



**P A S O F I N O   G O L D**

**INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS -  
QUARTERLY HIGHLIGHTS  
THREE AND SIX MONTHS ENDED OCTOBER 31, 2022  
(EXPRESSED IN CANADIAN DOLLARS)**

**Pasofino Gold Limited**  
**Management's Discussion & Analysis – Quarterly Highlights**  
**Three and Six Months Ended October 31, 2022 and 2021**  
**Dated: December 19, 2022**

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The following interim Management's Discussion and Analysis ("Interim MD&A") of Pasofino Gold Limited (the "Company" or "Pasofino") for the three and six months ended October 31, 2022, has been prepared to provide material updates to the business operations, liquidity and capital resources of the Company since its last annual management discussion & analysis, being the Management's Discussion & Analysis ("Annual MD&A") for the year ended April 30, 2022. This Interim MD&A does not provide a general update to the Annual MD&A, or reflect any non-material events since the date of the Annual MD&A.

This Interim MD&A has been prepared in compliance with section 2.2.1 of Form 51-102F1, in accordance with National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the Annual MD&A, audited annual consolidated financial statements of the Company for the years ended April 30, 2022 and 2021, together with the notes thereto, and unaudited condensed interim consolidated financial statements of the Company for the three and six months ended October 31, 2022 and 2021, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The Company's unaudited condensed interim consolidated financial statements and the financial information contained in this Interim MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee. The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Standard 34, Interim Financial Reporting. Accordingly, information contained herein is presented as of December 19, 2022, unless otherwise indicated.

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

Further information about the Company and its operations is available on the Company's website at [www.pasofinogold.com](http://www.pasofinogold.com) or on SEDAR at [www.sedar.com](http://www.sedar.com).

This Interim MD&A contains forward-looking information as further described in the "Cautionary Note Regarding Forward-Looking Statements" at the end of this Interim MD&A. Please also make reference to those risk factors identified or otherwise indirectly referenced in the "Risks and Uncertainties" section below.

### **Description of Business and Nature of Operations**

Pasofino is a Canadian-based mineral exploration company and trades on the TSX-V Exchange ("TSXV") under the symbol VEIN, on the Frankfurt Exchange under the symbol N071 and on the OTCBQ Venture Market under the symbol EFRGF. As of September 20, 2022, Pasofino exercised an option to earn a 49% economic interest (prior to the issuance of the Government of Liberia's 10% carried interest) in the Dugbe Gold Project in Liberia.

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The principal business of the Company is the acquisition, exploration and development of mineral properties. On September 17, 2020, the Company completed the acquisition of ARX Resources Limited ("ARX").

**Financial and Operating Highlights**

**Corporate**

On June 20, 2022, the Company announced that it appointed Dr. Daniel Limpitlaw as President and Chief Executive Officer of the Company.

On August 1, 2022, the Company announced that it filed the Feasibility Study in respect of the Dugbe Gold Project in Liberia. Further, the Company also announced that Hummingbird Resources PLC ("Hummingbird PLC") has confirmed that the option exercise conditions have been satisfied such that the Company may within 120 days from the date of this press release deliver the option satisfaction notice ("Notice") to Hummingbird PLC.

As of August 28, 2022, the Company will be responsible for sole funding of the first US\$4.71 million of Joint Venture Expenditures and shall remain as operator during such sole funding period.

On September 20, 2022, the Company exercised its option to acquire its 49% interest in the Dugbe Gold Project.

Following acquisition of its 49% interest in the Dugbe Gold Project, both Pasofino and Hummingbird PLC have the right to exercise the option to consolidate ownership by converting Hummingbird PLC's 51% ownership of the Dugbe Gold Project for a 51% shareholding in Pasofino, such that Pasofino would own 100% of the Dugbe Gold Project (prior to the government of Liberia's 10% carried interest), subject to the receipt of all required approvals including the TSXV.

On November 1, 2022, the Company announced that it provided Notice to Hummingbird PLC that it is exercising its right under the option agreement to cause Hummingbird PLC to sell to Pasofino, Hummingbird PLC's 51% interest in the issued and outstanding shares of Hummingbird Liberia and all shareholder loans made by Hummingbird PLC to Hummingbird Liberia to Pasofino in order for Pasofino to become owner of 100% of the Dugbe Gold Project (prior to giving effect to the 10% carried interest of the Government of Liberia).

