

MANAGEMENT DISCUSSION AND ANALYSIS

Accompanying the March 31, 2023 Consolidated Interim Financial Statements

This Management Discussion and Analysis (“MD&A”) prepared as of May 30, 2023, should be read in conjunction with the Company’s consolidated interim financial statements and the accompanying notes for the three months ended March 31, 2023 and related notes thereto, which have been reported in Canadian dollars, and prepared in accordance with International Financial Reporting Standards (“IFRS”).

This discussion relates to the operations of Transatlantic Mining Corp. (“Transatlantic” or the “Company”), and its wholly-owned subsidiaries during the period up to the date of this report, being May 30, 2023.

Additional information, including press releases, has been filed electronically through the System for Electronic Document Analysis and Retrieval (“**SEDAR**”) and is available under the Company’s profile at www.sedar.com.

FORWARD-LOOKING INFORMATION

This MD&A contains certain forward-looking statements and information relating to the Company that are based on the beliefs of management as well as assumptions made by and information currently available to the Company. When used in this document, the words “anticipate”, “believe”, “estimate”, “expect” and similar expressions, as they relate to the Company or management, are intended to identify forward-looking statements. This MD&A contains forward-looking statements relating to, among other things, regulatory compliance, the sufficiency of current working capital, the estimated cost and availability of funding for the continued exploration and development of exploration properties. Such statements reflect the current views of management with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the 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. Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect management’s analysis only as of the date hereof. Readers should be aware that the Company is under no obligation to publicly release the results of any revision to these forward-looking statements, which may not reflect circumstances, or occurrences of unanticipated events after the date of this document.

CORPORATE OVERVIEW

The Company was amalgamated under the *Business Corporations Act* (British Columbia) by Certificate of Amalgamation dated January 28, 2011.

The Company is engaged in the acquisition and development of mineral property interests with a view to adding value primarily through exploration and additions to Mineral Resources. The

Company's registered and head office is located at Suite 400 - 837 West Hastings Street, Vancouver, BC V6C 3N6.

The Company's main activities are summarized below on the Projects:

As of May 30, 2023:

Miller Mine: Mine Pumping

- Historical Hole Jericho DD Hole # 1 -- **2.4 m at 516 g/t Au**
Hole # 2 -- **1.5 m at 8.6 g/t Au**
New Drill permit submitted and drilling on hold until approval received at Jonnie Gulch Adit
- Lower Level Development Portal security erected and completed
- Pumping Lower Level and now Lower Level Winze drive Down
 - A gravity concentrate of the tails and mid tails have been sent to a third party for further extraction kinetics and analysis.

Golden Jubilee Mine (100%): Drilling completed and additional permitting in progress

- A 10 hole drilling program using Reverse Circulation drilling program was completed. Awaiting assays.
- Previous 2014 Bulk mine development sample represented on vein + 100 m long and 2.0 m wide which averaged **10,000 tonnes** at a mined and processed grade of **9.00 g/t Au**.
- Existing Decline development infrastructure and horizontal access of 200 m to an existing vertical depth of 50 metres.
- Water Consultants for Mine Water Discharge Permit in progress.
- Existing 37 drillholes database indicating vein open along strike and down dip.
- A geophysical program has been partially completed indicating extensions.

Monitor Copper /Gold Project: Transatlantic at 80% Joint Venture ownership with earn in option to 100%

- The main targets to access and review further are the Big Elk with surface subcrop samples of **30 % Copper** in chalcopyrite and the Monitor/Richmond high grade **6-15% Copper** grades with associated gold in a Structural Vein target setting.
- Drill permit and Bond placed for Big Elk Drilling over the next 12 months

Business Development: The Company advancing existing projects technically with new drilling and mine access.

At the end of the period, the share structure for the Company was 86,639,916 common shares.

