

**MANAGEMENT DISCUSSION FOR RIDGESTONE MINING INC.
FOR THE YEAR ENDED DECEMBER 31, 2023
PREPARED AS OF April 25, 2024**

Contact Information

**Ridgestone Mining Inc.
c/o Suite 501, 3292 Production Way
Burnaby, British Columbia
V5A 4R4**

Telephone: (604) 669-0780

Facsimile: (604) 669-0774

Contact Name: Erwin Wong, Chief Financial Officer

Background

This discussion and analysis of financial position and results of operations is prepared as at April 25 2024 and should be read in conjunction with the consolidated financial statements for the year ended December 31, 2023, of Ridgestone Mining Inc. (“Ridgestone” or the “Company”). The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”). Except as otherwise disclosed, all dollar figures included therein and the following management discussion and analysis (“MD&A”) are quoted in Canadian dollars. Additional information relevant to the Company’s activities can be found on SEDAR at www.sedarplus.ca.

Cautionary Statement on Forward Looking Information

This Management’s Discussion and Analysis may include forward-looking statements with respect to business plans, activities, prospects, opportunities and events anticipated or being pursued by the Company and the Company’s future results. Although the Company believes the assumptions underlying such statements to be reasonable, any of the assumptions may prove to be incorrect. The anticipated results or events upon which current expectations are based may differ materially from actual results or events. Therefore, undue reliance should not be placed on such forward-looking information. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking statements, including: (1) a downturn in general economic conditions in North America and internationally, (2) the uncertainty as to property development and exploration milestones, (3) the uncertainty as to the regulatory approval of the Company’s properties, (4) the risk that the Company does not execute its business plan, (5) inability to retain key employees, (6) inability to finance exploration and growth, and (7) other factors beyond the Company’s control.

Forward-looking statements speak only as of the date of this MD&A and actual results could differ materially from those anticipated in the forward-looking statements as a result of a number of factors. Investors should not place undue reliance on forward-looking statements as the plans, intentions or expectations upon which they are based may not occur. The Company does not assume responsibility for the accuracy and completeness of the forward-looking statements set out in this MD&A and, subject to applicable securities laws, does not undertake any obligation to publicly revise these forward-looking statements to reflect subsequent events or circumstances. The forward-looking statements contained herein are expressly qualified by this cautionary statement.

Overview

The Company is engaged in the identification, acquisition, exploration and development of mineral projects in Mexico. As of December 31, 2023, the Company holds a 100% interest in the 3,292-hectares Alaska copper gold property and the 167-hectares Rebeico copper-gold property located in Sonora State.

The Alaska and Rebeico properties are comprised of 16 concessions totaling 3,459 hectares on private land located approximately 115 kilometers east of the city of Hermosillo. The properties are accessible via Sonora State Highway 20 and a network of all-weather roads. Grid electrical power lines are within 6.5 kilometers of the properties. Since acquiring the projects in 2018 and 2019 respectively, the Company has undertaken extensive exploration and drilling including two Induced Polarization (IP) geophysical surveys conducted by Zonge International (“Zonge”), a 12-hole diamond drill program totaling 1,430 meters which tested a 500-metre portion of the Alaska vein, and a 11-hole diamond drill program totaling 1,674 meters which tested the continuation of surficial gold-copper mineralization at the New Year Zone.

The IP geophysical surveys totaled 31 line-kilometers covering an area of approximately nine square kilometers (9 km²). The IP surveys highlighted both the known mineral occurrences in the Alaska vein and a significant chargeability anomaly over an 800 metre by 1,200 meter area with depths ranging from near surface to 300 meters. The Zonge report identified a pronounced high-chargeability feature which was encountered to the south and east of the Alaska vein at depths of 250 to 300 meters below surface, progressively increasing in width and intensity toward the south. This high-chargeability anomaly was identified over a total extent of 1,400 meters north-south and 800 meters east-west. The upper portion of the anomaly becomes progressively closer to the surface toward the south and is strongest beneath the Company's Elena concession. Samples from copper mineralized outcrops at the Elena concession have assayed up to 3.77% Cu over 1.5 meters and 3.42% Cu over 1.5 meters; other samples assayed up to 0.741 ppm gold.