In connection with the sale by Hummingbird PLC, Pasofino will issue to Hummingbird PLC that number of common shares of Pasofino that results in Hummingbird PLC owning 51% of the outstanding common shares of Pasofino at such time. In addition Hummingbird PLC has an anti-dilution right that provides that if, as and when any warrants outstanding as at the date the option satisfaction notice was issued by Pasofino are exercised Pasofino shall issue to Hummingbird PLC one common share for each common share issued in connection with such exercise.

The completion of the purchase and sale is subject to the receipt of all required government, TSXV and shareholder approvals.

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On October 19, 2022, the Company completed a non-brokered private placement of 10,617,843 units of the Company at \$0.50 per unit for gross proceeds of \$5,308,922. Each unit consists of one common share of the Company and one-half of one common share purchase warrant. Each warrant entitles the holder thereof to purchase one common share of the Company at a price of \$0.65 for a period of 18 months following the issue date of the units. As consideration for its services in connection with the financing, the Company paid a finder's fee of \$1,750 in cash and 3,500 broker warrants. Each broker warrant entitles the holder thereof to purchase one common share of the Company at a price of \$0.50 for a period of 18 months.

On November 6, 2022, 515,534 warrants with an exercise price of \$0.98 expired unexercised.

On November 21, 2022, the Company agreed with the independent and non-executive directors to issue 122,989 common shares ("Debt Common Shares") in exchange for the cancellation of \$61,495 of director fees owing, after deduction of applicable withholding taxes. The Debt Common Shares will be issued at a deemed price of \$0.50. The issuance of Debt Common Shares is subject to the approval of the TSXV. All securities issued pursuant to the debt conversion are subject to a statutory four month hold period.

### **Trends and Economic Conditions**

Management regularly monitors economic conditions and estimates their impact on the Company's operations and incorporates these estimates in both short-term operating and longer-term strategic decisions.

Due to the worldwide COVID-19 pandemic, material uncertainties may arise that could influence management's going concern assumption. Management cannot accurately predict the future impact COVID-19 may have on:

- Global gold prices;
- Demand for gold and the ability to explore for gold;
- The severity and the length of potential measures taken by governments to manage the spread of the virus, and their effect on labour availability and supply lines;
- Availability of government supplies, such as water and utilities;
- Purchasing power of the Canadian dollar; and
- Ability to obtain funding.

At the date of this Interim MD&A, the Liberian government has not introduced measures that have directly impeded the operational activities of the Company. Although cash in the Company continues to be spent to further advance the project, and all cash inflows are a result of financing arrangements, management believes the business will continue and, accordingly, the current situation has not impacted management's going concern assumption. However, it is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company in future periods.

Apart from these and the risk factors noted under the heading "Risks and Uncertainties", management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's business, financial condition or results of operations.

See "Cautionary Note Regarding Forward-Looking Statements" below.

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**Outlook**

The Company intends to continue exploration and development work at the Dugbe Gold Project in Liberia in connection with the joint venture agreement with Hummingbird Resources PLC.

There is no assurance that equity capital will be available to the Company in the future in the amounts or at the times desired or on terms that are acceptable to the Company, if at all. See "Risks and Uncertainties" below.

**Financial Highlights**

Three months ended October 31, 2022 compared with three months ended October 31, 2021

The Company's net loss totaled \$962,094 for the three months ended October 31, 2022, with basic and diluted loss per share of \$0.02. This compares with a net loss of \$4,305,642 with basic and diluted loss per share of \$0.14 for the three months ended October 31, 2021. The Company had no revenue in both periods presented. The decrease in net loss was principally due to:

- Exploration expenses decreased to \$425,714 for the three months ended October 31, 2022, compared to \$2,621,303 for the three months ended October 31, 2021. Refer to the heading "Mineral Exploration Properties" below for a summary of the Company's exploration programs for Pasofino's property portfolio.
- Professional fees decreased in the three months ended October 31, 2022, to \$73,959 compared with \$243,609 for the same period in 2021, primarily due to lower corporate activity requiring external professional support services.
- Share-based payments decreased in the three months ended October 31, 2022, to \$82,954 compared with \$996,238 for the same period in 2021. The decrease is due to the timing of expensing the estimated fair value of stock options granted in prior and current periods. The Company expenses its stock options in accordance with the vesting terms of the stock options granted.
- All other expenses related to general working capital purposes.

