



RED PINE EXPLORATION INC.

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Management's Discussion and Analysis

For the Three and Six Months Ended January 31, 2023
(Expressed in Canadian Dollars)

(dated: March 21, 2023)

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**Red Pine Exploration Inc.
Management's Discussion and Analysis
For the Three and Six Months Ended January 31, 2023**

INTRODUCTION

The following management discussion and analysis ("MD&A") is intended to help the reader understand Red Pine Exploration Inc.'s (the "Company", "we" or "our"), operations, financial performance and present and future business environment. This MD&A should be read in conjunction with the Company's Condensed Consolidated Interim Financial Statements and notes thereto as at and for the three and six months ended January 31, 2023 (the "**Financial Statements**").

BASIS OF PRESENTATION

This MD&A and the Financial Statements have been prepared in Canadian dollars ("CAD" or "\$"), unless otherwise indicated, and in accordance with International Financial Reporting Standards ("IFRS"). For the purposes of preparing our MD&A, we consider the materiality of information. We evaluate materiality with reference to all relevant circumstances, including potential market sensitivity. Information is considered material if: (i) it would significantly alter the total mix of information available to investors; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of our shares.

This MD&A and the accompanying Financial Statements were approved by the Company's Board of Directors on March 21, 2023.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

Certain statements contained in this document constitute "forward-looking information". When used in this document, the words "may", "would", "could", "will", "intend", "plan", "propose", "anticipate", "believe", used by any of the Company's management, are intended to identify forward-looking information. Such statements reflect the Company's forecasts, estimates and expectations, as they relate to the Company's current views based on their experience and expertise with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. The Company does not intend, and does not assume any obligation, to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements contained herein to reflect future results, events or developments unless required by law.

CORPORATE PROFILE

HIGHLIGHTS

- **Wawa Gold Project Exploration:**

The significant 2021-2022 surface exploration drilling program, which totalled 47,000 metres of drilling, confirmed the presence of a large gold system on the Wawa Gold Project. As a result, the Company continues to focus its drilling in and around the known resources at Surluga and Minto as it progresses towards an eventual resource update.

On December 6, 2022 the Company press released its update “RED PINE EXPLORATION PROVIDES SUMMARY OF RESULTS OF THE ONGOING EXPLORATION AT SURLUGA – A PATH TO A REVISED RESOURCE” where management highlighted that “the exploration story continues to unfold with a known strike length that has tripled since 2021 and demonstrates that the Surluga and Minto resources are open down-dip and down-plunge. Our 2021-2022 exploration drilling campaigns across multiple targets on the Wawa Gold Project have consistently delivered significant high-grade gold intersections, highlighting the expansion potential of the existing Surluga and Minto Mine Mineral Resources, and the significant blue-sky targets that exist across the Wawa Gold Project. Results have prioritized our focus to increasing the size of the Surluga/Minto resources and exploiting those targets with a hybrid open-pit and underground project.”

The continuing drilling campaign continued in the second quarter 2022-2023 with drilling results that included:

Press release on February 16, 2023

- Significant intersections in the Minto B/Jubilee Triangle confirm the presence and continuity of gold mineralization in the area where the two structures Minto B and Jubilee shear are converging including 0.83 g/t gold over 72.0 metres in SD-22-404 including 1.65 g/t gold over 29.17 metres including 6.64 g/t gold over 5.87 metres
- In the Minto B Shear Zone 0.66 g/t gold over 128.85 metres in SD-22-417 which includes 3.28 g/t gold over 8.44 metres in the Jubilee Shear Zone

Press release on February 23, 2023

- 5.07 g/t gold over 27.35 metres in SD-22-414 including infilling a large zone classified as barren in the 2019 Surluga Deposit 5.46 g/t gold over 10.51 metres including 11.48 g/t gold over 3.27 metres
- Visible gold observed in a quartz vein of the same vein network in SD-22-418, 165 metres north of SD-22-414 and 75 metres from SD-22-417 (assays pending)

For the fiscal year to date, the Company completed 7,914 metres drilled from August 1 to November 30, 2022 and reduced the drilling operations to one while it further assesses additional financing.

