

## MANAGEMENT DISCUSSION AND ANALYSIS FOR THE SIX MONTHS ENDED MARCH 31, 2023

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Management's discussion and analysis ("MD&A") provides a detailed analysis of the results and financial condition of Enduro Metals Corporation (the "Company") for the period ended March 31, 2023. The following MD&A should be read in conjunction with the unaudited condensed interim consolidated financial statements for the period ended March 31, 2023, and 2022, which have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting.

This Management's Discussion and Analysis ("MD&A") is dated May 26, 2023 and discloses specified information up to that date. The condensed interim consolidated financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). Unless otherwise cited, references to dollar amounts are in Canadian dollars. This MD&A contains "forward-looking statements" that are subject to risk factors including those set out in the "Cautionary Statement" at the end of this MD&A. All information contained in this MD&A is current and has been approved by the Company's Board of Directors as of May 26, 2023, unless otherwise indicated. Throughout this report we refer to "Enduro", the "Company", "we", "us", "our", or "its". All these terms are used in respect of Enduro Metals Corporation. **We recommend that readers consult the "Cautionary Statement" on the last page of this report.** Additional information relating to the Company is available on the Company's website at [www.endurometals.com](http://www.endurometals.com) and on SEDAR at [www.sedar.com](http://www.sedar.com).

The condensed interim consolidated financial statements were prepared in accordance with IFRS with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The operations of the Company are primarily funded from financing activities and the issuance of capital stock.

The continued operations of the Company are dependent on its ability to develop a sufficient financing plan, receiving the continued financial support from related parties, completing sufficient equity financings, or generating profitable operations in the future. The Company has not generated revenue from operations and expects to incur further losses in the exploration and evaluation of its mineral properties. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern. The condensed interim consolidated financial statements do not include any adjustments to the amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue its business.

### Description of Business

Enduro Metals Corporation was incorporated under the Business Corporations Act (British Columbia) on July 20, 2009, and is publicly listed and traded on the TSX Venture Exchange ("TSX-V") under the trading symbol "ENDR", the OTC Markets Group Inc under the ticker symbol "ENDMF", and the Frankfurt Stock Exchange ("FSE") under the ticker symbol "SOG". The Company is currently engaged in the identification, acquisition, and exploration of prospective mineral properties in Canada. Enduro metals hold one of the largest junior land positions in the heart of British Columbia's Golden Triangle, a world class mineral district hosting multiple successful mines.

### Financial Highlights

On May 19, 2022, the Company closed a private placement and issued a total of 28,333,334 shares of the Company for gross proceeds of \$10,020,000. The private placement consisted of 1,000,000 non-flow-through shares (the "NFT Shares") at a price of \$0.26 per NFT Share, 3,333,334 flow-through shares (the "FT Shares") at a price of \$0.30 per FT Share and 24,000,000 charity flow-through shares (the "CFT Shares") at a price of \$0.365 per CFT Share. The proceeds from the financing will were used to further advance the exploration activities at the Company's Newmont Lake project.

## Operational Highlights

The Company's exploration and evaluation activities during the period ended March 31, 2023, have been conducted on its Newmont Lake Property.

### Burgundy Ridge Project

On May 24<sup>th</sup>, 2023, the results of an inaugural geological model of Burgundy were announced. The geological model was undertaken with a methodical and systematic approach to classify the paragenesis and relationships between lithology, alteration, mineralization, and structural events over an area approximately 1500m long x 500m wide. From this work, intrusive rocks closely associated with copper-gold mineralization were recognized and a detailed structural analysis suggested a strong NE-SW control on mineralization. This information provided critical vectoring at Burgundy as well as two other copper-gold centers along strike to the northeast. It is interpreted that Burgundy sits in a 20km structural corridor that comprising a complex series of trans-arc geological structures believed to be the controlling feature for the copper-gold mineralization found in multiple locations along this trend, now termed the "Copper Line".

A two-rig diamond drill program was executed to test the extent of copper and gold mineralization along a 1,200m strike length at the Company's Burgundy Ridge porphyry project to follow up on the results of drilling undertaken during 2021.

The results of 2021's drilling at Burgundy Ridge were announced on October 18<sup>th</sup>, 2021, and February 7<sup>th</sup>, 2022. Highlights from the drill results include:

- BR21-01 which intersected 331m of 0.71% CuEq starting at surface, including 146m of 1.00% CuEq from 139m downhole;
- BR21-03 which intersected 257m of 0.50% CuEq from surface, including 43m of 1.39% CuEq at surface;
- BR21-04 intersected 84m of 0.72% CuEq from 57m downhole. The drill hole was also successful in identifying another high-grade mineralization style including 6.63% CuEq over 3.00m at 136m downhole;
- ST21-01 intersected **2.17% Cu and 27.07 g/t Ag over 9.37m from 15.92m** downhole, including **7.20% Cu and 87.77 g/t Ag over 2.00m**. These results were drilled 2.3km NE of Burgundy Ridge and support additional copper potential across the entire Burgundy system.