Drilling at the Alaska vein confirmed the presence of high-grade gold-copper mineralization with highlights including 1.53 meters grading 36.10 g/t gold plus 1.22% copper in hole 18REB10, 3.25 meters grading 8.31 g/t gold plus 2.41% copper in hole 18REB06, and 2.0 meters grading 8.69 g/t gold plus 2.78% copper in hole 18REB02. Drilling also showed that the vein was continuous over the 500-metre area tested and remains open along strike and at depth.

Drilling at the New Year Zone was designed to test for the subsurface continuation of mineralization identified by systematic surface sampling which outlined an area of 125 meters by 175 meters (~2.2 hectares) characterized by widespread gold and copper plus silver mineralization at surface. Highlights from drilling included 16.25 meters grading 2.13 g/t gold and 1.79% copper from 3.05 meters in hole 20REB013D, and 29.15 meters grading 0.54% copper from surface in hole 20REB018D.

In 2021, the Company embarked on a detailed geological mapping, prospecting and sampling around the past producing El Cobre copper mine located within the Alaska property, in addition to all significant chargeability and resistivity anomalies ('geophysical anomalies') identified from the 2018/2019 IP surveys which covered the New Year Zone, Elena concession, and other significant mineralized areas. The El Cobre mine was previously operated by Asarco in 1960's and was developed on two levels down to a depth of 180 meters with over 330 meters of lateral development. Historical sampling of waste material discarded from prior operations ranged between 2.07% to 2.41% copper with notable gold, silver and molybdenum credits. The program was completed in May 2021, and sampling at El Cobre from the mineralized structure outcropping on surface returned up to 3.5% copper over 1.0 meters. Multiple mineralized structures and artisanal workings were encountered from additional sampling conducted at Rebeico, returning up to 3.11% copper and up to 3.45 g/t gold from surface. The Company believes that these aggregated results indicate the possible presence of a sub-surface copper porphyry system. A subsequent drill program will follow-up

on the high-grade copper mineralization encountered on surface to determine the source of and potential extensions of the mineralization.

The Company has since received all of the requisite permits for a maiden drill program on the El Cobre copper mine on its wholly-owned Alaska copper-gold project in Sonora, Mexico. The permit was issued by the Secretaría de Medio Ambiente y Recursos Naturales or SEMARNAT, the Mexican regulatory body, which allows for the Company to undertake its maiden drill program. The proposed program will comprise 14 reverse circulation (RC) drill holes for a total of approximately 2,700 meters and will be conducted along the main El Cobre structure, where recent grab and rock-chip sampling of the surface stockpile of mined material from the El Cobre structure returned up to 3.5% copper, 53 g/t silver and 0.52 % Mo over widths of up to 5.0 meters. Historical records of past mining by Asarco in the 1960's show that high- grade copper was extracted from two levels to a depth of 180 meters, and that the structure remains open along strike and to depth.

The Guadalupe y Calvo property ("GyC property") was optioned from Endeavour Silver Corp. in January 2021. Under the terms of the agreement, the Company had the option to acquire a 100% interest in the property through staged cash and share payments, plus minimum work expenditures, totaling US\$4 million over a period ending March 1, 2026, as amended on August 2, 2022. The GyC property is comprised of ten mineral concessions cover 2,750 hectares (~20 km²) located 300 kilometers from the state capital, Chihuahua City. The property is highway accessible with grid power located in the town of Guadalupe y Calvo. The property contains the historic Rosario mine, with past production of over 2.0 million ounces of gold and 31 million ounces of silver.

On June 17, 2021, the Company filed on SEDAR an independent technical report (the "Report") prepared in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101") supporting the maiden mineral resource estimate for its Guadalupe y Calvo gold-silver project. The GyC property is host to a National Instrument 43-101 (NI 43-101) Indicated Resource of 356,000 ounces of gold equivalent at an average grade of 1.72 g/t AuEq and an Inferred Resource of 460,000 ounces of gold equivalent at an average grade of 4.65 g/t AuEq. The mineral resource was estimated for two principal mineralized structures, the Rosario and Nankin veins, captured within a combined pit-constrained and underground mineral resource model. Mineralization at GyC remains open for expansion both along strike and down-dip at depth.

