ARCWEST EXPLORATION INC.
Management Discussion and Analysis
For the six months ended June 30, 2023

This management discussion and analysis of financial position and results of operations ("MD&A") is prepared as at August 28, 2023 and should be read in conjunction with the unaudited interim financial statements for the three and six months ended June 30, 2023 of ArcWest Exploration Inc. (the "Company" or "ArcWest"), together with the audited financial statements of the Company for the year ended December 31, 2022, as well as the accompanying MD&A for the year then ended (the "Annual MD&A").

The referenced unaudited condensed interim financial statements have been prepared in accordance with International Accounting Standards 34, "Interim Financial Reporting", using accounting policies consistent with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the IFRS Interpretations Committee ("IFRIC"). All dollar amounts included therein and in the following MD&A are expressed in Canadian dollars except where noted.

The Company's critical accounting estimates, significant accounting policies and risk factors as disclosed in the Annual MD&A have remained substantially unchanged and are still applicable to the Company unless otherwise indicated.

In this discussion, unless the context requires otherwise, references to "we" or "our" are references to ArcWest Exploration Inc.

Forward Looking Statements

This Management's Discussion and Analysis ("MD&A") contains certain statements, other than statements of historical fact that are forward-looking statements which reflect the current view of the Company with respect to future events including corporate developments, financial performance and general economic conditions which may affect the Company. The forward-looking statements in this MD&A include, but are not limited to: the exploration status of our Oweegee Dome, Todd Creek, Oxide Peak, Eagle, Rip, Teeta Creek, NVI and Sparrowhawk properties; related commitments and timelines for development of these properties; and future funding requirements for the Company. Forward-looking statements are included, but are not limited to, those statements set out in this MD&A under Description of Business and Overall Performance, Future Plans and Outlook, Future Changes in Accounting Policies and Risks and Uncertainties.

We have based these forward-looking statements largely on our current expectations, projections and assumptions made based on our experience, perception of historical trends, the current business and financial environment. Key assumptions upon which the forward-looking statements are based include the following:

a) If required, the Company will be able to secure additional financial resources;
b) Key personnel will continue their positions with the Company;
c) We will be able to enter into partnerships and/or complete exploration programs on our properties.

Forward-looking statements should not be read as a guarantee of future performance or results and will not necessarily be accurate indications of the times at, or by, which such performance or results will be achieved. Forward-looking statements are based on information available at the time those statements are made and/or management's good faith belief as of that time with respect to future events and are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in or suggested by the forward-looking statements. Risks that could cause actual results to differ from current expectations include: our ability to source new projects and properties; our ability to attract partners to conduct advanced exploration on our property portfolio; general economic and financial market conditions; inability to raise capital; and retaining key directors and management.

Except as may be required by applicable law or stock exchange regulation, we undertake no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events. Accordingly, readers should not place undue reliance on forward-looking statements. If we do update one or more forward-looking statements, no inference should be drawn that additional updates will be made with respect to those or other forward-looking statements. Additional information relating to our Company is available by accessing the SEDAR website at www.sedarplus.ca.

Description of Business

ArcWest was incorporated under the Business Corporations Act (British Columbia) on December 23, 2010, and trades on the TSX Venture Exchange under the stock symbol "AWX".

The registered and records office of the Company is located at Suite 1700, Park Place, 666 Burrard Street, Vancouver, British Columbia, V6C 2X8. The head office of the Company is located at 1000-355 Burrard Street, Vancouver, BC V6C 2G8.

ArcWest is engaged in mineral exploration utilizing a "prospect generator" business model initially focused on securing exploration properties of exceptional merit in the highly prospective Golden Triangle region of British Columbia and other proven mining districts throughout BC. ArcWest plans to provide geological expertise and funding to efficiently build value in these properties and use joint ventures to build resources through the more expensive drilling stages.

Recent Business Activities

- On July 26, 2023, the Company announced an approved expenditure of a $2.8 million Todd Creek Copper-Gold Exploration Program to be funded by Freeport-McMoRan Mineral Properties Canada Inc. ("Freeport") as per an earn-in agreement announced March 10, 2023.

- On July 25, 2023, the Company announced partner funded exploration drilling has intersected porphyry-style copper-gold-molybdenum ("Cu-Au-Mo") mineralization on its Oxide Peak project, situated in British Columbia's Toodoggone District, northern B.C.

- On April 26, 2023, the Company announced initial drill results from 2022 drilling on its Oweegee Dome Porphyry Copper-Gold project ("Oweegee") located within British Columbia's renowned Golden Triangle. Partner Sanatana Resources ("Sanatana") completed a large program of mapping, rock and soil geochemical sampling, spectrographic, induced polarization ("IP") and diamond drilling at Oweegeein 2022, including 3679 meters of drilling in twelve drill holes.