- **Financing – September 29, 2022 - Gross Proceeds \$5,518,160:**
 - **Bought Deal \$5,000,000 plus over-allotment of \$518,159** - Closed a bought deal financing, including partial exercise of the over-allotment option, comprised of (i) 7,693,000 common shares of the Company (the “Offered Shares”) at a price of C\$0.26 per Offered Share (the “Offered Share Price”), and (ii) 11,726,599 flow-through common shares of the Company (the “FT Shares” and together with the Offered Shares, the “Offered Securities”) at a price

of C\$0.30 per FT Share, for aggregate gross proceeds to the Company of C\$5,518,160 (the "Offering").

- **Alamos** – Alamos exercised its right to maintain its pro rata ownership interest of the Company's common shares on a partially diluted basis, purchasing 3,846,153 Offered Shares. Alamos owns and controls 26,560,536 common shares of the Company, representing approximately 19.4% of the issued and outstanding common shares of the Company on an undiluted basis.

OUTLOOK

- **Primary Business Objectives**

The Company's primary business objectives in FY2023 include:

- The 2021-2022 results have prioritized the Company's focus to increasing the size of the Surluga/Minto resources using a hybrid open-pit and underground constrained project.
- Continue to drill between 1,200 and 1,900 metres per month, using one drill, through early 2023 in order to focus on areas that have the highest potential to expand the current Surluga and Minto South mineral resources.
 - Focus on areas with the highest potential for conversion into mineral resources of discovered zones of mineralization in the Jubilee, Minto Mine, Minto B, Intrusion-related gold system, Sadowski and Surluga North Vein Network
 - Test gaps in the 2019 resource in the Surluga deposit to improve the continuity and extend the size of its existing high-grade core.
- Continue the prioritization and completion of core logging, assays and data modelling to support the development of future drilling campaigns.
- Advance other exploration and evaluation activities to grow the exploration potential of the Wawa Gold Project.
- Evaluate its options for additional financing which are required to continue the current drill program.

- **Company Growth and Funding**

- The Company continues to have capital markets support, as demonstrated by the success of the \$5.5 million raised in September 2022, including Alamos' participation therein.
- The Company plans to seek additional funding within the fiscal year ending July 31, 2023 to extend and/or expand the drilling campaign and analysis. The success of any financing will be dependent on factors such as the drilling results from the continuing drill program and the prevailing market conditions for junior exploration companies. If the Company is unsuccessful in obtaining financing, or obtaining financing on acceptable terms, the Company would be required to cease drilling on the Wawa Project.

Qualified Person

Quentin Yarie, P. Geo, the Company's President and Chief Executive Officer is the Qualified Person, as defined by NI 43-101, who has reviewed and approved the technical information disclosed in this MD&A.

COMPANY OVERVIEW

Red Pine was founded in 1936 under the laws of Ontario, Canada for the acquisition, exploration, and development of mining properties. The Company's head office and primary location of its registered records is 145 Wellington Street West, Suite 1001, Toronto, Ontario, M5J 1H8.

The Company's common shares are listed for trading on the TSX Venture Exchange ("TSXV") under the symbol "RPX" and on the OTCQB Marketplace under the symbol "RDEXF".

Red Pine is a Canadian junior precious metal exploration company engaged in the acquisition, exploration, and development of mineral properties with a particular focus on gold exploration projects located in northern Ontario. The Company's flagship asset is the Wawa Gold Project. (See Wawa Gold Project)

The Company's mineral properties are currently in the exploration stage, and it does not operate any mines. The Company does not generate operating revenues, nor does it plan to pay dividends in the foreseeable future. Its continued operations are dependent upon the ability of the Company to obtain financing for the continued exploration of its mineral properties. The Company has not, determined through a feasibility study, whether the Wawa Gold Project, or any other mineral property, contains mineralization that is economically recoverable.

Overview of Projects

Wawa Gold Project

The Wawa Gold Project covers over 7,031 hectares ("ha"), including 301 claims covering 4,552 ha.; 17 leases covering 790 ha; and 105 patents covering 1,689 ha. The Wawa Gold Project hosts several former smaller scale mining operations with a combined historic production of 419,560 tonnes with a recovered 120,093 oz of gold at an average head grade of 9.04g/t¹, is located approximately 2 kilometres east of the Town of Wawa in northern Ontario.

