



(the “Company”)

## **INTERIM MANAGEMENT’S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS**

**For the Nine Months Ended September 30, 2022**

### **General**

This interim Management’s Discussion and Analysis (“Interim MD&A”) supplements, but does not form part of, the unaudited condensed interim financial statements of the Company for the nine months ended September 30, 2022. The following information, prepared as of November 21, 2022, should be read in conjunction with the Company’s unaudited condensed interim financial statements for nine months ended September 30, 2022 and the related notes contained therein. The Company reports its financial position, results of operations and cash flows in accordance with International Financial Reporting Standards (“IFRS”). In addition, the following should be read in conjunction with the financial statements of the Company for the year ended December 31, 2021 and the related MD&A. All amounts are expressed in Canadian dollars unless otherwise indicated. The September 30, 2022 financial statements have not been reviewed by the Company’s auditors.

Additional information relevant to the Company’s activities can be found on SEDAR at ([www.sedar.com](http://www.sedar.com)).

### **Forward-looking Information**

This Interim MD&A contains certain statements which constitute forward-looking information within the meaning of applicable Canadian securities legislation (“Forward-looking Statements”). All statements included herein, other than statements of historical fact, are Forward-looking Statements and are subject to a variety of known and unknown risks and uncertainties which could cause actual events or results to differ materially from those reflected in the Forward-looking Statements. The Forward-looking Statements in this Interim MD&A include, without limitation, statements relating to the Company’s plans for exploration of its properties; the sufficiency of the Company’s cash position; and its ability to raise equity capital or access debt facilities. Often, but not always, these Forward-looking Statements can be identified by the use of words such as “anticipates”, “believes”, “plans”, “estimates”, “expects”, “forecasts”, “scheduled”, “targets”, “possible”, “strategy”, “potential”, “intends”, “advance”, “goal”, “objective”, “projects”, “budget”, “calculates” or statements that events, “will”, “may”, “could” or “should” occur or be achieved and similar expressions, including negative variations.

Forward-looking Statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any results, performance or achievements expressed or implied by the Forward-looking Statements. Such uncertainties and factors include, among others:

- the Company’s seeking new prospective mineral properties for acquisition;
- risks associated with mineral exploration;
- fluctuations in commodity prices, foreign exchange rates, and interest rates;

- credit and liquidity risks;
- changes in national and local government legislation, taxation, controls, regulations and political or economic developments in countries in which the Company does or may carry on business;
- reliance on key personnel;
- property title matters and local community relationships;
- risks associated with potential legal claims generally or with respect to environmental matters;
- dilution from further equity financing;
- competition;
- uncertainties relating to general economic conditions; and
- risks relating to a global pandemic, including the coronavirus COVID-19, which unless contained could cause a slowdown in global economic growth and impact the Company's business, operations, financial condition and share price;

as well as those factors referred to in the "Risks and Uncertainties" section in this Interim MD&A.

Forward-looking Statements contained in this Interim MD&A are based on the assumptions, beliefs, expectations and opinions of management, including but not limited to:

- all required third party contractual, regulatory and governmental approvals will be obtained for the exploration and development of the Company's properties;
- there being no significant disruptions affecting operations, whether relating to labour, supply, power, damage to equipment or other matters;
- exploration activities proceeding on a basis consistent with the Company's current expectations;
- expected trends and specific assumptions regarding commodity prices and currency exchange rates; and
- prices for and availability of fuel, electricity, equipment and other key supplies remaining consistent with current levels.

These Forward-looking Statements are made as of the date hereof and the Company disclaims any obligation to update any Forward-looking Statements, whether as a result of new information, future events or results or otherwise, except as required by law. There can be no assurance that Forward-looking Statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, investors should not place undue reliance on Forward-looking Statements.

### **Business of the Company**

The Company is a Vancouver-based company engaged in the acquisition and exploration of mineral properties. With a reasonable treasury from recent warrant exercises, management has been actively working to bring additional projects to the Company that will enhance shareholder value.

