



RED PINE EXPLORATION INC.

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Management's Discussion and Analysis

For the Year Ended July 31, 2023
(Expressed in Canadian Dollars)

(dated: October 5, 2023)

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**Red Pine Exploration Inc.
Management's Discussion and Analysis
For the Year Ended July 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 interim consolidated financial statements and notes thereto as at and for the year ended July 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 October 5, 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 drilling program for the 2022-2023 fiscal year totalled 21,871 metres of drilling. This program proved the presence of significant zones of mineralization east (hanging wall) and west (footwall) of the Jubilee Shear that host the 2019 resource of the Surluga Deposit. Additional mineralization has also been delineated in gaps in the 2.0 g/t shell that defines the boundaries of the 2019 resource of the Surluga Deposit in the Jubilee Shear.

New mineralization of significance east and west of the Jubilee Shear that are adjacent to the 2019 resource include the Minto B Shear and Minto C Shear system east of the Jubilee Shear, intrusion-related gold (IRGS) mineralization west of the Jubilee Shear and extensional vein networks east and west of the Jubilee Shear. As a result, the Company continues to focus its drilling in the mineralization zones east of the Jubilee Shear above the known resources at Surluga and Minto as it progresses towards a resource update.

Drilling results of significance disclosed in final quarter of the 2022-2023 fiscal year include:

Minto B Shear and Minto C Shear System located east of the Jubilee Shear

- 3.50 g/t gold (or “Au”) over 25.15m including 36.48 g/t gold over 2.01 metres in SD-22-415 (March 27, 2023)
- 2.68 g/t gold over 25.22 m in SD-23-419 that includes 38.33 g/t Au over 0.98 m and 12.72 g/t Au over 0.87m (May 11, 2023)
- 5.06 g/t gold over 13.28 m including 11.22 g/t gold over 3.51 m and 10.19 g/t gold over 2.34 m in the Minto C Shear System in SD-22-408 (May 11, 2023)

Intrusion-related gold system west of the Jubilee Shear

- 6.15 g/t Au over 11.67 m in SD-23-434 (July 11, 2023)
- 1.57 g/t Au over 26.30 m including 25.74 g/t gold over 1.24 m in SD-23-433 (July 11, 2023)

Extensional Vein Networks West of the Jubilee Shear

- 7.67 g/t Au over 5.89 m in SD-22-418 including 48.8 g/t Au over 0.83 m in the Old Tom Vein Network (May 11, 2023)
- 1.32 g/t Au over 100.99 m including 26.59 g/t gold over 3.72 m in SD-23-430 in the Core Shack Vein Network (June 13, 2023)

Gaps in the 2.0 g/t shell constraining the 2019 resource of the Surluga deposit in the Jubilee Shear

- 5.85 g/t over 6.82 m including 13.73 g/t gold over 2.63 m in SD-22-412 (May 11, 2023)

Additional results of significance released during the 2022-2023 fiscal year includes:

- 5.07 g/t gold over 27.35 m including 11.48 g/t gold over 3.27 m in a gap in the 2.0 g/t shell in the Jubilee Shear in SD-22-414 (February 23, 2023)
- 5.13 g/t Au over 37.47 m in SD-22-396 including 25.20 g/t Au over 3.41 m in the Surluga North Vein Network in SD-22-396 (January 6, 2023)

- 42.95 g/t gold over 1.92 m in the Jubilee Shear south of the Parkhill Fault in JS-22-368 (September 6, 2022)
- 17.49 g/t gold over 5.82 m including 53.72 g/t gold over 0.66 m in the Minto Mine Shear Zone in SD-22-377 (September 1, 2022)
- 5.57 g/t gold over 8.51 m including 19.39 g/t gold over 1.11 m in the IRGS west of the Jubilee Shear (December 1, 2022)
- 68.71 g/t gold over 4.72 m including 231.5 g/t gold over 0.77 m in the Minto Mine Shear Zone in SD-22-373 (July 14 2022)

- **Financing – May 8, 2023 - Gross Proceeds \$7,745,000:**
 - **Private Placement financing \$7,745,000 including full exercise of the agents’ option** - Closed a “best efforts” private placement bought deal financing, including full exercise of the Agents’ Option (as defined in the press release of the Company dated March 31, 2023). The Offering consisted of: (i) 5,675,000 units of the Company (the “Units”) at a price of \$0.20 per Unit (the “Issue Price”); (ii) 11,538,230 tranche 1 flow-through units of the Company (the “Tranche 1 FT Units”) at a price of \$0.235 per Tranche 1 FT Unit; and (iii) 13,679,000 tranche 2 flow-through units of the Company (the “Tranche 2 FT Units” and together with the Units and the Tranche 1 FT Units, the “Offered Securities”) at a price of \$0.285 per Tranche 2 FT Unit.

