m of the property boundary.

Highlights of the Sheldon Property include:

- Located within the geologically fertile and highly prospective Tombstone Gold Belt of the mining-friendly Yukon Territory;
- Road accessible via the North Canol Road, approximately 110 km northeast of Ross River;
- Historic rock samples assayed up to 17 g/t Au;

TRAILBREAKER RESOURCES LTD.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2023 and 2022

- Reduced-Intrusion Related Gold System (RIRGS) style mineralization evident on the property, with many characteristic RIRGS geological features;
- Underexplored, with a number of strong geochemical and geophysical targets identified;
- 100% owned by Trailbreaker Resources, with no underlying payments or royalties.

3. 2023 Exploration Activities

3.1 Eakin Creek Property

In the spring of 2023, Trailbreaker completed a diamond drill program at the Eakin Creek property. The drill program consisted of 2,039 metres in eleven diamond drill holes. Drilling commenced on May 24th, 2023 and was completed by June 20th, 2023. The drill holes covered 750 metres of strike length and 800 metres across strike. Drilling returned gold-bearing intervals in all eleven drillholes, and successfully identified a bedrock source of the surface geochemical anomalies. Highlights of the drill intersections include:

- EC-23-02: 1.0 m of 14.3 g/t Au from 67.0 m
- EC-23-01: 3.0 m of 2.42 g/t Au from 145.0 m, including 1.0 m of 4.94 g/t Au from 147.0 m
- EC-23-05: 15.7 m of 0.32 g/t Au from 38.3 m, including 2.0 m of 1.50 g/t Au from 52.0 m

Additional drilling is recommended in order to expand the known zones of mineralization.

3.2 Golden Sable Property

During 2023 Trailbreaker completed a surficial exploration program designed to evaluate the quality of the historic soil sample locations, locate the historic drill holes, map and prospect available outcrops, and continue soil sampling to the southeast of the GS West historic gold-in-soil trend.

The program was successful in extending the GS West gold-in-soil anomaly 1 km farther to the southeast, where it remains open. Assaying of the soil samples within this trend returned values up to 242 ppb Au.

A tightly-spaced soil sample grid was also performed over historic soil samples in the area of drilling to evaluate the consistency and quality of previous results. Assay results within this grid returned values up to 601 ppb Au and displayed a similar anomalous signature to that of the historic soil sampling, confirming the validity of the historic anomaly.

Geological mapping revealed outcrops of granite and andesitic dikes within the gold-in-soil trend. Significant pyrite mineralization occurs in the area of the historic drilling.

3.3 Castle Rock Property

On August 8th, 2023, the Company announced the consolidation of the Castle Rock property on northern Vancouver Island. That same month, Trailbreaker completed a program consisting of the collection of 497 soil samples, 50 prospecting grab samples, and geological mapping. On November 27th, 2023, Trailbreaker announced the results of the program. Highlights include:

- Definition of a 3 km gold-in-soil geochemical anomaly along a magnetic lineament, including the newly defined Kokummi and Watchtower zones;
- Rock samples assaying up to 42.1 g/t Au and 1.93% Cu at the Flan zone, confirming historic results;
- Extension of the Heart zone in outcrop, with rock sample results up to 2.21 g/t Au (175 m north of the Heart showing) and 2.18 g/t Au (80 m east of it);
- Moss-mat sampling indicates gold mineralization may occur in drainages where no previous exploration has occurred;
- Interpretation of magnetic lineaments suggests that mineralization is associated with northwest trending structures splaying off the Kokummi granodioritic stock in the southwest property area. This indicates much of the unexplored property areas may have elevated mineral potential.

TRAILBREAKER RESOURCES LTD.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2023 and 2022

3.4 Atsutla Gold Project

On May 15th, 2023 Trailbreaker announced the filing of an independent technical report in accordance with National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("NI 43-101") on its 100%-owned Atsutla Gold project, located in northwestern British Columbia. The technical report, titled "*NI 43-101 Technical Report, Atsutla Gold Project, NW British Columbia*", was prepared by Terrane Geoscience of Fredericton, NB and has an effective date of December 15th, 2022.