On August 1, 2023, due to continued weakness in the junior mineral resource financial markets and difficulty to raise financing to cover mineral property and maintenance payments along with requisite exploration work commitments, the Company executed a termination notice with Endeavour Silver Corp. to terminate the option agreement for the Guadalupe y Calvo property.

At the end of December 2023, the Company has also decided it would no longer focus on development of the 167-hectares Rebeico property due to limited prospectivity in delineating a viable gold mineral resource in this small claims area, the lack of success in securing a mining contractor to rehabilitate historical underground workings and process bulk samples from historical surface waste rock dumps of materials previously extracted from gold veins located on this property.

The Company now plans to focus on the development of its Alaska copper-gold Property, where the past producing El Cobre mine is located, and historical records of past mining by Asarco in the 1960's show that high- grade copper was extracted, and that the structure remains open along strike and to depth.

Management anticipates that it will incur considerably more exploration expenditures to advance this project located in Mexico. Expenditures will include increased professional fees necessary to comply with applicable securities rules and increased exploration costs when the Company carries out proposed exploration and drilling expenditures on the Alaska Copper/Gold Property.

During the year ended December 31, 2023, the Company determined that it will not proceed with the Guadalupe y Calvo Option Agreement or Rebeico property and recognized an impairment of \$589,112 and \$715,814, respectively.

Summary of Annual Financial Information

The following table sets forth selected financial information of the Company for the last three fiscal years. This financial information is derived from the audited financial statements of the Company:

	For the year ended December 31, 2023	For the year ended December 31, 2022	For the year ended December 31, 2021
	\$	\$	\$
Total Revenue	–	–	–
Total Expenses	381,659	517,188	1,745,943
Net Loss	(1,725,634)	(525,000)	(1,799,114)
Net Loss Per Share	(0.24)	(0.10)	(0.40)
Total Assets	1,571,476	2,770,812	2,617,190
Total Long Term Financial Liabilities	–	–	–
Cash Dividends Declared per Share	–	–	–

Net loss was \$1,799,114 for the year ended December 31, 2021, which mainly consists of consulting fees of \$1,075,365, general and administrative expenses of \$55,964, mineral exploration costs of \$363,509, and professional fees of \$189,822.

Net loss was \$525,000 for the year ended December 31, 2022, which mainly consists of consulting fees of \$153,103, general and administrative expenses of \$22,017, mineral exploration costs of \$190,559, and professional fees of \$141,142.

Net loss was \$1,725,634 for the year ended December 31, 2023, which mainly consists of consulting fees of \$154,429, general and administrative expenses of \$28,742, mineral exploration costs of \$64,096, professional fees of \$123,209, interest expense of \$39,049, and an impairment of mineral property of \$1,304,926.

Summary of Quarterly Results

The following is selected financial information from the Company's eight most recently completed fiscal quarters:

	4th Qtr Ended 12-31-23	3rd Qtr Ended 9-30-23	2nd Qtr Ended 6-30-23	1st Qtr Ended 3-31-23
Total Revenues	Nil	Nil	Nil	Nil
Operating Loss	(\$124,876)	(\$37,110)	(\$61,337)	(\$158,336)
Total Net Loss	(\$843,743)	(\$50,532)	(\$662,983)	(\$168,376)
Total Net Loss Per Share	(\$0.06)	(\$0.01)	(\$0.13)	(\$0.03)

	4rd Qtr Ended 12-31-22	3rd Qtr Ended 9-30-22	2nd Qtr Ended 6-30-22	1st Qtr Ended 3-31-22
Total Revenues	Nil	Nil	Nil	Nil
Operating Loss	(\$188,103)	(\$60,293)	(\$112,417)	(\$156,375)
Total Net Loss	(\$195,699)	(\$60,509)	(\$112,417)	(\$156,375)
Total Net Loss Per Share	(\$0.04)	(\$0.01)	(\$0.02)	(\$0.03)

Factors causing significant variations in quarterly results are as follows:

During the three months ended December 31, 2021, the Company recorded an operating loss of \$300,992 and net loss of \$351,741. The loss was mainly comprised of consulting fees of \$178,924, professional fees of \$41,792, general and administrative expenses of \$15,946, and a foreign exchange loss of \$34,908. The Company also incurred a loss on settlement of debt of \$50,749.

