

**ARYA RESOURCES LTD. (formerly Rebel Capital 2.0 Corp.)**

**Management's Discussion & Analysis**

**For the years ended April 30, 2023 and 2022**

(Expressed in Canadian dollars)

## **1. EFFECTIVE DATE AND FORWARD-LOOKING STATEMENTS**

### **a) Reporting Period and Effective Date**

This Management's Discussion & Analysis ("MD&A") of the financial position and results of operations provides an analysis of the operations and financial results of Arya Resources Ltd. (formerly Rebel Capital 2.0 Corp) (the "Company" or "Arya") for the years ended April 30, 2023 and 2022. This MD&A should be read in conjunction with the audited financial statements of the Company and related notes thereto as at and for the years ended April 30, 2023 and 2022 (the "Financial Statements"). The Financial Statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board and interpretations by the International Financial Reporting Interpretations Committee. All financial information has been prepared in accordance with IFRS and all amounts in the MD&A are in Canadian dollars, except number of shares, or as otherwise indicated.

The results for the periods presented are not necessarily indicative of the results that may be expected for any future period. The first, second, third and fourth quarters of the Company's fiscal years are referred to as "Q1", "Q2", "Q3" and "Q4", respectively. The years ended April 30, 2023, 2022 and 2021 are referred to as "Fiscal 2023", "Fiscal 2022" and "Fiscal 2021", respectively.

Additional information regarding the Company is available on SEDAR+ at [www.SEDARPLUS.CA](http://www.SEDARPLUS.CA). The effective date of this MD&A is August 28, 2023 (the "MD&A Date").

### **b) Forward-Looking Statements**

This MD&A may contain "forward-looking statements" which reflect the Company's current expectations regarding the future results of operations, performance and achievements of the Company, including but not limited to statements with respect to the Company's plans or future financial or operating performance, the estimation of mineral reserves and resources, conclusions of economic assessments of projects, the timing and amount of estimated future production, costs of future production, future capital expenditures, costs and timing of the development of deposits, success of exploration activities, permitting time lines, requirements for additional capital, sources and timing of additional financing, realization of unused tax benefits and future outcome of legal and tax matters.

The Company has tried, wherever possible, to identify these forward-looking statements by, among other things, using words such as "anticipate", "believe", "estimate", "expect", "budget", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved".

The statements reflect the current beliefs of the management of the Company and are based on currently available information. Accordingly, these statements are subject to known and unknown risks, uncertainties and other factors, which could cause the actual results, performance, or achievements of the Company to differ materially from those expressed in, or implied by, these statements.

These uncertainties are factors that include but are not limited to risks related to general economic conditions; actual results of current exploration activities and unanticipated reclamation expenses; fluctuations in prices of gold ("Au") and other commodities; fluctuations in foreign currency exchange rates; increases in market prices of mining consumables; possible variations in mineral resources, grade or recovery rates; accidents, labour disputes, title disputes, claims and limitations on insurance coverage and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; changes in national and local government regulation of mining operations, tax rules and regulations, and political and economic developments in countries in which the Company operates; as well as other factors.

The Company's management periodically reviews information reflected in forward-looking statements. The Company has and continues to disclose in its MD&A and other publicly filed documents, changes to material factors or assumptions underlying the forward-looking statements and to the validity of the statements themselves, in the period the changes occur. Historical results of operations and trends that may be inferred from the following discussions and analysis may not necessarily indicate future results from operations.

The operations of the Company are speculative due to the high-risk nature of its business which is the exploration of mining properties. Additional risks and uncertainties not presently known to the Company or that the Company currently considers immaterial may impair its business operations. These risk factors could materially affect the Company's future operating results and could cause actual events to differ materially from those described in forward-looking statements relating to the Company. Readers should refer to Section 17 - Risks and Uncertainties below.

## 2. DESCRIPTION OF THE BUSINESS

The Company was incorporated under the laws of the Province of British Columbia on October 19, 2017. The Company is an exploration stage company focused on the acquisition, exploration and development of mineral property interests in Saskatchewan, Canada. The Company's registered and records office is 301 - 850 West Georgia Street, Vancouver, British Columbia, V6C 3J1. The Company's common shares are traded on the TSX Venture Exchange (the "Exchange") under the symbol RBZ-P.

## 3. OUTLOOK

The Company's primary business is the acquisition and exploration of mineral properties. The Company's mineral properties consists of the Wedge Lake Gold property (the "Property"), Dunlop Nickel Copper Project, and Lithium claims all located in Saskatchewan, Canada. Some of the Company's exploration and evaluation assets host historical mineral deposits (non-43-101 compliant), given the high degree of risk involved, there can be no assurance that such deposits make, a profitable mining operation in the future.