While no drilling has been conducted on the property, the report details the surficial exploration work Trailbreaker has completed to date. Terrane Geoscience also took verification samples from numerous sites which confirmed the general grade and metal assemblage described to date. The report also includes recommendations for future work, which echo the recommendations of the structural report completed earlier in 2023. Recommended work totals an expenditure of \$3.8 million.

3.5 Eagle Lake Property

On June 12th, 2023, the Company announced the signing of an option agreement with Vizsla Copper Corp. ("Vizsla Copper") for a portion of Trailbreaker's Eagle Lake property. The Eagle Lake property borders Vizsla Copper's Woodjam copper-gold porphyry project. The option deal includes four of the fourteen claims comprising Eagle Lake. The four claims account for 6,482 hectares (ha) of the 19,000 ha property.

Vizsla Copper has the option to acquire a 100% interest in the four claims by issuing an aggregate of 400,000 common shares to Trailbreaker over three years.

The optioned claims are subject to a 2% NSR (Net Smelter Return royalty). Trailbreaker and Teck Resources Limited will retain a 1% NSR each on three of the claims and Trailbreaker will retain a 2% NSR on the fourth claim. Half of the 1% NSR may be bought from Trailbreaker for \$500,000. Half of the 2% NSR may be bought from Trailbreaker for \$1,000,000.

3.6 Sheldon Property

A 2023 site visit to the Sheldon property, central Yukon, confirmed historic gold-in-rock values, as well as numerous key geological features indicating a potential "reduced intrusion-related gold system" (RIRGS). Rock samples collected in an area hosting abundant sheeted quartz veins containing arsenopyrite and bismuthinite, near the contact of the Sheldon Stock granite and hornfels sedimentary rocks, returned assays up to 6.48 g/t Au. The site visit confirmed the geological model, presence of high-priority targets, and supported our exploration approach to be applied at the Sheldon property.

4. Petroleum and natural gas assets

The Company's petroleum and natural gas assets consisted of a number of oil and gas wells located in Saskatchewan and Manitoba that were acquired as a result of the acquisition of Petro One.

Certain of these petroleum and natural gas assets were subject to a joint venture agreement between the Company and Petro One. On completion of the acquisition of Petro One, the joint venture agreement was terminated. During the year ended December 31, 2022 and year ended December 31, 2021, the Company wrote off the carrying value of all the well equipment to \$nil.

During the year ended December 31, 2021, the Company sold 4 of the wells for \$1. As part of the transaction, the Company also waived the right to the \$169,200 security deposit held by the Government of Saskatchewan under the Licensee Liability Rating Program. The Company also discharged the decommissioning related to these wells in the amount of \$439,063. As result the Company recognized a gain of \$269,863.

As a result of its acquisition of Petro One, Trailbreaker indirectly acquired all of Petro One's petroleum assets, including the Milton Viking Oil Field (Saskatchewan) and a farmout well at Bromhead (Saskatchewan). Total oil

TRAILBREAKER RESOURCES LTD.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2023 and 2022

production from all of the Company's wells between October 27, 2011 and September 30, 2023 was 32,906 bbl generating gross revenues of \$2,532,539.

As of April 30, 2015, McDaniel and Associates Consultants Ltd. assigned Petro One gross proved and probable reserves of 113,900 barrels of light/medium oil, including 17,000 barrels of proved developed producing reserves, 9,500 barrels of probable developed producing reserves, and 87,500 barrels of probable undeveloped reserves (Petro One Management Discussion and Analysis, December 23, 2015). Due to prevailing low oil prices, Petro One's Milton production was suspended in August 2015. The Company resumed production in three Milton Viking oil wells in the summer of 2017, 2018 and 2019 to further test the fields and understand the production patterns. The farmout well remains in production.