The property hosts two NI 43-101 compliant resources², Surluga and Minto South, with an indicated gold resource of 230,000 gold ounces grading 5.47 g/t and an inferred resource of 471,000 gold ounces grading 5.39 g/t and presently forms the primary focus of the Company's exploration programs.

On March 30, 2021, Red Pine Exploration Inc., completed a consolidation of the Wawa Gold Project through a definitive securities purchase agreement with the holders of the partnership interests in Citabar Limited Partnership. As a result, Red Pine acquired the 36.69% interest that it did not own, and now holds a 100% ownership interest in the Wawa Gold Project.

¹ This information is historical in nature and has not been verified by the Company

² National Instrument 43-101 Technical Report for the Wawa Gold Project, Steven Haggarty, P. Eng Haggarty Technical Services Corp., effective August 18, 2021. The report is available on www.SEDAR.com under Red Pine's profile.

³ The previous owners of the Mortimer Property retain NSRs ranging between 0.2% and 2% on certain claims and the Company has the option to purchase a portion of these NSRs for various cash payments as specified in the original purchase agreements

Red Pine satisfied the purchase price of the partnership interest of \$12.6 million through the payment of \$11.3 million in cash, the granting of a 2% net smelter return royalty (the “NSR”) valued at \$160,000 and the set-off of a \$1.1 million payable to Red Pine by the vendors 1.5% of the 2% NSR is subject to a buyback for a total cost of \$1.75 million.

On June 8, 2022 the Company completed the property purchase agreement to acquire 100% interest in the “War Eagle” mining claims located within the perimeter of the Company’s Wawa Gold Project claims. Red Pine purchased all the rights, titles and interests in and to the mineral claims for \$240,000 in cash and the issuance of 83,333 common shares at closing, for an aggregate cost of \$266,000.

Other Properties

The Company holds claims in various other properties which have not been the focus of the Company’s exploration programs in recent years. The other properties, each owned 100% by the Company, are summarized as follows:

	Number of Claims & Leases	Hectares	Northern Ontario Location
Cayenne Property	5	133	Genoa Township, approximately 110 km southwest of Timmins, ON
Mortimer Property ⁽³⁾	21	284	Dore Township, approximately 110 km southwest of Timmins, ON
Fern Elizabeth Property	55	1,089	10 km northwest of Atikokan, ON
Rand Garrison Property	22	277	46 km north of Kirkland Lake, ON
Totals	103	1,783	

The Company also holds Net Smelter Return royalties on the following properties:

- a 1.5% Net Smelter Return on approximately 75 square kilometers of claims 20 km east of the Newmont Borden Gold mine near Chapleau, Ontario;

Current Quarter Exploration Program

In the three months ended October 31, 2022, the Company scaled back its drilling program to use only one drill and adjusted its exploration activities to utilize the data generated by its fiscal year ending July 31, 2022 (“FY2022”) drilling campaign. The extent of additional drilling that may be initiated in 2023 is subject to available financing.

The Company’s 2021-2022 drilling program included over 47,000 metres drilled, exceeding the Technical Report’s initial recommendation of 25,000 (Phase 1 drilling as defined in the Technical Report). Since July 31, 2022, the Company has drilled over 7,000 m with its drilling program scaled back to now using only one drill. The Company’s exploration team successfully identified drill targets within the project worthy of continued exploration and leveraged the productivity of its drilling contractors to expand the drilling campaign. Significant drilling results from the drilling campaign are included in the ‘Highlights’ section above.

The FY2022 exploration drilling program on the Wawa Gold Project tested the northern and southern depth extensions of the Surluga Deposit, the lateral and down-dip extension of the Minto Mine South Deposit, the Grace-Nyman mineralized system, the Minto B Shear Zone and its satellite vein and shear systems, the

extension vein networks identified around the Jubilee Shear Zone (Sadowski, Surluga North, etc.), and the Jubilee Shear Zone south of the Parkhill Fault.

