

A copy of this amended and restated preliminary prospectus has been filed with the securities regulatory authorities in British Columbia but has not yet become final. Information contained in this amended and restated preliminary prospectus may not be complete and may have to be amended.

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This prospectus does not constitute an offer to sell or the solicitation of an offer to buy any securities. This prospectus does not constitute a public offering of securities.

AMENDED AND RESTATED PRELIMINARY PROSPECTUS

(amending and restating the preliminary prospectus dated September 23, 2022)

Non-Offering Prospectus

December 21, 2022



PALISADES GOLD

Palisades Goldcorp Ltd.

This long-form prospectus (the “**Prospectus**”) is being filed with the securities regulatory authorities in British Columbia by Palisades Goldcorp Ltd. (the “**Company**” or “**Palisades**”). Since no securities are being offered pursuant to this Prospectus, no proceeds will be raised, and all expenses incurred in connection with the preparation and filing of this Prospectus will be paid by the Company from its general corporate funds.

The Company has applied to list the common shares of the Company (the “**Common Shares**”) on the TSX Venture Exchange (the “**TSXV**”). The listing of the Common Shares (the “**Listing**”) will be subject to the Company fulfilling all of the listing requirements of the TSXV, including, without limitation, the TSXV’s distribution of public float requirements applicable to the Common Shares, which cannot be guaranteed.

There is currently no market through which the Common Shares (as defined herein) may be sold and purchasers may not be able to resell the Common Shares. This may affect the pricing of the Common Shares in the secondary market, the transparency and availability of trading prices, the liquidity of the Common Shares and the extent of issuer regulation. See “Risk Factors”.

As at the date of this Prospectus, the Company does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., any U.S. marketplace or any other marketplace outside Canada and the United States of America.

An investment in the securities of the Company is speculative and involves a high degree of risk. In reviewing this Prospectus, you should carefully consider the matters described under the heading “*Risk Factors*”.

No underwriter or selling agents have been involved in the preparation of this Prospectus or performed any review or independent due diligence of the contents of this Prospectus.

Prospective investors are advised to consult their own tax advisors regarding the application of Canadian federal income tax laws to their particular circumstances, as well as any other provincial, foreign and other tax consequences of acquiring, holding, or disposing of the Common Shares, including the Canadian federal income tax consequences applicable to a foreign controlled Canadian company that acquires the Common Shares.

Prospective investors should rely only on the information contained in this Prospectus. The Company has not authorized anyone to provide you with different information. Readers should assume that the information appearing in this Prospectus is accurate only as of its date, regardless of its time of delivery. The Company’s business, financial condition, results of operations and prospects may have changed since that date.

Each of Gregor Gregersen and William Hayden, directors of the Company, and Collin Kettell, Chief Executive Officer and director of the Company, reside outside of Canada and have appointed Blakes Vancouver Services Inc., c/o Blake, Cassels & Graydon LLP, 595 Burrard Street, P.O. Box 49314, Suite 2600, Three Bentall Centre, Vancouver, British Columbia, V7X 1L3, Canada as their agent for service of process in Canada. It may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process. See “*Agent for Service of Process*”.

The Company’s registered and records office is located at 25th Floor, 700 West Georgia Street, Vancouver, British Columbia V7Y 1B3.

TABLE OF CONTENTS

GLOSSARY	1
GENERAL MATTERS	4
CAUTION REGARDING FORWARD-LOOKING STATEMENTS	4
EXCHANGE RATE AND CURRENCY INFORMATION	6
COMMODITY PRICE INFORMATION	6
THIRD PARTY INFORMATION	7
PRESENTATION OF FINANCIAL INFORMATION AND ACCOUNTING PRINCIPLES	7
PROSPECTUS SUMMARY	8
CORPORATE STRUCTURE	10
INTERCORPORATE RELATIONSHIPS	10
GENERAL DEVELOPMENT AND BUSINESS OF THE COMPANY	10
INDUSTRY OVERVIEW	13
AVAILABLE FUNDS AND PRINCIPAL PURPOSES	13
DIVIDEND POLICY	14
SELECTED FINANCIAL INFORMATION	14
MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	15
DESCRIPTION OF SHARE CAPITAL	15
CONSOLIDATED CAPITALIZATION	16
OPTIONS TO PURCHASE SECURITIES	16
PRIOR SALES	16
PRINCIPAL SECURITYHOLDERS	17
ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTIONS ON TRANSFER	17
DIRECTORS AND EXECUTIVE OFFICERS	19
EXECUTIVE COMPENSATION	22
INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS	28
STATEMENT ON CORPORATE GOVERNANCE	28
AUDIT COMMITTEE	30
INVESTMENT POLICY	32
RISK FACTORS	32
PROMOTERS	45
LEGAL PROCEEDINGS AND REGULATORY ACTIONS	46
INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS	46
AUDITORS, TRANSFER AGENT AND REGISTRAR	47
AGENT FOR SERVICE OF PROCESS	47
MATERIAL CONTRACTS	47
EXPERTS	47
STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION	47
SCHEDULE “A” ANNUAL FINANCIAL STATEMENTS	A-1
SCHEDULE “B” ANNUAL MD&A	B-1
SCHEDULE “C” INTERIM FINANCIAL STATEMENTS	C-1
SCHEDULE “D” INTERIM MD&A	D-1
SCHEDULE “E” CHARTER OF THE AUDIT COMMITTEE	E-1
SCHEDULE “F” INVESTMENT POLICY OF THE COMPANY	F-1
CERTIFICATE OF THE ISSUER	C-1
CERTIFICATE OF THE PROMOTER	C-2

GLOSSARY

As used in this Prospectus, the following terms have the respective meaning as specified below:

“**1313366**” means 1313366 Ontario Inc.;

“**1338072**” means 1338072 B.C. Unlimited Liability Company;

“**2021 Reduction of Capital**” means the Company’s reduction of capital of Common Shares which was paid by a distribution of the equity securities in Nevada King Gold Corp., Mexican Gold Mining Corp., GoldSpot Discoveries Corp. and Mainstream Minerals Corporation to holders of Common Shares of the Company;

“**2022 Reduction of Capital**” means the Company’s anticipated reduction of capital of Common Shares which will be paid by a distribution of Golden Planet Shares to holders of Common Shares of the Company;

“**2022 Reorganization**” has the meaning ascribed to that term under “*General Development and Business of the Company – History of the Company – 2022 Reorganization*”;

“**Argentum**” means Argentum Capital Corp., a company wholly-owned by Collin Kettell;

“**Argentum Agreement**” means the agreement between the Company and Argentum dated January 1, 2020, as amended on November 1, 2021, pursuant to which Collin Kettell provides his services as CEO;

“**Argentum Base Fee**” means the base fee rate paid to Argentum of \$27,500 per month, pursuant to the terms of the Argentum Agreement;

“**Articles**” means the Articles of the Company;

“**Audit Committee**” means the Company’s audit committee;

“**Audit Committee Chair**” means the chair of the Audit Committee;

“**BCBCA**” means the *Business Corporations Act* (British Columbia);

“**BM Strategic**” means BM Strategic Capital Corp., a company wholly-owned by Bassam Moubarak;

“**BM Strategic Agreement**” means the agreement between the Company and BM Strategic dated January 1, 2020, as amended on November 1, 2021, pursuant to which Bassam Moubarak provides his services as CFO;

“**BM Strategic Base Fee**” means the base fee rate paid to Argentum of \$22,500 per month, pursuant to the terms of the Argentum Agreement;

“**Board**” means the board of directors of the Company as it may be constituted from time to time;

“**CEO**” means chief executive officer of the Company;

“**CFO**” means chief financial officer of the Company;

“**Claimants**” means 1313366 and ThreeD;

“**Code of Conduct**” means the Company’s written code of business conduct and ethics;

“**Common Shares**” has the meaning ascribed to that term on the cover page hereto;

“**Company**” or “**Palisades**” has the meaning ascribed to that term on the cover page hereto;

“**Compensation Committee**” means the Company’s compensation committee;

“**Consolidation**” means the consolidation of the Company’s Common Shares on the basis of a consolidation ratio of 2:1, effective as of June 30, 2022;

“**Corporate Governance and Nominating Committee**” means the Company’s corporate governance and nominating committee;

“**Eligible Persons**” means directors, officers, employees or consultants of the Company or of an affiliate of the Company and includes an issuer of which all of the voting securities are owned by Eligible Persons under the Stock Option Plan;

“**Escrow Agent**” has the meaning ascribed to that term under “*Escrowed Securities and Securities Subject to Contractual Restrictions on Transfer*”;

“**Escrow Agreement**” has the meaning ascribed to that term under “*Escrowed Securities and Securities Subject to Contractual Restrictions on Transfer*”;

“**Escrowed Securities**” means the securities of the Company held by the Escrow Shareholders which are subject to escrow;

“**Escrowed Shareholders**” has the meaning ascribed to that term under “*Escrowed Securities and Securities Subject to Contractual Restrictions on Transfer*”;

“**Executive Agreements**” means, together, the Argentum Agreement and the BM Strategic Agreement;

“**Expiry Date**” means the expiry date of every Option under the Stock Option Plan not exceeding 10 years after the date of grant;

“**Form 51-102F6V**” means Form 51-101F6V – *Statement of Executive Compensation – Venture Issuers*;

“**Golden Planet**” means Golden Planet Mining Corp.;

“**Golden Planet Shares**” means common shares in the capital of Golden Planet;

“**GoldSpot Shares**” means common shares in the capital of GoldSpot Discoveries Corp.;

“**Hook Stock**” means the 25,935,149 Common Shares cancelled, on a pre-Consolidation basis, in connection with the 2022 Reorganization;

“**IFRS**” means International Financial Reporting Standards;

“**Interim MD&A**” means the Company’s management discussion and analysis of financial condition and results of operations for the three and nine month periods ended September 30, 2022;

“**Listing**” has the meaning ascribed to that term on the cover page hereto;

“**Mainstream Minerals Shares**” means common shares in the capital of Mainstream Minerals Corporation (now known as Radio Fuels Energy Corp);

“**MD&A**” means the Company’s management discussion and analysis of financial condition and results of operations for the most recently completed financial year;

“**Mexican Gold Shares**” means common shares in the capital of Mexican Gold Mining Corp.;

“**Mining Operations**” means the operations of the mines owned and operated by the entities in which the Company holds an interest.

“**Named Executive Officers**” or “**NEOs**” means the named executive officers of the Company, being Collin Kettell, CEO and Bassam Moubarak, CFO.

“**Nevada King Shares**” means common shares in the capital of Nevada King Gold Corp.;

“**New Found Gold**” means New Found Gold Corp.;

“**New Found Shares**” means common shares in the capital of New Found Gold;

“**NI 45-102**” means National Instrument 45-102 – *Resale of Securities*;

“**NI 52-110**” means National Instrument 52-110 – *Audit Committees*;

“**NI 58-101**” means National Instrument 58-101 – *Corporate Governance Disclosure*;

“**NP 46-201**” means National Policy 46-201 – *Escrow for Initial Public Offerings*;

“**Option Cancellation**” has the meaning ascribed to that term under “*General Development and Business of the Company – History of the Company – Option Cancellation*”;

“**Options**” means stock options of the Company issued in accordance with the Stock Option Plan;

“**PGIL**” means Palisade Global Investments Ltd.;

“**Principals**” has the meaning ascribed to that term under “*Escrowed Securities and Securities Subject to Contractual Restrictions on Transfer*”;

“**Prospectus**” has the meaning ascribed to that term on the cover page hereto;

“**Reduction of Capital Transactions**” means the 2021 Reduction of Capital and the 2022 Reduction of Capital;

“**SEDAR**” means the System for Electronic Document Analysis and Retrieval at www.sedar.com;

“**Share Purchase Agreements**” means the share purchase agreement between the Company and ThreeD dated November 15, 2019 and the share purchase agreement between the Company and 1313366 dated November 15, 2019, together;

“**Stock Option Plan**” means the Company’s stock option plan, adopted by the Company’s shareholders at the annual general and special meeting of shareholders of the Company on October 14, 2021, as amended;

“**ThreeD**” means ThreeD Capital Inc.;

“**ThreeD Claims**” means the statement of claim in the Ontario Court of Justice ThreeD and 1313366 against Collin Kettel, New Found Gold and the Company; and

“**TSXV**” has the meaning ascribed to that term on the cover page hereto;

“**TSXV Policy 1.1**” means TSXV Policy 1.1 – *Interpretation*;

“**TSXV Policy 2.1**” means TSXV Policy 2.1 – *Minimum Listing Requirements*;

“**TSXV Policy 2.4**” means TSXV Policy 2.4 – *Capital Pool Companies*;

“**TSXV Policy 4.4**” means TSXV Policy 4.4 – *Security Based Compensation*;

“**TSXV Policy 5.4**” means TSXV Policy 5.4 – *Escrow, Vendor Considerations and Resale Restrictions*;

“**Upstream Loans**” means the principal amount of \$32.4 million previously owed to PGIL by Palisades; and

“**Warrants**” means common share purchase warrants issued by the Company and exercisable for Common Shares.

GENERAL MATTERS

Unless otherwise noted or the context indicates otherwise “we”, “us”, “our” or the “Company” refer to Palisades.

The Company is not offering to sell securities under this Prospectus. Readers should rely only on the information contained in this Prospectus. The Company has not authorized any other person to provide you with additional or different information. If anyone provides you with additional or different or inconsistent information, including information or statements in media articles about the Company, you should not rely on it. You should assume that the information appearing in this Prospectus is accurate only as at its date. The Company’s business, financial conditions, results of operations and prospects may have changed since that date.

The Company presents its financial statements in Canadian dollars. Amounts in this Prospectus are stated in Canadian dollars unless otherwise indicated.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking information and forward-looking statements, within the meaning of applicable Canadian securities legislation (collectively, “**forward-looking statements**”), which reflect management’s expectations regarding the Company’s future growth, results from operations (including, without limitation, future production and capital expenditures), performance (both operational and financial) and business prospects, future business plans and opportunities. Wherever possible, words such as “predicts”, “projects”, “targets”, “plans”, “expects”, “does not expect”, “budget”, “scheduled”, “estimates”, “forecasts”, “anticipate” or “does not anticipate”, “believe”, “intend” and similar expressions or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved, or the negative or grammatical variation thereof or other variations thereof, or comparable terminology have been used to identify forward-looking statements. These forward-looking statements include, among other things, statements relating to:

- the timing and closing of the Listing, including the receipt, in a timely manner, if at all, of regulatory and other required approvals;
- the Listing, including the Company fulfilling all applicable listing requirements;
- the Escrow Agreement, and the escrow of the Escrowed Securities;
- the timing and completion of the 2022 Reduction of Capital, including the receipt, in a timely manner, if at all, of the required consents to proceed;
- the use of available funds;
- the Company’s future business plans;
- the Company’s future investment strategies;
- the expectations generally regarding the ability to raise further capital for corporate purposes;
- the Company’s future plans to grow its portfolio of assets;
- the market price of gold and other commodities;
- the Company’s approach to manage its fiscal profile;
- gold market trends;
- mineral resources commodity trends;
- the sufficiency of available funds to achieve the Company’s objectives;
- the payment of dividends on the Company’s securities;
- the Company’s classification as an “emerging issuer” under NP 46-201;
- the timely receipt of directors and officers’ insurance appropriate for a junior issuer;
- the Company amending the Stock Option Plan;
- the need for further discoveries in connection with, and the ultimate resolution of, the ThreeD Claims;
- the compensation expected to be paid to our Named Executive Officers and directors; and
- the Company’s philosophy with respect to executive compensation.

Forward-looking statements are not a guarantee of future performance and are based upon a number of estimates and assumptions of management, in light of management’s experience and perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances as of the date of this Prospectus including, without limitation, the following:

- future prices of gold and other mineral commodities;
- the demand for and stable or improving price of gold and other commodities;
- our ability to attract and retain key personnel;
- our ability to execute on our growth plans through capital investments;
- the current COVID-19 pandemic will not have a material adverse effect;
- general business and economic conditions will not change in a material adverse manner;
- future currency exchange rates and interest rates;
- stability in financial and capital markets and political and regulatory regimes;
- changes in laws, rules and regulations will not impact us in a material adverse manner;
- the exploration and development programs of the Mining Operations proceeding in accordance with current expectations, including the Mining Operations obtaining or renewing required approvals, licenses and permits on favourable terms; and
- the resolution of the ThreeD Claims will not have a material adverse effect on the Company.

While we consider these assumptions to be reasonable, the assumptions are inherently subject to significant business, social, economic, political, regulatory, competitive and other risks, uncertainties, contingencies and other factors that could cause actual actions, events, conditions, results, performance or achievements to be materially different from those projected in the forward-looking statements. Many assumptions are based on factors and events that are not within our control and there is no assurance they will prove to be correct including, without limitation, the following:

- the price of our Common Shares may be significantly affected by declines in mineral commodity prices;
- the COVID-19 global pandemic may have a significant effect on our business;
- we may have no control over the Mining Operations;
- there is no guarantee that we will receive a return from our investments;
- we may have limited access to operational data from the issuers that we invest in;
- risks associated with our acquisition strategy;
- the market price of our Common Shares may vary significantly from our net asset value per Common Share;
- our investments may include equity securities of issuers that we do not control;
- our due diligence process prior to making an investment may not reveal all relevant facts;
- our investments in private issuers are subject to re-sale restrictions and may be illiquid;
- risks related to our material investments;
- we have a history of negative cash flow from our operating activities;
- our ability to manage our business will depend on the efforts of a small number of key management personnel;
- our directors and officers may have conflicts of interest as a result of serving as directors and officers of the issuers that we invest in, or otherwise;
- risks related to the volatility of global financial conditions;
- risks arising from inflation, including the operating costs of Mining Operations due to supply chain disruptions;
- risks arising from natural disasters, terrorist acts, civil unrest, pandemics and other disruptions;
- there can be no assurance that we will be able to obtain adequate financing;
- risks arising from litigation affecting the issuers that we invest in;
- risks associated with changes in tax laws;
- our information systems are subject to cyber-security risks;
- we may be subject to demands or publicity campaigns from activist shareholders;
- as a result of our business operations, we may suffer reputational damage;
- we may expand or deviate from our current business model, which may subject us to additional risks;
- as a result of our investment strategy, we are subject to many of the same risk factors applicable to owners and operators of mines, including (a) exploration, development and operating risks, (b) risks associated with climate change, (c) environmental risks, (d) regulatory risk, (e) risks associated with obtaining permits (f) risks associated with infrastructure requirements, (g) employment related risks, (h) the risk that mineral reserve and mineral resource estimates may not accurately reflect the potential of a resource property, (i) the risk that the issuers that we invest in will not be able to replace mineral reserve

depletion through exploration or otherwise, (j) insurance related risks, (k) land title related risks, (l) risks associated with title and other claims by First Nations, (m) risks associated with international and national laws related to the rights of indigenous peoples, (n) risks associated with doing business in jurisdictions outside of North America and, (o) risks related to permitting, construction and development of Mining Operations;

- our Common Shares are subject to price volatility;
- holders of our Common Shares may be subject to dilution over time;
- upon becoming a reporting issuer, we will be subject to additional requirements and regulations which will increase compliance costs and require time and attention from our management;
- we may sell or issue additional debt or equity securities in offerings to finance our operations, investments, acquisitions or other projects;
- the payment of dividends on our Common Shares is subject to the discretion of our Board;
- we will have broad discretion over the use of proceeds from any future sale of equity securities;
- holders of our Common Shares may be unable to sell significant quantities of Common Shares into the public markets without a significant reduction in the price of their Common Shares;
- there is currently no market through which our securities may be sold and one may never develop;
- if we fail to list our Common Shares on the TSXV, the liquidity for our Common Shares will be significantly impaired and may decrease the value of our Common Shares; and
- other factors discussed under “*Risk Factors*”.

Although we have attempted to identify important factors that could cause actual actions, events, conditions, results, performance or achievements to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events, conditions, results, performance or achievements to differ from those anticipated, estimated or intended. See “*Risk Factors*” for a discussion of certain factors investors should carefully consider before deciding to invest.

Readers are cautioned that the foregoing lists of important assumptions and risks, uncertainties and other factors are not exhaustive. Other events or circumstances could cause actual results to differ materially from those estimated or projected and expressed in, or implied by, the forward-looking information contained herein. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking statements.

Forward-looking statements contained herein are made as of the date of this Prospectus and we disclaim any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as and to the extent required by applicable securities laws.

EXCHANGE RATE AND CURRENCY INFORMATION

All dollar amounts in this Prospectus are expressed in Canadian dollars, except as otherwise indicated. References to “\$” or “dollars” are to Canadian dollars and references to “US\$” are to US dollars. The Company presents its financial statements in Canadian dollars.

COMMODITY PRICE INFORMATION

The following table sets forth, for each period indicated, the average, high and low spot commodity price of gold.

	Year Ended December 31		
	2021	2020	2019
High for period	US\$1,959.35	US\$2,058.40	US\$1,542.60
Low for period	US\$1,676.89	US\$1,472.35	US\$1,270.05
Average for period	US\$1,799.35	US\$1,773.73	US\$1,393.34

THIRD PARTY INFORMATION

This Prospectus includes market, industry and economic data which was obtained from various publicly available sources and other sources believed by the Company to be true. Although the Company believes it to be reliable, the Company has not independently verified any of the data from third party sources referred to in this Prospectus, or analyzed or verified the underlying reports relied upon or referred to by such sources, or ascertained the underlying economic and other assumptions relied upon by such sources. The Company believes that its market, industry and economic data is accurate and that its estimates and assumptions are reasonable, but there can be no assurance as to the accuracy or completeness thereof. The accuracy and completeness of the market, industry and economic data used throughout this Prospectus are not guaranteed and the Company does not make any representation as to the accuracy or completeness of such information.

PRESENTATION OF FINANCIAL INFORMATION AND ACCOUNTING PRINCIPLES

The Company presents its financial statements in Canadian dollars. The audited financial statements of the Company for the financial year ended December 31, 2020, the financial year ended December 31, 2021 and the interim financial statements of the Company for the three and nine month periods ended September 30, 2022 have been prepared in accordance with IFRS. Certain financial information set out in this Prospectus is derived from such financial statements.

PROSPECTUS SUMMARY

The following is a summary of the principal features of this distribution and should be read together with the more detailed information and financial data and statements contained elsewhere in this Prospectus.

The Company:

The Company was incorporated as Palisades Acquisitions Corp. on August 30, 2019 under the BCBCA and subsequently amalgamated with 1243646 B.C. Ltd on April 14, 2020 under the BCBCA, changing its name to Palisades Goldcorp Ltd. The Company's registered and records office is located at 25th Floor, 700 West Georgia Street, Vancouver, British Columbia V7Y 1B3.

Palisades is a resource investment company and merchant bank focused on junior companies in the resource and mining sector. The Company seeks to acquire equity participation in pre-initial public offering and early stage public resource companies with undeveloped or undervalued high quality projects. Palisades focuses on companies that are in need of financial resources to realize their full potential, are undervalued in capital markets and/or operate in jurisdictions with low to moderate local political risk. The Company expects to continue to make investments, pursuant to its dual investment strategy, to achieve broad sector exposure with upside in the event of appreciation in mineral commodities prices, while also providing the potential to realize appreciation in net asset values as a result of discoveries by issuers in which the Company holds larger positions. At present, Palisades has a portfolio of equity investments, or securities convertible into equity investments, in 128 junior resource issuers. See "*General Development and Business of the Company – Overview of the Company.*"

The Company has applied, concurrently with the filing of this Prospectus, to list the Common Shares on the TSXV. Listing will be subject to the Company fulfilling all of the listing requirements of the TSXV.

See "*General Development and Business of the Company.*"

Available Funds:

This is a non-offering prospectus. The Company is not raising any funds in conjunction with this Prospectus and accordingly, there are no proceeds to be raised by the Company pursuant to this Prospectus. As of November 30, 2022, the Company had working capital of \$5,500,000 Upon Listing, the principal purposes for the foregoing available funds will be as follows:

Principal Purposes	Amount
Estimated remaining expenses of the Listing (regulatory, filing, legal expenses, etc.)	\$150,000
Estimated general and administrative expenses for 12 months ⁽¹⁾	\$1,320,000
Unallocated working capital ⁽²⁾	\$4,030,000
Total	\$5,500,000

Notes:

- (1) Estimated general and administrative expenses are anticipated to be comprised as follows: (1) \$600,000 for executive compensation; (2) \$216,000 for director fees; (3) \$200,000 for consultant fees; (4) \$60,000 for office expenses; (5) \$174,000 for audit and legal fees; (6) \$40,000 for annual listing fee; and (7) \$30,000 for transfer agent and other listed company fees.
- (2) All of the unallocated working capital is available, if necessary, to acquire additional holdings in the resource and mining sectors.

It is anticipated that the available funds will be sufficient to achieve the Company's objectives over the next 12 months. The Company intends to spend the funds available to it as stated in this Prospectus. There may be circumstances, however, where for sound business reasons a reallocation of funds may be necessary. Use of funds will be subject to the discretion of management. Until we use the unallocated funds, we will hold them in cash and/or invest them in short term, interest bearing, investment grade securities. The

Company had negative cash flow from operating activities in its most recently completed financial year ended December 31, 2021. See “*Risk Factors*” for further detail.

See “*Available Funds and Principal Purposes*”.

Risk Factors:

An investment in the Company should be considered highly speculative due to the nature of the Company’s business. An investment in the Company’s securities is suitable only for those knowledgeable and sophisticated investors who are willing to risk a loss of their entire investment as such investment is subject to a number of risks that should be carefully considered by prospective investors. These risks include those discussed under the “*Risk Factors*” heading herein. **Investors should read this entire Prospectus and consult with their professional advisors to assess an investment in the Company’s securities.**

See “*Risk Factors*”.

Selected Financial Information:

The following table sets out certain selected financial information of the Company for the periods and as at the dates indicated. This information has been derived from the audited annual financial statements and unaudited interim financial statements of the Company, together with the related notes thereto, that are included in this Prospectus. The Company prepares its financial statements in accordance with IFRS. Investors should read the following information in conjunction with those financial statements and related notes thereto, along with the MD&A and the Interim MD&A.

	<u>As at September 30, 2022</u>	<u>As at December 31, 2021</u>
ASSETS		
Total Current Assets.....	\$31,921,270	\$116,387,203
Investment in New Found Gold	\$265,031,267	\$418,166,497
Other	\$0	\$50,000
Total Assets.....	\$296,952,537	\$534,603,700
LIABILITIES		
Total Current Liabilities.....	\$166,666	\$15,304,460
Deferred Tax Liability.....	\$69,120,368	\$125,332,492
Total Liabilities	\$69,287,034	\$140,636,952
EQUITY		
Total Equity	\$227,665,503	\$393,966,748
Total Equity and Liabilities.....	\$296,952,537	\$534,603,700

Note:

- (1) As at September 30, 2022, the investment in New Found Gold represented 27.73% (December 31, 2021 – 28.36%) of the issued and outstanding common shares in the capital of New Found Gold. Collin Kettell, CEO and Director of the Company, also serves as CEO and Director of New Found Gold. See “*Directors and Executive Officers*”, “*Cease Trade Orders, Bankruptcies, Penalties or Sanctions – Conflicts of Interest*” and “*Risk Factors – Change in Material Investments*”.

CORPORATE STRUCTURE

Name, Address and Incorporation

The Company was incorporated as Palisades Acquisitions Corp. on August 30, 2019 under the BCBCA and subsequently amalgamated with 1243646 B.C. Ltd on April 14, 2020 under the BCBCA, changing its name to Palisades Goldcorp Ltd. The Company's registered and records office is located at 25th Floor, 700 West Georgia Street, Vancouver, British Columbia V7Y 1B3.

INTERCORPORATE RELATIONSHIPS

The Company has no subsidiaries as at the date of this Prospectus. See "*General Development and Business of the Company – History of the Company – 2022 Reorganization*".

GENERAL DEVELOPMENT AND BUSINESS OF THE COMPANY

Overview of the Company

Palisades is a resource investment company and merchant bank focused on junior companies in the resource and mining sector. The Company seeks to acquire equity participation in pre-initial public offering and early stage public resource companies with undeveloped or undervalued high quality projects. Palisades focuses on companies that are in need of financial resources to realize their full potential, are undervalued in capital markets and/or operate in jurisdictions with low to moderate local political risk. The Company expects to continue to make investments, pursuant to its dual investment strategy, to achieve broad sector exposure with upside in the event of appreciation in mineral commodities prices, while also providing the potential to realize appreciation in net asset values as a result of discoveries by issuers in which the Company holds larger positions. At present, Palisades has a portfolio of equity investments, or securities convertible into equity investments, in 128 junior resource issuers.

Palisades pursues a dual-pronged investment approach. The primary focus of the Company's investment strategy has been as an incubator, leveraging off of the skillsets of management to allow shareholders to benefit from the appreciation that can occur from starting a company through to bringing it public. Management of Palisades has a demonstrated track record of success in this field and has replicated this under the Palisades' umbrella on numerous occasions including New Found Gold, Nevada King Gold Corp. (formerly, Victory Metals Inc.), Radio Fuels Resources Corp., Goldspot Discoveries Corp. and Golden Planet.

The secondary investment focus is to more broadly disseminate capital across the junior resource space by identifying underperforming junior mining equities and providing them with capital on advantageous terms. Typically, Palisades tries to identify junior mining companies that have a reasonable to significant level of liquidity and negotiate private placement financings with a focus on achieving a unit financing that includes full, long-dated warrants. These positions are typically oriented to short to midterm hold periods, whereby the warrant provides the mid to long term upside potential.

As at the date of this Prospectus, the Company does not have any of its securities listed or quoted for trading on any stock exchange. The Company has applied, concurrently with the filing of this Prospectus, to list the Common Shares on the TSXV. Listing will be subject to the Company fulfilling all of the listing requirements of the TSXV. Until the Common Shares are listed on a stock exchange, the Company's shareholders may not be able to sell their Common Shares. No assurance can be given as to if, or when, the Common Shares will be listed or traded on any such stock exchange.

Palisades is not considered an investment fund under applicable securities laws. See "*Risk Factors*".

Our Investment Approach

Applying value investing principles, we invest primarily in equity, through private placements. These are held for both longer-term capital appreciation and shorter-term gains. We aim to invest in companies that will provide us with investment returns that exceed benchmark returns on the S&P/TSX Venture Composite Index. By focusing strongly on the terms received in a private placement, Palisades ensures that its investors have the best chance of meaningful upside in the event of a broad sector move or company specific catalyst.

In such instances, we are a passive investor and we typically seek equity positions of between 1% and 10% in the issuers in which we invest, although our positions may from time to time reach or exceed 20% pursuant to our dual investment approach.

In the more active investments Palisades is involved in, including those where management of Palisades has taken an active role in advising and building companies, equity positions can exceed 20%. In these circumstances, we will work with management of a portfolio company to help it unlock value by providing strategic counsel in areas such as financing, operations, capital structure, potential acquisitions and exit strategies.

One such example of this is New Found Gold. Palisade Global Investments, the predecessor to Palisades Goldcorp Ltd. founded the company by providing seed capital, as well as formulating the business plan in 2016. New Found Gold relied on the advice of Palisades' management and raised money with its support. In late 2019, Palisades held over a 50% control position in New Found Gold, when New Found Gold made a significant discovery at its Queensway Project in Newfoundland. New Found Gold then went on a path towards a successful IPO and has since generated outsized returns for investors. Palisades continues to maintain a 28% interest in New Found Gold, with the equity of New Found Gold representing a significant portion of the value of Palisades.

As growth and value investors, we believe in preservation of capital and being patient. As the case of New Found Gold demonstrates, we make concentrated investments in opportunities where we believe we can achieve out-sized returns while taking on appropriate amounts of risk. At times, lack of attractive opportunities may cause us to hold a significant amount of the Company's portfolio in cash. Our primary focus is to continue to make new investments, manage expense levels and identify tax-efficient ways to return value to our shareholders, including, for example, making distributions to shareholders such as those made in the Reduction of Capital Transactions. See "*General Development and Business of the Company – History of the Company – Reduction of Capital Transactions*".

The Company has adopted a written investment policy, the full text of which is attached to this Prospectus as Schedule "F".

Specialized Skill and Knowledge

The nature of the Company's business requires specialized skills, knowledge and technical expertise. Such skills and knowledge include, but are not limited to, expertise related to the acquisition of equity investments in entities that own or operate mines or mineral properties, understanding of junior resource companies and expertise related to legal compliance, finance and accounting. The Company expects to rely upon various legal and financial advisors, consultants and others in the operation and management of its business. See "*Risk Factors – Dependence on Key Personnel*".

Employees

As at December 31, 2021, the Company had no employees, two (2) consultants that provided management services and six (6) consultants that provide day-to-day operational services. See "*Executive Compensation – Consultant and Management Companies*".

Reorganizations

Other than the 2022 Reorganization, there has not been any material restructuring transaction of the Company or any of its subsidiaries within the two most recently completed financial years or proposed for the current financial year. See "*General Development and Business of the Company – History of the Company – 2022 Reorganization*" for further information with respect to the 2022 Reorganization.

History of the Company

The Company was incorporated under the BCBCA on August 30, 2019. A brief description of the Company's history since its incorporation is as follows:

Reduction of Capital Transactions

Pursuant to a final order of the Supreme Court of British Columbia granted on October 18, 2021, the Company proceeded with the 2021 Reduction of Capital, pursuant to which it distributed to all shareholders of the Company other than the Company's wholly-owned subsidiary at the time of the distribution, PGIL, on a *pro rata* basis, 17,523,107 GoldSpot Shares, 42,151,054 Mainstream Minerals Shares, 57,238,388 Mexican Gold Shares and 89,075,602 Nevada King Shares.

On May 30, 2022, the Company received a final order of the Supreme Court of British Columbia granting the Company approval to proceed with the 2022 Reduction of Capital, pursuant to which it plans to distribute to all shareholders of the Company, on a *pro rata* basis, 13,289,586 Golden Planet Shares. Golden Planet is a private issuer and the Golden Planet Shares are subject to transfer restrictions, including requiring the Company to obtain the prior consent of Golden Planet in order to proceed with the 2022 Reduction of Capital, which consent remains outstanding.

The Company undertook, and, in the case of the 2022 Reduction of Capital, subject to receipt of the required consent described above, plans to undertake, the Reduction of Capital Transactions in order to return value to holders of its Common Shares in a manner which management believes was tax efficient to holders of the Common Shares and the Company.

2022 Reorganization

The Company previously had Hook Stock outstanding which prior to December 31, 2021 was held by the Company's wholly-owned subsidiary at the time, PGIL. Prior to December 31, 2021, the Company also owed PGIL the principal amount of the Upstream Loans. The Company decided to undertake a reorganization to cancel the Hook Stock and settle the Upstream Loans in a tax-efficient manner. The 2022 Reorganization entailed the following steps:

1. on December 15, 2021, Palisades incorporated 1338072, an unlimited liability company, under British Columbia law;
2. on December 31, 2021, PGIL transferred the Hook Stock to 1338072 in exchange for 126,567,217 common shares in the capital of 1338072 pursuant to the terms of a section 85 agreement dated December 31, 2021 between PGIL and 1338072;
3. on December 31, 2021, PGIL: (a) declared a dividend payable to Palisades equal to the principal amount of the Upstream Loans; (b) delivered a demand promissory note in favour of Palisades equal to the dividend payable in full satisfaction of the dividend payable; and (c) pursuant to the terms of a set off agreement dated December 31, 2021 between PGIL and Palisades, cancelled the demand promissory note as full payment of the Upstream Loans;
4. on April 14, 2022, PGIL was dissolved under Belize law, with all assets held by PGIL having been transferred to Palisades once the wind-up process legally commenced as a distribution in the course of the liquidation; and
5. on June 22, 2022, 1338072 amalgamated with Palisades, cancelling the Hook Stock in connection with the amalgamation and completing the 2022 Reorganization.

Option Cancellation

Effective June 30, 2022, each of Collin Kettell, our CEO and director, Bassam Moubarak, our CFO and each of our directors, Gregor Gregersen, William Hayden and Elizabeth Harrison voluntarily surrendered to the Company certain stock options previously issued to them under the Company's Stock Option Plan, cancelling an aggregate of 8,642,145 Options (the "**Option Cancellation**") and the underlying Common Shares reserved for issuance in connection with the surrendered Options were returned to the pool of Common Shares available for issuance under the Stock Option

Plan and may for the basis of future grants under the Stock Option Plan, subject to the terms of the Stock Option Plan. See “Executive Compensation – Stock Option Plan”.

Consolidation

On June 30, 2022, the Company completed a consolidation of its Common Shares on the basis of two pre-Consolidation Common Shares for one post-Consolidation Common Shares. If the application of the Consolidation to an issuance of Common Shares resulted in a fractional Common Share, such Common Share was rounded down to the nearest whole Common Share. In connection with the Consolidation, all of the Company’s issued and outstanding securities exercisable for or convertible into Common Shares were also consolidated in accordance with their terms on a 2:1 basis. Unless otherwise noted, all figures set out in this Prospectus, other than in the financial statements included herein, relating to the number, value or price of Common Shares, or securities exercisable for or convertible into Common Shares, have been adjusted to reflect the Consolidation.

INDUSTRY OVERVIEW

Our portfolio of equity investments is highly concentrated in the gold industry. Gold benefits from diverse sources of demand: as an investment, a reserve asset, a luxury good and a technological component. Gold is a traditional safe-haven asset: scarce, yet highly liquid, it offers effective downside portfolio protection. During difficult times, gold is both an investment and luxury good which reduces its correlation to other assets and the global supply of gold is balanced, deep and broad, limiting uncertainty and volatility.

The price of gold and other metals are affected by numerous factors, including levels of supply and demand, global or regional consumptive patterns, sales by government holders, metal stock levels maintained by producers and others, increased production due to new mine developments and improved mining and production methods, speculative activities related to the sale of metals, availability and costs of metal substitutes.

Moreover, gold prices are also affected by macroeconomic factors such as expectations regarding inflation, interest rates and global and regional demand for, and supply of, gold as well as general global economic conditions. These factors may have an adverse effect on the Company’s investment activities. Additionally, the ongoing COVID-19 pandemic, and efforts to contain it, including future restrictions on travel and other advisories issued may have a significant effect on gold prices.

AVAILABLE FUNDS AND PRINCIPAL PURPOSES

Available Funds and Principal Purposes

This is a non-offering prospectus. The Company is not raising any funds in conjunction with this Prospectus and accordingly, there are no proceeds to be raised by the Company pursuant to this Prospectus. As at November 30, 2022, the Company had working capital of \$5,500,000. Upon Listing, the principal purposes for the foregoing available funds will be as follows:

Principal Purposes	Amount
Estimated remaining expenses of the Listing (regulatory, filing, legal expenses, etc.)	\$150,000
Estimated general and administrative expenses for 12 months ⁽¹⁾	\$1,320,000
Unallocated working capital ⁽²⁾	\$4,030,000
Total	\$5,500,000

Notes:

- (1) Estimated general and administrative expenses are anticipated to be comprised as follows: (i) \$600,000 for executive compensation; (ii) \$216,000 for director fees; (iii) \$200,000 for consultant fees; (iv) \$60,000 for office expenses; (v) \$174,000 for audit and legal fees; (vi) \$40,000 for annual listing fee; and (vii) \$30,000 for transfer agent and other listed company fees.
- (2) All of the unallocated working capital is available, if necessary, to acquire additional holdings in the resource and mining sectors.

The Company intends to spend the funds available to it as stated in this Prospectus. There may be circumstances, however, where for sound business reasons a reallocation of funds may be necessary. In addition, the COVID-19 pandemic as well as future unforeseen events may impact the ability of the Company to use the available funds as

intended or disclosed. Use of funds will be subject to the discretion of management. See “*Risk Factors – Use of Available Funds*”.

Business Objectives and Milestones

The Company’s primary business objective is to provide retail and institutional investors with highly leveraged exposure to junior resource issuers. In furtherance of this objective, the Company expects to use its available funds over the next 12 months to continue to identify and evaluate opportunities to make new and strengthen existing equity investments in junior resource issuers on an ongoing basis, all in accordance with its dual investment strategy. The cost of evaluating prospective investment opportunities, and the cost of securing or strengthening any equity position, will vary depending on the nature of the investment opportunities we are able to identify. See “*General Development and Business of the Company – Overview of the Company – Our Investment Approach*”.

It is anticipated that the available funds identified in this Prospectus will be sufficient to achieve the Company’s objectives over the next 12 months. Unutilized funds will remain classified as unallocated working capital.

Negative Operating Cash Flow

The Company had negative cash flow from operating activities in its most recently completed financial year ended December 31, 2021. To the extent that the Company has negative cash flow in future periods, the Company may need to deploy its cash reserves, including net proceeds received from future financings, to fund such negative cash flow. See “*Risk Factors*”.

DIVIDEND POLICY

Between November 1, 2021 and June 20, 2022, the Company completed the 2021 Reduction of Capital, pursuant to which, the Company distributed to each of the Company’s shareholders, other than the Company’s wholly-owned subsidiary at the time, PGIL, 17,523,107 GoldSpot Shares (approximately 0.17 of a GoldSpot Share per Common Share held on a pre-Consolidation basis), 42,151,054 Mainstream Minerals Shares (approximately 0.42 of a Mainstream Minerals Share per Common Share held on a pre-Consolidation basis), 57,238,388 Mexican Gold Shares, (approximately 0.57 of a Mexican Gold Share per Common Share held on a pre-Consolidation basis) and 89,075,602 Nevada King Shares (approximately 0.88 of a Nevada King Share per Common Share held on a pre-Consolidation basis), by way of a reduction in the capital of the Common Shares of the Company.

The Company also plans to complete the 2022 Reduction of Capital, subject to obtaining the requisite consent to proceed as described elsewhere in this Prospectus. See “*General Development and Business of the Company – History of the Company – Reduction of Capital Transactions*”.

Other than the Reduction of Capital Transactions, the Company has not, since the date of its incorporation, declared or paid any dividends or other distributions on its Common Shares and does not currently have a policy with respect to the payment of dividends or other distributions. While there are no restrictions precluding the Company from paying dividends, the Company does not anticipate the payment of dividends in the foreseeable future, other than to complete the 2022 Reduction of Capital. The payment of dividends in the future will depend upon, among other factors, the Company’s net asset value, earnings, capital requirements and operating financial conditions.

SELECTED FINANCIAL INFORMATION

The following table sets out certain selected financial information of the Company for the periods and as at the dates indicated. This information has been derived from the audited annual financial statements and unaudited interim financial statements of the Company, together with the related notes thereto, that are included in this Prospectus. The Company prepares its financial statements in accordance with IFRS. Investors should read the following information in conjunction with those financial statements and related notes thereto, along with the MD&A and the Interim MD&A.

	As at September 30, 2022	As at December 31, 2021
ASSETS		
Total Current Assets.....	\$31,921,270	\$116,387,203
Investment in New Found Gold.....	\$265,031,267	\$418,166,497
Other.....	\$0	\$50,000
Total Assets.....	\$296,952,537	\$534,603,700
LIABILITIES		
Total Current Liabilities	\$166,666	\$15,304,460
Deferred Tax Liability.....	\$69,120,368	\$125,332,492
Total Liabilities.....	\$69,287,034	\$140,636,952
EQUITY		
Total Equity	\$227,665,503	\$393,966,748
Total Equity and Liabilities.....	\$296,952,537	\$534,603,700

Note:

- (1) As at September 30, 2022, the investment in New Found Gold represented 27.73% (December 31, 2021 – 28.36%) of the issued and outstanding common shares in the capital of New Found Gold. Collin Kettell, CEO and Director of the Company, also serves as CEO and Director of New Found Gold. See “*Directors and Executive Officers*”, “*Cease Trade Orders, Bankruptcies, Penalties or Sanctions – Conflicts of Interest*” and “*Risk Factors – Change in Material Investments*”.

MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following financial statements of the Company and MD&A are included as schedules to this Prospectus:

Schedule A:	Audited annual financial statements of the Company for the years ended December 31, 2021 and December 31, 2020.
Schedule B:	Management’s discussion and analysis for the year ended December 31, 2021.
Schedule C:	Interim financial statements of the Company for the three and nine month periods ended September 30, 2022 and 2021.
Schedule D:	Management’s discussion and analysis for the three and nine month periods ended September 30, 2022.

The financial statements listed above have been prepared in accordance with IFRS.

Certain information included in the MD&A and Interim MD&A is forward-looking and based upon assumptions and anticipated results that are subject to uncertainties. Should one or more of these uncertainties materialize or should the underlying assumptions prove incorrect, actual results may vary significantly from those expected. See “*Caution Regarding Forward-Looking Statements*”.

DESCRIPTION OF SHARE CAPITAL

The following describes material terms of our authorized share structure. The following description may not be complete and is subject to, and qualified in its entirety by reference to, the terms and provisions of our Articles.

Common Shares

The Company’s authorized capital consists of an unlimited number of Common Shares of which 49,345,977 Common Shares are issued and outstanding as at the date of this Prospectus. The holders of the Common Shares are entitled to receive notice of and to attend and vote at all meetings of shareholders. Each Common Share carries the right to one vote. In the event of the liquidation, dissolution or winding up of the Company or any other distribution of the assets of the Company among its shareholders for the purpose of winding up its affairs, the holders of the Common Shares will be entitled to receive, on a *pro rata* basis, all remaining property and assets of the Company. The holders of Common Shares are entitled to receive dividends as and when declared by the Board in respect of the Common Shares on a *pro rata* basis.

Options

As of the date of this Prospectus, the Company has 732,812 Options outstanding under the Company's Stock Option Plan, with 732,812 Common Shares reserved for issuance upon exercise of the Options. See "Executive Compensation – Stock Option Plan" for a description of the material terms of the Options and the Stock Option Plan.

Warrants

As of the date of this Prospectus, the Company has 514,070 Warrants outstanding, with 514,070 Common Shares reserved for issuance upon exercise of the Warrants.

CONSOLIDATED CAPITALIZATION

There have been no material changes in the share capitalization or the long-term indebtedness of the Company since September 30, 2022.

OPTIONS TO PURCHASE SECURITIES

The following table sets forth the aggregate number of options to purchase Common Shares that will be outstanding upon completion of the Listing:

Category of Holder	Number of Options ⁽¹⁾	Exercise price per Option ⁽¹⁾	Expiration Date
All of our executive officers and past executive officers, as a group	732,812	\$10.60	May 21, 2026
All of our directors and past directors who are not also executive officers, as a group	0	-	-

Note:

(1) This table represents the number of Options issued and exercise price per Option on a post-Consolidation basis. See "General Development and Business of the Company – History of the Company – Consolidation".

For a description of our equity-based incentive compensation plans, see "Executive Compensation – Principal Elements of Compensation."

PRIOR SALES

This table sets out particulars of the Common Shares and securities exercisable for or exchangeable into Common Shares issued within the 12 months prior to the date of this Prospectus.

Date	Type of Security	Number of Securities ⁽¹⁾	Issue/Exercise Price
September 22, 2021	Common Shares ⁽²⁾	500,000	\$1.50
October 1, 2021	Common Shares ⁽²⁾	7,500	\$1.50
October 4, 2021	Common Shares ⁽²⁾	78,100	\$1.70
October 5, 2021	Common Shares ⁽²⁾	6,000	\$1.70
October 5, 2021	Common Shares ⁽²⁾	50,000	\$1.50
October 6, 2021	Common Shares ⁽²⁾	63,823	\$1.70
October 7, 2021	Common Shares ⁽²⁾	127,501	\$1.50
October 7, 2021	Common Shares ⁽²⁾	20,450	\$1.70
October 8, 2021	Common Shares ⁽²⁾	100,000	\$1.50
October 8, 2021	Common Shares ⁽²⁾	11,800	\$1.70
October 13, 2021	Common Shares ⁽²⁾	250,000	\$1.50
October 13, 2021	Common Shares ⁽²⁾	74,661	\$1.70
October 14, 2021	Common Shares ⁽²⁾	100,000	\$1.50
October 15, 2021	Common Shares ⁽²⁾	177,500	\$1.70

Date	Type of Security	Number of Securities ⁽¹⁾	Issue/Exercise Price
October 15, 2021	Common Shares ⁽²⁾	105,000	\$1.70
October 19, 2021	Common Shares ⁽²⁾	436,033	\$1.50
October 19, 2021	Common Shares ⁽²⁾	15,500	\$1.70

Notes:

- (1) This table represents the number of Common Shares issued on a pre-Consolidation basis. See “General Development and Business of the Company – History of the Company – Consolidation”.
- (2) Common Shares issued upon the exercise of Warrants.

PRINCIPAL SECURITYHOLDERS

To the knowledge of management of the Company, no person, firm or company will beneficially own, control or direct, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to any class of voting securities of the Company as of the date of this Prospectus other than as set out below.

Name	Type of Ownership	Number of Common Shares	Percentage
Collin Kettell	Legal and Beneficial	13,542,806	27.44% ⁽¹⁾

Note:

- (1) On a fully-diluted basis, assuming the exercise in full of outstanding convertible securities, 27.49%.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTIONS ON TRANSFER

NP 46-201 provides that all securities of an issuer owned or controlled by a “Principal” (as defined in TSXV Policy 1.1) must be placed in escrow at the time the issuer distributes its securities or convertible securities to the public by prospectus, unless the securities held by such Principal or issuable to such Principal upon conversion of convertible securities held by the Principal collectively represent less than 1% of the total issued and outstanding securities of the issuer. Generally, NP 46-201 does not apply to a prospectus that does not offer securities to the public. However, in Palisades’ case, as a market is being developed for its securities, this Prospectus is to be considered an “IPO prospectus” for the purposes of NP 46-201. As such, the securities held by certain Principals of the Company (the “**Principals**”) will be held in escrow pursuant to the policies of NP 46-201.

The following table sets forth the securities of the Principals that, as at the date of Listing, will be subject to escrow or that are currently, or will be, subject to a contractual restriction on transfer and the percentage that number represents of the outstanding securities of that class.

Designation of Class	Number of Securities Held in Escrow or that are Subject to a Contractual Restriction on Transfer	Percentage of Class
Common Shares	14,739,160	29.87%

As at the date hereof, Collin Kettell and Gregor Gregersen, as Principals (together, the “**Escrowed Shareholders**”) and the Company will enter into an escrow agreement (the “**Escrow Agreement**”) with Odyssey Trust Company, as escrow agent (the “**Escrow Agent**”), pursuant to which the Escrowed Shareholders will collectively deposit 14,739,160 Common Shares into escrow (the “**Escrowed Securities**”) with the Escrow Agent, representing 29.87% of the issued and outstanding Common Shares as of the date of the Prospectus. Bassam Moubarak, Elizabeth Harrison and William Hayden each own 0% of the total issued and outstanding securities of the Company and their securities will not be subject to the escrow requirements pursuant to the policies of NP 46-201.

The following sets forth particulars of the Escrowed Securities that are subject to the Escrow Agreement as of the date of this Prospectus:

Name	Number of Common Shares
Collin Kettell	13,542,806
Gregor Gregersen	1,196,354

Upon the completion of the Listing, the Company will be an “emerging issuer” pursuant to NP 46-201 and, as such, the Escrowed Securities will be subject to a 36-month escrow and subject to the following release scheduled:

Date	Number of Escrowed Securities Released
On the Listing Date	10% of the Escrowed Securities
6 months after the Listing Date	1/6th of the remaining Escrowed Securities
12 months after the Listing Date	1/5th of the remaining Escrowed Securities
18 months after the Listing Date	1/4th of the remaining Escrowed Securities
24 months after the Listing Date	1/3rd of the remaining Escrowed Securities
36 months after the Listing Date	The last of the remaining Escrowed Securities

The release schedule may be accelerated if the Company, after the Listing, meets “Tier 1 Issuer” listing requirements of the TSXV or otherwise establishes itself as an “established issuer” within the meaning of NP 46-201.

As of the date of this Prospectus, none of the securities of the Company are or will be at the time of Listing subject to the “Seed Share” restrictions set out in TSXV Policy 5.4.

Pursuant to the terms of the Escrow Agreement, the Escrowed Securities will not be able to be transferred or otherwise dealt with during the term of the Escrow Agreement unless the transfers or dealings within escrow are:

- transfers to continuing or, upon their appointment, incoming directors and senior officers of the Company or of a material operating subsidiary, with the approval of the Board;
- transfers to a person or company that before the proposed transfer holds more than 20% of the Company’s outstanding Common Shares, or to a person or company that after the proposed transfer will hold more than 10% of the Company’s outstanding Common Shares and has the right to elect or appoint one or more directors or senior officers of the Company or any material operating subsidiary;
- transfers to an RRSP or similar trustee plan provided that the only beneficiaries are the transferor or the transferor’s spouse, children or parents;
- transfers upon bankruptcy to the trustee in bankruptcy or another person or company entitled to escrow securities on bankruptcy; and
- pledges to a financial institution as collateral for a *bona fide* loan, provided that upon a realization the securities remain subject to escrow.

Tenders of Escrowed Securities to a take-over bid or business combination are permitted provided that, if the tenderer is a Principal of the successor corporation upon completion of the take-over bid or business combination, securities received in exchange for tendered Escrowed Securities are substituted in escrow on the basis of the successor corporation’s escrow classification.

Additionally, securities of the Company may be subject to additional escrow restrictions and restrictions on transfer pursuant to NP 46-201, or if required by the TSXV (in accordance with TSXV Policy 5.4) or other applicable regulations of any other stock exchange on which the securities of the Company may be listed for trading in the future. There can be no guarantee that the Common Shares will be listed for trading on the TSXV or any other stock exchange.

Statutory Hold Periods

In addition to the foregoing, securities legislation may impose additional resale restrictions on securities issued by the Company from time to time. Such hold periods are governed by NI 45-102. All certificates representing securities subject to these restrictions will bear legends indicating the applicable hold periods.