All of the wells in Petro One's Milton field have produced oil, but operating economics vary greatly between wells. The Company has decided to cease its oil and gas operations and focus fully on its mineral resource exploration and evaluation operations. Three of the existing oil wells have completed downhole abandonments by June 30, 2021. Further surface reclamation work was carried out in the fall of 2021 and summer of 2022. One of the three wells completed AOR submission and the liability was removed. The Company sold the remaining four wells to an interested party in November 2021.

The only well that the Company retains 10% overriding royalty is in Bromhead Saskatchewan. The royalty income summary in 2022 and 2023 is as follows:

BROMHEAD FARMOUT (PETRO ONE SHARE OF PRODUCTION BASED ON 10%ORR)			
Quarter (Petro One)	oil m3	oil bbl	Gross oil receipts
hz 191/5-30-3-2W2	On production December 28, 2012		
January 1, 2022 – March 31, 2022	7	45	4,586
April 1, 2022 – June 30, 2022	1	9	1,180
July 1, 2022 – September 30, 2022	17	108	11,691
October 1, 2022 – December 31, 2022	13	80	8,028
January 1, 2023 – March 31, 2023	12	77	6,525
April 1, 2023 – June 30, 2023	12	72	6,379
July 1, 2023 – September 30, 2023	11	71	7,130
Total	73	463	45,519

J10 Prospect, Bromhead Saskatchewan

In 2012, the Company signed a farmout and royalty agreement with ARC Resources Ltd. on its 100% controlled J10 property at Bromhead, Saskatchewan. By paying 100% of the drilling and completion costs, ARC earned a 100% before payout and 70% after payout interest in the Test Well Spacing Unit to the base of the Frobisher, subject to a 10% gross overriding royalty (the "GORR") in favour of Petro One.

Having earned an interest in the southwest quarter of the Bromhead property by drilling the discovery well, ARC decided to drop its option on the remainder of the property, but indicated an intention to conduct additional drilling on its earned quarter in 2014, under the terms of the agreement, giving Petro One a 10% GORR on the additional wells, convertible at Petro One's option to a 30% working interest after payout.

ARC's earning well went on production December 28, 2012, with a three month average initial production of 110.3 barrels of oil per day (11 bopd for Petro One's 10% GORR). Total production from the farmout well to December 31, 2020 was 6,880 m3 (43,278 bbl), with an average production rate of approximately 25 bopd over the life of the well.

On the remaining three quarters of the Bromhead property that is 100% owned by Petro One, seismic has indicated several more low risk horizontal development drilling locations close to the farmout discovery.

TRAILBREAKER RESOURCES LTD.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2023 and 2022

5. National Instrument 51-101 Disclosure

BOE means barrels of oil equivalent. It may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf:1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip, and does not represent a value equivalency at the wellhead.

BOE means barrels of oil equivalent. It may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf:1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip, and does not represent a value equivalency at the wellhead.

Oil production during a period is generally expressed in terms of "barrels per day", which indicates the total oil produced during a period divided by the number of hours that the well was in production during that period. "Barrels per day" is indicative of flow rate while a well is in production and does not mean that such well was in constant production during such period.

6. Future Outlook

The Company now holds seven mineral properties in BC and Yukon. The Atsutla Gold project has developed into the Company's flagship property with the discovery of widespread, high-grade gold across 26 kilometres. It remains undrilled. A permit to drill the Highlands area has been granted, however a permit to drill the Swan zone remains pending. Trailbreaker is actively seeking partners to drill the project. The Company is in discussions to fly a LiDAR survey at the project in 2023.

Trailbreaker plans to drill the Eakin Creek property in June 2023. Permits have been granted and a drill contract has been signed. The program will consist of ~2000 metres of diamond drilling.

Trailbreaker will be continuing surface exploration at its Castle Rock property on Vancouver Island, which will include expanding the Heart zone.

The Company is currently discussing forms of option agreements or joint ventures for the Eagle Lake, McMurdo, and Plateau properties with interested third parties, as well as continuing to generate new targets in BC.