Drilling at the southern end of the Surluga Deposit extended mineralization by 600 metres in the Surluga South discovery. Testing the Surluga South discovery resulted in one of the best intersections in the Jubilee Shear Zone that contain 3.08 g/t gold over 55.66 metres (True width – TW) in SD-21-302 including 27.21 g/t Au over 3.81 metres (TW), 4.31 g/t Au over 10.10 metres (TW) and 5.98 g/t Au over 2.30 metres (TW). In the Minto Mine Shear Zone, drilling intersected 68.71 g/t Au over 3.45 metres (TW) in a gap in the existing resource of the Minto Mine Deposit. Drilling also produced the highest-grade intersection in the Minto Mine Shear Zone that contained 109.35 g/t Au over 2.68 metres (TW) in a 110 m step out of the Minto Mine deposit resource. Drilling discovered the Sadowski vein network and proved the presence of high-grade mineralization in that vein network with the Intersection of 52.12 g/t Au over 2.29 metres (CL).

Integrating the results from previous drilling programs, the 2021-2022 drilling program confirmed the presence of potentially significant intrusion-related gold and orogenic gold mineralization west of the Jubilee Mine. 5.57 g/t gold over 8.51 metres (CL) in SD-22-376 was intersected in an area of orogenic overprints in the intrusion-related system.

Drilling at the northern end of the Surluga deposit tested the Jubilee Shear Zone and discovered the Surluga North Vein Network. Drilling successfully extended mineralization in the Jubilee Shear Zone 425 metres away from the boundary of the 2019 resource of the Surluga Deposit and extended the high-grade core of the Surluga Deposit in the Jubilee Shear Zone. The intersection of 5.13 g/t Au over 37.47 metres in the Surluga North Vein Network (see news release of January 6th, 2023) revealed the exploration potential of the extensional vein networks identified on the Wawa Gold Project.

SELECTED FINANCIAL INFORMATION AND RESULTS OF OPERATIONS

The Company, in accordance with TSXV policy 2.4, is a Tier 2 mining issuer. Accordingly, the Company has not recorded any revenues, and depends upon share issuances to fund its exploration and evaluation expenditures and administrative expenses.

During the three and six months ended January 31, 2023, the Company continued the process to advance its exploration and evaluation of its Wawa Gold Project. A summary of significant activities since July 31, 2022, is included above in the 'Highlights' section.

The following table provides select financial information that should be read in conjunction with the Consolidated Financial Statements for the years ended July 31, 2022 and 2021. The table includes the impact of the change in accounting policy as described in note 2 of the Financial Statements.

For Quarters ended:	Jan. 31, 2023 \$	Oct. 31, 2022 \$	Jul. 31, 2022 \$	Apr. 30, 2022 \$
Results of Operations:				
Exploration expenditures	\$ 2,122,087	\$2,371,543	\$4,612,216	\$3,603,629
Exploration property (sale) and acquisition	-	-	266,000	-
Loss and comprehensive loss	(2,607,075)	(2,887,383)	(3,870,093)	(3,554,936)
Basic and diluted loss per share	(0.02)	(0.02)	(0.03)	(0.03)
Financial Position – Select Items:				
Cash and cash equivalents ⁽²⁾	1,879,127	4,591,509	2,824,620	6,318,944
Working capital (deficit) ⁽¹⁾	1,237,515	3,638,311	2,011,651	5,656,261
Total assets	2,822,399	5,777,969	4,410,718	8,411,047
Total non-current liabilities	-	-	-	31,599
Shareholders' equity	1,859,976	4,306,136	2,738,334	6,459,489

For Quarters ended:	Jan. 31, 2022 \$	Oct. 31, 2021 \$	Jul. 31, 2021 \$	Apr. 30, 2021 \$
Results of Operations:				
Exploration expenditures	\$ 2,595,754	1,704,717	1,983,531	12,528,980
Exploration property (sale) and acquisition	-	(1,050,000)	-	-
Loss and comprehensive loss	(2,884,544)	(787,194)	(2,357,454)	(12,894,682)
Basic and diluted loss per share	(0.03)	(0.01)	(0.02)	(0.20)
Financial Position – Select Items:				
Cash and cash equivalents ⁽²⁾	10,155,019	1,347,713	2,167,354	4,921,710
Working capital (deficit) ⁽¹⁾	8,976,478	1,691,858	2,327,044	5,656,261
Total assets	12,359,666	3,455,477	4,276,756	6,635,265
Total non-current liabilities	58,310	84,543	111,532	152,795
Shareholders' equity	9,832,474	2,186,210	2,828,348	4,373,155

(1) Working capital is a non-GAAP measure equal to current assets less current liabilities.