DIRECTORS AND EXECUTIVE OFFICERS

To the Company's knowledge, as at the date of this Prospectus, the directors and executive officers of the Company as a group will beneficially own, control or direct, directly or indirectly, 14,739,160 Common Shares, representing approximately 29.87% of the issued and outstanding Common Shares.

Director and Executive Officer Profiles

The following table sets forth the name of each director and executive officer of the Company as at the date of this Prospectus, their province or state and country of residence, their position(s) and office(s) held with the Company, their principal occupation(s) during the preceding five years, the date they became a director or officer of the Company, if applicable, and the number and percentage of Common Shares they beneficially own, or control or direct, directly or indirectly. Each director's term will expire immediately prior to the next annual meeting of shareholders of the Company.

Name, Position and Province/Country of Residence	Principal Occupation and Experience	Date Appointed	Number of Common Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly
Collin Kettell ⁽²⁾ <i>CEO and Director</i> Puerto Rico	CEO of the Company (since August 2019); CEO of New Found Gold (since April 2022); Executive Chairman of New Found Gold (since March 2020) and former Chief Executive Officer (2016 – 2020) of New Found Gold; and Chief Executive Officer of Nevada King Gold Corp. (formerly, Victory Metals Ltd.) (since January 2019). Each of New Found Gold and Nevada King Gold Corp. are mineral exploration companies.	August 30, 2019	13,542,806
Gregor Gregersen ^{(1) (2) (3)} <i>Director</i> Singapore	Founder & CEO of Silver Bullion Pte Ltd., a company engaged in the business of storing silver and gold bullion (since 2009)	October 9, 2019	1,196,354
Elizabeth Harrison ^{(1) (3)} <i>Director</i> British Columbia, Canada	Former Partner at Farris LLP Professional Director	October 9, 2019	0
William Hayden ^{(1) (2) (3)} <i>Director</i> Australia	Director of Ivanhoe Mines Ltd. (since March 2007) and Trilogy Metals Inc. (since June 2015). Each of Ivanhoe Mines Ltd. and Trilogy Metals Inc. are mineral exploration companies.	July 13, 2020	0
Bassam Moubarak <i>CFO</i> British Columbia, Canada	Chief Financial Officer of the Company (since November 2021); Chief Financial Officer, Corporate Secretary and Director of Freeman Gold Corp. (since October 1, 2020); Chief Financial Officer and Corporate Secretary of Nevada King Gold Corp. (since January 2019); President, Chief Executive Officer, Chief Financial Officer and Director of Planet X Capital Corp. (since February 2021); President, Chief Executive Officer, Chief Financial Officer and Director of Planet X II	November 1, 2021	0

Name, Position and Province/Country of Residence	Principal Occupation and Experience	Date Appointed	Number of Common Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly
	Capital Corp. (since February 2021); Executive Vice President, Chief Financial officer and Director of Gold X Mining Corp. (from November 2019 to July 2021); and Chief Financial Officer of Lithium X Energy Corp. (from April 2017 to March 2018). Each of Freeman Gold Corp., Nevada King Gold Corp., Gold X Mining Corp. and Lithium X Energy Corp. are mineral or lithium exploration companies. Planet X Capital Corp. and Planet X II Capital Corp. are Capital Pool Companies (as defined in TSXV Policy 2.4) and have not commenced commercial operations.		

Notes:

- (1) Member of the Audit Committee.
- (2) Member of the Compensation Committee.
- (3) Member of the Corporate Governance and Nominating Committee.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Corporate Cease Trade Orders or Bankruptcies

No director or officer of Palisades is, or within the ten years prior to the date of this Prospectus has been, a director, officer, or promoter of any person or company that, while that person was acting in that capacity, was the subject of a cease trade order or similar order, or an order that denied the other issuer access to any exemptions under applicable securities laws, for a period of more than 30 consecutive days, or became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Penalties or Sanctions

No director or officer of Palisades, nor any security holder anticipated to hold a sufficient number of securities of Palisades to materially affect the control of Palisades, has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or been subject to any other penalties or sanctions imposed by a court or regulatory body, including a self-regulatory body, that would be likely to be considered important to a reasonable security holder making a decision concerning an investment in the Company.

Personal Bankruptcies

No director or officer of Palisades, nor security holder anticipated to hold a sufficient number of securities of Palisades to affect materially the control of Palisades, nor a personal holding company of any such person has, within the ten years before the date of the Prospectus, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such director or officer, or personal holding company of any such person.

Conflicts of Interest

Except as disclosed below, to the best of the Company's knowledge, there are no existing or potential material conflicts of interest between the Company and any of its directors or officers as of the date of the Prospectus.

Mr. Collin Kettell is the CEO, Executive Chairman and Founder of New Found Gold, a company in which the Company holds 27.37% of the issued and outstanding shares as of the date hereof. As such, Mr. Kettell may have a conflict of interest with respect to matters involving the Company's investment in New Found Gold. When Mr. Kettell's position with New Found Gold places, or may place him, in a conflict of interest with the Company, Mr. Kettell will disclose such conflict, or potential conflict, to the Board and will not take part in any board discussion respecting such matter, and Mr. Kettell will refrain from voting on any such matter.

Mr. Bassam Moubarak provides consulting services to New Found Gold for which he receives a fee for services rendered through BM Strategic. As such, Mr. Moubarak may also have a conflict of interest with respect to matters involving the Company's investment in New Found Gold. Should Mr. Moubarak's engagement with New Found Gold place him, or potentially place him, in a conflict of interest with the Company, Mr. Moubarak will disclose such conflict, or potential conflict, to the CEO and to the Board and will not take part in any management decisions respecting such matter.

In addition, certain of the directors and officers are, or may become, directors or officers of other companies with businesses which may conflict with its business. Accordingly, conflicts of interest may arise which could influence these individuals in evaluating possible investments in, or divestments of, these companies or in generally acting on the Company's behalf. See also "*Risk Factors – Conflicts of Interest*".

Pursuant to the BCBCA, directors and officers of the Company are required to act honestly and in good faith with a view to the best interests of the Company. As required under the BCBCA and the Company's Articles:

- a director or senior officer who holds any office or possesses any property, right or interest that could result, directly or indirectly, in the creation of a duty or interest that materially conflicts with that individual's duty or interest as a director or senior officer of the Company, must promptly disclose the nature and extent of that conflict; and
- a director who holds a disclosable interest (as such term is defined under the BCBCA) in a contract or transaction into which the Company has entered or proposes to enter may generally not vote on any directors' resolution to approve such contract or transaction.

Generally, as a matter of practice, directors who have disclosed a material interest in any contract or transaction that the Board is considering will not take part in any board discussion respecting that contract or transaction. If on occasion such directors do participate in the discussions, they will refrain from voting on any matters relating to matters in which they have disclosed a material interest. In appropriate cases, the Company will establish a special committee of independent directors to review a matter in which directors or officers may have a conflict.

Other Reporting Issuer Experience

The following table sets out the directors of Palisades that are currently directors of other reporting issuers in any Canadian or foreign jurisdiction:

Name	Name and Jurisdiction of Reporting Issuer	Name of Trading Market
Collin Kettell	New Found Gold Corp., British Columbia, Canada	TSXV, NYSE, AMEX
William Hayden	Trilogy Metals Inc., British Columbia, Canada	TSX, NYSE, AMEX
	Ivanhoe Mines Ltd., British Columbia, Canada	TSX

EXECUTIVE COMPENSATION

Prior to obtaining a receipt for this Prospectus, the Company was not a reporting issuer in any jurisdiction. As a result, certain information required by Form 51-102F6V has been omitted pursuant to Section 1.3(8) of Form 51-102F6V.

Compensation of Named Executive Officers

Securities legislation requires the disclosure of the compensation received by each Named Executive Officer of the Company. “Named Executive Officer” or “NEO” is defined by securities legislation to mean: (i) the CEO; (ii) the CFO; (iii) the most highly compensated executive officer of the Company, including any of its subsidiaries, or the most highly compensated individual acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was more than \$150,000 for that financial year; and (iv) each individual who would be a “Named Executive Officer” under paragraph (iii) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries, nor acting in similar capacity, at the end of the most recently completed financial year.

As of the date of this Prospectus, the Company anticipates having the following Named Executive Officers for the fiscal year ended December 31, 2022:

- Collin Kettell, CEO and Director of the Company; and
- Bassam Moubarak, CFO of the Company.

Compensation Discussion and Analysis

Philosophy

In determining the compensation to be paid or awarded to its executives, the Board seeks to encourage the advancement of the Company’s business, with a view to enhancing shareholder value. To achieve these objectives, the Company believes it is critical to create and maintain a compensation program that attracts and retains committed, highly qualified personnel by providing appropriate rewards and incentives that align the interest of its executives with those of its shareholders. In addition, as Palisades operates with limited financial resources, the Board needs to consider not only the Company’s financial situation at the time of determining executive compensation but also the Company’s estimated financial situation in the mid and long term.

The Company’s executive compensation program consists of a combination of base salary and long-term incentives in the form of participation in the Stock Option Plan. In making its determinations regarding the various elements of executive Option grants, the Company will seek to meet the following objectives:

- (a) to attract, retain and motivate talented executives who create and sustain Palisades’ continued success within the context of compensation paid by other companies of comparable size engaged in similar business in appropriate regions;
- (b) to align the interests of the NEOs with the interests of the Company’s shareholders; and
- (c) to incent extraordinary performance from our key employees.

Base Salary

The base salary for each executive is established by the Board, on the recommendation of the Board, based upon the position held by such executive, competitive market conditions, such executive’s related responsibilities, experience and the NEO’s skill base, the functions performed by such executive and the salary ranges for similar positions in comparable companies. Individual and corporate performance will also be taken into account in determining base salary levels for executives.

Cash Bonuses

Cash bonuses do not form a normal part of Palisades' executive compensation. However, the Company may elect to utilize such incentives where the role-related context and competitive environment suggest that such a compensation modality is appropriate. When and if utilized, the amount of cash bonus compensation will normally be paid on the basis of timely achievement of specific pre-agreed milestones. Each milestone will be selected based upon consideration of its impact on shareholder value creation and the ability of the Company to achieve the milestone during a specific interval. The amount of bonus compensation will be determined based upon achievement of the milestone, its importance to the Company's near and long-term goals at the time such bonus is being considered, the bonus compensation awarded to similarly situated executives in similarly situated companies or any other factors the Board may consider appropriate at the time such performance-based bonuses are decided upon. The quantity of bonus will normally be a percentage of base salary not to exceed 100%. However, in exceptional circumstances, the quantity of bonus paid may be connected to the shareholder value creation embodied in the pre-agreed milestones. The Company currently has no expectations of paying cash bonuses to its NEO's for the next 12 months, the Company's determination to pay cash bonuses going forward will be evaluated on an ongoing basis by the Board.

Options

Options are a key compensation element for Palisades. Options are an important component of aligning the objectives of Palisades' executive officers and consultants with those of its shareholders, while encouraging them to remain associated with the Company. Palisades expects to provide significant Option positions to its executive officers and consultants. The precise amount of Options to be offered will be governed by the importance of the role within the Company, by the competitive environment within which Palisades operates, and by the regulatory limits on Option grants that cover organizations such as Palisades. When considering an award of Options to an executive officer, consideration of the number of Options previously granted to the executive may be taken into account, however, the extent to which such prior grants remain subject to resale restrictions will generally not be a factor.

As of the date of this Prospectus, a total of 732,812 Options are issued and outstanding. See "*Executive Compensation – Stock Option Plan*" for a summary of the key terms of the Stock Option Plan.

Compensation Risks

In making its compensation-related decisions, the Board carefully consider the risks implicitly or explicitly connected to such decisions. These risks include the risks associated with employing executives who are not world-class in their capabilities and experience, the risk of losing capable but under-compensated executives, and the financial risks connected to the Company's operations, of which executive compensation is an important part.

In adopting the compensation philosophy described above, the principal risks identified by the Company are:

- (a) that the Company will be forced to raise additional funding (causing dilution to shareholders) in order to attract and retain the calibre of executive employees that it seeks; and
- (b) that the Company will have insufficient funding to achieve its objectives.

Hedging by Named Executive Officers or Directors

The Company has no policy with respect to NEOs or directors purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director.

Compensation, excluding Options and Compensation Securities

The following table sets out the total compensation that has been, or is expected to be, paid during the year ended December 31, 2022 to each NEO and director. The anticipated compensation for 2022 set out herein is based on current conditions and on the associated approximate allocation of time for each NEO, and is, as such, subject to adjustments based on changing market conditions and corresponding changes to required time commitments.

Table of Compensation Excluding Options and Compensation Securities

Name and Principal Position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total Compensation (\$)
Collin Kettell, CEO and Director ⁽¹⁾⁽²⁾	2022	330,000	0	0	0	0	330,000
Bassam Moubarak, CFO ⁽³⁾	2022	270,000	0	0	0	0	270,000
Gregor Gregersen, Director	2022	72,000	0	0	0	0	72,000
Elizabeth Harrison, Director	2022	72,000	0	0	0	0	72,000
William Hayden, Director	2022	72,000	0	0	0	0	72,000

Notes:

- (1) Mr. Kettell is expected to receive \$330,000 for his role as CEO and \$0 in consideration for his role as Director.
(2) Mr. Kettell performs his duties as CEO and Director and is compensated through Argentum.
(3) Mr. Moubarak performs his duties as CFO and is compensated through BM Strategic.

Stock Options and Other Compensation Securities

No Options have been, or are expected to be, granted under the Stock Option Plan to NEOs or directors during the year ending December 31, 2022.

Exercise of Options and Compensation Securities by Directors and NEOs

As at the date of this Prospectus, there has been no exercise of Options or other compensation securities by any NEO or director of the Company during the current financial year.

External Management Companies

The Company has not entered into any agreement with any external management company that employs or retains one or more of the NEOs or directors and the Company has not entered into any understanding, arrangement or agreement with any external management company to provide executive management services to the Company, directly or indirectly, in respect of which any compensation was paid by the Company.

Consulting and Management Agreements

As of the date of this Prospectus, other than as described below, the Company has not entered into any contract, agreement, plan or arrangement that provides for payments to the NEOs or directors at, following, or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Company or a change in a NEO's or director's responsibilities.

The material terms of each of the Executive Agreements are summarized below.

Collin Kettell, CEO and Director

Collin Kettell, CEO and Director, provides management services to the Company through Argentum. The Company entered into the Argentum Agreement on January 1, 2020, as amended on November 1, 2021, with respect to the provision of certain management and administrative consulting services provided by Argentum to the Company. Pursuant to the terms and conditions of the Argentum Agreement, Argentum provides certain management consulting services to the Company and its subsidiaries as may be requested by and at the direction of the Board from time to time, including: (i) guidance, advice and services with respect to strategic planning, future growth, projects and

business activities; (ii) guidance and advice in relation to the day to day operation and business of the Company; (iii) guidance and advice concerning proposed acquisitions, divestitures, joint ventures and business combinations; and (iv) guidance and advice concerning any mineral properties owned by the Company or interests in mineral properties acquired by the Company and other mutually agreed services. Argentum is paid the Argentum Base Fee, a base fee rate of \$27,500 per month, subject to the annual review by the Board. Argentum is also eligible for an incentive fee and the grant of Options pursuant to the Stock Option Plan as determined by the Board at its discretion.

Under the terms of the Argentum Agreement, at any time within 60 days following a change of control of Palisades, Argentum or the Company may elect to terminate the Argentum Agreement. Upon such termination, the Company is obliged to compensate Argentum: (i) a termination fee equal to 24 months of the Argentum Base Fee; and (ii) any accrued liabilities owing to Argentum under the Argentum Agreement. The estimated incremental payments to Argentum that would result from a change of control occurring as at December 31, 2021 would be \$660,000.

Bassam Moubarak, CFO

Bassam Moubarak, CFO, provides his services to the Company through BM Strategic. The Company entered into the BM Strategic Agreement on January 1, 2020, as amended on November 1, 2021, with respect to the provision of certain management and administrative consulting services provided by BM Strategic to the Company. Pursuant to the terms and conditions of the BM Strategic Agreement, BM Strategic provides all CFO services to the Company. BM Strategic is paid the BM Strategic Base Fee, a base fee rate of \$22,500 per month, subject to annual review by the Board. BM Strategic is also eligible for an incentive fee and the grant of Options pursuant to the Stock Option Plan as determined by the Board at its discretion.

Under the terms of the BM Strategic Agreement, at any time within 60 days following a change of control of Palisades, BM Strategic or the Company may elect to terminate the BM Strategic Agreement. Upon such termination, the Company is obliged to compensate BM Strategic: (i) a termination fee equal to 24 months of the BM Strategic Base Fee; and (ii) any accrued liabilities owing to Argentum under the Argentum Agreement. The estimated incremental payments to Argentum that would result from a change of control occurring as at December 31, 2021 would be \$540,000.

Estimated Incremental Payments

The estimated amounts payable under various termination scenarios as of the date of this Prospectus are outlined in the table below:

Name and Principal Position	Termination without Cause	Change of Control with Termination
Collin Kettell, CEO and Director	\$660,000	\$660,000
Bassam Moubarak, CFO	\$540,000	\$540,000

Pension Plan Benefits

The Company does not anticipate having any deferred compensation plan or pension plan that provide for payments or benefits at, following or in connection with retirement.

Stock Option Plan

On May 21, 2021, the Board approved the adoption of the Stock Option Plan, which was subsequently approved by the Company's shareholders on October 14, 2021 at an annual general and special meeting of shareholders of the Company. Subject to shareholder approval, the Company intends to amend the Stock Option Plan to align with the requirements of TSXV Policy 4.4. The purpose of the Stock Option Plan is to advance the interests of the Company, through the grant of Options, by providing an incentive mechanism to foster the interests of Eligible Persons (as defined below) in the success of the Company and its subsidiaries and to retain and attract key talent. Eligible Persons include directors, officers, employees or consultants of the Company or of an affiliate of the Company and includes an issuer of which all of the voting securities are owned by Eligible Persons.

The following is a summary of the principal terms of the Stock Option Plan.

The maximum number of issued and outstanding Common Shares reserved for issuance under the Stock Option Plan will be a “rolling” 10% of the issued and outstanding Common Shares at the time of an Option grant, less the aggregate number of common shares then reserved for issuance pursuant to any other share compensation arrangement of the Company.

Every Option granted has a term not exceeding 10 years after the date of grant, as determined by Board, and the exercise price shall be determined by the Board, but will in no event be less than: (i) if the Common Shares are listed for trading on any stock exchange, then the market price of the Common Shares, as such term has the meaning ascribed thereto under the applicable rules and policies of such exchange, or (ii) if the Common Shares are not listed on any stock exchange, then the fair market value of the Common Shares, being the aggregate value of all investments held by the Company and its subsidiaries divided by the number of issued and outstanding Common Shares less any Common Share held by the Company. The aggregate value of any investment in a publicly listed issuer is derived, for the purposes of the Stock Option Plan, by adding the value of publicly listed shares based on the closing price on the trading day prior to grant of Options, and in the money warrants of publicly listed issuers will be valued using the difference between the exercise price of such warrants and the last traded price for that security prior to an Option grant. Investments in private issuers will be valued using the last financing completed by that issuer prior to the Option grant less any liabilities owed by the issuer or any of its subsidiaries.

If Options are granted within ninety (90) days of a distribution by the Company by prospectus, then the exercise price per Common Share for such Option will be the greater of the minimum exercise price described in the preceding paragraph and the price per Common Share paid by the public investors for the Common Shares acquired pursuant to such distribution. Such ninety (90) day period shall begin: (i) on the date the final receipt is issued for the final prospectus in respect of such distribution; and (ii) in the case of a prospectus that qualifies special warrants, on the closing date of the private placement in respect of such special warrants.

The Stock Option Plan provides that Options granted to consultants performing investor relations activities on behalf of the Company shall vest over a minimum of 12 months with no more than one-quarter (1/4) of such options vesting in any 3-month period. Otherwise, the Stock Option Plan contains no vesting requirements and permits the Board to specify a vesting schedule in its discretion.

In addition, the Stock Option Plan provides as follows:

- (a) the number of Common Shares reserved for issuance to any one individual in any 12-month period under the Stock Option Plan and any other share compensation arrangement with the Company shall not exceed 5% of the Common Shares outstanding at the time of the grant, unless the Company has obtained disinterested shareholder approval to exceed such limit;
- (b) the number of Common Shares reserved for issuance to any one consultant, or any one individual conducting investor relations activities on behalf of the Company, in any 12-month period under the Stock Option Plan shall not exceed 2% of the Common Shares outstanding at the time of the grant; and
- (c) unless the Company has received disinterested shareholder approval to do so, the aggregate number of Common Shares reserved for issuance to insiders of the Company under the Stock Option Plan and any other share compensation arrangement shall not exceed 10% of the outstanding Common Shares at any point in time; and the aggregate number of Common Shares reserved for issuance to insiders in any 12-month period shall not exceed 10% of the outstanding Common Shares at the time of grant.

If a participant ceases to be an Eligible Person, then the Stock Option Plan provides that:

- (a) if such participant is terminated for cause, then each Option held by such participant shall terminate and shall thereafter cease to be exercisable no later than the earlier of the Expiry Date and the date which is 30 days after such termination for cause;

- (b) if such participant is prevented, by order or similar decision of the British Columbia Securities Commission or other regulatory authority having jurisdiction over the Company or its affairs, from holding an Option, then each Option held by such participant shall terminate and shall thereafter cease to be exercisable upon the making of such order or similar decision;
- (c) if such participant dies prior to otherwise ceasing to be an Eligible Person, each Option held by such participant shall terminate and shall thereafter cease to be exercisable no later than the earlier of the Expiry Date and the date which is 12 months after the date of such participant's death; or
- (d) if such participant ceases to be an Eligible Person other than in the circumstances set out in subsections (a), (b) or (c) above, each Option held by such participant shall terminate and shall thereafter cease to be exercisable no later than the earlier of the Expiry Date and the date which is 90 days after such terminating event, always provided that the Board may allow for each Option held by such participant to terminate and cease to be exercisable on such later date, not exceeding 12 months following the participant ceasing to be an Eligible Person, as the Board in its discretion may determine is reasonable.

If any portion of an Option is not vested at the time a participant ceases, for any reason whatsoever, to be an Eligible Person, such unvested portion of the Option may not be thereafter exercised by the participant or its legal representative, as the case may be, always provided that the Board may, in its discretion, thereafter permit the participant or its legal representative, as the case may be, to exercise all or any part of such unvested portion of the Option that would have vested prior to the time such Option otherwise terminates and thereafter ceases to be exercisable pursuant to the terms described in subsections (a) to (d) above.

The Stock Option Plan further provides for the treatment of the Options upon the occurrence of certain events, including in the context of a take-over bid and a going public transaction, as summarized below.

If a take-over bid, as defined under applicable securities laws, is made for Common Shares or securities convertible into Common Shares which, if successful, would result in any person(s) beneficially, directly or indirectly, owning shares that would entitle the holders thereof for the first time to cast at least 50% of the votes attaching to all shares in the capital of the Company that may be cast to elect directors, the Company shall immediately upon receipt of notice of the offer notify each participant of the full particulars of the offer, whereupon all Options will become fully vested and the Options may be exercised in whole or in part by the participant so as to permit the participant to tender the Common Shares received upon such exercise, pursuant to the offer. However, if:

- (a) the offer is not completed within the time specified therein; or
- (b) all of the Common Shares tendered by the participant pursuant to the offer are not taken up or paid for by the offeror in respect thereof,

then the Common Shares received upon such exercise may, at the discretion of the Board and, subject to the availability of applicable exemptions from issuer bid requirements under applicable laws, be surrendered by the participant to the Company for cancellation and with respect to such returned Common Shares, the Option shall be reinstated as if it had not been exercised. If any Common Shares are returned to the Company under this section, the Company shall immediately refund the exercise price to the participant for the Options relating to such returned and cancelled Common Shares.

Prior to completion of a Going Public Transaction (as defined in the Stock Option Plan), the directors, applicable regulatory authorities or any underwriter or agent may require that there be no outstanding Options and, the Company may deliver a notice to all participants to this effect, in which case the unvested portion of the Option held by the participant, if any, will immediately vest and the Expiry Date of the Option will be the 30th day following the date of such notice. In such a case, in the event that the Company does not complete the Going Public Transaction, and any Options are cancelled following such 30-day period, the Company will, to the extent reasonably practicable, grant to the participants whose Options were so cancelled an option equivalent (including the original vesting terms, if any) to the Options so cancelled.

The Board may amend any Option with the consent of the affected participant. For greater certainty, Disinterested Shareholder Approval (as defined by the Stock Option Plan) is required for any reduction in the exercise price of an Option, or extension of the term of an Option, if the participant is an insider at the time of the proposed amendment.

Directors' and Officers' Liability Insurance

We carry directors' and officers' liability insurance for our directors and officers; however, we are required to obtain a new directors' and officers' liability insurance policy upon Listing. The Company will apply for limits and deductibles it believes are appropriate for a junior company at our stage of development.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of our directors, executive officers, employees, former directors, former executive officers or former employees and none of their respective associates, is or has within 30 days before the date of this Prospectus or at any time since the beginning of the most recently completed financial year been indebted to us or another entity whose indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar agreement or understanding provided to us.

STATEMENT ON CORPORATE GOVERNANCE

The disclosure set out below describes our approach to corporate governance in accordance with NI 58-101.

Mandate of the Board

The Board has the duty to supervise the management of the business and affairs of the Company and shall, directly and through its committees, provide direction to senior management to pursue the best interests of the Company. Directors shall exercise their business judgment in a manner consistent with their fiduciary duties. In particular, directors are required to act honestly and in good faith, with a view to the best interests of the Company and to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. The Board will facilitate its exercise of independent supervision over Palisades' management through regular meetings of the Board held to obtain an update on significant corporate activities and plans, both with and without members of Palisades' management being in attendance.

The Board has adopted a written mandate, which mandate sets out the composition requirements of the Board and its committees and the specific duties and responsibilities of the Board. A copy of the Board's written mandate will be available under the Company's profile on SEDAR at www.sedar.com.

Board Meeting Attendance

The attendance of each director for all Board meetings held since January 1, 2021, being the beginning of the Company's most recently completed financial year, is as follows:

Director	Meetings Attended
Collin Kettell	5 of 5
Gregor Gregersen	5 of 5
Elizabeth Harrison	4 of 5
William Hayden	5 of 5

Director Independence

Under NI 58-101, a director is considered independent if he or she is independent within the meaning of NI 52-110. Pursuant to NI 52-110, an independent director is a director who is free from any direct or indirect relationship which could, in the view of our Board, be reasonably expected to interfere with a director's independent judgment. Based on information provided by each director concerning his or her background, employment and affiliations, our Board has determined that three (3) of its directors, namely Elizabeth Harrison, William Hayden and Gregor Gregersen are independent based upon the tests for independence set forth in NI 52-110. Collin Kettell is not considered independent based upon the test for independence set forth in NI 52-110 as he is the CEO of Palisades.

On an annual basis, the Corporate Governance and Nominating Committee will assist the Board in assessing each director's independence and will review the relationship each director has with the Company to determine whether their independence is maintained.

Directorships

Certain of our directors are presently directors of other reporting issuers (or equivalent) in Canada or a foreign jurisdiction. See "*Directors and Executive Officers - Other Reporting Issuer Experience*".

Orientation and Continuing Education

Palisades has not yet developed a formal orientation and training program for directors. If and when new directors are added, they will be provided with:

- (a) information respecting the functioning of the Board, committees and copies of Palisades' corporate governance policies;
- (b) access to recent, publicly filed documents of Palisades and Palisades' internal financial information;
- (c) access to management and technical experts and consultants; and
- (d) a summary of significant corporate and securities responsibilities.

The Board members are encouraged to communicate with management, auditors and technical consultants, to keep themselves current with industry trends and developments and changes in legislation with management's assistance, and to attend related industry seminars. The Board members have full access to Palisades' records.

Ethical Business Conduct

The Board has responsibility for the stewardship of the Company, including responsibility for strategic planning, identification of the principal risks of the Company's business and implementation of appropriate systems to manage these risks, succession planning (including appointing, training and monitoring senior management) and the integrity of the Company's internal control and management information systems. To facilitate meeting this responsibility, the Board seeks to foster a culture of ethical conduct by striving to ensure that the Company carries out its business in line with high business and moral standards and applicable legal and financial requirements. In that regard, the Board:

- (a) has adopted a Code of Conduct for its directors, officers, employees and consultants to operate in accordance with the highest ethical standards in their conduct of business for and on behalf of the Company. A copy of the Code of Conduct will be posted under the Company's profile on SEDAR at www.sedar.com;
- (b) encourages management to consult with legal and financial advisors to ensure that the Company is meeting those requirements;
- (c) is cognizant of the Company's timely disclosure obligations under Canadian securities laws and will review material disclosure documents such as financial statements, MD&A and press releases prior to their distribution;
- (d) will rely on its Audit Committee to monitor compliance with the Code of Conduct and to annually review the systems of internal financial control and discuss such matters with the Company's external auditor; and
- (e) will actively monitor the Company's compliance with the Board's directives and ensure that all material transactions are thoroughly reviewed and authorized by the Board before being undertaken by management.

Nomination of Directors

In consultation with the Board, the Corporate Governance and Nominating Committee establishes and reviews with the Board the appropriate skills and characteristics required of members of the Board, taking into consideration the Board's short-term needs and long-term succession plans. In addition, the Corporate Governance and Nominating Committee develops, and annually updates, a long-term plan for the Board's composition, taking into consideration the characteristics of independence, age, skills, experience and availability of service to the Company of its members, as well as opportunities, risks and strategic direction of the Company.

The Corporate Governance and Nominating Committee is responsible for identifying potential Board candidates and assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors and recommends nominees to fill vacancies on the Board. Members of management and the Board are expected to be consulted for possible candidates and the Corporate Governance and Nominating Committee will make an assessment of whether each candidate is or would be (i) "independent" and (ii) "financially literate" within the meaning of applicable law.

Compensation

The Board determines director and senior officer compensation based on the recommendations of the Compensation Committee. With consultation from the CEO, the Compensation Committee is responsible for:

- reviewing and approving corporate goals and objectives relevant to the compensation of the CEO and other executive officers, evaluating the performance of the CEO and the other executive officers in light of those goals and objectives and approving their annual compensation levels, including salaries, bonuses and equity-based awards based on such evaluation; and
- reviewing the compensation of directors for service on the Board and its committees and recommending to the Board the annual Board member compensation package, including retainer, committee member and chair retainers, Board and committee meeting attendance fees and any other form of compensation, such as equity-based awards.

While the Board is ultimately responsible for determining all forms of compensation to be awarded to the CEO, other executive officers and directors, the Compensation Committee will, when appropriate, review the Company's compensation philosophy, policies, plans and guidelines and recommend any changes to the Board.

Board Committees

The Board has established an Audit Committee, a Compensation Committee and a Corporate Governance and Nominating Committee. The Board may establish such additional committees from time to time as it deems appropriate and delegate to them such authority permitted by applicable law and the Company's Articles. The Board will review and consider the establishment and composition of potential and existing committees of the Board on an annual basis.

Assessments

The Board satisfies itself that the Board, its committees and the individual directors are performing effectively by conducting informal assessments from time to time (including by the Corporate Governance and Nominating Committee).

AUDIT COMMITTEE

Audit Committee

NI 52-110 requires that the Audit Committee meet certain requirements. It also requires Palisades to disclose in this Prospectus certain information regarding the Audit Committee. That information is disclosed below.

Overview

The Audit Committee is responsible for monitoring Palisades' systems and procedures for financial reporting and internal control, reviewing certain public disclosure documents and monitoring the performance and independence of Palisades' external auditors. The Audit Committee is also responsible for reviewing Palisades' audited annual financial statements, unaudited quarterly financial statements and management's discussion and analysis of financial results of operations for both annual and interim financial statements and review of related operations prior to their approval by the Board.

Audit Committee Charter

The Board adopted an audit committee charter, in the form attached as Schedule "E" to the Prospectus, mandating the role of the Audit Committee in supporting the Board in meeting its responsibilities to the Company's shareholders.

Unless an Audit Committee Chair is appointed by the Board, the members of the Audit Committee may designate an Audit Committee Chair by a majority vote of the full Audit Committee membership. The current Audit Committee Chair is Gregor Gregersen.

The following table sets out the members of the Audit Committee and whether they are "independent" and "financially literate".

Name of Member	Independent ⁽¹⁾	Financially Literate ⁽¹⁾
Gregor Gregersen	Yes	Yes
Elizabeth Harrison	Yes	Yes
William Hayden	Yes	Yes

Note:

(1) As defined in NI 52-110.

Relevant Education and Experience

Each member of the Audit Committee has adequate education and experience that is relevant to their performance as an Audit Committee member. The following summarizes the education and experience of each member of the Audit Committee relevant to the performance of his responsibilities as an Audit Committee member and, in particular, any education or experience that would provide the member with:

- (a) an understanding of the accounting principles used by Palisades to prepare its financial statements;
- (b) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves;
- (c) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by Palisades' financial statements, or experience actively supervising one or more persons engaged in such activities; and
- (d) an understanding of internal controls and procedures for financial reporting.

Gregor Gregersen – Gregor Gregersen is the founder and CEO of Silver Bullion Pte Ltd. and its subsidiary, the Safe House SG Pte Ltd. Prior to founding Silver Bullion Pte Ltd., Mr. Gregersen was a Senior Data Architect for Commerzbank AG and a Senior Business Intelligence Consultant for major multinational corporations. Mr. Gregersen has a Bachelor of Arts in Economics, a Bachelor of Science in Finance and a Masters in Information and Decision Systems.

Elizabeth Harrison – Elizabeth Harrison is a former partner at Farris Law LLP, providing legal advice on corporate finance, securities and mergers and acquisitions. Ms. Harrison served on the board of directors of the International Finance Centre, BC Ferries, St. Paul's Hospital Foundation, the Vancouver Opera, Crofton House and Forum for Women Entrepreneurs. Mrs. Harrison received her BA (minor economics) and LLB from the University of Alberta.

William Hayden – William Hayden is a geologist with over 38 years of experience in the mineral exploration industry, with much of it gained in Africa, America and the Asia-Pacific region. Mr. Hayden has worked in a management capacity with several exploration and mining companies in Australia and internationally since 1986. Mr. Hayden has over 25 years' experience with financial disclosure, legal and regulatory compliance, and risk management. He has served on various audit committees throughout his career, and is presently a long-standing audit committee member of Ivanhoe Mines Ltd.

Pre-Approval Policies and Procedures

The Audit Committee must pre-approve any engagement of the external auditors for any non-audit services to the Company in accordance with the applicable law and policies and procedures to be approved by the Board. The engagement of non-audit services will be considered by the Board on a case-by-case basis.

External Auditors Service Fees

The fees billed by the Company's external auditors for audit and non audit services provided to the Company or its subsidiaries (if any) for the years ended December 31, 2021 and December 31, 2020 are outlined in the following table.

Nature of Services	Fees paid to auditor for the year ended December 31, 2021	Fees paid to auditor for the year ended December 31, 2020
Audit fees ⁽¹⁾	\$235,830	\$329,766
Audit-Related fees ⁽²⁾	\$0	\$0
Tax fees ⁽³⁾	\$0	\$0
All other fees ⁽⁴⁾	\$0	\$0
Total	\$235,830	\$329,766

Notes:

- (1) "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of the Company's consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultants on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) "Audit-Related Fees" include services that are traditionally performed by the auditor. These audit related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) "All Other Fees" include all non-audit services, other than for services reported under (1), (2) and (3) above.

INVESTMENT POLICY

The text of the Company's investment policy is attached as Schedule "F" to this Prospectus.

RISK FACTORS

Investing in our securities is speculative and involves a high degree of risk. The following risk factors, as well as risks currently unknown to us, could materially adversely affect our future business, operations and financial condition and could cause them to differ materially from the estimates described in forward-looking statements relating to the Company, or its business, property or financial results, each of which could cause purchasers of our securities to lose part or all of their investment. The risks set out below are not the only risks we face; risks and uncertainties not currently known to us or that we currently deem to be immaterial may also materially and adversely affect our business, financial condition, results of operations and prospects. Before deciding whether to invest in any securities of the Company, investors should consider carefully the risks discussed below.

Risks Relating to the Company

Changes in Commodity Prices

The net asset value of the Company's portfolio of investments will be significantly affected by changes in the market price of commodities, and as a result, fluctuations in the price of commodities, and in particular, the price of gold,

may cause significant changes to the price of the Common Shares. The price of gold and other commodities fluctuate daily and are affected by factors beyond the control of Palisades, including levels of supply and demand and industrial development, inflation and interest rates, global currency prices, geo-political events and global health pandemics. External economic factors that affect commodity prices can be influenced by changes in international investment patterns, monetary systems and political developments. A decline in commodity prices could cause a corresponding decline in the net asset value of our portfolio and the price of our Common Shares, which may have an adverse effect on investors in our Common Shares and the market perception of the value of our Common Shares.

All commodities, by their nature, are subject to wide price fluctuations, and future material commodity price declines will result in a decrease in revenue for producers of such commodities and may cause a suspension or termination of production by such producers, which would, in the event such producers form part of Palisades' portfolio of investments, likely result in a loss of the net asset value of Palisades' portfolio. Even if Palisades' portfolio contains a diversified base of commodity issuers, commodity markets have historically been cyclical and a general downturn in commodity prices could result in a significant decrease in the value of Palisades' portfolio.

The COVID-19 Pandemic, or Other Similar Pandemics or Health Crises, May Significantly Impact Palisades

The COVID-19 pandemic, or other similar pandemics or health crises, may significantly impact Palisades. The COVID-19 global health pandemic is significantly impacting the global economy and commodity and financial markets. The full extent and impact of the COVID-19 pandemic is unknown and to date has included extreme volatility in financial markets, a slowdown in economic activity, volatility in the price of gold and other commodities and has raised the prospect of an extended global recession. As efforts have been undertaken to slow the spread of the COVID-19 pandemic, the operation and development of mining projects has been impacted. To date, a number of mining projects have been suspended as cases of COVID-19 have been confirmed, for precautionary purposes or as governments have declared a state of emergency or taken other actions. If the operation or development of any property owned or operated by one of the entities in which Palisades holds an interest is suspended, it may have a material adverse impact on the net asset value of Palisades' portfolio, Palisades' financial condition and the price of Palisades' securities. The broader impact of the COVID-19 pandemic on investors, businesses, the global economy or financial and commodity markets may also have a material adverse impact on Palisades' financial conditions, the net asset value of Palisades' portfolio and the price of Palisades' securities.

Palisades Has No Control Over Mining Operations

Palisades is not directly involved in the operation of the mines owned and operated by the entities in which the Company holds an interest. As such, the net asset value of Palisades' portfolio will be dependent on the decisions, actions and operations of third-party mine owners and operators. These owners and operators generally will have the power to determine the way a property is exploited, including decisions to expand, continue or reduce or suspend or discontinue production from a property, decisions about the marketing of products extracted from the property and decisions to advance exploration efforts and conduct development of a non-producing property. The interests of third-party mine owners and operators and those of Palisades in respect of a relevant project or property may not always be aligned. The inability of Palisades to control the operations of entities in which it holds an interest may result in a material adverse effect on the net asset value of Palisades' portfolio and its financial condition. In addition, the mine owners or operators may take action contrary to policies or objectives of Palisades; have difficulty obtaining or be unable to obtain the financing necessary to move projects forward; or experience financial, operational or other difficulties, including insolvency which, in each case, may have a material adverse effect on Palisades. Palisades is also subject to the risk that a specific mine or project may be put on care and maintenance or have its operations suspended, on both a temporary or permanent basis.

Issuers in which Palisades' holds an interest from time to time may announce transactions, including the sale or transfer of the projects the issuer holds or the issuer itself, over which Palisades has no control. If such transactions are completed, there is no guarantee that the transaction will be beneficial to Palisades. If any such transaction is announced, there is no certainty that such transaction will be completed, or completed as announced, and any consequences of such non-completion on Palisades may be difficult or impossible to predict.

Palisades is subject to the risk that Mining Operations may shut down on a temporary or permanent basis due to issues including but not limited to economic conditions, lack of financial capital, flooding, fire, weather related events, mechanical malfunctions, community or social related issues, social unrest, the failure to receive permits or having

existing permits revoked, collapse of mining infrastructure, including tailings ponds, expropriation and other risks. These issues are common in the mining industry and can occur frequently. There is a risk that the carrying values of Palisades' assets may not be recoverable if the Mining Operations or the operators or owners of the Mining Operations experience any of these issues. The exact effect on a particular issuer or mining operation of the occurrence of any of these issues cannot be predicted, but such issues may result in the Mining Operations becoming uneconomic resulting in their shutdown and closure, which may have a material and adverse effect on Palisades.

No Guaranteed Return

Our investments in securities of public entities are subject to volatility in the share prices of such entities. There can be no assurance that an active trading market for any of the subject securities is sustainable. The trading prices of the subject securities could be subject to wide fluctuations in response to various factors beyond our control, including, quarterly variations in the subject entities' results of operations, changes in earnings (if any), estimates by analysts, conditions in the industry of the subject companies and general market or economic conditions. In recent years, equity markets have experienced extreme price and volume fluctuations. These fluctuations have had a substantial effect on market prices, often unrelated to the operating performance of the specific entities. Such market fluctuations could adversely affect the market price of our investments.

There is no guarantee Palisades' investments will earn any positive return in the short term or long term. Palisades may never earn any return on its investment and may lose its entire investment. The task of identifying investment opportunities, monitoring such investments and realizing a significant return is difficult. Many organizations operated by persons of competence and integrity have been unable to make, manage and realize a return on such investments successfully. Our past performance provides no assurance of our future success.

Third-Party Reporting

As the holder of an equity interest, Palisades may have limited access to data on the operations of an issuer or to the actual underlying properties held by any such issuer. This limited access to data or disclosure regarding operations could affect the ability of Palisades to evaluate the prospects of its investments, which could result in losses in Palisades' portfolio, short term fluctuations in the value of our investments or missed investment opportunities, each of which could materially and adversely affect Palisades.

Strategy for Acquisitions

As Palisades executes on its business plan, it intends to acquire interests in additional third parties or further its position in entities in which the Company already holds interest in. Palisades cannot offer any assurance that it will be able to complete any acquisition or proposed business transactions on favourable terms or at all, or that any completed acquisitions or proposed transactions will benefit Palisades. In addition, any such acquisition or other transaction may have other transaction specific risks associated with it, including risks related to the completion of the transaction, the project operators or the jurisdictions in which assets may be acquired.

Additionally, Palisades may from time to time consider opportunities to restructure its equity investments where it believes such a restructuring may provide a long-term benefit to Palisades, even if such restructuring may reduce near-term value or result in Palisades incurring transaction related costs.

Trading Price

We are neither a mutual fund nor an investment fund, and due to the nature of our business and investment strategy and the composition of our investment portfolio, the market price of our Common Shares, at any time, may vary significantly from our net asset value per Common Share, and may never be equal to, or exceed, our net asset value per Common Share. This may cause certain investors to have a negative outlook on our ability to generate returns or cause other negative market sentiment with respect to our Common Shares, which could have an adverse effect on the price of our Common Shares.

Non-Controlling Interest

Our investments include equity securities of entities that we do not control. These securities may be acquired by us in the secondary market or through purchases of securities from the issuer. Any such investment is subject to the risk that the entity in which the investment is made may make business, financial or management decisions with which we do not agree or that the majority stakeholders or the management of the issuer may take risks or otherwise act in a manner that does not serve our interests. If any of the foregoing were to occur, the value of our investments could decrease and our financial condition could materially suffer as a result.

Due Diligence

The due diligence process that we undertake in connection with our investments may not reveal all facts that may be relevant in connection with an investment. Before making investments, we conduct due diligence that we deem reasonable and appropriate based on the facts and circumstances applicable to each investment. When conducting due diligence, we may be required to evaluate important and complex business, financial, tax, accounting, environmental and legal issues. Outside consultants, legal advisors, accountants and investment banks may be involved in the due diligence process in varying degrees depending on the type of investment. Nevertheless, when conducting due diligence and making an assessment regarding an investment, we rely on the resources available to us, including information provided by the target of the investment and, in some circumstances, third-party investigations. The due diligence investigations that we will carry out with respect to any investment opportunity may not reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment opportunity. Moreover, such an investigation will not necessarily result in the investment ultimately being successful for the Company. In the event that our due diligence process does not reveal material issues with respect to a proposed investment, and we proceed with the investment, the investment may not be beneficial to us and we could lose our entire investment.

Private Issuers and Illiquid Securities

From time to time, we may invest in private issuers whose securities do not trade on any public exchange. Investments in private issuers are subject to numerous re-sale restrictions and there may not be any market for these securities. These limitations may impair our ability to react quickly to market conditions or negotiate the most favourable terms for exiting such investments and do not represent a readily available source of capital for us. Investments in private issuers may offer relatively high potential returns but will also be subject to a relatively high degree of risk. There can be no assurance that a market will develop for any of our private company investments or that we will otherwise be able to realize a return on such investments.

The value attributed to securities of a private issuer (which is typically initially recorded at the transaction value, being the fair value at the time of acquisition, and is thereafter subject to adjustment in accordance with our accounting policies) may not reflect the amount for which they can be sold. Because valuations, and in particular valuations of investments for which market quotations are not readily available, are inherently uncertain, may fluctuate within a short period of time and may be based on estimates, determinations of fair value may differ materially from the values that would have resulted if a ready market had existed for the investments, and such determined fair value could be higher than the value the market ultimately ascribes to such investments.

We also hold illiquid securities of public issuers. A considerable period of time may elapse between the time a decision is made to sell such securities and the time we are able to do so, and the value of such securities could materially decline during such period. Illiquid investments are subject to various risks, particularly the risk that we will be unable to realize our investment objectives by sale or other disposition at attractive prices or otherwise be unable to complete any exit from the investment. In some cases, we may be prohibited by contract or by law from selling such securities for a period of time or otherwise be restricted from disposing of such securities, which could materially and adversely affect our ability to profitably liquidate such investments.

We may also make direct investments in publicly-traded securities that have low trading volumes. Accordingly, it may be difficult for us to make trades in these securities without adversely affecting the price of such securities, which could harm the profitability of our investment in such securities.

Change in Material Investments

From time to time the Company may make investments that are disproportionately material to the Company's portfolio. As of the date of this Prospectus, the Company's success is largely dependent on its investment in New Found Gold. Any adverse development affecting the operation of, production from or recoverability of mineral reserves from the properties owned or operated by New Found Gold, or other issuers in which we have a material investment, such as, but not limited to, unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage or the inability to secure supply agreements on commercially suitable terms, may have a material adverse effect on the net asset value of Palisades' portfolio and the financial condition of Palisades.

Negative Cash Flow from Operating Activities

The Company had negative cash flow from operating activities during its most recently completed financial year. The Mining Operations are in the exploration stage and there are no known mineral resources or reserves and the proposed exploration programs with respect to the Mining Operations are exploratory in nature. There is no assurance that any of the Mining Operations will generate earnings, operate profitably or provide a return on the Company's investment in the future. Accordingly, the Company may continue to operate at a loss and may be required to obtain additional financing in order to meet its future cash commitments.

Dependence on Key Personnel

Palisades is dependent on the services of a small number of key management personnel. The ability of Palisades to manage its activities and its business will depend in large part on the efforts of these individuals. There can be no assurance that Palisades will be successful in engaging or retaining key personnel. The loss of the services of a member of the management of Palisades could have a material adverse effect on the Company. From time to time, Palisades may also need to identify and retain additional skilled management and specialized technical personnel to efficiently operate its business. The number of persons skilled in the acquisition of equity investments in entities that own or operate mines or mineral properties is limited and competition for such persons is intense. Recruiting and retaining qualified personnel is critical to the success of Palisades and there can be no assurance that Palisades will be successful in recruiting and retaining the personnel it needs to successfully operate its business. If Palisades is not successful in attracting and retaining qualified personnel, the ability of Palisades to execute on its business model and strategy could be affected, which could have a material and adverse impact on its profitability, results of operations and financial condition.

Conflicts of Interest

As part of the Company's business plan, from time to time, the Company may invest in issuers with which its directors and officers are affiliated, whether as directors, officers, promoters, founders, significant shareholders or otherwise. Further, most of the Company's directors and officers do not devote their full time to the affairs of the Company and also serve as directors or officers of other public companies. In such instances, there exists the possibility for such directors and officers to be in a position where there is a conflict of interest between their personal interests or their duties to such other issuer, and their duties to the Company. For example, Collin Kettell, CEO and director of Palisades, is the Founder, CEO and Executive Chairman of New Found Gold, in which the Company has made a substantial investment. Mr. Moubarak, CFO of Palisades, also provides consulting services to New Found Gold through BM Strategic. Such conflicts of interest may compromise our ability to exit certain investments, or engage in new investment opportunities, which may result in a material adverse effect on the net asset value of our investment portfolio or our financial condition.

Global Financial Conditions

Events in global financial markets in the past several years have had a profound impact on the global economy. Many industries, including the mining industry, have been and continue to be impacted by these market conditions. Some of the key impacts of the current financial market turmoil include contraction in credit markets resulting in a widening of credit risk, devaluations, high volatility in global equity, commodity, foreign exchange and precious metal markets and a lack of market confidence and liquidity. A slowdown in the financial markets or other economic conditions,

including but not limited to, consumer spending, employment rates, business conditions, inflation, fuel and energy costs, consumer debt levels, lack of available credit, the state of the financial markets, interest rates and tax rates, may adversely affect our growth and the net asset value of our portfolio. A number of issues related to economic conditions could have a material adverse effect on our business, financial condition and the net asset value of our portfolio, including: (a) contraction in credit markets could impact the cost and availability of financing for us and the issuers we invest in and our and their overall liquidity; (b) the volatility of commodity prices impacts the revenues, profits, losses and cash flow of the issuers that we invest in and, consequently, the net asset value of our portfolio and our financial condition; (c) recessionary pressures could adversely impact demand for metal production, which could adversely affect the net asset value of our portfolio and our financial condition; (d) volatile energy, commodity and consumables prices and currency exchange rates could impact the production costs of the issuers that we invest in, and consequently, the net asset value of our portfolio and our financial condition; and (e) the devaluation and volatility of global stock markets could impact the valuation of our equity and other securities and potentially limit the ability to complete offerings of our securities.

The COVID-19 pandemic and any future emergence and spread of similar pathogens could have an adverse impact on global economic conditions which may adversely impact the operations of the issuers that we invest in, and the demand for their production, which could have a material adverse effect on our business.

Inflation

The operating costs of the issuers we invest in could escalate and become uncompetitive due to supply chain disruptions, inflationary cost pressures, equipment limitations, escalating supply costs, commodity prices and additional government intervention through stimulus spending or additional regulations and any inability to manage these costs may impact, among other things, future development decisions, which could have a material adverse impact on such issuer's financial performance and ultimately adversely impact the financial condition of Palisades.

Natural Disasters, Terrorist Acts, Civil Unrest, Pandemics and Other Disruptions

Natural disasters, terrorist acts, civil unrest, pandemics and other disruptions, such as the recent COVID-19 pandemic and the ongoing conflict in Ukraine, including global response to such events as it relates to sanctions, quarantines, trade embargos and military support, may adversely affect Palisades or the issuers in which we invest. Upon the occurrence of a natural disaster, or upon commencement of war, riot or civil unrest, the impacted country, province, state or region may not efficiently and quickly recover from such event, which could have a material adverse effect on Palisades to the extent that Palisades has invested in issuers with investments in such country, province, state or region. Terrorist attacks, public health crises, including epidemics, pandemics or outbreaks of new infectious disease or viruses, domestic and global trade disruptions, infrastructure disruptions, civil disobedience or unrest, natural disasters, national emergencies, acts of war, technological attacks and related events can result in volatility and disruption to local and global supply chains, operations, mobility of people and the financial markets, which could affect interest rates, credit ratings, credit risk, inflation, business, financial conditions, results of operations and other factors relevant to Palisades and/or its investments, all of which may have a material adverse effect on the net asset value of Palisades' portfolio, Palisades' financial condition and the price of Palisades' shares. The ongoing conflict in Ukraine has resulted in significant uncertainty as well as economic and supply chain disruptions and should this conflict go on for an extended period of time, expand beyond Ukraine, or should other geopolitical disputes and conflicts emerge in other regions, this could result in material adverse effects for Palisades.

Future Financing; Future Securities Issuances

There can be no assurance that Palisades will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could impede Palisades' investment strategy or result in delay or postponement of Palisades' business activities, which may result in a material and adverse effect on Palisades' financial condition, the value of its portfolio or the price of its Common Shares. Palisades may require new capital to continue to grow its business and there are no assurances that capital will be available when needed, if at all. In the event that Palisades is required to raise additional capital through this issuance of Common Shares, or securities convertible into or exchangeable for Common Shares, such issuance will result in dilution to existing shareholders.

Litigation Affecting Properties Owned by Entities in which Palisades has an Interest In

Potential litigation may arise on a mine or mineral property owned or operated by an entity in which Palisades holds an interest (for example, litigation between joint venture partners or between operators and original property owners or neighbouring property owners). Palisades will not generally have any influence on the litigation and will not generally have access to data or information regarding the litigation. Any such litigation that results in the cessation or reduction of production from a property (whether temporary or permanent) could have a material and adverse effect on the net asset value of Palisades' portfolio, its financial condition and the price of the Common Shares of Palisades.