Six months ended October 31, 2022 compared with six months ended October 31, 2021

The Company's net loss totaled \$1,913,531 for the six months ended October 31, 2022, with basic and diluted loss per share of \$0.05. This compares with a net loss of \$8,783,415 with basic and diluted loss per share of \$0.28 for the six months ended October 31, 2021. The Company had no revenue in both periods presented. The decrease in net loss was principally due to:

- Exploration expenses decreased to \$760,459 for the six months ended October 31, 2022, compared to \$6,458,683 for the six months ended October 31, 2021. Refer to the heading "Mineral

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Exploration Properties” below for a summary of the Company’s exploration programs for Pasofino’s property portfolio.

- Professional fees decreased in the six months ended October 31, 2022, to \$184,844 compared with \$399,684 for the same period in 2021, primarily due to lower corporate activity requiring external professional support services.
- Share-based payments decreased in the six months ended October 31, 2022, to \$275,524 compared with \$2,186,704 for the same period in 2021. The decrease is due to the timing of expensing the estimated fair value of stock options granted in prior and current periods. The Company expenses its stock options in accordance with the vesting terms of the stock options granted.
- Sale of property interest decreased to \$nil for the six months ended October 31, 2022, compared to \$1,241,500 for the six months ended October 31, 2021. The decrease of \$1,241,500 is due to the sale of Pasofino’s 50% interest in the Roger Property to QC Copper during the six months ended October 31, 2021. Pasofino received \$1,000,000 in cash and 1,150,000 common shares of QC Copper valued at \$241,500.
- All other expenses related to general working capital purposes.

The Company’s total assets on October 31, 2022 were \$5,349,235 (April 30, 2022 - \$2,050,830) against total liabilities of \$1,290,146 (April 30, 2022 - \$1,618,280). The increase in total assets of \$3,298,405 resulted from cash proceeds of \$5,308,922 from the shares issued for cash, which was offset by share issued costs of \$44,376 and exploration expenses and operating costs. The Company does have sufficient current assets to pay its existing liabilities of \$1,290,146 at October 31, 2022.

**Cash Flows**

At October 31, 2022, the Company had cash of \$5,211,147. The increase in cash of \$3,350,137 from the April 30, 2022 cash balance of \$1,861,010 was a result of cash outflows in operating activities of \$1,914,409 and cash inflows of financing activities of \$5,264,546. Operating activities were affected by adjustments of depreciation of \$10,106, share-based payments of \$275,524, unrealized loss on marketable securities of \$3,045 and net change in non-cash working capital balances of \$289,553 because of an increase in sales tax receivables of \$10,208, a decrease in prepaid expenses of \$66,385, an increase in advance of \$17,596 and a decrease in amounts payable and other liabilities of \$328,134.

Cash provided by financing activities was \$5,264,546 for the six months ended October 31, 2022. Financing activities were affected by proceeds from share issued for cash of \$5,308,922 which was offset by share issue costs of \$44,376.

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**Liquidity and Capital Resources**

The Company's cash position as at October 31, 2022 was \$5,211,147 (April 30, 2022 - \$1,861,010).

At October 31, 2022, the Company had an accumulated deficit of \$76,108,945 (April 30, 2022 - \$74,195,414), expects to incur further losses in the development of its business, and had a net working capital of \$4,033,818 (April 30, 2022 – working capital of \$397,173).

Pasofino's financial instruments consists of cash, marketable securities and amounts payable and other liabilities. Pasofino estimates that the fair value of its financial instruments approximate its carrying values.

In October 2022, the Company secured financing of \$5,308,922 to fund its operations and obligations for the Dugbe Gold Project. At this time, the Company will rely on its ability to obtain equity or debt financing for the foreseeable future. Although the Company was successful during the year in obtaining financing, there is no guarantee that it will be able to obtain adequate financing in the future or that such financing will be advantageous to the Company. See also the discussion under the heading "Risks and Uncertainties" in the Interim MD&A.

The Company's working capital of \$4,033,818 at October 31, 2022 is not adequate for it to continue operations for the twelve-month period ending October 31, 2023. However, the financing raised in October 2022 of \$5,308,922 provides sufficient cash flow to meet the Company's short-term needs.

**Mineral Exploration Properties**

**Property Description**

*Dugbe Gold Project*

Following the completion of a Feasibility Study (FS) in June 2022 Pasofino met the conditions precedent to acquire a 49% economic interest (prior to giving effect to the Government of Liberia's 10% free carried interest) in the Dugbe Gold Project, under an agreement with Hummingbird PLC (AIM:HUM). A mineral development agreement issued by the Government of Liberia for the project secures mining rights and terms for 25 years.