(2) Includes cash committed under flow-through financing commitments which has prescribed periods for spending of these funds.

The Company's exploration expenditures in the six months ended January 31, 2023 were \$4,493,630 compared to the six months ended January 31, 2022 of \$4,300,471. Refer to the discussion of exploration expenditures further in this MD&A for more information.

In March 2021, the Company completed a financing that enabled it to consolidate 100% ownership of the Wawa Gold Project through the March 2021 acquisition of Citabar Limited Partnership's interest for a gross cost of \$12,424,315. The Company also used the financing proceeds to complete the National Instrument 43-101 Technical Report for the Wawa Gold Project dated August 18, 2021 (the "Technical Report").

In November and December 2021, the Company received gross proceeds of approximately \$12,700,219 from a bought deal for flow through shares of \$8,400,405 and the exercise of warrants for \$4,299,814. The additional funding allowed the Company to extend its drilling program beyond the initial 25,000 meters as recommended in the Technical Report. The Company drilled approximately 39,795 metres in the year ended July 31, 2022 and an additional 3,685 metres from August 1 through September 20, 2022, resulting in 43,480 metres drilled as reported in the Short Form Prospectus dated September 20, 2022.

On September 29, 2022 the Company closed a bought deal financing, including partial exercise of the over-allotment option, comprised of (i) 7,693,000 common shares of the Company (the "Offered Shares") at a price of C\$0.26 per Offered Share (the "Offered Share Price"), and (ii) 11,726,599 flow-through common shares of the Company (the "FT Shares" and together with the Offered Shares, the "Offered Securities") at a price of C\$0.30 per FT Share, for aggregate gross proceeds to the Company of C\$5,518,160 (the "Offering").

The following table summarizes the cumulative exploration and evaluation expenditures the Company has incurred on its mineral properties. The Wawa Gold property expenditures includes all amounts incurred prior to any prorated recovery from the previous joint-venture partner.

	Wawa Gold Project	Other Properties	Total Properties
	\$	\$	\$
Balance, July 31 2021	58,542,351	14,619,680	73,162,211
Property acquisition costs	266,000	-	266,000
Property sales	-	(1,050,000)	(1,050,000)
Exploration expenditures	11,466,316	-	11,466,316
Balance, July 31, 2022	70,274,667	13,569,860	83,844,527
Exploration expenditures	4,493,630	-	4,493,630
Balance, January 31, 2023	74,768,297	13,569,860	88,338,157

The following table summarizes the exploration expenditures:

Exploration expenditures	Three months ended January 31		Six months ended January 31	
	2023	2022	2023	2022
Camp and other costs	\$ 202,507	\$ 101,513	\$ 519,516	\$ 227,960
Closure costs	-	20,290	-	20,290
Compensation	540,966	526,440	1,114,060	861,092
Drilling, assays and analysis	1,156,041	1,649,225	2,507,039	2,585,394
Equipment costs	135,869	222,634	231,242	419,633
Land management	86,704	75,652	121,773	186,102
Exploration Expenditures ^(a)	\$ 2,122,087	\$ 2,595,754	\$ 4,493,630	\$ 4,300,471

^(a)Excludes property acquisitions and sales

The average cost of the drilling, assays and analysis was \$217.13 per metre drilled in the six months ended January 31, 2023 (\$2,507,039/ 11,546 m) (six months ended January 31, 2022 - \$239.28 per metre drilled (\$2,585,394/ 10,805m)), excluding the cost of the Company's staff, camp and other expenses. The decrease in the average per metre drilling cost was due to multiple factors including changes to drill contractors resulting in improved efficiencies.

Camp and other costs were higher in in the six months ended January 31, 2021, compared to the prior year period due to the expanded camp size and increased staffing levels, which carried forward from the first quarter of this fiscal year.

Compensation costs in the six months ended January 31, 2023 increased over the six months ended January 31, 2022 primarily due to increased costs for geologists to manage the increased volume of planning, core, assays and analysis.

Equipment costs increased on site were lower in the six months ended January 31, 2023 due to the reduced drilling activity, and the ability to utilize the access roads, built in the three months ended October 31, 2022.