During the three months ended March 31, 2022, the Company recorded an operating loss and net loss of \$156,375. The loss was mainly comprised of consulting fees of \$44,521, professional fees of \$59,168, general and administrative expenses of \$3,674, mineral exploration costs of \$48,253, and a foreign exchange loss of \$759.

During the three months ended June 30, 2022, the Company recorded an operating loss and net loss of \$112,417. The loss was mainly comprised of consulting fees of \$34,148, professional fees of \$41,227, general and administrative expenses of \$3,409, mineral exploration costs of \$31,281, and a foreign exchange loss of \$2,352.

During the three months ended September 30, 2022, the Company recorded an operating loss of \$60,293 and net loss of \$60,509. The loss was mainly comprised of consulting fees of \$35,562, professional fees of \$14,817, general and administrative expenses of \$5,687, mineral exploration costs of \$3,432, and a foreign exchange loss of \$795.

During the three months ended December 31, 2022, the Company recorded an operating loss of \$188,103 and net loss of \$195,699. The loss was mainly comprised of consulting fees of \$38,872, professional fees of \$25,930, general and administrative expenses of \$9,247, mineral exploration costs of \$107,593, and a foreign exchange loss of \$6,461.

During the three months ended March 31, 2023, the Company recorded an operating loss of \$158,336 and net loss of \$168,376. The loss was mainly comprised of consulting fees of \$40,263, professional fees of \$48,925, general and administrative expenses of \$7,329, mineral exploration costs of \$53,506, and a foreign exchange loss of \$8,313.

During the three months ended June 30, 2023, the Company recorded an operating loss of \$61,337 and net loss of \$662,983. The loss was mainly comprised of consulting fees of \$37,544, professional fees of \$16,694, and impairment of mineral property of \$589,112.

During the three months ended September 30, 2023, the Company recorded an operating loss of \$37,110 and net loss of \$50,532. The loss was mainly comprised of consulting fees of \$37,537, professional fees of \$10,171, and general and administrative expenses of \$3,835, offset by a recovery of mineral exploration costs of \$13,714.

During the three months ended December 31, 2023, the Company recorded an operating loss of \$124,876 and net loss of \$843,743. The loss was mainly comprised of consulting fees of \$39,085, professional fees of \$47,419, mineral exploration costs of \$22,975, an impairment loss of \$715,814, and general and administrative expenses of \$13,133.

Liquidity

As at December 31, 2023, the Company had current assets of \$330,751 and current liabilities of \$432,557, resulting in a working capital deficiency of \$101,806. Total shareholders' equity was \$1,138,919 as at December 31, 2023.

As the Company will not generate funds from operations for the foreseeable future, the Company is primarily reliant upon the sale of equity securities in order to fund operations. Since inception, the Company has funded limited operations through the issuance of equity securities on a private placement basis. This has permitted the Company to carry out limited exploration on its Rebeico Property, Alaska Property, Guadalupe y Calvo Property, and its former Cimarron Gold Property. The Company anticipates that its cash on hand of \$320,354 may not be sufficient to cover expected administrative and exploration expenses for the next twelve-month period and additional funding may be required.

On October 18, 2023, the Company closed a non-brokered private placement of 10,000,000 units at \$0.08 per unit, for gross proceeds of \$800,000. Of the \$800,000, \$500,000 represented gross proceeds received, while \$275,000 was allocated towards the repayment of existing loans. Each unit consists of one common share and one common share purchase warrant. Each warrant is exercisable at \$0.10 per share for a period of 5 years following closing of the private placement. There was no value assigned to these warrants under residual method. In connection with the private placement, the Company incurred issuance costs of \$5,776. Directors of the Company acquired 2,125,000 units in this private placement.