The Company continues to look for other early-stage profitable business opportunities including but not limited to metal and industrial-minerals mining.

## 4. REVERSE TAKEOVER ACQUISITION

On December 16, 2022, Arya and the carve-out entity of Wedge Lake (the "Carve-out Entity") finalized a reverse takeover transaction ("RTO") whereby the former owners of the Carve-out Entity received 15,100,000 common shares of Arya for their 100% interest in the Carve-out Entity (the "Arrangement"). The Carve-out entity represents the operational efforts towards the Property in accordance with an existing option agreement with North-Sask Ventures Ltd. The 15,100,000 common shares received by the former owners of the Carve-out Entity comprised 79% of the issued and outstanding common shares of Arya on the date of the Arrangement, and the management of the Carve-out Entity continued as management of Arya. The Arrangement constitutes a "qualifying transaction" under securities law. Pursuant to the Arrangement, Arya became the owner of the Carve-out Entity, but the change in control of Arya by the former owners of the Carve-out Entity (and related reverse takeover accounting guidance under IFRS) resulted in the Carve-out Entity continuing as the ongoing reporting entity (combining Arya results into the Carve-out Entity from the Arrangement date), with comparative financial information only of the Carve-out Entity.

On the Arrangement date, Arya was not considered a business under IFRS 3 *Business Combinations*, as Arya did not have inputs and substantive processes that could collectively contribute to the creation of outputs. As a result, the Arrangement was considered to be within the scope of IFRS 2 *Share-Based Payments* and for accounting purposes, the Arrangement was accounted for as a RTO, with the Carve-out Entity identified as the accounting acquirer, and Arya identified as the accounting acquiree. These financial statements are issued under the legal parent, Arya Resources Ltd., but are considered to be a continuation of the financial results of the Carve-out Entity.

At the date of the Arrangement the RTO was recorded as follows:

	\$
<b>Fair value of consideration shares issued</b>	<b>375,360</b>
<b>Net identifiable assets (liabilities) acquired</b>	
Cash	1,901
Accounts payable and accrued liabilities	(131,373)
Promissory notes payable	(35,600)
<b>Net liabilities</b>	<b>(165,072)</b>
Fair value of consideration and net liabilities assumed	540,432
Other transactions costs	144,223
<b>Listing expense</b>	<b>684,655</b>

The consideration shares comprise of 4,079,995 common shares (the "Consideration Shares") maintained by the original shareholders of the Company as consideration for its public listing with a fair value of \$375,360.

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As part of the Arrangement, \$400,000 was transferred to Arya net of the promissory notes of \$35,600 previously outstanding. Of the remaining amount, \$112,000 was retained by the former shareholders of the Carve-out Entity to cover transaction costs, in addition to \$32,223 legal, accounting, and filing fees incurred by the Company related to the RTO. These amounts comprise the other transaction costs noted above and have been included in the listing expense in the statements of loss and comprehensive loss.

## 5. SUMMARY OF QUARTERLY RESULTS

As at April 30, 2023, the Company is non revenue generating. The following information is derived from the Company's Financial Statements which have been prepared in accordance with IFRS. A summary of the Company's financial results for the eight most recently completed quarters ended April 30, 2023 is as follows:

<b>Three months ending</b>	<b>Net loss and comprehensive loss</b>	<b>Basic and diluted loss per share</b>
	\$	\$
<b>April 30, 2023</b>	<b>494,541</b>	<b>0.02</b>
January 31, 2023	759,383	0.06
October 31, 2022	-	N/A <sup>(1)</sup>
July 31, 2022	13,093	N/A <sup>(1)</sup>
April 30, 2022	1,169	N/A <sup>(1)</sup>
January 31, 2022	39,203	N/A <sup>(1)</sup>
October 31, 2021	25,096	N/A <sup>(1)</sup>
July 31, 2021	23,838	N/A <sup>(1)</sup>

(1) The comparative periods relate to the Carve-out Entity which was not an incorporated entity and therefore the loss per share information for the periods prior to the RTO on December 16, 2022 (see section 4 above) is not applicable as the carve-out entity of Wedge Lake had no outstanding shares.

During the last eight quarters, the Company's net loss and comprehensive loss has ranged between \$nil (Q2 2023) and \$759,383 (Q3 2023). The range in net loss and comprehensive loss is a result of the Company halting activity in Q2 2023 in anticipation of the Arrangement which closed in Q3 2023 resulting in a listing expense of \$684,655.