On July 4, 2014, the Company entered an agreement with an unrelated third party (Andy Well Pty Ltd) to dispose of its Gnaweeda Gold Project, comprising interests in five tenements in Western Australia. Some milestone payments have been paid and reported previously. The Company is further entitled to receive AUD\$250,000 for every consecutive 50,000 ounces of poured gold sourced from the property, capped at 200,000 ounces of poured gold for a total of AUD\$1,000,000. On September 24, 2020, the Company closed the sale of U.S. Grant Mine and Mill and lease

assignment for the Kearsarge Gold project (the “assets”) including the property and equipment located in the assets.

The Company’s shares trade on the TSX Venture Exchange (“TSX.V”) under the symbol “TCO”.

MANAGEMENT CHANGES

No changes in the period.

OVERALL PERFORMANCE / DISCUSSION OF OPERATIONS

The Company’s business is the acquisition, exploration and addition of Mineral Resources on prospective mineral properties in areas of low political risk, close to infrastructure which will support future mine development.

The Company had purchased the Alder Mountain (US Grant) Gold Project and title in Madison County in Montana in the USA effective August 28, 2017 and has now completed the sale to Endomines in conjunction with rights to the Kearsarge Gold Project. It has also met expenditure commitments to acquire an 80% interest in Mining Leases on the Monitor Copper Gold Project in the Coeur D’Alene Mining District, Idaho effective December 31, 2017. Whilst this milestone has been met, subsequent expenditures will earn additional equity ownership in the project or reimbursement of a proportion of monies on a pro rata basis. The Company continues to progress the Miller Mine option to purchase, along with advancing the technical knowledge at the Golden Jubilee Project and continued diligence on a number of properties in the district.

Monitor Property

On February 5, 2013, as amended on March 12, 2015, the Company entered into an option and joint venture agreement with American Cordillera Mining Corporation (“AMCOR”), and Northern Adventures LLC (“NALLC”) whereby it has the right to earn 80% of AMCOR’s 100% leasehold interest in a Purchase Option Mining Lease Agreement between AMCOR and NALLC on the Monitor Property (the “Property”), located in Idaho, USA. In order for the Company to earn the 80% interest in the Property, subject to certain underlying royalties, the Company must:

- (i) pay US\$25,000 in cash, this has been paid;
- (ii) incur property expenditures of US\$2,100,000 over three years, this has been completed; and
- (iii) issue 400,000 common shares of the Company in stages, all of which have been issued in prior years.

In exchange for the amendment, the Company paid additional consideration of 150,000 common shares (issued at a fair value of \$30,000 in previous year) and US\$25,000 cash (paid in previous year).

The Company shall have the right to exercise a buyout clause and thereby purchase a 100% interest in the Property from NALLC, and thereby terminate the Purchase Option Mining Lease Agreement. Upon exercise of this buy-out option, AMCOR shall be obligated to contribute 20% of the cost of the acquisition of the Property.

If the Company exercises the option, AMCOR shall receive a 20% carried interest until such time

as the earlier of:

- (i) a NI 43-101 compliant Feasibility Study is completed; and
- (ii) the Company has notified AMCOR in writing of its decision to proceed with mining of the property.

At this time, a joint venture shall automatically be deemed to be formed between the Company and AMCOR, where AMCOR will hold a 20% joint venture interest and the Company will hold an 80% joint venture interest in the Monitor claims.

The Company has focused and now received the 12-month drill permits for drill programs and metallurgical testing of mineralized rock at the Big Elk Copper Prospect.

At March 31, 2023, the Company has \$54,065 (US\$39,918) (December 31, 2022 - \$54,065 (US\$39,918) refundable performance bonds during the period for security for mineral exploration on the property.

St. Lawrence Property

On June 25, 2015, the Company entered into a Lease Agreement for a parcel of land (the “St. Lawrence Property”) on the Montana/Idaho border. The term of the lease is for 25 years, with an option to renew for a further 25 years. The Company provide a 1% net smelter returns (“NSR”) royalty from any production from the St. Lawrence Property. The Company is obligated to pay an annual maintenance fee of US\$10,000 upon the execution of the Lease Agreement (paid) and upon each anniversary date of the Lease Agreement. The landowner may terminate the Lease Agreement after seven years if the Company has not paid during that period NSR or equivalent cash payments totaling at least US\$150,000.