Capital Resources

The Company anticipates spending \$150,000 to carry out next phase exploration programs on its Alaska property. The Company also anticipates spending \$150,000 to cover anticipated general and administrative costs and legal, audit and office overhead expenses, and \$200,000 for consulting fees for the next 12-month period. At December 31, 2023, the Company had cash of \$320,354 which is insufficient to cover expected exploration, operations and administrative expenses for the next twelve months. The Company cannot offer any assurance that expenses will not exceed management's expectations. The Company may require additional funds and will be dependent upon its ability to secure equity and/or debt financing, the availability of which cannot be assured.

Although the Company currently has limited capital resources, the Company anticipates that additional funding will come from equity financing from the sale of the Company's shares or through debt financing. The Company may also seek loans. It may also receive proceeds from the exercise of outstanding share purchase warrants and stock options. Refer to the Liquidity section for a discussion of the equity financing completed on October 18, 2023.

Off Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements.

Management and Related Party Transactions

The Company's Board of Directors consists of Erwin Wong, Brian Goss, Benjamin Asuncion, and Ji-Gang He. Currently, Brian Goss acts as the President and Chief Executive Officer ("CEO") and Mr. Erwin Wong acts as Chief Financial Officer ("CFO").

- (a) As at December 31, 2023, the Company owed \$24,610 (2022 – \$44,610) to a director and former President of the Company. The balance is unsecured, non-interest bearing and due on demand.
- (b) As at December 31, 2023, the Company owed \$7,171 (December 31, 2022 – \$nil) to a director of the Company. The balance consists of interest accrual for the year ended December 31, 2023 of \$5,979 (2022 – \$1,192). The balance is unsecured, non-interest bearing and due on demand. The underlying loan has been repaid in the year ended December 31, 2023 (Note 6).
- (c) During the year ended December 31, 2023, the Company incurred \$60,000 (2022 – \$60,000) in consulting fees to the Chief Financial Officer ("CFO") of the Company. As at December 31, 2023, the Company owed \$63,847 (2022 – \$33,478) to the CFO of the Company for accrued consulting fees and expenses paid on behalf of the Company. The balance is unsecured, non-interest bearing and due on demand.
- (d) As at December 31, 2023, the Company owed \$2,500 (2022 – \$2,500) to the former President of the Company. The balance is unsecured, non-interest bearing and due on demand.
- (e) During the year ended December 31, 2023, the Company incurred \$60,000 (2022 – \$60,000) of consulting fees to a private company controlled by a director of the Company. As at December 31, 2023, the Company owed a total of \$92,730 (2022 – \$59,730) to the director of the Company and the private company controlled by a director of the Company. The balance is unsecured, non-interest bearing and due on demand.
- (f) During the year ended December 31, 2023, the Company incurred \$30,000 (2022 – \$12,500) of consulting fees to the President and Chief Executive Officer of the Company. As at December 31, 2023, the Company owed \$55,000 (2022 – \$25,000) to a director of the Company. The balance is unsecured, non-interest bearing and due on demand.

Critical Accounting Estimates

The Company's consolidated financial statements have been prepared on a going concern basis which assumes that the Company will realize the carrying value of its assets and discharge its liabilities in the normal course of business. As at December 31, 2023, the Company has not generated any revenue and has accumulated losses of \$9,985,799 since inception. There is no guarantee that the Company will be able to complete any of the above objectives. These factors indicate the existence of a material uncertainty that may cast substantial doubt on the Company's ability to continue as a going concern. The consolidated financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

Significant areas requiring the use of estimates include fair value of share-based payments, recoverability of exploration and evaluation assets, and unrecognized deferred income tax assets. Actual results could differ from those estimates.

Rehabilitation Provisions

No rehabilitation provisions have been created based on the Company's activity to date. Based upon the prevailing economic environment, assumptions will be made which management believes are reasonable upon which to estimate the future liability. These estimates will take into account any material changes to the assumptions that occur when reviewed regularly by management. Estimates are reviewed annually and are based on current regulatory requirements. Significant changes in estimates of contamination, restoration standards and techniques will result in changes to provisions from period to period.