Changes in Tax Laws Impacting Palisades

There can be no assurance that new tax laws, regulations, policies or interpretations will not be enacted or brought into being in the jurisdictions in which Palisades operates or in the jurisdictions of the mines and mineral properties owned or operated by entities in which Palisades has an interest, in each case which could have a material adverse effect on Palisades. Additionally, no assurance can be given that existing taxation rules will not be applied in a manner which could result in Palisades being subject to additional taxation or which could otherwise have a material adverse effect on the net asset value of Palisades' portfolio or its financial condition. In addition, the introduction of new tax rules or accounting policies, or changes to, or differing interpretations of, or application of, existing tax rules or accounting policies could make equity investments or other investments by Palisades less attractive to counterparties. Such changes could adversely affect the ability of Palisades to acquire new assets or make future investments.

Information Systems and Cyber Security

Palisades' information systems (including those of any of its counterparties) may be vulnerable to the increasing threat of continually evolving cybersecurity risks. Unauthorized parties may attempt to gain access to these systems or Palisades' information through fraud or other means of deception. Palisades' operations depend, in part, on how well Palisades (as well as its counterparties) protect networks, equipment, information technology systems and software against damage from threats. The failure of information systems or a component of information systems could, depending on the nature of any such failure, adversely impact Palisades' reputation and financial condition. Although to date Palisades has not experienced any losses relating to cyber-attacks or other information security breaches, there can be no assurance that Palisades or its counterparties will not incur such losses in the future. Palisades' risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage or unauthorized access remain an area of attention.

Activist Shareholders

Publicly traded companies are often subject to demands or publicity campaigns from activist shareholders advocating for changes to corporate governance practices, such as executive compensation practices, social issues, or for certain corporate actions or reorganizations. There can be no assurance that Palisades will not be subject to any such campaign, including proxy contests, media campaigns or other activities. Responding to challenges from activist shareholders can be costly and time consuming and may have an adverse effect on Palisades' reputation. In addition, responding to such campaigns would likely divert the attention and resources of Palisades' management and Board, which could have an adverse effect on Palisades' business and results of operations. Even if Palisades were to undertake changes or actions in response to activism, activist shareholders may continue to promote or attempt to effect further changes and may attempt to acquire control of Palisades. If shareholder activists are ultimately elected to the Board, this could adversely affect Palisades' business and future operations. This type of activism can also create uncertainty about Palisades' future strategic direction, resulting in loss of future business opportunities, which could adversely affect Palisades' business, future operations, profitability and Palisades' ability to attract and retain qualified personnel.

Reputation Damage

Reputational damage can be the result of the actual or perceived occurrence of any number of events, and could include negative publicity, whether true or not. While Palisades does not ultimately have direct control over how it is perceived

by others, reputational loss could have a material adverse impact on our financial performance, financial condition and growth prospects.

Expansion of Business Model

Palisades' business has been focused on the acquisition and management of interests in entities that own or operate mines and mineral properties. However, Palisades may pursue acquisitions outside this area, including, without limitation, engaging in stream financing or engaging in investments in mining services businesses. Expansion of Palisades' activities into new areas would present challenges and risks that it has not faced in the past. The failure to manage these challenges and risks successfully may result in a material and adverse effect on Palisades' results of operations, financial condition and the price of Palisades' Common Shares.

Risks Related to Mines and Mining Operations

Risk Factors applicable to Entities in which Palisades holds an Interest

Palisades will be subject to many of the same risk factors applicable to the owners and operators of any mine as a result of its junior mining investment portfolio. In the event that any of these risks should materialize, the value of Palisades' investment portfolio, its financial condition and/or the price of its Common Shares may be materially and adversely affected.

Exploration, Development and Operating Risks

Mining involves a high degree of risk. Mines and projects owned and operated by entities in which Palisades has or may acquire an equity interest are subject to all of the hazards and risks normally encountered in the exploration, development and production of metals, including weather-related events, unusual and unexpected geology formations, seismic activity, rock bursts, cave-ins, pit-wall failures, flooding, environmental hazards and the discharge of toxic chemicals, explosions and other conditions involved in the drilling, blasting and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to property, injury or loss of life, environmental damage, work stoppages, delays in production, increased production costs and possible legal liability. Any of these hazards and risks and other acts of God could shut down Mining Operations temporarily or permanently. Mining Operations are subject to hazards such as equipment failure or failure of retaining dams around tailings disposal areas which may result in environmental pollution and consequent liability for the owners or operators of the Mining Operations.

The exploration for, development, mining and processing of mineral deposits involves significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Major expenditures may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the exploration or development programs planned by the owners or operators of Mining Operations will result in profitable commercial Mining Operations. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: cash costs associated with extraction and processing, the particular attributes of the deposit, such as size, grade and proximity to infrastructure; metal prices which are highly cyclical; government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection; and political stability. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in one or more of the Mining Operations not receiving an adequate return on invested capital. Accordingly, there can be no assurance the Mining Operations which are not currently in production will be brought into a state of commercial production.

Climate Change

Climate change legislation and treaties are being introduced more frequently by governments globally. Regulation in respect of emission levels and the efficient use of energy is becoming more stringent. Continuation of the current regulatory trend in respect of climate change could have the impact of increasing costs at those mines and mineral properties owned and operated by entities in which Palisades has an interest. Climate change could produce adverse impacts to underlying Mining Operations through the disruption of Mining Operations and their associated resource

supply lines because of extreme weather events and natural disasters. There can be no assurance that efforts to mitigate risks from climate change can be effective and that physical risks resulting from climate change will not have an adverse impact on Mining Operations.

Environmental Risks

All phases of mine operation or development are subject to governmental regulation including environmental regulation in the various jurisdictions 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 heightened 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 mines and mineral properties owned or operated by entities in which Palisades has an interest. Also, unknown environmental hazards may exist on the properties at present which were caused by previous or existing owners or operators of the properties and which could impair the commercial success, levels of production and continued feasibility and project development and mining operations on these properties.

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 or development 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 for violations of applicable laws or regulations.

Government Regulation, Permits and Authorizations

The exploration and development activities related to mine operations are subject to extensive laws and regulations governing exploration, development, production, exports, taxes, labour standards, waste disposal, protection and remediation of the environment, reclamation, historic and cultural resources preservation, mine safety and occupational health, handling, storage and transportation of hazardous substances and other matters.

The costs of discovering, evaluating, planning, designing, developing, constructing, operating and closing specific mine operations in compliance with such laws and regulations are significant. It is possible that the costs and delays associated with compliance with such laws and regulations could become such that the owners or operators of mines or projects would not proceed with the development of, or continue to operate, a mine. Moreover, it is possible that future regulatory developments, such as increasingly strict environmental protection laws, regulations and enforcement policies thereunder and claims for damages to property and persons resulting from mining operations could result in substantial costs and liabilities for the owners or operators of mines or projects in the future such that they would not proceed with the development of, or continue to operate, a mine.

Government approvals, licences and permits are currently, and will in the future 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 Palisades. 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 mining companies, or more stringent implementation thereof, could have a material adverse impact on 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.

Permitting and Access

The operation of a mine or project is subject to receipt and maintenance of permits from appropriate governmental authorities. The mines and projects owned or operated by entities in which Palisades has an interest may be subject to delays in connection with obtaining access to the property and all necessary renewals of permits for 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 these properties, permits from appropriate governmental authorities may be required. There can be no assurance that the owners or operators of the mines or projects will continue to hold all permits necessary to develop or continue operating at any particular property.

Infrastructure

Natural resource exploration, development and mining activities are dependent on the availability of mining, drilling and related equipment in the particular areas where such activities are conducted. A limited supply of such equipment or access restrictions may affect the availability of such equipment to the owners and operators of mines or projects and may delay exploration, development or extraction activities. Certain equipment may not be immediately available or may require long lead time orders. The lack of availability on acceptable terms or the delay in the availability of any one or more of these items could prevent or delay exploration, development or production at a mine or project. Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect operations at a mine or project.

Dependence on Operator's Employees

Production from the properties owned or operated by entities in which Palisades holds an interest depends on the efforts of operators' employees. There is competition for persons with mining expertise. The ability of the owners and operators of such properties to hire and retain geologists and persons with mining expertise is key to those operations. Further, relations with employees may be affected by changes in the scheme of labour relations that may be introduced by the relevant governmental authorities in the jurisdictions in which those operations are conducted. Changes in such legislation or otherwise in the relationships of the owners and operators of such properties with their employees may result in strikes, lockouts or other work stoppages, any of which could have a material adverse effect on such operations. If these factors cause the owners and operators of such properties to decide to cease production at one or more of the properties, such decision could have a material adverse effect on the business and financial condition of Palisades.

Risks Related to Mineral Reserves and Resources

The mineral reserves and resources on properties owned by entities that Palisades holds or may hold an interest in are estimates only, and no assurance can be given that the estimated reserves and resources are accurate or that the indicated level of minerals will be produced. Such estimates are, in large part, based on interpretations of geological data obtained from drill holes and other sampling techniques. Actual mineralization or formations may be different from those predicted by the owners or operators of the properties. Further, it may take many years from the initial phase of drilling before production is possible and, during that time, the economic feasibility of exploiting a discovery may change. Market price fluctuations of commodities, as well as increased production and capital costs or reduced recovery rates, may render the proven and probable reserves on properties owned and operated by entities in which Palisades holds an interest unprofitable to develop at a particular site or sites for periods of time or may render reserves containing relatively lower grade mineralization uneconomic. Moreover, short-term operating factors relating to the reserves, such as the need for the orderly development of ore bodies or the processing of new or different ore grades, may cause reserves to be reduced or not extracted. Estimated reserves may have to be recalculated based on actual production experience. The economic viability of a mineral deposit may also be impacted by other attributes of a particular deposit, such as size, grade and proximity to infrastructure; by governmental regulations and policy relating to price, taxes, royalties, land tenure, land use permitting, the import and export of minerals and environmental protection; and by political and economic stability.

Resource estimates in particular must be considered with caution. Resource estimates for properties that have not commenced production are based, in many instances, on limited and widely spaced drill holes or other limited information, which is not necessarily indicative of the conditions between and around drill holes. Such resource estimates may require revision as more drilling or other exploration information becomes available or as actual production experience is gained. Further, resources may not have demonstrated economic viability and may never be extracted by the operator of a property. It should not be assumed that any part or all of the mineral resources on properties owned or operated by entities in which Palisades holds or may hold an interest in constitute or will be

converted into reserves. Any of the foregoing factors may require operators to reduce their reserves and resources, which may have a material adverse effect on Palisades' business, results of operations and financial condition.

Depleted Mineral Reserve Replacement

A mining company operating a specific mine will be required to replace and expand mineral reserves depleted by a mine's production to maintain production levels over a long-term. It is possible to replace depleted mineral reserves by expanding known ore bodies through exploration, locating new deposits or acquiring new mines or projects. Mineral exploration is highly speculative in nature. It can take several years to develop a potential site of mineralization. There is no assurance that current or future exploration programs conducted by mining issuers in which Palisades holds an interest will be successful in replacing mining depletion. There is a risk that the depletion of mineral reserves owned by issuers in which Palisades holds an interest will not be replenished by discoveries or acquisitions, which, over time, could reduce the value of Palisades' investment portfolio.

Uninsured Risks

The mining industry is subject to significant risks that could result in damage to, or destruction of, mineral properties or producing facilities, personal injury or death, environmental damage, delays in mining, monetary losses and possible legal liability. Mining companies may or may not maintain insurance in adequate amounts, including insurance for workers' compensation, theft, general liability, all risk property, automobile, directors and officer's liability and fiduciary liability and others. Such insurance, however, contains exclusions and limitations on coverage. Accordingly, a mining company's insurance policies may not provide coverage for all losses related to their business (and may not cover environmental liabilities and losses). The occurrence of losses, liabilities or damage not covered by such insurance policies could have a material adverse effect on the mining companies' profitability, results of operations and financial condition.

Land Title

Although title to specific mines or projects may have been reviewed by or on behalf of Palisades in connection with its investment, no assurances can be given that there are no title defects affecting the properties and mineral claims owned or used by specific mines or projects. Companies may not have conducted surveys of the claims in which they hold direct or indirect interests; therefore, the precise area and location of such claims may be in doubt. It is possible that a specific mine or project may be subject to prior unregistered liens, agreements, transfers or claims, including native land claims, and title may be affected by, among other things, undetected defects. In addition, mining companies may be unable to operate the specific mine or project as permitted or to enforce their rights with respect to that specific mine or project which may ultimately impair the value of Palisades' investment in such mining companies.

First Nations Land Claims

Certain mines or mineral properties owned and operated by entities in which the Company has an interest may now or in the future be the subject of First Nations land claims. The legal nature of First Nations land claims is a matter of considerable complexity. Additional uncertainty has arisen due to the decision of the Supreme Court of Canada in *Tsilhqot'in Nation v. British Columbia* (2014 SCC 44), which recognized the Tsilhqot'in Nation as holding aboriginal title to approximately 1,900 square kilometres of territory in the interior of British Columbia. This decision represents the first successful claim for aboriginal title in Canada and may lead other First Nations in British Columbia to pursue aboriginal title in their traditional land-use areas.

The impact of any such claim on the mineral properties of entities in which the Company has an interest cannot be predicted with any degree of certainty and no assurance can be given that a broad recognition of First Nations rights, by way of negotiated settlements or judicial pronouncements, affecting issuers in which the Company has an interest would not have an adverse effect on the value of the Company's investment portfolio or financial condition. In addition, there is no assurance that any such issuer will be able to maintain practical working relationships with First Nations.

Indigenous Peoples

Various international and national laws, codes, resolutions, conventions, guidelines, and other materials relate to the rights of indigenous peoples. Palisades holds interests in entities that own and operate mines or mineral properties located in areas presently or previously inhabited or used by indigenous peoples. There may be certain obligations on the government to consult with indigenous people regarding actions which may affect indigenous people, including actions to approve or grant mining rights or permits. The obligations of government and private parties under the various international and national materials pertaining to indigenous people continue to evolve and be defined. From time to time, Palisades may hold interests in entities with properties that are subject to the opposition of one or more groups of indigenous people who oppose the operation, further development, or new development on such project. Such opposition may be directed through legal or administrative proceedings or protests, roadblocks or other forms of public expression against the Company or the owner/operators' activities. Opposition by indigenous people to such activities may require modification of or preclude operation or development of projects or may require the entering into of agreements with indigenous people. Claims and protests of indigenous people may disrupt or delay activities of the owners/operators of Palisades' equity interest.

International Interests

The Company may from time to time make investments in entities with projects or properties located outside of Canada, and could be exposed to political, economic or other risks or uncertainties as a result. These types of risks or uncertainties may differ between countries and can include but are not limited to, terrorism, hostage taking, military repression, crime, political instability, currency controls, fluctuations in currency exchange rates, inflation rates, labour unrest, risk of war or civil unrest, expropriation and nationalization, renegotiation or nullification of mining or mineral concessions, licenses, permits, authorizations and contracts, illegal mining or mineral exploration, taxation changes, modifications, amendments or changes to mining and mineral laws, regulations, policies, and changes to government regulations in respect of foreign investment and mining.

Changes, if any, in mining or investment policies or shifts in political attitude may adversely affect the operations or profitability of the Mining Operations in these countries. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, income taxes, expropriation of property, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use, mine safety and the rewarding of contracts to local contractors or requiring foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction or the imposition of additional local or foreign parties as joint venture partners with carried or other interests. Failure to comply strictly with applicable laws, regulations and local practices relating to mineral right applications and tenure, could result in loss, reduction or expropriation, cancellation or dispute of licenses or entitlements which could result in substantial costs, losses and liabilities in the future.

The occurrence of these various factors and uncertainties related to the economic and political risks for operations in foreign jurisdictions cannot be accurately predicted and could have an adverse effect on the Mining Operations resulting in substantial costs, losses and liabilities in the future.

Permitting, Construction and Development

Palisades may hold interests in entities with mines and projects that may be in various stages of permitting, construction, development and expansion. Construction, development and expansion of such mines or projects is subject to numerous risks, including, but not limited to: delays in obtaining equipment, materials, and services essential to completing construction of such projects in a timely manner; delays or inability to obtain all required permits; changes in environmental or other government regulations; currency exchange rates; labour shortages; and fluctuation in metal prices. There can be no assurance that the owners or operators of such mines or projects will have the financial, technical and operational resources to complete the permitting, construction, development and expansion of such mines or projects in accordance with current expectations or at all.

Risks Related to the Securities of Palisades

Common Shares are subject to Price Volatility

Capital and securities markets have a high level of price and volume volatility, and the market price of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. Factors unrelated to the financial performance or prospects of Palisades include macroeconomic developments in North America and globally, and market perceptions of the attractiveness of particular industries or asset classes. There can be no assurance that continued fluctuations in mineral or commodity prices will not occur. As a result of any of these factors, the market price of the Common Shares at any given time may not accurately reflect the long-term value of Palisades.

In the past, following periods of volatility in the market price of a company's securities, shareholders have instituted class action securities litigation against them. Such litigation, if instituted, could result in substantial cost and diversion of management attention and resources, which could significantly harm profitability and the reputation of Palisades.

Dilution

Palisades may issue additional securities in the future in connection with acquisitions, strategic transactions, financings or for other purposes. To the extent additional securities are issued, Palisades' existing securityholders could be diluted and some or all of Palisades' financial measures could be reduced on a per share basis. Additionally, Palisades' securities issued in connection with a transaction may not be subject to resale restrictions and, as such, the market price of Palisades' securities may decline if certain large holders of Palisades' securities or recipients of Palisades' securities in connection with an acquisition, sell all or a significant portion of such securities or are perceived by the market as intending to sell such securities. In addition, such issuances of securities may impede Palisades' ability to raise capital through the sale of additional equity securities in the future.

Evolving Corporate Governance and Public Disclosure Regulations

On becoming a reporting issuer, the Company will be subject to reporting requirements under applicable securities law, the listing requirements of the TSXV and other applicable securities rules and regulations. Compliance with these requirements will increase legal and financial compliance costs, make some activities more difficult, time consuming or costly, and increase demand on existing systems and resources. Among other things, the Company will be required to file annual, quarterly and current reports with respect to its business and results of operations and maintain effective disclosure controls and procedures and internal controls over financial reporting. In order to maintain and, if required, improve disclosure controls and procedures and internal controls over financial reporting to meet this standard, significant resources and management oversight may be required. As a result, management's attention may be diverted from other business concerns, which could harm the Company's business and results of operations. The Company may need to hire additional employees to comply with these requirements in the future, which would increase its costs and expenses.

Management of the Company expects that being a reporting issuer will make it more expensive to obtain and maintain director and officer liability insurance, and the Company may in the future be required to accept reduced coverage or incur substantially higher costs to obtain or maintain adequate coverage. This factor could also make it more difficult for the Company to retain qualified directors and executive officers.

Future Sales or Issuances of Debt or Equity Securities

We may sell or issue additional debt or equity securities in offerings to finance our operations, investments, acquisitions or other projects. Our significant shareholders may also sell the Common Shares or other securities they hold or may hold in the future.

We cannot predict the size of future sales and issuances of debt or equity securities or the effect, if any, that future sales and issuances of debt or equity securities will have on the market price of the Common Shares.

Sales or issuances of a substantial number of equity securities, or the perception that such sales could occur, may adversely affect prevailing market prices for the Common Shares. With any additional sale or issuance of equity

securities, investors will suffer dilution of their voting power and may experience dilution in the Company's earnings per share. Sales of the Common Shares by shareholders might also make it more difficult for us to sell equity securities at a time and price that we deem appropriate.

Dividends

Payment of dividends on Palisades' securities is within the discretion of Palisades' Board and will depend upon Palisades' future earnings, cash flows, acquisition capital requirements and financial condition, and other relevant factors. There can be no assurance that Palisades will be in a position to declare dividends in the future due to the occurrence of one or more of the risks described herein.

Use of Available Funds

The Company will have broad discretion over the use of its available funds.

Because of the number and variability of factors that will determine the Company's use of such funds, the Company's ultimate use might vary substantially from its planned use. You may not agree with how the Company allocates or spends the proceeds from any offering of its securities. Palisades may pursue acquisitions, collaborations or other opportunities that do not result in an increase in the market value of its securities, including the market value of its Common Shares, and that may increase its losses.

Liquidity

Shareholders of the Company may be unable to sell significant quantities of Common Shares into the public trading markets without a significant reduction in the price of their Common Shares, or at all. There can be no assurance that there will be sufficient liquidity of the Common Shares on any trading market or whether the Company will meet the Listing requirements of the TSXV. If the Listing is completed, there is no guarantee that the Company will continue to meet the ongoing listing requirements of the TSXV or achieve listing on any other public listing exchange.

Market for Securities

There is currently no market through which our securities may be sold. Consequently, shareholders of the Company may not be able to resell the Common Shares that they hold. This may affect the pricing of our securities in the secondary market, the transparency and availability of trading prices, the liquidity of these securities and the extent of issuer regulation. There can be no assurance that an active trading market for our securities will develop or, if developed, that any such market will be sustained.

TSXV Listing

If the Company fails to list the Common Shares on the TSXV, the liquidity for its Common Shares would be significantly impaired, which may substantially decrease the value of the Common Shares.

In addition, in the future, the Company's Common Shares may fail to meet the continued listing requirements to be listed on the TSXV. If the TSXV delists the Common Shares from trading on its exchange, the Company could face material adverse consequences, including: a limited availability of market quotations for the Common Shares; a determination the Common Shares are a "penny stock" which will require brokers trading in the Common Shares to more stringent rules and possibly resulting in a reduced level of trading activity in the secondary market for the Common Shares; a limited amount of news and analysts coverage for the Company; and a decreased ability to issue additional securities or obtain additional financing in the future.

PROMOTERS

Collin Kettell, CEO and director, may be considered to be a promoter of the Company in that he took the initiative in organizing the business of the Company. The following table sets out the number and percentage of each class of voting securities and equity securities of Palisades beneficially owned, or controlled or directed, directly or indirectly by Mr. Kettell.

Designation of Class	Number of Securities	Percentage of Class
Common Share	13,542,806	27.44% ⁽¹⁾

Note:

(1) On a fully-diluted basis, assuming the exercise in full of outstanding convertible securities. 27.49%.

Additional information about Mr. Kettell is disclosed elsewhere in this Prospectus in connection with his capacity as a director and officer of the Company. See “*Directors and Executive Officers*” and “*Executive Compensation*” for further details.

Other than as disclosed in this Prospectus, Mr. Kettell has not received, directly or indirectly, anything of value, including money, property, contracts, options or rights of any kind from Palisades or its subsidiaries, and neither Palisades nor its subsidiaries have received any assets, services or other consideration from Mr. Kettell in return.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Other than as set out below, to the Company’s knowledge, there are no legal proceedings or regulatory actions material to the Company to which it is a party, or has been a party to, or of which any of its property is the subject matter of, or was the subject matter of, since the Company was incorporated on August 30, 2019 and no such proceedings or actions are known by the Company to be contemplated.

On March 10, 2020, ThreeD and 1313366 filed a statement of claim in the Ontario Superior Court of Justice against Collin Kettell, New Found Gold and the Company. Pursuant to the ThreeD Claims, the Claimants are challenging the validity of the sale of 17,500,000 New Found Shares by the Claimants to the Company on November 20, 2019.

On November 15, 2019, ThreeD and 1313366 each entered into the Share Purchase Agreements under which the Company agreed to purchase the 13,500,000 New Found Shares owned by ThreeD and the 4,000,000 New Found Shares owned by 1313366 for \$0.08 per New Found Share. The transactions closed on November 20, 2019. As a private company with restrictions on the transfer of its common shares, New Found Gold had to approve the proposed transfer, which it did by a consent resolution of New Found Gold’s board of directors.

ThreeD and 1313366 claim that at the time of negotiation and execution of the Share Purchase Agreements, Palisades and Mr. Kettell were aware of positive drill results from New Found Gold’s 2019 drill program and the results were not disclosed to ThreeD and 1313366 to their detriment. Palisades and Mr. Kettell strongly deny ThreeD and 1313366’s allegations. ThreeD and 1313366 have made specific claims for (a) rescission of the Share Purchase Agreements on the basis of oppression or unfair prejudice; (b) or alternatively, damages in the amount of \$21,000,000 for the alleged improper actions to ThreeD and 1313366, (c) a declaration that Palisades and Collin Kettell, as shareholder or director and/or officer of New Found Gold, have had acted in a manner that is oppressive, unfairly prejudicial or unfairly disregarded their interests, (d) a declaration that Palisades and Collin Kettell engaged in insider trading contrary to section 138 of the *Securities Act* (Ontario), (e) unjust enrichment and (f) interests and costs. The Company and Mr. Kettell refute each of the specific claims made by the Claimants.

The action has now progressed through the production of documents and oral examinations for discovery stages and further discoveries are proposed.

In early 2022, ThreeD and 1313366 formally amended their statement of claim to increase the amount of damages claimed to \$229,000,000 and to advance a direct claim of oppressive conduct against New Found Gold. While continuing to deny any and all liability to the Plaintiffs, New Found Gold has amended its defence to include specific denials of the new allegations of oppressive conduct against it. As a result of the amendments, the Company anticipates that further discoveries will be necessary.

There have been no penalties or sanctions imposed against the Company by a court or regulatory authority, and the Company has not entered into any settlement agreements before any court relating to provincial or territorial securities legislation or with any securities regulatory authority, since its incorporation.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

No director, executive officer or shareholder that beneficially owns, or controls or directs, directly or indirectly, more than 10% of the issued Common Shares, or any of their respective associates or affiliates, has any material interest,

direct or indirect, in any transaction within the three-years before the date of this Prospectus which has materially affected or is reasonably expected to materially affect the Company.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The Company's auditors, Deloitte LLP, located at 410 West Georgia Street, Vancouver, British Columbia, are independent of the Company within the meaning of the rules of professional conduct of the Chartered Professional Accountants of British Columbia.

The transfer agent and registrar for the Common Shares in Canada is Computer Investor Services Inc. at its principal offices in Vancouver, British Columbia.

AGENT FOR SERVICE OF PROCESS

Each of Collin Kettell, CEO and director of the Company, and Gregor Gregersen and William Hayden, directors of the Company, reside outside of Canada and have appointed the following agent for service of process in Canada:

Name of Person	Name and Address of Agent
Collin Kettell	Blakes Vancouver Services, c/o Blake, Cassels & Graydon LLP 595 Burrard Street, P.O. Box 49314, Suite 2600, Three Bentall Centre, Vancouver, British Columbia, V7X 1L3
Gregor Gregersen	Blakes Vancouver Services, c/o Blake, Cassels & Graydon LLP 595 Burrard Street, P.O. Box 49314, Suite 2600, Three Bentall Centre, Vancouver, British Columbia, V7X 1L3
William Hayden	Blakes Vancouver Services, c/o Blake, Cassels & Graydon LLP 595 Burrard Street, P.O. Box 49314, Suite 2600, Three Bentall Centre, Vancouver, British Columbia, V7X 1L3

Purchasers are advised that it may not be possible for them to enforce judgements obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.

MATERIAL CONTRACTS

The Company has not entered into any material contracts outside of the ordinary course of business.

EXPERTS

Certain legal matters in respect of this Prospectus have been passed upon on behalf of Palisades by Blake, Cassels & Graydon LLP. As at the date of this Prospectus, the partners and associates of Blake, Cassels & Graydon LLP, as a group, each beneficially own, directly or indirectly, less than one percent of the outstanding Common Shares of the Company.

STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revision of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. Purchasers should refer to any applicable provisions of the securities legislation of their province for the particulars of these rights or consult with a legal adviser.

SCHEDULE "A"
ANNUAL FINANCIAL STATEMENTS

(See attached)

PALISADES GOLDCORP LTD.

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED
DECEMBER 31, 2021 AND 2020

(Expressed in Canadian Dollars)

Independent Auditor's Report

To the Shareholders and the Board of Directors
of Palisades Goldcorp Ltd.

Opinion

We have audited the consolidated financial statements of Palisades Goldcorp Ltd. (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2021 and 2020, and the consolidated statements of income (loss) and comprehensive income (loss), changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2021 and 2020, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Deloitte LLP

Chartered Professional Accountants
Vancouver, British Columbia
April 27, 2022

PALISADES GOLDCORP LTD.
Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

	Note	December 31, 2021 \$	December 31, 2020 \$
ASSETS			
Current assets			
Cash and cash equivalents		8,423,997	64,477,506
Restricted cash	9	-	15,163,336
Investments	5	88,879,044	178,336,847
Assets held for distribution	4(i), 8, 20	18,506,494	-
Sales tax receivable and other receivables		-	1,366,129
Interest receivable		75,000	257,664
Prepaid expenses and deposits		2,668	1,365,591
Convertible notes		500,000	-
Total current assets		116,387,203	260,967,073
Non-current assets			
Investment in New Found Gold Corp.	10	418,166,497	-
Convertible notes		-	1,754,102
Long term deposits		-	1,173,304
Other assets		50,000	821,946
Property and equipment		-	1,926,363
Right of use assets		-	54,034
Total non-current assets		418,216,497	5,729,749
Total Assets		534,603,700	266,696,822
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	11	15,270,442	31,620,145
Subscription receipts	9	-	15,163,336
Flow-through share premium	15	-	815,431
Lease liabilities		-	53,201
Liability held for sale	4(i), 20	34,018	-
Total current liabilities		15,304,460	47,652,113
Non-current liabilities			
Deferred tax liability	16	125,332,492	21,763,649
Total non-current liabilities		125,332,492	21,763,649
EQUITY			
Share capital	12	92,278,940	134,359,956
Treasury shares	12	(27,724,559)	(27,361,493)
Contributed surplus		37,255,814	12,581,912
Retained earnings		292,169,218	29,242,622
Equity attributable to owners of the Company		393,979,413	148,822,997
Non-controlling interests		(12,665)	48,458,063
Total equity		393,966,748	197,281,060
Total Equity and Liabilities		534,603,700	266,696,822

NATURE OF OPERATIONS (Note 1)

CONTINGENT LIABILITY (Note 19)

SUBSEQUENT EVENTS (Note 20)

These consolidated financial statements are authorized for issue by the Board of Directors on April 27, 2022. They are signed on the Company's behalf by:

"Gregor Gregersen" , Director

"Elizabeth Harrison" , Director

The accompanying notes are an integral part of these consolidated financial statements.

PALISADES GOLDCORP LTD.
Consolidated Statements of Income (Loss) and Comprehensive Income (Loss)
(Expressed in Canadian dollars)

		Year ended December 31, 2021	Year ended December 31, 2020
	Note	\$	\$
Income			
Net investment gains	6	7,581,247	110,814,282
Dividend income		-	216,621
Interest income		269,047	354,156
Total Income		7,850,294	111,385,059
Expenses			
Consulting and salaries	11	20,989,469	38,212,538
Corporate development		1,388,775	1,081,820
Depreciation		236,835	129,957
Exploration	7	27,212,881	28,158,195
Foreign exchange (gain) loss		(138,491)	495,322
Gain on dilution of equity investment	10	(990,728)	-
Loss from equity investment	10	17,894,424	-
Interest		14,722	68,060
Office and sundry		442,335	504,221
Professional fees		2,420,546	1,852,632
Share-based compensation of parent	11,12	37,255,771	-
Share-based compensation of subsidiaries	12	7,135,516	27,901,618
Transfer agent and regulatory fees		232,574	166,089
Travel		137,272	161,591
Total expenses		114,231,901	98,732,043
Other income (expenses)			
Gain on sale of exploration and evaluation assets		-	4,395,360
Impairment loss on equity investment	10	(145,147,463)	-
Gain on loss of control of New Found Gold Corp.	4(ii)	576,422,615	-
Gain on loss of control of Golden Planet Mining Corp.	4(v)	4,354,287	-
Gain on loss of control of Radio Fuels Resources Corp.	4(i)	14,784,668	-
Gain on distribution of Nevada King Gold Corp. shares	4(i)	17,414,416	-
Gain on distribution of Mexican Gold Mining Corp. shares	4(iii)	3,797	-
Recovery of legal fees		-	127,235
Impairment loss on convertible notes		(1,630,314)	-
Amortization of flow-through premium	15	1,577,727	1,772,188
Total other income (expenses)		467,779,733	6,294,783
Income before income taxes		361,398,126	18,947,799
Income tax expense			
Current		-	-
Deferred	16	103,568,843	21,465,299
Net income (loss) and comprehensive income (loss) for the year		257,829,283	(2,517,500)
Net income (loss) and comprehensive income (loss) for the year attributable to:			
Owners of the Company		262,926,596	27,900,248
Non-controlling interests		(5,097,313)	(30,417,748)
		257,829,283	(2,517,500)
Earnings per share (\$) – basic		2.59	0.29
Earnings per share (\$) – diluted		2.56	0.28
Weighted average number of shares outstanding			
Basic	13	101,565,515	95,582,659
Diluted	13	102,593,655	98,734,667

The accompanying notes are an integral part of these consolidated financial statements.

PALISADES GOLDCORP LTD.
Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

	Year ended December 31, 2021 \$	Year ended December 31, 2020 \$
Cash flows from operating activities		
Income (loss) for the year	257,829,283	(2,517,500)
Items not affecting cash:		
Investment (gains)	(5,615,584)	(80,848,699)
Impairment loss on convertible notes	1,630,314	-
Depreciation	236,835	129,957
Deferred income tax expense	103,568,843	21,448,807
Exploration and evaluation assets expensed on acquisition (Note 4)	-	14,620,500
(Gain) on loss of control of New Found Gold Corp. (Note 4(ii))	(576,422,615)	-
(Gain) on loss of control of Golden Planet Mining Corp. (Note 4(v))	(4,354,287)	-
(Gain) on loss of control of Radio Fuels Resources Corp. shares (Note 4(i))	(14,784,668)	-
(Gain) on distribution of Nevada King Gold Corp. shares (Note 4(i))	(17,414,417)	-
(Gain) on distribution of Mexican Gold Mining Corp. shares (Note 4(iii))	(3,797)	-
(Gain) on sale of exploration and evaluation assets	-	(4,395,360)
Impairment loss on equity investment	145,147,463	-
Interest expense	2,876	28,806
(Gain) on dilution of equity investment	(990,728)	-
Loss from equity investment	17,894,424	-
Amortization of flow-through share premium	(1,577,727)	(1,772,188)
Share-based compensation	44,391,287	27,901,618
Unrealized foreign exchange loss	5,319	51,081
Adjustments for:		
Proceeds on disposal of investments	70,922,316	80,216,920
Purchases of investments	(50,987,952)	(99,145,400)
(Increase) in sales tax receivable and other receivables	(2,297,478)	(339,229)
(Increase) in interest receivable	(198,867)	(262,962)
Decrease (increase) in prepaid expenses and deposits	1,197,874	(1,748,577)
(Decrease) increase in accounts payable and accrued liabilities	(10,879,106)	27,021,383
Net cash used in operating activities	(42,700,392)	(19,610,843)
Cash flows from investing activities		
Purchases of property and equipment	(1,344,852)	(1,995,674)
Prepaid transaction costs and finders' fees	-	(318,556)
Proceeds on disposal of exploration and evaluation assets	-	139,640
Cash acquired from subsidiaries on acquisitions	-	13,108,928
Cash of subsidiaries lost on loss of control of subsidiaries (Note 4)	(56,436,648)	-
Repayment of amounts owed to Nevada King Mining Ltd. (Note 11)	-	(350,546)
Reclamation bonds	(418,457)	(409,644)
Net cash (used in) generated from investing activities	(58,199,958)	10,174,148

The accompanying notes are an integral part of these consolidated financial statements.

Cash flows from financing activities

Capital provided by others who have interests in subsidiaries	41,545,882	58,741,323
Issuance of common shares and warrants in private placements	-	12,441,661
Issuance of common shares on exercise of warrants	3,261,119	-
Share issuance costs	(11,127)	-
Lease payments of subsidiary	(46,124)	(32,331)
Interest expense paid on lease liabilities	(2,876)	(3,544)
Net cash generated from financing activities	44,746,874	71,147,109
Foreign exchange on cash	99,967	(102,330)
Net increase (decrease) in cash and cash equivalents	(56,153,476)	61,710,414
Cash and cash equivalents at beginning of year	64,477,506	2,869,422
Cash and cash equivalents at end of year	8,423,997	64,477,506

SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS (Note 14)

The accompanying notes are an integral part of these consolidated financial statements.

PALISADES GOLDCORP LTD.
Consolidated Statement of Changes in Equity
(Expressed in Canadian dollars)

	Equity attributable to equity holders of the Company								
	Number of shares	Amount \$	Treasury Shares \$	Subscription s received \$	Contributed surplus \$	Retained earnings \$	Total \$	Non- controlling interest \$	Total equity \$
Balance at December 31, 2019	17,973,450	13,384,618	-	350,721	-	1,342,374	15,077,713	-	15,077,713
Acquisition of Palisade Global Investments Ltd. (Note 4(i))	48,999,992	54,537,955	(1,170,000)	-	-	-	53,367,955	5,735,829	59,103,784
Acquisition of 1198578 B.C. Ltd. (Note 4(iii))	2,499,997	1,475,000	-	-	-	-	1,475,000	1,666,572	3,141,572
Plan of arrangement (Note 12)	15,005,293	15,680,881	(6,210,902)	-	-	-	9,469,979	-	9,469,979
Shares issued in private placements (Note 12)	9,446,782	12,441,661	-	-	-	-	12,441,661	-	12,441,661
Shares issued pursuant to share exchanges (Note 12)	29,673,828	36,839,841	(19,980,591)	(350,721)	-	-	16,508,529	-	16,508,529
Subsidiary share issuances and capital transactions	-	-	-	-	12,581,912	-	12,581,912	71,473,410	84,055,322
Total comprehensive income (loss) for the year	-	-	-	-	-	27,900,248	27,900,248	(30,417,748)	(2,517,500)
Balance at December 31, 2020	123,599,342	134,359,956	(27,361,493)	-	12,581,912	29,242,622	148,822,997	48,458,063	197,281,060
Shares issued pursuant to share exchanges (Note 12)	3,413,525	363,066	(363,066)	-	-	-	-	-	-
Shares issued on exercise of warrants (Note 12)	2,123,868	3,261,119	-	-	-	-	3,261,119	-	3,261,119
Share issuance costs	-	(11,127)	-	-	-	-	(11,127)	-	(11,127)
Share-based compensation in parent (Note 8, 12)	-	-	-	-	37,255,771	-	37,255,771	-	37,255,771
Subsidiary share issuances and capital transactions	-	-	-	-	6,914,584	-	6,914,584	39,368,801	46,283,385
Loss of control of New Found Gold Corp. (Note 4(ii))	-	-	-	-	(25,536,651)	-	(25,536,651)	(66,774,770)	(92,311,421)
Loss of control of Golden Planet Mining Corp. (Note 4(v))	-	-	-	-	(1,005,562)	-	(1,005,562)	(3,929,087)	(4,934,649)
Distribution of Nevada King Gold Mining Ltd. shares (Note 4(i))	-	(25,971,734)	-	-	4,303,807	-	(21,667,927)	(11,807,638)	(33,475,565)
Distribution of Mexican Gold Mining Corp. shares (Note 4(iii))	-	(2,861,919)	-	-	3,199,585	-	337,666	(118,521)	219,145
Distribution of Mainstream shares (Note 4(i))	-	(16,860,421)	-	-	(457,632)	-	(17,318,053)	(112,200)	(17,430,253)
Total comprehensive income (loss) for the year	-	-	-	-	-	262,926,596	262,926,596	(5,097,313)	257,829,283
Balance at December 31, 2021	129,136,735	92,278,940	(27,724,559)	-	37,255,814	292,169,218	393,979,413	(12,665)	393,966,748

The accompanying notes are an integral part of these consolidated financial statements.

PALISADES GOLDCORP LTD.

Notes to the Consolidated Financial Statements

For the Years ended December 31, 2021 and 2020

(Expressed in Canadian Dollars Unless Otherwise Noted)

1. NATURE OF OPERATIONS

Palisades Goldcorp Ltd. (the “Company”) was incorporated on August 30, 2019 as Palisades Acquisitions Corp. under the Business Corporations Act in the Province of British Columbia. The address of the Company’s registered office is 700 West Georgia Street, 25th Floor, Vancouver, British Columbia, Canada, V7Y 1B3. On September 24, 2019 the Company changed its name to Palisades Goldcorp Ltd.

The Company is a resource investment company and merchant bank focused on junior companies in the resource and mining sector. The Company seeks to acquire equity participation in pre-IPO and early stage public resource companies with undeveloped or undervalued high quality projects. The Company focuses on companies that are in need of financial resources to realize their full potential, are undervalued in capital markets and/or operate in jurisdictions with low to moderate local political risk.

On March 11, 2020, the World Health Organization declared the global outbreak of a novel coronavirus identified as “COVID-19” a global pandemic. In order to combat the spread of COVID-19, governments worldwide have enacted emergency measures including travel bans, legally enforced or self-imposed quarantine periods, social distancing and business and organization closures. These measures have caused material disruptions to businesses, governments and other organizations resulting in an economic slowdown and increased volatility in national and global equity and commodity markets. Central banks and governments, including Canadian federal and provincial governments, have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The full impact of the COVID-19 pandemic continues to be inherently uncertain at the time of this report. To date, the Company has not been significantly affected by the COVID-19 pandemic. The Company will continue monitoring regulations issued by the health authorities and assessing potential impact on the Company and its operations.

2. BASIS OF PREPARATION

a) Statement of compliance

The Company’s consolidated financial statements have been prepared in accordance with and using accounting policies in compliance with the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”), effective for the Company’s reporting for the years ended December 31, 2021 and 2020.

b) Basis of presentation

The consolidated financial statements have been prepared on a historical cost basis, except for investments and convertible notes measured at fair value, and are presented in Canadian dollars.

c) Basis of consolidation

These consolidated financial statements include the accounts of the Company and its subsidiaries at December 31, 2021 as follows:

PALISADES GOLDCORP LTD.

Notes to the Consolidated Financial Statements

For the Years ended December 31, 2021 and 2020

(Expressed in Canadian Dollars Unless Otherwise Noted)

2. BASIS OF PREPARATION (continued)

	Location	Ownership Interest at December 31, 2021	Ownership Interest at December 31, 2020	Principal Activity
Palisade Global Investments Ltd.	Belize	100.00%	100.00%	Investment company
1338072 BC ULC. (1)	Canada	100.00%	-	Holding company
New Found Gold Corp. (2)	Canada	N/A	31.32%	Exploration company
Nevada King Gold Corp. (3)	Canada	N/A	48.67%	Exploration company
Nevada King Mining Ltd. (3)	Canada	N/A	44.54%	Exploration company
Mexican Gold Mining Corp. (4)	Canada	N/A	37.00%	Exploration company
Golden Planet Mining Corp. (5)	Canada	N/A	34.02%	Exploration company
Radio Fuels Resources Corp. (6)	Canada	N/A	66.00%	Exploration company
Godzilla Gold Corp. (7)	Canada	62.77%	N/A	Exploration company

(1) 1338072 BC ULC. is a wholly-owned subsidiary, incorporated by the Company on December 15, 2021.

(2) The Company has lost control of New Found Gold Corp. ("New Found") on June 21, 2021 and now accounts for its investment in New Found as an investment in associate (see Notes 4 (ii) and 10). The Company owned 28.36% of New Found Gold Corp.'s shares at December 31, 2021.

(3) On April 7, 2021, pursuant to a definitive arrangement agreement, Victory Metals Inc. acquired all of the issued and outstanding shares of Nevada King Mining Ltd. by way of a statutory plan of arrangement and changed its name to Nevada King Gold Corp. On November 3, 2021, the Company distributed 89,075,602 shares of Nevada King Gold Corp. to its shareholders and as a result has lost control of Nevada King Gold Corp. ("Nevada King"). Included in shares for distribution at December 31, 2021 is 6,625,653 shares of Nevada King still owned by the Company at December 31, 2021 (see Note 4(i)).

(4) In December 2021, the Company distributed all shares of Mexican Gold Mining Corp. ("Mexican Gold") to its shareholders and as a result has lost control of Mexican Gold (see Note 4(iii)).

(5) The Company has lost control of Golden Planet Mining Corp. ("Golden Planet") on January 1, 2021 and now accounts for its investment in Golden Planet as a financial asset under IFRS 9, Financial Instruments ("IFRS 9") at fair value through profit or loss ("FVTPL") (see Note 4(v)).

(6) On December 16, 2021, Mainstream Minerals Corporation ("Mainstream") acquired all of the issued and outstanding of Radio Fuels Resources Corp. for shares of Mainstream. As a result, the Company has lost control of Radio Fuels Resources Corp. effective December 16, 2021. The shares of Mainstream received by the Company as a result of the transaction were distributed to the shareholders of the Company in December 2021 (see Note 4(i)).

(7) The Company has acquired control of Godzilla Gold Corp. ("Godzilla") on July 28, 2021. In December 2021, the Company agreed to sell its investment representing 62.77% interest in Godzilla to Golden Planet and as a result the net amount of Godzilla's assets and liabilities at December 31, 2021 has been reclassified to liabilities held for sale (see Note 4(iv)).

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When the Company has less than a majority of the voting or similar rights of an entity, the Company considers all relevant facts and circumstances in assessing whether it has power over an entity, including but not limited to, the contractual arrangement with the other vote holders of the entity, rights arising from other contractual arrangements, and the Company's potential voting rights. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the Company gains control until the date when the Company ceases to control the subsidiary. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Company's accounting policies. Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated in preparing the financial statements.

When the Company loses control of a subsidiary, the gain or loss on disposal recognized in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets, less liabilities of the subsidiary and any non-controlling interests. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 when applicable, or the cost on initial recognition of an investment in an associate or a joint venture.

PALISADES GOLDCORP LTD.

Notes to the Consolidated Financial Statements

For the Years ended December 31, 2021 and 2020

(Expressed in Canadian Dollars Unless Otherwise Noted)

2. BASIS OF PREPARATION (continued)

d) Critical accounting judgments, estimates and assumptions

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the consolidated statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these judgments, estimates and assumptions could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in future periods.

The information about significant areas of estimation uncertainty and judgment considered by management in preparing the consolidated financial statements are as follows:

(i) Determination of fair values

The determination of fair value requires judgment and is based on market information, where available and appropriate. At the end of each financial reporting period, the Company's management estimates the fair value of investments based on the criteria below and reflects such valuations in the consolidated financial statements.

The Company is also required to disclose details of its investments (and other financial assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements) within three hierarchy levels (Level 1, 2, or 3) based on the transparency of inputs used in measuring or disclosing the fair value, and to provide additional disclosure in connection therewith (Note 5).

1) Publicly-traded investments (i.e., securities of issuers that are public companies)

Securities including shares, options, warrants which are traded in an active market, such as on a recognized securities exchange and for which no sales restrictions apply, are presented at fair value based on quoted bid prices at the statement of financial position dates or the closing trade price on the last day the security traded if there were no trades at the statement of financial position dates. These are included in Level 1 in Note 5.

Securities which are traded on a recognized securities exchange but which are escrowed or otherwise restricted as to sale or transfer are recorded at amounts discounted from market value to a maximum of 10%. In determining the discount for such investments, the Company considers the nature and length of the restriction. These are included in Level 2 in Note 5.

For options and warrants which are not traded on a recognized securities exchange, no market value is readily available. When there are sufficient and reliable observable market inputs, an option pricing model is used; if no such market inputs are available, the warrants and options are valued using alternative methods representing fair value, such as intrinsic value. These are included in Level 2 in Note 5.

2) Private company investments (securities of issuers that are not public companies)

All privately-held investments are initially recorded at the transaction price, being the fair value at the time of acquisition. Thereafter, at each reporting period, the fair value of an investment may be adjusted using one or more of the valuation indicators described below. These are included in Level 3 in Note 5. Options and warrants of private companies are valued using an option pricing model when there are sufficient and reliable observable market inputs; if no such market inputs are available, the warrants and options are valued using alternative methods representing fair value, such as intrinsic value.

PALISADES GOLDCORP LTD.

Notes to the Consolidated Financial Statements

For the Years ended December 31, 2021 and 2020

(Expressed in Canadian Dollars Unless Otherwise Noted)

2. BASIS OF PREPARATION (continued)

Company-specific information is considered when determining whether the fair value of a privately-held investment should be adjusted upward or downward at the end of each reporting period. In addition to company-specific information, the Company will take into account trends in general market conditions and the share performance of comparable publicly-traded companies when valuing privately-held investments.

The absence of the occurrence of any of these events, any significant change in trends in general market conditions, or any significant change in share performance of comparable publicly-traded companies indicates generally that the fair value of the investment has not materially changed.

The fair value of a privately-held investment may be adjusted if:

- i) there has been a significant subsequent equity financing provided by outside investors at a valuation different than the current value of the investee company, in which case the fair value of the investment is set to the value at which that financing took place;
- ii) there have been significant corporate, political or operating events affecting the investee company that, in management's opinion, have a material impact on the investee company's prospects and therefore its fair value. In these circumstances, the adjustment to the fair value of the investment will be based on management's judgment and any value estimated may not be realized or realizable;
- iii) the investee company is placed into receivership or bankruptcy;
- iv) based on financial information received from the investee company, it is apparent to the Company that the investee company is unlikely to be able to continue as a going concern; receipt/denial by the investee company of environmental, mining, aboriginal or similar approvals, which allow the investee company to proceed/prohibit with its project(s);
- v) filing by the investee company of a National Instrument 43-101 technical report in respect of a previously noncompliant resource;
- vi) release by the investee company of positive/negative exploration results; and
- vii) important positive/negative management changes by the investee company that the Company's management believes will have a very positive/negative impact on the investee company's ability to achieve its objectives and build value for shareholders.

Adjustments to the fair value of a privately-held investment are based upon management's judgment and any value estimated may not be realized or realizable. The resulting values for non-publicly traded investments may differ from values that could be realized if a ready market existed. In addition, the amounts at which the Company's privately-held investments could be disposed of currently may differ from the carrying value assigned.

(ii) Income taxes

Provisions for taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxing authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

PALISADES GOLDCORP LTD.

Notes to the Consolidated Financial Statements

For the Years ended December 31, 2021 and 2020

(Expressed in Canadian Dollars Unless Otherwise Noted)

2. BASIS OF PREPARATION (continued)

(iii) Business combinations versus asset acquisition

Determination of whether a set of assets acquired and liabilities assumed constitute the acquisition of a business or asset may require the Company to make certain judgements as to whether or not the assets acquired and liabilities assumed include the inputs, substantive processes, and outputs necessary to constitute a business as defined in IFRS 3 – Business Combinations.

Based on assessments of the relevant facts and circumstances, the Company concluded that the acquisitions in Note 4 did not meet the criteria of a business combination; therefore, the transactions were accounted for as asset acquisitions.

(iv) Determination of whether the Company has control of subsidiaries, joint control of joint arrangements or significant influence over investees

Determination of whether the Company has control of subsidiaries or joint control of joint arrangements requires an assessment of the activities of the investee that significantly affect the investee's returns, including strategic, operational and financing decision-making, appointment, remuneration and termination of the key management personnel and when decisions related to those activities are under the control of the Company or require unanimous consent from the investors.

Based on assessments of the relevant facts and circumstances, primarily, the Company's ownership interests, board representation and control over operating, strategic and financing decisions, the Company concluded that it does control the entities described in Note 2(c).

(v) Impairment assessment for investments in associate

An associate is an entity over which the investor has significant influence but not control and that is neither a subsidiary nor an interest in a joint venture. Significant influence is presumed to exist where the Company has between 20% and 50% of the voting rights, but can also arise where the Company has less than 20%, if the Company has the power to participate in the financial and operating policy decisions affecting the entity. The Company's share of the net assets and net earnings or loss is accounted for in the consolidated financial statements using the equity method of accounting. Any distributions received from the associate reduce the carrying amount of the investment

At each balance sheet date, management considers whether there is objective evidence of impairment in associates. The net investment in an associate is impaired and impairment losses are incurred if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment and that loss event or events have a negative impact on the estimated future cash flows from the net investment that can be reliably estimated. If there is such evidence, management determines the amount of impairment to record, if any, in relation to the associate.

The Company had significant influence over New Found during the period from June 21, 2021 to December 31, 2021 and as a result has accounted for it as an investment in associate during that period. Based on management's impairment assessment at December 31, 2021, the Company has recognized an impairment write-down on its investment in New Found in the amount of \$145,147,463 at December 31, 2021 (see Note 10).

PALISADES GOLDCORP LTD.

Notes to the Consolidated Financial Statements

For the Years ended December 31, 2021 and 2020

(Expressed in Canadian Dollars Unless Otherwise Noted)

2. BASIS OF PREPARATION (continued)

(vi) Valuation of options granted

The fair value of share purchase options granted is determined at the issue date using the Black-Scholes option pricing model. The Black-Scholes model involves six key inputs to determine the fair value of an option, which are: risk-free interest rate, exercise price, market price at the grant date, expected dividend yield, expected life, and expected volatility. Certain of the inputs are estimates that involve considerable judgment and are or could be affected by significant factors that are out of the Company's control. The Company is also required to estimate the future forfeiture rate of options based on historical information in its calculation of share-based payments expense. These estimates impact the values of share-based compensation expense and reserves.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies used in the preparation of these consolidated financial statements are set out below.

a) Foreign currencies

(i) Functional currency

The Canadian dollar is the functional currency of the Company and its subsidiaries.

(ii) Transactions and balances

Transactions in foreign currencies are initially recorded in the functional currency at the rate in effect at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange in effect at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction. All exchange differences are recorded in the consolidated statements of income (loss) and comprehensive income (loss).

b) Financial instruments

(i) Classification

Financial assets are classified and measured either at amortized cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") based on the business model in which they are held and the characteristics of their contractual cash flows. Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest are measured at amortized cost at the end of the subsequent accounting periods.

All financial instruments are initially recognized at fair value on the statement of financial position. Subsequent measurement of financial instruments is based on their classification. Financial assets and liabilities classified at FVTPL are measured at fair value with changes in those fair values recognized in profit or loss for the period. Financial assets and liabilities classified at amortized cost are measured at amortized cost using the effective interest method.