7. Selected Annual Information

	Year Ended December 31, 2022 \$	Year Ended December 31, 2021 \$	Year Ended December 31, 2020 \$
Net and comprehensive gain (loss)	(388,911)	271,972	(8,868,049)
Basic loss per share	(0.03)	0.02	(0.93)
Total assets	4,714,325	5,163,556	4,643,662
Current liabilities	107,598	265,083	862,543
Working capital	376,646	1,144,401	874,157
Dividends	Nil	Nil	Nil

In 2020, the most significant item that comprised the net loss of \$8,868,049 was the impairment of exploration and evaluation assets of \$7,448,333 and impairment of petroleum and natural gas assets of \$638,611. Total assets decreased substantially in 2020 mainly due to a decrease of \$7,270,438 in exploration and evaluation assets. As at the end of fiscal 2020, cash on hand was \$1,698,112 (2019: \$2,245,407); exploration and evaluation assets were valued at \$2,301,740 (2019: \$9,572,178); and petroleum and natural gas assets were valued at \$nil (2019: \$94,950). Working capital in 2020 was \$874,157 (2019: \$2,156,640).

In 2021, the most significant items that comprised the net income of \$271,972 were gain from disposal of wells of \$269,863, settlement of flow-through share premium of \$242,560 and revaluation of decommissioning liabilities of \$209,855. Total assets increased by \$519,894, mainly due to an increase of \$959,049 in exploration and evaluation

TRAILBREAKER RESOURCES LTD.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2023 and 2022

assets, offset by a decrease of \$338,536 in cash and cash equivalents. As at the end of fiscal 2021, cash on hand was \$1,359,576 (2020: \$1,698,112); exploration and evaluation assets were valued at \$3,260,789 (2020: \$2,301,740). Working capital in 2021 was \$1,144,401 (2020: \$874,157).

In 2022, the most significant items that comprised the net loss of \$388,911 was the impairment of exploration and evaluation assets of \$116,634. Total assets decrease by \$449,231, mainly due to a decrease of \$912,971 in cash, offset by an increase of \$774,746 in exploration and evaluation assets. As at the end of fiscal 2022, cash on hand was \$446,605 (2021: \$1,359,576); exploration and evaluation assets were valued at \$4,035,535 (2021: \$3,260,789). Working capital in 2022 was \$376,646 (2021: \$1,144,401).

8. Results of operations

8.1 For the three months ended September 30, 2023 Review:

For the three months ended September 30, 2023, the Company recorded a net loss of \$1,133,588 as compared to a net income of \$250,904 for the three months ended September 30, 2022. The main contributing factor for the net loss in the current year was impairment of exploration and evaluation assets of \$965,719.

	September 30, 2023	September 30, 2022		
	\$	\$	Change	
Expenses:				
Listing and filing fees	12,812	4,373	8,439	1
Management fees	45,380	53,900	(8,520)	2
Office and miscellaneous	29,665	24,111	5,554	3
Professional fees	51,613	22,519	29,094	4
	(139,470)	(104,903)	(34,567)	
Impairment of exploration and evaluation assets	(965,719)	-	(965,719)	
Expenditure on petroleum and natural gas properties	(6,550)	7,003	(13,553)	
Amortization	(48)	(92)	44	
Due diligence for mineral interests	(9,922)	-	(9,922)	
All other accounts	946	318,895	(317,949)	
Items that will not be reclassified to profit or loss Change in fair value on equity investments designated on FVTOCI, net of tax	(12,825)	30,001	(42,826)	
Total	(1,133,588)	250,904	(1,384,492)	

Major accounts that changed notably for the periods were as follows:

1. Listing and filing fees increased by \$8,439, because more listing fees required during current quarter.
2. Management consulting fees decreased by \$8,520 mainly due to bonus paid to the management during 2022.
3. Office expenses increased by \$5,554, mainly due to higher marketing expenses in 2023.
4. Professional fees increased by \$29,094 mainly due to higher consulting fees in 2023.