- **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\$5,518,159.70 (the “Offering”).

- **SUBSEQUENT EVENT - Sale of Net Smelter Return Royalty - Gross Proceeds \$6,750,000:**
 - On August 29 2023 , the Company entered into a net smelter return royalty agreement with Franco-Nevada Corporation for the purchase and sale of a 1.5% net smelter return royalty on its Wawa Gold Project located in Ontario for immediate cash proceeds to the Company of C\$6,750,000, less transaction costs.

- **Environmental, Social Governance (‘ESG’) Report**
 - The Company, on January 16, 2023, announced the publication of 2022 ESG Report and it can be found at <https://www.redpineexp.com/reports>.
 - Red Pine’s 2022 ESG Report highlights process, policies and procedures adopted by the Company during the past years and provides future benchmarks and goals for improvement,

OUTLOOK

- **Primary Business Objectives**

The Company’s primary business objectives in FY2023 include:

- The FY 2022-2023 results marked the transition into the Company’s focus to increasing the size of the Surluga/Minto resources using a hybrid open-pit and underground constrained project.

- Drilling prioritize the testing of known mineralized structures east and west of the Jubilee Shear around the 2019 resource of the Surluga Deposit in preparation for a revised resource estimate
 - Increase drilling from between 3,600 to 4,400 metres per month, using up to two drills, through 2023 in order to focus on areas that have the highest potential to expand the current Surluga and Minto South mineral resources.
 - Based on the most recent financing, the program will consist of approximately 20,000m of diamond drilling that will focus on the targets which have the highest probability towards material progression of an updated resource.
 - The updated resource is anticipated to be based on both a pit and underground constrained development scenario.
 - 80% of the drilling will be allocated to Pit Constrained Exploration Targets located east of the Jubilee Shear
 - 20% of the drilling will be allocated to Exploration Targets located at depth in the Jubilee Shear and west of the Jubilee Shear
 - Continue the prioritization and completion of core logging, assays and data modelling to support the development of future drilling and exploration 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 during the year ended July 31, 2023 by the success of the \$13.3 million of gross proceeds raised from share issuances and the \$6.75 million Net Smelter Return Royalty sale, subsequent to year end.
 - The Company may seek additional funding before December 31, 2024 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, including 308 claims covering 4,950 ha.; 17 leases covering 790 ha; and 105 patents covering 1,442 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.

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, 2021 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.

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

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	1,046	10 km northwest of Atikokan, ON
Rand Garrison Property	22	277	46 km north of Kirkland Lake, ON
Totals	103	1,740	

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;
- a 1.5% Net Smelter Return on 2 mining patents encompassing approximately 72 square kilometers, 40 km east of the Newmont Borden Gold mine near Chapleau, Ontario

Exploration Program

In the fiscal year ended July 31, 2023, the Company's drilling campaign totalled 21,871 metres of drilling. Drilling was funded by the November 2021 financing, the warrant exercises in November and December 2021, the September 2022 financing and the May 2023 financing. Significant drilling results released during the 4th quarter of the fiscal year are included in the 'Highlights' section above. The exploration results from the fiscal year ended July 31, 2023 confirmed that many zones of mineralization surrounds the 2019 resource of the Surluga Deposit and could contribute to increase the size of resources of the Wawa Gold Project. As a result, the Company continues to focus its drilling in the mineralization zones east of the Jubilee Shear above the known resources at Surluga and Minto as it progresses towards a resource update.

The FY2022-2023 exploration drilling program on the Wawa Gold Project proved the presence of significant zones of mineralization east (hanging wall) and west (footwall) of the Jubilee Shear that host 2019 resource of the Surluga Deposit, in gaps in the 2.0 g/t shell that defines the boundaries of the 2019 resource of the Surluga Deposit in the Jubilee Shear and within and above the Minto Mine Shear that host the 2018 resource of the Minto Mine deposit.

West of the Jubilee Shear, the drilling program confirmed the presence of broad zones of gold mineralization associated to an Intrusion-related gold system (IRGS) in the Jubilee Stock, to shear zones overprinting IRGS mineralization and to networks of extensional veins crosscutting the shear zones and IRGS mineralization. The most significant vein networks identified so far west of the Jubilee Shear are the Core Shack, Jubilee and Old Tom vein networks.

East of the Jubilee Shear and overlying the southern extension of the 2019 resource, the drilling program confirmed the continuity and the presence of high-grade gold mineralization in the Minto B Shear that overlies of the 2019 resource and discovered new zones of mineralization in the Minto C Shear System located slightly east of the Minto B Shear. Overlying the northern extension of the Surluga Deposit discovered in 2022, drilling identified significant mineralization related to the Surluga North Vein Network.