PALISADES GOLDCORP LTD.

Notes to the Consolidated Financial Statements

For the Years ended December 31, 2021 and 2020

(Expressed in Canadian Dollars Unless Otherwise Noted)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

b) Financial instruments (continued)

(i) Classification (continued)

The following table sets out the classifications of the Company's financial assets and liabilities:

Financial assets/liabilities	Classification under IFRS 9
Cash and cash equivalents	Amortized cost
Investments	FVTPL
Deposits	Amortized cost
Convertible notes	FVTPL
Accounts payables	Amortized cost

IFRS requires an expected credit loss model for calculating the impairment of financial assets measured at amortized cost. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in initial recognition. Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods, if the amount of the loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognized.

(ii) Recognition, derecognition and measurement

Purchases and sales of investments are recognized on the settlement date. Financial assets at fair value through profit or loss are initially recognized at fair value. Transaction costs are expensed as incurred in the consolidated statements of income and comprehensive income. Investments are derecognized when the rights to receive cash flows from the investments have expired or the Company has transferred the financial asset and the transfer qualifies for derecognition in accordance with IFRS 9, Financial Instruments ("IFRS 9").

Subsequent to initial recognition, all investments are remeasured at fair value. Gains and losses arising from changes in the fair value of the investments at fair value through profit or loss category are presented in the consolidated statements of income and comprehensive income within net investment gains or losses in the period in which they arise.

(iii) Reclassification of investments

The Company would only reclassify a financial asset when the Company changes its business model for managing the financial asset. Reclassifications are recorded at fair value at the date of reclassification, which becomes the new carrying value.

There were no reclassifications of financial assets during the years ended December 31, 2021 and 2020.

PALISADES GOLDCORP LTD.

Notes to the Consolidated Financial Statements

For the Years ended December 31, 2021 and 2020

(Expressed in Canadian Dollars Unless Otherwise Noted)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

b) Financial instruments (continued)

(iv) Fair value of investment in securities not quoted in an active market or private company investments

Where the fair values of financial assets and financial liabilities recorded on the statements of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques. The inputs to these models are derived from observable market data where possible, but where observable market data are not available, judgment is required to establish fair values. This may include reference to company-specific information such as trends in general market conditions, recent observable financing activities, share performance of comparable publicly-traded companies, discounted cash flow modeling, evaluation of intellectual property or other factors that indicate a change in the circumstances of the business that would result in an upward or downward adjustment to fair value at the end of each reporting period. Refer to Note 5 for further details.

(v) Fair value of financial derivatives

Investments in options and warrants that are not traded on a recognized securities exchange do not have a readily available market value. When there are sufficient and reliable observable market inputs, an option pricing model is used; if no such market inputs are available, the warrants and options are valued using alternative methods representing fair value, such as intrinsic value. Refer to Note 3(b)(iv) for further details.

(vi) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statements of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously. There was no offsetting of financial instruments as at December 31, 2021 and 2020.

c) Non-controlling interests

Non-controlling interests in subsidiaries are identified separately from the Company's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. This election is made on an acquisition by acquisition basis. The Company has elected to initially measure at fair value the non-controlling interests in connection with the acquisitions described in Note 4. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

PALISADES GOLDCORP LTD.

Notes to the Consolidated Financial Statements

For the Years ended December 31, 2021 and 2020

(Expressed in Canadian Dollars Unless Otherwise Noted)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Investments in associates

An associate is an entity over which the investor has significant influence but not control and that is neither a subsidiary nor an interest in a joint venture. Significant influence is presumed to exist where the Company has between 20% and 50% of the voting rights, but can also arise where the Company has less than 20%, if the Company has the power to participate in the financial and operating policy decisions affecting the entity. The Company's share of the net assets and net earnings or loss is accounted for in the consolidated financial statements using the equity method of accounting. Any distributions received from the associate reduce the carrying amount of the investment.

At each balance sheet date, management considers whether there is objective evidence of impairment in associates. The net investment in an associate is impaired and impairment losses are incurred if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment and that loss event or events have a negative impact on the estimated future cash flows from the net investment that can be reliably estimated. If there is such evidence, management determines the amount of impairment to record, if any, in relation to the associate.

The Company has determined that it had significant influence over New Found Gold Corp. at December 31, 2021 and as a result classified it as an investment in associate. Refer to Notes 4 (ii) and 10 for further details.

e) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and short-term investments with initial maturities of less than three months.

f) Net investment gains or losses

Purchases and sales of investments are recognized on the settlement date. Realized gains and losses on disposal of investments and unrealized gains and losses in the value of investments are reflected in the consolidated statements of income and comprehensive income (loss) as part of net investment gains (losses).

Upon disposal of an investment, previously recognized unrealized gains or losses are reversed to recognize the full realized gain or loss in the period of disposition. All transaction costs associated with the acquisition and disposition of investments are expensed to the consolidated statements of income and comprehensive income (loss) as incurred.

g) Income taxes

Income tax expense consists of current and deferred tax expense. Current and deferred tax are recognized in profit or loss except to the extent that it relates to items recognized directly in equity or other comprehensive income.

(i) Current income tax

Current tax is recognized and measured at the amount expected to be recovered from or payable to the taxation authorities based on the income tax rates enacted or substantively enacted at the end of the reporting period and includes any adjustment to taxes payable in respect of previous years.

PALISADES GOLDCORP LTD.

Notes to the Consolidated Financial Statements

For the Years ended December 31, 2021 and 2020

(Expressed in Canadian Dollars Unless Otherwise Noted)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Income taxes (continued)

(ii) Deferred tax

Deferred tax is recognized on any temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable earnings. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized and the liability is settled. The effect of a change in the enacted or substantively enacted tax rates is recognized in net earnings and comprehensive income or in equity depending on the item to which the adjustment relates.

Deferred tax assets are recognized to the extent future recovery is probable. At each reporting period end, deferred tax assets are reduced to the extent that it is no longer probable that sufficient taxable earnings will be available to allow all or part of the asset to be recovered.

h) Share distributions

Distributions to the shareholders in the form of cash or investments completed by the Company as a return of capital initially invested by the shareholders are measured at the fair market value of the distribution consideration transferred (cash or investments) on the date of completion of the distribution, and recognized as a reduction in the share capital of the Company.

i) Impairment of long-lived assets (excluding financial assets)

At the end of each reporting period the carrying amounts of the Company's long-lived assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use.

Fair value is determined as the amount that would be obtained by the sale of the asset in any arm's length transaction between knowledgeable and willing parties. Fair value of mineral assets is generally determined as the present value of the estimated cash flows expected to arise from the continued use of the asset, including an expansion projects. Value in use is determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset in its present form and from its ultimate disposal.

Impairment is assessed at the level of cash-generating units or "CGUs", which are identified as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets. Non-financial assets that have been impaired are tested for possible reversal of the impairment whenever events or changes in circumstances indicate that the impairment may have reversed. When a reversal of a previous impairment is recorded, the reversal amount is adjusted for depreciation that would have been recorded had the impairment not taken place.

j) Earnings and loss per share

The Company presents basic and diluted earnings and loss per share data for its common shares, calculated by dividing the earnings attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted earnings or loss per share does not adjust the earnings or loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

PALISADES GOLDCORP LTD.

Notes to the Consolidated Financial Statements

For the Years ended December 31, 2021 and 2020

(Expressed in Canadian Dollars Unless Otherwise Noted)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

k) Unit offerings

Proceeds from the issuance of units are allocated between common shares and common share purchase warrants based on the residual value method. Under this method, the proceeds are allocated to common shares based on the fair value of a common share at the announcement date of the unit offering and any residual remaining is allocated to common share purchase warrants.

l) Segment reporting

A segment is a component of the Company that is distinguishable by economic activity (business segment), or by its geographical location (geographical segment), which is subject to risks and rewards that are different from those of other segments. The Company has a single reportable business segment, Canada.

m) Initial application of standards, interpretations and amendments to standards and interpretations in the reporting period

The IASB issued certain new accounting standards or amendments that are mandatory for accounting periods after January 1, 2021, including Interest Rate Benchmark Reform – Phase 2, Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16. The Company concluded that the effect of such new accounting standards or amendments did not have a material impact and therefore did not record any adjustments to the consolidated financial statements.

n) New and amended IFRS standards not yet effective

The IASB issued certain new accounting standards or amendments that are mandatory for accounting periods after December 31, 2021, including amendments to IFRS 3 Business Combinations, IAS 16 Property, Plant and Equipment, IAS 37 Provisions, Contingent Liabilities and Contingent Assets – onerous contracts, annual improvements IFRS 2018-2020, IAS 1 Presentation of Financial Statements – classification of liabilities as current or non-current, IAS 1 Presentation of Financial Statements – IFRS Practice Statement 2 – disclosure of accounting policies, IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors – definition of accounting estimates, and IAS 12 Income Taxes – deferred taxes related to assets and liabilities arising from a single transaction. These standards have not been applied in preparing the consolidated financial statements for the year ended December 31, 2021. These standards and interpretations are not expected to have a material impact on the Company's financial statements.

4. ACQUISITIONS AND DISPOSITIONS

(i) Palisade Global Investments Ltd.

On January 1, 2020, the Company completed the purchase of 100% of the issued and outstanding common shares of Palisade Global Investments Ltd. ("Palisade Global") in exchange for 48,999,992 common shares of the Company with a value of \$54,537,955. At the time of the acquisition, Palisade Global held 1,170,000 common shares of Palisades Goldcorp with a value of \$1,170,000 which are recorded as treasury shares. As a result of the acquisition, the Company's ownership interests in each of the entities pre-acquisition and based on assessment of the relevant facts and circumstances, primarily the Company's ownership interests post-acquisition, board representation and control over operating, strategic and financing decisions, the Company concluded that it had control in Victory Metals Inc., Casino Gold Corp. and Radio Fuels Resources Corp. The acquisition of Palisade Global was accounted for as an asset acquisition. The Company allocated the fair value of consideration paid to the acquired assets and liabilities based on their relative fair values at the date of purchase.

PALISADES GOLDCORP LTD.

Notes to the Consolidated Financial Statements

For the Years ended December 31, 2021 and 2020

*(Expressed in Canadian Dollars Unless Otherwise Noted)***4. ACQUISITIONS AND DISPOSITIONS (continued)****(i) Palisade Global Investments Ltd. (continued)**

The purchase price was allocated to the fair value of Palisade Global's assets acquired and liabilities assumed as follows:

Total Consideration – value of equity instruments issued	\$ 53,367,955
Assets	
Cash and cash equivalents	3,234,521
Amounts receivable and prepaid expenses	253,304
Investments ¹	48,526,315
Total Assets	52,014,140
Liabilities	
Accounts payable and accrued liabilities	3,515,398
Total Liabilities	3,515,398
Non-controlling interests	1,410,448
Exploration expensed ²	6,279,661

1. Includes investment in New Found Gold Corp. of \$9,000,000 (see note 4(ii)).

2. Acquisition costs for exploration and evaluation assets and exploration expenditures, net of recoveries, are charged to operations as incurred.

Casino Gold Corp. was amalgamated by the Company during the year ended December 31, 2020. See Note 12 for further information.

On April 7, 2021, pursuant to a definitive arrangement agreement, Victory Metals Inc. acquired all of the issued and outstanding shares of Nevada King Mining Ltd. by way of a statutory plan of arrangement and changed its name to Nevada King Gold Corp. ("Nevada King").

In October 2021, the Company's Board of Directors and shareholders approved a plan of arrangement in order to enable shareholders of the Company to directly benefit from the Company's equity position in Mexican Gold, Nevada King, Mainstream and Goldspot Discoveries Corp. ("Goldspot"). According to this plan of arrangement, the Company agreed to distribute the shares of these companies to its shareholders by way of a return on capital on a basis proportionate with their shareholdings in the Company and reduce the paid-up capital of its own shares by an amount equal to the fair market value of the Mexican Gold, Nevada King, Mainstream and Goldspot shares to be distributed.

As part of this plan of arrangement, the Company agreed to distribute all shares of Nevada King controlled by the Company (89,075,602 Nevada King shares) to its shareholders. The distribution of 82,449,949 Nevada King shares was completed on November 3, 2021. Upon completion of the distribution, the Company has lost control of Nevada King and therefore has deconsolidated it from its consolidated financial statements for the year ended December 31, 2021. The Company has derecognized the assets and liabilities of Nevada King, the non-controlling interest in Nevada King and contributed surplus related to the dilution gain before losing the control of Nevada King at their carrying amounts, recognized the distribution of shares as a reduction to share capital at the estimated fair value of distributed shares on November 3, 2021 of \$25,971,734 and recognized a gain on the loss of control of \$17,414,416. The fair value of Nevada King shares was determined based on the share price of Nevada King on November 3, 2021, which is considered a Level 1 measurement.

PALISADES GOLDCORP LTD.

Notes to the Consolidated Financial Statements

For the Years ended December 31, 2021 and 2020

(Expressed in Canadian Dollars Unless Otherwise Noted)

4. ACQUISITIONS AND DISPOSITIONS (continued)

(i) Palisade Global Investments Ltd. (continued)

Radio Fuels' sole asset is a 100% interest in certain mineral claims and leases located in the Mining District of Sault St. Marie, Ontario. On December 16, 2021, Mainstream Minerals Corporation ("Mainstream") has completed an acquisition of all of the issued and outstanding shares of Radio Fuels. As per the share purchase agreement dated September 14, 2021, entered into between Mainstream and Radio Fuels shareholders, Mainstream has agreed to acquire all of the issued and outstanding shares of Radio Fuels for 58,823,529 common shares of Mainstream, and as a result, the Company has received 36,268,699 shares of Mainstream with an estimated value of \$14,507,480 for its 61.66% interest in Radio Fuels. During the year ended December 31, 2021, the Company recognized a gain on loss of control of Radio Fuels of \$14,784,668. The fair value of Mainstream shares received was determined based on the market price of shares issued in the concurrent financing completed by Mainstream and is therefore considered a Level 2 measurement.

Upon completion of the sale of Radio Fuels shares, the Company has distributed to its shareholders 36,268,699 shares of Mainstream received which resulted in a reduction to share capital of \$14,507,480, and no additional gain or loss recognized on the distribution. The Company also distributed to its shareholders 5,882,355 shares of Mainstream previously held by the Company with an estimated fair value of \$2,352,941, which resulted in a reduction to share capital of \$2,352,941. The Company recognized a gain on distribution of \$352,941, which was included in the net investment gains for the year ended December 31, 2021.

(ii) New Found Gold Corp.

Palisade Global held an investment in New Found Gold Corp. ("New Found"). In combination with the investment held directly by the Company prior to the acquisition of Palisade Global, the Company concluded that it does have control in New Found on January 1, 2020. This was based on assessment of the relevant facts and circumstances, primarily the Company's ownership interests post-acquisition, board representation and control over operating, strategic and financing decisions.

The acquisition of New Found was accounted for as an asset acquisition. The Company allocated the fair value of consideration paid to the acquired assets and liabilities based on their relative fair values at the date of purchase. The purchase price was allocated to the fair value of New Found's assets acquired and liabilities assumed as follows:

Total Consideration	\$
Value of investment in New Found ¹	9,000,000
Value of investment in associate	2,430,710
	11,430,710
Assets	
Cash and cash equivalents	7,336,638
Amounts receivable and prepaid expenses	773,596
Investments	114,937
Property and equipment	29,149
Total Assets	8,254,320
Liabilities	
Accounts payable and accrued liabilities	392,849
Total Liabilities	392,849
Non-controlling interests	4,325,381
Exploration expensed ²	7,894,620

1. This represents the investment held by Palisade Global (see note 4(i)).

2. Acquisition costs for exploration and evaluation assets and exploration expenditures, net of recoveries, are charged to operations as incurred.

PALISADES GOLDCORP LTD.

Notes to the Consolidated Financial Statements

For the Years ended December 31, 2021 and 2020

*(Expressed in Canadian Dollars Unless Otherwise Noted)***4. ACQUISITIONS AND DISPOSITIONS (continued)****(ii) New Found Gold Corp. (continued)**

On June 21, 2021, it was determined that the Company has lost control of New Found. This was based on assessment of the relevant facts and circumstances, primarily the Company's ownership interests post-acquisition, board representation and control over operating, strategic and financing decisions. However, the Company maintained significant influence over New Found from June 21, 2021 to December 31, 2021 and as a result accounted for it as an investment in associate during the that time period (see Note 10). Upon the loss of control of New Found, the Company has derecognized its assets and liabilities, non-controlling interest in New Found and contributed surplus related to the dilution gain before losing the control of New Found at their carrying amounts, and recognized the investment in associate as its estimated fair value. The fair value was determined based on the share price of New Found on June 21, 2021, which is considered a Level 1 measurement. As at June 21, 2021 the fair value of the Company's interest was \$580,217,656. As a result, during the year ended December 31, 2021, the Company recognized a gain on the loss of control of New Found of \$576,422,615.

The following table illustrates the summarised financial information of the Company's investment in New Found as at June 21, 2021:

	\$
Summarised Balance Sheet – June 21, 2021	
Current assets	99,160,246
Non-current assets	2,288,734
Current liabilities	(5,342,519)
Non-current liabilities	(18,097,462)
The above assets and liabilities include the following:	
Cash and cash equivalents	32,676,770
Investments, at fair value	62,738,486
Other current assets	3,744,990
Non-current assets	2,288,734
Current financial liabilities	(4,763,485)
Other liabilities	(579,034)
Non-current financial liabilities	(18,097,462)
Net assets – June 21, 2021	78,008,999
The Company's ownership interest	30.52%
Share of New Found's net assets	23,808,347
Acquisition fair value and other adjustments	556,409,309
Net carrying amount – June 21, 2021	580,217,656

(iii) 1198578 B.C. Ltd.

On January 16, 2020, the Company completed the purchase of 100% of the issued and outstanding common shares of 1198578 B.C. Ltd. in exchange for 2,499,997 common shares of the Company with a value of \$1,475,000. As a result of the acquisition, the Company acquired a controlling interest in Mexican Gold Mining Corp. ("Mexican Gold"). The acquisition was accounted for as an asset acquisition. The Company allocated the fair value of consideration paid to the acquired assets and liabilities based on their relative fair values at the date of purchase.

PALISADES GOLDCORP LTD.

Notes to the Consolidated Financial Statements

For the Years ended December 31, 2021 and 2020

(Expressed in Canadian Dollars Unless Otherwise Noted)

4. ACQUISITIONS AND DISPOSITIONS (continued)

(iii) 1198578 B.C. Ltd. (continued)

The purchase price was allocated to the fair value of 1198578 B.C. Ltd.'s assets acquired and liabilities assumed as follows:

Total Consideration – value of equity instruments issued	\$ 1,475,000
Assets	
Cash and cash equivalents	2,537,769
Amounts receivable and prepaid expenses	229,401
Other assets	50,000
Total Assets	2,817,170
Liabilities	
Accounts payable and accrued liabilities	121,817
Total Liabilities	121,817
Non-controlling interest	1,666,572
Exploration expensed ¹	446,219

1. Acquisition costs for exploration and evaluation assets and exploration expenditures, net of recoveries, are charged to operations as incurred.

1198578 B.C. Ltd. was amalgamated by the Company during the year ended December 31, 2020.

In October 2021, in order to enable shareholders of the Company to directly benefit from the Company's equity position in Mexican Gold, the Company agreed to transfer all shares of Mexican Gold controlled by the Company (57,238,388 Mexican Gold shares) to its shareholders (see Note 4(i)). Shareholders received Mexican Gold on a basis proportionate with their shareholdings in the Company. The distribution was completed on December 10, 2021.

Upon completion of the distribution, the Company has lost control of Mexican Gold and therefore deconsolidated it from its consolidated financial statements. The Company has derecognized the assets and liabilities of Mexican Gold, non-controlling interest in Mexican Gold and contributed surplus related to the dilution gain before losing the control of Mexican Gold at their carrying amounts, recognized a distribution of shares as a reduction to share capital at the estimated fair value of distributed shares on December 10, 2021 of \$2,861,919, and recognized a gain on distribution of Mexican Gold shares of \$3,797. The fair value was determined based on the share price of Mexican Gold on December 10, 2021, which is considered a Level 1 measurement.

(iv) Godzilla Gold Corp.

On July 28, 2021, the Company completed a purchase of 62.77% of the issued and outstanding common shares of Godzilla Gold Corp. ("Godzilla") at \$1.00 per share for a total consideration paid of \$627,657. Based on the assessment of the relevant facts and circumstances, primarily the Company's ownership interest post-acquisition, board representation and control over operating, strategic and financing decisions, the Company concluded that it does have control in Godzilla as a result of the acquisition. The entire amount of the purchase price was expensed as mineral property acquisition costs.

In December 2021, the Company agreed to sell its shares of Godzilla representing 62.77% interest in Godzilla to Golden Planet Mining Corp., a company with a director and officer in common, for shares of Golden Planet Mining Corp. with an estimated fair value of \$2,510,800. As a result, the net amount of Godzilla's assets and liabilities at December 31, 2021 has been reclassified to liabilities held for sale. The liabilities held for sale were recognized at the carrying amount at December 31, 2021. The sale was completed in January 2022 (see Note 20).

PALISADES GOLDCORP LTD.

Notes to the Consolidated Financial Statements

For the Years ended December 31, 2021 and 2020

(Expressed in Canadian Dollars Unless Otherwise Noted)

4. ACQUISITIONS AND DISPOSITIONS (continued)

(v) Golden Planet Mining Corp.

On January 1, 2021, it was determined that the Company has lost control of Golden Planet Mining Corp. ("Golden Planet"). The assessment was based on assessment of the relevant facts and circumstances, primarily the Company's ownership interest post-acquisition, board representation and control over operating, strategic and financing decisions. It has been concluded that the loss of control occurred on January 1, 2021 mainly due to a reduction in the Company's ownership of Golden Planet shares from 34.02% to 17.62% which occurred on January 1, 2021. The Company now accounts for its investment in Golden Planet as a financial asset under IFRS 9, Financial Instruments at fair value through profit or loss. At December 31, 2021, this investment was included in equity investments held by the Company as described in Note 5. During the year ended December 31, 2021, the Company recognized a gain on loss of control of Golden Planet in the amount of \$4,354,287.

5. FINANCIAL INSTRUMENTS HIERARCHY AND INVESTMENTS

The Company's financial assets and liabilities are measured and recognized according to a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities and the lowest priority to unobservable inputs. The three levels of fair value hierarchy are as follows:

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 – Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

The Company's investments according to the fair value hierarchy are as follows as at December 31, 2021:

	Level 1 quoted market price \$	Level 2 valuation technique - observable market inputs \$	Level 3 valuation technique – non-observable market inputs \$	Total fair value \$
Investments				
Equities	24,567,216	-	35,601,818	60,169,034
Warrants	739,500	27,970,510	-	28,710,010
Total Investments	25,306,716	27,970,510	35,601,818	88,879,044
Investments denominated in foreign currencies	4,444,035	2,087,266	26,151,818	32,683,119
% of investments denominated in foreign currencies	17.6%	7.5%	73.5%	36.8%

PALISADES GOLDCORP LTD.

Notes to the Consolidated Financial Statements

For the Years ended December 31, 2021 and 2020

*(Expressed in Canadian Dollars Unless Otherwise Noted)***5. FINANCIAL INSTRUMENTS HIERARCHY AND INVESTMENTS (continued)**

The Company's investments according to the fair value hierarchy are as follows as at December 31, 2020:

Investments	Cost \$	Level 1 quoted market price \$	Level 2 valuation technique - observable market inputs \$	Level 3 valuation technique – non-observable market inputs \$	Total fair value \$
Equities	92,443,437	97,646,665	-	25,026,356	122,673,021
Warrants	3,461,130	199,095	55,464,731	-	55,663,826
Total Investments	95,904,567	97,845,760	55,464,731	25,026,356	178,336,847
Investments denominated in foreign currencies		15,488,976	1,777,210	24,951,356	42,217,541
% of investments denominated in foreign currencies		15.8%	3.2%	99.7%	23.7%

There were no movements between levels during the years ended December 31, 2021 and 2020.

Warrants held by the Company are classified at fair value through profit or loss, with any gains or losses arising on remeasurement recognized in profit or loss. Within Level 2, the Company includes warrants that do not have a quoted market price and are valued using a Black-Scholes option pricing model using assumptions including risk free interest rate, expected dividend yield, expected volatility and expected remaining life of the warrant which are supported by observable market conditions. The use of reasonably possible alternative assumptions would not significantly affect the Company's results.

Within Level 3, the Company includes private company investments which are not quoted on an exchange. The key assumptions used in the valuation of these investments include, but are not limited to, the value at which a recent financing was done by the investee, company-specific information, review of adjusted net book values, liquidation analysis, trends in general market conditions, the share performance of comparable publicly-traded companies and a strategic review. A +/- 10% change on the fair value of these investments will result in a corresponding +/- \$3,560,182 (December 31, 2020 +/- \$2,502,636) change to the total fair value of these investments. The sensitivity analysis is intended to reflect the uncertainty inherent in the valuation of these investments under current market conditions, and its results cannot be extrapolated due to non-linear effects that changes in valuation assumptions may have on the fair value of these investments. Furthermore, the analysis does not indicate a probability of such changes occurring and it does not necessarily represent the Company's view of expected future changes in the fair value of these investments.

PALISADES GOLDCORP LTD.

Notes to the Consolidated Financial Statements

For the Years ended December 31, 2021 and 2020

*(Expressed in Canadian Dollars Unless Otherwise Noted)***5. FINANCIAL INSTRUMENTS HIERARCHY AND INVESTMENTS (continued)**

The following tables represents the changes in fair value measurements of financial instruments.

	Level 1	Level 2	Level 3	Total
Balance, January 1, 2021	\$ 97,845,760	\$ 55,464,731	\$ 25,026,356	\$ 178,336,847
Purchases of equities	58,285,186	-	1,714,736	59,999,922
Received on sale of Radio Fuels	-	14,507,480	-	14,507,480
Reclassified to investments on loss of control of Golden Planet	-	-	5,375,000	5,375,000
Reclassified to investments on loss of control of Mexican Gold	-	476,843	-	476,843
Disposed of on loss of control of New Found	(43,429,501)	(19,308,985)	-	(62,738,486)
Investments distributed to shareholders (note 4(i))	-	(16,680,421)	-	(16,680,421)
Reclassified to investments held for distribution	(18,728,313)	-	-	(18,728,313)
Sales of equities	(77,358,340)	-	-	(77,358,340)
Exercises and sales of warrants	(171,640)	(7,173,589)	-	(7,345,229)
Net unrealized gains and foreign exchange gains	8,863,564	864,451	3,485,726	13,213,741
Balance, December 31, 2021	\$ 25,306,716	\$ 27,970,510	\$ 35,601,818	\$ 88,879,044

	Level 1	Level 2	Level 3	Total
Balance, January 1, 2020	\$ 9,261,918	\$ 101,615	\$ 415,597	\$9,779,130
Purchases of equities	92,211,442	-	6,933,958	99,145,400
Acquired as part of acquisitions of subsidiaries	60,924,048	-	-	60,924,048
Equities received on sale of exploration property by subsidiary	4,395,360	-	-	4,395,360
Sales of equities	(79,886,666)	-	-	(79,886,666)
Purchases of warrants	-	3,461,130	-	3,461,130
Exercises and sales of warrants	-	(330,254)	-	(330,254)
Net unrealized gains and foreign exchange gains	10,939,658	52,232,240	17,676,801	80,848,699
Balance, December 31, 2020	\$97,845,760	\$55,464,731	\$ 25,026,356	\$ 178,336,847

PALISADES GOLDCORP LTD.

Notes to the Consolidated Financial Statements

For the Years ended December 31, 2021 and 2020

*(Expressed in Canadian Dollars Unless Otherwise Noted)***5. FINANCIAL INSTRUMENTS HIERARCHY AND INVESTMENTS (continued)**

(i) Equities Held

	Quantity	Fair Value December 31, 2021 \$
Silver Bullion SG	188,275	21,239,679
Labrador Gold Corp.	13,800,000	12,420,000
Golden Planet Mining Corp.	10,500,000	9,450,000
Tonogold Resources Inc.	33,394,282	4,444,035
J4 Capital	3,700,000	3,169,500
Cache Gold	23,905	1,742,639
Santacruz Silver Mining Ltd.	5,691,834	1,764,469
Galane Gold Ltd.	11,001,000	1,265,115
Patagonia Gold Corp.	23,495,000	1,057,275
Other ¹		3,616,322
Total equities held		60,169,034

1. Aggregate of all equity investments held with individual fair values of less than \$1 million.

	Quantity	Fair Value December 31, 2020 \$
Baru Gold Corp.	13,333,334	2,200,000
Emmerson Resources Ltd.	16,500,000	1,281,993
Fabled Silver Gold Corp.	12,400,000	1,240,000
Goldhaven Resources Corp.	2,000,000	1,300,000
Labrador Gold Corp.	13,800,000	5,520,000
J4 Capital LLC	3,700,000	3,183,000
GoldSpot Discoveries Corp.	16,223,107	6,489,243
Mainstream Minerals Corp.	4,411,765	1,500,000
Silver Bullion SG	188,275	21,768,356
Tonogold Resources Inc.	34,619,431	13,223,238
Santacruz Silver Mining Ltd.	13,000,000	6,110,000
Winston Gold Corp.	10,280,000	1,542,000
Other ¹		57,315,191
Total equities held		122,673,021

1. Aggregate of all equity investments held with individual fair values of less than \$1 million.

PALISADES GOLDCORP LTD.

Notes to the Consolidated Financial Statements

For the Years ended December 31, 2021 and 2020

*(Expressed in Canadian Dollars Unless Otherwise Noted)***5. FINANCIAL INSTRUMENTS HIERARCHY AND INVESTMENTS (continued)****(i) Warrants Held**

	Quantity	Fair Value December 31, 2021 \$
Labrador Gold Corp.	11,800,000	5,477,656
Aurcana Silver Corp.	13,963,407	1,348,116
Santacruz Silver Mining Ltd.	24,133,334	2,746,068
Goliath Resources Inc.	2,600,000	2,055,353
Vulcan Minerals Inc.	7,000,000	1,291,727
Other ²		15,791,090
Total warrants held		28,710,010

1. The cost of warrants acquired through participation in private placements of units are allocated between common shares and common share purchase warrants based on the residual value method. Under this method, the purchase price is allocated to common shares based on the fair value of a common share at the date of the transaction and any residual remaining is allocated to common share purchase warrants.
2. Aggregate of all warrant investments held with individual fair values of less than \$1 million.

	Quantity	Fair Value December 31, 2020 \$
Labrador Gold Corp.	11,800,000	1,581,299
Aurcana Silver Corp.	11,863,407	8,364,653
Santacruz Silver Mining Ltd.	13,000,000	3,582,868
Aftermath Silver Ltd.	3,375,000	3,977,458
Impact Silver Corp.	5,500,000	4,171,308
Rockmaster Resources Corp.	5,700,000	2,761,475
Defiance Silver Corp.	2,000,000	1,243,255
Winston Gold Corp.	11,000,000	1,041,486
Other ²		28,940,024
Total warrants held		55,663,826

1. The cost of warrants acquired through participation in private placements of units are allocated between common shares and common share purchase warrants based on the residual value method. Under this method, the purchase price is allocated to common shares based on the fair value of a common share at the date of the transaction and any residual remaining is allocated to common share purchase warrants.
2. Aggregate of all warrant investments held with individual fair values of less than \$1 million.

6. NET INVESTMENT GAINS (LOSSES)

Net investment gains consist of the following:

	Year ended December 31, 2021	Year ended December 31, 2020
Net realized (losses) gains on disposal of investments	\$ (9,593,127)	\$ 29,965,583
Net change in unrealized gains on investments	17,174,374	80,848,699
Net investment gains	\$ 7,581,247	\$ 110,814,282

PALISADES GOLDCORP LTD.

Notes to the Consolidated Financial Statements

For the Years ended December 31, 2021 and 2020

(Expressed in Canadian Dollars Unless Otherwise Noted)

7. EXPLORATION

The schedule below summarizes the exploration expenditures incurred by the Company's subsidiaries by jurisdiction during the years ended December 31, 2021 and 2020:

Exploration expenditures	Canada	USA	Mexico	Total
2021	\$19,311,505	\$7,462,278	\$439,098	\$27,212,881
2020	\$14,228,218	\$11,550,825	\$2,379,152	\$28,158,195

8. ASSETS HELD FOR DISTRIBUTION

In October 2021, the Company's Board of Directors and shareholders approved a plan of arrangement in order to enable shareholders of the Company to directly benefit from the Company's equity position in Mexican Gold, Nevada King, Mainstream and Goldspot Discoveries Corp. ("Goldspot") (Note 4(i)). At December 31, 2021, the Company still had 6,625,653 shares of Nevada King with an estimated fair value of \$2,385,235 and 17,523,107 shares of Goldspot with an estimated fair value of \$16,121,258, which have not been distributed to the shareholders yet, and have been included in assets held for distribution at December 31, 2021 (see Note 20).

9. SUBSCRIPTION RECEIPTS AND RESTRICTED CASH

Subscription receipts and restricted cash of \$Nil (December 31, 2020 - \$15,163,336) represents the first tranche of a private placement of subscription receipts completed by the Company's subsidiary, Victory Metals Inc. which closed on April 7, 2021.

10. INVESTMENT IN NEW FOUND GOLD

On June 21, 2021, it was determined that the Company has lost control of New Found (see Note 4 (ii)). This was based on assessment of the relevant facts and circumstances, primarily the Company's ownership interests post-acquisition, board representation and control over operating, strategic and financing decisions. However, the Company maintained significant influence over New Found from June 21, 2021 to December 31, 2021 and as a result accounted for it as an investment in associate during the period from June 21, 2021 to December 31, 2021.

As at December 31, 2021, the investment in New Found represented 28.36% of New Found's issued and outstanding common shares and the companies have a director and officer in common, being the Director and Executive Chairman.

PALISADES GOLDCORP LTD.

Notes to the Consolidated Financial Statements

For the Years ended December 31, 2021 and 2020

*(Expressed in Canadian Dollars Unless Otherwise Noted)***10. INVESTMENT IN NEW FOUND GOLD (continued)**

The following table illustrates the summarised financial information of the Company's investment in New Found as at December 31, 2021:

	December 31, 2021 \$
Summarised Balance Sheet	
Current assets	136,520,649
Non-current assets	3,011,717
Current liabilities	(25,403,246)
Net Assets	114,129,120
The Company's ownership interest	28.36%
Share of New Found's net assets	32,367,018
Summarised Income Statement	
Revenues	-
Loss from continuing operations	(61,877,956)
Post-tax loss from discontinued operations	-
Net loss and comprehensive for the period	(61,877,956)
Share of New Found's loss for the period from June 21, 2021 to December 31, 2021	(17,894,424)

The Company has performed an impairment assessment on its investment in New Found at December 31, 2021 and concluded that an impairment write-down is required at December 31, 2021. This conclusion was based primarily on the results of a review of New Found share price history for the period from June 21, 2021 to December 31, 2021. As a result, the Company has recorded an impairment write-down on its investment in New Found of \$145,147,463 at December 31, 2021, which has been included in the statement of income (loss) and comprehensive income (loss) for the year.

The following table illustrates the movement in investment in associate for the period from June 21, 2021 to December 31, 2021:

Net carrying amount – June 21, 2021	\$ 580,217,656
Share of loss from operations of associate during the period	(17,894,424)
Gain on dilution of equity interest	990,728
Impairment loss	(145,147,463)
Net Carrying amount – December 31, 2021	\$ 418,166,497

PALISADES GOLDCORP LTD.

Notes to the Consolidated Financial Statements

For the Years ended December 31, 2021 and 2020

*(Expressed in Canadian Dollars Unless Otherwise Noted)***11. RELATED PARTY BALANCES AND TRANSACTIONS**

All transactions with related parties have occurred in the normal course of operations and on terms and conditions that are similar to those of transactions with unrelated parties and are measured at the amount of consideration paid or received. A summary of the Company's related party transactions is as follows:

	Year ended December 31, 2021 \$	Year ended December 31, 2020 \$
Repayment of amounts owed to Nevada King Mining Ltd.	-	(350,546)
Shares issued to directors and officers that were shareholders of subsidiaries acquired	-	30,866,281
Investments received pursuant to share exchange agreements with Palisade Global	-	19,980,591
Investments received pursuant to share exchange agreements with directors and officers	-	2,731,431

There are no ongoing contractual commitments resulting from these transactions with related parties.

Key management personnel compensation

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

Year ended December 31, 2021	Salaries and Consulting \$	Bonus \$	Share-based compensation \$	Total \$
Chief Executive Officer, Executive Chairman and director	205,000	11,458,162	26,824,152	38,487,314
Chief Financial Officer	47,250	2,438,730	157,721	2,643,701
Former Chief Financial Officer (1)	42,525	-	-	42,525
Former Chief Operating Officer and director (1)	420,000	774,200	1,862,790	3,056,990
Former Chief Technical Officer (1)	31,500	975,492	-	1,006,992
Non-executive directors	216,000	-	1,117,677	1,333,677
Total	962,275	15,646,584	29,962,340	46,571,199

Year ended December 31, 2020	Salaries and Consulting \$	Bonus \$	Share-based compensation \$	Total \$
Chief Executive Officer, Executive Chairman and director	180,000	18,371,403	-	18,551,403
Chief Financial Officer	45,900	1,022,280	-	1,068,180
Former Chief Operating Officer and director (1)	180,000	6,074,416	-	6,254,416
Former Chief Technical Officer (1)	60,000	1,777,878	-	1,837,878
Non-executive directors	195,000	-	-	195,000
Total	660,900	27,245,977	-	27,906,877

(1) Resigned during the year ended December 31, 2021.

PALISADES GOLDCORP LTD.

Notes to the Consolidated Financial Statements

For the Years ended December 31, 2021 and 2020

(Expressed in Canadian Dollars Unless Otherwise Noted)

11. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

As at December 31, 2021, \$15,164,634 (December 31, 2020 - \$27,260,977) is included in accounts payable and accrued liabilities comprised of amounts owing to the Chief Executive Officer - \$11,458,162 (December 31, 2020 - \$18,371,403), the Chief Financial Officer - \$1,956,780 (December 31, 2020 - \$1,022,280), the former Chief Operating Officer - \$774,200 (December 31, 2020 - \$6,074,416) and the former Chief Technical Officer - \$975,492 (December 31, 2020 - \$1,792,878).

Under the terms of their management agreements, certain officers of the Company are entitled to 24 months of base pay in the event of their agreements being terminated without cause.

12. SHARE CAPITAL

Authorized Share Capital

At December 31, 2021 and 2020, the authorized share capital comprised an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

Details of Common Shares Issued in 2021

During the year ended December 31, 2021, the Company issued 1,748,534 common shares upon exercise of 1,748,534 share purchase warrants at \$1.50 per warrant for total gross proceeds of \$2,622,801, and 375,334 common shares upon exercise of 375,334 share purchase warrants at \$1.70 per warrant for total gross proceeds of \$638,068. At December 31, 2021, the exercise price of these warrants was adjusted from \$1.50 to \$1.30 and from \$1.70 to \$1.47 respectively as a result of the distributions of shares of Nevada King, Mexican Gold, Radio Fuels and Mainstream (see Note 4) which had a significant impact on the Company's net assets and its estimated share price and thus triggered an adjustment to the exercise prices of warrants. The adjusted exercise prices were determined based on the formulas prescribed in the warrant certificates.

During the year ended December 31, 2021, the Company issued 3,413,525 common shares with a value of \$363,066 to Palisade Global pursuant to a share exchange agreement entered into during fiscal 2021. In December 2021, all 25,935,149 shares of the Company owned by Palisade Global were transferred to 1338072 BC Ulc., a wholly-owned subsidiary of the Company incorporated on December 15, 2021.

Details of Common Shares Issued in 2020

On January 1, 2020, the Company issued 48,999,992 common shares with a value of \$54,537,955 in connection with the acquisition of 100% of the outstanding common shares of Palisade Global (Note 4(i)).

On January 16, 2020, the Company issued 2,499,997 common shares with a value of \$1,475,000 in connection with the acquisition of 100% of the outstanding common shares of 1198578 B.C. Ltd. (Note 4(iii)).

On January 16, 2020, the Company completed a non-brokered private placement of 1,766,700 common shares at a price of \$1.02 per common share for gross proceeds of \$1,802,034.

On January 30, 2020, the Company completed a Plan of Arrangement with Casino Gold Corp. and Nevada King Mining Ltd. pursuant to which the Company issued 15,005,293 common shares with a value of \$15,680,881 in connection with the acquisition of 100% of the outstanding common shares of Casino Gold Corp. (Note 4(i)). All of the issued and outstanding common shares of Casino Gold Corp.'s wholly-owned subsidiaries Big Casino Corp., Desert Hawk Resources Ltd., Battle Mountain Gold LLC, 2656065 Ontario Ltd., and 1226065 B.C. Ltd., as well as 350 units in Meadow Bay Gold Corp. secured convertible debentures in the principal amount of \$1,000 and 1,000 warrants were spun out to Nevada King Mining Ltd. Upon completion of the Plan of Arrangement, Casino Gold Corp. was amalgamated and the Company retained control of Nevada King Mining Ltd.

On February 3, 2020, the Company completed a non-brokered private placement of 485,691 common shares at a price of \$1.10 per common share for gross proceeds of \$534,260.

PALISADES GOLDCORP LTD.

Notes to the Consolidated Financial Statements

For the Years ended December 31, 2021 and 2020

(Expressed in Canadian Dollars Unless Otherwise Noted)

12. SHARE CAPITAL (continued)

On February 19, 2020, the Company completed a non-brokered private placement of 2,132,627 common shares at a price of \$1.19 per common share for gross proceeds of \$2,537,826.

On February 28, 2020, the Company completed a non-brokered private placement of 1,191,000 common shares at a price of \$1.25 per common share for gross proceeds of \$1,488,750.

On March 11, 2020, the Company completed a non-brokered private placement of 526,371 common shares at a price of \$1.40 per common share for gross proceeds of \$736,919.

On April 8, 2020, the Company completed a non-brokered private placement of 40,000 common shares at a price of \$1.40 per common share for gross proceeds of \$56,000.

On April 20, 2020, the Company completed a non-brokered private placement of 1,513,253 common shares at a price of \$1.40 per common share for gross proceeds of \$2,118,554.

On April 28, 2020, the Company completed a non-brokered private placement of 1,003,813 common shares at a price of \$1.40 per common share for gross proceeds of \$1,405,338.

On May 8, 2020, the Company completed a non-brokered private placement of 100,000 common shares at a price of \$1.50 per common share for gross proceeds of \$150,000.

On May 27, 2020, the Company completed a non-brokered private placement of 400,001 common shares at a price of \$1.50 per common share for gross proceeds of \$600,002.

On October 1, 2020, the Company completed a non-brokered private placement of 137,236 common shares at a price of \$3.00 per common share for gross proceeds of \$411,978.

On November 12, 2020, the Company completed a non-brokered private placement of 150,000 common shares at a price of \$4.00 per common share for gross proceeds of \$600,000.

During the year ended December 31, 2020, the Company issued 29,673,828 common shares with a value of \$36,839,842 pursuant to share exchange agreements entered into during fiscal 2020 of which 15,837,723 common shares with a value of \$19,980,591 was issued to Palisade Global and 1,577,039 common shares with a value of \$350,721 pursuant to share exchange agreements entered into during the period ended December 31, 2019.

Warrants

The continuity of warrants for the year ended December 31, 2021 is as follows:

Expiry date	Exercise Price	Outstanding December 31, 2020	Issued	Exercised	Cancelled/ Expired	Outstanding December 31, 2021
October 11, 2024	\$1.30	2,462,500	-	1,748,534	-	713,966
November 19, 2023	\$1.47	611,408	-	297,234	-	314,174
December 4, 2023	\$1.47	78,100	-	78,100	-	-
		3,152,008	-	2,123,868	-	1,028,140
Weighted average exercise price \$		1.54	-	1.54	-	1.35
Weighted average contractual remaining life (years)		3.59	-	-	-	2.51

PALISADES GOLDCORP LTD.

Notes to the Consolidated Financial Statements
For the Years ended December 31, 2021 and 2020
(Expressed in Canadian Dollars Unless Otherwise Noted)

12. SHARE CAPITAL (continued)*Warrants (continued)*

The continuity of warrants for the year ended December 31, 2020 is as follows:

Expiry date	Exercise Price	Outstanding December 31, 2019	Issued	Exercised	Cancelled/ Expired	Outstanding December 31, 2020
October 11, 2024	\$1.50	2,462,500	-	-	-	2,462,500
November 19, 2023	\$1.70	611,408	-	-	-	611,408
December 4, 2023	\$1.70	78,100	-	-	-	78,100
		3,152,008	-	-	-	3,152,008
Weighted average exercise price \$		1.54	-	-	-	1.54
Weighted average contractual remaining life (years)		4.59	-	-	-	3.59

Stock Option Plan

During the year ended December 31, 2021, the Company adopted a share purchase option compensation plan that allows it to grant share purchase options to its officers, directors, employee and service providers based on the maximum number of eligible shares not exceeding 10% in the aggregate of the Company's outstanding common shares at the time of grant.

Stock Options

In May 2021, the Company granted 10,107,772 stock options to directors, officers and consultants at an exercise price of \$6.00 per share for a period of five years. The options vested immediately. The Company recorded a share-based compensation of \$36,467,166 (2020 - \$Nil) for these stock options in 2021.

On October 14, 2021, the exercise price of 10,107,772 stock options issued in May was reduced from \$6.00 to \$5.30 subject to completion of the distributions of shares to the Company's shareholders described in Note 4(vii). The Company's directors agreed that the repricing should be effective December 31, 2021 because all of the distributions have been completed or enacted at that date. The Company recorded \$788,605 in stock-based compensation expense upon repricing of these stock options on December 31, 2021.

There were no stock options granted in 2020.

The continuity of stock options for the year ended December 31, 2021 is as follows:

Expiry date	Exercise Price	Outstanding December 31, 2020	Issued	Exercised	Cancelled/ Expired	Outstanding December 31, 2021
May 21, 2026	\$5.30	-	10,107,772	-	-	10,107,772
		-	10,107,772	-	-	10,107,772
Weighted average exercise price \$		-	-	-	-	5.30
Weighted average contractual remaining life (years)		-	-	-	-	4.39

PALISADES GOLDCORP LTD.

Notes to the Consolidated Financial Statements

For the Years ended December 31, 2021 and 2020

*(Expressed in Canadian Dollars Unless Otherwise Noted)***12. SHARE CAPITAL (continued)***Stock Options (continued)*

Options were priced based on the Black-Scholes option pricing model using the following weighted average assumptions to estimate the fair value of options granted:

	December 31, 2021 (Repricing)	May 21, 2021 (Original)
Risk-free interest rate	1.25%	0.87%
Expected option life in years	4.4	5.0
Expected share price volatility(i)	88.04%	96.51%
Grant date share price (ii)	\$3.28	\$5.13
Grant date fair value (iii)	\$0.08	\$3.61
Expected forfeiture rate	-	-
Expected dividend yield	Nil	Nil

- (i) The expected share price volatility is based on the average historical share price of comparable companies over the life of the options.
- (ii) The grant date share price has been estimated based on the fair value of the net assets of the Company as at May 21, 2021 and December 31, 2021 respectively divided by the number of shares outstanding since it has been determined that the net assets are comprised mainly of the portfolio of the Company's investments to determine the value of the Company and therefore its share price.
- (iii) Upon repricing of stock options effective December 31, 2021, the Company recognized an additional stock-based compensation expense of \$0.08 per stock option repriced for a total amount of \$788,605.

The schedule below summarizes the share-based compensation expense incurred by the Company's subsidiaries during the years ended December 31, 2021 and 2020:

	Year ended December 31, 2021 \$	Year ended December 31, 2020 \$
New Found Gold Corp	6,939,341	26,457,335
Nevada King Mining Ltd. (fr. Victory Metals Inc.)	-	1,448,278
Mexican Gold Mining Corp.	196,175	(3,995)
Total share-based compensation	7,135,516	27,901,618

13. BASIC AND DILUTED EARNINGS PER COMMON SHARE

Diluted earnings per common share based on the following weighted average number of shares outstanding is as follows:

	Year ended December 31, 2021	Year ended December 31, 2020
Basic weighted average number of common shares outstanding	101,565,515	95,582,659
Effect of dilutive securities		
Warrants	1,028,140	3,152,008
Diluted weighted average number of common shares outstanding	102,593,655	98,734,667

Diluted earnings per common share did not include the effect of 25,935,149 (2020 - 22,521,624) common shares held by the Company's subsidiary as treasury stock. Diluted earnings per common share also did not include the effect of 10,107,772 (2020 - Nil) stock options outstanding as their effect is anti-dilutive.

PALISADES GOLDCORP LTD.

Notes to the Consolidated Financial Statements

For the Years ended December 31, 2021 and 2020

*(Expressed in Canadian Dollars Unless Otherwise Noted)***14. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS**

	Year ended December 31, 2021 \$	Year ended December 31, 2020 \$
Non-cash activities:		
Investments received pursuant to share exchange agreements	-	36,839,841
Acquisitions of subsidiaries	-	56,012,955
Plan of arrangement	-	15,680,881
Investments received on sale of property and equipment	-	4,395,360
Investments added on loss of control of Golden Planet (Note 4(vi))	5,375,000	-
Investments added on distribution of Mexican Gold (Note 4(iii))	476,843	-
Investments disposed of on loss of control of New Found (Note 4(ii))	(62,738,486)	-
Investments distributed to shareholders at fair value (Notes 4(i) and 5)	(16,860,421)	-
Investment in associate added on loss of control of New Found (Note 4(ii))	580,217,656	-
Cash paid for income taxes	-	(16,492)
Cash paid for interest	(14,722)	(68,060)

15. FLOW-THROUGH SHARE PREMIUM

The Company's subsidiaries will from time to time issue flow-through common shares to finance a significant portion of their exploration programs. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the company issuing the flow-through shares bifurcates the flow-through share into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability, and ii) share capital. Upon expenditures being incurred, the company derecognizes the liability and recognizes a deferred tax liability for the amount of tax reduction renounced to the shareholders. The premium is recognized as recovery of flow-through premium liability and the related deferred tax is recognized as a tax provision.

Proceeds received from the issuance of flow-through shares are required to be used only for Canadian resource property exploration expenditures within a two-year period. The company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Look-back Rule, in accordance with the Government of Canada flow-through regulations. When applicable, this tax is accrued as an expense until paid.

The schedule below summarizes the flow-through share arrangements and the qualifying Canadian exploration expenses incurred by the Company's subsidiaries during the years ended December 31, 2021 and 2020:

PALISADES GOLDCORP LTD.

Notes to the Consolidated Financial Statements

For the Years ended December 31, 2021 and 2020

*(Expressed in Canadian Dollars Unless Otherwise Noted)***15. FLOW-THROUGH SHARE PREMIUM (continued)**

	Issued June 4, 2020	Issued June 10, 2020	Issued December 2, 2020	Issued April 8, 2021	Total
	\$	\$	\$	\$	\$
Balance at December 31, 2019	-	-	-	-	-
Liability incurred on flow-through shares issued	1,697,704	259,915	630,000	-	2,587,619
Settlement of flow-through share premium on expenditures incurred	(1,536,893)	(235,295)	-	-	(1,772,188)
Balance at December 31, 2020	160,811	24,620	630,000	-	815,431
Liability incurred on flow-through shares issued	-	-	-	1,971,330	1,971,330
Settlement of flow-through share premium on expenditures incurred	(160,811)	(24,620)	-	(1,392,296)	(1,577,727)
Liability derecognized on loss of control of subsidiaries	-	-	(630,000)	(579,034)	(1,209,034)
Balance at December 31, 2021	-	-	-	-	-

During the year ended December 31, 2021, the Company's subsidiaries completed private placement financings of flow-through common shares for total gross proceeds of \$14,999,250. The Company's subsidiaries paid share issuance of \$587,641 in cash of which \$524,974 were finder's fees. The premium received on the flow-through shares issued was determined to be \$1,971,330.

During the year ended December 31, 2020, the Company's subsidiaries completed private placement financings of flow-through common shares for total gross proceeds of \$9,498,196. The Company's subsidiaries paid share issuance costs of \$126,187 in cash and issued finders' warrants valued at \$69,494. The total premium received on the flow-through shares issued during that period was determined to be \$1,957,619.

Flow-through share arrangements entitle the holder of the flow-through share to a 100% tax deduction in respect of qualifying Canadian exploration expenses as defined in the Income Tax Act, Canada ("Qualifying CEE").

During the year ended December 31, 2021, the Company's subsidiaries incurred \$11,267,811 (December 31, 2020 – \$6,443,941) in Qualifying CEE and amortized a total of \$1,577,727 (December 31, 2020 – \$1,772,188) of its flow-through liabilities.

As at December 31, 2021, after the loss of control of New Found on June 21, 2021 (see Note 4(ii)) and loss of control of Golden Planet on January 1, 2021 (see Note 4(v)), the Company does not have any remaining flow-through obligations.

PALISADES GOLDCORP LTD.