## 6. SELECTED ANNUAL INFORMATION

	<b>Fiscal 2023</b>	<b>Fiscal 2022</b>	<b>Fiscal 2021</b>
	\$	\$	\$
Net loss and comprehensive loss <sup>(1)</sup>	<b>1,267,017</b>	89,306	182,609
Basic and diluted loss per share	<b>0.05</b>	N/A <sup>(2)</sup>	N/A <sup>(2)</sup>
Total assets	<b>698,117</b>	505,000	252,094
Total liabilities	<b>213,333</b>	110,735	71,320

(1) The Company is non-revenue generating.

(2) The comparative periods relate to the Carve-out Entity which was not an incorporated entity and therefore the loss per share information for the periods prior to the RTO on December 16, 2022 (see section 4 above) is not applicable as the carve-out entity of Wedge Lake had no outstanding shares.

During the last three years, the Company's net loss and comprehensive loss has ranged between \$89,306 (Fiscal 2022) and \$1,267,017 (Fiscal 2023). The trend significant range is a result of the Company halting exploration activities by Q2 2022 in anticipation of the Arrangement which closed in Q3 2023 and incurring listing expenses of \$684,655. Total assets increased in Fiscal 2023, as cash increased as a result of the raises through issuances of flow-through shares and non flow-through units that closed in Q3 2023.

## 7. RESULTS OF OPERATION

### *Three months ended April 30, 2023 and 2022 (Q4 2023 and Q4 2022)*

	Q4 2023	Q4 2022
	\$	\$
<b>Operating expenses</b>		
Director fees	4,000	-
Exploration costs	79,625	-
Filing fees	10,794	-
General and administrative	56,550	10
Management fees (recovery)	37,829	(4,000)
Professional fees	128,024	5,159
Share-based payments	235,549	-
	<b>552,371</b>	<b>1,169</b>
<b>Other income</b>		
Listing expense recovery	57,830	-
<b>Net loss and comprehensive loss</b>	<b>(494,541)</b>	<b>(1,169)</b>

During Q4 2023, the Company incurred a net loss and comprehensive loss of \$494,541 compared to \$1,169 in Q4 2022. The primary drivers of this increase in net loss and comprehensive loss was as follows:

- Exploration costs increased to \$79,625 compared to \$nil in the prior year comparable period due to payments for permitting, claims staking costs in the current period and the inclusion of \$40,000 consideration for the Haultain Lake Property option the Company no longer plans to explore further.
- Filing fees increased to \$10,794 compared to \$nil in the prior year comparable period due to the Company becoming listed on the Exchange as a result of the Arrangement.
- General and administrative increased to \$56,550 compared to \$10 in the prior year comparable period as a result of increased activity resulting from becoming a publicly listed company.
- Management fees increased to \$37,829 compared to a recovery of \$4,000 in the prior period comparable as the Company resumed exploration and became a publicly listed company.
- Professional fees increased to \$128,024 compared to \$5,159 in the prior year comparable period due to accounting, audit, and other professional fees to support the Company post-RTO.
- Share-based payments increased to \$235,549 compared to \$nil in the prior year comparable due to the grant and immediate vesting of stock options in the current period.

The increase in net loss and comprehensive loss was offset by a listing expense recovery resulting from working capital adjustments related to the RTO.

### *Year ended April 30, 2023 and 2022 (Fiscal 2023 and Fiscal 2022)*

	Fiscal 2023	Fiscal 2022
	\$	\$
<b>Operating expenses</b>		
Director fees	4,000	-
Exploration costs	83,233	17,116
Filing fees	10,794	-
General and administrative	56,792	6,651
Management fees	52,829	35,000
Professional fees	139,165	30,539
Share-based payment	235,549	-
	<b>582,362</b>	<b>89,306</b>
<b>Other expense</b>		
Listing expense	(684,655)	-
<b>Net loss and comprehensive loss</b>	<b>(1,267,017)</b>	<b>(89,306)</b>

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During fiscal 2023, the Company incurred a net loss and comprehensive loss of \$1,267,017 compared to \$89,306 during fiscal 2022. The primary drivers of this increase in net loss and comprehensive loss was as follows:

- Exploration costs increased to \$83,233 compared to \$17,116 in the prior year comparable period due to payments for permitting, claims staking costs in the current period and the inclusion of \$40,000 consideration for the Haultain Lake Property option the Company no longer plans to explore further.
- Filing fees increased to \$10,794 compared to \$nil in the prior year comparable period due to the Company becoming listed on the Exchange as a result of the Arrangement.
- General and administrative increased to \$56,792 compared to \$6,651 in the prior year comparable period as a result of increased activity resulting from becoming a publicly listed company.
- Management fees increased to \$52,829 compared to \$35,000 in the prior period comparable as the Company halted exploration activities by 2022Q3, thus requiring less management oversight.
- Professional fees increased to \$139,165 compared to \$30,539 in the prior year comparable period due to accounting services in connection with filing Q3 2023 financial statements and management's discussion & analysis post-RTO.
- Share-based payments increased to \$235,549 compared to \$nil in the prior year comparable period due to the grant and immediate vesting of stock options in the current period.
- Listing expense increased to \$684,655 compared to \$nil in the prior year comparable period as a result of the Arrangement on December 16, 2022. The listing expense comprised of 4,079,995 Consideration Shares with a fair value of \$375,360, net identifiable liabilities assumed of \$165,072 and \$144,223 of legal, accounting, and filing fees incurred to complete the Arrangement.

## 8. SUMMARY OF EXPLORATION AND EVALUATION ASSET

A summary of the Company's exploration and evaluation asset is as follows:

	\$
Balance, April 30, 2021	5,000
Cash option payments	10,000
Balance, April 30, 2022	15,000
Cash option payments	20,000
Option payment in shares	13,800
<b>Balance, April 30, 2023</b>	<b>48,800</b>

A summary of the Company's cumulative exploration costs is as follows:

	Wedge Lake Gold Property	Dunlop Deposit	Other Exploration Properties	Total
	\$	\$	\$	\$
Cumulative exploration costs, April 30, 2021	136,373	-	-	136,373
Geological consulting	11,399	-	-	11,399
Report writing	5,717	-	-	5,717
Cumulative exploration costs, April 30, 2022	153,489	-	-	153,489
Permitting	3,608	-	-	3,608
Claims staking	-	5,000	34,625	39,625
Haultain Lake payment	-	-	40,000	40,000
<b>Cumulative exploration costs, April 30, 2023</b>	<b>157,097</b>	<b>5,000</b>	<b>74,625</b>	<b>236,722</b>

### a) Wedge Lake Gold Property

The Company has the option (the "Option") to acquire a 100% interest in the Property from the optionor. Under the terms of the Option the Company is committed to the following:

#### Cash payments to the Optionor

- \$5,000 on November 10, 2020 (paid);
- \$10,000 within 10 business days of December 16, 2022 (paid);
- \$10,000 on or before December 16, 2023 (paid);
- \$10,000 on or before December 16, 2024 (paid);
- \$20,000 on or before December 16, 2025;

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- \$20,000 on or before December 16, 2026; and
- \$30,000 on or before December 16, 2027

Share consideration to the Optionor

- 150,000 common shares within 10 business days of December 16, 2022 (issued);
- 100,000 common shares on or before December 16, 2023;
- 100,000 common shares on or before December 16, 2024
- 150,000 common shares on or before December 16, 2025;
- 200,000 common shares on or before December 16, 2026; and
- 300,000 common shares on or before December 16, 2027

Expenditures on the Property

- \$100,000 on or before November 10, 2021 (met);
- an additional \$100,000 on or before December 16, 2024;
- an additional \$200,000 on or before December 16, 2025;
- an additional \$300,000 on or before December 16, 2026; and
- an additional \$300,000 on or before December 16, 2027

The Optionor will retain a 2.5% net smelter returns royalty ("NSR"), which can be purchased by the Company at any time up until certain milestones are met for \$1,000,000.

Additionally, the Company will prepare a report (the "Report") under National Instruments 43-101, *Standard of Disclosure for Mineral Projects* (the "Wedge Lake Report") whereby the Company is subject to the following contingent issuances of common shares:

- if the Wedge Lake Report confirms the existence of inferred mineral resource estimate grading at least 4 grams/ton of Au for at least 80,000 contained ounces ("oz") of Au on the Property, the Company will issue the Optionor 250,000 common shares.
- if the Wedge Lake Report confirms the existence of indicated mineral resource estimate grading at least 4 grams/ton Au, aggregating at least 80,000 oz of Au on the Property, the Company will issue the Optionor an additional 250,000 common shares.
- if the Wedge Lake Report confirms the existence of combined inferred mineral resources, indicated mineral resources and measured mineral resources estimate grading at least 4 grams/ton Au aggregating an initial 500,000 oz of Au on the Property, the Company will issue the Optionor an additional 200,000 common shares.

Furthermore, should the Company commission a pre-feasibility study with respect to the Property, the Company will issue the Optionor an additional 200,000 common shares.