TRAILBREAKER RESOURCES LTD.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2023 and 2022

8.2 For the nine months ended September 30, 2023 Review:

For the nine months ended September 30, 2023, the Company recorded a net loss of \$1,344,707 as compared to a net loss of \$302,003 for the three months ended September 30, 2022. The main contributing factor for the net loss in the current year was impairment of exploration and evaluation assets of \$969,049.

	September 30, 2023	September 30, 2022	Change	
	\$	\$		
Expenses:				
Listing and filing fees	84,421	19,553	64,868	1
Management fees	126,380	155,700	(29,320)	2
Office and miscellaneous	95,861	75,740	20,121	3
Professional fees	98,479	90,262	8,217	4
Stock-based compensation	-	169,293	(169,293)	5
	(405,141)	(510,548)	105,407	
Impairment of exploration and evaluation assets	(969,049)	(6,401)	(962,648)	
Expenditure on petroleum and natural gas properties	(6,550)	7,003	(13,553)	
Amortization	(171)	(331)	160	
Due diligence for mineral interests	(19,681)	25,000	(44,681)	
All other accounts	88,456	307,726	(219,270)	
Items that will not be reclassified to profit or loss				
Change in fair value on equity investments designated on FVTOCI, net of tax	(32,571)	(124,452)	91,881	
Total	(1,344,707)	(302,003)	(1,042,704)	

Major accounts that changed notably for the periods were as follows:

1. Listing and filing fees increased by \$64,868, mainly due to more filing fees required in relation to the equity financing in 2023.
2. Management consulting fees decreased by \$29,320, mainly due to bonus paid to the management during 2022.
3. Office expenses increased by \$20,121 mainly due to higher marketing expenses in 2023.
4. Professional fees increased by \$20,121 mainly due to higher consulting fees in 2023.
5. Stock-based compensation decreased by \$169,293, mainly due to all stock options were fully vested in 2022.

TRAILBREAKER RESOURCES LTD.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2023 and 2022

8.3 Resource Property Expenditures:

For the nine months ended September 30, 2023, exploration and evaluation assets increased by \$172,774 (2022 - \$402,954), the total valuation increased to \$4,208,309 (2022 - \$4,035,535). The increase in the capital expenditure was mainly due to the following expenditures: \$334,525 in drilling, \$260,334 in geological and geophysical consulting, \$159,112 in logistics, \$108,191 in assay and \$105,625 in exploration management, offset by impairment of exploration and evaluation assets of \$969,051.

For a detailed breakdown, see the mineral property schedule in Note 5 of the Company's condensed interim consolidated financial statements for the three and nine months ended September 30, 2023.

9. Quarterly Financial Information

	2023-09-30	2023-06-30	2023-03-31	2022-12-31
Description	\$	\$	\$	\$
Operations				
Interest and other income (loss)	9,647	3,864	90,080	23,079
Expenses	(142,470)	(154,859)	(110,812)	(89,988)
Decommissioning Expenses	(5,660)	(6,419)	-	-
Expenditure on petroleum and natural gas properties	(6,550)	-	-	(33,017)
Write-off of exploration and evaluation assets	(965,719)	-	(3,330)	(110,233)
Due diligence for mineral interests	(9,922)	(9,759)	-	(1,190)
Other non-cash charges	(48)	(55)	(68)	(79)
Foreign exchange gain (loss) and other	(41)	38	(53)	68
Net loss	(1,120,763)	(167,190)	(24,183)	(211,360)
Unrealized gain (loss) on investments in marketable securities	(12,825)	(21,674)	1,928	4,874
Comprehensive income (loss)	(1,133,588)	(188,864)	(22,255)	(206,486)
Basic gain (loss) per share	(0.06)	(0.01)	(0.00)	(0.03)
Total Assets				
Cash and cash equivalents	1,733,037	1,142,897	1,167,650	446,605
Other current assets	47,024	45,643	25,221	37,639
Restricted cash	77,000	77,000	77,000	77,000
Marketable securities	70,332	83,156	104,830	117,004
Exploration and valuation assets	4,208,309	4,724,770	4,142,491	4,035,535
Equipment and other assets	371	418	474	542
	6,136,073	6,073,884	5,517,666	4,714,325