In total, 20 diamond drill holes were drilled during 2022 at Burgundy Ridge for a total of 9,652 meters. The program was designed to zone in on the center of the porphyry system and test approximately 1,200m of the 2,700m system. The drill program was also designed to test mineralization significantly deeper than previously drilled at Burgundy Ridge, given porphyries form as vertically oriented deposits up to kilometers in vertical and horizontal scale.

Results of the first 9 diamond drill holes were announced after the year end on November 18<sup>th</sup>, 2022, and January 16<sup>th</sup>, 2023, with the remainder of the results released on April 4<sup>th</sup>, 2023. Highlights from these drill results include:

- BR22-23 intersected 66.80m of 0.50% CuEq starting from 243.60m, including 6.08m of 1.82% CuEq at 253.69m downhole
- BR22-22 intersected 24.20m of 1.24% CuEq starting at 445.80m, including 2.98m of 5.8% CuEq at 464.25m downhole
- BR22-22 intersected 12.24m of 0.61% CuEq starting at 163.02m, including 6.86m of 0.78% CuEq at 166.25m downhole
- BR22-20 intersected 16.05m of 0.84% CuEq starting at 120.10m, including 97.93m of 0.33% CuEq at 120.10m downhole
- BR22-17 intersected 40.20m of 0.47% CuEq at 137.35m, including 91.00m of 0.35% CuEq at 118.00m downhole
- BR22-08 intersected 17.25m of 0.45% CuEq starting from 173.82m downhole

The results to date from the 2022 drilling campaign demonstrate the association between the IP anomaly discovered in 2019 and mineralization at depth. They also suggest there is a predictable and continuous nature to mineralization over a minimum of 400m strike length and at depth. BR22-22 extends the known mineralization at Burgundy Ridge to a true vertical depth of approximately 550m.

Mineralization intersected in this hole is located approximately 170m underneath a high-grade interval recorded in the Burgundy Ridge discovery hole, drilled in 2021. BR22-22 terminated in mineralization at 603m due to mechanical failure.

The third and final set of results highlight boreholes BR22-17, 19, and 21, which were drilled from the same pad and intersected a series of unique, chalcopyrite-dominant intrusions that appear to be sub vertically orientated and occur relatively late in the system's paragenesis. As well, BR22-20 identified a discrete, high-grade zone towards the end of the hole which correlates with similar grades in zones encountered at the end of holes BR22-20 and BR19-16. Ultimately, the 2022 exploration program demonstrated that the Burgundy system possesses significant size and complexity, with mineralization open to the southwest, southeast and at depth.

### **McLymont Fault**

At the McLymont Fault project, a 5-hole drill program was completed to follow up on 2021's geochemical soil sampling program which identified a new zone of interest to the west of the NW Zone.

The first pass drilling confirmed the presence of gold mineralization along strike of the McLymont Fault, over the area of anomalous soil geochemistry discovered in 2021. Results confirm the prospectivity of the large geochemical anomaly and point to a southern vector, towards high-grade surface samples that have not yet been intersected by drilling.

### **Other Targets**

In addition to the drilling that was undertaken at Burgundy Ridge and on the McLymont Fault projects, the Company continued with its target generation work on the wider property.

At Chachi, the Company's focus moved to the Southwest Ridge following drilling of the geophysical anomaly during 2021 which assisted in identifying a large 2,500m x 750m copper-gold anomaly further south of the drilled area. The Southwest Ridge anomaly is now the largest copper and gold in soil anomaly encountered on the Newmont Lake property to date, and shares similarities with the Burgundy System.

The Copper Line is a 20km NE-SW structural corridor comprising a complex series of trans-arc geological structures believed to be the controlling feature for the copper-gold mineralization found in multiple locations along the trend. Burgundy is situated on the south end of the Copper Line while a new target, North Toe, has been identified towards the north end of the line. North Toe displays quartz-chalcopyrite stockwork veining and encouraging porphyry-style alteration, typical of alkalic copper-gold porphyry systems. 2022 surface rock chip samples from the target returned grades of up to 4.08% Cu and 57.83 g/t Au over an area of 2.5km. North Toe is of comparable scale, and along strike of the Burgundy system with an ideal location for development, at low elevation and only 17.6km up valley from the Galore Creek Mine Road. Additionally, two other areas of interest have been identified along the Copper Line. The first was identified by review of historical Assessment Reports which reported up to 21.5% Cu and 880.37g/t Ag on surface, approximately 5km southwest of Burgundy along the Copper Line. The second area of interest, the "Orange" prospect, is a gossanous prospect to the northeast of the North Toe prospect that has never seen historic sampling due to recent glacial retreat.

At the Ken Zone, the Company has continued to encounter mineralization and alteration indicative of an alkalic porphyry system on surface and planning is underway for potential future drilling.