- On March 10, 2023, the Company announced that it had entered into an earn-in agreement with Freeport-McMoRan Mineral Properties Canada Inc. ("Freeport") to advance the Todd Creek project located in BC's Golden Triangle. Under the terms of the earn-in agreement, Freeport has a two-stage option to earn up to an 80% ownership interest over a 10-year period. To earn an initial 51% interest, Freeport is required to fund $20,000,000 of work expenditures over a 5-year period and make staged cash payments to ArcWest totaling $900,000. ArcWest will be the operator during the initial earn-in period. Upon Freeport earning such 51% interest, it can elect, at its sole discretion, to earn an additional 29% ownership interest (for a total 80% interest) by sole funding a further $30,000,000 of work expenditures within the following five years and make staged cash payments to ArcWest totaling $750,000. Once Freeport has finalized its earned ownership interest at either the 51% or 80% level, each party will be responsible for funding its pro rata share of project costs on a 51:49 or 80:20 basis.

Future Plans and Outlook

ArcWest's plan is to become a pre-eminent North American project generator with an initial focus on British Columbia and its highly prospective Golden Triangle and other highly prospective porphyry copper - gold belts in BC. ArcWest believes its properties represent some of the most prospective targets available in BC and is in a position to deliver increased shareholder value by providing geological expertise and funding to advance current properties and acquire new projects.

Operations Review

ArcWest owns eight mineral exploration projects in British Columbia as follows.

Todd Creek

ArcWest's 100% owned, 32,133-hectare Todd Creek project is located 30 km northeast of Stewart and 45 km southeast of the giant KSM-Iron Cap porphyry Cu-Au (Seabridge Gold) and Treaty Creek Au-Ag+/-Cu (Tudor) deposits in B.C.'s Golden Triangle. The project is also located 35 km southeast of Pretium Resource Inc.'s ("Pretium") Brucejack gold-silver mine (ArcWest's and Pretium's claims are contiguous) and is proximal to the Brucejack mine road. On November 9, 2021, Newcrest Mining Limited ("Newcrest") announced the acquisition of Pretium and its Brucejack mine in a transaction valued at CAD $3.5 billion. Collectively, the KSM-Iron Cap (Seabridge Gold), Treaty Creek (Tudor Gold-Teuton Resources-American Creek Resources) and Brucejack (Pretium /Newcrest) projects contain an estimated 199 million oz gold, 790 million oz silver and 51 billion lbs copper (Roulston, 2021).

The Todd Creek project hosts a 12 km N-S, variably Cu-Au mineralized gossan on the west side of Todd Creek valley that is prospective for KSM-Iron Cap-like porphyry Cu-Au systems. Multiple underexplored VMS occurrences on the east side of Todd Creek valley are prospective for Eskay Creek-like precious and base metal enriched VMS systems. An epithermal Au-Ag-Cu system, the South Zone, is present at low elevations on the west side of the Todd Creek valley. South Zone is host to a non-43-101 compliant historic resource calculated by Noranda Inc. ("Noranda") totaling 207,000 tonnes grading 5.48 g/t Au (Hemlo Gold Mines, 1988 Annual Report). The South Zone is open in multiple directions. ***It should be noted that the historical estimates by Noranda were made by a source believed to be reliable. However, the estimates have not yet been independently verified according to The Canadian Institute of Mining, Metallurgy and Petroleum standards. The resource estimate is presented for historical purposes only. Therefore, the Company is not treating the estimate as a National Instrument 43-101 defined resource, and the historical estimate should not be relied upon.***

On March 10, 2023, the Company announced that it had entered into an earn-in agreement with Freeport to advance ArcWest's Todd Creek copper-gold project located in BC's Golden Triangle. Under the terms of the earn-in agreement, Freeport has a two-stage option to earn up to an 80% ownership interest over up to a 10-year period. On July 26, 2023, the Company announced an approved expenditure of $2.8 million on the copper-gold project to be funded by Freeport.

On May 4, 2023, the Company entered into an option agreement with a Confidential Optionee (the "Optionee") to purchase certain mineral claims (the "Claims") within Todd Creek. Pursuant to the option agreement, the Company granted the Optionee the option to purchase the Claims for $500,000 on or before April 30, 2024. An annual claims maintenance fee of $100,000 (the "Annual Maintenance Fee") is due by May 1, 2024 ($50,000 advanced as at June 30, 2023) and each subsequent Annual Maintenance is due on each successive anniversary provided that the Optionee has exercised the option to purchase.

Oweegee Dome

ArcWest's 100% owned, 31,077-hectare Oweegee Dome porphyry Cu-Mo-Au project is located 45 km east of Seabridge Gold's supergiant KSM-Iron Cap porphyry Cu-Au project and 40 km east of Tudor Gold's Treaty Creek Au-Ag-Cu project. Oweegee Dome is also situated 34 km northeast of Newcrest's high grade Brucejack gold-silver mine. The Oweegee Dome project hosts multiple underexplored porphyry Cu-Au systems of significant size, including the large Delta and Skowill East gossans.

On July 21, 2021, the Company announced that Sanatana signed an earn-in agreement for the Oweegee Dome porphyry copper-gold project. In August 2021, geological mapping and sampling and an induced polarization geophysical survey was carried out on the property.