Above and within the Minto Mine Shear Zone, the drilling program confirmed the presence of very high-grade gold mineralization in the Minto Mine Shear and the concurrent testing of the Sadowski Vein network confirmed the continuity of gold mineralization in the vein network that overlies the Minto Mine Deposit.

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 year ended July 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, including the progress of the drill campaign underway in 2023, is included above in the 'Highlights' section.

The following table provides select financial information that should be read in conjunction with the Financial Statements and the audited financial statements for the years ended July 31, 2023 and July 31, 2022. The table includes the impact of the change in accounting policy in the comparative year ended July 31, 2022 as described in note 2 of the consolidated financial statements for the year ended July 31, 2022.

	Selected items for the three-month period ended:			
	July 31, 2023	April 30, 2023	January 31, 2023	October 31, 2022
Results of Operations:				
Exploration expenditures	\$ 2,786,388	\$ 1,666,924	\$ 2,122,087	\$ 2,371,543
Exploration property (sale) and acquisition	-	-	-	-
Loss and comprehensive loss	(3,017,062)	(2,262,332)	(2,607,075)	(2,887,383)
Basic and diluted loss per share	(0.02)	(0.02)	(0.02)	(0.02)
Financial Position:				
Cash and cash equivalents ⁽²⁾	3,382,626	319,099	1,879,127	4,591,509
Working capital (deficit) ⁽¹⁾	2,650,046	(833,040)	1,237,515	3,638,311
Total assets	4,173,794	1,182,658	2,822,399	5,777,969
Total non-current liabilities	-	-	-	-
Shareholders' equity (deficit)	\$ 3,102,867	\$ (291,391)	\$ 1,859,976	\$ 4,306,136

Selected items for the three-month period ended:

For Quarters ended:	July 31, 2022	April 30, 2022	January 31, 2022	October 31, 2021
Results of Operations:				
Exploration expenditures	\$ 4,612,216	\$ 3,603,629	\$ 2,595,754	\$ 1,704,717
Exploration property (sale) and acquisition	266,000	-	-	(1,050,000)
Loss and comprehensive loss	(3,870,093)	(3,554,936)	(2,884,544)	(787,194)
Basic and diluted loss per share	(0.03)	(0.03)	(0.03)	(0.01)
Financial Position – Select Items:				
Cash and cash equivalents ⁽²⁾	2,824,620	6,318,944	10,155,019	1,347,713
Working capital (deficit) ⁽¹⁾	2,011,651	5,656,261	8,976,478	1,691,858
Total assets	4,410,718	8,411,047	12,359,666	3,455,477
Total non-current liabilities	-	31,599	58,310	84,543
Shareholders' equity	2,738,334	6,459,489	9,832,474	2,186,210

(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 have prescribed periods within which to spend these funds.

The Company's exploration expenditures in the year ended July 31, 2023 were \$8,946,942 compared to the year ended July 31, 2022 of \$11,466,316. 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”).

On May 8, 2023 the Company closed a private placement financing, including the full exercise of the Agents’ option, comprised of (i) 5,675,000 units of the Company (“Units”) at a price of C\$0.20 per Unit (the “Issue Price”), (ii) 11,538,230 tranche 1 flow-through units of the Company (the “Tranche 1 FT Units”) at a price of C\$0.235 per Tranche 1 FT Unit, and (iii) 13,679,000 tranche 2 flow-through units of the Company (the “Tranche 2 FT Units”) at a price of C\$0.285 per Tranche 2 FT Unit for aggregate gross proceeds to the Company of C\$7,744,999.00. Each Unit, Tranche 1 FT Unit and Tranche 2 FT Unit comprises one common share of the Company and one half of one common share purchase warrant of the Company.

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	14,619,860	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	8,946,942	-	8,946,942
Balance, July 31, 2023	79,221,609	13,569,860	92,791,469

The following table summarizes the exploration expenditures:

	Year Ended July 31, 2023 \$	Year Ended July 31, 2022 \$
Exploration Expenditures		
Camp and other costs	929,093	892,581
Closure costs, including asset retirement obligations	-	47,307
Compensation	2,499,647	2,004,874
Drilling, assays and analysis	4,904,966	7,568,853
Equipment costs	384,394	663,285
Land management	228,842	289,416
Exploration Expenditures Totals ⁽¹⁾	8,946,942	11,466,316

⁽¹⁾ Excludes property acquisitions and sales

The average cost of the drilling, assays and analysis was \$224.27 per metre drilled in the year ended July 31, 2023 (\$4,904,966/ 21,871 m) (year ended July 31, 2022 - \$190.20 per metre drilled (\$7,568,853/ 39,795 m)), excluding the cost of the Company’s staff, camp and other expenses. The increase in the average per metre drilling cost was due to proportionately higher assaying costs in the current year, reflecting work performed on samples drilled during the prior year’s drilling campaign. This increase was, in turn, partially

offset by a decrease in drilling costs as a result of fewer meters drilled, when compared to the year ended July 31, 2022.