TRAILBREAKER RESOURCES LTD.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2023 and 2022

	2022-09-30	2022-06-30	2022-03-31	2021-12-31
Description	\$	\$	\$	\$
Operations				
Interest and other income (loss)	318,583	(1,722)	7,088	122,038
Expenses	(104,576)	(132,793)	(120,109)	(141,750)
Decommissioning Expenses	-	(172,249)	2,956	(6,448)
Expenditure on petroleum and natural gas properties	7,003	-	-	(16,057)
Write-off of exploration and evaluation assets	-	-	(6,401)	(6,369)
Gain from disposal of wells	-	-	-	269,863
Revaluation of decommissioning liabilities	-	-	-	209,855
Settlement of flow-through share premium	-	-	-	242,560
Due diligence for mineral interests	-	25,000	-	(6,869)
Other non-cash charges	(92)	(109)	(130)	(155)
Foreign exchange gain (loss) and other	(15)	188	(173)	1
Net gain (loss)	220,903	(281,685)	(116,769)	666,669
Unrealized gain (loss) on investments in marketable securities	30,001	(69,944)	(84,509)	(12,167)
Comprehensive income (loss)	250,904	(351,629)	(201,278)	654,502
Basic gain (loss) per share	(0.02)	(0.04)	(0.02)	0.02
Total Assets				
Cash and cash equivalents	656,106	920,196	1,117,217	1,359,576
Other current assets	108,597	55,020	39,219	49,908
Restricted cash	77,000	47,000	233,400	201,400
Marketable securities	132,005	136,479	206,423	290,932
Exploration and valuation assets	4,063,760	3,663,743	3,347,110	3,260,789
Equipment and other assets	621	713	821	951
	5,038,089	4,823,151	4,944,190	5,163,556

Quarter ending September 30, 2023:

Normal operating expenses for the quarter with the exception of recognizing exploration and evaluation assets write-off of \$965,719.

Quarter ending June 30, 2023:

Normal operating expenses for the quarter.

Quarter ending March 31, 2023:

Normal operating expenses for the quarter with the exception of recognizing a miscellaneous income of \$83,251.

Quarter ending December 31, 2022:

Normal operating expenses for the quarter with the exception of recognizing exploration and evaluation assets write-off of \$110,233.

Quarter ending September 30, 2022:

Normal operating expenses for the quarter with the exception of recognizing a miscellaneous income of \$300,000.

TRAILBREAKER RESOURCES LTD.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2023 and 2022

Quarter ending June 30, 2022:

Normal operating expenses for the quarter with the exception of the recognition of stock-based compensation of \$172,249.

Quarter ending March 31, 2022:

Normal operating expenses for the quarter with the exception of recognizing an unrealized loss on investment in marketable securities of \$84,509.

Quarter ending December 31, 2021:

Normal operating expenses for the quarter with the exception of recognizing a gain from disposal of wells of \$269,863, settlement of flow-through share premium of \$242,560 and revaluation of decommissioning liabilities of \$209,855.

10. Liquidity and Capital Resources

At this time, the Company has no operating revenues and does not anticipate any operating revenues until the Company is able to find, acquire, or place in production and operate a mining property. Historically, the Company has raised funds through loans, shares for debt settlements, private placements and the exercise of options and warrants. Through such means, the Company raised in excess of \$7,000,000 since 2011.

In August 2023, the Company issued 7,039,520 common shares for the warrants exercised at the exercise price of \$0.15 for a gross proceed of \$1,055,928.

In May 2023, the Company completed a non-brokered private placement of non-flow through units for aggregate gross proceeds of \$715,000 by issuing 6,500,000 non-flow through units ("NFT Unit") at a price of \$0.11 per NFT Unit. Each NFT Unit consisting of one common share and one common share purchase warrant, each warrant being exercisable for an additional common share of the Company at a price of \$0.15 for 36 months following the date of issuance.