On September 21, 2021, the Company announced the discovery of a new copper-bearing zone (Tarn zone) at the northern portion of Oweegee Dome. A helicopter-borne magnetic and radiometric survey was subsequently completed over the Tarn zone and the surrounding Skowill East area. The 2021 geological and geophysical work programs were focused on the southern portion of Oweegee Dome at the Delta target area which includes at least three known porphyry Cu-Au occurrences at Delta Ridge, Molloy, and Snowpatch Creek. Geological mapping confirmed the presence of porphyry-style quartz stockwork veins hosted within microdiorite at the Molloy showing, while copper bearing potassic altered diorite dykes were observed at Snowpatch Creek. Over 200 rock samples were submitted for multi-element analysis. The ground geophysical program consisted of a 3D IP survey across the three showings within the Delta target area and comprised 9.7 line km over 6 roughly north-south lines.

On April 21, 2022, the Company announced an amending agreement to the Oweegee Dome earn-in agreement, providing Sanatana with an extension to the December 31, 2021 deadline for an aggregate payment to ArcWest of $50,000 (paid) and 300,000 Sanatana common shares (received).

On May 5, 2022, the Company announced positive copper (Cu) – gold (Au) assays from the Molloy Zone as well as progress on other targets at its Oweegee Porphyry Copper-Gold (Cu-Au) project located within British Columbia's renowned Golden Triangle. ArcWest and partner Sanatana completed a substantial program of mapping, rock sampling, geochronology, petrography, spectrographic, induced polarization (IP) and airborne magnetic surveys at Oweegee in 2021. The discovery of intrusive hosted, porphyry Cu-Au-style veins at the Molloy Zone in 2021 was reported in ArcWest's press release dated September 21, 2021.

During the year ended December 31, 2022 Sanatana fulfilled the first anniversary exploration expenditures and issued 400,000 common shares to ArcWest to keep the First Option in good standing.

On April 26, 2023, the Company announced initial drill results from 2022 drilling on its Oweegee Dome Porphyry Copper-Gold project ("Oweegee") located within British Columbia's renowned Golden Triangle. Partner Sanatana Resources ("Sanatana") completed a large program of mapping, rock and soil geochemical sampling, spectrographic, induced polarization ("IP") and diamond drilling at Oweegeein 2022, including 3679 meters of drilling in twelve drill holes.

Willoughby

The Willoughby project was sold to Strikepoint Gold Inc. ("Strikepoint") in a property purchase agreement announced April 17, 2019. ArcWest received $85,000 and 3,000,000 common shares of Strikepoint. ArcWest retains a 1.5% NSR on the project, which can be reduced to 1% for an additional cash payment of $1,000,000.

Oxide Peak

ArcWest's 100% owned Oxide Peak project is situated in the northern part of the Toodoggone Au-Cu district. The region hosts extensive Early Jurassic porphyry Cu-Au and epithermal Au-silver (Au-Ag) mineralization including several past producing Au-Ag mines (Baker, Lawyers, Shasta) and the large Kemess South Au-Cu porphyry deposit. The southern half of the project is located 10 km east of Benchmark Metal's Lawyer's project. Historical production in the district exceeds 3.2 million ounces of Au and 360,000 tonnes of Cu.

ArcWest announced an earn-in and joint venture agreement with TDG Gold (formerly Locrian Resources Inc.) for Oxide Peak on December 23, 2019. In 2020, TDG Gold completed a geological mapping/sampling and geophysical (induced polarization) program focused on the Oxide Peak porphyry copper-gold target at the north end of the property. The program was successful in delineating a porphyry Cu-Au target of significant size situated on the east flank of Oxide Peak. Results of the 2020 exploration program are discussed in ArcWest press release dated January 27, 2021.

On April 22, 2022, the Company announced results of TDG Gold's 2020 and 2021 exploration programs at Oxide Peak, including the results of the December 2021 1,000 metre drill program at the Drybrough target. Mapping, sampling (rock and soil) and geophysical surveys (magnetics and induced polarization) have delineated targets for porphyry Cu-Au mineralization at the undrilled Oxide Peak zone. TDG Gold plans to conduct a first phase drill test of porphyry Cu-Au targets at Oxide Peak in late August 2022.

By letter dated December 8, 2022, TDG Gold alleged that it exceeded the minimum expenditures and is therefore taking steps to exercise the First Option. The Company is of the position that TDG Gold's expenditures do not meet the requirements of the Oxide Pak Agreement and therefore the minimum expenditure threshold has not been met. TDG Gold and the Company are currently in negotiations to resolve the dispute.

On July 25, 2023, the Company announced partner funded exploration drilling has intersected porphyry-style copper-gold-molybdenum ("Cu-Au-Mo") mineralization on its Oxide Peak project, situated in British Columbia's Toodoggone District, northern B.C.

Rip

The Rip Property is a copper molybdenum porphyry ("Cu-Mo-Au") prospect located in the Skeena Arch approximately 60 km south of Houston, BC. The property is in a prospective part of the Skeena Arch, which includes the past producing Huckleberry, Silver Queen and Equity mines as well as projects with significant known mineral resources including Berg, Poplar and Seel/Ox.

