

**SNOWLINE**  
GOLD CORP

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**SNOWLINE GOLD CORP.**

**Management Discussion and Analysis**

**For the six-month period ended June 30, 2022**

## **INTRODUCTION**

The following Management Discussion and Analysis (“MD&A”) of Snowline Gold Corp. (“Snowline” or the “Company”) was prepared as of August 29, 2022 and should be read in conjunction with the unaudited condensed interim consolidated financial statements for the three and six months ended June 30, 2022 and the annual audited financial statements for the year ended December 31, 2021. The financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). All amounts are expressed in Canadian dollars (\$) unless otherwise stated.

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

## **CORPORATE OVERVIEW**

The Company was incorporated under the Business Corporations Act (British Columbia) on November 29, 2017. The Company was incorporated for the purpose of cryptocurrency mining. The Company’s administrative office is located at 1201 – 1166 Alberni Street, Vancouver, British Columbia, Canada. The Company’s common shares were listed on the Canadian Securities Exchange (“CSE”) effective April 25, 2019 with its common shares commencing trading on April 29, 2019 under the symbol “SKYL”. As a result of the acquisition of Senoa Gold Corp., the Company had a fundamental change of business and changed its name to Snowline Gold Corp. The Company’s common shares resumed trading under the new name and ticker symbol “SGD” on March 1, 2021.

## **HIGHLIGHTS AND ACTIVITIES**

### **Exploration**

In June 2022, the Company announced it had commenced its 2022 exploration and drilling program. Drill crews and geological staff recently mobilized to the Company’s new Forks Camp, built to support its Rogue, Einarson, Ursa and Cynthia projects. Phase II diamond drilling is underway at Rogue’s Valley zone to test the extent of gold mineralization encountered by drilling in September 2021 within a soil and talus fine anomaly spanning roughly two kilometers.

In June 2022, the Company announced it had encountered 415 m of nearly continuous mineralization downhole from bedrock surface in V-22-007 at its Rogue Project’s Valley Zone. Hole V-22-007 was a 340 m step-out along-strike to the southeast of 2021 drill hole V-21-003 (which intersected 168.65 m averaging 1.25 g/t Au from bedrock surface). A second drill rig mobilized to site and has completed drilling V-22-008, which intersected sheeted quartz veins 460 m from the nearest hole to date, further expanding the footprint of known mineralization at Valley.

In August 2022, the Company announced it had encountered gold bearing quartz vein mineralization in multiple large step-out holes at its Rogue project’s Valley Zone. Characteristic sheeted veins are present at various intensities across the roughly 800 m width of the intrusion and extending into the surrounding hornfelsed rocks, and along 700 m of strike length tested to date. Of note is a corridor of high vein densities (commonly >15 veins/m) up to 300 m wide intersected across 600 m of strike length and open along strike, with robust mineralization intersected at 430 m below surface and open to further depth.

### **Operations**

In August 2022, the Company announced it had entered into a 5-year lease agreement with the Nacho Nyak Dun Development Corporation (NNDDC) for installation and use of a 27 kilowatt solar generator system. Designed and built by Yukon-based Solvest Inc., the solar generator will dramatically reduce diesel consumption at Snowline’s 45-person “Forks” camp on its Rogue Project in the eastern Yukon, located within the Traditional Territory of the First Nation of Na-Cho Nyak Dun (FNNND).

## **Financings**

On July 25, 2022, the Company completed a non-brokered private placement, issuing 7,000,000 flow-through common shares of the Company at a price of \$1.40 per FT share and 10,000,000 units of the Company at a price of \$1.25 per Unit, for aggregate gross proceeds of \$22,300,000. Each Unit is comprised of one common share of the Company and one-half of one common share purchase warrant, with each warrant being exercisable for one common share of the Company at an exercise price of C\$2.50 until July 22, 2024.

On August 2, 2022, the Company completed a non-brokered private placement, issuing 2,342,293 Units of the Company at a price of C\$1.25 per Unit, for aggregate gross proceeds of C\$2,927,866. Each Unit is comprised of one common share of the Company and one-half of one common share purchase warrant, with each warrant being exercisable for one common share of the Company at an exercise price of C\$2.50 until August 2, 2024.