In March 2023, the Company completed a non-brokered private placement of flow-through and non-flow through units for combined aggregate gross proceeds of \$809,120 by issuing 4,216,000 flow-through units ("FT Unit") at a price of \$0.12 per FT Unit, for gross proceeds of \$505,920, and 3,032,000 non-flow through units ("NFT Unit") at a price of \$0.10 per NFT Unit for aggregate gross proceeds of \$303,200. Each FT Unit consisting of one flow-through common share and one common share purchase warrant, each warrant being exercisable for an additional common share of the Company at a price of \$0.15 for 36 months following the date of issuance, subject to the right of the Company to accelerate the exercise period to 30 days if, following the expiry of the 4-month hold, shares of the Company close at or above \$0.25 for 10 consecutive trading days. The flow-through shares will entitle the holder to receive the tax benefits applicable to flow-through shares, in accordance with provisions of the Income Tax Act (Canada). Each NFT Unit consisting of one common share and one common share purchase warrant, each warrant being exercisable for an additional common share of the Company at a price of \$0.15 for 36 months following the date of issuance, subject to the right of the Company to accelerate the exercise period to 30 days if, following the expiry of the 4-month hold, shares of the Company close at or above \$0.25 for 10 consecutive trading days.

The Company paid 3 finders cash finders' fees totaling \$7,860 and issue 72,000 broker warrants, such broker warrants being exercisable at \$0.15 for 36 months. All securities issued pursuant to the private placement will be subject to a four month and one day hold period.

On May 13, 2021, the Company completed a private placement for gross proceeds of \$1,048,610 by issuing 800,000 non-flow-through Units at \$0.25 and 2,424,600 FT Units at \$0.35. Each NFT Unit consists of 1 common share of the Company and 1 common share purchase warrant (the "Unit Warrants"), each Unit Warrant being exercisable for an additional common share of the Company at \$0.39 for 24 months from closing, subject to the right of the Company to accelerate the exercise period should, after the expiration of the 4-month hold, shares of the Company trade close at or above \$0.59 for 10 consecutive trading days. Proceeds of this portion of the financing will be used for general working capital purposes. Each FT Unit consists of 1 flow-through share and 1 common share purchase warrant (the "FT Unit Warrants"), each full FT Unit Warrant being exercisable at \$0.49 for a common share of the Company for

TRAILBREAKER RESOURCES LTD.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2023 and 2022

24 months. The flow-through shares will entitle the holder to receive tax benefits applicable to flow-through shares in accordance with the provisions of the Income Tax Act (Canada). On issuance of the FT units, the Company recorded a flow through premium liability of \$242,560. The Company incurred share issuance cost of \$52,117 in connection with this financing.

During the nine months ended September 30, 2023. The Company incurred and renounced \$505,920 exploration expenditure under its flow-through share program.

During the year ended December 31, 2021, the Company incurred and renounced \$848,610 exploration expenditure under its flow-through share program, and recognized income from the reversal of the flow-through premium in the amount of \$242,560.

As at September 30, 2023, the Company had cash of \$1,733,037 (2022 - \$446,605) and working capital of \$1,537,196 (2022 - \$376,646). Currently and into the foreseeable future, the Company is able to fund overhead expenses and to meet obligations committed to maintaining ownership and rights pertaining to all of the Company's mineral properties. The Company has no significant financial commitments.

For the remainder of the fiscal year and beyond, significant resources will be required to finance the Company's planned exploration expenditures. While there are no assurances new funds can be raised, management believes such financing will be made available as required.

The Company manages its capital base by monthly, quarterly and annual cash flow forecasts. The timing and extent of both program implementation and financing are determined by management's evaluation of economic factors at the time, such as commodity prices, interest rates and foreign exchange, and non-economic factors such as expected impact that completion of a given program may have on the cost of capital.