**Mineral Properties****Newmont Lake Property, British Columbia, Canada**

In September 2018, the Company entered into a letter agreement for an option to acquire (“Option Agreement”) 100% of Romios Gold Resources Inc.’s (“Romios”) interest in 436km<sup>2</sup> of the Newmont Lake Property (“Romios Claims”) in the Golden Triangle, immediately southeast of Galore Creek (Newmont/Teck JV), north of the Snip Mine (formerly Cominco/Prime Resources JV, now Hochschild/Skeena Resources), and northwest of the Eskay Creek Mine (formerly Barrick Gold, now Skeena Resources). The Option Agreement was approved by the TSX-V on February 22<sup>nd</sup>, 2019.

Subsequently the Company acquired 252km<sup>2</sup> of mineral claims adjacent to the Romios Claims via claim staking from the Government of British Columbia. The combination of the Romios Claims and the Company’s staked claims form the 688 sq. km Newmont Lake Property.

The Company satisfied all the conditions of the Option Agreement on February 2, 2022, and owns a 100% interest in the Newmont Lake Property.

The Romios Claims are subject to a 2% NSR held by Romios. Up to 1% of the Net Smelter Royalty (“NSR”) can be bought back by the Company in increments of 0.5% for \$2,000,000 per 0.5% (gross total \$4,000,000 for 1%) for up to two years by the Company upon 100% earn-in of the Romios Claims. The NSR has a 5km radius area of interest (“AOI”) beyond the claim boundaries of the Romios Claims. The Company will issue 2,000,000 shares to Romios in the event a NI 43-101 compliant resource estimate which exceeds 1,000,000 ounces of gold equivalent resources (being the sum of indicated and inferred) is confirmed/executed. An additional 1,000,000 shares of the Company will be issued to Romios for each additional 1,000,000 ounces of gold equivalent resources (being the sum of indicated and inferred).

The shares represent contingent consideration, and the Company has assessed the fair value of the contingent consideration to be \$Nil as at the acquisition date and March 31, 2023.

**Property Overview**

The Newmont Lake Property consists of 688 km<sup>2</sup> of mineral claims located within the center of northwestern British Columbia’s Golden Triangle, a region widely considered to be among the most well-endowed mineral districts in the world. Notable mines/deposits within the general area include Eskay Creek, KSM, Brucejack, Galore Creek, Red Chris, Snip, Schaft Creek, Treaty Creek, Premier, Granduc, and Saddle. The entirety of the Newmont Lake Property sits within Geoscience BC’s (Government of British Columbia) recently announced area of interest (“AOI”) which will be subject to extensive government funded scientific research seeking to collect data to assist in the exploration and development of mineral deposits in the area.

The property is accessed via Highway 37 (Stewart Cassiar Highway) and the Northwest Hydroelectric Facilities Access Road to the south, or the Galore Creek Access Road to the North. Access by air is provided by the Bob Quinn gravel airstrip, which is approximately 25km northeast of the property boundary.

The property is proximal to the 287-kV Northwest Transmission Line and three hydroelectric facilities, including the McLymont Power Plant whose intake sits on the southern boundary of the Newmont Lake Property. The closest tidewater port to the property is in Stewart, approximately 200km from the property by road. Stewart is an ice-free shipping location and provides year-round access for bulk shipping.

The Property is fully permitted to conduct various mineral exploration activities (including diamond drilling) until 2024, with mineral claims remaining in “good-standing” until 2030.

The Property sits within the traditional territory of the Tahltan First Nation; an industrious First Nation with a long history in the mining industry. There are currently 2 active mines within Tahltan traditional territory, and a 3<sup>rd</sup> mine recently placed on care and maintenance due to low zinc prices.

### **Property Exploration Targets**

The Newmont Lake Property represents one of the largest contiguous landholdings in the Golden Triangle and is considered prospective for several different deposit types. The key areas of focus for the Company have been the Burgundy Project, an alkalic copper-gold porphyry target, and the McLymont Project, an easily accessible high grade gold project.

### **Burgundy Project**

The Burgundy Project is a 206km<sup>2</sup> area that the Company views as being prospective for alkalic copper-gold porphyry deposits similar to Newmont/Teck's Galore Creek Project located approximately 25km to the northwest along the arc-trend, and includes Burgundy Ridge to the south-west and the 72' Zone to the Northeast.

Burgundy Ridge is a 500m long x 1,500m wide series of outcroppings consisting of a suite of megacrystic – trachytic syenites in contact with a large limestone horizon consistent with the Stikine Volcanic Package.

Copper and gold sulphide mineralization is widespread and proximal to the contact of the limestone, with regular, but less-frequent, occurrences of copper and gold mineralization found on surface along the rest of Burgundy Ridge.

Geochronological work on Burgundy was undertaken during the winter of 2020/2021 suggesting intrusive rocks, which are approximately 208 million years old, to be coeval with the Galore Creek Suite.