## **MINERAL PROJECTS**

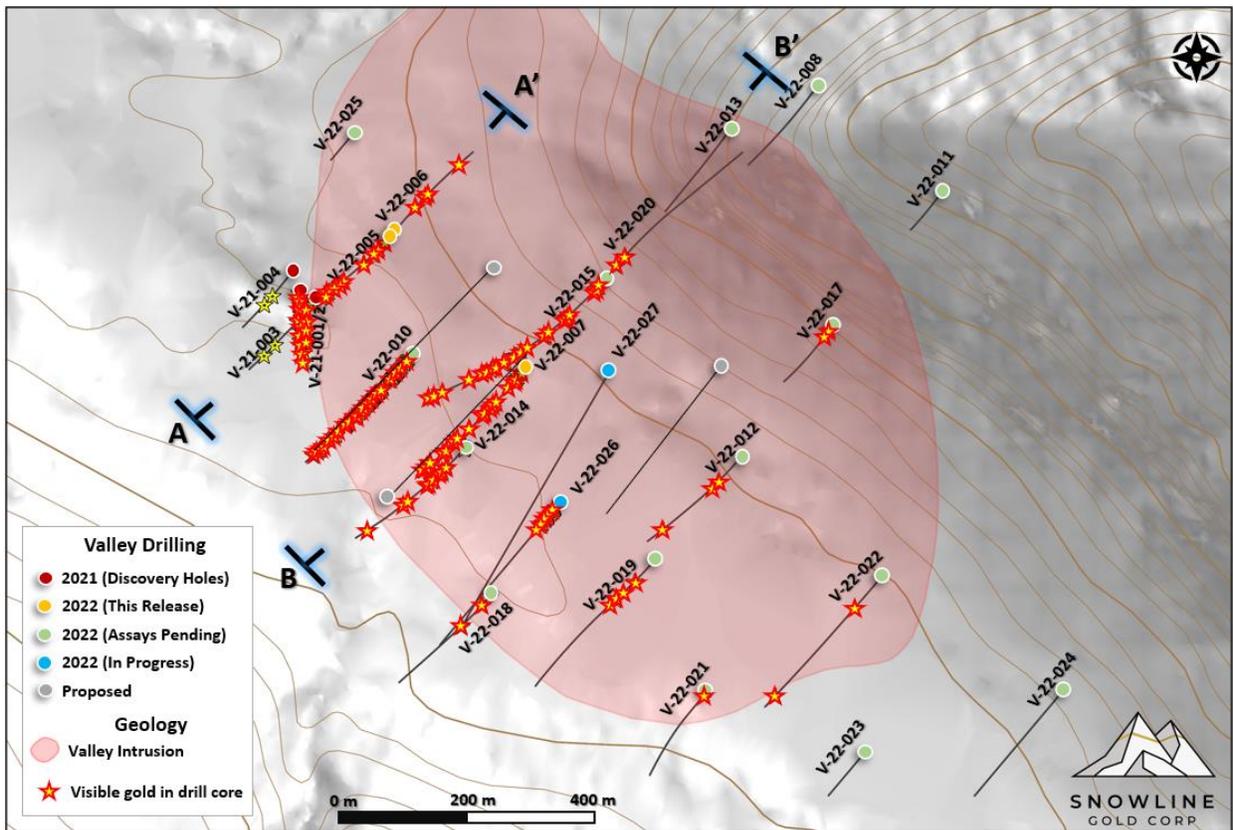
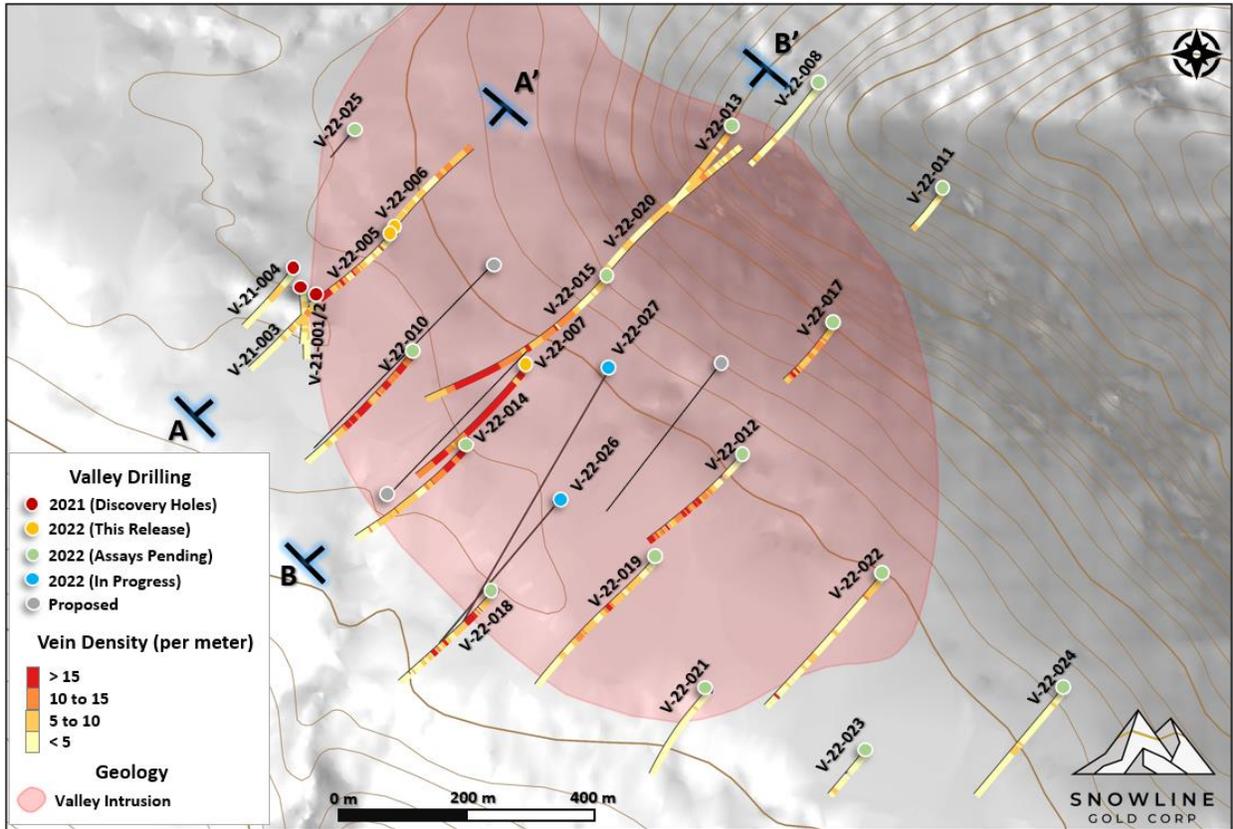
### ***Rogue Gold Project, Yukon Territory***

The 22,086-hectare Rogue project comprises 1,083 mineral claims, all 100% owned by Snowline. Two primary targets within a 9-kilometre trend of hornfels alteration are complemented by anomalous gold in rocks, soils and stream sediment samples. These targets cover two suspected members of the Tombstone plutonic suite, the set of Cretaceous intrusions responsible for multi-million-ounce reduced intrusion-related gold systems (RIRGS) such as those at Kinross's Fort Knox mine, Alaska and Victoria Gold's Eagle Mine, Yukon.

The Valley target covers a newly discovered intrusion and has been the primary focus of exploration efforts at Rogue. To date, including initial drilling in late 2021, some 7,554 m have been drilled, with two rigs active on Valley as of August 2022. Initial, preliminary assays have been received for the first two holes of 2022, V-22-005 and V-22-006, along with assays for the top 282.9 m of V-22-007, with assays still awaited for the bottom 127.1 m of V-22-007 and all subsequent holes. Results to demonstrate the presence of a large reduced intrusion gold system with zones of notably strong gold grades for this type of system, corresponding to areas of increased quartz vein density and to myriad instances of trace visible gold. Intervals to date are summarized below:

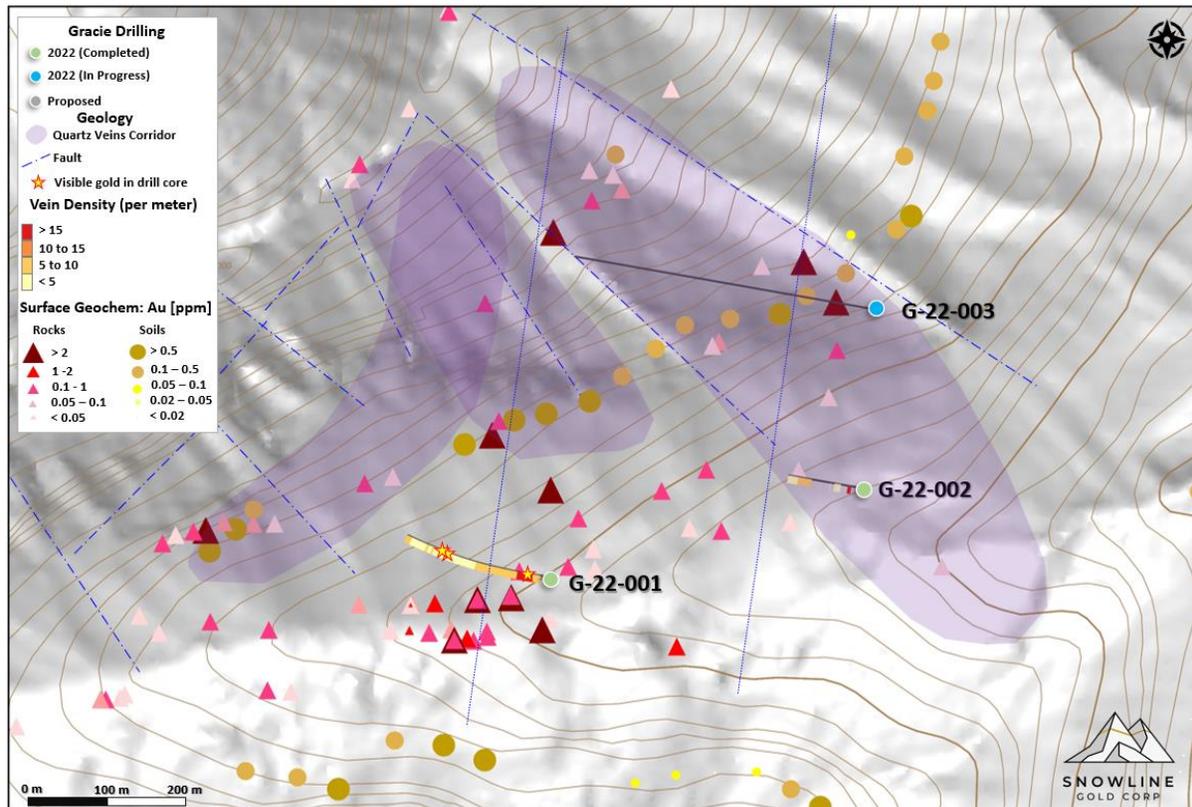
Drillhole ID	Coordinates (NAD83 Zn9)		Orientation (True)		Total Depth (m)	Interval* (m)			Grade (Au g/t)	Capped @10 g/t Au (Au g/t)	
	Easting	Northing	Azimuth	Dip		From	To	Width*			
V-22-005	386063	7057920	220	-60	339.0	7.7	339.0	331.30	1.03	0.98	
			<i>including</i>				132.0	324.0	192.00	1.52	1.44
			<i>including</i>				300.5	302.0	1.50	20.10	10.00
			<i>remainder</i>						139.30	0.36	0.36
V-22-006	386063	7057920	35	-55	301.0	6.4	301.0	294.58	0.23	0.23	
			<i>including</i>				6.4	119.0	112.60	0.30	0.30
			<i>including</i>				56.5	58.0	1.46	9.32	9.32
			<i>remainder</i>						181.98	0.18	0.18
V-22-007**	386269	7057713	220	-55	288.0**	5.1	288.0	282.91	2.30	2.25	
			<i>including</i>				56.0	202.0	146.00	3.24	3.14
			<i>including</i>				84.5	86.0	1.50	13.55	10.00
			<i>including</i>				99.5	101.0	1.50	9.73	9.73
			<i>including</i>				108.0	109.0	1.00	10.75	10.00
			<i>including</i>				186.5	187.0	0.50	27.70	10.00
			<i>remainder</i>				136.91	1.30	1.30		

Summary of all 2022 drill hole assay results received to date. Holes V-22-005 and V-22-006 are mineralized along their entire lengths, and V-22-007 carries anomalous grades along the entire 282.91 m interval received to date. Several zones of higher grades are present, but capping these at 10 g/t Au shows that the intervals are carried by robust mineralization along their lengths. \*Interval widths reported; true widths of the system are not yet known and may be gradational. \*\*Only the top 282.91 m of V-22-007 have been received to date; assays for the bottom 127.1 m of the hole still pending.



Drilling progress at the Valley Zone, showing vein densities (top) and instances of visible gold (bottom). Instances of trace visible gold in quartz veins have been identified along roughly 1000 m of strike length to date, between holes V-21-004 and V-22-022.

The Gracie target is located roughly 4 km east of Valley and covers anomalous surface geochemistry associated with an unexposed intrusion. A 5 km NE-SW trend of elevated to anomalous gold, bismuth and tellurium in soils and talus fines complement a kilometer-scale conductivity low in regional ZTEM geophysical data. Surface mapping of the prospect in 2022 has identified multiple orientations of fractures and mineralized veins, including a prominent set of jointing and quartz veins with a similar steeply dipping, 320 degree NW orientation to the dominant sheeted vein direction at Valley. As of August, 2022, one drill is active at Gracie in the first ever drill program on the target. Initial holes have hit varying degrees of hornfels in sedimentary rocks, with light quartz veining including minor bismuthinite and rare, trace amounts of visible gold.



Initial holes at Gracie, showing the locations and vein densities in the context of surface geochemistry. G-22-001 intersected silicification and mostly light to locally moderate quartz veining, with 3 instances of visible gold. G-22-002 intersected fractured sedimentary rocks with light veining and was discontinued at 165 m. Assays for both holes are pending, and drilling at Gracie is ongoing.

A broader, ongoing program of surface work is complementing exploration efforts at Rogue. In July 2022, a helicopter-borne magnetic survey covered regions both on and off claims, including coverage of the entire VG (Valley-Gracie) claim block, and the entire Old Cabin claim block. Grid soil sampling on the Valley Zone was extended to the south. Geological mapping and prospecting have focused primarily on the Gracie, Old Cabin and JP Zones, to identify the potential for additional RIRGS occurrences that may be similar to Valley.

Supporting the Rogue, Einarson, Ursa and Cynthia projects, the Company has constructed a 50-person exploration camp at the Forks airstrip under Class 3 MLUA permit LQ00561. This camp now serves as a base for its operations in the area, and is permitted through 2026. Airstrip upgrades are ongoing, with an extension to 3,000' in progress to accommodate larger aircraft. The Company installed a 27 kW solar generator facility in June and July 2022, under a 5-year lease from the Nacho Nyak Dun Development Corporation, in camp, and the facility now provides a majority of camp's electrical power, cutting down on fuel consumption, carbon emissions, total support flights needed and general background noise in camp.



Solar panels in position at Snowline's newly built Forks Camp. Designed by Solvest Inc. the 27 kW hybrid-solar generator system is among the first of its kind to be used to power a remote exploration camp in Canada.

### ***Einarson Gold Project, Yukon Territory***

The 63,158 hectare Einarson project is located in the Yukon's metal-endowed Selwyn basin, which has been underexplored relative to many comparable jurisdictions for gold and other commodities. Einarson encompasses multiple kilometres-scale geochemical anomalies associated with thrust-faulted domal uplifts of interbedded carbonate and siliciclastic stratigraphy prospective for epizonal orogenic and Carlin-type gold deposits. Prospective geological units at the Einarson project are relatively flat-lying and in places tectonically shortened, cut by steeply dipping regional to local scale faults and affected by local folding.