### **Corporate Updates**

James Sullivan resigned as a director of the Company on October 27, 2022. Management of the Company thanks James for his valuable contributions as a Board member and wishes him well in his future endeavours.

On November 14, 2022, the Company announced a proposed non-brokered private placement of up to 10 million units at \$0.20 per unit, for gross proceeds of up to \$2.0 million. Each unit will consist of one common share and one half warrant, and each whole warrant will entitle the holder to purchase one additional common share of the Company at \$0.35 for two years from the closing date of the financing. Crescat Capital will be the lead order on the financing taking a minimum \$1.0 million of the financing total.

Management of the Company intends to use the net proceeds of the placement for conducting exploration and drilling on the Company's property interests in the coming year, for continuing investigations of additional mineral properties for acquisition, and for general working capital purposes. The private placement is subject to acceptance for filing by the TSX Venture Exchange.

## Property Interests

Following the significant intrusive related gold discovery made by Snowline Gold Corp. at the Rogue project within the Tombstone Gold Belt, Yukon, Canada, the Company's teams have used their historic experience in the district to trace the geology and geophysics 90 kilometres southeast across the Yukon-Northwest Territories border. As of result of this work, the Company has recently acquired interests in six gold properties located in the Tombstone Gold Belt which lies within the Selwyn Basin.

The Company's current property holdings are described below and more detailed information is available on the Company's website.

### RAK Main, Jos and Cinnabar Projects, Northwest Territories

On August 19, 2022, the Company announced the staking of three new claim groups targeting gold mineralization within the extension of the Tombstone Gold Belt in the Northwest Territories (RAK Main, Jos, and Cinnabar Projects). The staking includes 14 claims covering approximately 11,500 hectares and are located 11 to 26 kilometres east of the Canol Road and Macmillian Pass airstrip, providing access to the properties.

Multiple intrusive bodies belonging to the Tombstone Plutonic Suite have intruded the Selwyn basin sediments within the Company's claims. These intrusives range from syenite to granodiorite in composition (e.g. Duncan, 1999), though most are classified as granites (Cecile, 1989). Several large, polyphase plutons to 10 kilometres in diameter are accompanied by smaller stocks with surface exposures less than a kilometre. Conspicuous zones of contact metamorphism surround most of the intrusions within the area of the claim blocks staked.

Previous work by operators in the Yukon on the other side of the divide have recorded significant stream sediment gold anomalism that appear to be draining several of the intrusive bodies within the NWT and recent mapping has identified stock-worked and veining within the intrusive bodies, especially so in the recessive areas where the intrusive bodies form valleys.

The intrusive bodies and gossanous contacts within the Company's claims are as yet unexplored.

### Astro Project, Northwest Territories

In September 2022, the Company entered into a property option agreement with Orogen Royalties Inc. (TSXV-OGN) ("Orogen") to purchase a 100% interest in the Astro gold project in the Northwest Territories. The Astro Project is a 288 square-kilometre exploration property located in the Northwest Territories along the Yukon border, close to the Canol Road. The Project was generated from a two-year US\$1.8 million regional alliance between Orogen and Newmont Mining Corporation that identified gold mineralization associated with an intrusive stock during a regional stream sampling survey. Work on the property identified outcropping gold mineralization in a ten-kilometre-long structural corridor flanking the hornfelsed aureole of the Border granodiorite pluton. Gold mineralization consists of gold-arsenic-antimony bearing quartz veins, gold-bismuth skarn and gold associated with disseminated sulphides in siltstone.

Surface sampling of showings has returned strong chip-channel results including 30.0 metres of 17.7 g/t gold and 18.0 metres of 3.6 g/t gold. Results from limited RC scout drilling program completed returned best intercepts of 3.0 metres grading 3.1 g/t gold, 7.6 metres grading 0.7 g/t gold, and 6.0 metres grading 1.1 g/t gold. Several stream sediment gold anomalies in creeks draining the Border intrusive indicate potential for gold mineralization within the intrusive stocks.