A summary of work on the Burgundy Project undertaken by the Company is set out below:

- 2018: 4 reverse circulation holes (“RC”) were drilled. All 4 RC drill holes intersected copper, gold, and silver mineralization associated with widespread skarn alteration, indicating that surface geochemical results extend with depth.
- 2019: 13 diamond drill holes were drilled, as well as a program of surface geochemical sampling, geological mapping, and channel sampling. Highlights of the drill program include:
  - BR19-02 which intersected 91.26m of 0.38% Cu, 0.30 g/t Au, and 4.12 g/t Ag starting at 36.7m depth containing a higher-grade interval of 25.78m of 0.73% Cu, 0.63 g/t Au, 9.36 g/t Ag, and 0.11% Zn starting at 82.22m;
  - BR19-16 which intersected 51.38m of 0.46% Cu, 1.22% Zn, 0.17 g/t Au, 9.98 g/t Ag, and 0.16% Pb starting at 343.66m depth; and
  - BR19-13 which intersected 184.67m of 0.21% Cu, 0.14 g/t Au, 3.70 g/t Ag, and 0.17% Zn starting at surface with grades as high as 8.98% Cu, 2.36% Zn, 0.62 g/t Au, 35.97 g/t Ag.
  - ST19-06 which intersected 56.35m of 0.45% Cu, 0.33 g/t Au, and 3.44 g/t Ag starting at 225m depth of hypogene chalcopyrite-bornite mineralization associated with potassic alteration typical of large alkalic porphyry deposits.
- 2021: 8 diamond drill holes were drilled. Highlights of the drill program include:
  - BR21-01 intersected 331m of 0.71% CuEq from surface, including 18m of 3.00% CuEq at surface, and 146m of 1.00% CuEq at 138m downhole, and 1.80m of 7.30% CuEq at 218.6m.
  - BR21-03 intersected 257m of 0.50% CuEq from surface, including 43m of 1.39% CuEq at surface.
  - BR21-04 intersected 84m of 0.72% CuEq from 57m downhole. The drill hole was also successful in identifying another high-grade mineralization style including 6.63% CuEq over 3.00m at 136m

- downhole. Due to early winter conditions, the drill hole stopped short of target depth while in mineralization.
- ST21-01 intersected 2.17% Cu and 27.07 g/t Ag over 9.37m from 15.92m downhole, including 7.20% Cu and 87.77 g/t Ag over 2.00m.
- 2022: 20 diamond drill holes were drilled. Highlights of the drill program include:
  - BR22-23 intersected 66.80m of 0.50% CuEq starting from 243.60m, including 6.08m of 1.82% CuEq at 253.69m downhole
  - BR22-22 intersected 24.20m of 1.24% CuEq starting at 445.80m, including 2.98m of 5.8% CuEq at 464.25m downhole
  - BR22-20 intersected 16.05m of 0.84% CuEq starting at 120.10m, including 97.93m of 0.33% CuEq at 120.10m downhole
  - BR22-17 intersected 40.20m of 0.47% CuEq at 137.35m, including 91.00m of 0.35% CuEq at 118.00m downhole

Intervals of high-grade mineralization are locally massive chalcopyrite as well as disseminated and vein-hosted chalcopyrite, sphalerite, and pyrite. Hydrothermal brecciation is an important mineralizing event for the Burgundy system. Breccias are uniquely identified by their hydrothermal cement which can be well mineralized and made up of chalcopyrite or sphalerite. Breccia bodies generally correspond with alteration assemblages, with high grade breccias associated with high temperature alteration assemblages.

Results to date indicate that the Company has discovered an important alkalic copper/gold porphyry system at Burgundy with geological similarities to alkalic porphyry deposits like Cadia/Ridgeway, North Parkes, Galore Creek, Red Chris, Mt. Milligan, and Mt. Polley.

### **McLymont Project**

The McLymont Project is a 70 km<sup>2</sup> area that the Company views as being prospective for high-grade gold deposits of varying styles, associated with the >20km long McLymont Fault. The McLymont Fault is a regional-scale geological structure that is the western-bounding normal fault of the Newmont Lake Graben; a geological feature that dominates the center of the whole Newmont Lake Property.

The McLymont Project was the target of most of the historic exploration undertaken on the Newmont Lake Property and includes the NW Zone target which has a historic mineral estimate based on 16,992m of diamond drilling completed between 1987-1990 by Gulf Minerals.

A summary of the work undertaken by the Company on the McLymont Project is set out below:

- 2019: the Company executed a drill campaign over both the historic NW Zone and new areas of interest along fault trend. Highlights of this campaign include:
  - NW19-012 intersected 188m of 1.10 g/t Au, 1.15 g/t Ag, and 0.09% Cu starting at 67.0m, including 44.13m of 4.03 g/t Au, 4.06 g/t Ag, and 0.29% Cu starting at 82.0m.
  - NW19-017 intersected 1.62m of 14.84 g/t Au within 18.31m of 1.80 g/t Au starting at 189.00m, and 1.50m of 9.33 g/t Au, 16.29 g/t Ag, and 0.82% Cu starting at 80.24m.
- 2020: the Company drilled 17 diamond drill holes for a total of approximately 4,500m. All 17 holes intersected gold mineralization of varying styles and significance, with highlights including:
  - NW20-01 intersected 17.15 g/t gold, 26.19 g/t silver, and 1.18% copper over 2.72m. Mineralization was seen over a longer bulk-tonnage gold interval of 146.30m of 0.61 g/t AuEq starting at 30m depth.
  - NW20-04 intersected 138.6m of 0.82 g/t AuEq (“Gold Equivalent”), including 33.6m of 2.47 g/t AuEq starting at 119.83m depth. The drill hole ended in gold mineralization and remains open.