Previous work on the Property identified several zones of significant gold mineralization. Follow up work is planned to drill test some of these gold zones.

**b) Haultain Lake**

On February 15, 2023, the Company entered into a definitive agreement to acquire the Haultain Lake Property option with 1271332 B.C. Ltd., a related party to the Company. Pursuant to the agreement, the Company can acquire 100% interest in the Haultain Lake property by payment of cash consideration to the vendor for \$40,000. On February 27, 2023, the Company paid 1271332 B.C. Ltd. \$40,000 in accordance with the agreement. Subsequent to year end, the Company no longer planned to further explore the Haultain Lake property. The \$40,000 payment has been included in exploration costs in the statements of loss and comprehensive loss.

**c) Dunlop Deposit**

On February 28, 2023, the Company entered into a definitive agreement to acquire the previously drilled Dunlop Copper Nickel Deposit (the "Dunlop Deposit"), subject to Exchange approval, located 25 kilometers north of La Ronge, Saskatchewan Canada, road-accessible year around via a provincial highway.

Pursuant to the agreement, the Company can earn a 100% interest in the Dunlop claims by:

Cash payments to the optionor

- \$25,000 upon completion of a report under National Instruments 43-101, *Standard of Disclosure for Mineral Projects* (the "Dunlop Deposit Report"); and
- \$25,000 upon completion of the Dunlop Deposit Report indicating a mineral resource on the Dunlop Deposit.

Share consideration to the optionor

- 100,000 common shares upon TSX-V approval (issued on May 1, 2023 (Note 12));
- 500,000 common shares upon completion of the Dunlop Deposit Report; and
- 1,000,000 common shares upon completion of the Dunlop Deposit Report indicating a mineral resource on the Dunlop Deposit.

Expenditures on the property

- \$75,000 on or before August 28, 2023
- \$50,000 on or before April 25, 2024; and
- \$125,000 on or before April 25, 2025.

The optionor will retain a 3.0% NSR on the Dunlop claims of which 2.5% of the NSR may be purchased for a cash payment of \$2,000,000 by the Company.

Subsequent to year end, the Company received Exchange approval.

The Deposit remains open to depth. Previous work identified Copper ("Cu") and Nickel ("Ni") zones outside the Deposit that can potentially increase the size of the Deposit. Cobalt ("Co") and some precious metals (Platinum ("PGM"), Palladium, etc.) are also present in some parts of the Deposit.

The Company has all the necessary permits in place to drill this year (2023) and the following year (2024) to expand the Deposit, analyze for Co and PGM metals as well as conduct metallurgical tests to establish metal recoveries.

The tonnage and grade are historical (non-National Instrument 43-101 compliant) based on prior data and reports prepared by the previous operators. The historical estimates are not current and do not meet the standards prescribed by NI 43-101. They provide an indication of the potential of the Deposit and are relevant to continuing exploration and evaluation.

**d) Early-Stage Lithium Claims**

The Company identified early-stage Lithium ("Li") claims from previous mapping work in Saskatchewan, Canada. The claims were explored for other metals in the past but not Li. Some areas mapped significant pegmatites outcrops. Other areas have shown some of the highest Li, Cesium, and Tantalum anomalies in till Geochem work done by the Geological Survey of Canada. The Company is planning to sample some of the pegmatites outcrops for Li; positive results will lead to further exploration work including drilling.

**e) Other Potential Projects / Investments**

The Company also continues to evaluate other projects submittals in industrial minerals and projects/investments outside of the mining industry.

**9. LIQUIDITY AND CAPITAL RESOURCES**

**a) Liquidity**

The net working capital of the Company at April 30, 2023 was \$435,984 (April 30, 2022 - \$379,265).

The Company's current assets are not sufficient to support the Company's general administrative and corporate operating requirements on an ongoing basis for the foreseeable future. Accordingly, further financing will be required, and the Company will need to raise additional funds to continue its operations.

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Total liabilities as at April 30, 2023 were \$213,333 (April 30, 2022 - \$110,735), representing an increase of \$102,598. This increase is mainly a result of increases in accounts payable and accrued liabilities by \$79,992 and flow-through liability by \$22,606.

During the year ended April 30, 2023, the Company used \$453,285 in operating activities (2022 - \$98,285). The increase in cash used compared to the comparative period is the result of the working capital adjustment related to the Arrangement and payment of accounts payable and accrued liabilities assumed in the Arrangement.

During the year ended April 30, 2023, the Company used \$162,322 in investing activities (2022 - \$45,600). The increase in cash used compared to the comparative period is primarily due to transaction costs incurred as part of the Arrangement and option payments on the Property.