Fieldwork at Rip was completed in September 2021 and included validation sampling of the Rox showing and historical trenches at the Tets showing. After reviewing results from sampling and mapping at the Rox and Tets showings, claims over the showings were allowed to lapse and the main Rip showing was kept in good standing. Discussions with multiple potential partners for the project are ongoing.

Eagle

ArcWest's road accessible Eagle porphyry Cu-Au project is located approximately 90 kilometres northwest of Fort St. James. The project is situated midway between several significant Cu-Au deposits. Centerra Gold's Mt. Milligan mine is located approximately 50 kilometres to the east. The advanced stage Kwanika porphyry Cu-Au deposit and the neighbouring Stardust carbonate replacement Cu-Au deposit (NorthWest Copper Corp.) are located approximately 50 km to the northwest.

ArcWest announced an earn-in and joint venture agreement for Eagle with Wedgemount on October 5, 2020. Wedgemount conducted a VTEM survey on the property in November 2020. The survey demonstrated that Cu-Au mineralized breccias on the property form readily identifiable geophysical anomalies. The survey identified similar geophysical anomalies throughout the property that might represent additional, previously unrecognized porphyry Cu-Au centres. The results of this exploration program are discussed in an ArcWest press release dated January 27th, 2021.

On August 5, 2021, the Company announced initial assay results from Wedgemount's 2021 exploration program at the Eagle copper-gold project. Sampling was focussed at the three main zones (Nighthawk, Vector and Mid) to verify mineralization style and grade and to expand known mineralization footprints as well as other high priority targets that display coincident soil geochemical and ground and/or airborne geophysical anomalism. Of 51 rock samples collected, a total of 43 returned copper concentrations in excess of 1,000 ppm (0.1% copper) and 12 samples returned results ranging from 1.26% copper to the highest at 9.86% copper.

Anomalous copper grades are complimented with anomalous gold and silver values which averaged 0.292 g/t gold and 8.23 g/t silver for copper results in excess of 1,000 ppm and 0.725 g/t gold and 20.0 g/t silver for copper concentrations above 1%. The best copper-gold-silver result was sample D702202, which returned 9.86% copper, 2.5 g/t gold and 77.7 g/t silver. This sample was collected from a 20 by 20 metre gossanous outcrop at the Nighthawk showing. Multiple samples collected over an 800 m^2 area in the vicinity of the Nighthawk showing returned strong copper-gold values; these include sample D702202 (9.86% copper, 2.5 g/t gold and 77.7 g/t silver), sample D702210 (7.95 % copper and 1.59 g/t gold) and D702206 (4.42 % copper and 1.30 g/t gold).

On December 15, 2021, the Company announced that partner Wedgemount reported results from its 2021 induced polarization ("IP") geophysical survey at Eagle. The IP survey included 20.5 line kilometres covering an area of approximately 8.75 km^2; focused on the 3.5 kilometre long Nighthawk-Mid-Vector copper-gold mineralized trend. A new coincident high-chargeability and high-resistivity anomaly was discovered east of the historic Vector Zone, which is coincident with anomalous copper in soils (up to 3100 ppm copper from historical surveys) – this area represents a new exploration target located nearly 500 metres east of historical drilling. A second zone of high-chargeability was identified between the Mid and Nighthawk zones with a coincident magnetic low, and could represent an untested porphyry target. A southeastern IP line, which tested the core of the Nighthawk Zone, defined an intense chargeability anomaly that increases in size with depth. From the IP survey it's now apparent that historic drilling at Nighthawk (DDH EA-91-06 which returned up to 27.3 metres of 0.87 % copper and 0.32 grams per tonne gold) tested only a narrow near-surface chargeability anomaly.

A mandatory minimum exploration expenditure of $250,000 was required at Eagle before December 31st, 2021, including a minimum 1,000 m of drilling. Wedgemount and ArcWest agreed to extend this deadline to December 31, 2022. In return, Wedgemount issued 400,000 common shares and paid $25,000 in cash; which payments will be credited towards future payments due to ArcWest as per the Eagle earn-in and joint venture agreement.

On August 12, 2022, Wedgemount relinquished their option to earn an interest in the Eagle project. ArcWest is currently seeking a new partner for the project. Discussions with multiple potential partners for the project are ongoing.

Sparrowhawk

ArcWest's road accessible, 10,006 hectare Sparrowhawk project adjoins Glencore Canada's past producing Bell and Granisle open pit mines and extends to the north where it is contiguous with Pacific Booker's advanced stage Morrison project. Significant Cu-Au resources remain at Bell and Granisle open pits. At Bell alone, measured plus indicated resources total 257 million tonnes of 0.4% Cu and 0.2 g/t Au (Glencore Resources & Reserves as at December 31, 2021). The Sparrowhawk project is 11 kilometres southeast of the Morrison Cu deposit, which has a proven plus probable reserve of 224.25 Mt with an average grade of 0.33% Cu, 0.163 g/t Au and 0.004% Mo. In addition to containing multiple exploration targets for Bell-like porphyry Cu-Mo-Au systems, the Sparrowhawk property also underlies proposed sites for tailings and waste management facilities in the event of a Bell-Granisle restart. Source: Glencore Resources and Reserves, as at 31 December, 2021, pg 21.

https://www.glencore.com/.rest/api/v1/documents/fb0cafaa3ec10b90571130be41ba4270/2021-GLEN_Resources-and-Reserves-report.pdf

Fieldwork at Sparrowhawk was completed in September 2021 and included follow-up prospecting and the relogging, re-boxing and select re-sampling of historical core. Discussions with multiple potential partners for the project are ongoing.