The landowner may also terminate the lease after three years if the Company has not incurred by that time at least US\$100,000 in expenditures on the St. Lawrence Property. As at March 31, 2023, the Company incurred \$265,525 (December 31, 2022 - \$261,550) in accumulated expenditures related to St. Lawrence Property.

As of March 31, 2023, the Company has paid all required lease payments for years 2019 to 2022. Upcoming payment yet to be made for the 2023 lease.

Upcoming activities

The activities have now resulted in receiving a 12-month valid drill permit and the bond has now been placed for the Big Elk prospect. Drilling Contractors are being sourced to drill for late 2023.

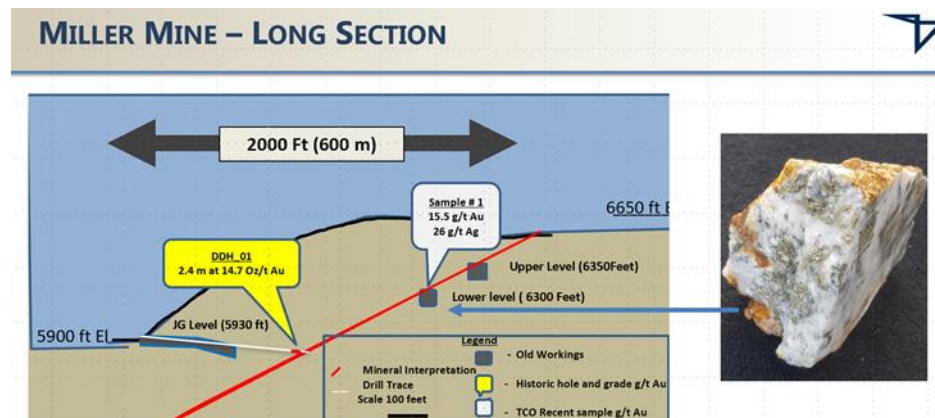
Miller Mine Gold Project

On July 2, 2019, the Company entered into an exclusive agreement to lease with an option to purchase the Miller Mine in the Broadwater County of Montana. The agreement allows leasing of the mine with the Company’s election to purchase on a profit share arrangement and consideration. The Company continues to receive sampling support to some of the future works on the Lower Level Portal. A new Portal entrance and gate is in process with access available now to mobile equipment underground with the mud being sludged out of the level. A summary of the current information to date and the initial sampling program on the Lower Level are noted in the diagram

below.

Samples from the existing level where the Sample # 1 was taken, indicated gold mineralization of **9.57 g/t Au** over a **1.2 m true width** and a plus 100m strike length along that level. Work is also underway to trial process residual mud on the level over a Gravity table. This is twofold, to clean up the mine and determine gold recovery of the muds on the level.

(Grab samples are selected samples and are not representative of the mineralization hosted on the property)



Summary Pierce Points on the Miller Mine Long Section with rock sample from Level

The Company continued and extended its activities on an agreement to lease and purchase the Miller Mine in the Broadwater County of Montana. Following on from Lower Level sampling, previous access was made to the Upper Level with quartz and sulphide apparent over 100 metres (300 feet) in strike with extensions most likely. The Lower Tunnel Portal has been rehabilitated with access ability for a trackless loader. The trackless loader is in the process of being refurbished for use in second half of 2023.

These claims are approximately 29 miles to the North East of Townsend in Montana and add towards the consolidation strategy of the district that Transatlantic is undertaking.

During the year ended December 31, 2020, the Company exercised the First Renewal Term and paid US\$25,000 in cash. The remaining consideration for entering the First Renewal Term of US\$75,000 was paid on April 20, 2021.