During the year ended April 30, 2023, the Company received \$797,985 from financing activities (2022 - \$346,191). The increase was primarily due to \$760,000 raised through its issuances of flow-through shares and non flow-through units in Q3 2023.

**b) Capital Resources**

As at April 30, 2023, the Company's share capital was \$1,655,339 (April 30, 2022 - \$nil), representing 25,409,995 common shares issued and outstanding (April 30, 2022 - nil).

During the year ended April 30, 2023, the Company had the following share transactions:

On December 16, 2022, the Company had the following share transactions:

- Pursuant to the Arrangement the Company maintained 4,079,995 Consideration Shares. The fair value of the Consideration Shares was determined to be \$0.092 per share based on the non flow-through unit financing completed concurrently with the Arrangement (see below). Additionally, the Company issued 15,100,000 common shares, recognized at the historical cost base of the net parent investment in the Carve-out Entity, adjusted for any assets or liabilities assumed by the former owner of Wedge Lake at the date of the Arrangement resulting in resulting in \$705,007 and \$285,008 being allocated to share capital and deficit, respectively.
- The Company issued 4,080,000 non flow-through units pursuant to closing its \$0.125 non flow-through unit financing for gross proceeds of \$510,000. Each unit is comprised of one common share and one common share purchase warrant. Each warrant is exercisable into one common share at an exercise price of \$0.20 at any time until December 16, 2024. The fair value attributed to the warrants was \$132,828.
- The Company issued 2,000,000 flow-through shares pursuant to closing its \$0.125 flow-through share financing for gross proceeds of \$250,000. In connection with the raise the Company recorded a flow-through liability of \$66,000 representing the difference between fair value of the common shares and the price the flow-through share price at the date of issuance. The fair value per common share was determined to be \$0.092 based on the non flow-through unit financing closed concurrently.
- The Company issued 150,000 common shares with a fair value of \$0.092 per share for gross proceeds of \$13,800, The fair value was determined based on the non flow-through unit financing completed concurrently on the date of issuance to the Wedge Lake optionor.

*During the year ended April 30, 2022, the Company had an investment by parent of \$302,797 (the Company had no shares issued and outstanding prior to the Arrangement).*

**10. RELATED PARTY TRANSACTIONS**

Key management personnel, are those having the authority and responsibility for planning, directing, and controlling the Company.

A summary of the Company's related party transactions with its key management personnel is as follows:

	<b>2023</b>	<b>2022</b>
	\$	\$
Director fees	<b>4,000</b>	-
General and administrative	-	6,250
Management fees	<b>52,829</b>	35,000
Professional fees	<b>62,217</b>	-
Share-based payment	<b>235,549</b>	-
	<b>354,595</b>	41,250

As at April 30, 2023, the Company had \$66,470 (April 30, 2022 - \$46,250) due to related parties included in accounts payable and accrued liabilities balance. Interest is not charged on outstanding balances and there are no specific terms of payment.

#### **11. OFF BALANCE SHEET ARRANGEMENTS**

The Company does not have any off-balance sheet arrangements as of April 30, 2023 to the MD&A Date.

#### **12. CRITICAL ACCOUNTING ESTIMATES**

The Company's critical accounting estimates are described in Note 4 of the Financial Statements as found on SEDAR+ at [www.SEDARPLUS.CA](http://www.SEDARPLUS.CA).

#### **13. SIGNIFICANT ACCOUNTING POLICIES**

The Company's significant accounting policies are described in Note 3 of the Financial Statements as found on SEDAR+ at [www.SEDARPLUS.CA](http://www.SEDARPLUS.CA).

#### **14. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

As at April 30, 2023 the Company's financial instruments consist of cash and accounts payable and accrued liabilities, all of which are measured at amortized cost.

The carrying value of cash, promissory notes receivable and accounts payable and accrued liabilities approximate their fair values due to their short-term to maturity.

The Company's financial instruments are exposed in varying degrees to a variety of financial risks. The Board of Directors approves and monitors the risk management processes:

##### **a) Credit Risk**

Credit risk is the risk of financial loss to the Company if a counterparty fails to meet an obligation under contract. Credit risk exposure arises with respect to the Company's cash and promissory notes receivable. The risk exposure for cash is limited because the Company places its deposits in institutions of high credit worthiness within Canada. The promissory notes receivable were settled pursuant to the Arrangement.

##### **b) Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company is exposed to liquidity risk through its accounts payable and accrued liabilities. As the Company's operations do not generate cash, financial liabilities are discharged using funding through the issuance of common stock or debt as required. As at April 30, 2023, the Company had sufficient cash on hand to discharge its financial liabilities as they become due.