Actual rehabilitation costs will ultimately depend on future market prices for the rehabilitation costs which will reflect the market condition at the time the rehabilitation costs are actually incurred. The final cost of the currently recognized rehabilitation provisions may be higher or lower than currently provided for.

The areas in which the Company has exercised critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the consolidated financial statements within the next financial year are discussed below.

Exploration and Evaluation Expenditures

The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after an expenditure has been capitalized, information becomes available suggesting that the recovery of the expenditure is unlikely, the amount capitalized is written off to the profit or loss in the period the new information becomes available.

Title to Mineral Property Interests

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

Recently Adopted Accounting Standards

Amendments to IAS 1 and IFRS Practice Statement 2

The IASB has issued amendments titled '*Disclosure of Accounting Policies*' to IAS 1 and IFRS Practice Statement 2, effective from January 1, 2023. These changes guide entities to prioritize the disclosure of 'material' over 'significant' accounting policies. The amendments provide clarity on identifying material policies, emphasizing that information can be material due to its inherent nature, even if related amounts are immaterial. Additionally, IFRS Practice Statement 2 has been enhanced to support these changes. The adoption of these amendments resulted in certain changes to the Company's accounting policy disclosures.

Amendments to Definition of Accounting Estimates

In February 2021, the IASB issued amendments to IAS 8, in which it introduced a definition of 'accounting estimates'. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates. The amendments are effective for annual reporting periods beginning on or after January 1, 2023, and apply to changes in accounting policies and accounting estimates that occur on or after the start of that period.

The adoption of these amendments is applicable for the December 31, 2023, annual consolidated financial statements and had no material impact.

Amendments to IAS 12 Income Taxes

Deferred Tax related to Assets and Liabilities arising from a Single Transaction clarifies the accounting for deferred tax on transactions such as leases and decommissioning obligations by removing the initial recognition exemption for transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition. The amendments are effective for annual periods beginning on or after January 1, 2023. The adoption of these amendments had no impact on the consolidated financial statements.

Accounting Standards Issued But Not Yet Effective or Adopted

Certain pronouncements have been issued by the IASB that are mandatory for accounting periods after December 31, 2023:

- (i) Classification of Liabilities as Current or Non-current (Amendments to IAS 1) effective for annual periods beginning on or after January 1, 2024.
- (ii) Lease Liability in a Sale and Leaseback (Amendments to IFRS 16 Leases) effective for annual periods beginning on or after January 1, 2024.

None of these pronouncements are expected to have a material impact on the Company's consolidated financial statements upon adoption.

Financial Instruments and Other Instruments

Financial instruments of the Company consist of cash, accounts payable, due to related parties, and loans payable. Unless otherwise noted, management believes that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The carrying amounts of cash, accounts payable, due to related parties, and loans payable approximate their fair values due to the short-term nature of these instruments.

Foreign Country Political Risks and Uncertainties

The Company is subject to certain risks as a result of conducting foreign operations, including, but not limited to: currency fluctuations; possible political or economic instability that may result in the impairment or loss of mineral titles or other mineral rights; opposition from environmental or other non-governmental organizations; government regulations relating to the mining industry; renegotiation, cancellation or forced modification of existing contracts; expropriation or nationalization of property; changes in laws or policies or increasing legal and regulatory requirements including those relating to taxation, royalties, imports, exports, duties, currency, or other claims by government entities, including retroactive claims and/or changes in the administration of laws, policies and practices; uncertain political and economic environments; war, terrorism, sabotage and civil disturbances; delays in obtaining or the inability to obtain or maintain necessary governmental or similar permits or to operate in accordance with such permits or regulatory requirements; currency fluctuations; import and export regulations, including restrictions on the export of gold, silver or other minerals; limitations on the repatriation of earnings; and increased financing costs. Any changes in regulations or shifts in political attitudes are beyond the control of the Company and may adversely affect its business.