On April 22, 2021, Alder Mountain Milling Corporation (“AMM”) with the agreement and acknowledgement of Olympus Resources LLC (“Lessor”), assigned, sold, set over and conveyed unto Transatlantic Montana Corporation (“TMC”) all of the lessee’s right, title and interest in and to the Mining Lease, including without limitation, the leasehold estate created thereby under the Mining Lease dated July 9, 2019. TMC agreed to assume certain obligations of the lessee under the Mining Lease.

On August 24, 2022, the Company announced that further to its works at the Miller Mine gold operation, the portal has now been opened up so as to newly access underground with modern mining and drilling equipment. The Portal Entrance was secured and timbered.

A new Winze Drive lower immediately below the Lower Level has been uncovered and is exposed currently over 30 metres of strike at a minus 20 degree gradient.

Some initial 10 kilogram rock samples have been taken from the exposed portion of the Winze Drive. We are waiting on initial assay results to the Lower Level Winze Drive.

Upcoming activities

The activities include continuing running the mud over a gravity table, keep pumping the Lower Winze Drive to the end and then sample exposed winze drive .



New Winze Drive Grab samples with and without quartz

New drilling and sampling is planned on the Lower Level development once the Lower Level and Lower Level Winze drive are pumped out , sampled and cleared.

Golden Jubilee Property

On December 14, 2020, the Company entered a Letter of Intent (“LOI”) to purchase the Golden Jubilee Project consisting of 22 unpatented mining claims situated in Granite County, Montana, along with any and all equipment and assets situated on or used in connection with the exploration of such mining claims. The property is subject to an underlying lease agreement incorporating a 3% net smelter royalty.

The Company will pay US\$550,000 to the seller in tranches as follows:

- US\$100,000 due upon completion of due diligence (paid).
- US\$25,000 due on December 14, 2020 (paid).
- US\$375,000 due on February 15, 2021 (paid).
- US\$50,000 due October 30, 2021 (paid).

On March 11, 2021, the Company completed the purchase of 100% of the Golden Jubilee Project.

At March 31 2023, the Company has refundable performance bonds of \$124,561 (US\$92,042) (December 31, 2022 - \$124,663 (US\$92,042)) for security of drilling activity requirements for the property.

The following summarizes key points to the transaction:

-
- Bulk Sample -2000**
447 t at 64.7 g/t Au
864 Oz Au
- Open Pit**
8 Kt at 20 g/t Au
5 Koz Au
- Mine Development 2014**
9.7 Kt at 9.01 g/t Au
- GJ_1610**
3.5 m at 2.4 g/t Au
- GJ_1611**
10.7 m at 9.9 g/t Au
- GJ_1613**
4.3 m at 5.2 g/t Au
- GJ_2101**
3.7 m at 5.1 g/t Au
- GJ 3**
4.6 m at 7.2 g/t
- GJ 4**
Not assayed
- GJ 1**
0.8 m at 6.8 g/t
- GJ 6**
4.4 m at 3.6 g/t
- GJC 3**
4.4 m at 10.1 g/t
- GJ 11**
6.2 m at 5.7 g/t
- GJ 14**
4.6 m at 8.3 g/t
- GJC 2**
4.4 m at 31.7 g/t
- GJ 15**
4.6 m at 4.3 g/t
- GJ 8**
3.8 m at 7.8 g/t
- GJC 1**
0.9 m at 3.5 g/t
- GJ 4**
15.7 m at 3.5 g/t
- GJ 5**
2.3 m at 0.7 g/t
- GJ 2**
0.8 m at 1.7 g/t
- GJ 16**
1.5 m at 3.6 g/t
- GJ 28**
0.8 m at 3.1 g/t
- GJ 29**
3 m at 1.5 g/t
- Legend**
- Drillhole > 1 gram metre Au
 - Drillhole > 5 gram metres Au
 - Drillhole > 20 gram metres Au
 - New Drill Result
 - Mine Development
- Open**
- Open**
- Open**
- 2200 m**
- 2150 m**
- 30700 m E**