As per the Canadian Securities Administrators' National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("NI 43-101"), the FS was filed by Pasofino at [www.sedar.com](http://www.sedar.com) within 45 days of June 12, 2022. Accordingly, Hummingbird Resources Plc has confirmed that the FS has been carried out to the agreed standards and satisfied the technical requirements to allow Pasofino to earn its 49% economic interest in the Project (prior to the issuance of the Government of Liberia's 10% carried interest). On September 20, 2022, the Company exercised its option to acquire its 49% interest in the Dugbe Gold Project.

The Project is subject to a net smelter return royalty of 5%.

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**Operational update**

Feasibility Study

On June 13, 2022, Pasofino announced the results for the Dugbe Project Feasibility Study (FS). The FS was prepared by the Company's lead engineers, DRA Global (South Africa), in accordance with Canadian Securities Administrators' National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101"). The FS was reported in the form of a Technical Report filed under the Company's profile on SEDAR on July 28, 2022. The highlight results of the FS are as follows:

- Mineral Reserve Estimate of 66Mt with average grade of 1.30 Au g/t with a total of 2,760koz gold.
- Life of Mine (LOM) production of 2,270koz gold.
- 5 million tonnes per annum (Mtpa) ore throughput, for a LOM of 14 years.
- Average annual production of 200 koz gold for the first 5 years.
- Average Estimated Recovery of 83% for the combined Tuzon and Dugbe F pits.
- A start-up capital cost of USD 435 million.
- A post tax NPV at 5% of USD 524 million, for a gold price of US\$1,700/oz.
- Life of mine AISC of USD 1005/oz.
- A post tax IRR of 23.6%.
- A 3.3-year payback period.
- Life of Mine strip ratio of 4.02.

Exploration

During the 3 months ending October 31, 2022, the Company did not carry out fieldwork but received results for fieldwork carried out at the Bukon Jedeh area (also referred to as the 'Central License') during July 2022. Pasofino carried exploration at this target, which is 7km south of the Tuzon deposit, as reported to the market on August 22, 2022. 10 pits were identified where artisanal miners extract gold from bedrock in pits along an approximate 4km long by 500m wide zone. 78 rock samples were collected by Pasofino from shallow artisanal mining pits along this zone. The samples returned grades ranging from <1 g/t Au to 31g/t Au confirming the potential of the area. Pasofino interprets a large fold structure controlling the mineralisation. This work is described in more detail in Pasofino's announcement dated August 22, 2022.

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*Table A – Mineral Exploration Properties*

<b>Property/Project</b>	<b>Activities Completed (Six Months Ended October 31, 2022)</b>	<b>Plans for the Project in 2023</b>	<b>Spent</b>
Dugbe Gold Project	78 rock samples collected from 10 artisanal gold mining pits from the Bukon Jedeh area.  Completion of the Dugbe Gold Project Feasibility Study, results announced June 13, 2022.  The ESIA study and the associated provisional RAP have been completed and will be submitted the Liberian regulatory authorities in the next reporting period.	Develop a plan for drilling at Bukon Jedeh and at targets on the Tuzon-Sackor trend.  ESIA was submitted on July 22, 2022	\$760,459
<b>Total exploration expenditures</b>			<b>\$760,459</b>

**Technical Information**

Andrew Pedley, Pr.Sci.Nat., is the “qualified person”, within the meaning of NI-43,101, who has approved all scientific and technical information disclosed in this Interim MD&A relating to *Table A – Mineral Exploration Properties* under the heading “Mineral Exploration Properties”. Mr. Pedley is a consultant to the Company. He is also a member in good standing with the South African Council for Natural Scientific Professions (SACNASP).

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**Related Party Transactions**

During the three and six months ended October 31, 2022 and 2021, the Company entered into the following transactions with related parties:

Summary compensation of key management:

Names	Three Months Ended October 31, 2022 (\$)	Three Months Ended October 31, 2021 (\$)	Six Months Ended October 31, 2022 (\$)	Six Months Ended October 31, 2021 (\$)
Legal fees <sup>(1)</sup>	nil	52,410	nil	134,587
Management fees	104,768	304,874	255,424	616,892
Director fees	52,500	52,500	105,000	105,000
Salaries included in exploration and evaluation expenditures	nil	44,299	nil	87,632
Share-based payments	72,186	741,368	249,809	1,620,839
<b>Total</b>	<b>229,454</b>	<b>1,195,451</b>	<b>610,233</b>	<b>2,564,950</b>