Primary target areas include:

- Jupiter – an orogenic gold target with abundant mineralized quartz float boulders grading up to 25.2 g/t Au associated with zones of clay-alteration in bedrock, and a 3 kilometre zone of anomalous gold in soils to a maximum 5.3 g/t Au. First-pass drilling yielded intercepts of up to 13.2 g/t Au over 6.5 m and 45.0 g/t Au over 1.5 m, with certain holes intersecting multiple mineralized zones.
- Avalanche Creek – an orogenic gold occurrence discovered in September 2020 along a major fault structure. Twenty-two grab samples of a mineralized boulder train averaged 7.8 g/t Au and graded up to 34.2 g/t Au. Not yet drill tested.
- Mars – gold mineralization in silicified structural zones with historical (Anthill Resources, 2012 and 2013) drill intervals of up to 0.571 g/t Au over 21.16 metres, so far only the southernmost end of a 3.5 kilometre gold in soil anomaly has been drill tested. Surface channel sampling at this south end

yielded an interval of 7.09 g/t Au across 5.0 metres within a broader 33.5 metres averaging 1.65 g/t Au. Likely orogenic, with Carlin potential.

- Misty – a 30-kilometer-long zone of consistently elevated to anomalous gold and Carlin pathfinder elements in soils corresponding to a variably faulted, doubly plunging anticlinal structure exposing carbonate stratigraphy known regionally to host Carlin-type gold. Not yet drilled.
- Odd – a pronounced 3.5-kilometer-long gold and Carlin pathfinder element soil and stream sediment anomaly corresponding to a thrust-faulted domal exposure of carbonate stratigraphy. Limited historical drilling did not intersect mineralized features, and the geochemical anomaly remains unexplained.

Fieldwork in 2022 at Einarson has focused on the Jupiter Zone and the surrounding areas. A 28.8 line kilometer IP survey over the Jupiter target was completed in July 2022 by Aurora Geosciences. Snowline crew have performed additional mapping, sampling and stratigraphic measurement in the area to assist with targeting for the next round of drilling at Jupiter, and for prospect generation in the regions between Jupiter and Avalanche Creek.

Drillhole ID	Coordinates (NAD83 Zn9)		Orientation (True)		Interval* (metres)			Grade (Au g/t)	
	Easting	Northing	Azimuth	Dip	From	To	Width		
J-21-010	381905	7089136	300	-50	57.0	62.5	5.5	5.15	
					69.0	73.5	4.5	1.31	
					97.0	101.0	4.0	1.26	
					<b>108.5</b>	<b>121.5</b>	<b>13.0</b>	<b>3.45</b>	
					<i>including</i>	<b>112.5</b>	<b>115.0</b>	<b>2.5</b>	<b>9.57</b>
					<i>remainder</i>			10.5	2.00
					136.0	137.5	1.5	6.96	
					<b>166.6</b>	<b>176.1</b>	<b>9.5</b>	<b>5.01</b>	
					<i>including</i>	<b>170.1</b>	<b>171.6</b>	<b>1.5</b>	<b>17.67</b>
					<i>remainder</i>			8.0	2.64
			<b>179.0</b>	<b>185.0</b>	<b>6.0</b>	<b>10.64</b>			
			<i>including</i>	<b>183.5</b>	<b>185.0</b>	<b>1.5</b>	<b>31.10</b>		
			<i>remainder</i>			4.5	3.82		
			From surface:	0.0	185.0	185.0	1.17		
J-21-011	381905	7089136	300	-80	51.50	64.00	12.50	5.35	
					<i>including</i>	<b>56.00</b>	<b>61.00</b>	<b>5.00</b>	<b>10.43</b>
					<i>remainder</i>			7.50	1.96
					92.5	97.5	5.00	1.51	
					103.5	114	10.50	1.76	
					<b>148.5</b>	<b>163.5</b>	<b>15.00</b>	<b>5.97</b>	
					<i>including</i>	<b>155.5</b>	<b>162</b>	<b>6.50</b>	<b>13.21</b>
					<i>including</i>	<b>159.5</b>	<b>160.80</b>	<b>1.30</b>	<b>43.48</b>
					<i>remainder</i>			8.50	0.42
								From surface:	0
J-21-012	381906	7089138	230	-50	21.0	24.0	3.0	1.16	
					<b>50.0</b>	<b>56.0</b>	<b>6.0</b>	<b>13.90</b>	
					<i>including</i>	<b>54.5</b>	<b>56.0</b>	<b>1.5</b>	<b>45.00</b>
					<i>remainder</i>			4.5	3.53
J-21-013	381908	7089135	90	-70	80.5	107.5	27.0	2.59	
					<i>including</i>	<b>85.0</b>	<b>86.0</b>	<b>1.0</b>	<b>11.10</b>
					<i>and</i>	<b>94.0</b>	<b>96.0</b>	<b>2.0</b>	<b>11.20</b>
					<i>remainder</i>			24.0	1.52
					<b>123.4</b>	<b>134.0</b>	<b>10.6</b>	<b>4.02</b>	
<i>including</i>	<b>128.5</b>	<b>131.0</b>	<b>2.5</b>	<b>13.78</b>					
			From surface:	0.0	134.0	134.0	0.86		

Select geochemical highlights from 2021 drilling at the Jupiter target, released on August 25, 2021 and October 13, 2021. \*Widths given are down-hole intercepts and are estimated to be between 50% and 100% of true widths based on intersection angles.

Snowline benefits from the extensive work of past operators. These groups initially secured the large Einarson mineral tenure, collected more than 25,000 soil samples and 4,500 stream sediment samples on and around the project, conducted preliminary prospecting and geological mapping and performed limited drilling. 2021 surface work by Snowline at Einarson saw roughly 1,300 soil samples and 228 rock samples added to these figures.

In addition to exploration work, Snowline contracted First Nation of Na-Cho Nyak Dun owned Yukon Seed and Restoration to conduct a botanical survey of the Jupiter zone and to collect and establish a seed bank in support of progressive reclamation efforts on the project.

Snowline holds a majority 70% interest in 3,016 of 3,067 claims comprising the Einarson project. The remaining non-carried 30% interest is held by Anthill Resources, a private Vancouver, BC based company. 20 of the remaining 51 claims are held under option from Epica Gold Corp., while other claims are owned 100% by Snowline through its Yukon-based private subsidiary, Senoa Gold Corp.

In November 2021, Snowline requested a vesting order under Section 65 of the Yukon Quartz Mining Act, given that Anthill Resources had not and has not contributed their 30% of mineral claim maintenance payments nor exploration expenditures applied to claim maintenance. A formal process that may lead to transfer of that 30% interest is now underway, and the Company awaits a decision on the ownership situation at Einarson.

Preliminary approval for a Class 3 quartz mining land use permit for Einarson has been received by the company. This permit replaces LQ00363, issued to Anthill Resources in 2017, under which the Company operated in the Jupiter area in 2021.