Camp and other costs were higher in in the year ended July 31, 2023, 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 year ended July 31, 2023 increased over the year ended July 31, 2022 primarily due to increased costs for geologists to manage the increased volume of planning, core, assays and analysis.

Equipment costs on site were lower in the year July 31, 2023 due to the reduced drilling activity, which stemmed from the ability to utilize the access roads, built in the prior period and less need for associated road maintenance and drill site support.

Land management costs decreased in the current period due to higher costs in the year ended July 31, 2022.

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:

<u>Operating Expenses</u>	<u>Year Ended July 31, 2023</u>	<u>Year Ended July 31, 2022</u>
	<u>\$</u>	<u>\$</u>
Amortization	327,310	361,978
Gain on disposal of equipment	-	(30,626)
Exploration expenditures	8,946,942	11,466,316
Exploration property sales and acquisitions	-	(784,000)
Foreign exchange loss (gain)	(50)	535
General and administrative	744,881	1,008,959
Interest (income)	(59,059)	(21,693)
Lease accretion	4,540	10,658
Payroll and professional fees	996,406	775,886
Share-based compensation	588,594	599,971
Total operating expense	11,549,564	13,387,984

Depreciation and amortization expenses decreased in in the year ended July 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 year ended July 31, 2023

Payroll and professional fees increased by approximately \$220,520 due to \$206,726 of staff bonus payments in relation to the 2022 calendar year, general salary increases for the 2023 calendar year and a payment to a former officer of the Company.

Interest income increased from \$21,693 in the comparative period, to \$59,059 in the year ended July 31, 2023 due to generally higher interest rates towards the latter part of the fiscal year as a result of market conditions.

Share based compensation decreased due as a portion of options granted in prior years vested in full. The current year's option grant comprised 570,600 fewer options granted at a lower fair value per option in comparison to prior years.

The prior-period and non-recurring gain on disposal of equipment was in respect of insurance proceeds for a vehicle write-off.

General and administrative expenses comprise of the following:

General & Administrative Expenses	Year Ended July 31, 2023	Year Ended July 31, 2022
	\$	\$
Insurance	104,834	107,335
Investor relations	530,990	709,098
Office and IT	10,070	69,422
Regulatory fees	92,284	113,004
Travel	6,703	10,099
Total General & Administrative	744,881	1,008,959

Insurance costs were consistent with the prior year.

Investor relations ("IR") expenses decreased by \$178,108 in the twelve months ended July 31, 2023, compared to the prior year. The Company entered into several third-party agreements for marketing and communications activities and participated in additional conferences, which increased spending in the prior period. In the current year ended July 31, 2023, the Company reduced IR spending, which included not renewing some of the aforementioned third-party agreements.

Office and IT costs decreased by \$59,352 due to one-time operating cost adjustments associated with the Company's office lease as well as various minor office cost reductions.

Regulatory fees decreased by \$20,720 in the year ended July 31, 2023, due to higher fees associated with warrant exercises in the comparative period.

Corporate travel fees decreased by \$3,396 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.

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 July 31, 2023, the Company had cash of \$3,382,626 (July 31, 2022: \$2,824,620) and for the year ended July 31, 2023 used net cash in operating activities of \$10,993,897 (year ended July 31, 2022: \$10,873,978). During the year ended July 31, 2023, the Company incurred \$8,946,942 in exploration, \$744,881 in General and administrative and \$996,406 in payroll and professional fee expenditures. Comparatively, in FY2022, the Company incurred \$11,466,316 in exploration expenditures spent \$266,000 to acquire mining claims and generated cash of \$1,050,000 from the sale in August 2021 of the Talisman-Algoma property for \$1,050,000.

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\$5,518,159.70.

On May 8, 2023 the Company closed a private placement financing, including the full exercise of the Agents' option, comprised of (i) 5,675,000 units of the Company ("Units") at a price of C\$0.20 per Unit (the "Issue Price"), (ii) 11,538,230 tranche 1 flow-through units of the Company (the "Tranche 1 FT Units") at a price of C\$0.235 per Tranche 1 FT Unit, and (iii) 13,679,000 tranche 2 flow-through units of the Company (the "Tranche 2 FT Units") at a price of C\$0.285 per Tranche 2 FT Unit for aggregate gross proceeds to the Company of C\$7,744,999.00. Each Unit, Tranche 1 FT Unit and Tranche 2 FT Unit comprises one common share of the Company and one half of one common share purchase warrant of the Company.