The Company's previous drilling campaign into the Golden Jubilee deposit was reported with five assay results (Table 1*). The Company has since completed 10 reverse circulation holes in this quarter and is now awaiting assays from the Laboratory. The mineralization has been intersected down dip from previous intersections. Exploration Permits have been approved and an addendum to allow further holes to be drilled will be assessed when the new results are received. The gold

mineralization intersected is within an iron rich replacement shear vein and associated sulphides. Some characteristics of the mineralization include:

- The drilling intersections are shallow between 30 and 80 metres from surface.
- The contacts to the mineralization are in competent marbleized limestones.
- There is evidence for multiple parallel mineralized structures.

Drillhole Number	From (m)	To (m)	Length (m)	True Width (m) #	g/t Au	Vein
GJ 1610	31.2	34.7	3.5	3.5	2.42	Golden Jubilee
GJ 1611	36.3	46.9	10.7	7.0	9.89	Golden Jubilee
	Includes 3.7 m at 18.46 g/t Au					
GJ 1612					NSI	Exploration
GJ 1613	53	57.3	4.3	4	5.19	Golden Jubilee
	64	68.3	4.3	4	1.35	Parallel Vein
GJ 2101	75.5	78.6	3.7	3.5	5.05	Golden Jubilee
	Includes 1.0 m at 11.3 g/t Au					

(**Table 1***) Phase 1 drill results at the Golden Jubilee Mine

Aslam Awan PhD CP MAusIMM (CP Geo) is the Qualified Person pursuant to National Instrument 43-101 responsible for having reviewed and approved, the technical information contained in this news release. Mr Awan is the Principal for AAA GeoConsultants

The Golden Jubilee Gold Project, had a 50 line and 50 metre spaced Geophysical Land Survey partially completed. This ground survey was undertaking IP (Induced Polarisation) and resistivity data collection of 5,000 line metres in total. To date, the initial data survey has identified new targets and extensions outside the current mine footprint to 1 kilometre in strike .

Upcoming activities

A follow up to the next stage of work will be completed once new assays received.

Dewatering Discharge permits have been drafted for submission to the receiving government bodies.

Capitalized acquisition costs as of March 31,2023 are as follows:

	March 31, 2023
	(\$)
Monitor Property	
<i>Acquisition Costs</i>	645,629
St. Lawrence Property	
<i>Acquisition Costs</i>	122,167
Miller Mine Gold Project	
<i>Acquisition Costs</i>	138,327
Golden Jubilee Project	
<i>Acquisition Costs</i>	700,646

Mineral property expenses for the three months ended March 31, 2023 are as follows:

	For the Three Months Ended March 31, 2023				
	Golden Jubilee Project	Monitor	St. Lawrence	Miller Mine	Total
	(\$)	(\$)	(\$)	(\$)	(\$)
Assays and analysis	859	-	-	203	1,062
Consultants	16,641	3,164	906	8,963	29,674
Drilling	159	-	-	3,759	3,918
General and administrative field cost	3,185	637	319	23,734	27,875
Management fees	20,000	4,000	2,000	12,000	38,000
Professional fees	29,355	1,500	750	4,500	36,105
Rent	-	-	-	42,883	42,883
Salaries and wages	-	-	-	37,699	37,699
Travel, accommodation, and fuel	52	291	-	7,760	8,103
Total	70,251	9,592	3,975	141,501	225,319

Business Development

The Company continues its activities with focus on the Miller Mine, Monitor Mine and Golden Jubilee Property. In addition, reviewing technical considerations to evaluating other projects and to maximize the technical value of these high grade Gold and Copper Projects. The Company is reviewing and sourcing surface diamond drill contractors for the second half of 2023.