### ***Ursa Base Metal Project, Yukon Territory***

The 20,182 ha Ursa project covers anomalous silver, zinc, nickel, vanadium, copper and molybdenum mineralization associated with Devonian age carbon-rich black shales. Soil sampling on the claims returned concentrations as high as 0.38% zinc, 567 parts per million nickel, 4.99 parts per million silver and 108 parts per million molybdenum within a single sample. The anomaly is of interest due to its size and the potential of heavily folded geology to host concentrations of mineralized material. The Company acquired Ursa based on this potential and based on elevated gold concentrations in streams and soils in the vicinity.

In June 2022, a gravity survey was completed by Aurora Geosciences over certain conductive features delineated by the 2021 VTEM survey. This has been complemented by light surface work – mapping and rock sampling – in and around these target areas.

### ***Tosh Gold Project, Yukon Territory***

Precious metal mineralization at the 3,731-Ha Tosh Project is found along kilometre-scale shear zones, in quartz-carbonate veins, breccias and silicified shales, with assay results up to 6.8 g/t Au and 1,146 g/t Ag in rock grab samples over an area spanning 15 kilometres.

The Tosh Project bears many hallmarks of a significant orogenic gold camp. Host rocks are high-strain schists and intercalated marbles of the Yukon Tanana terrane, the geologic province that hosts two recently discovered million-ounce-plus gold deposits (including Newmont's "Coffee" deposit, ~115 km to the north of the Tosh Project) and from which over 12.5 million ounces of placer gold has been recovered in the Klondike goldfields. Importantly, major regional faults cut Cretaceous and Paleogene intrusive rocks in the vicinity of the Tosh Project.

Grid soil sampling (1,379 samples) at the Tosh Project revealed two prominent NW-SE trending zones of anomalous (defined by 90th percentile gold values >27 ppb Au) multi-element geochemistry, "Peska" and "Koose," separated by 12 kilometres of prospective ground. Gold in soil values assay up to 5.8 g/t Au at Koose and 1.6 g/t Au at Peska. These zones extend roughly 2 kilometres each and remain open in both directions on trend. A historical ground-based VLF electromagnetic geophysical survey over part of the Peska zone suggests the presence of continuous conductive structures. These structures may correspond to an anomaly that spans at least 500 metres, extending along trend off both edges of the survey. Out of 66 rock samples at Peska and Yarrow, 14 assayed higher than 1.0 g/t Au and 9 above 100 g/t Ag. Additional prospective areas at Tosh have yet to be thoroughly explored.

Snowline conducted a small program of stream sediment sampling at Tosh in late September 2021, aimed at vectoring in towards any additional zones of mineralization on or around the current property. The program was cut short by early winter conditions. No obvious additional targets were located, but the results highlighted the anomalism of the Peska trend. A continuation of the sampling program is anticipated in 2022.

### ***Cliff Gold Project, Yukon Territory***

The 2,739 ha Cliff Gold Project covers a series of pronounced gold-in-soil anomalies in the Yukon's Ruby Range, a prolific placer gold district with more than a century of placer gold production. Cliff was located through an extensive, iterative geochemical and geological exploration program throughout the Ruby Range vectoring to the most prospective areas. The Project is underlain by Kluane schist and exposures of the Ruby Range batholith. These units correspond in age, lithology and structure to host rocks of the rich Juneau Gold Belt to the southeast, which has produced over seven million ounces of orogenic gold.

Systematic soil and talus sampling over Cliff identified a large, consistent gold in soil anomaly averaging 179 ppb Au and over an area of 1,600 by 300 metres, adjacent to a significant fault zone. The highest grade soil sample from this anomaly was 3.1 g/t Au. A single grab sample of quartz-carbonate float assayed 7.3 g/t Au. High-resolution drone imagery suggests the presence of parallel northwest-trending structures that may control gold mineralization. No work was performed on the Cliff project in 2021.

The Cliff property is situated within 13 kilometres of existing placer roads, 34 kilometres of a 30 MW hydroelectric station, and 40 kilometres of the town of Haines Junction, Yukon.

### ***Rainbow Gold Project, Yukon Territory***

The 1,129 Ha Rainbow project covers a gold and pathfinder element soil anomaly associated with surface alteration caused by a recently discovered intrusion, thought to belong to the mid-Cretaceous Tombstone Plutonic Suite. Other Tombstone-related gold deposits within the Tintina Gold Belt include Fort Knox (~11 million ounces Au), and Eagle (~4.8 million ounces Au).

Grid soil geochemistry completed over the property revealed a 1 km by 300 m zone of high gold values (to 1.27 g/t) accompanied by anomalous bismuth, tellurium and tungsten flanked by zones of anomalous arsenic, antimony and silver (see Figure 1). This geochemical anomaly corresponds to the eroded edge of a 3x2 kilometre magnetic anomaly. Prospecting returned shear-hosted sulphide-bearing outcrop samples grading 4.1 g/t Au and locally-derived angular quartz float samples running 7.98 g/t Au. The magnetic anomaly reveals the potential size of the alteration system, and stream geochemistry anomalies that are 2.5 kilometres from the soil anomaly suggests that mineralizing fluids may have travelled at a similar scale.

### ***Cynthia Gold Project, Yukon Territory***

The 14,326 hectare Cynthia Gold Project is located in the Selwyn Basin, eastern Yukon Territory. The Cynthia claims cover a 4 square kilometre area of gold mineralization between two adjacent exposures of a Cretaceous Tombstone suite intrusion. Mineralization is controlled by district-scale fault zones and is especially intense in the central part of the project. Surface grab samples in these zones commonly assay from 200 ppb to 3 grams per tonne gold, with values up to 16 g/t Au in a central zone. Cynthia is along strike of the past producing Plata silver mine, and is within 8 km of an inactive heavy equipment winter access trail that connects to the North Canal Road.

Cynthia is interpreted to have both bulk-tonnage and high grade, structurally-controlled exploration potential. Historical first pass drilling in 2010 returned broad zones of elevated gold associated with extensive quartz veining and stockwork, including 1.2 g/t Au over 6.5 m within a broader interval of 0.43 g/t Au over 32 m (drilled widths given, true widths unknown). Approximately 1,100 m of historical drilling was completed on the property in 7 holes. The Cynthia property is located between two Cretaceous quartz monzonite stocks in a zone of variably folded and faulted, late Paleozoic Selwyn Basin passive margin sedimentary rocks.

The two stocks are thought to be apophyses of a larger intrusion at depth. Adjacent sedimentary rocks have undergone intense hornfelsing, with abundant pyrite and pyrrhotite. Two prominent structural zones intersect in the saddle zone between the intrusions. These structures host gold-bearing massive and drusy quartz veins. Within the intersection zone are zones of intense stockwork and strong brecciation, as well as numerous felsic dykes. Multi-staged gold mineralization in the quartz veins, stockwork and altered quartz

porphyry dykes include sulphide minerals (mainly pyrite and arsenopyrite) and elevated As, Bi and Ag values. Abundant chalcedony accompanied by elevated Sb, Hg, Ag and Pb values has been variously interpreted by historical operators to represent a late-stage epithermal gold environment, or to represent an earlier sedex-style mineralizing event.