<sup>(1)</sup> A firm provides to the Company legal services of which a member of the Board of Director of the Company is also a partner of the firm. During the three and six months ended October 31, 2022, \$20,082 (three and six months ended October 31, 2021 - \$52,410 and \$101,418, respectively) of fees paid to this firm are included as professional fees and \$10,951 (three and six months ended October 31, 2021 - \$nil and \$33,169, respectively) as share issue costs. As at October 31, 2022, the Company has a balance payable for \$23,908 (April 30, 2022 - \$11,364) to this firm. The amounts payable are unsecured, non-interest bearing and have no fixed terms of repayment.

Related parties include the Board and management, close family and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

As at October 31, 2022, the Company has a balance payable of \$221,000 to certain directors (April 30, 2022 - \$116,000) which is due on demand, unsecured and non-interest bearing.

On May 6, 2021, the Company completed a marketed public offering of common shares in the capital of the Company, raising aggregate gross proceeds of \$9,000,005 comprised of the sale of 9,183,679 common shares at a price of \$0.98 per common share. Directors and officers of the Company have subscribed for 377,566 shares through payment of proceeds in the amount of \$370,015.

On October 19, 2022, the Company completed a non-brokered private placement of common shares in the capital of the Company, raising aggregate gross proceeds of \$5,308,922 comprised of the sale of 10,617,843 units at a price of \$0.50 per unit. Directors and officers of the Company have subscribed for 2,976,434 shares through payment of proceeds in the amount of \$1,488,217.

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**New Standards**

These new standards and changes adopted on May 1, 2022 did not have any material impact on the Company's unaudited condensed interim consolidated financial statements.

IAS 16 - Property, Plant and Equipment ("IAS 16") was amended. The amendments introduce new guidance, such that the proceeds from selling items before the related property, plant and equipment is available for its intended use can no longer be deducted from the cost. Instead, such proceeds are to be recognized in profit or loss, together with the costs of producing those items. The amendments are effective for annual periods beginning on January 1, 2022.

IFRS 3 – Business Combinations ("IFRS 3") was amended. The amendments introduce new exceptions to the recognition and measurement principles in IFRS 3 to ensure that the update in references to the revised conceptual framework does not change which assets and liabilities qualify for recognition in a business combination. An acquirer should apply the definition of a liability in IAS 37 – rather than the definition in the Conceptual Framework – to determine whether a present obligation exists at the acquisition date as a result of past events. For a levy in the scope of IFRIC 21, the acquirer should apply the criteria in IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date. In addition, the amendments clarify that the acquirer should not recognize a contingent asset at the acquisition date. The amendments are effective for annual periods beginning on January 1, 2022.

**Future Policies**

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after January 1, 2022. Many are not applicable or do not have a significant impact to the Company and have been excluded. The Company is currently assessing the impact of these standards on the unaudited condensed interim consolidated financial statements.

IFRS 10 – Consolidated Financial Statements ("IFRS 10") and IAS 28 – Investments in Associates and Joint Ventures ("IAS 28") were amended in September 2014 to address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business. The effective date of these amendments is yet to be determined, however early adoption is permitted.

IAS 1 – Presentation of Financial Statements ("IAS 1") was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or non-current is based solely on a company's right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company's own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. The amendments are effective for annual periods beginning on January 1, 2023.

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**Disclosure of Internal Controls**

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

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 - Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate filed by the Chief Executive Officer and Chief Financial Officer of the Company does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as such terms are defined in NI 52-109. In particular, the certifying officers filing such certificate are not making any representations relating to the establishment and maintenance of:

- (i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- (ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of unaudited condensed interim consolidated financial statements for external purposes in accordance with IFRS.

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

**Risks and Uncertainties**

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position. Please refer to the section entitled "Risks and Uncertainties" in the Company's Annual MD&A for the year ended April 30, 2022, available on SEDAR at [www.sedar.com](http://www.sedar.com).