SHARE CAPITAL AS AT OCTOBER 5, 2023

The Company's issued and outstanding shares increased from July 31, 2022, as a result of the financings completed on September 29, 2022 and May 8, 2023. 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
Financing closed on	May 8, 2023	30,892,230
Issued and outstanding as at	October 5, 2023	167,754,549

The Company's outstanding warrants increased from July 31, 2022 as a result of the financings completed on September 29, 2022 and May 8, 2023. 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
Financing closed on September 29, 2022	1,165,175	\$0.26
Expiries	(2,825,640)	\$0.40
Financing closed on May 8, 2023	17,299,648	\$0.24
Balance at October 5, 2023	19,240,245	\$0.26

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, lack of capital, availability of manpower and equipment, climate, 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 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 Corporation's Ability to Continue as a Going Concern;

- Uncertainty Relating to Mineral Resources;
- Exploration Stage Corporation;
- Exploration, Mining Operations and Insurance;
- Commodity Prices;
- Additional Capital Requirements;
- Availability and increased cost of parts, equipment and skilled labour
- 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;
- Conflicts of Interest; and
- Accounting Policies and Internal Controls

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 as follows:

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, 2023 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.

Uncertainty Relating to Mineral Resources

The Company currently has only established mineral resources relating to the Wawa Gold Project. Mineral resources that are not mineral reserves do not have demonstrated economic viability. Inferred mineral resources are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves. Due to the uncertainty which may be attached to inferred mineral resources, there is no assurance that inferred mineral resources will be upgraded to measured or indicated mineral resources or ultimately mineral reserves as a result of continued exploration.

Exploration Stage Company

The Company is in the exploration stage and does not operate any producing mines. The Company is engaged in the business of exploring its properties. Although management believes the Wawa Gold Project has sufficient merit to justify focusing the Company's limited resources on it, the Company will in consequence be exposed to some heightened degree of risk due to the lack of property diversification. Due to the challenging nature of mineral exploration, the Company has not generally approached its mineral exploration programs with a fixed budget or fixed expectations. The Company re-visits every activity as appropriate on an ongoing basis and adjusts its exploration programs based on numerous factors including but not limited to the type of rock, geology, geochemistry, drill hole deviation and assay results it encounters during exploration activities and adjusts its models accordingly. Development of the Wawa Gold Project will only follow upon obtaining satisfactory results from the ongoing exploration program and any subsequent work and studies that may be required. There can be no assurance that any of the Company's planned exploration activities on the Wawa Gold Project will ever lead to an economically viable minable resource.

Exploration, Mining Operations and Insurance

Company's activities on the Wawa Gold Project are exploratory in nature and therefore subject to a significant degree of risk. Exploration and mining operations generally involve a high degree of risk which even a combination of careful evaluation, experience and knowledge may not reduce or eliminate. While the discovery of a mineral body may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Major expenses may be required to establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site.

Whether a mineral deposit will be commercially viable depends on a number of factors, including the particular attributes of the deposit, such as size, grade and proximity to infrastructure, as well as metal prices (which are highly cyclical), and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital.

The Company's exploration activities are subject to all of the hazards and risks normally encountered in mineral exploration. Such risks include unusual and unexpected geological formations, seismic activity, rock bursts, cave-ins, water inflows, fires and other conditions involved in the drilling and removal of material, environmental hazards, industrial accidents, periodic interruptions due to adverse weather conditions, equipment breakdowns, employee sickness, labour disputes, political unrest and theft. The occurrence of any of the foregoing could result in damage to, or destruction of, mineral properties or interests, equipment and production facilities, personal injury, damage to life or property, environmental

damage, delays or interruption of operations, increases in costs, monetary losses, legal liability and adverse government action. At the present time, the Company does not insure against such risks; even if it were to obtain such insurance in the future, the nature of these risks are such that liabilities could exceed policy limits or could be excluded from coverage. There are also risks against which the Company cannot insure or against which it may elect not to insure. The potential costs which could be associated with any liabilities not covered by insurance or in excess of insurance coverage or compliance with applicable laws and regulations may cause substantial delays and require significant capital outlays, adversely affecting the future earnings and competitive position of the Company and, potentially, its financial position.