#### Astro Option Agreement

Under the terms of the option agreement, the Company can earn a 100% interest in the Astro Project by issuing 120,000 common shares to Orogen on closing of the Agreement [issued] and incurring \$250,000 in exploration expenditures and making cash payments or issuing common shares to Orogen totaling \$382,000 within twelve months. Once these obligations have been satisfied and the Company exercises its option to acquire the Astro Project, Orogen will retain a 2.5% net smelter returns royalty on the Project.

Hit Project, Yukon

In late September 2022, the Company entered into a property option agreement with Aben Resources Ltd. (TSXV-ABN) ("Aben") to purchase a 100% interest in the Hit Project in Yukon, close to the Canol Road. The Hit Property is strategically located adjacent to the Astro Project but on the Yukon side of the border.

The Hit property surrounds a quartz monzonite intrusive with anomalous stream sediment geochemistry and a magnetic low anomaly making the ground prospective for reduced intrusion related gold systems ("RIRGS"). Additionally, airborne geophysics show a positive correlation to be further tested. The Hit claims have seen very little work and the Company intends to test this ground for gold mineralization.

Hit Option Agreement

Under the terms of the option agreement, the Company can acquire a 100% interest in the Hit Project from Aben by completing the following:

- paying \$25,000 cash to Aben following TSX Venture Exchange approval of the agreement (the "Approval Date") [paid].
- within twelve months following the Approval Date, paying \$25,000 cash to Aben and issuing 250,000 common shares of the Company to Aben and incurring a total of \$100,000 in exploration expenditures on the Project.

Once the Company has exercised its option to acquire the Hit Project, Aben will be granted a 0.5% NSR royalty and the Company will assume from Aben the obligation to pay a 2.0% NSR royalty to a former project owner.

SER Project, Yukon

Also in late September 2022, the Company entered into a property option agreement with Sabre Gold Mines Corp. (TSX-SGLD) ("Sabre") to purchase a 100% interest in the 376-claim SER gold project located in the Mayo Mining District, Yukon, along the Northwest Territories border. The SER property is adjacent to the Astro Project and surrounds the Hit Project on three sides and extends 16 km to the southwest and 18 km to the northwest.

The SER property surrounds a series of small to medium size intrusive centres with highly anomalous stream sediment geochemistry (up to 0.510 ppm Au) and associated geophysical anomalies indicating good potential for RIRGS. Very limited follow-up work was done at the time; of the few float rock samples that were taken, one returned 27 g/t Au and 35 ppm Bi.

SER Option Agreement

Under the terms of the option agreement, the Company can acquire a 100% interest in the SER Project from Sabre by completing the following:

- paying \$50,000 cash to Sabre following TSX Venture Exchange approval of the agreement (the "Approval Date") [paid].
- within twelve months following the Approval Date, paying \$150,000 cash to Sabre and issuing \$150,000 worth of common shares of the Company to Sabre.

Upon exercise of the option, Sabre is entitled to a 2.5% NSR royalty on the SER Project.

Rivier Property, Yukon

The Rivier Property consists of 116 claims owned by the Company, and which are in good standing until 2027.

In the summer of 2020, the Company completed a field program at the Rivier Property. As the COVID-19 restrictions eased in the Yukon, the Company was able to mobilize a team to Rivier to conduct an exploration program.

The Company completed prospecting, rock chip sampling and geological mapping on the property, focusing on the areas of high gold in soil anomalies identified by previous work on the prospect. The +400 line km airborne magnetic survey conducted over the property by Precision GeoSurveys Inc. was complemented by a ground magnetic susceptibility survey that will enable accurate modelling of the targets. Results from the geochemistry, geology and

geophysics programs were integrated and updated drill targets have been developed for consideration by management of the Company.