## SELECTED QUARTERLY INFORMATION

The following table provides information for the three and six months ended June 30, 2022 and May 31, 2021

	For the three months ended June 30, 2022 \$	For the three months ended May 31, 2021 \$	For the six months ended June 30, 2022 \$	For the six months ended May 31, 2021 \$
<b>Expenses</b>				
Exploration expenditures	2,648,091	429,037	3,220,080	429,037
Depreciation	40,696	-	40,696	4,395
Office and miscellaneous	97,158	19,013	120,565	59,195
Consulting	13,464	3,008	14,405	26,988
Marketing	67,891	107,394	149,897	123,439
Professional fees	65,707	64,048	89,675	84,877
Wages and salaries	91,582	112,124	178,986	177,555
Share based payment expense	223,228	157,122	368,735	162,246
Transfer agent and regulatory fees	27,762	39,206	40,583	39,206
<b>Total expenses</b>	<b>(3,275,579)</b>	<b>(930,952)</b>	<b>(4,223,622)</b>	<b>(1,106,948)</b>
<b>Loss before other expenses</b>	<b>(3,275,579)</b>	<b>(930,952)</b>	<b>(4,223,622)</b>	<b>(1,106,948)</b>
<b>Other income (expenses)</b>				
Accretion expense	(20,497)	(27,277)	(45,575)	28,111
Foreign exchange (loss) gain	(22)	246	(54)	(302)
Finance cost	(1,400)	(466)	(2,335)	242
Recovery on flow through share premium	703,894	-	809,766	-
Other expenses	804	(1,500)	-	4,000
<b>Total other income (expenses)</b>	<b>682,779</b>	<b>(28,997)</b>	<b>761,802</b>	<b>(32,051)</b>
<b>Net loss</b>	<b>(2,592,800)</b>	<b>(959,949)</b>	<b>(3,461,820)</b>	<b>(1,138,999)</b>
<b>Other Comprehensive Income</b> (Items that will not be reclassified to net loss)				
Unrealized gain on change in fair value of digital currency	-	-	-	9,164
<b>Net loss and comprehensive loss</b>	<b>(2,592,800)</b>	<b>(959,649)</b>	<b>(3,461,820)</b>	<b>(1,129,835)</b>
<b>Loss per share – basic and diluted</b>	<b>(0.02)</b>	<b>(0.01)</b>	<b>(0.03)</b>	<b>(0.02)</b>
<b>Weighted average number of shares outstanding – basic and diluted</b>	<b>104,570,891</b>	<b>89,596,699</b>	<b>103,954,676</b>	<b>62,335,186</b>

### Three months ended June 30, 2022 vs. May 31, 2021

The Company had a net loss of \$2.59M for the period ended June 30, 2022 compared to a net loss of \$960K in the comparative period. The increased net loss for the current period was predominantly the result of:

- Exploration expenses of \$2.65M (May 31, 2021 - \$429K). The increased exploration expenses for the period ended June 30, 2022, were the result of the company ramping up its exploration efforts building off of the results it had achieved in the prior exploration season. The Company has added additional drill rigs and increased the number of human resources in the field.
- Operating expenses other than exploration expenses of \$628K (May 31, 2021 – \$502K). These expenses were comparable in the current quarter to the previous quarter with the main difference being stock-based compensation. The increase in the current quarter was driven by additional stock options being granted.
- Other income increased significantly in the current quarter as a result of the recovery of the flow through share premium.

### Six months ended June 30, 2022 vs. May 31, 2021

The Company had a net loss of \$3.5M for the period ended June 30, 2022 compared to a net loss of \$1.4M in the comparative period. The increased net loss for the current period net result of a number of differences in various line items, predominantly the following:

- Exploration expenses of \$3.2M (May 31, 2021 - \$429K). The increased exploration expenses for the period ended June 30, 2022, were the result of the company ramping up its exploration efforts building off of the results it had achieved in the prior exploration season. The Company has added additional drill rigs and increased the number of human resources in the field.
- Operating expenses other than exploration expenses of \$1M (May 31, 2021 – \$678K). The increase in operating expenses in the current year was mainly driven by the increase in stock-based compensation (\$206K) which was driven by additional stock options being granted. There was also an increase in office and administrative expenses (\$61K) as the Company has required additional support due to the growth in the current year.
- Other income increased significantly in the current quarter as a result of the recovery of the flow through share premium.

The company had total assets of \$13.3M as at June 30, 2022, compared to \$14.9M at December 2021. The decrease over the period is the result of the company spending cash on exploration activities in the current quarter.

## SUMMARY OF QUARTERLY RESULTS

### Quarterly Financial Information

For the three months ended (\$)	June 30, 2022	March 31, 2022	December 31, 2021*	August 31, 2021
Total revenue	-	-	-	-
Exploration expenses	(2,648,091)	(571,989)	(1,128,617)	(2,750,681)
Net loss	(2,592,800)	(869,020)	(1,648,822)	(3,519,431)
Basic and diluted loss per share	(0.02)	(0.01)	(0.02)	(0.06)
Total assets	13,263,962	14,478,899	14,934,168	10,035,156
Shareholders' equity (deficit)	9,960,027	11,609,449	11,731,379	8,191,822

For the three months ended (\$)	May 31, 2021	February 28, 2021	November 30, 2020	August 31, 2020
Total revenue	-	-	-	660
Exploration expenses	(429,037)	-	-	-
Net loss	(959,949)	(179,050)	(37,547)	(76,600)
Basic and diluted loss per share	(0.01)	(0.01)	(0.00)	(0.00)
Total assets	11,461,009	12,387,332	61,104	112,315
Shareholders' equity (deficit)	10,564,113	11,323,574	(24,142)	(3,585)

\*The period ended December 31, 2021 is a four month period as a result of the transition year.

**Period ended June 30, 2022 vs. March 31, 2022, December 31, 2021, and August 2021**

For the periods noted, the Company continues to run a net loss as its focus is on exploration activities. For the period ended June 30, 2022, the Company ramped up its exploration activities due to available capital to be deployed on its mineral properties. The increased loss in comparison to the last 2 quarters was due to seasonality. The exploration season runs from May to September in the Yukon. The period ended August 2021 had a higher net loss due to the exploration activities running throughout the 3 month period vs. the current quarter that only allowed for 2 months of exploration work to be completed.

Total assets and shareholders equity increased in the period ended December 2021 due to equity financings. The decrease in shareholders' equity in the current period was driven by the net loss incurred.