Land management costs decreased in the period due to higher costs in the six months ended January 31, 2022, which did not recur in the six months ended January 31, 2023.

In August 2021, the Company completed its Algoma-Talisman property sale for \$1,050,000 in cash and the grant of a net smelter royalty of 1.5% (the "Royalty"). The Royalty may be repurchased by the property's buyer for \$500,000.

Operating Expense Discussion (excluding exploration)

The Company's operating expenses are summarized below:

	Three months ended January 31		Six months ended January 31	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	Expenses			
Depreciation and amortization	\$ 104,860	\$ 135,511	\$ 157,670	\$ 174,356
Gain on disposal of equipment	-	(30,626)	-	(30,626)
Exploration expenditures	2,122,087	2,595,754	4,493,630	3,250,471 ¹
Foreign exchange loss (gain)	(1,702)	(228)	(460)	465
General and administrative	186,790	340,677	453,973	484,777
Interest expense (income)	(15,778)	1,891	(24,715)	697
Lease accretion	911	1,544	3,211	5,605
Payroll and professional fees	384,066	243,911	584,931	378,205
Share-based compensation	160,914	124,026	331,224	269,083
Total Expenses	\$ 2,942,148	\$ 3,412,460	\$ 5,999,464	\$ 4,533,033

¹ Net of proceeds on exploration property sale.

Depreciation and amortization expenses decreased in in the six months ended January 31, 2023 primarily due to Software License and Leasehold Improvements assets being fully amortized in the year ended July 31, 2022. This impact was partially offset by depreciation expense associated with camp building and vehicle and equipment additions in the six months ended January 31, 2023.

General and administrative expenses comprise of the following:

	Three months ended January 31		Six months ended January 31	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	General & Administrative Expenses			
Insurance	\$ 30,178	\$ 31,130	\$ 49,001	\$ 49,169
Investor relations	150,120	180,323	351,979	290,750
Office and IT	(18,149)	37,725	7,764	43,716
Regulatory fees	23,939	90,800	43,828	97,920
Travel	702	699	1,401	3,222
Total General & Administrative	\$ 186,790	\$ 340,677	\$ 453,973	\$ 484,777

Insurance costs in the six months ended January 31, 2023 were consistent with the prior year comparative period.

Investor relations (“IR”) expenses increased by \$61,229 in the six months ended January 31, 2023, compared to the prior year consistent with the Company’s strategy to increase investor awareness and support for the significant investment in the exploration drilling campaign, primarily in the first quarter. The Company entered into a number of third-party agreements for marketing and communications activities and participated in additional conferences, which increased spending in the three months ended October 31, 2022. Beginning in the quarter ended January 31, 2023, the Company reduced IR spending, which included not renewing certain third-party agreements.

Regulatory fees decreased by \$54,092 in the six months ended January 31, 2023, due to higher fees associated with warrant exercises in the comparative period.

Corporate travel fees decreased by \$1,821 for the year to date, as the company reduced travel in favour of video conference calls.

Lease accretion expenses decreased as scheduled based on the Toronto lease expiring in 2023.

Payroll and professional fees increased by approximately \$206,726 due to staff bonus accruals in relation to the 2022 calendar year.

Share based compensation increased due to the impact of the standard option vesting period of 1/36 over 36 months from the date of the grant and the combination of the number of options granted in April 2021 and in January 2022.

LIQUIDITY AND CAPITAL RESOURCES MANAGEMENT

The Company manages capital through its financial and operational forecasting processes. The Company’s capital management objectives, policies and processes remained unchanged from the year ended July 31, 2022.

As at January 31, 2023, the Company had cash and cash equivalents, inclusive of funds committed to be spent under the terms of its flow-through equity financing of \$1,879,127 (July 31, 2022: \$2,824,620) and for the six months ended January 31, 2023 used net cash in operating activities of \$5,590,775 (six months ended January 31, 2022: \$3,598,987). During the six months ended January 31, 2023, the Company incurred \$4,493,630 in exploration expenditures. Comparatively, in FY2022, the Company incurred \$4,300,471 in exploration expenditures.