#### **15. COMMITMENTS AND CONTINGENCIES**

On December 16, 2022, the Company issued 2,000,000 flow-through shares pursuant to closing its \$0.125 flow-through share financing for gross proceeds of \$250,000. In connection with the raise the Company recorded a flow-through liability of \$66,000 representing the difference between fair value of the common shares and the price the flow-through share price at the date of issuance. As a result, the Company must complete flow-through spending of \$250,000 by December 31, 2023.

As of April 30, 2023, the Company had spent \$nil in qualifying expenditures related to the flow-through liability.

#### **16. SUBSEQUENT EVENT**

On May 1, 2023, the Company received Exchange approval on the Dunlop Deposit and pursuant to the approval, issued 100,000 common shares to the optionor.

## **17. RISKS AND UNCERTAINTIES**

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The operations of the Company are speculative due to the high-risk nature of its business, which includes the acquisition, financing, exploration, development and operation of mineral and mining properties. There are a number of factors that could negatively affect the Company's business and the value of its common shares, including the more significant risk factors identified by the Company and listed below.

The following information pertains to the outlook and conditions currently known to the Company that could have a material impact on the financial condition of the Company. Other factors may arise that are not currently foreseen by management of the Company that may present additional risks in the future. Current and prospective security holders of the Company should carefully consider these risk factors, as they could materially affect the Company's future operations and could cause actual events to differ materially from those described in forward-looking statements relating to the Company.

### **a) Exploration and Development Risk**

Mining exploration, development and operations generally involve a high degree of risk that cannot be eliminated, which can adversely impact the Company's success and financial performance. Exploration for and development of mineral deposits involves a high degree of risk and few properties that are explored are ultimately developed into producing mines. Major expenses are typically 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, which include, among other things, the following:

- the interpretation of geological data obtained from drill holes and other sampling techniques;
- feasibility studies (which include estimates of cash operating costs based upon anticipated tonnage and grades of ore to be mined and processed);
- the particular attributes of the deposit, such as size, grade and metallurgy; expected recovery rates of metals from the ore;
- proximity to infrastructure and labour; the ability to acquire and access land; the availability and cost of water and power; anticipated climatic conditions;
- cyclical metal prices; fluctuations in inflation and currency exchange rates;
- higher input commodity and labour costs; and
- government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection.

The risks and uncertainties inherent in exploration activities include but are not limited to: legal and political risk of the sector; civil unrest; general economic; market and business conditions; the regulatory process and actions; failure to obtain necessary permits and approvals; technical issues; new legislation; competitive and general economic factors and conditions; the uncertainties resulting from potential delays or changes in plans; the occurrence of unexpected events; and management's capacity to execute and implement its future plans. Discovery of mineral deposits is dependent upon a number of factors, not the least of which are the technical skills of the exploration personnel involved and the capital required for the programs. The cost of conducting programs may be substantial and the likelihood of success is difficult to assess. There is no assurance that the Company's mineral exploration activities will result in any discoveries of new bodies of commercial ore. There is no assurance that even if commercial quantities of ore are discovered that a new ore body would be developed and brought into commercial production. The commercial viability of a mineral deposit once discovered is dependent upon a number of factors, some of which are the particular attributes of the deposit (such as size, grade, metallurgy and proximity to infrastructure and labour). Most of the above factors are beyond the control of the Company. Development projects will be subject to the successful completion of final feasibility studies, issuance of necessary permits and other governmental approvals and receipt of adequate financing. The exact effect of these factors cannot be accurately predicted, but the combination of any of these factors may adversely affect the Company's business.

The Company's operations are subject to all of the hazards and risks normally encountered in the exploration and development of gold projects and properties, including unusual and unexpected geologic formations, seismic activity, rock slides, ground instabilities or failures, mechanical failures, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of facilities, damage to life or property, environmental damage and possible legal liability.

The Company is concentrated in the copper/gold/silver mining industry, and as such, the Company's success will be sensitive to changes in, and the Company's performance will depend to a greater extent on, the overall condition of the copper/gold/silver mining industry. The Company's business may be negatively impacted by fluctuations in the copper/gold/silver mining industry generally. As such, the Company may be susceptible to an increased risk of loss, including losses due to adverse occurrences affecting us more than the market as a whole, as a result of the fact that the Company's projects and properties are concentrated in the copper/gold/silver mining sector.