**Period ended June 30, 2022 vs. May 31, 2021 and all prior historic quarters**

On December 1, 2020, the Company acquired Senoa Gold Corp. and shifted its principal business to the acquisition and exploration of mineral properties. For the period ended June 30, 2022, the company had incurred significant exploration expenses which drove the higher net loss. The exploration season runs from May to September in the Yukon and therefore there were no expenses incurred from December 1, 2020 to April 30, 2021.

Total assets and shareholders equity increased in the period ended February 2021 due to equity financings. The decrease in shareholders' equity in the current period was driven by the net loss incurred.

**LIQUIDITY AND CAPITAL RESOURCES**

	For the period ended June 30, 2022	For the period ended May 31, 2021
<b>Net cash used in operating activities</b>	<b>(3,165,084)</b>	(1,163,373)
<b>Net cash provided by financing activities</b>	<b>1,321,733</b>	7,709,978
<b>Net cash used in investing activities</b>	<b>(739,498)</b>	(1,309,174)
<b>Net change</b>	<b>(2,582,849)</b>	5,237,431
<b>Cash, end of period</b>	<b>\$ 6,158,313</b>	5,250,726

Cash used in operating activities for the period ended June 30, 2022 was \$3.17M, compared to \$1.16M for the period ended May 31, 2021. The increase in cash used in operations in the current period was the result of the company incurring a significantly higher net loss due to an increase in exploration activities.

Cash provided by financing activities during the period ended June 30, 2022 was the result of warrants and options being exercised. The cash provided by financing activities in the comparative period was mainly the result of an equity financing.

Cash used in investing activities during the period ended June 30, 2022 was the result of the payment due as part of the deferred payment schedule with 18526 Yukon Inc., as well as the acquisition of property plant and equipment to assist with the current exploration season. The comparative period was the result of the cash component of the acquisition of the minerals properties from 18526 Yukon Inc.

## TRANSACTIONS WITH RELATED PARTIES

During the six months ended June 30, 2022 and May 31, 2021, the Company incurred the following expenditures charged by directors and officers of the Company and/or companies controlled or significantly influenced by directors and officers:

	<b>Six months ended June 30, 2022 \$</b>	Six months ended May 31, 2021 \$
Accounting fees	48,600	40,692
Share-based payment expense	107,777	102,706
	<b>156,377</b>	<b>143,398</b>

At June 30, 2022, accounts payable and accrued liabilities included \$nil (December 31, 2021 - \$nil) owing to directors and officers of the Company or companies controlled or significantly influenced by directors and officers.

## OFF BALANCE SHEET ARRANGEMENTS

The Company does not utilize off-balance sheet arrangements.

## FINANCIAL INSTRUMENTS

The Company is exposed, in varying degrees, to a variety of financial related risks. The fair value of the Company's financial instruments, including cash, accounts receivable and accounts payable and accrued liabilities, approximate their carrying values due to their short-term nature.

The following describes the risk exposure of the Company and the way in which such exposure is managed:

### *Credit Risk*

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash held with banks and financial institutions as well as accounts receivable. The Company's cash is held at a major Canadian financial institution.

The maximum exposure to credit risk is equal to the carrying value of the financial assets.

### *Interest Rate Risk*

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company has no interest-bearing financial assets or liabilities.

### *Liquidity Risk*

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company manages liquidity risk by maintaining sufficient cash to enable settlement of transactions on the due date. Management monitors the Company's contractual obligations and other expenses to ensure adequate liquidity is maintained.

## **SHAREHOLDERS EQUITY**

The authorized capital stock consists of an unlimited number of common shares without par value:

	<b>Stock Options</b>	<b>Share Purchase Warrants</b>	<b>Common Shares</b>
As at June 30, 2022	4,890,000	14,282,128	105,613,433
Warrants exercised	-	(5,283,018)	5,283,018
Warrants issued	-	6,171,146	-
Common shares issued	-	-	19,342,293
Stock options issued	1,131,950	-	-
As at date of report	6,022,000	15,170,256	130,238,744

- i) On July 22, 2022, the Company granted 1,000,000 stock options at an exercise price of \$1.76 per common share.
- ii) On July 25, 2022, the Company completed a non-brokered private placement, issuing 7,000,000 flow-through common shares of the Company at a price of \$1.40 per FT share and 10,000,000 units of the Company at a price of \$1.25 per Unit, for aggregate gross proceeds of \$22,300,000. Each Unit is comprised of one common share of the Company and one-half of one common share purchase warrant (each whole common share purchase warrant, a "Warrant"), with each Warrant being exercisable for one common share of the Company at an exercise price of C\$2.50 until July 22, 2024.
- iii) On August 2, 2022, the Company completed a non-brokered private placement, issuing 2,342,293 units of the Company (the "Units") at a price of C\$1.25 per Unit, for aggregate gross proceeds of C\$2,927,866. Each Unit is comprised of one common share of the Company and one-half of one common share purchase warrant (each whole common share purchase warrant, a "Warrant"), with each Warrant being exercisable for one common share of the Company at an exercise price of C\$2.50 until August 2, 2024.
- iv) On August 23, 2022, the Company granted 132,000 stock options at an exercise price of \$3.02 per common share.
- v) From July 1, 2022, to August 29, 2022, the Company had 5,283,018 warrants exercised for total gross proceeds of \$2,736,206.

## **RISK AND UNCERTAINTIES**

The Company's operations and results are subject to a number of different risks at any given time. These factors, include but are not limited to disclosure regarding exploration, additional financing, project delay, titles to properties, price fluctuations and share price volatility, operating hazards, insurable risks and limitations of insurance, management, regulatory requirements, currency fluctuations and environmental

regulations risks. Exploration for mineral resources involves a high degree of risk. The cost of conducting programs may be substantial and the likelihood of success is difficult to assess.

A number of the risks and uncertainties are discussed below:

### ***History of losses***

The Company has historically incurred losses as evidenced by its consolidated financial statements for the period ended June 30, 2022 and May 31, 2021. The Company has financed its operations principally through the sale of its equity securities. The Company does not anticipate that it will earn any revenue from its operations until its properties are placed into production, if ever. If the Company is unable to place its properties into production, the Company may never realize revenues from operations, will continue to incur losses and you may lose the value of your investment.

### ***Joint ventures and other partnerships***

The Company may seek joint venture partners to provide funding for further work on any or all of its other properties. Joint ventures may involve significant risks and the Company may lose any investment it makes in a joint venture. Any investments, strategic alliances or related efforts are accompanied by risks such as:

1. the difficulty of identifying appropriate joint venture partners or opportunities;
2. the time the Company's senior management must spend negotiating agreements, and monitoring joint venture activities;
3. the possibility that the Company may not be able to reach agreement on definitive agreements, with potential joint venture partners;
4. potential regulatory issues applicable to the mineral exploration business;
5. the investment of the Company's capital or properties and the loss of control over the return of the Company's capital or assets;
6. the inability of management to capitalize on the growth opportunities presented by joint ventures; and
7. the insolvency of any joint venture partner.