SELECTED ANNUAL INFORMATION

	Year Ended December 31, 2022 \$	Year Ended December 31, 2021 \$	Year Ended December 31, 2020 \$
General & Administrative and Other Income (Expenses)	(2,111,331)	(587,986)	8,561,791
Exploration Expenses	1,567,738	837,121	956,684
Income Tax Expense	25,669	219,323	862,063
Net Income (Loss) and Comprehensive Income (Loss)	(3,704,738)	(1,644,430)	6,743,044
Net Earnings (Loss) per Share - basic	(0.04)	(0.02)	0.08
Net Earnings (Loss) per Share - diluted	(0.04)	(0.02)	0.07
Total Assets	6,239,680	9,668,492	11,921,711

SUMMARY OF QUARTERLY RESULTS

A summary of financial results for the eight most recently completed quarters ending March 31, 2023:

	Revenue (\$)	General & Administrative and Other Income (Expenses) (\$)	Exploration Expenses (\$)	Net Income (Loss) and Comprehensive Income (Loss) (\$)	Earnings (Loss) per Share (\$)
Mar-31-2023	-	(175,849)	225,319	(401,168)	(0.00)
Dec-31-2022	-	(277,927)	652,007	(955,603)	(0.01)
Sep-30-2022	-	(744,909)	431,052	(1,175,961)	(0.01)
Jun-30-2022	-	(1,035,090)	221,757	(1,256,847)	(0.01)
Mar-31-2022	-	(53,405)	262,922	(316,327)	(0.00)
Dec-31-2021	-	(310,643)	368,121	(898,087)	(0.01)
Sep-30-2021	-	462,574	228,423	234,151	0.00
Jun-30-2021	-	113,435	103,334	10,101	0.00

Fiscal 2023

During the first quarter of 2023, the Company recorded a loss of \$401,168 compared to a loss of \$955,603 in the fourth quarter of 2022. The significant change is mainly due to decrease in loss on mineral property expenses incurred during the first quarter of 2023.

Fiscal 2022

During the fourth quarter of 2022, the Company recorded a loss of \$955,603 compared to a loss of \$1,175,961 in the third quarter of 2022. The significant change is mainly due to change in fair value of investment during the fourth quarter of 2022.

During the third quarter of 2022, the Company recorded a loss of \$1,175,961 compared to a loss of \$1,256,847 in the second quarter of 2022. The significant change is mainly due to change in fair value of investments during the third quarter of 2022.

During the second quarter of 2022, the Company recorded a loss of \$1,256,847 compared to a loss of \$316,327 in the first quarter of 2022. The significant change is mainly due to change in fair value of investments during the second quarter of 2022.

During the first quarter of 2022, the Company recorded a loss of \$316,327 compared to a loss of \$898,087 in the fourth quarter of 2021. The significant change is mainly due to increase in foreign exchange loss and a decrease in loss on sale of Endomines shares incurred during the first quarter of 2022.

Fiscal 2021

During the fourth quarter of 2021, the Company recorded a loss of \$898,087 compared to an income of \$234,151 in the third quarter of 2021. The significant change is mainly due to foreign exchange loss and increase in loss on sale of Endomines shares and income tax expense incurred during the fourth quarter of 2021.

During the third quarter of 2021, the Company recorded an income of \$234,151 compared to an income of \$10,101 in the second quarter of 2021. The significant change is mainly due to increase in foreign exchange gain, gain on debt settlement recognized during the third quarter of 2021 and decreased in the loss on sale of Endomines shares.

During the second quarter of 2021, the Company recorded an income of \$10,101 compared to a loss of \$990,595 in the first quarter of 2021. The significant change is mainly due to decrease in general administration expenses and mineral property expenses during the second quarter of 2021. Recognized gain on investment due to change in fair value of investments compared to a loss on investment during the first quarter of 2021.

RESULTS OF OPERATIONS

Three months ended March 31, 2023

The Company has earned a revenue of \$Nil during the three months ended March 31, 2023 and 2022. Exploration expenditures of \$225,319 were lower by \$37,603 than the \$262,922 during the three months ended March 31, 2022, due to increased costs in exploration activities in relation to the Golden Jubilee and Miller Mine Gold Project with drilling and rehabilitation programs. Recognized loss on sale of Endomines investments of \$167,272. Recognized gain on investment of \$19,966 due to change in fair value of the Endomines investment.