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**Cautionary Note Regarding Forward-Looking Statements**

This Interim MD&A contains certain “forward-looking information” as defined in applicable securities laws (collectively referred to herein as “**forward-looking statements**”). These statements relate to future events or the Company’s future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “expects”, “budgeted”, “scheduled”, “estimates”, “continues”, “forecasts”, “projects”, “predicts”, “intends”, “anticipates” or “believes”, or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results “may”, “could”, “would”, “should”, “might” or “will” be taken, occur or be achieved. The forward-looking statements in this Interim MD&A speak only as of the date of this Interim MD&A or as of the date specified in such statements. The following table outlines certain significant forward-looking statements contained in this Interim MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

<b>Forward-looking statements</b>	<b>Assumptions</b>	<b>Risk factors</b>
The Company’s working capital of \$4,033,818 at October 31, 2022 is not anticipated to be adequate for it to continue operations for the twelve-month period ending October 31, 2023. However, the financing raised in October 2022 provides sufficient cash flow to meet the Company’s short-term needs	The operating and exploration activities of the Company for the twelve-month period ending October 31, 2023, and the costs associated therewith, will be consistent with the Company’s current expectations; and equity markets, exchange and interest rates and other applicable economic conditions will be favourable to the Company	Unforeseen costs to the Company will arise; ongoing uncertainties relating to the COVID-19 pandemic; any particular operating cost increase or decrease from the date of the estimation; changes in operating and exploration activities; changes in economic conditions; timing of expenditures
The Company’s properties may contain economic deposits of minerals	The actual results of the Company’s exploration and development activities will be favourable; operating, exploration and development costs will not exceed the Company’s expectations; all requisite regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to the Company, and applicable political and economic conditions are favourable to the Company; the price of applicable commodities and applicable interest and exchange rates will be favourable	Commodity price volatility; ongoing uncertainties relating to the COVID-19 pandemic; uncertainties involved in interpreting geological data and confirming title to acquired properties; inability to secure necessary property rights; the possibility that future exploration results will not be consistent with the Company’s expectations; increases in costs; environmental compliance and changes in environmental and other applicable legislation and regulation; interest rate and exchange

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Forward-looking statements	Assumptions	Risk factors
	to the Company; no title disputes exist or will arise with respect to the Company's properties; and the Company has or will obtain adequate property rights to support its exploration and development activities	rate fluctuations; changes in economic and political conditions
The Company's anticipated business plans, including costs and timing for future exploration on its property interests and acquisitions of additional mineral resource properties or interests therein	The exploration activities of the Company and the costs associated therewith, will be consistent with the Company's current expectations; and equity markets, exchange and interest rates and other applicable economic conditions will be favourable to the Company; financing will be available for the Company's exploration and development activities on favourable terms; the Company will be able to retain and attract skilled staff; all applicable regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to the Company; the Company will not be adversely affected by market competition; the price of applicable commodities will be favourable to the Company; no title disputes exist or will arise with respect to the Company's properties; the Company has or will obtain adequate property rights to support its exploration and development activities; and the Company will be able to successfully identify and negotiate new acquisition opportunities	Commodity price volatility; ongoing uncertainties relating to the COVID-19 pandemic; changes in the condition of debt and equity markets; timing and availability of external financing on acceptable terms may not be as anticipated; the uncertainties involved in interpreting geological data and confirming title to acquired properties; inability to secure necessary property rights; the possibility that future exploration results will not be consistent with the Company's expectations; increases in costs; environmental compliance and changes in environmental and other applicable legislation and regulation; interest rate and exchange rate fluctuations; changes in economic and political conditions; the Company may be unable to retain and attract skilled staff; receipt of applicable permits is subject to governmental and/or regulatory approvals; the Company does not have control over the actions of its joint venture partners and/or other counterparties

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<b>Forward-looking statements</b>	<b>Assumptions</b>	<b>Risk factors</b>
Management’s outlook regarding future trends and exploration programs	Financing will be available for the Company’s exploration and operating activities; the price of applicable commodities will be favourable to the Company; the actual results of the Company’s exploration and development activities will be favourable; management is aware of all applicable environmental obligations	Commodity price volatility; ongoing uncertainties relating to the COVID-19 pandemic; changes in the condition of debt and equity markets; interest rate and exchange rate fluctuations; changes in economic and political conditions; the possibility that future exploration results will not be consistent with the Company’s expectations; changes in environmental and other applicable legislation and regulation

Inherent in forward-looking statements are risks, uncertainties and other factors beyond the Company’s ability to predict or control. Please also make reference to those risk factors identified or otherwise indirectly referenced in the “Risks and Uncertainties” section above. Readers are cautioned that the above chart does not contain an exhaustive list of the factors or assumptions that may affect the forward-looking statements contained in this Interim MD&A, and that the assumptions underlying such statements may prove to be incorrect. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this Interim MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company’s actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary note. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.