There are no assurances that the Company would be successful in overcoming these risks or any other problems encountered with joint ventures, strategic alliances or related efforts.

### ***Unexpected delays***

The Company's minerals business will be subject to the risk of unanticipated delays including permitting its contemplated projects. Such delays may be caused by fluctuations in commodity prices, mining risks, difficulty in arranging needed financing, unanticipated permitting requirements or legal obstruction in the permitting process by project opponents. In addition to adding to project capital costs (and possibly operating costs), such delays, if protracted, could result in a write-off of all or a portion of the carrying value of the delayed project.

### ***Potential conflicts of interest***

Several of the Company's directors are also directors, officers or shareholders of other companies. Such associations may give rise to conflicts of interest from time to time. Such a conflict poses the risk that the Company may enter into a transaction on terms which could place the Company in a worse position than if no conflict existed. The directors of the Company are required by law to act honestly and in good faith with a view to the best interest of the Company and to disclose any interest which they may have in any project or opportunity of the Company. However, each director has a similar obligation to other companies for

which such director serves as an officer or director. The Company has no specific internal policy governing conflicts of interest.

### ***Competition***

The mining industry is competitive in all of its phases. The Company faces strong competition from other mining companies in connection with the acquisition of properties producing, or capable of producing, base and precious metals. Many of these companies have greater financial resources, operational experience and technical capabilities than the Company. As a result of this competition, the Company may be unable to maintain or acquire attractive mining properties on terms it considers acceptable or at all. Consequently, the Company's revenues, operations and financial condition could be materially adversely affected.

### ***Dividends***

The Company has not paid out any cash dividends to date and has no plans to do so in the immediate future. As a result, an investor's return on investment will be solely determined by his or her ability to sell common shares in the secondary market.

### ***Title Risk***

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.

### ***Price Risk***

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company's property has exposure to predominantly iron. The prices of this metal greatly affect the value of the Company and the potential value of its property and investments.

### ***Financial Markets***

The Company is dependent on the equity markets as its sole source of operating working capital and the Company's capital resources are largely determined by the strength of the junior resource markets and by the status of the Company's projects in relation to these markets, and its ability to compete for the investor support of its projects. The coronavirus outbreak has caused economic disruption worldwide and the resulting impact may affect the Company's ability to raise equity financing.

### ***Credit Risk***

Credit risk is the risk of an unexpected loss of a third party to a financial instrument fails to meet its contractual obligations. The Company is subject to credit risk on cash. The Company limits its exposure to credit loss by placing its cash with major financial institutions.

### ***Liquidity Risk***

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they are due. The Company ensures that there is sufficient capital in order to meet short-term business requirements, after taking into account the Company's holdings of cash. The Company raises capital through equity issues and its ability to do so is dependent on a number of factors including market acceptance, stock price and exploration results. The Company's cash is invested in bank accounts.

### ***Interest Risk***

The Company's bank accounts do not bear interest income. The fair value of cash approximates its carrying value due to the immediate or short-term maturity of this financial instrument.

### ***Currency Risk***

Business is transacted by the Company in multiple currencies. Fluctuations in exchange rates may have a significant effect on the cash flows of the Company. Future changes in exchange rates could materially affect the Company's results in either a positive or negative direction.

### ***Community Risk***

The Company has negotiated with the local communities on its mineral property concessions for access to facilitate the completion of geological studies and exploration work programs. The Company's operations could be significantly disrupted or suspended by activities such as protests or blockades that may be undertaken by such certain groups or individuals within the community.

### ***Environmental Risk***

The Company seeks to operate within environmental protection standards that meet or exceed existing requirements in the countries in which the Company operates. Present or future laws and regulations, however, may affect the Company's operations. Future environmental costs may increase due to changing requirements or costs associated with exploration and the developing, operating and closing of mines. Programs may also be delayed or prohibited in some areas. Although minimal at this time, site restoration costs are a component of exploration expenses.

### ***Critical Estimates and Judgments***

The Company's critical estimates and judgments are outlined in note 4 of the annual financial statements for the year ended December 31, 2021.

### ***New Accounting Policies and Judgments***

The Company's new accounting policies and judgments are outlined in note 3 of the annual financial statements for the year ended December 31, 2021.

### ***War in Ukraine***

The Company's business financial condition and results of operations may be further negatively affected by economic and other consequences from Russia's military action against Ukraine and the sanctions imposed in response to that action in late February 2022. While the Company expects any direct impacts, of the pandemic and the war in the Ukraine, to the business to be limited, the indirect impacts on the economy and on the mining industry and other industries in general could negatively affect the business and may make it more difficult for it to raise equity or debt financing. There can be no assurance that the Company will not be impacted by adverse consequences that may be brought about on its business, results of operations, financial position and cash flows in the future.

## **FORWARD LOOKING STATEMENTS**

This MD&A may contain "forward-looking statements" that reflect the Company's current expectations and projections about its future results. When used in this MD&A, words such as "will", "may", "should", "estimate", "intend", "expect", "anticipate" and similar expressions are intended to identify forward-looking statements, which, by their very nature, are not guarantees of the Company's future operational or financial performance.

Forward-looking statements are not historical facts, and include but are not limited to:

- a) Estimates and their underlying assumptions;
- b) Statements regarding plans, objectives and expectations with respect to the effectiveness of the Company's business model, future operations, the impact of regulatory initiatives on the Company's operations, and market opportunities;
- c) General industry and macroeconomic growth rates;
- d) Uncertainty on success of corporate development initiatives; and
- e) Statements regarding future performance.

Although forward-looking statements and information contained in this MD&A are based on the beliefs of management, which we consider to be reasonable, as well as assumptions made by information currently available by management, there is no assurance that the forward-looking statements or information will prove to be accurate.

Forward-looking statements used in this MD&A are subject to various known and unknown risks, uncertainties and other factors, most of which are difficult to predict and generally beyond the control of the Company. These risks, uncertainties and other factors may include, but are not limited to unavailability of financing, failure to identify commercially viable mineral reserves, fluctuations in the market valuation for commodities, difficulties in obtaining required approvals for the development of a mineral project, failure to obtain licenses that are expected to be issued (or issued in a timely manner), impact resulting from lack of community support, impact resulted from lack of governmental and regulatory support, and other factors. This list is not exhaustive and these and other factors should be considered carefully.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this MD&A or as of the date otherwise specifically indicated herein. Due to risks, uncertainties and other factors, including the risks, uncertainties and other factors identified above and elsewhere in this MD&A, actual events may differ materially from current expectations. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise except as required by securities law.

#### **QUALIFIED PERSON**

Geological and mining technical information presented in this MD&A above has been approved by the CEO, Mr. Scott Berdahl, a qualified person who by reason of education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, fulfills the requirements of a Qualified Person as defined in NI 43-101.