The Rivier Property is located 90 kilometres southeast of Ross River, Yukon and covers lode gold mineralization of the Motherlode type. Previous soil and silt sampling programs have defined a plus two-kilometre-long, strong broad gold and pathfinder anomaly along a faulted contact of an ultramafic body. The anomalous gold in soils appear to be associated with mapped Listwanite alteration of the ultramafic body. With several soil samples running over 2 grams per tonne gold, this broad zone contains potential for significant gold mineralization.

### Exploration Plans

The Company plans a multi-project aggressive program of prospecting, mapping, geophysics, and drilling for next season. The Astro property has a valid drill permit and drill ready targets, and the Company is working on drill permits for the remaining projects.

### Technical Information

Qualified Person: Bruce Smith, M.Sc., M.Eng., a member of the Australian Institute of Geoscientists, is the Company's Qualified Person as defined by National Instrument 43-101, and is responsible for the accuracy of and has approved the technical information in this Interim MD&A.

### Quarterly Information

The following table provides quarterly information for the eight fiscal quarters ended September 30, 2022:

Quarter Ended	Sep. 30, 2022 (\$)	Jun. 30, 2022 (\$)	Mar. 31, 2022 (\$)	Dec. 31, 2021 (\$)	Sep. 30, 2021 (\$)	Jun. 30, 2021 (\$)	Mar. 31, 2021 (\$)	Dec. 31, 2020 (\$)
Exploration expenditures	65,775	13,612	160	-	-	-	1,468	18,122
General and administrative expenses	51,627	41,405	71,117	87,131	36,031	41,940	45,248	59,556
Net loss	(116,859)	(55,017)	(1,343,161)	(87,131)	(36,031)	(41,940)	(56,716)	(77,678)
Basic and diluted loss per share	(0.00)	(0.00)	(0.03)	(0.00)	(0.00)	(0.00)	(0.00)	(0.01)

Exploration expenditures for the quarter ended September 30, 2022 were higher than the seven prior quarters presented due to activity on recently acquired property holdings in the Yukon and Northwest Territories and property investigations in other jurisdictions. Exploration expenditures prior to the most recently completed quarter were related to other properties in the Yukon and property investigations. General and administrative expenses for the quarters ended December 31, 2021 and March 31, 2022 were higher than all other quarters presented due to an increase in corporate activity that included management fees for the President of the Company and more travel and promotional activities. The net loss for the quarter ended March 31, 2022 was significantly higher than all other quarters presented due to a write-off of deferred mineral property acquisition costs of \$1,271,884 relating to a gold project in the Democratic Republic of the Congo which the Company had proposed to acquire.

### Results of Operations

#### *Quarter ended September 30, 2022*

The quarter ended September 30, 2022 had a net loss of \$116,859, compared to \$36,031 for the quarter ended September 30, 2021, an increase of \$80,828. This increase was primarily due to the current period including \$65,775 in exploration expenditures on newly acquired properties and other property investigations whereas there were no exploration expenditures during the comparative quarter.

General and administrative expenses for the current quarter totaled \$51,627 compared to \$36,031 in the comparative quarter, an increase of \$15,596. Notable cost increases in the current quarter were in management

fees, shareholder communications, and travel and accommodation costs which was due to more corporate activities related to seeking new business and mineral property opportunities.

#### *Nine months ended September 30, 2022*

The nine-month period ended September 30, 2022 had a net loss of \$1,515,037, compared to \$134,687 for the period ended September 30, 2021, an increase of \$1,380,350. The current period's net loss was significantly higher due to the deferred acquisition cost write-off of \$1,271,884 referred to above, compared to a write-off of \$10,000 relating to a Yukon property in the comparative period.

Exploration expenditures during the current period totaled \$79,547 compared to \$1,468 during the comparative period. The current period exploration costs were higher due to activity on recently acquired mineral properties and other property investigations.

General and administrative expenses for the current period totaled \$164,149 compared to \$123,219 in the comparative period, an increase of \$40,930. Similar to the quarterly comparison, this increase was primarily due to more travel costs and management fees as the Company investigated new business opportunities and mineral properties. Salaries and benefits costs were also higher for the current period due to increased personnel needs compared to the comparative period resulting in a larger share of shared personnel costs being charged to the Company. Office and administrative costs were notably less for the current period due in part to the Company's portion of shared office rent costs being reduced.