Notes to the Consolidated Financial Statements

For the Years ended December 31, 2021 and 2020

*(Expressed in Canadian Dollars Unless Otherwise Noted)***16. INCOME TAXES**

The reconciliation of the combined Canadian federal and provincial income tax expense and pre-tax net profit is as follows:

	2021	2020
	\$	\$
Income before income taxes	361,398,126	18,947,799
Combined federal and provincial statutory income tax rate	27.00%	27.00%
Expected income tax	97,577,494	5,115,906
Non-deductible expenditures	8,218,273	7,816,312
Deductible temporary differences not recognized	(8,259,730)	-
Tax rate difference and foreign exchange	-	961,927
Change in estimate	(1,075,574)	-
Change in deferred tax assets not recognized	5,864,057	7,298,610
Other	1,244,323	272,545
Income tax expense	103,568,843	21,465,299

Deferred taxes reflect the net tax effects of differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company's deferred tax assets and liabilities are as follows:

	2021	2020
	\$	\$
Deferred income tax liabilities		
Investments	(127,693,060)	(25,164,594)
Investments held for distribution	(3,570,652)	-
Deferred income tax assets		
Non-capital losses carryforward	5,834,066	3,269,483
Other	97,154	131,463
Net deferred tax asset (liability)	(125,332,492)	(21,763,649)

Deferred taxes are provided as a result of temporary differences that arise due to the differences between the income tax values and the carrying amount of assets and liabilities. Deferred tax assets have not been recognized in respect of the following deductible temporary differences:

	2021	2020
	\$	\$
Non-capital losses carryforward	36,746	42,149,848
Exploration	997,272	39,604,610
Capital losses	-	337,304
Investments	-	695,736
Other temporary differences	-	3,000,378
	1,034,018	85,787,876

As at December 31, 2021, the Company has Canadian non-capital loss carry forwards of \$21,644,397 (2020 - \$34,916,335) which may be carried forward and applied against future income for Canadian income tax purposes, subject to final determination by tax authorities, expiring as follows:

PALISADES GOLDCORP LTD.

Notes to the Consolidated Financial Statements

For the Years ended December 31, 2021 and 2020

(Expressed in Canadian Dollars Unless Otherwise Noted)

16. INCOME TAXES (continued)

Expiry Date	\$
2040	10,930,798
2041	10,713,599
	<u>21,644,397</u>

17. FINANCIAL RISK MANAGEMENT

The Company thoroughly examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks. These risks may include credit risk, liquidity risk, currency risk, and interest rate risk. Where material, these risks are reviewed and monitored by the Board of Directors.

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 is not exposed to significant credit risk on its cash and cash equivalents since they are placed with major financial institutions that have high credit ratings. The credit risk exposure of the Company's investments and convertible note are represented by their values disclosed.

There have been no changes in management's methods for managing credit risk since December 31, 2020.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has in place a planning and budgeting process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives. The Company generates cash flow primarily from proceeds from the disposition of its investments and interest income. The Company invests in junior resource companies, which can at times be relatively illiquid. If the Company decides to dispose of securities of a particular issuer, it may not be able to do so at the time at favourable prices, or at all. Additionally, the amounts at which the Company's private company investments could be disposed of currently may differ from their carrying values since there is no active market to dispose of these investments. The Company has also relied on the issuance of shares to fund its activities and may require doing so again in the future.

There were no changes in management's methods for managing liquidity risk since December 31, 2020.

The Company has \$15,270,442 (December 31, 2020 - 31,620,145) in accounts payable and accrued liabilities that are due within one year of the date of the statement of financial position.

Market risk

Market risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will significantly fluctuate due to changes in market prices. The value of the financial instruments can be affected by changes in interest rates, foreign exchange rates, and equity and commodity prices. The Company is focused on junior companies in the resource and mining sector. Changes in the future pricing and demand of these commodities can have a material impact on the market value of the investments. The nature of such investments is normally dependent on the invested company being able to raise additional capital to further development and to determine the commercial viability of its resource properties. The value of each investment is also influenced by the outlook of the issuer and by general economic and political conditions. Management mitigates the risk of loss resulting from this concentration by monitoring the trading value of the investments on a regular basis. All securities present a risk of loss of capital. The maximum risk resulting from financial instruments is equivalent to their fair value.

PALISADES GOLDCORP LTD.

Notes to the Consolidated Financial Statements

For the Years ended December 31, 2021 and 2020

(Expressed in Canadian Dollars Unless Otherwise Noted)

17. FINANCIAL RISK MANAGEMENT (continued)

Market risk (continued)

There were no changes in management's methods for managing market risk since December 31, 2020. The Company manages market risk by having a portfolio that is not singularly exposed to any one issuer, although the Company's investment activities are concentrated on junior companies in the resource and mining sector. The Company also requires approval from the board of directors for purchases of investments over a certain cost threshold.

A 5% change in the future pricing and trading value of the Company's investments (with all other variables held constant) as at December 31, 2021, would change the Company's total comprehensive income by \$4,443,952 (December 31, 2020 - \$8,916,842).

(i) 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. The Company is not exposed to significant interest rate risks.

(ii) Foreign exchange risk

Foreign 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 may have financial instruments denominated in foreign currencies such as the U.S. dollar and the Australian dollar. A change in the foreign exchange rate of the Canadian dollar versus another currency may increase or decrease the value of its financial instruments.

The Company does not hedge its exposure to fluctuations in foreign exchange rates.

There were no changes in management's methods for managing currency risk since December 31, 2020.

A 5% change in the exchange rate of the Company's investments held in foreign currencies relative to the Canadian dollar would change the Company's total comprehensive income by \$1,634,154 (December 31, 2020 - \$2,110,877).

Fair value

The Company's financial assets and liabilities consist of cash and cash equivalents, restricted cash, investments, interest receivable, convertible notes and accounts payable. The carrying values of cash and cash equivalents, restricted cash, investments, interest receivable, convertible notes and accounts payable approximate their fair values due to the short-term maturity of these financial instruments.

PALISADES GOLDCORP LTD.

Notes to the Consolidated Financial Statements

For the Years ended December 31, 2021 and 2020

(Expressed in Canadian Dollars Unless Otherwise Noted)

18. CAPITAL MANAGEMENT

The Company manages its cash and common shares as capital. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its technology and products and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash. The Company's investment policy is to keep its cash treasury on deposit in an interest bearing Canadian chartered bank account. The Company will require capital resources to carry its plans and operations through its current operating period.

The Company is not subject to externally imposed capital requirements.

There were no changes in management's approach to capital management during the year ended December 31, 2021.

19. CONTINGENT LIABILITY

During the year ended December 31, 2020, a statement of claim (the "Claim") was filed in the Ontario Superior Court of Justice against the Company and its Chairman and Chief Executive Officer. Pursuant to the Claim, the claimants are challenging the validity of the sale of 17,500,000 common shares of New Found Gold Corp. by the claimants to the Company during the period ended December 31, 2019.

The Company has filed a statement of defense in response to the Claim and believes that the Claim is without merit and unlikely to succeed.

20. SUBSEQUENT EVENTS

Distribution of Nevada King shares

On March 7, 2022, the Company completed a distribution to its shareholders of 6,275,653 shares of Nevada King. These shares were included in assets held for distribution at December 31, 2021 (see Note 4(i)).

Sale of Godzilla to Golden Planet

In January 2022, the Company has completed the sale of Godzilla shares (see Note 4 (v)) to Golden Planet, a company with a director and officer in common, pursuant to a share exchange agreement whereby the Company exchanged its common shares of Godzilla on the basis of 4.4444444 common shares of Golden Planet Mining Corp. for each one (1) Godzilla share held for total consideration of 2,789,587 common shares of Golden Planet received with an estimated fair value of \$2,510,800.

Sale of investments in private companies

Subsequent to December 31, 2021, the Company has sold its investments in J4 Capital and Cache Gold to the Company's Chief Executive Officer, Executive Chairman and director for \$4.9 million in total, which was the carrying value of investments. No gain or loss was recognized upon sale as the carrying value approximates the market value of the investments.

**SCHEDULE “B”
ANNUAL MD&A**

(See attached)

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the years ended December 31, 2021 and 2020

The following discussion is management's assessment and analysis of the results and financial condition of Palisades Goldcorp Ltd. (the "Company" or "Palisades") and should be read in conjunction with the accompanying audited consolidated financial statements and related notes as at December 31, 2021 and 2020, and for the years then ended. The financial data was prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") and all figures are reported in Canadian dollars unless otherwise indicated.

This MD&A contains forward-looking information and forward-looking statements, within the meaning of applicable Canadian securities legislation, (collectively, "**forward-looking statements**"), that involve numerous risks and uncertainties. The Company continually seeks to minimize its exposure to business risks, but by the nature of its business, activities and size, will always have some risk. These risks are not always quantifiable due to their uncertain nature. Should one or more of these risks and uncertainties, including those described under the headings "Risks and Uncertainties" and "Cautionary Notes Regarding Forward-Looking Statements" materialize, or should underlying assumptions prove incorrect, then actual results may vary materially from those expressed or implied in forward-looking statements. The effective date of this report is April 27, 2022.

Description of Business

The Company was incorporated on August 30, 2019 as Palisades Acquisitions Corp. under the Business Corporations Act in the Province of British Columbia. The address of the Company's registered office is 700 West Georgia Street, 25th Floor, Vancouver, British Columbia, Canada, V7Y 1B3. On September 24, 2019 the Company changed its name to Palisades Goldcorp Ltd.

The Company is a resource investment company and merchant bank focused on junior companies in the resource and mining sector. The Company seeks to acquire equity participation in pre-IPO and early stage public resource companies with undeveloped or undervalued high quality projects. The Company focuses on companies that are in need of financial resources to realize their full potential, are undervalued in capital markets and/or operate in jurisdictions with low to moderate local political risk. Since the start of 2020 Palisades has financed over 100 juniors resource companies through private placements with full warrants and at a discount to market.

As of the date of this MD&A, the Company's Board of Directors consisted of the following: Collin Kettell (Executive Chairman), Gregor Gregersen, Elizabeth Harrison and William Hayden.

Additional information relating to the Company is available on the Company's website at www.palisades.ca.

Strategic Investments

Since its inception in 2019, Palisades has built positions in strategic assets in top rated jurisdictions as follows:

	December 31, 2021		December 31, 2020	
	Ownership	Board	Ownership	Board
	Interest	Seats	Interest	Seats
New Found Gold Corp.	28.36%	1/5	31.32%	2/5
Nevada King Gold Corp.	2.72%	1/5	48.67%	2/4
Nevada King Mining Ltd.	N/A	N/A	44.54%	2/3
Mexican Gold Mining Corp.	-	0/4	37.00%	1/4
Golden Planet Mining Corp.	17.21%	1/4	34.02%	1/1
Radio Fuels Resources Corp.	-	1/1	66.00%	1/1
Godzilla Gold Corp.	62.77%	0/1	N/A	N/A

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the years ended December 31, 2021 and 2020

New Found Gold Corp.

Palisades owned 28.36% of New Found Gold Corp. ("New Found") (TSX-V: NFG) as of December 31, 2021. There has been no significant change in ownership as of the date of this MD&A. New Found is advancing its 100% owned Queensway gold project, located on the Trans-Canada highway 15km west of Gander, Newfoundland, with a 400,000m drill campaign underway focused along the Appleton fault and along the JBP fault.

Distribution of shares – Nevada King Gold Corp.

Nevada King Gold Corp. ("Nevada King") (TSX-V: NKG) was formed pursuant to a plan of arrangement between Victory Metals Inc. and Nevada King Mining Ltd. which was completed on April 7, 2021. Nevada King is the fourth largest mineral claim holder in the State of Nevada, USA, focussed on the Battle Mountain Gold Trend. Nevada King owns 100% of the past producing Atlanta Mine, which hosts an NI 43-101 resource of 683,600oz AuEq M+I plus 618,700 AuEq Inferred (resource estimate for existing pit area completed by Gustavson Associates in March 2013).

Palisades owned 36.75% of Nevada King as of October 18, 2021. On October 18, 2021, in order to enable shareholders of the Company to directly benefit from the Company's equity position in Nevada King, the Company agreed to transfer all shares of Nevada King controlled by the Company (89,075,602 Nevada King shares) to its shareholders. The Company distributed 82,449,949 shares of Nevada King on November 3, 2021. The remaining 6,625,653 shares of Nevada King were included in shares held for distribution at December 31, 2021 at their estimated fair value of \$2,385,235. Out of 6,625,653 shares, 6,275,653 shares were distributed to the shareholders of the Company on March 7, 2022.

Distribution of shares – Mexican Gold Mining Corp.

In December 2021, in order to enable shareholders of the Company to directly benefit from the Company's equity position in Mexican Gold, the Company agreed to distribute all shares of Mexican Gold controlled by the Company (57,238,388 Mexican Gold shares) to its shareholders. Shareholders received Mexican Gold on a basis proportionate with their shareholdings in the Company. The distribution was completed on December 10, 2021.

Distribution of shares – Golden Planet Mining Corp.

On January 1, 2021, it was determined that the Company has lost control of Golden Planet Mining Corp. ("Golden Planet"). The assessment was based on assessment of the relevant facts and circumstances, primarily the Company's ownership interest post-acquisition, board representation and control over operating, strategic and financing decisions. It has been concluded that the loss of control occurred on January 1, 2021 mainly due to a reduction in the Company's ownership of Golden Planet shares from 34.02% to 17.62% which occurred on January 1, 2021. The Company now accounts for its investment in Golden Planet as a financial asset under IFRS 9, Financial Instruments at fair value through profit or loss.

Distribution of shares – Mainstream Minerals Corporation

Radio Fuels' sole asset is a 100% interest in certain mineral claims and leases located in the Mining District of Sault St. Marie, Ontario. On December 16, 2021, Mainstream Minerals Corporation ("Mainstream") has completed an acquisition of all of the issued and outstanding shares of Radio Fuels. As per the share purchase agreement dated September 14, 2021, entered into between Mainstream and Radio Fuels shareholders, Mainstream has agreed to acquire all of the issued and outstanding shares of Radio Fuels for 58,823,529 common shares of Mainstream, and as a result, the Company has received 36,268,699 shares of Mainstream with an estimated value of \$14,507,480 for its 61.66% interest in Radio Fuels. During the year ended December 31, 2021, the Company recognized a gain on loss of control of Radio Fuels of \$14,784,668.

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the years ended December 31, 2021 and 2020

Upon completion of the sale of Radio Fuels shares, the Company has distributed to its shareholders 36,268,699 shares of Mainstream received which resulted in a reduction to share capital of \$14,507,480, and no additional gain or loss recognized on the distribution. The Company also distributed to its shareholders 5,882,355 shares of Mainstream previously held by the Company with an estimated fair value of \$2,352,941, which resulted in a reduction to share capital of \$2,352,941. The Company recognized a gain on distribution of \$352,941, which was included in the net investment gains for the year ended December 31, 2021.

Purchase and sale of Godzilla Gold Corp.

On July 28, 2021, the Company completed a purchase of 62.77% of the issued and outstanding common shares of Godzilla Gold Corp. ("Godzilla") at \$1.00 per share for a total consideration paid of \$627,657. Based on the assessment of the relevant facts and circumstances, primarily the Company's ownership interest post-acquisition, board representation and control over operating, strategic and financing decisions, the Company concluded that it does have control in Godzilla as a result of the acquisition.

In December 2021, the Company agreed to sell its shares of Godzilla to Golden Planet Mining Corp., a company with a director and officer in common, for shares of Golden Planet Mining Corp. with an estimated fair value of \$2,510,800. The sale was completed in January 2022.

Goldspot Discoveries Corp

In October 2021, the Company's Board of Directors and shareholders approved a plan of arrangement in order to enable shareholders of the Company to directly benefit from the Company's equity position in Mexican Gold, Nevada King, Mainstream and Goldspot Discoveries Corp. ("Goldspot"). At December 31, 2021, the Company had 17,523,107 shares of Goldspot with an estimated fair value of \$16,121,258, which have not been distributed to the shareholders yet, and have been included in assets held for distribution at December 31, 2021.

Investment Portfolio

The following information regarding the investment portfolio of Palisades is historical as at the dates indicated and may change due to the ongoing investment activities of the Company, in addition to fluctuations in the fair values of investments. The fair value of investments have been measured in accordance with the Company's accounting policies and the amounts at which the Company's investments could be disposed of currently may differ from their varying values for a variety of reasons (see *Risk Factors* below for further details).

The portfolio consists of investments in marketable securities and warrants as follows:

	December 31, 2021	December 31, 2020
Equities held (i)	\$ 60,169,034	\$ 122,673,021
Warrants held (ii)	28,710,010	55,663,826
Total investments	\$ 88,879,044	\$ 178,336,847

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the years ended December 31, 2021 and 2020

(i) Equities Held

	Quantity	Fair Value December 31, 2021 \$
Silver Bullion SG	188,275	21,239,679
Labrador Gold Corp.	13,800,000	12,420,000
Golden Planet Mining Corp.	10,500,000	9,450,000
Tonogold Resources Inc.	33,394,282	4,444,035
J4 Capital	3,700,000	3,169,500
Cache Gold	23,905	1,742,639
Santacruz Silver Mining Ltd.	5,691,834	1,764,469
Galane Gold Ltd.	11,001,000	1,265,115
Patagonia Gold Corp.	23,495,000	1,057,275
Other ¹		3,616,322
Total equities held		60,169,034

	Quantity	Fair Value December 31, 2020 \$
Baru Gold Corp.	13,333,334	2,200,000
Emmerson Resources Ltd.	16,500,000	1,281,993
Fabled Silver Gold Corp.	12,400,000	1,240,000
Goldhaven Resources Corp.	2,000,000	1,300,000
Labrador Gold Corp.	13,800,000	5,520,000
J4 Capital LLC	3,700,000	3,183,000
GoldSpot Discoveries Corp.	16,223,107	6,489,243
Mainstream Minerals Corp.	4,411,765	1,500,000
Silver Bullion SG	188,275	21,768,356
Tonogold Resources Inc.	34,619,431	13,223,238
Santacruz Silver Mining Ltd.	13,000,000	6,110,000
Winston Gold Corp.	10,280,000	1,542,000
Other ¹		57,315,191
Total equities held		122,673,021

(1) Aggregate of all equity investments held with individual fair values of less than \$1 million.

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the years ended December 31, 2021 and 2020

(ii) Warrants Held

	Quantity	Fair Value December 31, 2021 \$
Labrador Gold Corp.	11,800,000	5,477,656
Aurcana Silver Corp.	13,963,407	1,348,116
Santacruz Silver Mining Ltd.	24,133,334	2,746,068
Goliath Resources Inc.	2,600,000	2,055,353
Vulcan Minerals Inc.	7,000,000	1,291,727
Other ²		15,791,090
Total warrants held		28,710,010

	Quantity	Fair Value December 31, 2020 \$
Labrador Gold Corp.	11,800,000	1,581,299
Aurcana Silver Corp.	11,863,407	8,364,653
Santacruz Silver Mining Ltd.	13,000,000	3,582,868
Aftermath Silver Ltd.	3,375,000	3,977,458
Impact Silver Corp.	5,500,000	4,171,308
Rockmaster Resources Corp.	5,700,000	2,761,475
Defiance Silver Corp.	2,000,000	1,243,255
Winston Gold Corp.	11,000,000	1,041,486
Other ⁽²⁾		28,940,024
Total warrants held		55,663,826

- (1) The cost of warrants acquired through participation in private placements of units are allocated between common shares and common share purchase warrants based on the residual value method. Under this method, the purchase price is allocated to common shares based on the fair value of a common share at the date of the transaction and any residual remaining is allocated to common share purchase warrants.
- (2) Aggregate of all warrant investments held with individual fair values of less than \$1 million.

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the years ended December 31, 2021 and 2020

OVERALL PERFORMANCE AND RESULTS OF OPERATIONS**Select Annual Information**

Selected annual information from the audited financial statements for the years ended December 31, 2021 and 2020 and the period ended December 31, 2019 is presented in the table below.

Selected Annual Financial Information	Year ended December 31, 2021	Year ended December 31, 2020	Period ended December 31, 2019
	\$	\$	\$
Total revenue	7,850,294	111,385,059	1,308,258
Total expenses	(114,231,901)	(98,732,043)	348,958
Total other income	467,779,733	6,294,783	-
Net income (loss) and comprehensive income (loss) attributable to owners of the Company	262,926,596	27,900,248	1,342,374
Net income (loss) and comprehensive income (loss) for the year	257,829,283	(2,517,500)	1,342,374
Earnings per share – basic	2.59	0.29	0.16
Earnings per share – diluted	2.56	0.28	0.16
Total assets	534,603,700	266,696,822	15,632,334
Total non-current financial liabilities	-	-	-

Total assets increased to \$534,603,700 at December 31, 2021, from \$266,696,822 at December 31, 2020, primarily as a result of a loss of control New Found Gold Corp. on June 21, 2021 and subsequent accounting for the investment in New Found as an investment in associate which increased the asset base. The most significant assets at December 31, 2021 were cash of \$8,423,997 (December 31, 2020: \$64,477,506), investments of \$88,879,044 (December 31, 2020: \$178,336,847), shares held for distribution of \$18,506,494 (December 31, 2020: \$Nil), and an investment in New Found Gold Corp. of \$418,166,497 (December 31, 2020: \$Nil).

Total assets increased to \$266,696,822 at December 31, 2020, from \$15,632,334 at December 31, 2019, primarily as a result of an increase in cash of \$61,608,084, restricted cash of \$15,163,336 and investments of \$168,557,717. The most significant assets at December 31, 2020 were cash of \$64,477,506 (December 31, 2019: \$2,869,422), investments of \$178,336,847 (December 31, 2019: \$9,779,130) and restricted cash of \$15,163,336 (December 31, 2019: \$Nil).

Year ended December 31, 2021 and 2020

During the year ended December 31, 2021, net income increased by \$260,346,783 to \$257,829,283 compared to a net loss of \$2,517,500 for the year ended December 31, 2020. The increase is largely due to:

- As a result of acquiring less than 100% interest in companies that have stock option plans, the Company recorded share-based compensation related to the stock options issued by the subsidiaries of \$7,135,516 for the year ended December 31, 2021 compared to \$27,901,618 for the year ended December 31, 2020. The decrease in stock-based compensation in subsidiaries in 2021 of \$20,766,102 is due to timing of issuance and vesting of stock options.
- Consulting fees decreased by \$17,223,069 to \$20,989,469 for the year ended December 31, 2021 compared to \$38,212,538 for the year ended December 31, 2020 due to a decrease in the bonus paid to the Company's directors and officers in 2021. The Company paid a bonus of \$15,646,584 in 2021 compared to \$27,245,977 paid in 2020.

Palisades Goldcorp Ltd.**Management's Discussion and Analysis****For the years ended December 31, 2021 and 2020**

The increase was partially offset by:

- A decrease in net investment gains of \$103,233,035 from \$110,814,282 for the year ended December 31, 2020 to \$7,581,247 due to lower unrealized gains recorded in the current year compared to the prior year due to price fluctuations which resulted in lower value of equities of public companies and warrants held by the Company at December 31, 2021. Another reason for the decrease in net investment gains was an overall decrease in the investment portfolio of the Company primarily as a result of the loss of control of New Found when \$62,738,486 in investments held by New Found was removed from the Company's investments upon deconsolidation of New Found.
- An increase of \$37,255,77 in share-based compensation recorded by the parent company. During the year ended December 31, 2021, the Company granted 10,107,772 stock options to directors, officers and consultants at an exercise price of \$6.00 per share for a period of five years. The options vested immediately. The Company recognized \$36,467,166 in stock-based compensation expense related to this issuance. Upon repricing of stock options effective December 31, 2021, the Company recognized an additional stock-based compensation expense of \$0.08 per stock option repriced for a total amount of \$788,605. No stock options were issued by the parent company in the comparative period.
- An increase in a loss from equity investment from \$Nil in 2020 to \$17,894,424 in 2021 as a result of a pick-up by the Company of its portion of a loss recorded by New Found from June 21, 2021 to December 31, 2021.
- The Company recorded deferred income tax expense of \$103,568,843 for the year ended December 31, 2021 compared to a deferred income tax expense of \$21,465,299 for the year ended December 31, 2020. An increase in expense in 2021 is a mainly due to a deferred income liability recognized on shares of New Found Gold Corp. included in investment in associate at December 31, 2021. The liability arises when there is a difference between accounting and tax basis of investments.

Other income (expenses)

- A gain on loss of control of New Found of \$576,422,615, a gain on loss of control of Golden Planet Mining Corp. of \$4,354,287, a gain on loss of control of Radio Fuels of \$14,784,668, and a gain on distribution of shares of Nevada King of \$17,414,416, all recognized in other income during the year ended December 31, 2021. Total other income was \$467,779,733 for the year ended December 31, 2021 compared to \$6,294,783 for the year ended December 31, 2020.
- An increase in impairment loss on convertible notes of \$1,630,314 from \$Nil in 2020 to \$1,630,314 in 2021 as a result of an impairment write-down recorded on convertible notes in 2021 based on the Company's impairment assessment performed at December 31, 2021.

The Company recorded a net income and comprehensive income attributable to owners of the Company of \$262,926,596 or \$2.59 basic and \$2.56 diluted loss per share for the year ended December 31, 2021 (December 31, 2020: net loss of \$2,517,500 and \$0.29 basic and \$0.28 diluted earnings per share).

Three months ended December 31, 2021 and 2020

During the three months ended December 31, 2021, net loss increased by \$72,455,317 to \$93,607,225 compared to net loss of \$21,151,908 for the three months ended December 31, 2020. The change is largely due to:

- The Company recorded net investment losses of \$4,347,188, dividend income of \$Nil and interest income of \$50,400 for the three months ended December 31, 2021 compared to \$28,340,674 of net investments gains, dividend income of \$50,989 and interest income of \$105,869 for the three months ended December 31, 2020. The Company undertook a greater amount of investing activities in the three months ended December 31,

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the years ended December 31, 2021 and 2020

2020 compared to fewer investing activities in the three months ended December 31, 2021. Another reason for the losses in 2021 is the price fluctuations which resulted in a lower value of investments held by the Company at December 31, 2021 compared to December 31, 2020.

- An increase in loss from equity investment from \$Nil in 2020 to \$5,970,963 in 2021 as a result of a pick-up by the Company of its portion of a loss recorded by New Found from October 1, 2021 to December 31, 2021.

The increase in losses was partially offset by:

- A decrease in exploration expenses of \$6,184,481 from \$6,944,654 in 2020 to \$760,173 in 2021. The decrease is due to deconsolidation of Golden Planet, New Found, Mexican Gold, Nevada King, and Radio Fuels during the year ended December 31, 2021, which resulted in a lower amount of exploration expenses of subsidiaries included in the consolidated financial statements of the Company for the fourth quarter of 2021.
- A decrease of \$12,089,107 in consulting fees and salaries. Consulting fees and salaries were \$21,626,089 for the three months ended December 31, 2020 compared to \$9,536,982 for the three months ended December 31, 2021. The decrease is due to a lower executive management bonuses in 2021 compared to 2020. The bonuses have been based on the results of the Company's operations and performance of its investment portfolio during the year.
- A decrease in stock-based compensation of subsidiaries of \$17,842,556 from \$17,939,621 in 2020 to \$97,065 in 2021. The decrease is primarily due to deconsolidation of New Found and Golden Planet Mining Corp. in the first and second quarters of 2021, whereas the majority of the stock-based compensation expense in the comparative quarter ended December 31, 2020 related to these two subsidiaries.
- The Company recorded a deferred income tax recovery of \$42,399,133 for the three months ended December 31, 2021 compared to a deferred income tax expense of \$7,255,379 for the three months ended December 31, 2020. The recovery in the fourth quarter of 2021 is a mainly due to a reduction in the investment in New Found at December 31, 2021 upon an impairment write-down recognized on investment in New Found at December 31, 2021 of \$145,147,463, which resulted in a corresponding decrease in the related deferred income liability recognized on shares of New Found. The liability arises when there is a difference between accounting and tax basis of investments.

Other income (expenses)

- A decrease of \$120,144,939 in total other income. Total other income was \$5,570,043 for the three months ended December 31, 2020 compared to a total other loss of \$114,574,896 for the three months ended December 31, 2021. The overall decrease in 2021 is due to an impairment loss on investment in New Found of \$145,147,463 recognized in the last quarter of 2021 based on the Company's impairment assessment completed at December 31, 2021, offset by a gain on distribution of Nevada King shares of \$17,414,416, and a gain on loss of control of Radio Fuels shares of \$14,784,668. In the prior period, the Company recognized a gain on sale of exploration assets of \$4,384,953 and a gain on settlement of flow-through premium of \$1,185,090. No such gains were recognized in the current three-month period ended December 31, 2021, as these gains related to activities of New Found and Golden Planet Mining Corp, and both entities were deconsolidated in 2021 prior to the beginning of the fourth quarter.

The Company recorded a net loss and comprehensive loss attributable to owners of the Company of \$92,672,872 and \$0.96 basic and diluted loss per share for the three months ended December 31, 2021 (the three months ended December 31, 2020: net loss and comprehensive loss attributable to owners of the Company of \$294,244 and \$0.05 basic and diluted earnings per share).

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the years ended December 31, 2021 and 2020

Cash Flows

	December 31, 2021	December 31, 2020
	\$	
Cash used in operating activities	(42,700,392)	(19,610,843)
Net cash (used in) generated from investing activities	(58,199,958)	10,174,148
Net cash generated from financing activities	44,746,874	71,147,109
Effect of foreign exchange rate changes on cash	99,967	(102,330)
Change in cash	(56,153,476)	61,710,414
Cash, beginning of year	64,477,506	2,869,422
Cash, end of year	8,423,997	64,477,506

Operating Activities

Cash used in operating activities for the year ended December 31, 2021 was \$42.7 million compared to \$19.6 million used for the year ended December 31, 2020. Cash movements from operating activities can fluctuate with changes in net income, non-cash items, such as foreign exchange and deferred income tax expenses, and working capital. The main reason for the increase in cash used in 2021 was a decrease in investment income received in 2021 as compared to 2020. Another reason was a decrease in accounts payable and accrued liabilities at December 31, 2021 compared to December 31, 2020 which resulted in a cash outflow of \$10.9 million in 2021 (2020 – cash inflow of \$27million).

Investing Activities

Cash used in investing activities for the year ended December 31, 2021 was \$58.2 million compared to cash received of \$10.2 million for the year ended December 31, 2020. Cash lost on the loss of control of subsidiaries was \$56.4 million in 2021. In the comparative year ended December 31, 2020 the Company acquired cash of \$13.1 million on acquisition of subsidiaries.

Financing Activities

Cash generated by financing activities was \$44.7 million for the year ended December 31, 2021 compared to \$71.1 million for the year ended December 31, 2020. Cash generated by financing activities for the for the year ended December 31, 2021 relates to the issuance of shares by the Company and its subsidiaries of \$41.5 million, as well as the cash received on exercise of warrants of \$3.3 million. In 2020, the Company received \$58.7 million in capital provided by others who have interests in subsidiaries, and \$12.4 million from issuances of common shares and warrants in private placements.

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the years ended December 31, 2021 and 2020

Summary of Quarterly Results

	2021				2020			
	Dec. 31	Sep. 30	Jun. 30	Mar. 31	Dec. 31	Sep. 30	Jun. 30	Mar. 31
Total revenue ⁽¹⁾	(4,296,788)	(44,138,137)	64,918,556	(8,633,337)	28,497,532	46,888,496	47,647,464	(11,648,433)
Net Income (loss) and comprehensive income (loss) for the period attributable to owners of the Company	(92,672,873)	(51,590,943)	416,514,436	(9,324,024)	(294,244)	23,368,792	31,423,543	(26,597,753)
Net Income (loss) and comprehensive income (loss) for the period	(93,607,225) ⁽³⁾	(56,234,119) ⁽⁴⁾	421,892,623 ⁽⁵⁾	(14,221,996) ⁽⁶⁾	(21,151,908) ⁽⁷⁾	13,816,380 ⁽⁸⁾	36,655,859 ⁽⁹⁾	(31,837,831) ⁽¹⁰⁾
Earnings (loss) per Common Share Basic ⁽²⁾	(0.93)	(0.51)	4.12	(0.09)	0.05	0.23	0.32	(0.32)
Earnings (loss) per Common Share Diluted ⁽²⁾	(0.93)	(0.51)	4.00	(0.09)	0.05	0.23	0.31	(0.32)

- (1) Total revenue consists of net investment gains (losses), interest income and dividend income.
- (2) Per share amounts are rounded to the nearest cent, therefore aggregating quarterly amounts may not reconcile to year-to-date per share amounts.
- (3) Increase of net loss and comprehensive loss from prior quarter primarily driven by an impairment loss on investment in New Found of \$145,147,463 at December 31, 2021. The net income also decreased due to a decrease in net investment gains of \$39,841,530, partially offset by a decrease in exploration expenses of \$5,846,825, a decrease in loss from equity investment of \$5,952,498, and an increase in an income tax recovery of \$27,197,629.
- (4) Decrease of net income and comprehensive income from prior quarter primarily driven by a gain on loss of control of New Found of \$576,422,615 recognized in the second quarter of 2021 with no such gain recognized in the third quarter of 2021, a decrease in stock-based compensation of the parent of \$36,467,166 and subsidiaries of \$6,939,341, a decrease in consulting fees of \$6,047,947, partially offset by a decrease in net investment gains / losses of \$103,707,133, an increase in loss from equity investment of \$11,923,461, and a decrease in a deferred income tax expense of \$177,329,780.
- (5) Increase of net income and comprehensive income from prior quarter primarily driven by a gain on loss of control of New Found of \$576,422,615 recognized in the second quarter of 2021 and an increase in net investment gains of \$73,560,657, offset by an increase in exploration expenses of \$3,977,584 and an increase in stock-based compensation of \$43,307,397, of which \$36,467,166 related to stock-based compensation recorded by the parent in the second quarter upon issuance of 10,107,772 stock options.
- (6) Decrease of net loss and comprehensive loss from prior quarter primarily driven by a gain on loss of control of Golden Planet Mining Corp. of \$4,384,953 recognized on January 1, 2021, a decrease in consulting fees of \$19,990,195 and a decrease in share-based compensation of subsidiaries of \$17,840,511, partially offset by a decrease in net investment gains of \$37,062,426.
- (7) Increase of net loss and comprehensive loss from prior quarter primarily driven by a decrease in net investment gains of \$18,316,646 partially offset by increases in consulting fees and salaries of \$7,595,570, exploration of \$1,597,800, gain on sale of exploration and evaluation assets of \$4,384,953 and share-based compensation of \$12,454,708.
- (8) Decrease of net income and comprehensive income from prior quarter primarily driven by a decrease in net investment gains of \$877,578 partially offset by increases in consulting of \$12,867,627, exploration of \$4,341,086, share-based compensation of \$2,431,402 and deferred income tax expense of \$2,451,744.

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the years ended December 31, 2021 and 2020

- (9) Increase of income and comprehensive income from prior quarter primarily driven by increases in net investment gains of \$59,253,508 and foreign exchange gain of \$1,003,175 partially offset by an increase in share-based compensation of \$1,629,938, deferred income tax expense of \$2,573,469 and a decrease in exploration of \$13,855,149.
- (10) Increase of net loss and comprehensive loss from prior quarter primarily driven by increases in net investment losses of \$13,011,349, consulting of \$1,272,662, exploration of \$14,860,918, share-based compensation of \$1,423,573 and deferred income tax expense of \$1,888,904 partially offset by decreases in gain on dilution of equity investment of \$1,759,858 and loss from equity investment of \$729,148.

Liquidity and Capital Resources

As at December 31, 2021, the Company had cash of \$8,423,997 and current assets of \$116,387,203 to settle current liabilities of \$15,304,460, all of is comprised of accounts payable and accrued liabilities that are due within one year of the statement of financial position.

Cash decreased by \$56,053,509 during the year ended December 31, 2021 as a result of the loss of control of New Found, Golden Planet, Nevada King and Mexican Gold which combined resulted in a decrease in cash due to cash lost on the loss of control of subsidiaries of \$56,436,648, a decrease in accounts payable and accrued liabilities of \$10,879,106 and cash used on purchases of new investments of \$50,987,952. The decrease was partially offset by cash received from sales of investments of \$70,922,316 and cash provided by others who have interests in subsidiaries of \$41,545,882.

The Company relies upon various sources of funds for its ongoing operating and investing activities. These sources include proceeds from dispositions of investments, interest and dividend income from investments and capital raising activities such as equity financings.

As at December 31, 2021, the Company had working capital of \$101,082,743 consisting primarily of cash and cash equivalents, investments, prepaids and accounts receivable. The Company has adequate working capital to fund its expected operating and investing activities through 2021.

The Company does not have bank debt or banking credit facilities in place as at the date of this report.

November 2020 Financing – Net Proceeds of \$600,000

On November 12, 2020, the Company completed a non-brokered private placement of 150,000 common shares at a price of \$4.00 per common share for gross proceeds of \$600,000. The Company used the proceeds for investment purposes.

October 2020 Financing – Net Proceeds of \$411,978

On October 1, 2020, the Company completed a non-brokered private placement of 137,236 common shares at a price of \$3.00 per common share for gross proceeds of \$411,978. The Company used the proceeds for investment purposes.

May 2020 Financings – Net Proceeds of \$750,002

On May 8, 2020, the Company completed a non-brokered private placement of 100,000 common shares at a price of \$1.50 per common share for gross proceeds of \$150,000 and on May 27, 2020, the Company completed a non-brokered private placement of 400,001 common shares at a price of \$1.50 per common share for gross proceeds of \$600,002. The Company used the proceeds from both financings for investment purposes.

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the years ended December 31, 2021 and 2020

April 2020 Financings – Net Proceeds of \$3,579,892

On April 8, 2020, the Company completed a non-brokered private placement of 40,000 common shares at a price of \$1.40 per common share for gross proceeds of \$56,000. On April 20, 2020, the Company completed a non-brokered private placement of 1,513,253 common shares at a price of \$1.40 per common share for gross proceeds of \$2,118,554 and on April 28, 2020, the Company completed a non-brokered private placement of 1,003,813 common shares at a price of \$1.40 per common share for gross proceeds of \$1,405,338. The Company used the proceeds from these financings for investment purposes.

March 2020 Financing – Net Proceeds of \$736,919

On March 11, 2020, the Company completed a non-brokered private placement of 526,371 common shares at a price of \$1.40 per common share for gross proceeds of \$736,919. The Company used the proceeds for investment purposes.

February 2020 Financings – Net Proceeds of \$4,560,836

On February 3, 2020, the Company completed a non-brokered private placement of 485,691 common shares at a price of \$1.10 per common share for gross proceeds of \$534,260. On February 19, 2020, the Company completed a non-brokered private placement of 2,132,627 common shares at a price of \$1.19 per common share for gross proceeds of \$2,537,826 and on February 28, 2020, the Company completed a non-brokered private placement of 1,191,000 common shares at a price of \$1.25 per common share for gross proceeds of \$1,488,750. The Company used the proceeds from these financings for investment purposes.

January 2020 Financing – Net Proceeds of \$1,802,034

On January 16, 2020, the Company completed a non-brokered private placement of 1,766,700 common shares at a price of \$1.02 per common share for gross proceeds of \$1,802,034. The Company used the proceeds for investment purposes.

Acquisitions and Dispositions

(i) Palisade Global Investments Ltd.

On January 1, 2020, the Company completed the purchase of 100% of the issued and outstanding common shares of Palisade Global Investments Ltd. ("Palisade Global") in exchange for 48,999,992 common shares of the Company with a value of \$54,537,955. At the time of the acquisition, Palisade Global held 1,170,000 common shares of Palisades Goldcorp with a value of \$1,170,000 which are recorded as treasury shares. As a result of the acquisition, the Company's ownership interests in each of the entities pre-acquisition and based on assessment of the relevant facts and circumstances, primarily the Company's ownership interests post-acquisition, board representation and control over operating, strategic and financing decisions, the Company concluded that it does have control in Victory Metals Inc., Casino Gold Corp. and Radio Fuels Resources Corp. The acquisition of Palisade Global was accounted for as an asset acquisition. The Company allocated the fair value of consideration paid to the acquired assets and liabilities based on their relative fair values at the date of purchase.

The purchase price was allocated to the fair value of Palisade Global's assets acquired and liabilities assumed as follows:

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the years ended December 31, 2021 and 2020

Total Consideration – value of equity instruments issued	\$ 53,367,955
Assets	
Cash and cash equivalents	3,234,521
Amounts receivable and prepaid expenses	253,304
Investments ¹	48,526,315
Total Assets	52,014,140
Liabilities	
Accounts payable and accrued liabilities	3,515,398
Total Liabilities	3,515,398
Non-controlling interests	1,410,448
Exploration expensed ²	6,279,661

1. Includes investment in New Found Gold Corp. of \$9,000,000.

2. Acquisition costs for exploration and evaluation assets and exploration expenditures, net of recoveries, are charged to operations as incurred.

Casino Gold Corp. was amalgamated by the Company during the year ended December 31, 2020.

On April 7, 2021, pursuant to a definitive arrangement agreement, Victory Metals Inc. acquired all of the issued and outstanding shares of Nevada King Mining Ltd. by way of a statutory plan of arrangement and changed its name to Nevada King Gold Corp. ("Nevada King").

During the year ended December 31, 2021, in order to enable shareholders of the Company to directly benefit from the Company's equity position in Nevada King, the Company agreed to distribute all shares of Nevada King controlled by the Company (89,075,602 Nevada King shares) to its shareholders. The Company distributed 82,449,949 shares of Nevada King on November 3, 2021. The remaining 6,625,653 shares of Nevada King still owned by the Company at December 31, 2021 were included in shares held for distribution at their estimated fair value of \$2,385,235.

Upon completion of the distribution of 82,449,949 of Nevada King shares, the Company has lost control of Nevada King and therefore has deconsolidated it from its consolidated financial statements for the year ended December 31, 2021. The Company has derecognized the assets and liabilities of Nevada King, non-controlling interest in Nevada King and contributed surplus related to the dilution gain before losing the control of Nevada King at their carrying amounts, recognized a distribution of shares at their estimated fair value on November 3, 2021 of \$25,971,734 and recognized a gain on the loss of control of \$17,414,416.

Radio Fuels' sole asset is a 100% interest in certain mineral claims and leases located in the Mining District of Sault St. Marie, Ontario. On December 16, 2021, Mainstream Minerals Corporation ("Mainstream") has completed an acquisition of all of the issued and outstanding shares of Radio Fuels. As per the share purchase agreement dated September 14, 2021, entered into between Mainstream and Radio Fuels shareholders, Mainstream has agreed to acquire all of the issued and outstanding shares of Radio Fuels for 58,823,529 common shares of Mainstream, and as a result, the Company has received 36,268,699 shares of Mainstream with an estimated value of \$14,507,480 for its 61.66% interest in Radio Fuels. During the year ended December 31, 2021, the Company recognized a gain on loss of control of Radio Fuels of \$14,784,668. The fair value of Mainstream shares received was determined based on the market price of shares issued in the concurrent financing completed by Mainstream and is therefore considered a Level 2 measurement.

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the years ended December 31, 2021 and 2020

Upon completion of the sale of Radio Fuels shares, the Company has distributed to its shareholders 36,268,699 shares of Mainstream received which resulted in a reduction to share capital of \$14,507,480, and no additional gain or loss recognized on the distribution. The Company also distributed to its shareholders 5,882,355 shares of Mainstream previously held by the Company with an estimated fair value of \$2,352,941, which resulted in a reduction to share capital of \$2,352,941. The Company recognized a gain on distribution of \$352,941, which was included in the net investment gains for the year ended December 31, 2021.

(ii) New Found Gold Corp.

Palisade Global held an investment in New Found Gold Corp. ("New Found"). In combination with the investment held directly by the Company prior to the acquisition of Palisade Global, the Company concluded that it does have control in New Found on January 1, 2020. This was based on assessment of the relevant facts and circumstances, primarily the Company's ownership interests post-acquisition, board representation and control over operating, strategic and financing decisions.

The acquisition of New Found was accounted for as an asset acquisition. The Company allocated the fair value of consideration paid to the acquired assets and liabilities based on their relative fair values at the date of purchase.

The purchase price was allocated to the fair value of New Found's assets acquired and liabilities assumed as follows:

Total Consideration	\$
Value of investment in New Found ¹	9,000,000
Value of investment in associate	2,430,710
	11,430,710
Assets	
Cash and cash equivalents	7,336,638
Amounts receivable and prepaid expenses	773,596
Investments	114,937
Property and equipment	29,149
Total Assets	8,254,320
Liabilities	
Accounts payable and accrued liabilities	392,849
Total Liabilities	392,849
Non-controlling interests	4,325,381
Exploration expensed ²	7,894,620

(i) This represents the investment held by Palisade Global.

(ii) Acquisition costs for exploration and evaluation assets and exploration expenditures, net of recoveries, are charged to operations as incurred.

On June 21, 2021, it was determined that the Company has lost control of New Found. This was based on assessment of the relevant facts and circumstances, primarily the Company's ownership interests post-acquisition, board representation and control over operating, strategic and financing decisions. However, the Company maintained significant influence over New Found from June 21, 2021 to December 31, 2021 and as a result accounted for it as an investment in associate during the that time period. Upon the loss of control of New Found, the Company has derecognized its assets and liabilities, non-controlling interest in New Found and contributed surplus related to the dilution gain before losing the control of New Found at their carrying amounts, and recognized the investment in associate as its estimated fair value. The fair value was determined based on the share price of New Found on June 21, 2021, which is considered a Level 1 measurement. As at June 21, 2021 the fair value of the Company's interest was \$580,217,656. As a result, during the year ended December 31, 2021, the Company recognized a gain on the loss of control of New Found of \$576,422,615.

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the years ended December 31, 2021 and 2020

The following table illustrates the summarised financial information of the Company's investment in New Found as at June 21, 2021:

	\$
Summarised Balance Sheet – June 21, 2021	
Current assets	99,160,246
Non-current assets	2,288,734
Current liabilities	(5,342,519)
Non-current liabilities	(18,097,462)
The above assets and liabilities include the following:	
Cash and cash equivalents	32,676,770
Investments, at fair value	62,738,486
Other current assets	3,744,990
Non-current assets	2,288,734
Current financial liabilities	(4,763,485)
Other liabilities	(579,034)
Non-current financial liabilities	(18,097,462)
Net assets – June 21, 2021	78,008,999
The Company's ownership interest	30.52%
Share of New Found's net assets	22,808,347
Acquisition fair value and other adjustments	556,409,309
Net carrying amount – June 21, 2021	580,217,656

The following table illustrates the summarised financial information of the Company's investment in New Found as at December 31, 2021:

	December 31, 2021 \$
Summarised Balance Sheet	
Current assets	136,520,649
Non-current assets	3,011,717
Current liabilities	(25,403,246)
Net Assets	114,129,120
The Company's ownership interest	28.36%
Share of New Found's net assets	32,367,018
Summarised Income Statement	
Revenues	-
Loss from continuing operations	(61,877,956)
Post-tax loss from discontinued operations	-
Net loss and comprehensive for the period	(61,877,956)
Share of New Found's loss for the period from June 21, 2021 to December 31, 2021	(17,894,424)

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the years ended December 31, 2021 and 2020

The Company has performed an impairment assessment on its investment in New Found at December 31, 2021 and concluded that an impairment write-down is required at December 31, 2021. This conclusion was based primarily on the results of a review of New Found share price history for the period from June 21, 2021 to December 31, 2021. As a result, the Company has recorded an impairment write-down on its investment in New Found of \$145,147,463 at December 31, 2021, which has been included in the statement of income (loss) and comprehensive income (loss) for the year.

The following table illustrates the movement in investment in associate for the period from June 21, 2021 to December 31, 2021:

Net carrying amount – June 21, 2021	\$ 580,217,656
Share of loss from operations of associate during the period	(17,894,424)
Gain on dilution of equity interest	990,728
Impairment loss	(145,147,463)
Net Carrying amount – December 31, 2021	\$ 418,166,497

(iii) 1198578 B.C. Ltd.

On January 16, 2020, the Company completed the purchase of 100% of the issued and outstanding common shares of 1198578 B.C. Ltd. in exchange for 2,499,997 common shares of the Company with a value of \$1,475,000. As a result of the acquisition, the Company acquired a controlling interest in Mexican Gold Mining Corp. (Mexican Gold"). The acquisition was accounted for as an asset acquisition. The Company allocated the fair value of consideration paid to the acquired assets and liabilities based on their relative fair values at the date of purchase.

The purchase price was allocated to the fair value of 1198578 B.C. Ltd.'s assets acquired and liabilities assumed as follows:

Total Consideration – value of equity instruments issued	\$ 1,475,000
Assets	
Cash and cash equivalents	2,537,769
Amounts receivable and prepaid expenses	229,401
Other assets	50,000
Total Assets	2,817,170
Liabilities	
Accounts payable and accrued liabilities	121,817
Total Liabilities	121,817
Non-controlling interest	1,666,572
Exploration expensed ¹	446,219

1. Acquisition costs for exploration and evaluation assets and exploration expenditures, net of recoveries, are charged to operations as incurred.

1198578 B.C. Ltd. was amalgamated by the Company during the year ended December 31, 2020.

In December 2021, in order to enable shareholders of the Company to directly benefit from the Company's equity position in Mexican Gold, the Company agreed to transfer all shares of Mexican Gold controlled by the Company (57,238,388 Mexican Gold shares) to its shareholders. Shareholders received Mexican Gold on a basis proportionate with their shareholdings in the Company. The distribution was completed on December 10, 2021. Upon completion of the distribution, the Company has lost control of Mexican Gold and therefore deconsolidated it from its consolidated financial statements. The Company has derecognized the assets and liabilities of Mexican Gold, non-controlling interest in Mexican Gold and contributed surplus related to the dilution gain before losing the control of Mexican Gold at their carrying amounts, recognized a distribution of shares at their estimated fair value on December 10, 2021 of \$2,861,919, and recognized a gain on distribution of Mexican Gold shares of \$3,797. The fair value was determined based on the share price of Mexican Gold on December 10, 2021, which is considered a Level 1 measurement.

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the years ended December 31, 2021 and 2020

(iv) Godzilla Gold Corp.

On July 28, 2021, the Company completed a purchase of 62.77% of the issued and outstanding common shares of Godzilla Gold Corp. ("Godzilla") at \$1.00 per share for a total consideration paid of \$627,657. Based on the assessment of the relevant facts and circumstances, primarily the Company's ownership interest post-acquisition, board representation and control over operating, strategic and financing decisions, the Company concluded that it does have control in Godzilla as a result of the acquisition.

In December 2021, the Company agreed to sell its shares of Godzilla representing 62.77% interest in Godzilla to Golden Planet Mining Corp., a company with a director and officer in common, for shares of Golden Planet Mining Corp. with an estimated fair value of \$2,510,800. As a result, the net amount of Godzilla's assets and liabilities at December 31, 2021 has been reclassified to liabilities held for sale. The liabilities held for sale were recognized at the carrying amount at December 31, 2021. The sale was completed in January 2022.

(v) Golden Planet Mining Corp.

On January 1, 2021, it was determined that the Company has lost control of Golden Planet Mining Corp. ("Golden Planet"). The assessment was based on assessment of the relevant facts and circumstances, primarily the Company's ownership interest post-acquisition, board representation and control over operating, strategic and financing decisions. It has been concluded that the loss of control occurred on January 1, 2021 mainly due to a reduction in the Company's ownership of Golden Planet shares from 34.02% to 17.62% which occurred on January 1, 2021. The Company now accounts for its investment in Golden Planet as a financial asset under IFRS 9, Financial Instruments at fair value through profit or loss.

During the year ended December 31, 2021, the Company recognized a gain on loss of control of Golden Planet in the amount of \$4,354,287.

(vi) Goldspot Discoveries Corp

In October 2021, the Company's Board of Directors and shareholders approved a plan of arrangement in order to enable shareholders of the Company to directly benefit from the Company's equity position in Mexican Gold, Nevada King, Mainstream and Goldspot Discoveries Corp. ("Goldspot"). At December 31, 2021, the Company still had 6,625,653 shares of Nevada King with an estimated fair value of \$2,385,235 and 17,523,107 shares of Goldspot with an estimated fair value of \$16,121,258, which have not been distributed to the shareholders yet, and have been included in assets held for distribution at December 31, 2021.

Outstanding Share Data

As at December 31, 2021 and as at the date of this report, there were 129,136,735 common shares issued and outstanding.

As at December 31, 2021 and as at the date of this report, there were 10,107,772 stock options and 1,028,140 warrants outstanding.

During the year ended December 31, 2021, the Company issued 1,748,534 common shares upon exercise of 1,748,534 share purchase warrants at \$1.50 per warrant for total gross proceeds of \$2,622,801, and 375,334 common shares upon exercise of 375,334 share purchase warrants at \$1.70 per warrant for total gross proceeds of \$638,068. At December 31, 2021, the exercise price of these warrants was adjusted from \$1.50 to \$1.30 and from \$1.70 to \$1.47 respectively as a result of the distributions of shares of Nevada King, Mexican Gold, Radio Fuels and Mainstream (see Note 4) which had a significant impact on the Company's net assets and its estimated share price and thus triggered an adjustment to the exercise prices of warrants. The adjusted exercise prices were determined based on the formulas prescribed in the warrant certificates.

Palisades Goldcorp Ltd.**Management's Discussion and Analysis****For the years ended December 31, 2021 and 2020**

During the year ended December 31, 2021, the Company issued 3,413,525 common shares with a value of \$363,066 to Palisade Global pursuant to a share exchange agreement entered into during fiscal 2021. In December 2021, all 25,935,149 shares of the Company owned by Palisade Global were transferred to 1338072 BC Ulc., a wholly-owned subsidiary of the Company incorporated on December 15, 2021.

Stock Option Plan

During the year ended December 31, 2021, Company adopted a share purchase option compensation plan that allows it to grant share purchase options to its officers, directors, employee and service providers based on the maximum number of eligible shares not exceeding 10% in the aggregate of the Company's outstanding common shares at the time of grant and granted 10,107,772 stock options at a price of \$6.00 per share for a period of five years. The exercise price of these stock options was changed to \$5.30 effective December 31, 2021.