- NW20-09 intersected 8.85m of 31.09 g/t gold, 6.54 g/t silver, and 1.07% copper within a broader interval of 28.34m of 10.03g/t gold, 2.31 g/t silver and 0.36% copper.
- 2021: the Company drilled 3 diamond drill holes, with highlights including:
  - NW21-03 intersected 151m of 0.73 g/t AuEq starting at 124.2m.
- 2022: the Company drilled 5 diamond drill holes at the McLymont West target, some 2.5km to the west of the NW Zone. This first pass drilling confirmed the presence of gold mineralization over an area of anomalous soil geochemistry along strike of the McLymont Fault and point to a southern vector towards high-grade surface samples not yet intersected by drilling.

Three different gold mineralization styles have been identified within the McLymont Project including skarn, epithermal, and porphyry-like mineralization. The Company has developed a geological model of the area as representing a high-grade gold skarn deposit near-surface, with gold being transported in high to ultra-high-grade epithermal veins known as “feeder structures”, and an ultimate porphyry source hypothesized at depth.

### **Other Areas of Interest**

#### **Chachi**

Chachi is an 8km long x 4km wide area east of the Newmont Lake Gold Corridor along the Eskay Rift. At least three different styles of mineralization have been observed at Chachi, with the undrilled Southwest Ridge anomaly representing the largest copper and gold in soil anomaly encountered on the Newmont Lake property to date and sharing similarities with the Burgundy System.

#### **North Toe**

The North Toe target is a newly exposed zone that has been uncovered due to recent glaciation. Geological prospecting in 2022 identified an area of quartz-chalcopyrite stockwork veining and encouraging porphyry-style alteration typical of alkalic copper-gold porphyry systems. The area is of comparable scale, and along strike of the Burgundy system with strong mineralogical similarities to Burgundy, underlining a potential geological pattern of multiple porphyry centers within the Company's 688km<sup>2</sup> land package.

#### **Ken Zone**

The Ken Zone is a topographic high situated due east of Burgundy and north of the NW Zone, which hosts a significant copper and gold bearing magnetite skarn. Geological mapping and prospecting have identified porphyry-style veining and prospective alteration. Geophysics has identified several new targets at and along strike of the Ken Zone which correlate with vein systems seen on surface.

#### **Cuba**

The Cuba Project is a series of polymetallic, high-grade silver, gold, zinc, copper, and lead occurrences all associated with the >30km long McGillivray Fault. This is the east-bounding structure to the Newmont Lake Graben, dominating the center of the Newmont Lake Project.

## MANAGEMENT DISCUSSION AND ANALYSIS FOR THE SIX MONTHS ENDED MARCH 31, 2023

### Results of Operations

#### Summary of Quarterly Financial Results

Quarter ended	2023 Mar 31 Q2	2022 Dec 31 Q1	2022 Sept 30 Q4	2022 June 30 Q3	2022 Mar 31 Q2	2021 Dec 31 Q1	2021 Sep 30 Q4	2021 Jun 30 Q3
Income (Loss) per quarter	<b>\$(207,445)</b>	\$(250,069)	\$ 1,209,297	\$(598,741)	\$(257,222)	\$(349,106)	\$(283,755)	\$(519,747)
Basic and fully diluted loss per share	<b>\$(0.00)</b>	\$(0.00)	\$0.00	\$(0.00)	\$(0.00)	\$(0.00)	\$(0.00)	\$(0.00)
Total Assets	<b>\$30,868,265</b>	\$31,524,854	\$33,128,521	\$32,287,215	\$23,582,346	\$23,809,293	\$22,495,131	\$22,104,985

During the quarter ended March 31, 2023, total assets increased to \$30,868,851 compared to \$23,582,346 for the quarter ended March 31, 2022. The increase is due to additional cash resources spent on exploration and evaluation activities.