**b) Metal Price Risk**

The Company's property is focused on the exploration of Au. Commodity prices fluctuate widely and are affected by numerous factors beyond the Company's control, such as the sale or purchase of metals by various central banks and financial institutions, 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 metals-producing and metals-consuming countries throughout the world. The prices of these metals greatly affect the value of the Company, the price of the common shares of the Company and the potential value of its properties and investments. This, in turn, greatly affects its ability to form joint ventures, option agreements and the structure of any joint ventures formed. This is due, at least in part, to the underlying value of the Company's assets at different metals prices.

**c) Current Global Financial Conditions**

Market events and conditions can cause significant volatility to commodity prices. The Company is dependent on the equity markets as its main source of operating working capital and the Company's capital resources are largely determined by the strength of the resource markets and by the status of the Company's projects in relation to these markets, and its ability to compete for the investor support of its projects. Access to public financing has been negatively impacted by concerns over global growth rates and conditions. Consequently, equity financing may not be available to the Company in the amount required at any time or for any period or, if available, it may not be obtained on terms satisfactory to the Company.

**d) Permitting**

The Company's development and exploration activities are subject to permitting requirements. Following the receipt of environmental approvals, additional permits, licenses, authorizations, and certificates will be required to proceed to project construction, including, for example, mining water and fuel delivery, sewage water treatment, hazardous waste plans, drilling and closure plans. Failure to obtain required permits and/or to maintain compliance with permits once obtained could result in injunctions, fines, suspension or revocation of permits and other penalties. There can be no assurance that the Company will obtain all such permits and/or achieve or maintain full compliance with such permits at all times.

Activities required to obtain and/or achieve or maintain full compliance with such permits can be costly and involve extended timelines. Previously issued permits may be suspended or revoked for a variety of reasons, including through government or court action. Failure to obtain and/or comply with required permits can have serious consequences, including: damage to the Company's reputation; stopping the Company from proceeding with the development of a project; negatively impacting further development of a mine; and increasing the costs of development and litigation or regulatory action against the Company, and may materially adversely affect the Company's business, results of operations or financial condition.

**e) Title Risk**

The Company has investigated its right to explore and exploit its properties and, to the best of its knowledge, those rights are in good standing. The results of the Company's investigations should not be construed as a guarantee of title. Other parties may dispute the title to a property, or the property may be subject to prior unregistered agreements or liens and transfers or land claims by aboriginal, native, or indigenous peoples. The title may be affected by undetected encumbrances or defects or governmental actions. The Company has not conducted surveys of all of its properties, and the precise area and location of claims or the properties may be challenged and no assurances can be given that there are no title defects affecting such properties. Any defects in the title to the Company's properties could have a material and adverse effect on the Company.

No assurance can be given that applicable governments will not revoke or significantly alter the conditions of the applicable exploration and mining authorizations nor that such exploration and mining authorizations will not be challenged or impugned by third parties. Although the Company has not had any problem renewing its licenses in the past there is no guarantee that it will always be able to do so. Inability to renew a license could result in the loss of any project located within that license.

**f) Negative Operating Cash Flow**

The Company is an exploration stage company and has not generated cash flow from operations. The Company is devoting significant resources to the development and acquisition of its properties, however there can be no assurance that it will generate positive cash flow from operations in the future. The Company expects to continue to incur negative operating cash flow and losses until such time as it achieves commercial production at a particular project. The Company currently has negative cash flow from operating activities.

**g) Uncertainty of Funding**

The exploration and development of mineral properties requires a substantial amount of capital and may depend on the Company's ability to obtain financing through joint ventures, debt financing, equity financing or other means. General market conditions, volatile metals prices, a claim against the Company, a significant disruption to the Company's business, or other factors may make it difficult to secure the necessary financing. There is no assurance that the Company will be successful in obtaining required financing as and when needed on acceptable terms. Failure to obtain any necessary additional financing may result in delaying or indefinite postponement of exploration or development or even a loss of property interest. If the Company needs to raise additional funds, such financing may substantially dilute the interests of shareholders of the Company and reduce the value of their investment.

**h) Dependence on Key Personnel**

The Company's success will largely depend on the efforts and abilities of certain senior officers and key employees. Certain of these individuals have significant experience in the mining industry and while the Company does not foresee any reason why such officers and key employees will not remain with the Company, if for any reason they do not, the Company could be adversely affected. The Company has not purchased life insurance for any of these individuals.

**i) Additional Risks and Uncertainties**

For additional risks and uncertainties see "Risk Factors" in the Company's filing statement dated as at November 28, 2022, with respect to the Arrangement.

**18. OUTSTANDING SHARE DATA**

The total number of outstanding common shares, warrants and stock options as at the MD&A Date, are 25,509,995, 4,080,000, and 1,500,000, respectively.