#### **Liquidity and Capital Resources**

The Company is in the exploration stage and therefore has no cash flow from operations. For as long as the Company owns the Rivier Property, the Company has a commitment, which commenced in April 2021, to make annual advance royalty payments of \$10,000 to the former property owner.

As at September 30, 2022, current assets were \$1,129,572 which included \$1,120,632 in cash and \$3,001 for the fair value of equity investments. Current liabilities were \$162,863, resulting in working capital of \$966,709.

During the current fiscal period, a total of 10,580,000 share purchase warrants were exercised, providing the Company with proceeds of \$1,587,000 to be used for general working capital purposes.

The Company has primarily funded its operations through the issuance of equity financing. The Company expects its current capital resources to be sufficient to cover its corporate operating costs but not potential future mineral property acquisitions or extensive exploration programs through the next twelve months. As such, the Company has announced a proposed non-brokered private placement to raise gross proceeds of up to \$2.0 million. The Company will continue to seek to raise additional capital in the future and believes it will be able to do so, but recognizes the uncertainty attached thereto. Actual funding requirements may vary from those planned due to a number of factors, including the progress of property acquisitions and exploration activity.

#### **Related Party Transactions**

There were no significant related party transactions during the current period. See Note 9 of the condensed interim financial statements for the period ended September 30, 2022 for details of related party transactions which occurred in the normal course of business.

#### **Other Data**

Additional information related to the Company is available for viewing at [www.sedar.com](http://www.sedar.com).

#### **Share Position and Outstanding Options**

As at the date of this Interim MD&A, the Company had 45,581,308 common shares issued and outstanding and the following incentive stock options are currently outstanding:

<b>STOCK OPTIONS</b>		
<b>No. of options</b>	<b>Exercise price</b>	<b>Expiry date</b>
410,000	\$0.10	May 2, 2029
25,000	\$0.14	May 27, 2030
435,000		

### **Accounting Policies and Basis of Presentation**

The Company's significant accounting policies are presented in the audited financial statements for the year ended December 31, 2021.

### **Future Accounting Changes**

The Company has reviewed upcoming policies and determined that none are expected to have an impact on the Company's condensed interim financial statements.

### **Risks and Uncertainties**

#### *Global Pandemic*

The Company faces risks related to health epidemics and other outbreaks of communicable diseases, which could significantly disrupt its operations and may materially and adversely affect its business and financial conditions. The Company's business could be adversely impacted by the effects of the COVID-19 coronavirus which was declared a global pandemic by the World Health Organization in March 2020 and continues to be to the present time. The COVID-19 pandemic did not have a significant impact on the Company's operations during the current period.

The extent to which COVID-19 may impact the Company's business, including its operations and the market for its securities, will continue to depend on future developments which cannot be predicted, and include the duration, severity and scope of the outbreak and the actions taken to contain or treat the outbreak. The continued spread of COVID-19 globally could materially and adversely impact the Company's business, financial condition and results of operations including without limitation, employee health, workforce productivity, increased insurance premiums, limitations on travel, the availability of industry experts and personnel, restrictions to any drill programs and/or the timing to process drill and other metallurgical testing, and other factors that will depend on future developments beyond the Company's control.

The international response to the spread of COVID-19 has led to periods of significant restrictions on travel, temporary business closures, quarantines, global stock market volatility and a general reduction in consumer activity. Such public health crises can result in operating and supply chain delays and disruptions, global stock market and financial market volatility, declining trade and market sentiment, reduced movement of people and labour shortages, and travel and shipping disruption and shutdowns, including as a result of government regulation and prevention measures, or a fear of any of the foregoing, all of which could affect commodity prices, interest rates, credit ratings, credit risk and inflation.