General and administration expenses during the three months ended March 31, 2023 totaled \$34,075 which were lower by \$54,106 than the \$88,181 in the same period in 2022. This is mainly due to decrease in amortization and project investigation costs during the current period.

LIQUIDITY AND CAPITAL RESOURCES

As of March 31, 2023, the Company had working capital deficit of \$1,753,313 compared to a working capital deficit of \$ 1,357,955 as of the year ended December 31, 2022.

Three months ended March 31, 2023

During the three months ended March 31, 2023, net cash used in operating activities was \$449,628 (2022 - \$324,673) comprising of a net loss of \$401,168 (2022 - \$316,327), amortization of \$5,705 (2022 - \$23,723), change in fair value of shares consideration of \$19,966 (2022 - \$102,527), loss on sale of Endomines shares of \$167,272 (2022 - \$21,432), interest income of \$Nil (2022 - \$51,875), unrealized foreign exchange gain of \$19,940 (2022 - loss of \$83,209), decrease in receivables of \$Nil (2022 - \$175,586), decrease in prepaid expenses of \$6,394 (2022 - \$48,040), and decrease in accounts payable and accrued liabilities of \$169,036 (2022 - \$205,934).

Cash used in investing activity for the three months ended March 31, 2023 was \$179,834 (2022 - \$175,375) comprising of proceeds from the sale of investment.

There was no financing activity during the three months ended March 31, 2023 and 2022.

The Company is engaged in mineral exploration and development and is exposed to a number of risks and uncertainties inherent to the mineral resource industry. This activity is capital intensive at all stages and subject to fluctuations in metal prices, market sentiment, currencies, inflation and other risks. The Company currently has no source of material revenue and relies primarily on equity financings to fund its exploration, development, and administrative activities. Material increases or decreases in the Company's liquidity will be determined by the success or failure of its exploration and development activities, as well as its continued ability to raise capital. The current recessionary credit conditions have severely limited the Company's ability to raise financing through its usual methods and if these conditions persist, they will materially decrease the Company's liquidity and capital resources.

The Company's ability to continue as a going concern is dependent on continued financial support from its shareholders, and the ability of the Company to raise equity and other forms of finance to generate a future cashflow mining model. While management has been successful in obtaining additional sources of finance in the past, there can be no assurance that it will be able to do so in the future.

RELATED PARTY TRANSACTIONS

The following table summarizes services provided by related parties:

	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022
	(\$)	(\$)
Management (a)	40,000	60,000
Consulting and director fees (b)	19,243	19,176
	59,243	79,176

(a) The Company accrued management fees of \$40,000 (2022 - \$60,000) to the CEO of the

- Company, of which \$38,000 (2022 - \$54,000) is included in property expenditures.
- (b) The Company accrued consulting fees of \$19,243 (2022 - \$10,000), of which \$9,500 (2022 - \$9,000) is included in property expenditures, and director fees of \$9,243 (2022 - \$9,176) to directors of the Company.

As of March 31, 2023, \$3,443,847 (December 31, 2022 - \$3,483,265) is due to related parties, being directors of the Company, for the services above, which is included in accounts payable and accrued liabilities. Amounts due to related parties are unsecured, non-interest bearing and have no fixed terms of repayment.

FINANCIAL INSTRUMENTS

The fair value of the Company's financial assets and liabilities approximates the carrying amount.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 - Inputs that are not based on observable market data.

The fair value of cash is based on level 1 inputs and approximates its carrying value due to the immediate or short-term maturity of these financial instruments; the fair value of the Company's investment securities, which are publicly traded, was estimated using level 1 inputs being the quoted market price.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk: Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is in its cash accounts and its receivables. This risk is managed through the use of a major bank that is a high credit quality financial institution as determined by rating agencies. The risk associated with its receivables is minimal.