Fieldwork completed at Sparrowhawk in October 2022 included geological mapping, geochemical sampling and a drone magnetometer survey. Results for the October 2022 program are pending release.

Teeta Creek

ArcWest's 100% owned Teeta Creek porphyry Cu-Au-Mo project on Vancouver Island, is located 23 kilometres south of BHP-Billiton's past producing Island Copper porphyry Cu-Mo-Au mine, and approximately 40 km south of NorthIsle Copper and Gold Inc.'s advanced stage Hushamu porphyry Cu-Au project. Historical drilling on the project intersected significant Cu mineralization in multiple holes.

North Vancouver Island ("NVI")

ArcWest's 100% owned, road accessible NVI porphyry Cu-Mo-Au project is located approximately 16 km southwest of BHP-Billiton's past producing Island Copper porphyry Cu-Mo-Au mine, and approximately 40 km south of NorthIsle Copper and Gold Inc.'s advanced stage Hushamu porphyry Cu-Au. The 6,884-hectare NVI property was staked to cover a zone of porphyry Cu style veining discovered by ArcWest geologists on its west side (NVI showing; see ArcWest August 23 press release), multiple historic Cu occurrences on its east side, and a large belt of Miocene volcanic-intrusive centres that have recently been recognized as prospective for porphyry Cu-Au mineralization. Similarly aged centres in northern Vancouver Island are host to significant porphyry Cu-Mo-Au mineralization, including ArcWest's nearby Teeta Creek project, which was optioned to Teck in an earn-in agreement announced on October 15, 2019.

ArcWest announced an earn-in and joint venture agreement with Teck Resources for NVI on December 20, 2019. Teck completed desktop studies, geological mapping and geochemical sampling in 2020. Following the release of final reports on the program, Teck has relinquished its options to earn an interest in the Teeta Creek and NVI projects. Discussions with multiple potential partners for the project are ongoing.

References:

Roulston, L. (2021): Golden Triangle Update; Resource World, URL https://resourceworld.com/golden-triangle-update/ (September 2021)

Investors are cautioned that ArcWest has not verified the historic data from the any of the Todd Creek, Willoughby, Oweegee Dome, Oxide Peak, Eagle, Huckleberry, NVI, Rip, Sparrowhawk or Teeta Creek properties. The true widths of any of the properties' drill intersections are unknown at this time. Investors are cautioned that ArcWest has not verified the data from the Brucejack, KSM-Iron Cap, Treaty Creek, Mt. Milligan, Kwanika, Stardust, Baker, Shasta, Kemess, Bell, Granisle, Morrison, Island Copper and Hushamu deposits. Further, the presence and style of mineralization on these properties is not necessarily indicative of similar mineralization on the ArcWest property.

Historical assays have not been verified by ArcWest but have been cited from sources believed to be reliable. ArcWest's disclosure of a technical or scientific nature has been reviewed and approved by Nigel Luckman, PGeo, who serves as a Qualified Person under the definition of National Instrument 43-101.

Results of Operations

Selected Financial Information

The following table represents selected financial information for the Company's three and six month period ended June 30, 2023 and 2022:

Selected Statement of Operations Data

	Three months ended June 30		Six months ended June 30	
	2023	**2022**	**2023**	**2022**
Comprehensive Loss	($143,440)	($445,699)	($304,317)	($664,725)
Weighted Average Shares Outstanding	82,977,957	82,774,396	82,977,957	82,650,959
Loss per Share	($0.00)	($0.01)	($0.00)	($0.01)

Three months ended June 30, 2023

The Company incurred a comprehensive loss of $143,440 ($0.00 per share) for the three months ended June 30, 2023 compared to a comprehensive loss of $445,699 ($0.01 per share) for the three months ended June 30, 2022. The expenses with the greatest variances from the prior year quarterly period are discussed below:

Professional fees –$33,000 (2022 - $49,355) – The decrease in professional fees relates to decreased audit and legal costs for general business matters.

Wages & Administrative - $51,030 (2022 - $74,226) – The wages & administrative costs have decreased primarily due to a higher allocation of employee's time spent on the mineral properties and therefore costs are being reclassified from expenses.

Share-based payments –$nil (2022 - $7,513) – The decrease in share-based payments is the result of no stock options vesting during the current period.

Loss on marketable securities –$34,192 (2022 - $271,704) – The decrease in unrealized losses on marketable securities was the result of stronger stock prices in equity markets.

Six months ended June 30, 2023

The Company incurred a comprehensive loss of $304,317 ($0.00 per share) for the six months ended June 30, 2023 compared to a comprehensive loss of $664,725 ($0.01 per share) for the six months ended June 30, 2022. The expenses with the greatest variances from the prior year quarterly period are discussed below:

Director fees - $10,419 (2022 - $18,000) – The decrease in director fees relates to less meeting and committee fees paid during the period due to the resignation of a Board member.