#### Three Months ended March 31, 2023, compared to the Three Months ended March 31, 2022:

	2023	2022	Note
<b>EXPENSES</b>			
Amortization and depreciation	\$ 28,717	\$ 32,266	
Management and consulting fees	129,000	99,000	1
Interest on right of use asset	13,116	15,295	2
Corporate communications	62,163	58,977	3
Office and miscellaneous	32,681	1,679	4
Professional fees	8,887	23,032	5
Regulatory and compliance fees	27,904	25,818	
Share-based payments	21,418	1,155	6
Travel	83,170	-	
<b>Loss before other items</b>	<b>(407,056)</b>	<b>(257,222)</b>	
<b>OTHER ITEMS</b>			
Income from flow-through premium	74,858	-	7
Write-off of accounts payable	124,753	-	8
<b>Net loss and comprehensive loss</b>	<b>(207,445)</b>	<b>(257,222)</b>	

- Consulting fees were \$129,000 for the quarter compared to \$99,000 in 2022, an increase of \$30,000. The increase relates to consulting fees paid to the Company's new president who was appointed in November 2022.
- Interest on right-of-use asset was \$13,116 (2022 – \$15,295) and relates to the new office lease agreement entered into during the first quarter of the previous fiscal year.
- Corporate communications increased to \$62,163 (2022 – \$58,977) due to additional initiatives undertaken by the Company relating to shareholder communications and market awareness.
- Office and miscellaneous expenses were \$32,681 for the quarter ended March 31, 2023, compared to \$1,679 for the same period in 2022.

## MANAGEMENT DISCUSSION AND ANALYSIS FOR THE SIX MONTHS ENDED MARCH 31, 2023

5. The increase relates to additional cost to update the Company's website, corporate presentations, and to expense certain insurance premiums previously accounted for as prepaid expenses and deposits.
6. Professional fees decreased to \$8,887 (2022 - \$23,032) due to fewer legal services required during the current quarter.
7. Share-based payments increased to \$21,418 (2022 – \$1,155) as the result of issuing 1,500,000 share-based awards during the previous quarter and vested in the current quarter.
8. During the quarter, the Company recorded income from flow-through premiums in the amount of \$74,858 (2022 - \$Nil) as the result of incurring exploration and evaluation costs relating to the flow-through and charity flow-through financing that closed in May 2022. The Company expects to record additional income on flow-through premiums during the remainder of 2023 exploration season.
9. During the quarter, the Company wrote off net accounts payable of \$124,753 (2022 - \$Nil). These balances relate to legacy vendors and directors who have not been involved with the Company for more than three years.

As a result of the foregoing, the net loss from operations for the quarter ended March 31, 2023, was \$207,445 compared to a loss of \$257,222 in the comparable period.

### Six Months ended March 31, 2023, compared to the Six Months ended March 31, 2022:

	2023	2022	Note
<b>EXPENSES</b>			
Amortization and depreciation	\$ 57,436	\$ 64,533	
Management and consulting fees	227,004	198,000	1
Directors fees	1,800	-	2
Interest on right of use asset	26,810	31,040	3
Corporate communications	153,121	150,251	
Office and miscellaneous	41,709	18,506	4
Professional fees	58,767	66,235	
Regulatory and compliance fees	46,472	33,594	
Share-based payments	79,771	4,705	5
Travel	121,743	39,462	6
<b>Loss before other items</b>	<b>(814,633)</b>	<b>(606,326)</b>	
<b>OTHER ITEMS</b>			
Income from flow-through premium	241,800	-	7
Write-off of accounts payable	115,319	-	8
<b>Net loss and comprehensive loss</b>	<b>(457,514)</b>	<b>(606,326)</b>	

1. Consulting fees were \$227,004 for the period compared to \$198,000 in 2022, an increase of \$29,004. The increase relates to payments made to the Company's new president who was appointed in November 2022.
2. During the period, a member of the board of directors was paid \$1,800 for attending meetings at the Company's head office. There were no such fees paid in the comparable period.
3. Interest on right-of-use asset was \$26,810 (2022 – \$31,040) and relates to the new office lease agreement entered into during the first quarter of the previous fiscal year.
4. Office and miscellaneous expenses were \$41,709 for the period ended March 31, 2023, compared to \$18,506 for the same period in 2022.

The increase of \$23,303 relates to additional cost to update the Company's website, corporate presentations, and to expense certain insurance premiums previously accounted for as prepaid expenses and deposits.

5. Share-based payments increased to \$79,771 (2022 – \$4,705) as the result of issuing 1,500,000 share-based awards during the period to the Company's new president.
6. During the period, travel expenses increased from \$39,462 in 2022 to \$121,743 in the current period, an increase of \$82,281. The increase is due to a significant increase in trade and conferences attended during the period.
7. During the period, the Company recorded income from flow-through premiums in the amount of \$241,800 (2022 - \$Nil) as the result of incurring exploration and evaluation costs relating to the flow-through and charity flow-through financing that closed in May 2022. The Company expects to record additional income on flow-through premiums during the remainder of 2023 exploration season.
8. During the period, the Company wrote off net accounts payable of \$115,319 (2022 - \$Nil). These balances relate to legacy vendors and directors who have not been involved with the Company for more than three years.

As a result of the foregoing, the net loss from operations for the period ended March 31, 2023, was \$457,514 compared to a loss of \$606,326 in the comparable period.