On September 29, 2022 the Company closed a bought deal financing, including partial exercise of the over-allotment option, comprised of (i) 7,693,000 common shares of the Company (the “Offered Shares”) at a price of C\$0.26 per Offered Share (the “Offered Share Price”), and (ii) 11,726,599 flow-through common shares of the Company (the “FT Shares” and together with the Offered Shares, the “Offered Securities”) at a price of C\$0.30 per FT Share, for aggregate gross proceeds to the Company of C\$5,518,160.

On November 18, 2021, the Company closed a private placement (the consisting of 12,923,700 flow-through shares of the Company (the “FT Shares, at a price of C\$0.65 per FT Share, such FT Shares qualifying as “flow-through shares” (within the meaning of subsection 66(15) of the Income Tax Act (Canada)), for aggregate gross proceeds of C\$8,400,405. All qualifying Canadian exploration expenditures (“CEE”) were renounced in favour of the subscribers of the FT Shares effective December 31, 2021.

During November and December 2021, 8,599,623 warrants were exercised, resulting in 8,599,623 common shares issued at \$0.50/share for gross proceeds of \$4,299,812. The number of warrants exercised represents 86.5% of the warrants otherwise expiring on December 31, 2021, demonstrating strong support from the Company's shareholders, including the Alamos Gold Inc. exercise of 5,299,525 warrants for \$2,649,762.

SHARE CAPITAL AS AT MARCH 21, 2023

The Company's issued and outstanding shares increased to 136,862,319 shares, as a result of the financing completed on September 29, 2022. The issued and outstanding common shares status is summarized below:

	As at	Common Shares
Issued and outstanding as at	July 31, 2022	117,442,720
Financing closed on	September 29, 2022	19,419,599
Issued and outstanding as at	October 31, 2022	136,862,319
Issued and outstanding as at	March 21, 2023	136,862,319

The Company's outstanding warrants increased from July 31, 2022 as a result of the financing completed on September 29, 2022. The issued and outstanding warrant status is summarized below:

	Warrants Outstanding	Weighted Average Exercise Price
Warrants expiring on March 23, 2023	2,825,640	\$0.40
Warrants expiring on November 18, 2023	775,422	\$0.50
Balance, July 31, 2022	3,601,062	\$0.42
Warrants expiring on September 29, 2024	1,165,175	\$0.26
Balance at January 31, 2023	4,766,237	\$0.38
Balance at March 21, 2023	4,766,237	\$0.38

MARKET TRENDS

The Company's future financial performance is dependent on many external factors including the markets for precious metals. The markets for these commodities are volatile and difficult to predict as they are impacted by many factors including international political, social and economic conditions and the COVID-19 pandemic. These conditions, combined with volatility in the capital markets, could materially affect the future financial performance of the Company.

OFF-BALANCE SHEET ARRANGEMENTS AND CONTRACTUAL OBLIGATIONS

The Company does not have any off-balance sheet arrangements, including any arrangements that would affect the liquidity, capital resources, market and credit risk support or other benefits.

RISK FACTORS

The Company's principal activity of mineral exploration and development is considered to be very high risk and the mining industry in general is intensely competitive in all its phases. Companies involved in this industry are subject to many and varied types of risks, including but not limited to, environmental, commodity prices, political and economic. Additional capital will be required to fund continuing operations and advance the exploration and development activities at the Wawa Gold Project and for other prospective properties.

The Company's risk factors are consistent with those disclosed and referred to in the Company's Annual Information Form for the year ended July 31, 2021 dated June 14, 2022; the Company's Short Form Prospectus dated September 20, 2022; and the MD&A for the year ended July 31, 2022 dated October 26, 2022. Each of these documents are available at www.sedar.com under the Company's profile.

The Company has not entered into any specialized financial arrangements to minimize its investment risk, currency risk or commodity risk.