Related Party Transactions

All transactions with related parties have occurred in the normal course of operations and on terms and conditions that are similar to those of transactions with unrelated parties and are measured at the amount of consideration paid or received. A summary of the Company's related party transactions is as follows:

	Year ended December 31, 2021 \$	Year ended December 31, 2020 \$
Repayment of amounts owed to Nevada King Mining Ltd.	-	(350,546)
Shares issued to directors and officers that were shareholders of subsidiaries acquired	-	30,866,281
Investments received pursuant to share exchange agreements with Palisade Global	-	19,980,591
Investments received pursuant to share exchange agreements with directors and officers	-	2,731,431

There are no ongoing contractual commitments resulting from these transactions with related parties.

Key management personnel compensation

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the years ended December 31, 2021 and 2020

Year ended December 31, 2021	Salaries and Consulting \$	Bonus \$	Share-based compensation \$	Total \$
Chief Executive Officer, Executive Chairman and director	205,000	11,458,162	26,824,152	38,487,314
Chief Financial Officer	47,250	2,438,730	157,721	2,643,701
Former Chief Financial Officer (1)	42,525	-	-	42,525
Former Chief Operating Officer and director (1)	420,000	774,200	1,862,790	3,056,990
Former Chief Technical Officer (1)	31,500	975,492	-	1,006,992
Non-executive directors	216,000	-	1,117,677	1,333,677
Total	962,275	15,646,584	29,962,340	46,571,199

Year ended December 31, 2020	Salaries and Consulting \$	Bonus \$	Share-based compensation \$	Total \$
Chief Executive Officer, Executive Chairman and director	180,000	18,371,403	-	18,551,403
Chief Financial Officer	45,900	1,022,280	-	1,068,180
Former Chief Operating Officer and director (1)	180,000	6,074,416	-	6,254,416
Former Chief Technical Officer (1)	60,000	1,777,878	-	1,837,878
Non-executive directors	195,000	-	-	195,000
Total	660,900	27,245,977	-	27,906,877

(1) Resigned during the year ended December 31, 2021.

As at December 31, 2021, \$15,164,634 (December 31, 2020 - \$27,260,977) is included in accounts payable and accrued liabilities comprised of amounts owing to the Chief Executive Officer - \$11,458,162 (December 31, 2020 - \$18,371,403), the Chief Financial Officer - \$1,956,780 (December 31, 2020 - \$1,022,280), the former Chief Operating Officer - \$774,200 (December 31, 2020 - \$6,074,416) and the former Chief Technical Officer - \$975,492 (December 31, 2020 - \$1,792,878).

Under the terms of their management agreements, certain officers of the Company are entitled to 24 months of base pay in the event of their agreements being terminated without cause.

Contingent Liability

During the year ended December 31, 2020, a statement of claim (the "Claim") was filed in the Ontario Superior Court of Justice against the Company and its Chairman and Chief Executive Officer. Pursuant to the Claim, the claimants are challenging the validity of the sale of 17,500,000 common shares of New Found Gold Corp. by the claimants to the Company during the period ended December 31, 2019.

The Company has filed a statement of defense in response to the Claim and believes that the Claim is without merit and unlikely to succeed.

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the years ended December 31, 2021 and 2020

Risks and Uncertainties

The risks and uncertainties described in this section are considered by management to be the most important in the context of the Company's business. The risks and uncertainties below are not inclusive of all the risks and uncertainties the Company may be subject to and other risks may exist. The Company is in the business of acquiring equity participation in pre-IPO and early stage public resource companies with undeveloped or undervalued high quality projects. The Company's investing activities are, by their nature, subject to a number of inherent risks, including liquidity, market, interest rate, currency, commodity and credit risks associated with financial instruments, all of which can have a significant impact on the Company's financial condition and results of operations. The Company is also exposed to a number of risks and uncertainties that are common to resource exploration companies. The industry is capital intensive at all stages and is subject to variations in commodity prices, market sentiment, inflation and other risks.

Portfolio Exposure

Given the nature of the Company's activities, its results of operations and financial condition are dependent upon the market value of the securities that comprise the Company's portfolio. Market value can be reflective of the actual or anticipated operating results of our portfolio companies and/or the general market conditions that affect the sectors in which Palisades invests. The Company's investment activities are currently concentrated primarily in the mineral resource exploration industry. There are various factors that could have a negative impact on Palisades' portfolio companies and thereby have an adverse effect on our business. Additionally, a significant portion of Palisades' investments are in small-cap businesses which the Company believes exhibit potential for growth and sustainable cash flows but which may not ever mature or generate the returns the Company expects or may require a number of years

to do so. These companies may never achieve success. This may create an irregular pattern in the Company's revenues (if any). Macro factors such as global political, economic and market conditions could have an adverse effect on one or more sectors to which the Company is exposed, thereby negatively impacting one or more of the portfolio companies concurrently. Company specific risks could have an adverse effect on one or more of the Company's portfolio companies at any point in time. Company-specific and industry-specific risks which materially adversely affect Palisades' portfolio investments may have a materially adverse impact on our operating results.

Cash Flows

Palisades generates revenue and cash flows primarily from its proceeds from the disposition of its investments, in addition to interest and dividend income earned on the Company's investments. The availability of these sources of funds and the amount of funds generated from these sources are dependent upon various factors, most of which are outside of the Company's direct control.

Private Issuers and Illiquid Securities

Palisades invests in securities of private issuers. There may not be an active market for such securities. These limitations may impair the Company's ability to react quickly to market conditions or negotiate the most favourable terms for exiting such investments. Investments in private issuers may offer relatively high potential returns, but will also be subject a relatively high degree of risk. There can be no assurance that a public market will develop for any of the Company's private company investments or that Palisades will otherwise be able to realize a return on such investments. Palisades also invests in illiquid securities of public issuers. A considerable period of time may elapse between the time a decision is made to sell such securities and the time the Company is able to do so, and the value of such securities could decline during such period. Illiquid investments are subject to various risks, particularly the risk that Palisades will be unable to realize the Company's investment objectives by sale or other disposition at attractive prices or otherwise be unable to complete any exit strategy.

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the years ended December 31, 2021 and 2020

Share Prices of Investments

The Company's investments in securities of public companies are subject to volatility in the share prices of the companies. There can be no assurance that an active trading market for any of the subject shares is sustainable. The trading prices of the subject securities could be subject to wide fluctuations in response to various factors beyond the control of Palisades, including quarterly variations in the subject entities' results of operations, changes in earnings (if any), estimates by analysts, conditions in the industry of the subject companies and general market or economic conditions. In recent years equity markets have experienced extreme price and volume fluctuations. These fluctuations have had a substantial effect on market prices, often unrelated to the operating performance of the specific companies. Such market fluctuations could adversely affect the market price of the Company's investments and significantly negatively impact upon the Company's operating results.

Dependence on Management

Palisades is dependent upon the efforts, skill and business contacts of key members of management, for among other things, the information and deal flow they generate during the normal course of their activities and their various fields of expertise and knowledge. Accordingly, the Company's continued success will depend upon the continued service of these individuals, who are not obligated to remain employed with Palisades.

A loss of key personnel could have a material adverse effect on the revenues, net income and cash flows of the Company, and could harm its ability to maintain or grow its existing assets and raise additional funds in the future

Access to Capital

To support the Company's growth, Palisades may seek to obtain additional funds for these purposes through public or private equity shares financing. There are no assurances that additional funding will be available to the Company at all, on acceptable terms or at an acceptable level. Any additional equity financing may cause shareholders to experience dilution, and any debt financing may result in increased interest expense or restrictions on our operations. Any limitations on the Company's ability to access the capital markets for additional funds could have a material adverse effect on the Company's ability to grow its investment portfolio.

Non-controlling interests

The Company's investments include convertible notes and equity securities of companies that Palisades does not control. These instruments and securities may be acquired in the secondary market or through purchases of securities from the issuer. Any such investment is subject to the risk that the company in which the investment is made may make business, financial or management decisions with which Palisades does not agree, or that the majority stakeholders or the management of the company may take risks or otherwise act in a manner that does not serve Palisades' interests. If any of the foregoing were to occur, the values of the Company's investments could decrease and its financial condition, results of operations and cash flow could suffer as a result.

Dilution of investments

Palisades may not always participate in the equity financings of its subsidiaries, associates or companies that it has invested in which would reduce the value of Palisades' proportional ownership interest in these investments. As a result of this dilution of ownership interest, the financial condition, results of operations and cash flow of Palisades could suffer.

Exchange Rate Fluctuations

A portion of the Company's portfolio is invested in U.S., Australian and Singapore dollar denominated investments. Changes in the value of the foreign currencies in which the Company investments are denominated could have a negative impact on the ultimate return on the Company's investments and overall financial performance.

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the years ended December 31, 2021 and 2020

Exploration Stage Company

The Company's subsidiaries are exploration stage companies and Palisades invests in the securities of businesses that are exploration stage companies and cannot give any assurance that a commercially viable deposit, or "reserve," exists on any properties for which the Company currently has or may have (through potential future joint venture agreements or acquisitions) an interest. Determination of the existence of a reserve depends on appropriate and sufficient exploration work and the evaluation of legal, economic, and environmental factors. If the Company fails to find a commercially viable deposit on any of its properties, its financial condition and results of operations will be materially adversely affected.

No Mineral Resources

Currently, there are no mineral resources (within the meaning of NI 43-101) on any of the properties in which the Company has an interest and the Company cannot give any assurance that any mineral resources will be identified. If the Company fails to identify any mineral resources on any of its properties, its financial condition and results of operations will be materially adversely affected.

No Mineral Reserves

Currently, there are no mineral reserves (within the meaning of NI 43-101) on any of the properties in which the Company has an interest and the Company cannot give assurance that any mineral reserves will be identified. If the Company fails to identify any mineral reserves on any of its properties, its financial condition and results of operations will be materially adversely affected.

Mineral Exploration and Development

Resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but from finding mineral deposits which, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the business that the Company has an interest in may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection, the combination of which factors may result in the Company not receiving an adequate return of investment capital.

There is no assurance that the Company's mineral exploration and any development activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Company's operations will in part be directly related to the costs and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish reserves through drilling and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Substantial expenditures are required to establish ore reserves through exploration and drilling, to develop metallurgical processes to extract the metal from the ore and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities and grades to justify commercial operations or that funds required for development can be obtained on a timely basis.

Estimates of reserves, mineral deposits and production costs can also be affected by such factors as environmental permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. In addition, the grade of ore ultimately mined may differ from that indicated by drilling results. Short term factors relating to reserves, such as the need for orderly development of ore bodies or the processing of new or different grades, may also have an adverse effect on mining operations and on the results of operations. Material changes in ore reserves, grades, stripping ratios or recovery rates may affect the economic viability of any project.

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the years ended December 31, 2021 and 2020

Competition and Mineral Exploration

The mineral exploration industry is intensely competitive in all of its phases and the Company must compete in all aspects of its operations with a substantial number of large established mining companies with greater liquidity, greater access to credit and other financial resources, newer or more efficient equipment, lower cost structures, more effective risk management policies and procedures and/or greater ability than the Company to withstand losses. The Company's competitors may be able to respond more quickly to new laws or regulations or emerging technologies or devote greater resources to the expansion of their operations, than the Company can. In addition, current and potential competitors may make strategic acquisitions or establish cooperative relationships among themselves or with third parties. Competition could adversely affect the Company's ability to acquire suitable new mineral properties or prospects for exploration in the future. Competition could also affect the Company's ability to raise financing to fund the exploration and development of its properties or to hire qualified personnel. The Company may not be able to compete successfully against current and future competitors, and any failure to do so could have a material adverse effect on the Company's business, financial condition or results of operations.

Permits and Government Regulation

The future operations of the Company may require permits from various federal, state, provincial and local governmental authorities and will be governed by laws and regulations governing prospecting, development, mining, production, export, taxes, labour standards, occupational health, waste disposal, land use, environmental protections, mine safety and other matters.

Although Canada, and the other jurisdictions the Company operates in, have favorable legal and fiscal regimes for exploration and mining, including a relatively simple system for the acquisition of mineral titles and relatively low

tax burden, possible future government legislation, policies and controls relating to prospecting, development, production, environmental protection, mining taxes and labour standards could cause additional expense, capital expenditures, restrictions and delays in the activities of the Company, the extent of which cannot be predicted.

Before development and production can commence on any properties, the Company must obtain regulatory and environmental approvals. There is no assurance that such approvals can be obtained on a timely basis or at all. The cost of compliance, with changes in governmental regulations, has the potential to reduce the profitability of operations. The Company is currently in compliance with all material regulations applicable to its exploration activities.

Limited Operating History

The Company has a limited operating history and its mineral properties are exploration stage properties. As such, the Company will be subject to all of the business risks and uncertainties associated with any new business enterprise, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and lack of revenues. The current state of the Company's mineral properties require significant additional expenditures before any cash flow may be generated. Although the Company possesses an experienced management team, there is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success of the Company must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the establishment of any business. There is no assurance that the Company can generate revenues, operate profitably, or provide a return on investment, or that it will successfully implement its plans.

An investment in the Company's securities carries a high degree of risk and should be considered speculative by purchasers. There is no assurance that we will be successful in achieving a return on shareholders' investment and the likelihood of our success must be considered in light of our early stage of operations. You should consider any purchase of the Company's securities in light of the risks, expenses and problems frequently encountered by all companies in the early stages of their corporate development.

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the years ended December 31, 2021 and 2020

Title Risks

Although the Company has or will receive title opinions for any properties in which it has a material interest, there is no guarantee that title to such properties will not be challenged or impugned. The Company has not conducted surveys on all of the claims in which it holds direct or indirect interests. The Company's properties may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by unidentified or unknown defects. Title insurance is generally not available for mineral properties and the Company's ability to ensure that it has obtained secure claims to individual mineral properties or mining concessions may be constrained. A successful challenge to the Company's title to a property or to the precise area and location of a property could cause delays or stoppages to the Company's exploration, development or operating activities without reimbursement to the Company. Any such delays or stoppages could have a material adverse effect on the Company's business, financial condition and results of operations.

Laws and Regulation

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.

Uninsured and Underinsured Risks

The Company faces and will face various risks associated with mining exploration and the management and administration thereof. Some of these risks are not insurable; some may be the subject of insurance which is not commercially feasible for the Company. Those insurances which are purchased will have exclusions and deductibles

which may eliminate or restrict recovery in the event of loss. In some cases, the amount of insurance purchased may not be adequate in amount or in limit.

The Company will undertake intermittent assessments of insurable risk to help ensure that the impact of uninsured/underinsured loss is minimized within reason. Risks may vary from time to time within this intermittent period due to changes in such things as operations operating conditions, laws or the climate which may leave the Company exposed to periods of additional uninsured risk. In the event risk is uninsurable, at its reasonable and sole discretion, the Company may endeavor to implement policies and procedures, as may be applicable and/or feasible, to reduce the risk of related loss.

Public Health Crises such as the COVID-19 Pandemic

In December 2019, a novel strain of coronavirus known as COVID-19 surfaced in Wuhan, China and has spread around the world causing significant business and social disruption. COVID-19 was declared a worldwide pandemic by the World Health Organization on March 11, 2020. The speed and extent of the spread of COVID-19 and the duration and intensity of resulting business disruption and related financial and social impact, are uncertain. Such adverse effects related to COVID-19 and other public health crises may be material to the Company. The impact of COVID-19 and efforts to slow the spread of COVID-19 could severely impact the exploration and any development of the Company's mineral projects that it has a direct or indirect interest in. To date, a number of governments have declared states of emergency and have implemented restrictive measures such as travel bans, quarantine and self-isolation. If the exploration and any development of mineral projects is disrupted or suspended as a result of these or other measures, it may have a material adverse impact on the Company's financial position and results of operations.

COVID-19 and efforts to contain it may have broad impacts on the Company's supply chain or the global economy, which could have a material adverse effect on the Company's financial position. While governmental agencies and private sector participants are seeking to mitigate the adverse effects of COVID-19, and the medical community is seeking to develop vaccines and other treatment options, the efficacy and timing of such measures is uncertain.

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the years ended December 31, 2021 and 2020

Global Economy Risk

The volatility of global capital markets over the past several years has generally made the raising of capital by equity or debt financing more difficult. The Company may be dependent upon capital markets to raise additional financing in the future. As such, the Company is subject to liquidity risks in meeting its operating expenditure requirements and future development cost requirements in instances where adequate cash positions are unable to be maintained or appropriate financing is unavailable. These factors may impact the ability to raise equity or obtain loans and other credit facilities in the future and on terms favourable to the Company and its management.

Our business, financial condition and results of operations may be negatively affected by economic and other consequences from Russia's military action against Ukraine and the sanctions imposed in response to that action. In late February 2022, Russia launched a large scale military attack on Ukraine. The invasion significantly amplified already existing geopolitical tensions among Russia, Ukraine, Europe, NATO and the West, including Canada. In response to the military action by Russia, various countries, including Canada, the United States, the United Kingdom and European Union issued broad-ranging economic sanctions against Russia. Such sanctions included, among other things, a prohibition on doing business with certain Russian companies, large financial institutions, officials and oligarchs; a commitment by certain countries and the European Union to remove selected Russian banks from the Society for Worldwide Interbank Financial Telecommunications, or SWIFT, the electronic banking network that connects banks globally; a ban of oil imports from Russia to the United States; and restrictive measures to prevent the Russian Central Bank from undermining the impact of the sanctions. Additional sanctions may be imposed in the future. Such sanctions (and any future sanctions) and other actions against Russia may adversely impact, among other things, the Russian economy and various sectors of the economy, including but not limited to, financials, energy, metals and mining, engineering and defense and defense-related materials sectors; result in a decline in the value and liquidity of Russian securities; result in boycotts, tariffs, and purchasing and financing restrictions on Russia's government, companies and certain individuals; weaken the value of the ruble; downgrade the country's credit rating; freeze Russian securities and/or funds invested in prohibited assets and impair the ability to trade in Russian securities and/or other assets; and have other adverse consequences on the Russian government, economy, companies and region. Further, several large corporations and U.S. states have announced plans to divest interests or otherwise curtail business dealings with certain Russian businesses.

The ramifications of the hostilities and sanctions may not be limited to Russia, Ukraine and Russian and Ukrainian companies and may spill over to and negatively impact other regional and global economic markets (including Europe, Canada and the United States), companies in other countries (particularly those that have done business with Russia and Ukraine) and on various sectors, industries and markets for securities and commodities globally, such as oil and natural gas. Accordingly, the actions discussed above and the potential for a wider conflict could increase financial market volatility and cause severe negative effects on regional and global economic markets, industries, and companies. In addition, Russia may take retaliatory actions and other countermeasures, including cyberattacks and espionage against other countries and companies around the world, which may negatively impact such countries and companies.

The extent and duration of the military action or future escalation of such hostilities, the extent and impact of existing and future sanctions, market disruptions and volatility, and the result of any diplomatic negotiations cannot be predicted.

While we expect any direct impacts to our business to be limited, the indirect impacts on the economy and on the mining industry and other industries in general could negatively affect our business and may make it more difficult for us to raise equity or debt financing.

In addition, the impact of other current macro-economic factors on our business, which may be exacerbated by the war in Ukraine – including inflation, supply chain constraints and geopolitical events – is uncertain. If these levels of volatility persist or if there is a further economic slowdown, the Company's operations, the Company's ability to raise capital could be adversely impacted.

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the years ended December 31, 2021 and 2020

In addition, the current outbreak of COVID-19, and any future emergence and spread of similar pathogens, could have a material adverse impact on global economic conditions, which may adversely impact: the Company's operations, its ability to raise debt or equity financing for the purposes of mineral exploration and development, and the operations of the Company's suppliers, contractors and service providers.

Environmental Risks

The Company's 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.

The legal framework governing this area is constantly developing, therefore the Company is unable to fully ascertain any future liability that may arise from the implementation of any new laws or regulations, although such laws and regulations are typically strict and may impose severe penalties (financial or otherwise). The proposed activities of the Company, as with any exploration, may have an environmental impact which may result in unbudgeted delays, damage, loss and other costs and obligations including, without limitation, rehabilitation and/or compensation. There is also a risk that the Company's operations and financial position may be adversely affected by the actions of environmental groups or any other group or person opposed in general to the Company's activities and, in particular, the proposed exploration and mining by the Company within the Provinces of Newfoundland and Ontario.

Social and Environmental Activism

There is an increasing level of public concern relating to the effects of mining on the nature landscape, in communities and on the environment. Certain non-governmental organizations, public interest groups and reporting organizations ("NGOs") who oppose resource development can be vocal critics of the mining industry. In addition, there have been many instances in which local community groups have opposed resource extraction activities, which have resulted in disruption and delays to the relevant operation. While the Company seeks to operate in a social responsible manner and believes it has good relationships with local communities in the regions in which it operates, NGOs or local community organizations could direct adverse publicity against and/or disrupt the operations of the Company in respect of one or more of its properties, regardless of its successful compliance with social and environmental best practices, due to political factors, activities of unrelated third parties on lands in which the Company has an interest or the Company's operations specifically. Any such actions and the resulting media coverage could have an adverse effect on the reputation and financial condition of the Company or its relationships with the communities in which it operates, which could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

First Nations Land Claims

Certain of the Company's mineral properties may now or in the future be the subject of First Nations land claims. The legal nature of First Nations land claims is a matter of considerable complexity. The impact of any such claim on the Company's material interest in the Company's mineral properties and/or potential ownership interest in the Company's mineral properties in the future, cannot be predicted with any degree of certainty and no assurance can be given that a broad recognition of First Nations rights in the areas in which the Company's mineral properties are located, by way of negotiated settlements or judicial pronouncements, would not have an adverse effect on the Company's activities. Even in the absence of such recognition, the Company may at some point be required to negotiate with and seek the approval of holders of First Nations interests in order to facilitate exploration and development work on the Company's mineral properties, there is no assurance that the Company will be able to establish practical working relationships with the First Nations in the area which would allow it to ultimately develop the Company's mineral properties.

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the years ended December 31, 2021 and 2020

Claims and Legal Proceedings

The Company and/or its directors and officers may be subject to a variety of civil or other legal proceedings, with or without merit. From time to time in the ordinary course of its business, the Company may become involved in various legal proceedings, including commercial, employment and other litigation and claims, as well as governmental and other regulatory investigations and proceedings. Such matters can be time-consuming, divert management's attention and resources and cause the Company to incur significant expenses. Furthermore, because litigation is inherently unpredictable, the results of any such actions may have a material adverse effect on the Company's business, operating results or financial condition.

Conflicts of Interest

Most of the Company's directors and officers do not devote their full time to the affairs of the Company. All of the directors and some of the officers of the Company are also directors, officers and shareholders of other natural resource or public companies, and as a result they may find themselves in a position where their duty to another company conflicts with their duty to the Company. Although the Company has policies which address such potential conflicts

and the OBCA has provisions governing directors in the event of such a conflict, none of the Company's constituting documents or any of its other agreements contain any provisions mandating a procedure for addressing such conflicts of interest. There is no assurance that any such conflicts will be resolved in favour of the Company. If any such conflicts are not resolved in favour of the Company, the Company may be adversely affected.

Gold and Metal Prices

The price of gold and other metals are affected by numerous factors beyond the Company's control, including levels of supply and demand, global or regional consumptive patterns, sales by government holders, metal stock levels maintained by producers and others, increased production due to new mine developments and improved mining and production methods, speculative activities related to the sale of metals, availability and costs of metal substitutes.

Moreover, gold prices are also affected by macroeconomic factors such as expectations regarding inflation, interest rates and global and regional demand for, and supply of, gold as well as general global economic conditions. These factors may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities. Additionally, the current COVID-19 pandemic and efforts to contain it, including restrictions on travel and other advisories issued may have a significant effect on gold prices.

Risks Associated with Acquisitions

If appropriate opportunities present themselves, the Company may acquire mineral claims, material interests in other mineral claims, and companies that the Company believes are strategic. The Company currently has no understandings, commitments or agreements with respect to any material acquisition, other than as described in this MD&A, and no other material acquisition is currently being pursued. There can be no assurance that the Company will be able to identify, negotiate or finance future acquisitions successfully, or to integrate such acquisitions with its current business.

The process of integrating an acquired Company or mineral claims into the Company may result in unforeseen operating difficulties and expenditures and may absorb significant management attention that would otherwise be available for ongoing development of the Company's business. Future acquisitions could result in potentially dilutive issuances of equity securities, the incurrence of debt, contingent liabilities and/or amortization expenses related to goodwill and other intangible assets, which could materially adversely affect the Company's business, results of operations and financial condition.

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the years ended December 31, 2021 and 2020

Force Majeure

The Company's projects now or in the future may be adversely affected by risks outside the control of the Company, including the price of gold on world markets, labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, pandemics, epidemics or quarantine restrictions.

Infrastructure

Exploration, development and processing activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important elements of infrastructure, which affect access, capital and operating costs. The lack of availability on acceptable terms or the delay in the availability of any one or more of these items could prevent or delay exploration or development of the Company's mineral properties. If adequate infrastructure is not available in a timely manner, there can be no assurance that the exploration or development of the Company's mineral properties will be commenced or completed on a timely basis, if at all. Furthermore, unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of necessary infrastructure could adversely affect our operations.

Exploration operations depend on adequate infrastructure. In particular, reliable power sources, water supply, transportation and surface facilities are necessary to explore and develop mineral projects. Failure to adequately meet these infrastructure requirements or changes in the cost of such requirements could affect the Company's ability to carry out exploration and future development operations and could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Climate Change Risks

The Company acknowledges climate change as an international and community concern and it supports and endorses various initiatives for voluntary actions consistent with international initiatives on climate change. However, in addition to voluntary actions, governments are moving to introduce climate change legislation and treaties at the international, national, state/provincial and local levels. Where legislation already exists, regulation relating to emission levels and energy efficiency is becoming more stringent. Some of the costs associated with reducing emissions can be offset by increased energy efficiency and technological innovation. However, if the current regulatory trend continues, the Company expects that this could result in increased costs at some of its operations in the future.

The Company and the mining industry are facing continued geotechnical challenges, which could adversely impact the Company's production and profitability. Unanticipated adverse geotechnical and hydrological conditions, such as landslides, floods, seismic activity, droughts and pit wall failures, may occur in the future and such events may not be detected in advance. Geotechnical instabilities and adverse climatic conditions can be difficult to predict and are often affected by risks and hazards outside of the Company's control, such as severe weather and considerable rainfall. Geotechnical failures could result in limited or restricted access to mine sites, suspension of operations, government investigations, increased monitoring costs, remediation costs, loss of ore and other impacts, which could cause one or more of the Company's projects to be less profitable than currently anticipated and could result in a material adverse effect on the Company's business results of operations and financial position.

Information Systems and Cyber Security

The Company's operations depend on information technology ("IT") systems. These IT systems could be subject to network disruptions caused by a variety of sources, including computer viruses, security breaches and cyber-attacks, as well as disruptions resulting from incidents such as cable cuts, damage to physical plants, natural disasters, terrorism, fire, power loss, vandalism and theft. The Company's operations also depend on the timely maintenance, upgrade and replacement of networks, equipment, IT systems and software, as well as pre-emptive expenses to mitigate the risks of failures. Any of these and other events could result in information system failures, delays and/or increase in capital expenses. The failure of information systems or a component of information systems could, depending on the nature of any such failure, adversely impact the Company's reputation and results of operations.

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the years ended December 31, 2021 and 2020

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 the Company will not incur such losses in the future. The Company's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage or unauthorized access remain a priority. As cyber threats continue to evolve, the Company may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

Critical Accounting Policies

Refer to the most recent annual consolidated financial statements for description of accounting policies used by the Company. There have been no changes in accounting policies since December 31, 2020.

Critical accounting judgments, estimates and assumptions

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the consolidated statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Uncertainty about these judgments, estimates and assumptions could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in future periods.

The information about significant areas of estimation uncertainty and judgment considered by management in preparing the consolidated financial statements are as follows:

(i) **Determination of fair values**

The determination of fair value requires judgment and is based on market information, where available and appropriate. At the end of each financial reporting period, the Company's management estimates the fair value of investments based on the criteria below and reflects such valuations in the consolidated financial statements. The Company is also required to disclose details of its investments (and other financial assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements) within three hierarchy levels (Level 1, 2, or 3) based on the transparency of inputs used in measuring or disclosing the fair value, and to provide additional disclosure in connection therewith.

1) **Publicly-traded investments (i.e., securities of issuers that are public companies)**

Securities including shares, options, warrants which are traded in an active market, such as on a recognized securities exchange and for which no sales restrictions apply, are presented at fair value based on quoted bid prices at the statement of financial position dates or the closing trade price on the last day the security traded if there were no trades at the statement of financial position dates.

Securities which are traded on a recognized securities exchange but which are escrowed or otherwise restricted as to sale or transfer are recorded at amounts discounted from market value to a maximum of 10%. In determining the discount for such investments, the Company considers the nature and length of the restriction.

For options and warrants which are not traded on a recognized securities exchange, no market value is readily available. When there are sufficient and reliable observable market inputs, an option pricing model is used; if no such market inputs are available, the warrants and options are valued using alternative methods representing fair value, such as intrinsic value.

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the years ended December 31, 2021 and 2020

2) Private company investments (securities of issuers that are not public companies)

All privately-held investments are initially recorded at the transaction price, being the fair value at the time of acquisition. Thereafter, at each reporting period, the fair value of an investment may be adjusted using one or more of the valuation indicators described below. These are included in Level 3 in Note 5 in the Company's consolidated financial statements for the year ended December 31, 2021. Options and warrants of private companies are valued using an option pricing model when there are sufficient and reliable observable market inputs; if no such market inputs are available, the warrants and options are valued using alternative methods representing fair value, such as intrinsic value.

Company-specific information is considered when determining whether the fair value of a privately-held investment should be adjusted upward or downward at the end of each reporting period. In addition to company-specific information, the Company will take into account trends in general market conditions and the share performance of comparable publicly-traded companies when valuing privately-held investments.

The absence of the occurrence of any of these events, any significant change in trends in general market conditions, or any significant change in share performance of comparable publicly-traded companies indicates generally that the fair value of the investment has not materially changed.

(ii) Income taxes

Provisions for taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxing authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

(iii) Business combinations versus asset acquisition

Determination of whether a set of assets acquired and liabilities assumed constitute the acquisition of a business or asset may require the Company to make certain judgements as to whether or not the assets acquired and liabilities assumed include the inputs, substantive processes, and outputs necessary to constitute a business as defined in IFRS 3 – Business Combinations.

Based on assessments of the relevant facts and circumstances, the Company concluded that the acquisition in Note 4 of the Company's consolidated financial statements did not meet the criteria of a business combination; therefore, the transactions were accounted for as asset acquisitions.

(iv) Determination of whether the Company has control of subsidiaries, joint control of joint arrangements or significant influence over investees

Determination of whether the Company has control of subsidiaries or joint control of joint arrangements requires an assessment of the activities of the investee that significantly affect the investee's returns, including strategic, operational and financing decision-making, appointment, remuneration and termination of the key management personnel and when decisions related to those activities are under the control of the Company or require unanimous consent from the investors.

(v) Impairment assessment for investments in associate

An associate is an entity over which the investor has significant influence but not control and that is neither a subsidiary nor an interest in a joint venture. Significant influence is presumed to exist where the Company has between 20% and 50% of the voting rights, but can also arise where the Company has less than 20%, if the Company has the power to participate in the financial and operating policy decisions affecting the entity. The Company's share of the net assets and net earnings or loss is accounted for in the consolidated financial statements using the equity method of accounting. Any distributions received from the associate reduce the carrying amount of the investment.

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the years ended December 31, 2021 and 2020

At each balance sheet date, management considers whether there is objective evidence of impairment in associates. The net investment in an associate is impaired and impairment losses are incurred if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment and that loss event or events have a negative impact on the estimated future cash flows from the net investment that can be reliably estimated. If there is such evidence, management determines the amount of impairment to record, if any, in relation to the associate.

Based on management's impairment assessment at December 31, 2021, the Company has recognized an impairment write-down on its investment in New Found in the amount of \$145,147,463 at December 31, 2021.

(vi) Valuation of options granted

The fair value of share purchase options granted is determined at the issue date using the Black-Scholes option pricing model. The Black-Scholes model involves six key inputs to determine the fair value of an option, which are: risk-free interest rate, exercise price, market price at the grant date, expected dividend yield, expected life, and expected volatility. Certain of the inputs are estimates that involve considerable judgment and are or could be affected by significant factors that are out of the Company's control. The Company is also required to estimate the future forfeiture rate of options based on historical information in its calculation of share-based payments expense. These estimates impact the values of share-based compensation expense and reserves.

Financial Risk Management

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management processes.

Market risk

Market risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will significantly fluctuate due to changes in market prices. The value of the financial instruments can be affected by changes in interest rates, foreign exchange rates, and equity and commodity prices. The Company is focused on junior companies in the resource and mining sector. Changes in the future pricing and demand of these commodities can have a material impact on the market value of the investments. The nature of such investments is normally dependent on the invested company being able to raise additional capital to further development and to determine the commercial viability of its resource properties. The value of each investment is also influenced by the outlook of the issuer and by general economic and political conditions. Management mitigates the risk of loss resulting from this concentration by monitoring the trading value of the investments on a regular basis. All securities present a risk of loss of capital. The maximum risk resulting from financial instruments is equivalent to their fair value.

There were no changes in management's methods for managing market risk since December 31, 2020. The Company manages market risk by having a portfolio that is not singularly exposed to any one issuer, although the Company's investment activities are concentrated on junior companies in the resource and mining sector. The Company also requires approval from the board of directors for purchases of investments over a certain cost threshold.

A 5% change in the future pricing and trading value of the Company's investments (with all other variables held constant) as at December 31, 2021, would change the Company's total comprehensive income by \$4,443,952 (December 31, 2020 - \$8,916,842).

(i) 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. The Company is not exposed to significant interest rate risks.

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the years ended December 31, 2021 and 2020

(ii) Foreign exchange risk

Foreign 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 may have financial instruments denominated in foreign currencies such as the U.S. dollar and the Australian dollar. A change in

the foreign exchange rate of the Canadian dollar versus another currency may increase or decrease the value of its financial instruments.

The Company does not hedge its exposure to fluctuations in foreign exchange rates.

There were no changes in management's methods for managing currency risk since December 31, 2020.

A 5% change in the exchange rate of the Company's investments held in foreign currencies relative to the Canadian dollar would change the Company's total comprehensive income by \$1,634,154 (December 31, 2020 – 2,110,877).

Fair value

The Company's financial assets consist of cash and cash equivalents, restricted cash, investments, interest and accounts receivable and convertible notes. The carrying values of cash and cash equivalents, investments, interest and accounts receivable, convertible notes and accounts payable approximate their fair values due to the short-term maturity of these financial instruments.

Capital management

The Company manages its cash and common shares as capital. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its technology and products and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash. The Company's investment policy is to keep its cash treasury on deposit in an interest bearing Canadian chartered bank account. The Company will require capital resources to carry its plans and operations through its current operating period

The Company is not subject to externally imposed capital requirements. There were no changes in management's approach to capital management during the the year ended December 31, 2021.

Cautionary Notes Regarding Forward-Looking Statements

This MD&A contains forward looking statements which reflect management's expectations regarding the Company's future growth, results from operations (including, without limitation, statements about the Company's opportunities, strategies, competition, expected activities and expenditures as the Company pursues its business plan, the adequacy of the Company's available cash resources and other statements about future events or results), performance (both operational and financial) and business prospects, future business plans and opportunities. Wherever possible, words such as "predicts", "projects", "targets", "plans", "expects", "does not expect", "budget", "scheduled", "estimates", "forecasts", "anticipate" or "does not anticipate", "believe", "intend" and similar expressions or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, or the negative or grammatical variation thereof or other variations thereof, or comparable terminology have been used to identify forward-looking statements.

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the years ended December 31, 2021 and 2020

These forward-looking statements include, among other things, statements relating to; the Company's future business plans; expectations regarding the ability to raise further capital; the market price of gold; expectations regarding any environmental issues that may affect planned or future exploration and development programs and the potential impact of complying with existing and proposed environmental laws and regulations; the ability to retain and/or maintain any require permits, licenses or other necessary approvals for the exploration or development of its mineral properties; government regulation of mineral exploration and development operations; the Company's compensation policy and practices; the Company's expected reliance on key management personnel, advisors and consultants; effects of the novel COVID-19 outbreak as a global pandemic.

Forward-looking statements are not a guarantee of future performance and is based upon a number of estimates and assumptions of management in light of management's experience and perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances, without limitation, assumptions about: the ability to raise any necessary additional capital on reasonable terms; future prices of gold and other metal prices; the timing and results of exploration and drilling programs; the demand for, and price of gold; that general business and economic conditions will not change in a material adverse manner; future currency exchange rates and interest rates; operating conditions being favourable such that the Company is able to operate in a safe, efficient and effective manner; the Company's ability to attract and retain skilled personnel; political and regulatory stability; the receipt of governmental, regulatory and third-party approvals, licenses and permits on favourable terms; obtaining required renewals for existing approvals, licenses and permits on favourable terms; requirements under applicable laws; sustained labour stability; stability in financial and capital goods markets; expectations regarding the level of disruption to exploration activities as a result of COVID 19; availability of equipment.

Furthermore, such forward-looking information involves a variety of known and unknown risks, uncertainties and other factors which may cause the actual plans, intentions, activities, results, performance or achievements of the Company to be materially different from any future plans, intentions, activities, results, performance or achievements expressed or implied by such forward-looking statements. Such risks include, without limitation: the Company may fail to find a commercially viable deposit at any of its mineral properties; there are no resources or mineral reserves on any of the properties in which the Company has an interest; the Company's plans may be adversely affected by the Company's reliance on historical data compiled by previous parties involved with its mineral properties; mineral exploration and development are inherently risky; the mineral exploration industry is intensely competitive; additional financing may not be available to the Company when required or, if available, the terms of such financing may not be favourable to the Company; fluctuations in the demand for gold; the Company may not be able to identify, negotiate or finance any future acquisitions successfully, or to integrate such acquisitions with its current business; the Company's exploration activities are dependent upon the grant of appropriate licenses, concessions, leases, permits and regulatory consents, which may be withdrawn or not granted; the Company's operations could be adversely affected by possible future government legislation, policies and controls or by changes in applicable laws and regulations; there is no guarantee that title to the properties in which the Company has a material interest will not be challenged or impugned; the Company faces various risks associated with mining exploration that are not insurable or may be the subject of insurance which is not commercially feasible for the Company; public health crises such as the COVID-19 pandemic may adversely impact the Company's business; the volatility of global capital markets over the past several years has generally made the raising of capital more difficult; compliance with environmental regulations can be costly; social and environmental activism can negatively impact exploration, development and mining activities; the success of the Company is largely dependent on the performance of its directors and officers; the Company's operations may be adversely affected by First Nations land claims; the Company and/or its directors and officers may be subject to a variety of legal proceedings, the results of which may have a material adverse effect on the Company's business; the Company may be adversely affected if potential conflicts of interests involving its directors and officers are not resolved in favour of the Company; the Company's future profitability may depend upon the world market prices of gold; there is no existing public market for the Company's securities and an active and liquid one may never develop, which could impact the liquidity of the Company's securities; dilution from future equity financing could negatively impact holders of the Company's securities; failure to adequately meet infrastructure requirements could have a material adverse effect on the Company's business; the Company's projects now or in the future may be adversely affected by risks outside the control of the Company; the Company is subject to various risks associated with climate change; other factors discussed under "*Risk and Uncertainties*".

Palisades Goldcorp Ltd.**Management's Discussion and Analysis**

For the years ended December 31, 2021 and 2020

Although the Company has attempted to identify important factors that could cause actual actions, events, conditions, results, performance or achievements to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events, conditions, results, performance or achievements to differ from those anticipated, estimated or intended.

The Company cautions that the foregoing lists of important assumptions and factors are not exhaustive. Other events or circumstances could cause actual results to differ materially from those estimated or projected and expressed in, or implied by, the forward-looking statements contained herein. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking statements.

Forward-looking statements contained herein are made as of the date of this MD&A and the Company disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as and to the extent required by applicable securities laws.

Off-Balance Sheet Arrangements

The Company does not utilize off-balance sheet arrangements.

Proposed Transactions

There are no proposed transactions at the date of this report.

Additional Information

Additional information relating to the Company is available on its website at www.palisades.ca.

**SCHEDULE “C”
INTERIM FINANCIAL STATEMENTS**

(See attached)

PALISADES GOLDCORP LTD.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

**FOR THE THREE AND NINE MONTHS ENDED
SEPTEMBER 30, 2022 AND 2021**

(Unaudited - Expressed in Canadian Dollars)

PALISADES GOLDCORP LTD.
Condensed Interim Consolidated Statements of Financial Position
(Unaudited - Expressed in Canadian Dollars)

	Note	September 30, 2022 \$	December 31, 2021 \$
ASSETS			
Current assets			
Cash and cash equivalents		4,905,646	8,423,997
Investments	5	18,994,833	88,879,044
Assets held for distribution	8	7,973,752	18,506,494
Interest receivable		21,150	75,000
Prepaid expenses and deposits		25,889	2,668
Convertible notes		-	500,000
Total current assets		31,921,270	116,387,203
Non-current assets			
Investment in New Found Gold Corp.	9	265,031,267	418,166,497
Other assets		-	50,000
Total non-current assets		265,031,267	418,216,497
Total Assets		296,952,537	534,603,700
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	10	166,666	15,270,442
Liability held for sale	4(iii)	-	34,018
Total current liabilities		166,666	15,304,460
Non-current liabilities			
Deferred tax liability		69,120,368	125,332,492
Total liabilities		69,287,034	125,332,492
EQUITY			
Share capital	11	36,032,640	92,278,940
Treasury shares	11	-	(27,724,559)
Contributed surplus		37,255,771	37,255,814
Retained earnings		154,377,092	292,169,218
Equity attributable to owners of the Company		227,665,503	393,979,413
Non-controlling interests		-	(12,665)
Total equity		227,665,503	393,966,748
Total Equity and Liabilities		296,952,537	534,603,700

NATURE OF OPERATIONS (Note 1)

CONTINGENT LIABILITY (Note 14)

These consolidated financial statements are authorized for issue by the Board of Directors on November 22, 2022. They are signed on the Company's behalf by:

"Gregor Gregersen" , Director
"Collin Kettell" , CEO

PALISADES GOLDCORP LTD.
Condensed Interim Consolidated Statements of (Loss) Income and Comprehensive (Loss) Income
(Unaudited - Expressed in Canadian Dollars)

		Three months ended September 30, 2022	Three months ended September 30, 2021	Nine months ended September 30, 2022	Nine months ended September 30, 2021
	Note	\$	\$	\$	\$
Income (loss)					
Net investment (losses) gains	6,8	(4,237,781)	(44,188,718)	(40,442,958)	11,928,435
Dividend income		-	-	107,062	-
Interest income		21,588	50,581	34,081	218,647
Total (loss) income		(4,216,193)	(44,138,137)	(40,301,815)	12,147,082
Expenses					
Consulting and salaries	10	261,430	7,932,270	1,053,620	11,452,487
Corporate development		25,679	159,085	127,684	1,035,937
Depreciation		-	5,472	-	236,835
Exploration	7	-	6,606,998	2,672	26,452,708
Foreign exchange (gain) loss		(77,932)	(224,094)	391,373	(90,835)
Interest		165	293	431	14,351
Loss from equity investment	9	5,164,615	11,923,461	18,253,709	11,923,461
Gain on dilution of equity interest	9	(55,609)	-	(212,400)	-
Impairment loss on equity investment	9	-	-	136,843,921	10 -
Office and sundry		44,710	91,073	121,491	343,265
Professional fees		342,672	742,414	1,070,520	1,882,795
Share-based compensation in parent	11	-	-	-	36,467,166
Share-based compensation in subsidiaries	11	-	-	-	7,038,451
Transfer agent and regulatory fees		6,825	51,726	8,925	203,334
Travel		1,725	8,788	1,725	137,272
Total expenses		5,714,280	27,297,486	157,663,671	97,097,227
Other (loss) income (loss)					
Gain on loss of control of Godzilla Gold Corp.	4(iii)	-	-	2,670,118	-
Gain on loss of control of New Found Gold Corp.	4(ii)	-	-	-	576,422,615
Gain on loss of control of Golden Planet Mining Corp.	4(iv)	-	-	-	4,354,287
Amortization of flow-through premium		-	-	-	1,577,727
Impairment loss on other assets		-	-	(50,000)	10 -
Impairment loss on convertible notes		-	-	(587,329)	-
Recovery of loans previously written-off		491,997	-	1,846,539	-
Total other income		491,997	-	3,879,328	582,354,629
(Loss) income before income taxes		(9,438,476)	(71,435,623)	(194,086,158)	497,404,484
Income tax expense (recovery)					
Current		-	-	-	-
Deferred		(4,597,178)	(15,201,504)	(56,212,124)	145,967,976
Net (loss) income and comprehensive (loss) income for the period		(4,841,298)	(56,234,119)	(137,874,034)	351,436,508
Net (loss) income and comprehensive (loss) income for the period attributable to:					
Owners of the Company		(4,841,298)	(51,590,943)	(137,792,127)	355,599,469
Non-controlling interests		-	(4,643,176)	(81,907)	(4,162,961)
		(4,841,298)	(56,234,119)	(137,874,034)	351,436,508
(Loss) earnings per share – basic (\$)		(0.10)	(1.02)	(2.79)	7.04
(Loss) earnings per share – diluted (\$)		(0.10)	(1.02)	(2.79)	6.86
Weighted average number of shares outstanding					
Basic	12	49,345,977	50,560,598	49,345,977	50,546,185
Diluted	12	49,345,977	50,560,598	49,345,977	51,872,189

The accompanying notes are an integral part of these condensed interim financial statements.

PALISADES GOLDCORP LTD.
Condensed Interim Consolidated Statements of Cash Flows
(Unaudited - Expressed in Canadian Dollars)

	Nine months ended September 30, 2022 \$	Nine months ended September 30, 2021 \$
Cash flows from operating activities		
(Loss) income for the period	(137,874,034)	351,436,508
Items not affecting cash:		
Investment losses (gains)	41,942,019	(16,407,632)
Depreciation	-	236,835
Deferred income tax (recovery) expense	(56,212,124)	145,967,976
Gain on loss of control of New Found Gold Corp. (Note 4(ii))	-	(576,422,615)
Gain on loss of control of Golden Planet Mining Corp. (Note 4(iv))	-	(4,354,288)
Gain on loss of control of Godzilla Gold Corp. (Note 4(iii))	(2,670,118)	-
Impairment loss on equity investment (Note 9)	136,843,921	-
Gain on dilution of equity interest (Note 9)	(212,400)	-
Impairment loss on convertible notes	587,329	-
Impairment loss on other assets	50,000	-
Interest expense	-	50,561
Amortization of flow-through share premium	-	(1,577,727)
Share-based compensation	-	43,505,617
Loss from equity investment	18,253,709	11,923,461
Unrealized foreign exchange loss	-	(887)
	708,302	(45,642,191)
Adjustments for:		
Proceeds on disposal of investments	15,537,251	70,064,293
Purchases of investments	(4,823,430)	(50,345,932)
(Increase) in sales tax receivable and other receivables	-	(2,399,158)
Increase in interest receivable	(33,479)	(150,202)
(Increase) decrease in prepaid expenses and deposits	(23,221)	1,205,026
(Decrease) in accounts payable and accrued liabilities	(14,883,774)	(18,580,372)
Net cash used in operating activities	(3,518,351)	(45,848,536)
Cash flows from investing activities		
Purchases of property and equipment	-	(1,344,852)
Cash from subsidiaries lost on loss of control of subsidiaries	-	(39,182,939)
Reclamation bonds	-	(418,457)
Net cash (used in) generated from investing activities	-	(40,946,248)
Cash flows from financing activities		
Capital provided by others who have interests in subsidiaries	-	41,546,445
Issuance of common shares on exercise of warrants	-	750,000
Lease payments of subsidiaries	-	(46,124)
Net cash generated from financing activities	-	42,250,321
Foreign exchange on cash	-	100,490
Net (decrease) in cash and cash equivalents	(3,518,351)	(44,544,463)
Cash and cash equivalents at beginning of period	8,423,997	64,477,506
Cash and cash equivalents at end of period	4,905,646	20,033,533

SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS (Note 13)

The accompanying notes are an integral part of these condensed interim financial statements.

PALISADES GOLDCORP LTD.**Condensed Interim Consolidated Statements of Changes in Equity***(Unaudited - Expressed in Canadian Dollars)*

	Number of shares	Amount \$	Treasury Shares \$	Contributed surplus \$	Retained earnings \$	Total \$	Non- controlling interest \$	Total equity \$
Balance at December 31, 2020	61,799,671	134,359,956	(27,361,493)	12,581,912	29,242,622	148,822,997	48,458,063	197,281,060
Loss of control of New Found Gold Corp. (Note 4(ii))	-	-	-	(25,536,651)	-	(25,536,651)	(66,774,770)	(92,311,421)
Loss of control of Golden Planet Mining Corp. (Note 4(iv))	-	-	-	(1,005,562)	-	(1,005,562)	(3,929,087)	(4,934,649)
Shares issued on exercise of warrants	250,000	750,000	-	-	-	750,000	-	750,000
Share-based compensation in parent (Note 11)	-	-	-	36,467,166	-	36,467,166	-	36,467,166
Subsidiary share issuances and capital transactions	-	-	-	6,862,962	-	6,862,962	39,323,922	46,186,884
Total comprehensive income for the period	-	-	-	-	355,599,469	355,599,469	(4,162,961)	351,436,508
Balance at September 30, 2021	62,049,671	135,109,956	(27,361,493)	29,369,827	384,842,091	521,960,381	12,915,167	534,875,548
Balance at December 31, 2021	64,568,313	92,278,939	(27,724,559)	37,255,813	292,169,219	393,979,412	(12,665)	393,966,747
Distribution of shares of Nevada King (Note 8)	-	(2,321,992)	-	-	-	(2,321,992)	-	(2,321,992)
Distribution of shares of GoldSpot Discoveries Corp. (Note 8)	-	(8,388,859)	-	-	-	(8,388,859)	-	(8,388,859)
Sale of Godzilla Gold Corp. (Note 4(iii))	-	-	-	(42)	-	(42)	94,572	94,530
Shares received on exchange of Silver Bullion SG shares (Note 5, 11)	-	-	(17,810,889)	-	-	(17,810,889)	-	(17,810,889)
Shares returned to treasury and cancelled (Note 11)	(2,254,761)	(17,810,889)	17,810,889	-	-	-	-	-
Shares returned to treasury on amalgamation with 1338072 BC Ulc and cancelled (Note 11)	(12,967,575)	(27,724,559)	27,724,559	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	-	(137,792,127)	(137,792,127)	(81,907)	(137,874,034)
Balance at September 30, 2022	49,345,977	36,032,640	-	37,255,771	154,377,092	227,665,503	-	227,665,503

Note: Effective June 30, 2022, the Company completed a 2-for-1 share consolidation. All share and per share amounts have been retroactively restated to reflect the share consolidation.

The accompanying notes are an integral part of these condensed interim financial statements.

PALISADES GOLDCORP LTD.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

1. NATURE OF OPERATIONS

Palisades Goldcorp Ltd. (the “Company”) was incorporated on August 30, 2019 as Palisades Acquisitions Corp. under the Business Corporations Act in the Province of British Columbia. The address of the Company’s registered office is 700 West Georgia Street, 25th Floor, Vancouver, British Columbia, Canada, V7Y 1B3. On September 24, 2019 the Company changed its name to Palisades Goldcorp Ltd.

The Company is a resource investment company and merchant bank focused on junior companies in the resource and mining sector. The Company seeks to acquire equity participation in pre-IPO and early stage public resource companies with undeveloped or undervalued high quality projects. The Company focuses on companies that are in need of financial resources to realize their full potential, are undervalued in capital markets and/or operate in jurisdictions with low to moderate local political risk.

On March 11, 2020, the World Health Organization declared the global outbreak of a novel coronavirus identified as “COVID-19” a global pandemic. In order to combat the spread of COVID-19, governments worldwide have enacted emergency measures including travel bans, legally enforced or self-imposed quarantine periods, social distancing and business and organization closures. These measures have caused material disruptions to businesses, governments and other organizations resulting in an economic slowdown and increased volatility in national and global equity and commodity markets. Central banks and governments, including Canadian federal and provincial governments, have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of any interventions. Significant economic and social impacts may adversely affect the Company or the issuers in which the Company invests. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its operations in future periods.

2. BASIS OF PREPARATION

a) Statement of compliance

The Company’s condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standards 34 “Interim Financial Reporting”, as issued by the International Accounting Standards Board (“IASB”).

These condensed consolidated interim financial statements do not include all the information and note disclosures required by International Financial Reporting Standards (“IFRS”) for annual financial statements and should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2021, which have been prepared in accordance with IFRS, as issued by the IASB.

b) Basis of presentation

The condensed consolidated interim financial statements have been prepared on a historical cost basis, except for investments, assets held for sale and convertible notes measured at fair value, and are presented in Canadian dollars.

These condensed consolidated interim financial statements include the accounts of the Company and its subsidiaries at September 30, 2022 and December 31, 2021 as follows:

PALISADES GOLDCORP LTD.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

2. BASIS OF PREPARATION (continued)

c) Basis of consolidation

	Location	Ownership Interest at September 30, 2022	Ownership Interest at December 31, 2021	Principal Activity
Palisade Global Investments Ltd. (1)	Belize	N/A	100.00%	Investment company
1338072 BC Ulc. (2)	Canada	N/A	100.00%	Holding company
Godzilla Gold Corp. (3)	Canada	N/A	62.77%	Exploration company

(1) Palisade Global Investments Ltd. was dissolved and deconsolidated on April 9, 2022 (see Notes 4(i) and 11).