### **Liquidity, Capital Resources and Capital Expenditures**

The continued operations of the Company are dependent on its ability to develop a sufficient financing plan, receive continued financial support from related parties, complete sufficient public equity financing, or generate profitable operations in the future and in addition, its continuing operations are dependent upon its ability to identify, evaluate and negotiate an agreement to acquire an interest in a material asset or business.

The Company will take appropriate measures to raise the necessary funding through private placements, exercising of stock options, warrants and/or credit facilities to address its liabilities and to continue operations.

At March 31, 2023, the Company's working capital, defined as current assets less current liabilities, was \$746,455, a decrease of \$698,291 as compared to \$1,444,746 at September 30, 2022.

The Company's cash is primarily in Canadian dollars. The Company is subject to only minor exchange rate fluctuations relative to the reporting currency.

The Company has not made any arrangements for sources of financing that remain undrawn.

### **Contractual Obligations and Loans**

During the year ended September 30, 2022, the Company received an additional loan of \$20,000 for the Canada Emergency Business Account to provide emergency support to business due to the impact of COVID-19. The total loan of \$60,000 is non-interest bearing until December 31, 2023, after which it will incur interest at 5% per annum. If the principal of \$40,000 is fully repaid on or before December 31, 2023, the remaining \$20,000 will be forgiven.

#### *Reclamation Provision*

During the year ended September 30, 2022, the Company incurred a reclamation liability in connection with the completion of the option agreement with Romios Gold Resources Inc. (Note 5). The initial undiscounted value of the obligation was \$232,653 and during the year ended September 30, 2022, the Company completed \$101,914 of work reducing the estimated balance to \$130,739. No work was completed during the period ended March 31, 2023. The Company intends to complete its reclamation obligation within this fiscal year during the exploration season.

A reconciliation of the changes in the Company's reclamation provision is as follows:

	March 31 2023
Reclamation obligation assumed on acquiring Newmont after the option completed	\$ 232,653
Reclamation work completed in 2022	(101,914)
Balance at end of the period	\$ 130,739

The Company has no other long-term debt outstanding or contractual obligations other than the flow-through expenditure obligation of \$2,690,574 as at March 31, 2023 and those contained in option agreements respecting its mineral properties.

### **Financial Risk Factors**

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

The carrying value of the Company's receivables, accounts payable and accrued liabilities, due to related parties, and loans payable approximate their fair value because of the short-term nature of these instruments.

Cash is carried at a fair value using a level 1 fair value measurement. Loans payable are accounted for using the effective interest rate method.

#### *Credit risk*

Credit risk is the risk of loss associated with counterparty's inability to fulfil its payment obligations. The Company's management believes it has no significant credit risk.

#### *Liquidity risk*

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. At March 31, 2023, the Company had a cash balance of \$1,512,562 (September 30, 2022 – \$4,027,104) to settle current liabilities of \$1,181,700 inclusive of \$774,001 flow-through premium liability. (September 30, 2022 – \$3,047,507 inclusive of \$1,015,801 flow-through premium liability). All of the Company's accounts payable and accrued liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms. The Company expects to fund these liabilities through the use of existing cash resources and additional equity financing.

#### *Market risk*

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

##### a) Interest rate risk

The Company has cash balances held with financial institutions. The Company is satisfied with the credit rating of its bank.

b) Foreign currency risk

The Company is exposed to foreign currency risk on fluctuations related to cash and accounts payable and accrued liabilities that are denominated in a foreign currency. As at March 31, 2023, the Company had minimal cash amounts in foreign currencies and considers foreign currency risk insignificant.

c) Price risk

The Company's net income or loss, and ability to raise capital to fund exploration and evaluation activities is subject to risks associated with fluctuations in mineral prices. Management closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

**Capital Management**

The Company's primary objectives in capital management are to safeguard its ability to continue as a going concern in order to provide return for shareholders and to maintain sufficient funds to finance its exploration and evaluation interests. Capital is comprised of the Company's shareholders' equity. As at March 31, 2023, the Company's shareholders' equity was \$29,356,785 (September 30, 2022 – \$29,734,528).

The Company manages its capital structure to maximize its financial flexibility by making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital and is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management during the period ended March 31, 2023.

**Off Balance Sheet Arrangements**

The Company did not have any off-balance sheet arrangements as at March 31, 2023.

**Related Party Transactions and Key Management Compensation**

All related party transactions are recorded at the exchange amount which is the amount agreed to by the Company and the related party.

(a) Key management personnel

Key management personnel include those people who have authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers and companies controlled by them. The Company also transacts with corporations controlled by officers of the Company for the primary purpose of acquiring exploration and evaluation services. The remuneration of directors and other members of key management personnel during the period ended March 31, 2023, and 2022 were as follows:

	2023	2022
Consulting fees	\$ 157,500	\$ 198,000
Exploration and evaluation expenditures	318,897	57,500
Directors fees	1,800	-
Share-based payments	79,771	-
	<b>\$ 557,968</b>	<b>\$ 255,500</b>

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b) Amounts due to/from related parties

In the normal course of operations, the Company transacts with corporations controlled by directors or officers of the Company. All amounts payable and receivable are non-interest bearing, unsecured and due on demand and also include amounts advanced for services to be rendered. The following table summarizes the amounts due to / (from) related parties:

	March 31, 2023	September 30, 2022
HEG & Associates Exploration Services	\$ (169,446)	\$ 88,402
Directors and Management (Current)	(36,313)	(34,584)
Directors (Former)	-	(23,728)
	<b>\$ (205,758)</b>	<b>\$ 30,090</b>

**Outstanding Share Information at May 26, 2023**

Authorized Capital

Unlimited common shares without par value.