An investment in the Common Shares is highly speculative and subject to risks and uncertainties. The occurrence of any one or more of these risks or uncertainties could have a material adverse effect on the value of any investment in the Company and its business, prospects, financial position or operating results. Prospective investors should carefully consider the risk factors detailed below when contemplating a purchase of the Common Shares. Although the Company has attempted to ensure the list is as comprehensive as possible, prospective investors should note the list cannot be exhaustive of all possible risk factors associated with an investment in the Common Shares or in connection with its operations. Such risks relate to, among others:

- The Company's Ability to Continue as a Going Concern;
- Uncertainty Relating to Mineral Resources;
- Exploration Stage Company;
- Exploration, Mining Operations and Insurance;
- Commodity Prices;
- Additional Capital Requirements;
- Aboriginal Land Claims;
- COVID-19 Coronavirus Outbreak;
- Government Regulation, Permits and Licenses;
- Environmental Risks and Hazards and Permitting;
- Title to Property;
- Price Volatility;
- Competition;
- Information Technology and Social Media;
- Military Conflict in Ukraine;
- Climate Change;
- Legal and Accounting Requirements and Risk of Non-Compliance;
- Expense of Compliance with Changing Corporate Governance Regulations;
- Reliance on Management and Consultants;
- Dependence on Good Relations with Employees;
- Litigation;
- Dividend Policy;

- Conflicts of Interest;
- Accounting Policies and Internal Controls; and
- Other Risks Related to the Offering.

Should one or more of the foregoing risks or uncertainties, or a risk or event not contemplated by or known to the Company at this time, materialize, or should the underlying assumptions of the Company's business prove incorrect, actual results may differ significantly from those anticipated, believed, estimated, expected, intended or planned.

The risk factors are described more fully in the MD&A for the year ending July 31, 2022 and not repeated in detail in this document. The most significant risk factors include the following:

The Company's Ability to Continue as a Going Concern

The independent auditor's report on the Company's audited financial statements and the notes thereto and the auditors' report thereon for the financial year ended July 31, 2022 contains explanatory language that substantial doubt exists about the Company's ability to continue as a going concern. Due to the Company's lack of operating history and present inability to generate revenues, it has sustained operating losses since its inception. If the Company is unable to obtain sufficient financing as required or achieve profitability, then it would, in all likelihood, experience severe liquidity problems and may have to curtail or terminate its operations. If the Company curtails its operations, it may be placed into bankruptcy or undergo liquidation or sale, the result of which will adversely affect the value of the Common Shares.

Additional Capital Requirements

The Company's bought deal financing on September 29, 2022 provided sufficient funds to continue operating one drill until approximately April 2023 and for other working capital requirements to approximately July 2023. The Company does not currently have the funds to support a drilling program similar in size to the 2021- 2022 drilling program. Additional drilling is planned to further advance the understanding of the Wawa Gold Project potential. Failure to obtain sufficient financing will result in a delay or indefinite postponement of exploration or even a loss of a property interest. Although the Company has been successful in obtaining the necessary financing to date, additional financing may not be available when needed or, if available, the terms of such financing might not be favourable to the Company and might involve substantial dilution to existing shareholders. Failure to raise capital when needed would have a material adverse effect on the Company's business, financial condition and results of operations.

Reliance on Management and Consultants

The success of the Company is largely dependent upon the performance of its senior management and outside consultants and contractors. The Company has not purchased any "key-person" insurance nor has it entered into any non-competition or non-disclosure agreements with any of its directors, officers or key employees and has no current plans to do so. The Company has hired and makes extensive use of outside consultants and contractors and will continue to rely upon consultants and contractors for the bulk of its geological and technical expertise. The loss of access to existing consultants and contractors, or an inability to hire suitably qualified consultants, contractors or personnel to address new areas of need, would materially impact the Company's ability to carry out the exploration of the Wawa Gold Project.

SIGNIFICANT ACCOUNTING POLICIES

The Company's significant accounting policies are included in Note 2 of the Company's Consolidated Financial Statements for the three and six months ended January 31, 2023 and the Consolidated Financial Statements for the years ended July 31, 2022 and July 31, 2021.

INTERNAL CONTROL OVER FINANCIAL REPORTING

Management is responsible for designing internal controls over financial reporting, or supervising their design, in order to provide reasonable assurance regarding the reliability of financial reporting and preparation of consolidated financial statements for reporting purposes in accordance with IFRS.

There was no change in the Company's internal controls over financial reporting that occurred during the three and six months ended January 31, 2023 that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

Based on a review of its internal control procedures at the end of the period covered by this MD&A, the conclusion of management is that the internal control over financial reporting is appropriately designed and operating effectively as of January 31, 2023.