(2) On December 15, 2021, the Company incorporated 1338072 BC Ulc. On June 22, 2022, the Company completed an amalgamation with 1338072 BC Ulc (see Note 11).

(3) On January 31, 2022, the Company sold its 62.77% interest in Godzilla to Golden Planet Mining Corp. and as a result has deconsolidated Godzilla from its consolidated financial statements (see Note 4(iv)).

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When the Company has less than a majority of the voting or similar rights of an entity, the Company considers all relevant facts and circumstances in assessing whether it has power over an entity, including but not limited to, the contractual arrangement with the other vote holders of the entity, rights arising from other contractual arrangements, and the Company's potential voting rights. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the Company gains control until the date when the Company ceases to control the subsidiary. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Company's accounting policies. Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated in preparing the financial statements.

When the Company loses control of a subsidiary, the gain or loss on disposal recognized in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets, less liabilities of the subsidiary and any non-controlling interests. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 when applicable, or the cost on initial recognition of an investment in an associate or a joint venture. In case of a dilution of interest, when the Company's ownership in a subsidiary change but the change does not result in a loss of control, these changes are accounted for in equity.

d) Critical accounting judgments, estimates and assumptions

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the consolidated statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these judgments, estimates and assumptions could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in future periods. In preparing these condensed consolidated interim financial statements, the significant estimates and critical judgments were the same as those applied to the annual financial statements as at and for the year ended December 31, 2021.

PALISADES GOLDCORP LTD.

Notes to the Condensed Interim Consolidated Financial Statements
For the three and nine months ended September 30, 2022 and 2021
(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

2. BASIS OF PREPARATION (continued)

e) Initial application of standards, interpretations and amendments to standards and interpretations in the reporting period

The IASB issued certain new accounting standards or amendments that are mandatory for accounting periods on or after January 1, 2022, including amendments to IAS 16 Property, Plant and Equipment and IAS 37 Provisions, Contingent Liabilities and Contingent Assets – onerous contracts. The effect of such new accounting standards or amendments did not have a material impact on the Company and therefore the Company did not record any adjustments to its consolidated financial statements.

f) New and amended IFRS standards not yet effective

New accounting standards, amendments to accounting standards and interpretations that are effective for annual periods beginning on or after September 30, 2022, including the amendments to IAS 1 Presentation of Financial Statements – classification of liabilities as current or non-current and IAS 1 Presentation of Financial Statements – IFRS Practice Statement 2 – disclosure of accounting policies, have not been applied in preparing these condensed interim consolidated financial statements for the period ended September 30, 2022. These standards and interpretations are not expected to have a material impact on the Company's consolidated financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The policies applied in these condensed interim financial statements are the same as those applied in the most recent annual consolidated financial statements and were consistently applied to all the periods presented.

4. ACQUISITIONS AND DISPOSITIONS

(i) Palisade Global Investments Ltd.

On January 1, 2020, the Company completed the purchase of 100% of the issued and outstanding common shares of Palisade Global Investments Ltd. ("Palisade Global") in exchange for 48,999,992 common shares of the Company with a value of \$54,537,955. At the time of the acquisition, Palisade Global held 1,170,000 common shares of Palisades Goldcorp with a value of \$1,170,000 which are recorded as treasury shares. As a result of the acquisition, the Company's ownership interests in each of the entities pre-acquisition and based on assessment of the relevant facts and circumstances, primarily the Company's ownership interests post-acquisition, board representation and control over operating, strategic and financing decisions, the Company concluded that it does have control in Victory Metals Inc., Casino Gold Corp. and Radio Fuels Resources Corp.

On April 7, 2021, pursuant to a definitive arrangement agreement, Victory Metals Inc. acquired all of the issued and outstanding shares of Nevada King Mining Ltd. by way of a statutory plan of arrangement and changed its name to Nevada King Gold Corp. ("Nevada King").

In October 2021, the Company's Board of Directors and shareholders approved a plan of arrangement in order to enable shareholders of the Company to directly benefit from the Company's equity position in Mexican Gold, Nevada King, Mainstream and Goldspot Discoveries Corp. ("Goldspot"). According to this plan of arrangement, the Company agreed to distribute the shares of these companies to its shareholders by way of a return on capital on a basis proportionate with their shareholdings in the Company and reduce the paid-up capital of its own shares by an amount equal to the fair market value of the Mexican Gold, Nevada King, Mainstream and Goldspot shares to be distributed.

PALISADES GOLDCORP LTD.

Notes to the Condensed Interim Consolidated Financial Statements
For the three and nine months ended September 30, 2022 and 2021
(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

4. ACQUISITIONS AND DISPOSITIONS (continued)

(i) Palisade Global Investments Ltd. (continued)

As part of this plan of arrangement, the Company agreed to distribute all shares of Nevada King controlled by the Company (89,075,602 Nevada King shares) to its shareholders. The distribution of 82,449,949 Nevada King shares was completed on November 3, 2021. Upon completion of the distribution, the Company has lost control of Nevada King and therefore deconsolidated it from its consolidated financial statements for the year ended December 31, 2021. The Company has derecognized the assets and liabilities of Nevada King, the non-controlling interest in Nevada King and contributed surplus related to the dilution gain before losing the control of Nevada King at their carrying amounts, recognized the distribution of shares as a reduction to share capital at the estimated fair value of distributed shares on November 3, 2021 of \$25,971,734 and recognized a gain on the loss of control of \$17,414,416. The fair value of Nevada King shares was determined based on the share price of Nevada King on November 3, 2021, which is considered a Level 1 measurement.

On March 14, 2022, the Company distributed additional 6,275,653 shares of Nevada King to its shareholders. These shares had been previously included in assets held for distribution at December 31, 2021. The distribution resulted in a reduction in share capital of \$2,321,992 which was the estimated fair value of distributed Nevada King shares on March 14, 2022.

On April 9, 2022, Palisade Global Investments Ltd. was dissolved and deconsolidated from the Company's consolidated financial statements. Prior to the dissolution, the remaining assets of Palisade Global Investments Ltd. were transferred to the Company (see Note 11).

(ii) New Found Gold Corp.

Palisade Global previously held an investment in New Found Gold Corp. ("New Found"). In combination with the investment held directly by the Company prior to the acquisition of Palisade Global, the Company concluded that it does have control in New Found on January 1, 2020.

On June 21, 2021, it was determined that the Company has lost control of New Found. This was based on assessment of the relevant facts and circumstances, primarily the Company's ownership interests post-acquisition, board representation and control over operating, strategic and financing decisions. However, the Company maintained significant influence over New Found from June 21, 2021 to September 30, 2022 and as a result accounted for it as an investment in associate during that time period (see Note 9).

(iii) Godzilla Gold Corp.

On July 28, 2021, the Company completed a purchase of 62.77% of the issued and outstanding common shares of Godzilla Gold Corp. ("Godzilla") at \$1.00 per share for a total consideration paid of \$627,657. Based on the assessment of the relevant facts and circumstances, primarily the Company's ownership interest post-acquisition, board representation and control over operating, strategic and financing decisions, the Company concluded that it does have control in Godzilla as a result of the acquisition. The entire amount of the purchase price was expensed as mineral property acquisition costs.

In December 2021, the Company agreed to sell its shares of Godzilla representing 62.77% interest in Godzilla to Golden Planet Mining Corp., a company with a director and officer in common, for shares of Golden Planet Mining Corp. with an estimated fair value of \$2,510,800. As a result, the net amount of Godzilla's assets and liabilities at December 31, 2021 was classified as liabilities held for sale. The liabilities held for sale were recognized at the carrying amount at December 31, 2021. The sale was completed on January 31, 2022. The fair value of consideration received in a form of Golden Planet shares was based on the price of shares issued in a recent financing completed by Golden Planet in 2021, and is considered a Level 3 measurement. As a result, the Company has deconsolidated Godzilla from its consolidated financial statements and recorded a gain on sale of \$2,670,118 during the nine months ended September 30, 2022.

PALISADES GOLDCORP LTD.

Notes to the Condensed Interim Consolidated Financial Statements
For the three and nine months ended September 30, 2022 and 2021
(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

4. ACQUISITIONS AND DISPOSITIONS (continued)

(iv) Golden Planet Mining Corp.

On January 1, 2021, it was determined that the Company has lost control of Golden Planet Mining Corp. ("Golden Planet"). The assessment was based on assessment of the relevant facts and circumstances, primarily the Company's ownership interest post-acquisition, board representation and control over operating, strategic and financing decisions. It has been concluded that the loss of control occurred on January 1, 2021 mainly due to a reduction in the Company's ownership of Golden Planet shares from 34.02% to 17.62% which occurred on January 1, 2021. During the year ended December 31, 2021, the Company recognized a gain on loss of control of Golden Planet in the amount of \$4,354,287.

The Company has accounted for its investment in Golden Planet as a financial asset under IFRS 9, Financial Instruments at fair value through profit or loss up to May 25, 2022. At December 31, 2021 and up to May 25, 2022, this investment was included in equity investments held by the Company as described in Note 5.

In order to enable shareholders of the Company to directly benefit from the Company's equity position in Golden Planet, the Company agreed to distribute all shares of Golden Planet to its shareholders on a basis proportionate with their shareholdings in the Company. The distribution was approved by the Company's shareholders on May 25, 2022, and as a result the Company has reclassified its investment in Golden Planet with an estimated fair value of \$11,960,627 to assets held for distribution (see Note 8).

5. FINANCIAL INSTRUMENTS HIERARCHY AND INVESTMENTS

The Company's financial assets and liabilities are measured and recognized according to a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities and the lowest priority to unobservable inputs. The three levels of fair value hierarchy are as follows:

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 – Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

The Company's investments according to the fair value hierarchy are as follows as at September 30, 2022:

	Level 1 \$	Level 2 \$	Level 3 \$	Total fair value \$
Investments				
Equities	9,325,874	-	-	9,325,874
Warrants	273,375	9,395,584	-	9,668,959
Total Investments	9,599,249	9,395,584	-	18,994,833
Investments denominated in foreign currencies	1,666,303	125,712	-	1,792,015
% of investments denominated in foreign currencies	17.4%	1.3%	-	9.4%

PALISADES GOLDCORP LTD.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2022 and 2021

*(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)***5. FINANCIAL INSTRUMENTS HIERARCHY AND INVESTMENTS (continued)**

The Company's investments according to the fair value hierarchy are as follows as at December 31, 2021:

Investments	Level 1	Level 2	Level 3	Total fair value
	\$	\$	\$	\$
Equities	24,567,216	-	35,601,818	60,169,034
Warrants	739,500	27,970,510	-	28,710,010
Total Investments	25,306,716	27,970,510	35,601,818	88,879,044
Investments denominated in foreign currencies	4,444,035	2,087,266	26,151,818	32,683,119
% of investments denominated in foreign currencies	17.6%	7.5%	73.5%	36.8%

There were no movements between levels during the nine months ended September 30, 2022 or the fiscal year ended December 31, 2021.

Warrants held by the Company are classified at fair value through profit or loss, with any gains or losses arising on remeasurement recognized in profit or loss. Within Level 2, the Company includes warrants that do not have a quoted market price and are valued using a Black-Scholes option pricing model using assumptions including risk free interest rate, expected dividend yield, expected volatility and expected remaining life of the warrant which are supported by observable market conditions. The use of reasonably possible alternative assumptions would not significantly affect the Company's results.

During the nine months ended September 30, 2022, the Company sold investments in 161,682 shares (2021 – Nil) of Silver Bullion SG in exchange for 2,254,761 shares of the Company (post 2-for-1 share consolidation, see Note 11). Silver Bullion SG is a private company and is included in Level 3 investments in the table above. As a result of this sale and other sales described in Note 10, the Company disposed of all remaining Level 3 investments, which resulted in no Level 3 investments held at September 30, 2022.

Within Level 3, the Company includes private company investments which are not quoted on an exchange. The key assumptions used in the valuation of these investments include, but are not limited to, the value at which a recent financing was done by the investee, company-specific information, review of adjusted net book values, liquidation analysis, trends in general market conditions, the share performance of comparable publicly-traded companies and a strategic review. A +/- 10% change on the fair value of these investments will result in a corresponding +/- \$Nil (December 31, 2021 +/- \$3,560,182) change to the total fair value of these investments. The sensitivity analysis is intended to reflect the uncertainty inherent in the valuation of these investments under current market conditions, and its results cannot be extrapolated due to non-linear effects that changes in valuation assumptions may have on the fair value of these investments. Furthermore, the analysis does not indicate a probability of such changes occurring and it does not necessarily represent the Company's view of expected future changes in the fair value of these investments.

PALISADES GOLDCORP LTD.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2022 and 2021

*(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)***5. FINANCIAL INSTRUMENTS HIERARCHY AND INVESTMENTS (continued)**

The following tables represent the changes in fair value measurements of financial instruments.

	Level 1	Level 2	Level 3	Total
Balance, December 31, 2021	\$ 25,306,716	\$ 27,970,510	\$ 35,601,818	\$ 88,879,044
Purchases of equities	6,597,269	-	-	6,597,269
Received on sale of Godzilla (Note 4(iii))	-	-	2,510,627	2,510,627
Reclassified from assets held for distribution	98,000	-	-	98,000
Reclassified to assets held for distribution (Note 4(iv))	-	-	(11,960,627)	(11,960,627)
Sales of equities	(9,282,848)	-	(25,679,957)	(34,962,805)
Exercises and sales of warrants	-	(1,547,095)	-	(1,547,095)
Net unrealized losses and foreign exchange losses	(13,119,888)	(17,027,831)	(471,861)	(30,619,580)
Balance, September 30, 2022	\$ 9,599,249	\$ 9,395,584	\$ -	\$ 18,994,833

	Level 1	Level 2	Level 3	Total
Balance, January 1, 2021	\$ 97,845,760	\$ 55,464,731	\$ 25,026,356	\$ 178,336,847
Purchases of equities	58,285,186	-	1,714,736	59,999,922
Received on sale of Radio Fuels	-	14,507,480	-	14,507,480
Reclassified to investments on loss of control of Golden Planet	-	-	5,375,000	5,375,000
Reclassified to investments on loss of control of Mexican Gold	-	476,843	-	476,843
Disposed of on loss of control of New Found	(43,429,501)	(19,308,985)	-	(62,738,486)
Investments distributed to shareholders (Note 4(i))	-	(16,680,421)	-	(16,680,421)
Reclassified to assets held for distribution	(18,728,313)	-	-	(18,728,313)
Sales of equities	(77,358,340)	-	-	(77,358,340)
Exercises and sales of warrants	(171,640)	(7,173,589)	-	(7,345,229)
Net unrealized gains and foreign exchange gains	8,863,564	864,451	3,485,726	13,213,741
Balance, December 31, 2021	\$ 25,306,716	\$ 27,970,510	\$ 35,601,818	\$ 88,879,044

PALISADES GOLDCORP LTD.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2022 and 2021

*(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)***5. FINANCIAL INSTRUMENTS HIERARCHY AND INVESTMENTS (continued)**

Equities Held

	Quantity	Fair Value September 30, 2022 \$
Labrador Gold Corp.	13,800,000	4,002,000
Tonogold Resources Inc.	24,313,173	1,666,303
Other ¹		3,657,571
Total equities held		9,325,874

1. Aggregate of all equity investments held with individual fair values of less than \$1 million.

	Quantity	Fair Value December 31, 2021 \$
Silver Bullion SG	188,275	21,239,679
Labrador Gold Corp.	13,800,000	12,420,000
Golden Planet Mining Corp.	10,500,000	9,450,000
Tonogold Resources Inc.	33,394,282	4,444,035
J4 Capital	3,700,000	3,169,500
Cache Gold	23,905	1,742,639
Santacruz Silver Mining Ltd.	5,691,834	1,764,469
Galane Gold Ltd.	11,001,000	1,265,115
Patagonia Gold Corp.	23,495,000	1,057,275
Other ¹		3,616,322
Total equities held		60,169,034

1. Aggregate of all equity investments held with individual fair values of less than \$1 million.

PALISADES GOLDCORP LTD.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2022 and 2021

*(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)***5. FINANCIAL INSTRUMENTS HIERARCHY AND INVESTMENTS (continued)**

(ii) Warrants Held

	Quantity	Fair Value September 30, 2022 \$
Vulcan Minerals Inc.	4,750,000	1,049,339
Santacruz Silver Mining Ltd.	24,133,334	2,735,148
Goliath Resources Inc.	2,600,000	2,850,959
Other ²		3,033,513
Total warrants held		9,668,959

1. The cost of warrants acquired through participation in private placements of units are allocated between common shares and common share purchase warrants based on the residual value method. Under this method, the purchase price is allocated to common shares based on the fair value of a common share at the date of the transaction and any residual remaining is allocated to common share purchase warrants.
2. Aggregate of all warrant investments held with individual fair values of less than \$1 million.

	Quantity	Fair Value December 31, 2021 \$
Labrador Gold Corp.	11,800,000	5,477,656
Aurcana Silver Corp.	13,963,407	1,348,116
Santacruz Silver Mining Ltd.	24,133,334	2,746,068
Goliath Resources Inc.	2,600,000	2,055,353
Vulcan Minerals Inc.	7,000,000	1,291,727
Other ²		15,791,090
Total warrants held		28,710,010

1. The cost of warrants acquired through participation in private placements of units are allocated between common shares and common share purchase warrants based on the residual value method. Under this method, the purchase price is allocated to common shares based on the fair value of a common share at the date of the transaction and any residual remaining is allocated to common share purchase warrants.
2. Aggregate of all warrant investments held with individual fair values of less than \$1 million.

PALISADES GOLDCORP LTD.

Notes to the Condensed Interim Consolidated Financial Statements
For the three and nine months ended September 30, 2022 and 2021
(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

6. NET INVESTMENT (LOSSES) GAINS

Net investment (losses) gains consist of the following:

	Nine months September 30, 2022	Nine months September 30, 2021
Net realized losses on disposal of investments	\$ (6,158,521)	\$ (4,479,197)
Net change in unrealized (losses) gains on investments	(34,284,437)	16,407,632
Net investment (losses) gains	\$(40,442,958)	\$ 11,928,435

7. EXPLORATION

The schedule below summarizes the exploration expenditures incurred by the Company's subsidiaries by jurisdiction during the nine months September 30, 2022 and 2021:

Exploration expenditures	Canada	USA	Mexico	Total
2022	\$ 2,672	\$ -	\$ -	\$ 2,672
2021	\$ 19,198,132	\$ 6,827,391	\$ 427,185	\$ 26,452,708

8. ASSETS HELD FOR DISTRIBUTION

In October 2021, the Company's Board of Directors and shareholders approved a plan of arrangement in order to enable shareholders of the Company to directly benefit from the Company's equity position in Mexican Gold, Nevada King, Mainstream and Goldspot (Note 4(i)).

At December 31, 2021, included in assets held for distribution were 6,625,653 shares of Nevada King with an estimated fair value of \$2,385,235 and 17,523,107 shares of Goldspot with an estimated fair value of \$16,121,258. On March 14, 2022, the Company completed a distribution of 6,275,653 shares of Nevada King with an estimated fair value of \$2,321,992. On April 28, 2022, the Company completed a distribution of 7,328,110 shares of Goldspot with an estimated fair value of \$4,616,709. On June 20, 2022, the Company distributed to its shareholders the remaining 10,194,997 shares of Goldspot with an estimated fair value of \$3,772,150.

On June 30, 2022, 350,000 shares of Nevada King with an estimated fair value of \$98,000 which were previously included in assets held for distribution at December 31, 2021 were reclassified to investments as the Company decided to exclude these shares from the distribution to shareholders.

On May 25, 2022, the Company reclassified its investment in 13,289,586 shares of Golden Planet with an estimated fair value of \$11,960,627 to assets held for distribution (see Note 4 (iv)). At September 30, 2022, the fair value of this investment was estimated at \$7,973,752, with an unrealized loss on assets held for distribution of \$3,986,875 included in net investment losses in the statement of loss and comprehensive loss for the nine months ended September 30, 2022.

PALISADES GOLDCORP LTD.

Notes to the Condensed Interim Consolidated Financial Statements
For the three and nine months ended September 30, 2022 and 2021
(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

8. ASSETS HELD FOR DISTRIBUTION (continued)

The fair value of shares of Golden Planet at September 30, 2022 was estimated using a valuation model and is considered a Level 3 measurement. The key assumptions used in the valuation of this investment include, but are not limited to, the value at which a recent financing was done by the investee, company-specific information, trends in general market conditions, the share performance of comparable publicly-traded companies and a strategic review. A +/- 10% change on the fair value of these investments will result in a corresponding +/- \$797,375 change to the total fair value of these investments. The sensitivity analysis is intended to reflect the uncertainty inherent in the valuation of these investments under current market conditions, and its results cannot be extrapolated due to non-linear effects that changes in valuation assumptions may have on the fair value of these investments. Furthermore, the analysis does not indicate a probability of such changes occurring and it does not necessarily represent the Company's view of expected future changes in the fair value of this investment.

9. INVESTMENT IN NEW FOUND GOLD

On June 21, 2021, it was determined that the Company has lost control of New Found (see Note 4 (ii)). This was based on assessment of the relevant facts and circumstances, primarily the Company's ownership interests post-acquisition, board representation and control over operating, strategic and financing decisions. However, the Company maintained significant influence over New Found from June 21, 2021 to September 30, 2022 and as a result accounted for it as an investment in associate.

As at September 30, 2022, the investment in New Found represented 27.73% (December 31, 2021 - 28.36%) of New Found's issued and outstanding common shares and the companies have a director and officer in common, being the Director and Executive Chairman.

The following table illustrates the summarised financial information of the Company's investment in New Found as at September 30, 2022:

	September 30, 2022 \$
Summarised Balance Sheet	
Current assets	67,432,290
Non-current assets	905,137,189
Current liabilities	(16,766,364)
Non-current liabilities	(46,658)
Net Assets	955,756,457
The Company's ownership interest	27.73%
Share of New Found's net assets	265,031,267
Summarised Income Statement	
Revenues	-
Loss from continuing operations	(65,333,720)
Post-tax loss from discontinued operations	-
Net loss and comprehensive loss for the period	(65,333,720)
Share of New Found's loss for the period from January 1, 2022 to September 30, 2022	(18,253,709)

PALISADES GOLDCORP LTD.

Notes to the Condensed Interim Consolidated Financial Statements
For the three and nine months ended September 30, 2022 and 2021
(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

9. INVESTMENT IN NEW FOUND GOLD (continued)

The Company performs an impairment assessment on its investment in New Found at each period end. The assessment is based on the review of the recent share price history, review of the industry statistics and assessment of the current market conditions. During the quarter ended June 30, 2022, it was concluded that the investment in New Found is impaired and should be written-down to its estimated fair value of at June 30, 2022 of \$269,265,272 (December 31, 2021 - \$418,166,497). As a result, the Company recognized an impairment write-down on its investment in New Found at June 30, 2022 of \$136,843,921 (June 30, 2021 - \$Nil), which was included in the condensed interim consolidated statement of (loss) income and comprehensive (loss) income for the period. No additional write-down is considered necessary at September 30, 2022 based on the results of the impairment assessment performed at September 30, 2022.

The following table illustrates the movement in investment in associate for the period from June 21, 2021 to September 30, 2022:

Net carrying amount – June 21, 2021	\$ 580,217,656
Share of loss from operations of associate during the period	(17,894,424)
Gain on dilution of equity interest	990,728
Impairment loss	(145,147,463)
Net Carrying amount – December 31, 2021	\$ 418,166,497
Additional interest acquired during the period	1,750,000
Share of loss from operations of associate during the period	(18,253,709)
Gain on dilution of equity interest	212,400
Impairment loss	(136,843,921)
Net Carrying amount – September 30, 2022	\$ 265,031,267

The estimated fair value of investment in New Found was \$228,687,818 at September 30, 2022 (December 31, 2021 - \$418,166,497).

10. RELATED PARTY BALANCES AND TRANSACTIONS

All transactions with related parties have occurred in the normal course of operations and on terms and conditions that are similar to those of transactions with unrelated parties and are measured at the amount of consideration paid or received. A summary of the Company's related party transactions is as follows:

Disposition of Investments

During the nine months ended September 30, 2022, 26,593 shares of Silver Bullion SG with a fair value of \$3,000,000 was sold to the Company's Chief Executive Officer, Collin Kettell, for gross proceeds of \$3,000,000 (2021 - \$Nil). In addition, the Company sold shares of other private company investments with an aggregate fair value of \$4,912,139 to Collin Kettell for gross proceeds of \$4,912,139 (2021 - \$Nil).

There are no ongoing contractual commitments resulting from these transactions with related parties.

Key management personnel compensation

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers, or companies owned or controlled by them.

PALISADES GOLDCORP LTD.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2022 and 2021

*(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)***10. RELATED PARTY BALANCES AND TRANSACTIONS (continued)**

Nine months ended September 30, 2022	Position	Salaries and Consulting \$	Bonus \$	Share-based compensation \$	Total \$
Collin Kettell	Chairman and Chief Executive Officer	247,500	-	-	247,500
Bassam Moubarak	Chief Financial Officer	212,625	-	-	212,625
Gregor Gregersen	Non-executive director	54,000	-	-	54,000
Elizabeth Harrison	Non-executive director	54,000	-	-	54,000
William Hayden	Non-executive director	54,000	-	-	54,000
Total		622,125	-	-	622,125

Nine months ended September 30, 2021	Position	Salaries and Consulting \$	Bonus \$	Share-based compensation \$	Total \$
Collin Kettell	Chairman and Chief Executive Officer	135,000	4,869,200	26,256,357	31,260,557
Michael Kanevsky ¹	Former Chief Financial Officer	42,525	-	-	42,525
Philip O'Neill ¹	Former Chief Operating Officer	420,000	345,450	1,823,360	2,588,810
Craig Roberts ¹	Former Chief Technical Officer	31,500	414,540	-	446,040
Gregor Gregersen	Non-executive director	54,000	-	364,673	418,673
Elizabeth Harrison	Non-executive director	54,000	-	364,673	418,673
William Hayden	Non-executive director	54,000	-	364,673	418,673
Total		791,025	5,629,190	29,173,736	35,593,951

1. Resigned in October 2021.

Under the terms of their management agreements, certain officers of the Company are entitled to 24 months of base pay in the event of their agreements being terminated without cause.

As at September 30, 2022, \$Nil (December 31, 2021 - \$11,458,162 owed to the Chief Executive Officer, \$1,956,780 owed to the current Chief Financial Officer, \$774,200 owed to the former Chief Operating Officer and \$975,492 owed to the former Chief Technical Officer) is included in accounts payable and accrued liabilities in respect of key management compensation.

On June 30, 2022, 4,321,074 stock options previously granted to directors and officers with an exercise price of \$10.60 and an expiry date of May 21, 2026 were cancelled.

11. SHARE CAPITAL*Authorized Share Capital*

At September 30, 2022 and December 31, 2021, the authorized share capital comprised an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

Share Consolidation

Effective June 30, 2022, the Company completed a 2-for-1 share consolidation. All share and per share amounts have been retroactively restated to reflect the share consolidation.

PALISADES GOLDCORP LTD.

Notes to the Condensed Interim Consolidated Financial Statements
For the three and nine months ended September 30, 2022 and 2021
(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

11. SHARE CAPITAL (continued)*Details of Common Shares Issued/Re-Purchased in 2022*

On June 2, 2022, the Company sold the remaining balance of 161,682 Silver Bullion SG shares (see Note 5) to the Company's shareholders in exchange for their 2,254,761 shares of the Company. The fair market value of 2,254,761 shares of the Company received as consideration of \$17,810,889 was estimated based on the fair value of the net assets of the Company as at June 2, 2022 divided by the number of shares outstanding since it has been determined that the Company's net assets, comprised mainly of its investment portfolio are representative of the fair value of its shares. There was no gain or loss recognized on the sale. 2,254,761 shares of the Company received as a result of the sale of 161,682 Silver Bullion SG shares were returned to treasury and cancelled on June 30, 2022.

On December 15, 2021, the Company incorporated 1338072 BC Ulc. On December 31, 2021, the Company's wholly owned subsidiary Palisade Global transferred its 12,967,575 shares of the Company to 1338072 BC Ulc in exchange for shares of 1338072 BC Ulc. On April 9, 2022, Palisade Global was dissolved whereas its investment in 1338072 BC Ulc was transferred to the Company as part of the transfer of assets on dissolution. Effective June 22, 2022, the Company completed an amalgamation with its wholly-owned subsidiary, 1338072 BC Ulc. As a result of the amalgamation, the Company acquired ownership of an aggregate of 12,967,575 shares of the Company. These shares were returned to treasury and cancelled on June 30, 2022, which resulted in the remaining balance of treasury shares of Nil at September 30, 2022.

Warrants

The continuity of warrants for the nine months ended September 30, 2022 is as follows:

Expiry date	Exercise Price	Outstanding December 31, 2021	Issued	Exercised	Cancelled/ Expired	Outstanding September 30, 2022
October 11, 2024	\$2.48	356,983	-	-	-	356,983
November 19, 2023	\$2.81	157,087	-	-	-	157,087
		514,070	-	-	-	514,070
Weighted average exercise price \$		2.70	-	-	-	2.59
Weighted average contractual remaining life (years)		2.51	-	-	-	1.76

The continuity of warrants for the nine months ended September 30, 2021 is as follows:

Expiry date	Exercise Price	Outstanding December 31, 2020	Issued	Exercised	Cancelled/ Expired	Outstanding September 30, 2021
October 11, 2024	\$3.00	1,231,250	-	(250,000)	-	981,250
November 19, 2023	\$3.40	305,704	-	-	-	305,704
December 4, 2023	\$3.40	39,050	-	-	-	39,050
		1,576,004	-	(250,000)	-	1,326,004
Weighted average exercise price \$		3.08	-	3.00	-	3.10
Weighted average contractual remaining life (years)		3.59	-	-	-	2.80

PALISADES GOLDCORP LTD.

Notes to the Condensed Interim Consolidated Financial Statements
For the three and nine months ended September 30, 2022 and 2021
(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

11. SHARE CAPITAL (continued)

At December 31, 2021, the exercise price of outstanding warrants was adjusted from \$3.00 to \$2.60 and from \$3.40 to \$2.94 respectively as a result of the distributions of shares of Nevada King, Mexican Gold, Radio Fuels and Mainstream (see Note 4) which had a significant impact on the Company's net assets and its estimated share price and thus triggered an adjustment to the exercise prices of warrants. During the nine months ended September 30, 2022, the exercise price of outstanding warrants was further adjusted from \$2.60 to \$2.48 and from \$2.94 to \$2.81 respectively as a result of the distribution of shares of Nevada King and Goldspot (see Notes 4(i) and 8). The adjusted exercise prices were determined based on the formulas prescribed in the warrant certificates.

Stock Option Plan

During the year ended December 31, 2021, the Company adopted a share purchase option compensation plan that allows it to grant share purchase options to its officers, directors, employee and service providers based on the maximum number of eligible shares not exceeding 10% in the aggregate of the Company's outstanding common shares at the time of grant.

Stock Options

In May 2021, the Company granted 5,053,886 stock options to directors, officers and consultants at an exercise price of \$12.00 per share for a period of five years. The options vested immediately. The Company recorded a share-based compensation of \$36,467,166 for these stock options during the nine months ended September 30, 2021.

On October 14, 2021, the exercise price of 5,053,886 stock options issued in May was reduced from \$12.00 to \$10.60 subject to completion of the distributions of shares to the Company's shareholders described in Notes 4(i) and 8. The Company's directors agreed that the repricing should be effective December 31, 2021 because all of the distributions have been completed or enacted at that date.

On June 30, 2022, 4,321,074 out of 5,053,886 stock options previously granted to directors and officers with an exercise price of \$10.60 were cancelled.

The continuity of stock options for the nine months ended September 30, 2022 is as follows:

Expiry date	Exercise Price	Outstanding December 31, 2021	Issued	Exercised	Cancelled/ Expired	Outstanding September 30, 2022
May 21, 2026	\$10.60	5,053,886	-	-	(4,321,074)	732,812
		5,053,886	-	-	(4,321,074)	732,812
Weighted average exercise price \$		10.60	-	-	-	10.60
Weighted average contractual remaining life (years)		4.39	-	-	-	3.64

The continuity of stock options for the nine months ended September 30, 2021 is as follows:

Expiry date	Exercise Price	Outstanding December 31, 2020	Issued	Exercised	Cancelled/ Expired	Outstanding September 30, 2021
May 21, 2026	\$12.00	-	5,053,886	-	-	5,053,886
		-	5,053,886	-	-	5,053,886
Weighted average exercise price \$		-	12.00	-	-	12.00
Weighted average contractual remaining life (years)		-	5.00	-	-	4.64

PALISADES GOLDCORP LTD.

Notes to the Condensed Interim Consolidated Financial Statements
For the three and nine months ended September 30, 2022 and 2021
(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

11. SHARE CAPITAL (continued)*Stock Options (continued)*

Options were priced based on the Black-Scholes option pricing model using the following weighted average assumptions to estimate the fair value of options granted:

	May 21, 2021
Risk-free interest rate	0.87%
Expected option life in years	5.0
Expected share price volatility(i)	96.51%
Grant date share price (ii)	\$10.26
Grant date fair value (iii)	\$7.22
Expected forfeiture rate	-
Expected dividend yield	Nil

- (i) The expected share price volatility is based on the average historical share price of comparable companies over the life of the options.
- (ii) The grant date share price has been estimated based on the fair value of the net assets of the Company as at May 21, 2021 divided by the number of shares outstanding since it has been determined that the net assets are comprised mainly of the portfolio of the Company's investments to determine the value of the Company and therefore its share price.

The schedule below summarizes the share-based compensation expense incurred by the Company's subsidiaries during the nine months ended September 30, 2022 and 2021:

	Nine months ended September 30, 2022	Nine months ended September 30, 2021
	\$	\$
New Found Gold Corp	-	6,939,341
Mexican Gold Mining Corp.	-	99,110
Total share-based compensation	-	7,038,451

12. BASIC AND DILUTED EARNINGS PER COMMON SHARE

Diluted earnings per common share is calculated based on the following weighted average number of common shares outstanding:

	Nine months ended September 30, 2022	Nine months ended September 30, 2021
Basic weighted average number of common shares outstanding	49,345,977	50,546,185
Effect of dilutive securities		
Warrants	-	1,326,004
Diluted weighted average number of common shares outstanding	49,345,977	51,872,189

Diluted earnings per common share did not include the effect of Nil (September 30, 2021 – 11,260,812) common shares held by the Company's subsidiary as treasury stock. Diluted earnings per common share at September 30, 2022 did not include the effect of 732,812 (September 30, 2021 – 5,053,886) stock options outstanding as their effect was anti-dilutive. Diluted earnings per common share at September 30, 2022 did not include the effect of 514,070 warrants outstanding as their effect was anti-dilutive.

PALISADES GOLDCORP LTD.

Notes to the Condensed Interim Consolidated Financial Statements
For the three and nine months ended September 30, 2022 and 2021
(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

13. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

	Nine months ended September 30, 2022	Nine months ended September 30, 2021
	\$	\$
Non-cash investing and financing activities:		
Investments added on sale of Godzilla (Note 4(iii))	2,510,800	-
Investments added on loss of control of Golden Planet Mining Corp. (Note 4(iv))	-	5,375,000
Investments disposed of on loss of control of New Found (Note 4(ii))	-	(62,738,486)
Investment in associate added on loss of control of New Found (Note 4(ii))	-	580,217,656
Investments in shares of Nevada King distributed to shareholders at fair value (Note 4(i))	(2,321,992)	-
Investments in shares of Goldspot Discoveries Corp. distributed to shareholders at fair value (Note 8)	(8,388,859)	-
Investments in private company shares sold for shares of the Company (Note 5)	(17,810,889)	-
Cash paid for interest	(431)	(14,351)

14. CONTINGENT LIABILITY

On November 15, 2019, ThreeD Capital Inc. ("ThreeD") and 1313366 Ontario Inc. ("131" and together with ThreeD, the "Plaintiffs") each entered into share purchase agreements (the "Share Purchase Agreements") with the Company under which the Company agreed to purchase the 13,500,000 Common Shares of New Found owned by ThreeD and the 4,000,000 Common Shares of New Found owned by 131 for \$0.08 per Common Share. The transactions closed on November 20, 2019.

On March 10, 2020, ThreeD Capital Inc. and 131 filed a statement of claim in the Ontario Superior Court of Justice against Collin Kettell, New Found and the Company (the "ThreeD Claim"). Mr. Kettell is a Chairman and Chief Executive Officer of both the Company and New Found. Pursuant to the ThreeD Claim, the Plaintiffs are challenging the validity of the sale of 17,500,000 Common Shares by the Plaintiffs to the Company on November 20, 2019.

ThreeD and 131 claim that at the time of negotiation and execution of the Share Purchase Agreements, the Company and Mr. Kettell were aware of positive drill results from New Found's 2019 Drill Program and the results were not disclosed to ThreeD and 131 to their detriment. The Company and Mr. Kettell strongly deny ThreeD and 131's allegations. ThreeD and 131 have made specific claims for (a) rescission of the Share Purchase Agreements on the basis of oppression or unfair prejudice; (b) or alternatively, damages in the amount of \$21,000,000 for the alleged improper actions by ThreeD and 131, (c) a declaration that the Company and Collin Kettell, as shareholder or director and/or officer of New Found, have had acted in a manner that is oppressive, unfairly prejudicial or unfairly disregarded their interests, (d) a declaration that the Company and Collin Kettell engaged in insider trading contrary to section 138 of the *Securities Act* (Ontario), (e) unjust enrichment and (f) interests and costs. The Company and Mr. Kettell refute each of the specific claims made by the Plaintiffs.

The Company filed a statement of defence in response to the ThreeD Claim on June 12, 2020, pursuant to which, among other things, the Company denies that it is a proper party to the ThreeD Claim and the allegations against it therein, including because no relief is claimed against the Company in paragraph 1 of the ThreeD Claim.

PALISADES GOLDCORP LTD.

Notes to the Condensed Interim Consolidated Financial Statements
For the three and nine months ended September 30, 2022 and 2021
(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

14. CONTINGENT LIABILITY (continued)

The action has now progressed through the production of documents and oral examinations for discovery stages. In early 2022, the Plaintiffs formally amended their statement of claim to increase the amount claimed to \$229,000,000 and to advance a direct claim of oppressive conduct against the Company. While continuing to deny any and all liability to the Plaintiffs, the Company has amended its defence to include specific denials of the new allegations of oppressive conduct against it. As a result of the amendments, the Company anticipates that further discoveries will be necessary.

The outcome of this claim cannot be determined at this time and therefore no amount has been accrued for.

15. FINANCIAL RISK MANAGEMENT

The Company thoroughly examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks. These risks may include credit risk, liquidity risk, currency risk, and interest rate risk. Where material, these risks are reviewed and monitored by the Board of Directors.

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 is not exposed to significant credit risk on its cash and cash equivalents since they are placed with major financial institutions that have high credit ratings. The credit risk exposure of the Company's investments are represented by their values disclosed.

There have been no changes in management's methods for managing credit risk since December 31, 2021.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has in place a planning and budgeting process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives. The Company generates cash flow primarily from proceeds from the disposition of its investments and interest income. The Company invests in junior resource companies, which can at times be relatively illiquid. If the Company decides to dispose of securities of a particular issuer, it may not be able to do so at the time at favourable prices, or at all. Additionally, the amounts at which the Company's private company investments could be disposed of currently may differ from their carrying values since there is no active market to dispose of these investments. The Company has also relied on the issuance of shares to fund its activities and may require doing so again in the future.

There were no changes in management's methods for managing liquidity risk since December 31, 2021.

The Company has \$166,666 (December 31, 2021 - \$15,270,442) in accounts payable and accrued liabilities that are due within one year of the date of the statement of financial position.

PALISADES GOLDCORP LTD.

Notes to the Condensed Interim Consolidated Financial Statements
For the three and nine months ended September 30, 2022 and 2021
(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

15. FINANCIAL RISK MANAGEMENT (continued)

Market risk

Market risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will significantly fluctuate due to changes in market prices. The value of the financial instruments can be affected by changes in interest rates, foreign exchange rates, and equity and commodity prices. The Company is focused on junior companies in the resource and mining sector. Changes in the future pricing and demand of these commodities can have a material impact on the market value of the investments. The nature of such investments is normally dependent on the invested company being able to raise additional capital to further development and to determine the commercial viability of its resource properties. The value of each investment is also influenced by the outlook of the issuer and by general economic and political conditions.

Management mitigates the risk of loss resulting from this concentration by monitoring the trading value of the investments on a regular basis. All securities present a risk of loss of capital. The maximum risk resulting from financial instruments is equivalent to their fair value.

There were no changes in management's methods for managing market risk since December 31, 2021. The Company manages market risk by having a portfolio that is not singularly exposed to any one issuer, although the Company's investment activities are concentrated on junior companies in the resource and mining sector. The Company also requires approval from the board of directors for purchases of investments over a certain cost threshold.

A 5% change in the future pricing and trading value of the Company's investments (with all other variables held constant) as at September 30, 2022, would change the value of investments with a corresponding change in total comprehensive (loss) income by \$949,742 (December 31, 2021 - \$4,443,952).

(i) 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. The Company is not exposed to significant interest rate risks.

(ii) Foreign exchange risk

Foreign 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 may have financial instruments denominated in foreign currencies such as the U.S. dollar and the Australian dollar. A change in the foreign exchange rate of the Canadian dollar versus another currency may increase or decrease the value of its financial instruments.

The Company does not hedge its exposure to fluctuations in foreign exchange rates.

There were no changes in management's methods for managing currency risk since December 31, 2021.

A 5% change in the exchange rate of the Company's investments held in foreign currencies relative to the Canadian dollar would change the value of investments with a corresponding change in total comprehensive (loss) income by \$89,600 (December 31, 2021 - \$1,634,154).

Fair value

The Company's financial assets and liabilities consist of cash and cash equivalents, investments, interest receivable, convertible notes and accounts payable. The carrying values of cash and cash equivalents, investments, interest receivable, convertible notes and accounts payable approximate their fair values due to the short-term maturity of these financial instruments.

PALISADES GOLDCORP LTD.

Notes to the Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

16. CAPITAL MANAGEMENT

The Company manages its cash and common shares as capital. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its technology and products and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash. The Company's investment policy is to keep its cash treasury on deposit in an interest bearing Canadian chartered bank account. The Company will require capital resources to carry its plans and operations through its current operating period.

The Company is not subject to externally imposed capital requirements.

There were no changes in management's approach to capital management during the nine months ended September 30, 2022.

**SCHEDULE “D”
INTERIM MD&A**

(See attached)

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2022 and 2021

The following discussion is management's assessment and analysis of the results and financial condition of Palisades Goldcorp Ltd. (the "Company" or "Palisades") and should be read in conjunction with the accompanying unaudited condensed interim consolidated financial statements and related notes as at September 30, 2022, and for the three and nine months ended September 30, 2022 and 2021. The financial data was prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") and all figures are reported in Canadian dollars unless otherwise indicated.

This MD&A contains forward-looking information and forward-looking statements, within the meaning of applicable Canadian securities legislation, (collectively, "**forward-looking statements**"), that involve numerous risks and uncertainties. The Company continually seeks to minimize its exposure to business risks, but by the nature of its business, activities and size, will always have some risk. These risks are not always quantifiable due to their uncertain nature. Should one or more of these risks and uncertainties, including those described under the headings "Risks and Uncertainties" and "Cautionary Notes Regarding Forward-Looking Statements" materialize, or should underlying assumptions prove incorrect, then actual results may vary materially from those expressed or implied in forward-looking statements. The effective date of this report is November 22, 2022.

Description of Business

The Company was incorporated on August 30, 2019 as Palisades Acquisitions Corp. under the Business Corporations Act in the Province of British Columbia. The address of the Company's registered office is 700 West Georgia Street, 25th Floor, Vancouver, British Columbia, Canada, V7Y 1B3. On September 24, 2019, the Company changed its name to Palisades Goldcorp Ltd.

The Company is a resource investment company and merchant bank focused on junior companies in the resource and mining sector. The Company is focused on providing retail and institutional investors with exposure in the junior resource space. The Company expects to continue to make investments, pursuant to its dual investment strategy, to achieve broad sector exposure with upside in the event of appreciation in mineral commodities prices, while also providing the potential to realize appreciation in net asset values as a result of discoveries by issuers in which the Company holds larger positions. At present, Palisades has a portfolio of equity investments, or securities convertible into equity investments, in over 50 junior resource issuers.

As of the date of this MD&A, the Company's Board of Directors consisted of the following: Collin Kettell (Executive Chairman), Gregor Gregersen, Elizabeth Harrison and William Hayden.

Additional information relating to the Company is available on the Company's website at www.palisades.ca.

Strategic Investments

Since its inception in 2019, Palisades has built positions in strategic assets as follows:

New Found Gold Corp.

As at September 30, 2022, the investment in New Found Gold Corp. ("New Found") represented 27.73% (December 31, 2021 - 28.36%) of New Found's issued and outstanding common shares and the companies have a director and officer in common, being the Director and Executive Chairman. The Company maintained significant influence over New Found at December 31, 2021 and September 30, 2022 and as a result accounted for it as an investment in associate. The carrying value of investment in New Found was \$265,031,267 at September 30, 2022 (December 31, 2021 - \$418,166,497).

There has been no significant change in the Company's ownership of New Found as of the date of this MD&A. New Found is advancing its 100% owned Queensway gold project, located on the Trans-Canada highway 15km west of Gander, Newfoundland, with a 400,000m drill campaign underway focused along the Appleton fault and along the JBP fault.

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2022 and 2021

The following table illustrates the summarised financial information of the Company's investment in New Found as at September 30, 2022:

	September 30, 2022 \$
Summarised Balance Sheet	
Current assets	67,432,290
Non-current assets	905,137,189
Current liabilities	(16,766,364)
Non-current liabilities	(46,658)
Net Assets	955,756,457
The Company's ownership interest	27.73%
Share of New Found's net assets	265,031,267
Summarised Income Statement	
Revenues	-
Loss from continuing operations	(65,333,720)
Post-tax loss from discontinued operations	-
Net loss and comprehensive loss for the period	(65,333,720)
Share of New Found's loss for the period from January 1, 2022 to September 30, 2022	(18,253,709)

The following table illustrates the movement in investment in associate for the period from June 21, 2021 to September 30, 2022:

Net carrying amount – June 21, 2021	\$ 580,217,656
Share of loss from operations of associate during the period	(17,894,424)
Gain on dilution of equity interest	990,728
Impairment loss	(145,147,463)
Net Carrying amount – December 31, 2021	\$ 418,166,497
Additional interest acquired during the period	1,750,000
Share of loss from operations of associate during the period	(18,253,709)
Gain on dilution of equity interest	212,400
Impairment loss	(136,843,921)
Net Carrying amount – September 30, 2022	\$ 265,031,267

The estimated fair value of investment in New Found was \$228,687,818 at September 30, 2022 (December 31, 2021 - \$418,166,497).

Distribution of shares of Nevada King Gold Corp.

Nevada King Gold Corp. ("Nevada King") (TSX-V: NKG) was formed pursuant to a plan of arrangement between Victory Metals Inc. and Nevada King Mining Ltd. which was completed on April 7, 2021. Nevada King is the fourth largest mineral claim holder in the State of Nevada, USA, focused on the Battle Mountain Gold Trend. Nevada King owns 100% of the past producing Atlanta Mine, which hosts an NI 43-101 resource of 683,600oz AuEq M+I plus 618,700 AuEq Inferred (resource estimate for existing pit area completed by Gustavson Associates in March 2013).

Palisades owned 36.75% of Nevada King as of October 18, 2021. On October 18, 2021, in order to enable shareholders of the Company to directly benefit from the Company's equity position in Nevada King, the Company agreed to transfer all shares of Nevada King controlled by the Company (89,075,602 Nevada King shares) to its shareholders.

Palisades Goldcorp Ltd.**Management's Discussion and Analysis****For the three and nine months ended September 30, 2022 and 2021**

The Company distributed 82,449,949 shares of Nevada King on November 3, 2021. On March 14, 2022, the Company completed a distribution of 6,275,653 shares of Nevada King with an estimated fair value of \$2,321,992. The remaining 350,000 shares of Nevada King with an estimated fair value of \$98,000 which were previously included in assets held for distribution at December 31, 2021 were reclassified to investments as the Company is not planning on distributing them to the shareholders yet.

Distribution of shares of Golden Planet Mining Corp.

On January 1, 2021, it was determined that the Company has lost control of Golden Planet Mining Corp. ("Golden Planet"). The assessment was based on assessment of the relevant facts and circumstances, primarily the Company's ownership interest post-acquisition, board representation and control over operating, strategic and financing decisions. It has been concluded that the loss of control occurred on January 1, 2021 mainly due to a reduction in the Company's ownership of Golden Planet shares from 34.02% to 17.62% which occurred on January 1, 2021. The Company accounted for its investment in Golden Planet as a financial asset under IFRS 9, Financial Instruments, at fair value through profit or loss subsequent to its deconsolidation on January 1, 2021. On May 25, 2022, in order to enable shareholders of the Company to directly benefit from the Company's equity position in Golden Planet, the Company agreed to distribute all shares of Golden Planet to its shareholders on a basis proportionate with their shareholdings in the Company. The distribution was approved by the Company's shareholders on May 25, 2022, and as a result the Company has reclassified its investment in Golden Planet with an estimated fair value of \$11,960,627 to assets held for distribution. At September 30, 2022, the fair value of this investment was estimated at \$7,973,752, with an unrealized loss on assets held for distribution of \$3,986,875 included in net investment losses in the statement of loss and comprehensive loss for the nine months ended September 30, 2022.

Purchase and sale of Godzilla Gold Corp.

On July 28, 2021, the Company completed a purchase of 62.77% of the issued and outstanding common shares of Godzilla Gold Corp. ("Godzilla") at \$1.00 per share for a total consideration paid of \$627,657. Based on the assessment of the relevant facts and circumstances, primarily the Company's ownership interest post-acquisition, board representation and control over operating, strategic and financing decisions, the Company concluded that it does have control in Godzilla as a result of the acquisition. The entire amount of the purchase price was expensed as mineral property acquisition costs.

In December 2021, the Company agreed to sell its shares of Godzilla representing 62.77% interest in Godzilla to Golden Planet Mining Corp., a company with a director and officer in common, for shares of Golden Planet with an estimated fair value of \$2,510,800. As a result, the net amount of Godzilla's assets and liabilities at December 31, 2021 was classified as liabilities held for sale. The liabilities held for sale were recognized at the carrying amount at December 31, 2021. The sale was completed on January 31, 2022. The fair value of Godzilla shares sold was determined based on the estimated fair value of Golden Planet shares received, which was based on the price of shares issued in a recent financing completed by Golden Planet in 2021, and is considered a Level 3 measurement. As a result, the Company has deconsolidated Godzilla from its consolidated financial statements and recorded a gain on sale of \$2,670,118 during the nine months ended September 30, 2022.

Goldspot Discoveries Corp.

In October 2021, the Company's Board of Directors and shareholders approved a plan of arrangement in order to enable shareholders of the Company to directly benefit from the Company's equity position in Mexican Gold, Nevada King, Mainstream and Goldspot Discoveries Corp. ("Goldspot"). At December 31, 2021, the Company had 17,523,107 shares of Goldspot with an estimated fair value of \$16,121,258, which were included in assets held for distribution at December 31, 2021.

On April 28, 2022, the Company distributed 7,328,110 shares of Goldspot to its shareholders with an estimated fair value of \$4,616,709. On June 20, 2022, the Company distributed to its shareholders the remaining 10,194,997 shares of Goldspot with an estimated fair value of \$3,772,150.

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2022 and 2021

Investment Portfolio

The following information regarding the investment portfolio of Palisades is historical as at the dates indicated and may change due to the ongoing investment activities of the Company, in addition to fluctuations in the fair values of investments. The fair values of investments have been measured in accordance with the Company's accounting policies and the amounts at which the Company's investments could be disposed of currently may differ from their varying values for a variety of reasons (see *Risk Factors* below for further details).

The portfolio consists of investments in marketable securities and warrants as follows:

	September 30, 2022	December 31, 2021
Equities held (i)	\$ 9,325,874	\$ 60,169,034
Warrants held (ii)	9,668,959	28,710,010
Total investments	\$ 18,994,833	\$ 88,879,044

(i) Equities Held

	Quantity	Fair Value September 30, 2022 \$
Labrador Gold Corp.	13,800,000	4,002,000
Tonogold Resources Inc.	24,313,173	1,666,303
Other ¹		3,657,571
Total equities held		9,325,874

1. Aggregate of all equity investments held with individual fair values of less than \$1 million.

	Quantity	Fair Value December 31, 2021 \$
Silver Bullion SG	188,275	21,239,679
Labrador Gold Corp.	13,800,000	12,420,000
Golden Planet Mining Corp.	10,500,000	9,450,000
Tonogold Resources Inc.	33,394,282	4,444,035
J4 Capital	3,700,000	3,169,500
Cache Gold	23,905	1,742,639
Santacruz Silver Mining Ltd.	5,691,834	1,764,469
Galane Gold Ltd.	11,001,000	1,265,115
Patagonia Gold Corp.	23,495,000	1,057,275
Other ¹		3,616,322
Total equities held		60,169,034

1. Aggregate of all equity investments held with individual fair values of less than \$1 million.

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2022 and 2021

(ii) Warrants Held

	Quantity	Fair Value September 30, 2022 \$
Vulcan Minerals Inc.	4,750,000	1,049,339
Santacruz Silver Mining Ltd.	24,133,334	2,735,148
Goliath Resources Inc.	2,600,000	2,850,959
Other ²		3,033,513
Total warrants held		9,668,959

1. The cost of warrants acquired through participation in private placements of units are allocated between common shares and common share purchase warrants based on the residual value method. Under this method, the purchase price is allocated to common shares based on the fair value of a common share at the date of the transaction and any residual remaining is allocated to common share purchase warrants.
2. Aggregate of all warrant investments held with individual fair values of less than \$1 million.