Commodity Prices

The price of the Company's securities, its financial results, and its access to the capital required to finance its exploration activities may in the future be adversely affected by declines in the price of precious metals. Precious metal prices fluctuate widely and are affected by numerous factors beyond the Company's control such as the sale or purchase of precious metals by various dealers, central banks and financial institutions, interest rates, exchange rates, inflation or deflation, currency exchange fluctuation, global and regional supply and demand production and consumption patterns, speculative activities, increased production due to improved mining and production methods, government regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals, environmental protection, the degree to which a dominant producer uses its market strength to bring supply into equilibrium with demand, and international political and economic trends, conditions and events. The prices of precious metals have fluctuated widely in recent years, and future price declines could cause continued exploration of the Wawa Gold Project to be impractical.

Additional Capital Requirements

The Company has the funds to complete its planned revised resource statement in Q2-Q3 of 2024. If additional project advancement is planned, 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.

Availability and increased cost of parts, equipment and skilled labour

An increase in demand for resources such as drilling and other exploration equipment, tires and other machine parts and items required to advance drilling and other exploration activities, as well as skilled exploration labour shortages, may cause unanticipated cost increases and delays in the Company's exploration schedule, thereby impacting the Company's operating costs and development schedule.

Aboriginal Land Claims

The potential exists for disruption of mineral exploration and development activities across broad swaths of the Province of Ontario, due to unresolved historical land claims issues and grievances on the part of First Nations communities, on whose traditional lands many of these activities take place. Red Pine has entered into agreements with certain First Nations which articulate a mutually agreed upon process for consultation for exploration phase activities conducted within the exploration area. Red Pine has entered into separate agreements with the Michipicoten First Nation and the Batchewana First Nation. The stated

purpose of these agreements is to articulate a clear and mutually agreed upon consultation process to identify adverse impacts to Aboriginal and treaty rights and engage with respect to accommodation, and to establish a mutually beneficial, positive and productive relationship. In addition to supporting consultation, Red Pine has agreed to support the promotion of employment opportunities for First Nation members. While these agreements apply to exploration phase activities, the agreements contemplate the negotiation of future agreements pertaining to advanced exploration and, potentially, development. Although these agreements have established the foundation for a positive and mutually beneficial relationship between the Company and the historic First Nation communities, and have aligned the interests of each party toward ensuring the success of exploration activities on the Wawa Gold Project, there can be no assurances that circumstances will not in the future arise that may undermine the current relationships that exist between the Company and the Michipicoten and the Batchewana First Nations. There can be no assurance that any of the mineral properties of the Company will not be affected by land claims, issues or grievances.

COVID-19 Coronavirus Outbreak

The current global uncertainty with respect to the spread of the COVID-19 coronavirus (“**COVID-19**”), the evolving nature of the pandemic and local and international developments related thereto and its effect on the broader global economy and capital markets may have a negative effect on the Company and the advancement of the Wawa Gold Project. While the precise impact of the COVID-19 outbreak on the Company remains unknown, rapid spread of COVID-19 and declaration of the outbreak as a global pandemic previously resulted in travel advisories and restrictions, certain restrictions on business operations, social distancing precautions and restrictions on group gatherings which are having direct impacts on businesses in Canada and around the world and could result in closure of assay labs, work delays, difficulties for contractors and employees getting to site, and diversion of management attention all of which in turn could have a negative impact on development of the Wawa Gold Project and the Company generally. The spread of COVID-19 may also have a material adverse effect on global economic activity and could result in volatility and disruption to global supply chains and the financial and capital markets, which could affect the business, financial condition, results of operations and other factors relevant to the Company, including its ability to raise additional financing.

As at the date of these financial statements, the duration of potential business disruptions and related financial impact of COVID-19 cannot be reasonably estimated. Going forward, the Company presently expects fewer COVID-19 related operating issues compared to the years ended July 31, 2023 and 2022.

Government Regulation, Permits and Licenses

Exploration and development activities related to mineral exploration and development are subject to various federal, provincial and local laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substance and other matters. Exploration, development and mining activities are also subject to various federal, provincial and local laws and regulations relating to the protection of the environment. These laws mandate, among other things, the maintenance of air and water quality standards and land reclamation. These laws also place limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Although the Company believes that its exploration operations are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration or ultimately, if merited, production or development, mining and milling, or that more stringent implementation thereof could have a substantial adverse impact on its current or future operations.

In the event the Company develops any of its mineral properties, government approvals, licences and permits will be required in connection with mining operations. To the extent such approvals are required and not obtained, mining operations may be curtailed or prohibited from proceeding with planned operations, which could have an impact on the business and financial condition of the Company. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed.

Amendments to current laws, regulations and permits governing operations and activities of exploration companies, or more stringent implementation thereof, could have a material adverse impact on the Company's exploration operations and cause reduction in the level of activities of the Company.