Investor relations - $1,160 (2022 - $10,762) – The investor relations costs have decreased as the Company decreased its marketing and investor relations activities during the period principally due to attending fewer conferences.

Wages & Administrative - $98,671 (2022 - $198,008) – The wages & administrative costs have decreased primarily due to the prior period's one-time settlement payment of $41,666 as well as higher allocation of employee's time spent on the mineral properties and therefore costs are being reclassified from expenses.

Share-based payments –$246 (2022 - $6,666) – The decrease in share-based payments is the result of less stock options vesting over the period.

Loss on marketable securities –$72,983 (2022 - $294,703) – The decrease in unrealized losses on marketable securities was the result of stronger stock prices in equity markets.

Selected Statement of Financial Position Data

	June 30, 2023	December 31, 2022
Cash and cash equivalents	$1,809,299	$1,777,274
Net working capital	$1,913,153	$2,143,373
Total assets	$5,500,492	$5,782,091
Long term liabilities	$nil	$nil

Quarterly Information

The following table presents the Company's quarterly results for the periods ending September 30, 2021 to June 30, 2023 inclusive:

(unaudited)	2023 Q2	2023 Q1	2022 Q4	2022 Q3
Total assets	$5,500,492	$5,655,678	$5,782,091	$5,757,082
Working capital	$1,913,153	$2,038,145	$2,143,373	$2,060,427
Comprehensive income (loss) for the period	($143,440)	($160,877)	$46,266	($179,071)
Earnings (loss) per share	($0.00)	($0.00)	$0.00	($0.00)
(unaudited)	2022 Q2	2022 Q1	2021 Q4	2021 Q3
Total assets	$5,954,886	$6,373,372	$6,547,250	$6,649,082
Working capital	$2,273,992	$2,589,093	$2,819,568	$2,981,113
Comprehensive loss for the period	($445,699)	($219,026)	($117,659)	($81,176)
Loss per share	($0.01)	($0.00)	($0.00)	($0.00)

Liquidity and Capital Resources

As at June 30, 2023, the Company had a cash and cash equivalents balance of $1,809,299 and a working capital position of 1,913,153 as compared to a cash balance of $1,777,274 and a working capital position of $2,143,373 as at December 31, 2022. The decrease in cash and cash equivalents at June 30, 2023 compared to December 31, 2022 was primarily due to the following:

Operating activities – Cash used in operating activities for the six months ended June 30, 2023 was $205,763 (2022 - $246,592). The cash used in operating activities was the result of operating costs less non cash items such as depreciation, share-based payments and unrealized loss on marketable securities.

Investing activities – Cash provided by investing activities for the six months ended June 30, 2023 was $237,788 (2022 – cash decrease of $71,995). For the current period this is comprised of $100,000 proceeds from an earn-in agreement, $50,000 proceeds from a claims purchase option agreement, $86,172 incurred on exploration and evaluation expenditures and proceeds of $173,960 from the sale of marketable securities. For the prior six months ended June 30, 2022, the cash used was comprised of $62,500 proceeds from earn-in agreements and $134,495 incurred on exploration and evaluation expenditures.

Related Party Transactions

Key management includes directors and executive officers of the Company. Other than the amounts disclosed above, there was no other compensation paid or payable to key management for employee services for the reported periods. During the three and six months ended June 30, 2023 and 2022, the Company entered into the following transactions with related parties:

- For accounting purposes, executive compensation is allocated between exploration properties (which is capitalized to exploration and evaluation assets) and administrative activities which is recorded as wages and administrative expense. During the three and six months ended June 30, 2023 and 2022 the Company paid executive compensation of $79,999 and $159,998 (2022 - $80,000 and $229,420) to the Chief Financial Officer, Chief Executive Officer and the Chief Operating Officer and the Vice President of Exploration. A total of $33,250 and $71,062 (2022 - $28,950 and $82,785) was capitalized to the mineral properties, and $46,749 and $88,936 (2022 - $51,050 and $146,635) was included in administrative expenses for the three and six months ended June 30, 2023.

- Director fees of $5,085 and $10,419 (2022 - $6,000 and $18,000) were charged by the directors of the Company.

- Included in share-based payments is $nil and $246 (2022 – $7,196 and $3,713) relating to directors and officers of the Company.

As at June 30, 2023, $8,821 (December 31, 2022 - $5,314) was owed to related parties and included in accounts payable.

Financial Instruments

As at June 30, 2023, the Company's financial instruments are comprised of cash and cash equivalents, marketable securities, receivables, accounts payable, and loan payable. The fair value of these financial instruments approximates their carrying value, unless otherwise noted. The Company thoroughly examines the various financial instruments and risks to which it is exposed and assesses the impact and likelihood of those risks. These risks include foreign currency risk, interest rate risk, credit risk, and liquidity risk. Where material, these risks are reviewed and monitored by the Board of Directors. There have been no changes in any risk management policies since December 31, 2022.