Issued and Outstanding Capital

240,994,943 shares outstanding

Stock Options and Warrants Outstanding

The following stock options were outstanding **May 26, 2023**:

Expiry Date	Exercise Price	Number of Options	Number of Options Exercisable
June 1, 2023	\$ 0.23	150,000	150,000
June 24, 2024	\$ 0.35	470,000	470,000
June 17, 2025	\$ 0.12	7,650,000	7,650,000
September 30, 2025	\$ 0.22	1,000,000	1,000,000
November 15, 2027	\$ 0.17	1,500,000	1,500,000
		<b>10,770,000</b>	<b>10,770,000</b>

The following warrants were outstanding at **May 26, 2023**:

Number of Warrants	Exercise Price	Expiry Date
10,002,000	\$ 0.15	November 19, 2024
12,217,000	\$ 0.15	December 19, 2024
<b>22,219,000</b>		

**Uncertainties and Risk Factors**

Being in the exploration stage, the Company will face a variety of risks, and while unable to eliminate all of them, the Company aims at managing and reducing such risks as much as possible.

The Company faces a variety of risk factors such as project feasibility, risks related to determining the validity of mineral property title claims, commodities prices, political and environmental laws and regulations. Management monitors its activities and those factors that could impact them in order to manage risk and make timely decisions.

### **Financial Instruments**

Please refer to the March 31, 2023, condensed interim consolidated financial statements on [www.SEDAR.com](http://www.SEDAR.com) for financial instrument information.

### **New Accounting Policies and New Accounting Pronouncements**

Please refer to the March 31, 2023, condensed interim consolidated financial statements on [www.SEDAR.com](http://www.SEDAR.com) for newly adopted accounting policies and recent accounting pronouncements.

### **Cautionary Statement**

Certain information contained in this MD&A constitutes “forward-looking information” within the meaning of applicable Canadian securities laws. Such forward-looking information may include, but is not limited to, information which reflects management’s expectations regarding the Company’s future growth, results of operations (including, without limitation to future production and capital expenditures), timing and content of upcoming work programs and exploration budgets, geological interpretations, receipt of property titles, and potential mineral recovery processes, performance (both operational and financial) and business prospects (including the timing and development of new deposits and the success of exploration activities) and opportunities. Often, this information includes words such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate” or “believes” or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved.

In making and providing the forward-looking information included in this MD&A the Company’s assumptions may include among other things: (i) assumptions about the price of base metals; (ii) that there are no material delays in the optimization of operations at the exploration and evaluation assets; (iii) assumptions about operating budgets, costs and expenditures; (iv) assumptions about exploration and assay results, (v) assumptions about estimated drilling success rates and other prospects, (vi) assumptions about future production and recovery; (vii) that there is no unanticipated fluctuation in foreign exchange rates; and (viii) that there is no material deterioration in general economic conditions. Although management believes that the assumptions made and the expectations represented by such information are reasonable, there can be no assurance that the forward-looking information will prove to be accurate. By its nature, forward-looking information is based on assumptions and involves known and unknown risks, uncertainties and other factors that may cause the Company’s actual results, performance or achievements, or results, to be materially different from future results, performance or achievements expressed or implied by such forward-looking information. Such risks, uncertainties and other factors include among other things the following: (i) decreases in the price of base metals; (ii) the risk that the Company will continue to have negative operating cash flow; (iii) the risk that additional financing will not be obtained as and when required; (iv) material increases in operating costs; (v) adverse fluctuations in foreign exchange rates; (vi) environmental risks and changes in environmental legislation; (vii) the COVID-19 pandemic; (viii) mining industry risks and hazards, (ix) environmental risks and hazards, (x) economic and political events affecting metal supply and demand, and (xii) uncertainty as to calculation of mineral reserves and resources, and (xiii) risks associated with contractual counterparties, including as a result of any disputes with such counterparties.

This MD&A (See “Financial Instruments and Risk Management”) contains information on risks, uncertainties and other factors relating to the forward-looking information. Although the Company has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in the forward-looking information, there may be other factors that cause actual results, performances, achievements or events not to be anticipated, estimated or intended. Also, many of the factors are beyond the Company’s control. Accordingly, readers should not place undue reliance on forward-looking information. The Company undertakes no obligation to reissue or update forward-looking information as a result of new information or events after the date of this MD&A except as may be required by law. All forward-looking information disclosed in this document is qualified by this cautionary statement.