Environmental Risks and Hazards and Permitting

All phases of the Company's exploration activities are subject to environmental regulation in the jurisdiction in which they operate. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on its properties, including the Wawa Gold Project, which are unknown to the Company at present which have been caused by previous or existing owners or operators of the properties. The Company may become liable for such environmental hazards caused by previous owners or operators of the properties.

The Company's operations are subject to receiving and maintaining permits from appropriate governmental authorities. Although the Company believes that it currently has all required permits for its operations as currently conducted, there is no assurance that delays will not occur in connection with obtaining all necessary renewals of such permits for the existing operations, additional permits for any possible future changes to operations or additional permits associated with new legislation. Prior to any development on any of its properties, permits from appropriate governmental authorities may be required. There can be no assurance that it will continue to hold all permits necessary to continue its exploration or future operations.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in mining operations or in the exploration of mineral properties may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed on them for violations of applicable laws or regulations.

Amendments to current laws, regulations and permitting requirements, or more stringent application of existing laws, may have a material adverse impact on the owners or operators of mining operations, resulting in increased capital expenditures or production costs, reduced levels of production at producing properties or abandonment or delays in development of properties.

Title to Property

The Company has carefully examined the historical record of ownership of the registered surface and mineral rights for the Wawa Gold Project and its other properties, and has established and confirmed that its ownership thereof is valid and secure and that title is properly registered. However, there can be no assurance or guarantee that the Company's interests in the Wawa Gold Project or its other properties will not be challenged. There can be no assurance that the Company will be able to secure the grant or the renewal of exploration permits or other tenures on terms satisfactory to it, or that governments having jurisdiction over the Wawa Gold Project or the Company's other properties will not revoke or significantly alter such permits or other tenures or that such permits and tenures will not be challenged or impugned. It is always possible, though unlikely, that third parties may have valid claims not appearing in the historical record underlying portions of the Company's interests, and that the permits or tenures may be subject to prior unregistered agreements, transfers or claims, and that title may be affected by undetected defects. If a title defect exists, it is possible that the Company may lose all or part of its interest in the Wawa Gold Project or its other properties to which such defects relate.

Price Volatility

Securities of small-cap companies have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include macroeconomic developments in North America and globally and market perceptions of the attractiveness of particular industries. In the past several years and more recently with the outbreak of COVID-19 and the military conflict in Ukraine, worldwide securities markets have experienced a high level of price and volume volatility, and the market price of securities of many companies may not reflect the underlying asset values or prospects of such companies. It can be anticipated that the Company's securities will continue to be subject to such market trends and volatility, and that the value of its securities will continue to fluctuate accordingly.

Competition

The mineral exploration business is generally competitive in all of its phases. The Company competes with numerous other companies and individuals, including competitors with greater financial, technical and other resources, in the search for needed equipment and qualified employees and contractors with the experience and skill sets required to explore and ultimately develop the Wawa Gold Project, if warranted. There is no assurance that the Company will be able to compete successfully with others in acquiring such equipment or personnel.

Information Technology and Social Media

The Company is reliant on the continuous and uninterrupted operations of its information technology ("IT") systems. The Company's operations depend, in part, on how well the Company and its suppliers protect networks, equipment, IT systems and software against damage from a number of threats, including, but not limited to, cable cuts, damage to physical plants, natural disasters, terrorism, fire, power loss, hacking, computer viruses, vandalism and theft. Any IT failure pertaining to availability, access or system security could result in disruption for personnel and could adversely affect the reputation, operations or financial performance of the Company. The Company's IT systems could be compromised by unauthorized parties attempting to extract business sensitive, confidential or personal information, corrupting information, disrupting business processes or by inadvertent or intentional actions by the Company's employees or vendors.

A cyber security incident resulting in a security breach or failure to identify a security threat, could disrupt business and could result in the loss of business sensitive, confidential or personal information or other assets, as well as litigation, regulatory enforcement, violation of privacy and security laws and regulations and remediation costs. Although to date the Company has not experienced any material losses relating to cyber-attacks or other information security breaches, there can be no assurance that it will not incur such losses in the future.

Social media and other web-based information sharing applications may result in negative publicity or have the effect of damaging the reputation of the Company, whether or not such publicity is in fact verified, truthful or correct. The Company may not have the ability to control how it is perceived by others. Reputational loss may result in challenges in developing and maintaining community and shareholder relations and decreased investor confidence.