Capital risk management

Capital is comprised of the Company's shareholders' equity and any debt that it may issue. As at June 30, 2023, the Company's shareholders' equity was $5,395,865 and it had $104,627 in current liabilities. The Company's objectives when managing capital are to maintain financial strength and to protect its ability to meet its on-going liabilities, to continue as a going concern, to maintain creditworthiness and to maximize returns for shareholders over the long term. Protecting the ability to pay current and future liabilities includes maintaining capital above minimum regulatory levels, current financial strength rating requirements and internally determined capital guidelines and calculated risk management levels. The Company is not subject to any externally imposed capital requirements.

Off Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Investor Relations

The Company has no investor relations agreements.

Outstanding Share Data

As of the date of this MD&A the Company had the following outstanding:

Shares Outstanding:

- Class	Common Shares
- Authorized	Unlimited, without par value
- Issued and outstanding:	82,977,957

Warrants outstanding:

The Company had no warrants outstanding.

Options Outstanding:

Number of Options	Exercise Price	Expiry Date
4,400,000	$0.15	October 22, 2023
480,000	$0.10	April 2, 2024
1,565,000	$0.105	January 13, 2026
150,000	$0.105	October 13, 2026
500,000	$0.15	October 13, 2026
7,095,000		

Risks and Uncertainties

Exploration and Development Risk

The Company's properties are in early exploration stages and are without a known body of commercial ore. Exploration for mineral resources involves a high degree of risk and few properties that are explored are ultimately developed into producing mines. Discovery of mineral deposits is dependent upon a number of factors, not the least of which are the technical skills of the exploration personnel involved and the capital required for the programs. The cost of conducting mineral exploration programs may be substantial and the likelihood of success is difficult to assess. There is no assurance that the Company's mineral exploration activities will result in any discoveries of new bodies of commercial ore. There is also no assurance that even if commercial quantities of ore are discovered that an ore body would be developed and brought into commercial production. The commercial viability of a mineral deposit once discovered is also dependent upon a number of factors, some of which are the particular attributes of the deposit such as size, grade and proximity to infrastructure, commodity prices and government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection. Most of the above factors cannot be predicted and are beyond the control of the Company. The Company attempts to mitigate its exploration risk by maintaining a diversified portfolio of projects that includes exposure to a variety of gold and copper targets in a number of geologic environments. Management also balances exploration risks through earn-in option agreements with other companies.

Financial Markets

Presently, the Company strives to obtain the majority of its working capital from other companies that are funding exploration on ArcWest projects in order to earn an interest in the mineral rights. However, the Company will also be dependent on the equity markets as a source of operating working capital and funding for any advanced exploration and development activities that may be needed on its projects. The Company's capital resources are largely determined by the strength of the resource markets and by the status of the Company's projects in relation to these markets, and its ability to compete for investor support of its projects. Consequently, there can be no assurance that equity financing will be available to the Company in the amount required at any time or for any period or if available, that it can be obtained on terms satisfactory to the Company.

Metal Prices

The prices of gold and copper are affected by numerous factors including central bank sales, producer hedging activities, the relative exchange rate of the U.S. dollar with other major currencies, supply and demand, political, economic conditions and production levels. In addition, the prices of gold and copper have been volatile over short periods of time due to speculative activities. The price of other metals and mineral products that the Company may be exploring for, all have the same or similar price risk factors. The prevailing price of metals and speculation on future price of metals by the investing public can have strong impacts on the share prices of exploration companies such as ArcWest.

Cash Flows

The Company currently has no revenue from its exploration operations. However, it does generate revenues from time to time on management fees charged to third parties where the Company is retained for project exploration or development work. Additionally, sources of capital currently available to the Company are the sale of its marketable securities, equity capital or the offering of an interest in its projects to another party.

Market Volatility for Marketable Securities

The Company's marketable securities consist of shares of exploration companies that are historically very volatile. There is no assurance that the Company will be able to recover the current fair market value of those shares. The Company also may not be able to sell the shares it holds in other companies in an illiquid market.

Possible Dilution to Present and Prospective Shareholders

The Company's plan of operation, in part, contemplates the financing of its business by the issuance of securities and possibly incurring debt. Any transaction involving the issuance of previously authorized but unissued shares of common stock, or securities convertible into common stock, would result in dilution, possibly substantial, to present and prospective holders of common stock. The Company usually seeks earn-in option agreement partners to fund in whole or in part exploration projects. This dilutes the Company's interest in properties. This dilution is undertaken to spread or minimize the risk and to expose the Company to more exploration opportunities. However, it means that any increased market capitalization or profit that might result from a possible discovery would be shared with the option agreement partner. There is no guarantee that the Company can find a third party to enter an earn-in agreement for any property.

Share Trading Volume

The relatively low trading volume of the Company's shares reduces the liquidity of an investment in its shares. Trading volumes fluctuate with market conditions and seasons. The Company attempts to reduce this risk by having multiple projects that are continually generating news and therefore investor interest and trading volume.

Volatility of Share Price

Market prices for shares of early stage companies are often volatile. Factors such as announcements of mineral discoveries or discouraging exploration results, changes in financial results, and other factors could have a significant effect on share price.