Liquidity risk: Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Liquidity risk arises through the excess of financial obligations due over available financial assets at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available capital in order to meet its liquidity requirements. Liquidity risk is assessed as high.

Currency risk: Currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company's functional currency is the Canadian dollar. The Company is exposed to currency exchange rate risk to the extent of its activities in Australia and the United

States. The Company's currency risk is presently limited to approximately \$240,253 of net exposure denominated in Australian dollars and approximately \$455,992 of net exposure denominated in US dollars. Based on this exposure as at March 31, 2023, a 5% change in the Australian dollar to Canadian dollar exchange rate would impact the Company's net loss by \$12,013 and by \$22,800 for a 5% change in the US dollar to Canadian dollar. Management believes the foreign exchange risk derived from currency conversions from the Australian and U.S. operations is not significant and does not hedge its foreign exchange risk.

Future changes in exchange rates could have a material effect on the Company's business, financial condition and results of operations.

Industry risk: The Company is engaged primarily in the mineral exploration field and manages related industry risk issues directly. The Company is potentially at risk for environmental reclamation and fluctuations in commodity-based market prices associated with resource property interests.

Management is of the opinion that the Company addresses environmental risk and compliance in accordance with industry standards and specific project environmental requirements.

Interest rate risk: Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate risk is not significant as the Company's assets and liabilities do not bear any interest.

Capital management: The Company manages its capital structure based on the funds available to the Company in order to fund its general and administration expenses, support acquisition, maintenance, exploration, and development of mineral properties. The capital structure of the Company consists of equity and debt obligations, net of cash and cash equivalents. The Board of Directors has not established any quantitative return on capital criteria for management, instead relying on the expertise of the Company's management to sustain future development of the business. The properties in which the Company currently has interests are in the exploration stage and early production development, so the Company is dependent on external financing to fund its activities. In order to carry out activities and administration, the Company will spend its existing working capital and raise additional amounts as needed. The Company is not subject to any externally imposed restrictions on capital. There were no changes in the Company's approach to capital management during the period.

SHARE CAPITAL

The Company's authorized share capital consists of an unlimited number of common shares without par value. As of March 31, 2023, and as of the date of this report, the total number of common shares issued and outstanding is 86,639,916.

As of March 31, 2023, and as of the date of this report, the total number stock options issued and outstanding is 14,000,000.

As of March 31, 2023, and as of the date of this report, the total number of share purchase warrants issued and outstanding is Nil.

CHANGES IN ACCOUNTING POLICIES

Accounting standards issued but not yet effective

There are no other IFRS or International Financial Reporting Interpretations Committee interpretations that are not yet effective that would be expected to have a material impact on the Company's consolidated financial statements.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

LITIGATION

The Company is involved in litigation and disputes arising from the normal course of operations. Management is of the opinion that the outcome of any potential litigation will not have a material adverse impact on the Company's financial position or results of operations. At March 31, 2023, the Company has accrued for what it believes is a reasonable amount with respect to any litigation claims.

SUBSEQUENT EVENTS

On April 13, 2023, the Company released assay results from the most recent drilling program at the Golden Jubilee Mine. The drilling at the Golden Jubilee mine consisted of 10 reverse circulation holes. The results from this drilling program confirm that the mineralized structure continues downdip and along strike from mineralization, which has been either mined previously or delineated by earlier drilling.

Highlights

New drill results:

- Drill hole No. 2201:
 - 9.1 metres at 7.8 grams per tonne gold from 64-metre depth (8.0-metre true width) (including 1.5 metres at 16.11 g/t Au);
 - 6.1 metres at 6.86 g/t Au from 86.9-metre depth (5.5-metre true width);
- Drill hole No. 2203:
 - 6.1 metres at 13.1 g/t Au from 111.3-metre depth (6.0-metre true width) (including 3.0 metres at 17.3 g/t Au).