The introduction of new tax laws, regulations or rules, or changes to, or differing interpretation of, or application of, existing tax laws, regulations or rules in any of the countries in which the Company currently conducts business or in the future may conduct business, could result in an increase in taxes, or other governmental charges, duties or impositions. No assurance can be given that new tax laws, rules or regulations will not be enacted or that existing tax laws will not be changed, interpreted or applied in a manner that could result in the Company being subject to additional taxation or that could otherwise have a material adverse effect on us. On May 8, 2023, the Decree reforming various provisions of the Mining Law (the "Decree") was published in the Official Gazette, and it entered into effect on May 9, 2023. The resulting reforms to the Mexican Mining Law will create potential harm to existing holders of mining concessions and permits to conduct exploration, exploitation and beneficiation in Mexico.

Relevant mining reforms in Mexico of concern to the Company include, but not limited, to the following:

- a) Reduction of mining concession duration: The duration of mining concessions is reduced from 50 to 30 years, extendable once for an additional period of 25 years.
- b) Concession Granting Scheme: The scheme of open land for concessions is eliminated, and mining concessions can only be granted through a public bidding process, ensuring better conditions for the state.
- c) Mining is no longer preferential: The exploration, exploitation, and benefit of minerals or substances will not justify expropriation or temporary occupation in favor of private parties. Economic rewards and considerations are established for obtaining land.
- d) Mining concessions are conditioned on water availability: A new water concession is created specifically for mining use.
- e) Exclusive Water Concession for Mining Use: The concept of a water concession for specific mining use is established to prevent overexploitation and contamination of water. Additionally, all holders of water concessions for mining use have 90 calendar days to request a change in their concession.
- f) Regulation of concession title transfers: The Ministry of Economy may authorize the early termination and transfer of mining concession rights, provided that the transferee pays the required fees and meets the original concession's requirements, considering the remaining term. The possibility of transferring concessions through private agreements is prohibited.
- g) Grounds for cancellation of mining concessions: Various grounds for cancellation are added, including: (i) failure to pay mining fees for two consecutive years; (ii) failure to submit verification reports for works for two consecutive years or five non-consecutive years; (iii) failure to commence work within one year; (iv) failure to carry out work for a period of two consecutive years; (v) failure to submit a mine closure plan; and (vi) lack of a valid water concession.
- h) Protection of Natural Areas: Concessions in protected natural areas, areas that pose a threat to the population, and areas without water availability are prohibited.

Mexico remains a developing country. If the economy of Mexico fails to continue growth or suffers a recession, it may have an adverse effect on the Company's operations in that country. The Company does not carry political risk insurance.

Although the Company believes that its exploration activities are currently carried out in accordance with all applicable rules and regulations, new rules and regulations may be enacted, and existing rules and regulations may be applied in a manner that could limit or curtail production or development of the Company's properties. Amendments to current laws and regulations governing the operations and activities of the Company or more stringent implementation thereof could have a material adverse effect on the Company's business, financial condition and results of operations.

Disclosure of Outstanding Security Data

Common Shares

As at December 31, 2023, and the date of this MD&A, the Company had 15,301,235 common shares issued and outstanding.

On January 9, 2023, the Company effected a 20:1 share consolidation. All common share amounts have been retrospectively presented to reflect the share consolidation.

Stock Options

As at December 31, 2023, and the date of this MD&A, the Company had 57,500 options issued and outstanding.

Share Purchase Warrants

As at December 31, 2023, and the date of this MD&A, the Company had 10,000,000 common share purchase warrants outstanding.

Additional Disclosure for Venture Issuers without Significant Revenue

During the year ended December 31, 2023, the Company recorded general and administrative expenses of \$28,742, which was mainly comprised of rent of \$12,000 and office expenses of \$16,742.

Additional disclosure concerning Ridgestone's exploration and evaluation assets and expenditures are provided in its consolidated financial statements for the year ended December 31, 2023, available under the Company's profile on www.sedarplus.ca.

Investor Relations

On February 5, 2021, the Company retained Venture Liquidity Providers Inc. ("VLP") to initiate its market-making service to provide assistance in maintaining an orderly trading market for the common shares of the Company. For its services, the Company has agreed to pay VLP \$5,000 per month. On March 1, 2022, the Company suspended its market making service agreement with Venture Liquidity Providers Inc. ("VLP") until such time a new exploration plan can be put in place.

Additional Information

Additional information relating to Ridgestone Mining Inc. is located at www.sedarplus.ca.