Competition

There is aggressive competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. The Company competes with other exploration and mining companies, many of which have greater financial resources than the Company, for the acquisition of mineral claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel.

Dependence on Management

The Company depends heavily on the business expertise of its management. There is risk to the Company's ability to execute its business plans if some or all of the current management team were to suddenly leave the Company or become incapable of performing their individual and collective responsibilities. The Company has mitigated the risk of its managers leaving for other companies through competitive compensation, cash bonuses and by providing options to purchase ArcWest stock. Some of the senior managers hold substantial share positions in ArcWest and are motivated to remain with the Company. Despite the mitigation measures, the Company still depends heavily on its current management.

Title Risk
Although the Company has taken steps to verify title to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee a clear title. Property title may be subject to unregistered prior agreements and regulatory requirements. The Company is not aware of any disputed claims of title.

Environmental
The Company's exploration and development activities are subject to extensive laws and regulations governing environment protection. The Company is also subject to various reclamation related conditions. Although the Company closely follows and believes it is operating in compliance with all applicable environmental regulations, there can be no assurance that all future requirements will be obtainable on reasonable terms. Failure to comply may result in enforcement actions causing operations to cease or be curtailed and may include corrective measures requiring capital expenditures. Intense lobbying over environmental concerns by non-governmental organizations has caused some governments to cancel or restrict development of mining projects. Current publicized concern over climate change may lead to carbon taxes, requirements for carbon offset purchases or new regulation. The costs or likelihood of such potential issues to the Company cannot be estimated at this time.

Laws and Regulations
The Company's exploration activities are subject to extensive federal, provincial and local laws and regulations governing prospecting, development, production, exports, taxes, labour standards, occupational health and safety, , mine safety and other matters in all the jurisdictions in which it operates. These laws and regulations are subject to change, can become more stringent and compliance can therefore become more costly. The Company applies the expertise of its management, advisors, employees and contractors to ensure compliance with current laws.

Local Resident & First Nations Concerns
The exploration, development and mining of the Company's projects could be subject to claims and/or involvement from local residents and First Nations that could either prevent or delay exploration and development of the Property.

Litigation
In the course of conducting its business and operations, the Company or its directors may be subject to a variety of civil or other legal proceedings, with or without merit.

Management's Responsibility for Financial Statements

The Company's management is responsible for presentation and preparation of the financial statements and the MD&A. The MD&A have been prepared in accordance with the requirements of securities regulators, including National Instrument 51-102 of the Canadian Securities Administrators.

The financial statements and information in the MD&A necessarily include amounts based on informed judgments and estimates of the expected effects of current events and transactions with appropriate consideration to materiality. In addition, in preparing the financial information, we must interpret the requirements described above, make determinations as to the relevancy of information included, and make estimates and assumptions that affect reported information.

The MD&A also includes information regarding the impact of current transactions and events, sources of liquidity and capital resources, operating trends, risks and uncertainties. Actual results in the future may differ materially from our present assessment of this information because future events and circumstances may not occur as anticipated.

Additional Disclosure for Venture Issuers Without Significant Revenue – Exploration and Evaluation Asset Expenditures

As at June 30, 2023 and December 31, 2022, the Company has capitalized the following acquisition and exploration costs:

	Oweegee Dome	Todd Creek	Oxide Peak	Eagle	Rip	Teeta Creek	Sparrowhawk	Northern Vancouver Island	Total
	$	$	$	$	$	$	$	$	$
Balance, December 31, 2021	1,262,775	1,126,440	108,323	251,008	374,207	138,444	196,289	-	3,457,486
Field support	28,303	24,450	2,455	5,005	7,664	4,922	6,270	932	80,001
Geochemistry and geology	9,337	10,535	560	3,260	-	23,216	23,117	350	70,375
Travel and accommodation	-	-	-	284	-	10,227	7,120	-	17,631
Wages and salaries	19,092	43,500	7,812	9,657	7,937	33,282	27,436	5,094	153,810
	1,319,507	1,204,925	119,150	269,214	389,808	210,091	260,232	6,376	3,779,303
Option payments received	(158,540)	-	(25,000)	(121,360)	-	-	-	-	(304,900)
BC Mining Exploration Tax Credit refund	(34,433)	(25,407)	(10,964)	(13,573)	(17,483)	(19,111)	(35,564)	(2,421)	(158,956)
Balance, December 31, 2022	1,126,534	1,179,518	83,186	134,281	372,325	190,980	224,668	3,955	3,315,447
Field support	423	923	-	-	-	-	-	111	1,457
Geochemistry and geology	6,132	5,548	2,100	1,470	-	925	1,995	-	18,170
Wages and salaries	14,875	23,063	11,844	3,125	937	7,407	8,187	1,312	70,750
	1,147,964	1,209,052	97,130	138,876	373,262	199,312	234,850	5,378	3,405,824
Option payments received	2,960	(150,000)	-	-	-	-	-	-	(147,040)
BC Mining Exploration Tax Credit refund	-	-	-	-	-	(7,165)	-	-	(7,165)
Balance, June 30, 2023	1,150,924	1,059,052	97,130	138,876	373,262	192,147	234,850	5,378	3,251,619