#### *Mineral Property Exploration and Mining Risks*

The business of mineral deposit exploration and extraction involves a high degree of risk. Few properties that are explored ultimately become producing mines. At present, none of the Company's properties has a known commercial ore deposit. The main operating risks include: securing adequate funding to maintain and advance exploration properties; ensuring ownership of and access to mineral properties by confirmation that option agreements, claims and leases are in good standing; and obtaining permits for drilling and other exploration activities.

#### *Joint Venture Funding Risk*

The Company's strategy includes seeking partners when appropriate through joint ventures to fund exploration and project development. The main risk of this strategy is that funding partners may not be able to raise sufficient capital

in order to satisfy exploration and other expenditure terms in a particular joint venture agreement. As a result, exploration and development of one or more of the Company's property interests may be delayed depending on whether the Company can find another partner or has enough capital resources to fund the exploration and development on its own.

#### *Commodity Price Risk*

The Company is exposed to commodity price risk. Declines in the market price of precious and base metals and other minerals may adversely affect the Company's ability to raise capital or attract joint venture partners in order to fund its ongoing operations. Commodity price declines could also reduce the amount the Company would receive on the disposition of one of its mineral properties to a third party.

#### *Financing and Share Price Fluctuation Risks*

The Company has limited financial resources, has no source of operating cash flow and has no assurance that additional funding will be available to it for further exploration and development of its projects. Further exploration and development of one or more of the Company's projects may be dependent upon the Company's ability to obtain financing through equity or debt financing or other means. Failure to obtain this financing could result in delay or indefinite postponement of further exploration and development of its projects which could result in the loss of one or more of its property interests.

Securities markets have at times in the past experienced a high degree of price and volume volatility, and the market price of securities of many companies, particularly those considered to be exploration stage companies such as the Company, have experienced wide fluctuations in share prices which have not necessarily been related to their operating performance, underlying asset values or prospects. There can be no assurance that these kinds of share price fluctuations will not occur in the future, and if they do occur, how severe the impact may be on the Company's ability to raise additional funds through equity issues.

#### *Political and Regulatory Risks*

The Company is currently operating in Canada which has a stable political and regulatory environment. However, changing political aspects may affect the regulatory environment in which the Company operates, and no assurances can be given that the Company's plans and operations will not be adversely affected by future developments. Any property interests held and any proposed exploration or development activities by the Company may be subject to political, economic, and other uncertainties, including the risk of expropriation, nationalization, renegotiation or nullification of existing contracts, mining licenses and permits or other agreements, and changes in laws or taxation policies.

#### *Insured and Uninsured Risks*

In the course of exploration, development and production of mineral properties, the Company is subject to a number of hazards and risks in general, including adverse environmental conditions, operational accidents, labor disputes, unusual or unexpected geological conditions, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods, and earthquakes. Such occurrences could result in damage to the Company's properties or facilities and equipment, personal injury or death, environmental damage to properties of the Company or others, delays, monetary losses, and possible legal liability.

Although the Company may maintain insurance to protect against certain risks in such amounts as it considers reasonable, its insurance may not cover all the potential risks associated with its operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums or for other reasons. Should such liabilities arise, they could reduce or eliminate future profitability and result in increased costs, have a material adverse effect on the Company's results and a decline in the value of the securities of the Company.

#### *Environmental and Social Risks*

The activities of the Company are subject to environmental regulations issued and enforced by government agencies. Environmental legislation is evolving in a manner that will require stricter standards and enforcement and involve increased fines and penalties for non-compliance, more stringent environmental assessments of proposed

projects, and a heightened degree of responsibility for companies and their officers, directors, and employees. There can be no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on properties in which the Company holds interests which are unknown to the Company at present. The activities of the Company may be subject to negotiations with local landowners or First Nations communities for access to conduct exploration and development work programs. The Company's operations could be significantly disrupted or suspended by activities such as protests or blockades that may be undertaken by individuals or groups within the community.

#### *Competition*

The Company will compete with many companies and individuals that have substantially greater financial and technical resources than the Company for the acquisition and development of its projects as well as for the recruitment and retention of qualified employees.