Military Conflict in Ukraine

The military conflict in Ukraine could lead to heightened volatility in the global markets, increased inflation, and turbulence in commodities markets. More recently, in response to Russian military actions in Ukraine, several countries (including Canada, the United States and certain allies) have imposed economic sanctions and export control measures, and may impose additional sanctions or export control measures in the future, which have and could in the future result in, among other things, severe or complete restrictions on exports and other commerce and business dealings involving Russia, certain regions of Ukraine, and/or particular entities and individuals. While the Company does not have any direct exposure or connection to Russia or Ukraine, as the military conflict is a rapidly developing situation, it is uncertain as to how such events and any related economic sanctions could impact the global economy and commodities markets. Any negative developments in respect thereof could have a material adverse effect on the Company's business, operations or financial condition.

Climate Change

Global climate change could exacerbate certain of the threats facing Red Pine's business, including the frequency and severity of weather-related events, resource shortages, changes in rainfall and storm patterns and intensities, water shortages, rising water levels and changing temperatures which can disrupt the Company's operations, damage its infrastructure or properties, create financial risk to the business of the Company or otherwise have a material adverse effect on the Company's results of operations, financial position or liquidity. These may result in substantial costs to respond during the event, to recover from the event and possibly to modify existing or future infrastructure requirements to prevent recurrence. Climate changes could also disrupt the operations of Red Pine by impacting the availability and cost of materials needed for exploration and development activities and could increase insurance and other operating costs.

Global climate change also results in regulatory risks. There continues to be a lack of consistent climate legislation, which creates economic and regulatory uncertainty. Increased public awareness and concern regarding global climate change may result in more legislative and/or regulatory requirements to reduce or mitigate the effects of greenhouse gas emissions.

Legal and Accounting Requirements and Risk of Non-Compliance

As a publicly-listed company, the Company is subject to numerous legal and accounting requirements that do not apply to private companies. The cost of compliance with many of these requirements is material,

not only in absolute terms but, more importantly, in relation to the overall scope of the operations of a small company. Failure to comply with these requirements can have numerous adverse consequences including, but not limited to, the Company's inability to file required periodic reports on a timely basis, loss of market confidence, delisting of its securities and/or governmental or private actions against the Company. There can be no assurance that the Company will be able to comply with all of these requirements or that the cost of such compliance will not prove to be a substantial competitive disadvantage vis-à-vis privately held and larger public competitors.

Expense of Compliance with Changing Corporate Governance Regulations

Changing laws, regulations and standards relating to corporate governance and public disclosure have created uncertainty for public companies and significantly increased the costs and risks associated with accessing the Canadian public markets. The management team of the Company needs to devote significant time and financial resources to comply with both existing and evolving standards for public companies, which will lead to increased general and administrative expenses and a diversion of management time and attention from revenue generating activities to compliance activities.

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.

Dependence on Good Relations with Employees

Successful exploration activities depend on the skills and abilities of the Company's employees. There is intense competition for engineers, geologists and persons with relevant expertise. The ability of the Company to retain engineers, geologists and persons with such expertise is very important to its operations. There can be no assurances that the Company will be able to retain such personnel when they are required, which could have a material adverse effect on the Company's operations, results of operations and financial condition.

Litigation

Defense and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. Like most companies, the Company is subject to the threat of litigation and may be involved in disputes with other parties in the future which may result in litigation or other proceedings. The results of litigation or any other proceedings cannot be predicted with certainty. The Company is not currently involved in any disputes with other parties which it believes might result in litigation. Management is committed to conducting business in an ethical and responsible manner which it believes will reduce the risk of conflict and legal disputes with third parties. However, if the Company is unable to resolve future legal disputes favourably, it could have material adverse effects on its business, financial condition and results of operations.

Conflicts of Interest

Certain of the directors and officers of the Company also serve as directors and/or officers of other companies involved in natural resource exploration, development and mining operations and consequently there exists the possibility for such directors and officers to be in a position of conflict. Any decision made by any of such directors and officers will be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of the Company and its shareholders. In addition, each director is required to declare and refrain from voting on any matter in which such director may have a conflict of interest in accordance with the procedures set forth in the *Business Corporations Act* (Ontario) and other applicable laws.

Accounting Policies and Internal Controls

The Company prepares its financial reports in accordance with IFRS. In preparation of its financial reports, management may need to rely upon assumptions, make estimates or use their best judgment in determining the financial condition of the Company. Significant accounting policies are described in more detail in the Company's audited financial statements. In order to have a reasonable level of assurance that financial transactions are properly authorized, assets are safeguarded against unauthorized or improper use, and transactions are properly recorded and reported, the Company has implemented and continues to analyze its internal control systems for financial reporting. Although the Company believes its financial reporting and financial statements are prepared with reasonable safeguards to ensure reliability, the Company cannot provide absolute assurance in this regard.

SIGNIFICANT ACCOUNTING POLICIES

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

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 year ended July 31, 2023 that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

The control framework has been designed by management with assistance from accounting consultants. 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 July 31, 2023.