11. Off-Balance Sheet Arrangements

The Company does not utilize off-balance sheet arrangements.

12. Transactions with Related Parties

Key personnel compensation:

	September 30, 2023	September 30, 2022
Management and accounting fees incurred to a company controlled by the Chief Financial Officer of the Company	\$ 103,500	\$ 114,900
Management fees incurred to a company controlled by the President and Chief Executive Officer of the Company	\$ 18,000	\$ 40,800
Exploration management fees incurred to a company controlled by the President and Chief Executive Officer and capitalized to exploration and evaluation assets	\$ 108,629	\$ 99,600
Directors' fees incurred to directors of the Company	\$ 9,000	\$ 9,000

As at September 30, 2023, \$84,071 (2022 - \$45,277) was owing to related parties and has been included in accounts payables and accrued liabilities (Note 7). The amounts are unsecured, non-interest bearing and due on demand.

On May 31, 2022, 600,000 stock options were granted to directors of the Company exercisable at price of \$0.24 per share for a term of five year. The options were fully vested on the grant date.

On March 24, 2021, 150,000 stock options were granted to a director of the Company exercisable at a price of \$0.30 per share for a term of five years. The options were fully vested on the grant date.

TRAILBREAKER RESOURCES LTD.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2023 and 2022

13. Critical Accounting Estimates

A detailed summary of all the Company's significant accounting policies is included in Note 2 of the Company's audited consolidated financial statements for the year ended December 31, 2022.

14. Outstanding Share Data

The following securities were outstanding as at August 29, 2023:

Securities	Number	Weighted-Average Exercised Price	Expiry Date
Common shares issued and outstanding	33,717,134	N/A	N/A
Share purchase options	2,397,500	0.30	July 9, 2025 - May 31, 2027
Share purchase warrants	9,724,600	0.18	May 12, 2024 – May 4, 2026
Fully diluted share capital	45,839,234	N/A	N/A

For a breakdown of the securities as at September 30, 2023 refer to Note 8 of the condensed interim consolidated financial statements for the three and nine months ended September 30, 2023.

15. Proposed Transactions

In November 2023, the Company issued 10,000 common shares at \$0.21 for a fair value of \$2,100 pursuant to an option agreement for Swan property.

16. Risk Factors

The Company operates as a mineral explorer in the mining industry, which presents the Company with new risks and uncertainties. Mineral exploration involves considerable financial and technical risks. Substantial time and expenditures are usually required to make a discovery and to establish economic ore reserves. It is impossible to assure that the current exploration properties and programs planned by the Company will result in an economic mineral discovery and development. Accordingly, success in achieving the objectives of the Company is affected by many circumstances over which the Company has no control. There is inherent risk in the exploration for mineral resources that is unavoidable.

Also, there are risks associated with the impact of commodity prices on the valuation of mineral properties and share prices and general changes in economic conditions.

Currency risk – The Company's operations are in Canada with most of its expenses being incurred in Canadian dollars. Therefore, currency risk is minimal.

Commodity risk – The valuation of the Company's gold as well as petroleum & natural gas projects and consequently its access to capital are influenced by the price of gold and oil. The price of gold has continued to be robust, yet the price oil has taken a severe beat. The long term trend of the price is unpredictable.

Market risk – The Company's mineral exploration activities have to be financed either through joint ventures or in the capital markets through the sale of its Common Shares. The ability of the Company to raise exploration funds in the capital market is highly dependent on the value the market places on the Company's mineral properties and the strength of the metal markets. The value the market places on the Company's mineral properties is directly related to the grade and thickness of the contained mineralization being reported and the potential to develop mineral values into an economic deposit. There is no assurance that the Company will be successful in obtaining the required financing.

Since September 2008, the securities markets in Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies, particularly those considered exploration stage companies,

TRAILBREAKER RESOURCES LTD.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2023 and 2022

have experienced wide fluctuations which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual and extreme fluctuations in price will not occur. Share prices of these companies have trended downward making equity financing for many in the shorter term extremely difficult.