	Quantity	Fair Value December 31, 2021 \$
Labrador Gold Corp.	11,800,000	5,477,656
Aurcana Silver Corp.	13,963,407	1,348,116
Santacruz Silver Mining Ltd.	24,133,334	2,746,068
Goliath Resources Inc.	2,600,000	2,055,353
Vulcan Minerals Inc.	7,000,000	1,291,727
Other ²		15,791,090
Total warrants held		28,710,010

1. The cost of warrants acquired through participation in private placements of units are allocated between common shares and common share purchase warrants based on the residual value method. Under this method, the purchase price is allocated to common shares based on the fair value of a common share at the date of the transaction and any residual remaining is allocated to common share purchase warrants.
2. Aggregate of all warrant investments held with individual fair values of less than \$1 million.

Palisades Goldcorp Ltd.**Management's Discussion and Analysis**

For the three and nine months ended September 30, 2022 and 2021

OVERALL PERFORMANCE AND RESULTS OF OPERATIONS

Total assets decreased to \$296,952,537 at September 30, 2022 from \$534,603,700 at December 31, 2021 primarily as a result of a decrease in the equity investment in New Found Gold Corp. of \$153,135,230 due to a loss on equity investment recognized in the current period of \$18,253,709 and an impairment write-down of \$136,843,921; a decrease in assets held for distribution of \$10,532,742 due a distribution to the Company's shareholders of 6,275,653 shares of Nevada King with an estimated fair value of \$2,321,992 and a distribution to the Company's shareholders of 17,523,107 shares of Goldspot with an estimated fair value of \$8,388,859, offset by an increase due to a reclassification of an investment in Golden Planet which increased the balance in assets held for distribution by \$7,973,752 at September 30, 2022; a decrease in investments of \$69,884,211 due to sales of investments in 2022 for total cash proceeds of \$15,537,251 and a sale of Silver Bullion SG shares in exchange for 2,254,761 shares of the Company with an estimated fair value of \$17,810,889. The most significant assets at September 30, 2022 were cash of \$4,905,646 (December 31, 2021: \$8,423,997), investments of \$18,994,833 (December 31, 2021: \$88,879,044), assets held for distribution of \$7,973,752 (December 31, 2021: \$18,506,494), and investment in New Found Gold Corp. of \$265,031,267 (December 31, 2021: \$418,166,497).

Nine months ended September 30, 2022 and 2021

During the nine months ended September 30, 2022, net income decreased by \$489,310,542 to net loss of \$137,874,034 compared to net income of \$351,436,508 for the nine months ended September 30, 2021. The change is largely due to:

- The Company recorded net investment losses of \$40,442,958, dividend income of \$107,062 and interest income of \$34,081 for the nine months ended September 30, 2022 compared to \$11,928,435 of net investments gains and interest income of \$218,647 for the nine months ended September 30, 2021. The decrease is due more favourable price fluctuations in the comparative period compared to the current period. During the period ended September 30, 2022, the Company recognized \$34,284,437 in unrealized losses on its investments compared to \$16,407,632 in unrealized gains recognized in the period ended September 30, 2021.
- An increase in loss from equity investment of \$6,330,248 from \$11,923,461 in 2021 to \$18,253,709 in 2022, and an increase in impairment loss on equity investment of \$136,843,921 from \$Nil in 2021 to \$136,843,921 in 2022. The Company started accounting for its investment in New Found as an investment in associate on June 21, 2021, when it was concluded that it had lost control over New Found. During the period from January 1, 2020 to June 21, 2021, it was accounted for as a subsidiary.

Offset by:

- The Company incurred exploration expenses of \$2,672 for the nine months ended September 30, 2022 compared to \$26,452,708 for the nine months ended September 30, 2021. The Company incurred consulting fees and salaries of \$1,053,620 for the nine months ended September 30, 2022 compared to \$11,452,487 for the nine months ended September 30, 2021. A decrease in exploration expenses of \$26,450,036 and a decrease in consulting fees and salaries of \$10,398,867 are due to deconsolidation of New Found, Mexican Gold, Nevada King, and Radio Fuels during the second and fourth quarters of fiscal 2021 and Godzilla in January 2022, which resulted in a lower amount of exploration and consulting expenses of subsidiaries included in the consolidated financial statements of the Company for the nine months ended September 30, 2022, whereas in the nine months ended September 30, 2021 these companies were considered subsidiaries and the results of their operations were included in the consolidated financial statements of the Company.
- A decrease of \$36,467,166 in share-based compensation recorded by the parent company. During the nine months ended September 30, 2021, the Company granted 5,053,886 stock options to directors, officers and consultants at an exercise price of \$12.00 per share (note: the price has been adjusted for the 2-for-1 share consolidation completed on June 30, 2022) for a period of five years. The options vested immediately. The Company recognized \$36,467,166 in stock-based compensation expense related upon issuance. No stock options were issued by the parent company in the current period ended September 30, 2022.

Palisades Goldcorp Ltd.**Management's Discussion and Analysis****For the three and nine months ended September 30, 2022 and 2021**

- A decrease in stock-based compensation of subsidiaries of \$7,038,451 from \$7,038,451 in 2021 to \$Nil in 2022. The decrease is primarily due to deconsolidation of New Found on June 30, 2021, whereas the majority of the stock-based compensation expense in the comparative period ended September 30, 2021 related to New Found.
- The Company recorded a deferred income tax recovery of \$56,212,124 for the nine months ended September 30, 2022 compared to a deferred income tax expense of \$145,967,976 for the nine months ended September 30, 2021. The recovery recognised in the nine months ended September 30, 2022 is a mainly due to a reduction in the value of investments, assets held for sale and investment in New Found at September 30, 2022 compared to December 31, 2021, which resulted in a corresponding decrease in the related deferred income liability recognized on the difference between accounting and tax basis of these assets.
- In the current period, the Company recognized a gain on sale of Godzilla of \$2,670,118 and a recovery of loans previously written-off of \$1,846,539 based on collections of loans in 2022, offset by an impairment loss on convertible notes which were not collected upon expiry in June 2022 of \$587,329. In the prior period, the Company recognized a gain on loss of control of New Found of \$576,422,615, a gain on loss of control of Golden Planet of \$4,354,287, and a gain on settlement of flow-through premium of \$1,577,727.

The Company recorded a net loss and comprehensive loss attributable to owners of the Company of \$137,792,127 and \$2.79 basic and diluted loss per share for the nine months ended September 30, 2022 (the nine months ended September 30, 2021: net income and comprehensive income attributable to owners of the Company of \$355,599,469 and \$7.04 basic and \$6.86 diluted earnings per share).

Three months ended September 30, 2022 and 2021

During the three months ended September 30, 2022, net loss decreased by \$51,392,821 to net loss of \$4,841,298 compared to net loss of \$56,234,119 for the three months ended September 30, 2021. The change is largely due to:

- The Company recorded net investment losses of \$4,237,781 and interest income of \$21,588 for the three months ended September 30, 2022 compared to \$44,188,718 of net investments losses and interest income of \$50,581 for the three months ended September 30, 2021. The reason for the decrease in net investment losses is more favourable price fluctuations in the current period compared to the comparative period.
- A decrease in loss from equity investment of \$6,758,846 from \$11,923,461 in 2021 to \$5,164,615 in 2022. The Company started accounting for its investment in New Found as an investment in associate on June 21, 2021, when it was concluded that it had lost control over New Found. During the period from January 1, 2020 to June 21, 2021, it was accounted for as a subsidiary.
- A decrease of \$6,606,998 in exploration and evaluation expenditures. Exploration and evaluation expenditures were \$Nil for the three months ended September 30, 2022 compared to \$6,606,998 for the three months ended September 30, 2021. A decrease of \$7,670,840 in consulting and salaries expenditures. Consulting and salaries expenditures were \$261,430 for the three months ended September 30, 2022 compared to \$7,932,270 for the three months ended September 30, 2021. A decrease in exploration and evaluation expenses of \$6,606,998 and a decrease of \$7,670,840 in consulting fees and salaries are due to deconsolidation of Mexican Gold, Nevada King, and Radio Fuels during the fourth quarters of fiscal 2021, which resulted in a lower amount of exploration and consulting expenses of subsidiaries included in the consolidated financial statements of the Company for the three months ended September 30, 2022, whereas in the three months ended September 30, 2021 these companies were considered subsidiaries and the results of their operations were included in the consolidated financial statements of the Company.

Palisades Goldcorp Ltd.**Management's Discussion and Analysis****For the three and nine months ended September 30, 2022 and 2021**

- The Company recorded a deferred income tax recovery of \$4,597,178 for the three months ended September 30, 2022 compared to a deferred income tax expense of \$15,201,504 for the three months ended September 30, 2021. The recovery recognised in the current period is mainly due to a reduction in value of investments, assets held for sale and investment in New Found during the three months ended September 30, 2022, which resulted in a corresponding decrease in the related deferred income liability recognized on the difference between accounting and tax basis of these assets.

The Company recorded a net loss and comprehensive loss attributable to owners of the Company of \$4,841,298 and \$0.10 basic and diluted loss per share for the three months ended September 30, 2022 (the three months ended September 30, 2021: net loss and comprehensive loss attributable to owners of the Company of \$51,590,943 and \$1.02 basic and diluted loss per share).

Cash Flows

	Nine months ended September 30, 2022 \$	Nine months ended September 30, 2021
Cash used in operating activities	(3,518,351)	(45,848,536)
Net cash used in investing activities	-	(40,946,248)
Net cash generated from financing activities	-	42,250,321
Effect of foreign exchange rate changes on cash	-	100,490
Change in cash	(3,518,351)	(44,544,463)
Cash, beginning of period	8,423,997	64,477,506
Cash, end of period	4,905,646	20,033,533

Operating Activities

Cash used in operating activities for the nine months ended September 30, 2022 was \$3.5 million compared to \$45.8 million used for the nine months ended September 30, 2021. Cash movements from operating activities can fluctuate with changes in net income, non-cash items, such as foreign exchange and deferred income tax expenses, and working capital.

The main reason for the decrease in cash used in 2022 was a decrease in cash received from sales of investments, whereas the Company received \$15.5 million in proceeds on disposal of investments in 2022 compared to \$70 million received in 2021 due to an overall decrease in the trading activity in 2022 compared to 2021 due to unfavorable market prices in the current period compared to the prior period, which is considered to be temporary in nature.

Investing Activities

Cash used in investing activities for the nine months ended September 30, 2022 was \$Nil compared to \$40.9 million for the nine months ended September 30, 2021. There were no investing activities in the nine months ended September 30, 2022. Cash lost on the loss of control of subsidiaries was \$39.1 million in the nine months ended September 30, 2021 due to cash lost on deconsolidation of Golden Planet on January 1, 2021 and deconsolidation of New Found on June 21, 2021.

Financing Activities

Cash generated from financing activities was \$Nil for the nine months ended September 30, 2022 compared to \$42.2 million for the nine months ended September 30, 2021. In the comparative period, the Company received \$41.5 million in capital provided by others who have interests in subsidiaries. In the current period, the Company had \$Nil in capital provided by others due to deconsolidation of Golden Planet, New Found, Mexican Gold, Nevada King, and Radio Fuels during the year ended December 31, 2021, and no financings completed by Godzilla in the first quarter of 2022.

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2022 and 2021

Summary of Quarterly Results

	2022			2021				2020
	Sep. 30 \$	Jun. 30 \$	Mar. 31 \$	Dec. 31 \$	Sep. 30 \$	Jun. 30 \$	Mar. 31 \$	Dec. 31 \$
Total revenue ⁽¹⁾	(4,216,193)	(33,096,484)	(2,989,138)	(4,296,788)	(44,138,137)	64,918,556	(8,633,337)	28,497,532
Net (loss) income and comprehensive (loss) income for the period attributable to owners of the Company	(4,841,298)	(130,348,918)	(2,601,911)	(92,672,873)	(51,590,943)	416,514,436	(9,324,024)	(294,244)
Net (loss) income and comprehensive (loss) income for the period	(4,841,298) ⁽³⁾	(130,348,918) ⁽⁴⁾	(2,683,818) ⁽⁵⁾	(93,607,225) ⁽⁶⁾	(56,234,119) ⁽⁷⁾	421,892,623 ⁽⁸⁾	(14,221,996) ⁽⁹⁾	(21,151,908)
Earnings (loss) per common share basic ⁽²⁾	(0.10)	(2.53)	(0.03)	(0.93)	(0.51)	4.12	(0.09)	0.05
Earnings (loss) per common share diluted ⁽²⁾	(0.10)	(2.53)	(0.03)	(0.93)	(0.51)	4.00	(0.09)	0.05

- (1) Total revenue consists of net investment gains (losses), interest income and dividend income.
- (2) Per share amounts are rounded to the nearest cent, therefore aggregating quarterly amounts may not reconcile to year-to-date per share amounts.
- (3) Decrease of net loss and comprehensive loss from prior quarter primarily driven by an impairment loss on investment in New Found of \$136,843,921 recognized in the prior quarter with no such loss recognized in the current quarter, offset by a corresponding decrease in deferred income tax recovery of \$41,840,759, and higher investment losses recognized in the comparative quarter whereas investment losses decreased by \$28,858,848 in the current period compared to prior period.
- (4) Increase of net loss and comprehensive loss from prior quarter primarily driven by an impairment loss on investment in New Found of \$136,843,921 recognized in the current quarter with no impairment losses recognized in the first quarter of 2022, net investment losses of \$33,096,629 recognized in the current quarter compared to \$3,108,548 in net investment losses recognized in the first quarter of 2022, offset by a gain on deconsolidation of Godzilla of \$2,670,118 recognized in the comparative quarter with no such gain recognized in the current period.
- (5) Decrease of net loss and comprehensive loss from prior quarter primarily driven by an impairment loss on investment in New Found of \$145,147,463 recognized in the prior quarter with no additional impairment losses recognized in the first quarter of 2022. Decrease of net loss and comprehensive loss from prior quarter is also driven by a decrease in net investment losses of \$1,238,640, a gain on sale of Godzilla of \$2,670,118, a decrease in consulting fees of \$9,056,608, and a decrease in impairment loss on convertible notes of \$1,630,314, offset by a decrease in a deferred income tax recovery of \$37,222,124.
- (6) Increase of net loss and comprehensive loss from prior quarter primarily driven by an impairment loss on investment in New Found of \$145,147,463 at December 31, 2021. The net income also decreased due to a decrease in net investment gains of \$39,841,530, partially offset by a decrease in gains on loss of control of subsidiaries of \$14,784,668, and a decrease in gains on share distributions of \$17,418,214, a decrease in exploration expenses of \$5,846,825, a decrease in loss from equity investment of \$5,952,498, and an increase in a deferred income tax recovery of \$27,197,629.
- (7) Decrease of net income and comprehensive income from prior quarter primarily driven by a gain on loss of control of New Found of \$576,422,615 recognized in the second quarter of 2021 with no such gain recognized in the third quarter of 2021, a decrease in stock-based compensation of the parent of \$36,467,166 and subsidiaries of \$6,939,341, a decrease in consulting fees of \$6,047,947, partially offset by a decrease in net investment gains / losses of \$103,707,133, an increase in loss from equity investment of \$11,923,461, and a decrease in a deferred income tax expense of \$177,329,780.

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2022 and 2021

- (8) Increase of net income and comprehensive income from prior quarter primarily driven by a gain on loss of control of New Found of \$576,422,615 recognized in the second quarter of 2021 and an increase in net investment gains of \$73,560,657, offset by an increase in exploration expenses of \$3,977,584 and an increase in stock-based compensation of \$43,307,397, of which \$36,467,166 related to stock-based compensation recorded by the parent in the second quarter upon issuance of 10,107,772 stock options.
- (9) Decrease of net loss and comprehensive loss from prior quarter primarily driven by a gain on loss of control of Golden Planet Mining Corp. of \$4,384,953 recognized on January 1, 2021, a decrease in consulting fees of \$19,990,195 and a decrease in share-based compensation of subsidiaries of \$17,840,511, partially offset by a decrease in net investment gains of \$37,062,426.

Liquidity and Capital Resources

As at September 30, 2022, the Company had cash of \$4,905,646 and current assets of \$31,921,270 to settle current liabilities of \$166,666, all of which is comprised of accounts payable and accrued liabilities that are due within one year of the statement of financial position.

The Company relies upon various sources of funds for its ongoing operating and investing activities. These sources include proceeds from dispositions of investments, interest and dividend income from investments and capital raising activities such as equity financings.

As at September 30, 2022, the Company had working capital of \$31,754,604 consisting primarily of cash and cash equivalents, investments, and assets held for distribution. The Company has adequate working capital to fund its expected operating and investing activities through the next twelve months.

The Company does not have bank debt or banking credit facilities in place as at the date of this report.

Acquisitions and Dispositions

- (i) Palisade Global Investments Ltd.

On January 1, 2020, the Company completed the purchase of 100% of the issued and outstanding common shares of Palisade Global in exchange for 48,999,992 common shares of the Company with a value of \$54,537,955. At the time of the acquisition, Palisade Global held 1,170,000 common shares of Palisades Goldcorp with a value of \$1,170,000 which are recorded as treasury shares. As a result of the acquisition, the Company's ownership interests in each of the entities pre-acquisition and based on assessment of the relevant facts and circumstances, primarily the Company's ownership interests post-acquisition, board representation and control over operating, strategic and financing decisions, the Company concluded that it does have control in Victory Metals Inc., Casino Gold Corp. and Radio Fuels Resources Corp.

On April 7, 2021, pursuant to a definitive arrangement agreement, Victory Metals Inc. acquired all of the issued and outstanding shares of Nevada King Mining Ltd. by way of a statutory plan of arrangement and changed its name to Nevada King Gold Corp. ("Nevada King").

In October 2021, the Company's Board of Directors and shareholders approved a plan of arrangement in order to enable shareholders of the Company to directly benefit from the Company's equity position in Mexican Gold, Nevada King, Mainstream and Goldspot Discoveries Corp. ("Goldspot"). According to this plan of arrangement, the Company agreed to distribute the shares of these companies to its shareholders by way of a return on capital on a basis proportionate with their shareholdings in the Company and reduce the paid-up capital of its own shares by an amount equal to the fair market value of the Mexican Gold, Nevada King, Mainstream and Goldspot shares to be distributed.

As part of this plan of arrangement, the Company agreed to distribute all shares of Nevada King controlled by the Company (89,075,602 Nevada King shares) to its shareholders. The distribution of 82,449,949 Nevada King shares was completed on November 3, 2021. Upon completion of the distribution, the Company has lost control of Nevada King and therefore deconsolidated it from its consolidated financial statements for the year ended December 31, 2021.

Palisades Goldcorp Ltd.**Management's Discussion and Analysis****For the three and nine months ended September 30, 2022 and 2021**

The Company has derecognized the assets and liabilities of Nevada King, the non-controlling interest in Nevada King and contributed surplus related to the dilution gain before losing the control of Nevada King at their carrying amounts, recognized the distribution of shares as a reduction to share capital at the estimated fair value of distributed shares on November 3, 2021 of \$25,971,734 and recognized a gain on the loss of control of \$17,414,416. The fair value of Nevada King shares was determined based on the share price of Nevada King on November 3, 2021, which is considered a Level 1 measurement.

On March 14, 2022, the Company distributed the additional 6,275,653 shares of Nevada King to its shareholders. These shares had been included in assets held for distribution at December 31, 2021. The distribution resulted in a reduction in share capital of \$2,321,992 which was the estimated fair value of distributed Nevada King shares on March 14, 2022. On April 9, 2022, Palisade Global Investments Ltd. was dissolved and deconsolidated from the Company's consolidated financial statements. Prior to the dissolution, any remaining assets of Palisade Global Investments Ltd. were transferred to the Company.

(ii) New Found Gold Corp.

Palisade Global previously held an investment in New Found. In combination with the investment held directly by the Company prior to the acquisition of Palisade Global, the Company concluded that it does have control in New Found on January 1, 2020.

On June 21, 2021, it was determined that the Company has lost control of New Found. This was based on assessment of the relevant facts and circumstances, primarily the Company's ownership interests post-acquisition, board representation and control over operating, strategic and financing decisions. However, the Company maintained significant influence over New Found from June 21, 2021 to September 30, 2022 and as a result accounted for it as an investment in associate during that time period.

(iii) Godzilla Gold Corp.

On July 28, 2021, the Company completed a purchase of 62.77% of the issued and outstanding common shares of Godzilla Gold Corp. ("Godzilla") at \$1.00 per share for a total consideration paid of \$627,657. Based on the assessment of the relevant facts and circumstances, primarily the Company's ownership interest post-acquisition, board representation and control over operating, strategic and financing decisions, the Company concluded that it does have control in Godzilla as a result of the acquisition. The entire amount of the purchase price was expensed as mineral property acquisition costs.

In December 2021, the Company agreed to sell its shares of Godzilla representing 62.77% interest in Godzilla to Golden Planet Mining Corp., a company with a director and officer in common, for shares of Golden Planet Mining Corp. with an estimated fair value of \$2,510,800. As a result, the net amount of Godzilla's assets and liabilities at December 31, 2021 was classified as liabilities held for sale. The liabilities held for sale were recognized at the carrying amount at December 31, 2021. The sale was completed on January 31, 2022.

The fair value of Godzilla shares sold was determined based on the estimated fair value of Golden Planet shares received, which was based on the price of shares issued in a recent financing completed by Golden Planet in 2021, and is considered a Level 3 measurement. As a result, the Company has deconsolidated Godzilla from its consolidated financial statements and recorded a gain on sale of \$2,670,118 during the nine months ended September 30, 2022.

(iv) Golden Planet Mining Corp.

On January 1, 2021, it was determined that the Company has lost control of Golden Planet Mining Corp. ("Golden Planet"). The assessment was based on assessment of the relevant facts and circumstances, primarily the Company's ownership interest post-acquisition, board representation and control over operating, strategic and financing decisions. It has been concluded that the loss of control occurred on January 1, 2021 mainly due to a reduction in the Company's ownership of Golden Planet shares from 34.02% to 17.62% which occurred on January 1, 2021. During the year ended December 31, 2021, the Company recognized a gain on loss of control of Golden Planet in the amount of \$4,354,287.

Palisades Goldcorp Ltd.**Management's Discussion and Analysis****For the three and nine months ended September 30, 2022 and 2021**

The Company has accounted for its investment in Golden Planet as a financial asset under IFRS 9, Financial Instruments at fair value through profit or loss, during the period from January 1, 2021 to May 25, 2022. At December 31, 2021 and up to May 25, 2022, this investment was included in equity investments held by the Company.

In order to enable shareholders of the Company to directly benefit from the Company's equity position in Golden Planet, the Company agreed to distribute all shares of Golden Planet to its shareholders on a basis proportionate with their shareholdings in the Company. The distribution was approved by the Company's shareholders on May 25, 2022, and as a result the Company has reclassified its investment in Golden Planet to assets held for distribution.

(v) Goldspot Discoveries Corp

In October 2021, the Company's Board of Directors and shareholders approved a plan of arrangement in order to enable shareholders of the Company to directly benefit from the Company's equity position in Mexican Gold, Nevada King, Mainstream and Goldspot Discoveries Corp. ("Goldspot"). At December 31, 2021, included in assets held for distribution were 17,523,107 shares of Goldspot with an estimated fair value of \$16,121,258. On April 28, 2022, the Company distributed 7,328,110 shares of Goldspot to its shareholders with an estimated fair value of \$4,616,709. On June 20, 2022, the Company distributed to its shareholders the remaining 10,194,997 shares of Goldspot with an estimated fair value of \$3,772,150.

Outstanding Share Data*Share Consolidation*

Effective June 30, 2022, the Company completed a 2-for-1 share consolidation. All share and per share amounts have been retroactively restated to reflect the share consolidation.

As at September 30, 2022 and as at the date of this report, there were 49,345,977 common shares issued and outstanding.

As at September 30, 2022 and as at the date of this report, there were 732,812 stock options and 514,070 warrants outstanding.

Stock Option Plan

During the year ended December 31, 2021, Company adopted a share purchase option compensation plan that allows it to grant share purchase options to its officers, directors, employee and service providers based on the maximum number of eligible shares not exceeding 10% in the aggregate of the Company's outstanding common shares at the time of grant and granted 5,053,886 stock options to directors, officers and consultants with an exercise price of \$12.00 per share for a period of five years. The exercise price of these stock options was amended from \$12.00 to \$10.60 effective December 31, 2021. On June 30, 2022, 4,321,074 out of 5,053,886 stock options previously granted to directors and officers with an exercise price of \$10.60 were cancelled.

Related Party Transactions

All transactions with related parties have occurred in the normal course of operations and on terms and conditions that are similar to those of transactions with unrelated parties and are measured at the amount of consideration paid or received. A summary of the Company's related party transactions is as follows:

Disposition of Investments

During the nine months ended September 30, 2022, 26,593 shares of Silver Bullion SG with a fair value of \$3,000,000 was sold to the Company's Chief Executive Officer, Collin Kettell, for gross proceeds of \$3,000,000 (2021 - \$Nil). In addition, the Company sold shares of other private company investments with an aggregate fair value of \$4,912,139 to Collin Kettell for gross proceeds of \$4,912,139 (2021 - \$Nil).

Palisades Goldcorp Ltd.**Management's Discussion and Analysis**

For the three and nine months ended September 30, 2022 and 2021

There are no ongoing contractual commitments resulting from these transactions with related parties.

Key management personnel compensation

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers, or companies owned or controlled by them.

Nine months ended September 30, 2022	Position	Salaries and Consulting \$	Bonus \$	Share-based compensation \$	Total \$
Collin Kettell	Chairman and Chief Executive Officer	247,500	-	-	247,500
Bassam Moubarak	Chief Financial Officer	212,625	-	-	212,625
Gregor Gregersen	Non-executive director	54,000	-	-	54,000
Elizabeth Harrison	Non-executive director	54,000	-	-	54,000
William Hayden	Non-executive director	54,000	-	-	54,000
Total		622,125	-	-	622,125

Nine months ended September 30, 2021	Position	Salaries and Consulting \$	Bonus \$	Share-based compensation \$	Total \$
Collin Kettell	Chairman and Chief Executive Officer	135,000	4,869,200	26,256,357	31,260,557
Michael Kanevsky ¹	Former Chief Financial Officer	42,525	-	-	42,525
Philip O'Neill ¹	Former Chief Operating Officer	420,000	345,450	1,823,360	2,588,810
Craig Roberts ¹	Former Chief Technical Officer	31,500	414,540	-	446,040
Gregor Gregersen	Non-executive director	54,000	-	364,673	418,673
Elizabeth Harrison	Non-executive director	54,000	-	364,673	418,673
William Hayden	Non-executive director	54,000	-	364,673	418,673
Total		791,025	5,629,190	29,173,736	35,593,951

1. Resigned in October 2021.

Under the terms of their management agreements, certain officers of the Company are entitled to 24 months of base pay in the event of their agreements being terminated without cause.

As at September 30, 2022, \$Nil (December 31, 2021 - \$11,458,162 owed to the Chief Executive Officer, \$1,956,780 owed to the current Chief Financial Officer, \$774,200 owed to the former Chief Operating Officer and \$975,492 owed to the former Chief Technical Officer) is included in accounts payable and accrued liabilities in respect of key management compensation.

On June 30, 2022, 4,321,074 stock options previously granted to directors and officers with an exercise price of \$10.60 and an expiry date of May 21, 2026 were cancelled.

Contingent Liability

On November 15, 2019, ThreeD Capital Inc. ("ThreeD") and 1313366 Ontario Inc. ("131" and together with ThreeD, the "Plaintiffs") each entered into share purchase agreements (the "Share Purchase Agreements") with the Company under which the Company agreed to purchase the 13,500,000 Common Shares of New Found owned by ThreeD and the 4,000,000 Common Shares of New Found owned by 131 for \$0.08 per Common Share. The transactions closed on November 20, 2019.

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2022 and 2021

On March 10, 2020, ThreeD Capital Inc. and 131 filed a statement of claim in the Ontario Superior Court of Justice against Collin Kettell, New Found and the Company (the "ThreeD Claim"). Mr. Kettell is a Chairman and Chief Executive Officer of both the Company and New Found. Pursuant to the ThreeD Claim, the Plaintiffs are challenging the validity of the sale of 17,500,000 Common Shares by the Plaintiffs to the Company on November 20, 2019.

ThreeD and 131 claim that at the time of negotiation and execution of the Share Purchase Agreements, the Company and Mr. Kettell were aware of positive drill results from New Found's 2019 Drill Program and the results were not disclosed to ThreeD and 131 to their detriment. The Company and Mr. Kettell strongly deny ThreeD and 131's allegations. ThreeD and 131 have made specific claims for (a) rescission of the Share Purchase Agreements on the basis of oppression or unfair prejudice; (b) or alternatively, damages in the amount of \$21,000,000 for the alleged improper actions by ThreeD and 131, (c) a declaration that the Company and Collin Kettell, as shareholder or director and/or officer of New Found, have had acted in a manner that is oppressive, unfairly prejudicial or unfairly disregarded their interests, (d) a declaration that the Company and Collin Kettell engaged in insider trading contrary to section 138 of the *Securities Act* (Ontario), (e) unjust enrichment and (f) interests and costs. The Company and Mr. Kettell refute each of the specific claims made by the Plaintiffs.

The Company filed a statement of defence in response to the ThreeD Claim on June 12, 2020, pursuant to which, among other things, the Company denies that it is a proper party to the ThreeD Claim and the allegations against it therein, including because no relief is claimed against the Company in paragraph 1 of the ThreeD Claim.

The action has now progressed through the production of documents and oral examinations for discovery stages.

In early 2022, the Plaintiffs formally amended their statement of claim to increase the amount claimed to \$229,000,000 and to advance a direct claim of oppressive conduct against the Company. While continuing to deny any and all liability to the Plaintiffs, the Company has amended its defence to include specific denials of the new allegations of oppressive conduct against it. As a result of the amendments, the Company anticipates that further discoveries will be necessary.

The outcome of this claim cannot be determined at this time and therefore no amount has been accrued for.

Risks and Uncertainties

The risks and uncertainties described in this section are considered by management to be the most important in the context of the Company's business. The risks and uncertainties below are not inclusive of all the risks and uncertainties the Company may be subject to and other risks may exist. The Company is in the business of acquiring equity participation in pre-IPO and early stage public resource companies with undeveloped or undervalued high quality projects. The Company's investing activities are, by their nature, subject to a number of inherent risks, including liquidity, market, interest rate, currency, commodity and credit risks associated with financial instruments, all of which can have a significant impact on the Company's financial condition and results of operations. The Company is also exposed to a number of risks and uncertainties that are common to resource exploration companies. The industry is capital intensive at all stages and is subject to variations in commodity prices, market sentiment, inflation and other risks.

Risks Relating to the Company

Changes in commodity prices

The net asset value of the Company's portfolio of investments will be significantly affected by changes in the market price of commodities, and as a result, fluctuations in the price of commodities, and in particular, the price of gold, may cause significant changes to the price of the Company's shares. The price of gold and other commodities fluctuate daily and are affected by factors beyond the control of Palisades, including levels of supply and demand and industrial development, inflation and interest rates, global currency prices, geo-political events and global health pandemics. External economic factors that affect commodity prices can be influenced by changes in international investment patterns, monetary systems and political developments.

Palisades Goldcorp Ltd.**Management's Discussion and Analysis****For the three and nine months ended September 30, 2022 and 2021**

A decline in commodity prices could cause a corresponding decline in the net asset value of the Company's portfolio and the price of its shares, which may have an adverse effect on the Company's investors.

All commodities, by their nature, are subject to wide price fluctuations, and future material commodity price declines will result in a decrease in revenue for producers of such commodities and may cause a suspension or termination of production by such producers, which would, in the event such producers form part of Company's portfolio of investments, likely result in a loss of the net asset value of the Company's portfolio. Even if Company's portfolio contains a diversified base of commodity issuers, commodity markets have historically been cyclical and a general downturn in commodity prices could result in a significant decrease in the value of the Company's portfolio.

The COVID-19 pandemic, or other similar pandemics or health crises

The COVID-19 pandemic, or other similar pandemics or health crises, may significantly impact the Company. The COVID-19 global health pandemic is significantly impacting the global economy and commodity and financial markets. The full extent and impact of the COVID-19 pandemic is unknown and to date has included extreme volatility in financial markets, a slowdown in economic activity, volatility in the price of gold and other commodities and has raised the prospect of an extended global recession. As efforts have been undertaken to slow the spread of the COVID-19 pandemic, the operation and development of mining projects has been impacted. To date, a number of mining projects have been suspended as cases of COVID-19 have been confirmed, for precautionary purposes or as governments have declared a state of emergency or taken other actions. If the operation or development of any property owned or operated by one of the entities in which the Company holds an interest is suspended, it may have a material adverse impact on the net asset value of the Company's portfolio, the Company's financial condition and the price of the Company's securities. The broader impact of the COVID-19 pandemic on investors, businesses, the global economy or financial and commodity markets may also have a material adverse impact on the Company's financial conditions, the net asset value of the Company's portfolio and the price of the Company's securities.

No control over mining operations

The Company is not directly involved in the operation of the mines owned and operated by the entities in which the Company holds an interest (the "Mining Operations"). As such, the net asset value of the Company's portfolio will be dependent on the decisions, actions and operations of third-party mine owners and operators. These owners and operators generally will have the power to determine the way a property is exploited, including decisions to expand, continue or reduce or suspend or discontinue production from a property, decisions about the marketing of products extracted from the property and decisions to advance exploration efforts and conduct development of a non-producing property. The interests of third-party mine owners and operators and those of the Company in respect of a relevant project or property may not always be aligned. The inability of the Company to control the operations of entities in which it holds an interest may result in a material adverse effect on the net asset value of the Company's portfolio and its financial condition. In addition, the mine owners or operators may take action contrary to policies or objectives of the Company; have difficulty obtaining or be unable to obtain the financing necessary to move projects forward; or experience financial, operational or other difficulties, including insolvency which, in each case, may have a material adverse effect on the Company.

The Company is also subject to the risk that a specific mine or project may be put on care and maintenance or have its operations suspended, on both a temporary or permanent basis.

Issuers in which the Company holds an interest from time to time may announce transactions, including the sale or transfer of the projects the issuer holds or the issuer itself, over which the Company has no control. If such transactions are completed, there is no guarantee that the transaction will be beneficial to the Company. If any such transaction is announced, there is no certainty that such transaction will be completed, or completed as announced, and any consequences of such non-completion on the Company may be difficult or impossible to predict.

Palisades Goldcorp Ltd.**Management's Discussion and Analysis****For the three and nine months ended September 30, 2022 and 2021**

The Company is subject to the risk that Mining Operations may shut down on a temporary or permanent basis due to issues including but not limited to economic conditions, lack of financial capital, flooding, fire, weather related events, mechanical malfunctions, community or social related issues, social unrest, the failure to receive permits or having existing permits revoked, collapse of mining infrastructure, including tailings ponds, expropriation and other risks.

These issues are common in the mining industry and can occur frequently. There is a risk that the carrying values of the Company's assets may not be recoverable if Mining Operations or the operators or owners of the mining operations experience any of these issues. The exact effect on a particular issuer or mining operation of the occurrence of any of these issues cannot be predicted, but such issues may result in the Mining Operations becoming uneconomic resulting in their shutdown and closure, which may have a material and adverse effect on the Company.

No guaranteed return

The Company's investments in securities of public entities are subject to volatility in the share prices of such entities. There can be no assurance that an active trading market for any of the subject securities is sustainable. The trading prices of the subject securities could be subject to wide fluctuations in response to various factors beyond our control, including, quarterly variations in the subject entities' results of operations, changes in earnings (if any), estimates by analysts, conditions in the industry of the subject companies and general market or economic conditions. In recent years, equity markets have experienced extreme price and volume fluctuations. These fluctuations have had a substantial effect on market prices, often unrelated to the operating performance of the specific entities. Such market fluctuations could adversely affect the market price of our investments. There is no guarantee the Company's investments will earn any positive return in the short term or long term. The Company may never earn any return on its investment and may lose its entire investment. The task of identifying investment opportunities, monitoring such investments and realizing a significant return is difficult. Many organizations operated by persons of competence and integrity have been unable to make, manage and realize a return on such investments successfully. Our past performance provides no assurance of our future success.

Third-party reporting

As the holder of an equity interest, the Company may have limited access to data on the operations of an issuer or to the actual underlying properties held by any such issuer. This limited access to data or disclosure regarding operations could affect the ability of Palisades to evaluate the prospects of its investments, which could result in losses in the Company's portfolio, short term fluctuations in the value of our investments or missed investment opportunities, each of which could materially and adversely affect the Company.

Non-controlling interest

The Company investments include equity securities of entities that the Company does not control. These securities may be acquired by the Company in the secondary market or through purchases of securities from the issuer. Any such investment is subject to the risk that the entity in which the investment is made may make business, financial or management decisions with which we do not agree or that the majority stakeholders or the management of the issuer may take risks or otherwise act in a manner that does not serve our interests. If any of the foregoing were to occur, the value of the Company's investments could decrease and the financial condition could materially suffer as a result.

Strategy for acquisitions

As Palisades executes on its business plan, it intends to acquire interests in additional third parties or further its position in entities in which the Company already holds interest in. The Company cannot offer any assurance that it will be able to complete any acquisition or proposed business transactions on favourable terms or at all, or that any completed acquisitions or proposed transactions will benefit the Company. In addition, any such acquisition or other transaction may have other transaction specific risks associated with it, including risks related to the completion of the transaction,

Palisades Goldcorp Ltd.**Management's Discussion and Analysis****For the three and nine months ended September 30, 2022 and 2021**

the project operators or the jurisdictions in which assets may be acquired. Additionally, the Company may from time to time consider opportunities to restructure its equity investments where it believes such a restructuring may provide a long-term benefit to the Company, even if such restructuring may reduce near-term value or result in the Company incurring transaction related costs.

Due diligence

The due diligence process that the Company undertakes in connection with its investments may not reveal all facts that may be relevant in connection with an investment. Before making investments, the Company conducts due diligence that the Company deems reasonable and appropriate based on the facts and circumstances applicable to each investment. When conducting due diligence, the Company may be required to evaluate important and complex business, financial, tax, accounting, environmental and legal issues. Outside consultants, legal advisors, accountants and investment banks may be involved in the due diligence process in varying degrees depending on the type of investment. Nevertheless, when conducting due diligence and making an assessment regarding an investment, the Company relies on the resources available to the Company, including information provided by the target of the investment and, in some circumstances, third-party investigations. The due diligence investigations with respect to any investment opportunity may not reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment opportunity. Moreover, such an investigation will not necessarily result in the investment ultimately being successful for the Company. In the event that our due diligence process does not reveal material issues with respect to a proposed investment, and the Company proceeds with the investment, the investment may not be beneficial to us and the Company could lose its entire investment.

Private issuers and illiquid securities

From time to time, the Company may invest in private issuers whose securities do not trade on any public exchange. Investments in private issuers are subject to numerous re-sale restrictions and there may not be any market for these securities. These limitations may impair our ability to react quickly to market conditions or negotiate the most favourable terms for exiting such investments and do not represent a readily available source of capital for us.

Investments in private issuers may offer relatively high potential returns but will also be subject to a relatively high degree of risk. There can be no assurance that a market will develop for any of our private company investments or that we will otherwise be able to realize a return on such investments.

The value attributed to securities of a private issuer (which is typically initially recorded at the transaction value, being the fair value at the time of acquisition, and is thereafter subject to adjustment in accordance with our accounting policies) may not reflect the amount for which they can be sold. Because valuations, and in particular valuations of investments for which market quotations are not readily available, are inherently uncertain, may fluctuate within a short period of time and may be based on estimates, determinations of fair value may differ materially from the values that would have resulted if a ready market had existed for the investments, and such determined fair value could be higher than the value the market ultimately ascribes to such investments.

The Company also holds illiquid securities of public issuers. A considerable period of time may elapse between the time a decision is made to sell such securities and the time we are able to do so, and the value of such securities could materially decline during such period. Illiquid investments are subject to various risks, particularly the risk that we will be unable to realize our investment objectives by sale or other disposition at attractive prices or otherwise be unable to complete any exit from the investment.

In some cases, the Company may be prohibited by contract or by law from selling such securities for a period of time or otherwise be restricted from disposing of such securities, which could materially and adversely affect our ability to profitably liquidate such investments.

The Company may also make direct investments in publicly-traded securities that have low trading volumes. Accordingly, it may be difficult for us to make trades in these securities without adversely affecting the price of such securities, which could harm the profitability of our investment in such securities.

Palisades Goldcorp Ltd.**Management's Discussion and Analysis****For the three and nine months ended September 30, 2022 and 2021**

Change in material investments

From time to time the Company may make investments that are disproportionately material to the Company's portfolio. As of the date of this MD&A, the Company's success is largely dependent on its investment in New Found Gold. Any adverse development affecting the operation of, production from or recoverability of mineral reserves from the properties owned or operated by New Found Gold, or other issuers in which we have a material investment, such as, but not limited to, unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage or the inability to secure supply agreements on commercially suitable terms, may have a material adverse effect on the net asset value of Palisades' portfolio and the financial condition of Palisades.

Negative cash flow from operating activities

The Company had negative cash flow from operating activities during its most recently completed financial year. The mining Operations are in the exploration stage and there are no known mineral resources or reserves and the proposed exploration programs with respect to the Mining Operations are exploratory in nature. There is no assurance that any of the Mining Operations will generate earnings, operate profitably or provide a return on the Company's investment in the future. Accordingly, the Company may continue to operate at a loss and may be required to obtain additional financing in order to meet its future cash commitments.

Dependence on key personnel

Palisades is dependent on the services of a small number of key management personnel. The ability of Palisades to manage its activities and its business will depend in large part on the efforts of these individuals. There can be no assurance that Palisades will be successful in engaging or retaining key personnel. The loss of the services of a member of the management of Palisades could have a material adverse effect on the Company. From time to time, Palisades may also need to identify and retain additional skilled management and specialized technical personnel to efficiently operate its business. The number of persons skilled in the acquisition of equity investments in entities that own or operate mines or mineral properties is limited and competition for such persons is intense. Recruiting and retaining qualified personnel is critical to the success of Palisades and there can be no assurance that Palisades will be successful in recruiting and retaining the personnel it needs to successfully operate its business. If Palisades is not successful in attracting and retaining qualified personnel, the ability of Palisades to execute on its business model and strategy could be affected, which could have a material and adverse impact on its profitability, results of operations and financial condition.

Conflicts of interest

As part of the Company's business plan, from time to time, the Company may invest in issuers with which its directors and officers are affiliated, whether as directors, officers, promoters, founders, significant shareholders or otherwise. Further, most of the Company's directors and officers do not devote their full time to the affairs of the Company and also serve as directors or officers of other public companies.

In such instances, there exists the possibility for such directors and officers to be in a position where there is a conflict of interest between their personal interests or their duties to such other issuer, and their duties to the Company. For example, Collin Kettell, CEO and director of Palisades, is the Founder, CEO and Executive Chairman of New Found Gold, in which the Company has made a substantial investment. Mr. Moubarak, CFO of Palisades, also provides consulting services to New Found Gold through BM Strategic. Such conflicts of interest may compromise the Company's ability to exit certain investments, or engage in new investment opportunities, which may result in a material adverse effect on the net asset value of our investment portfolio or our financial condition.

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2022 and 2021

Global financial conditions

Events in global financial markets in the past several years have had a profound impact on the global economy. Many industries, including the mining industry, have been and continue to be impacted by these market conditions. Some of the key impacts of the current financial market turmoil include contraction in credit markets resulting in a widening of credit risk, devaluations, high volatility in global equity, commodity, foreign exchange and precious metal markets and a lack of market confidence and liquidity. A slowdown in the financial markets or other economic conditions, including but not limited to, consumer spending, employment rates, business conditions, inflation, fuel and energy costs, consumer debt levels, lack of available credit, the state of the financial markets, interest rates and tax rates, may adversely affect our growth and the net asset value of our portfolio. A number of issues related to economic conditions could have a material adverse effect on our business, financial condition and the net asset value of our portfolio, including: (a) contraction in credit markets could impact the cost and availability of financing for the Company and the issuers the Company invests in and the Company's and their overall liquidity; (b) the volatility of commodity prices impacts the revenues, profits, losses and cash flow of the issuers that the Company invests in and, consequently, the net asset value of the Company's portfolio and its financial condition; (c) recessionary pressures could adversely impact demand for metal production, which could adversely affect the net asset value of the Company's portfolio and its financial condition; (d) volatile energy, commodity and consumables prices and currency exchange rates could impact the production costs of the issuers that the Company invests in, and consequently, the net asset value of the Company's portfolio and its financial condition; and (e) the devaluation and volatility of global stock markets could impact the valuation of the Company's equity and other securities and potentially limit the ability to complete offerings of the Company's securities. The COVID-19 pandemic and any future emergence and spread of similar pathogens could have an adverse impact on global economic conditions which may adversely impact the operations of the issuers that we invest in, and the demand for their production, which could have a material adverse effect on our business.

Inflation

The operating costs of the issuers we invest in could escalate and become uncompetitive due to supply chain disruptions, inflationary cost pressures, equipment limitations, escalating supply costs, commodity prices and additional government intervention through stimulus spending or additional regulations and any inability to manage these costs may impact, among other things, future development decisions, which could have a material adverse impact on such issuer's financial performance and ultimately adversely impact the financial condition of Palisades.

Natural disasters, terrorist acts, civil unrest, pandemics and other disruptions

Natural disasters, terrorist acts, civil unrest, pandemics and other disruptions, such as the recent COVID-19 pandemic and the ongoing conflict in Ukraine, including global response to such events as it relates to sanctions, quarantines, trade embargos and military support, may adversely affect Palisades or the issuers in which the Company invests. Upon the occurrence of a natural disaster, or upon commencement of war, riot or civil unrest, the impacted country, province, state or region may not efficiently and quickly recover from such event, which could have a material adverse effect on Palisades to the extent that Palisades has invested in issuers with investments in such country, province, state or region. Terrorist attacks, public health crises, including epidemics, pandemics or outbreaks of new infectious disease or viruses, domestic and global trade disruptions, infrastructure disruptions, civil disobedience or unrest, natural disasters, national emergencies, acts of war, technological attacks and related events can result in volatility and disruption to local and global supply chains, operations, mobility of people and the financial markets, which could affect interest rates, credit ratings, credit risk, inflation, business, financial conditions, results of operations and other factors relevant to Palisades and/or its investments, all of which may have a material adverse effect on the net asset value of Palisades' portfolio, Palisades' financial condition and the price of Palisades' shares. The ongoing conflict in Ukraine has resulted in significant uncertainty as well as economic and supply chain disruptions and should this conflict go on for an extended period of time, expand beyond Ukraine, or should other geopolitical disputes and conflicts emerge in other regions, this could result in material adverse effects for Palisades.

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2022 and 2021

Future financing; future securities issuances

There can be no assurance that Palisades will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could impede Palisades' investment strategy or result in delay or postponement of Palisades' business activities, which may result in a material and adverse effect on Palisades' financial condition, the value of its portfolio or the price of its shares. Palisades may require new capital to continue to grow its business and there are no assurances that capital will be available when needed, if at all. In the event that Palisades is required to raise additional capital through issuance of its shares, or securities convertible into or exchangeable for its shares, such issuance will result in dilution to existing shareholders.

Litigation affecting properties owned by entities in which Palisades has an interest in

Potential litigation may arise on a mine or mineral property owned or operated by an entity in which Palisades holds an interest (for example, litigation between joint venture partners or between operators and original property owners or neighbouring property owners). Palisades will not generally have any influence on the litigation and will not generally have access to data or information regarding the litigation. Any such litigation that results in the cessation or reduction of production from a property (whether temporary or permanent) could have a material and adverse effect on the net asset value of Palisades' portfolio, its financial condition and the price of Palisades' shares.

Changes in tax laws impacting Palisades

There can be no assurance that new tax laws, regulations, policies or interpretations will not be enacted or brought into being in the jurisdictions in which Palisades operates or in the jurisdictions of the mines and mineral properties owned or operated by entities in which Palisades has an interest, in each case which could have a material adverse effect on Palisades. Additionally, no assurance can be given that existing taxation rules will not be applied in a manner which could result in Palisades being subject to additional taxation or which could otherwise have a material adverse effect on the net asset value of Palisades' portfolio or its financial condition. In addition, the introduction of new tax rules or accounting policies, or changes to, or differing interpretations of, or application of, existing tax rules or accounting policies could make equity investments or other investments by Palisades less attractive to counterparties. Such changes could adversely affect the ability of Palisades to acquire new assets or make future investments.

Information systems and cyber security

Palisades' information systems (including those of any of its counterparties) may be vulnerable to the increasing threat of continually evolving cybersecurity risks. Unauthorized parties may attempt to gain access to these systems or Palisades' information through fraud or other means of deception. Palisades' operations depend, in part, on how well Palisades (as well as its counterparties) protect networks, equipment, information technology systems and software against damage from threats. The failure of information systems or a component of information systems could, depending on the nature of any such failure, adversely impact Palisades' reputation and financial condition. Although to date Palisades has not experienced any losses relating to cyber-attacks or other information security breaches, there can be no assurance that Palisades or its counterparties will not incur such losses in the future. Palisades' risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage or unauthorized access remain an area of attention.

Activist shareholders

Publicly traded companies are often subject to demands or publicity campaigns from activist shareholders advocating for changes to corporate governance practices, such as executive compensation practices, social issues, or for certain corporate actions or reorganizations. There can be no assurance that Palisades will not be subject to any such campaign, including proxy contests, media campaigns or other activities. Responding to challenges from activist shareholders can be costly and time consuming and may have an adverse effect on Palisades' reputation.

Palisades Goldcorp Ltd.**Management's Discussion and Analysis**

For the three and nine months ended September 30, 2022 and 2021

In addition, responding to such campaigns would likely divert the attention and resources of Palisades' management and Board, which could have an adverse effect on Palisades' business and results of operations. Even if Palisades were to undertake changes or actions in response to activism, activist shareholders may continue to promote or attempt to effect further changes and may attempt to acquire control of Palisades. If shareholder activists are ultimately elected to the Board, this could adversely affect Palisades' business and future operations. This type of activism can also create uncertainty about Palisades' future strategic direction, resulting in loss of future business opportunities, which could adversely affect Palisades' business, future operations, profitability and Palisades' ability to attract and retain qualified personnel.

Reputation damage

Reputational damage can be the result of the actual or perceived occurrence of any number of events, and could include negative publicity, whether true or not. While Palisades does not ultimately have direct control over how it is perceived by others, reputational loss could have a material adverse impact on our financial performance, financial condition and growth prospects.

Expansion of business model

Palisades' business has been focused on the acquisition and management of interests in entities that own or operate mines and mineral properties. However, Palisades may pursue acquisitions outside this area, including, without limitation, engaging in stream financing or engaging in investments in mining services businesses. Expansion of Palisades' activities into new areas would present challenges and risks that it has not faced in the past. The failure to manage these challenges and risks successfully may result in a material and adverse effect on Palisades' results of operations, financial condition and the price of Palisades' Common Shares.

Risks Related to Mines and Mining Operations*Risk factors applicable to entities in which Palisades holds an interest*

Palisades will be subject to many of the same risk factors applicable to the owners and operators of any mine as a result of its junior mining investment portfolio. In the event that any of these risks should materialize, the value of Palisades' investment portfolio, its financial condition and/or the price of its shares may be materially and adversely affected.

Exploration, development and operating risks

Mining involves a high degree of risk. Mines and projects owned and operated by entities in which Palisades has or may acquire an equity interest are subject to all of the hazards and risks normally encountered in the exploration, development and production of metals, including weather-related events, unusual and unexpected geology formations, seismic activity, rock bursts, cave-ins, pit-wall failures, flooding, environmental hazards and the discharge of toxic chemicals, explosions and other conditions involved in the drilling, blasting and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to property, injury or loss of life, environmental damage, work stoppages, delays in production, increased production costs and possible legal liability. Any of these hazards and risks and other acts of God could shut down Mining Operations temporarily or permanently. Mining Operations are subject to hazards such as equipment failure or failure of retaining dams around tailings disposal areas which may result in environmental pollution and consequent liability for the owners or operators of the Mining Operations.

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2022 and 2021

The exploration for, development, mining and processing of mineral deposits involves significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Major expenditures may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the exploration or development programs planned by the owners or operators of Mining Operations will result in profitable commercial Mining Operations. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: cash costs associated with extraction and processing, the particular attributes of the deposit, such as size, grade and proximity to infrastructure; metal prices which are highly cyclical; government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection; and political stability. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in one or more of the Mining Operations not receiving an adequate return on invested capital. Accordingly, there can be no assurance the Mining Operations which are not currently in production will be brought into a state of commercial production.

Climate Change

Climate change legislation and treaties are being introduced more frequently by governments globally. Regulation in respect of emission levels and the efficient use of energy is becoming more stringent. Continuation of the current regulatory trend in respect of climate change could have the impact of increasing costs at those mines and mineral properties owned and operated by entities in which Palisades has an interest. Climate change could produce adverse impacts to underlying Mining Operations through the disruption of Mining Operations and their associated resource supply lines because of extreme weather events and natural disasters. There can be no assurance that efforts to mitigate risks from climate change can be effective and that physical risks resulting from climate change will not have an adverse impact on Mining Operations.

Environmental Risks

All phases of mine operation or development are subject to governmental regulation including environmental regulation in the various jurisdictions 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 heightened 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 mines and mineral properties owned or operated by entities in which Palisades has an interest. Also, unknown environmental hazards may exist on the properties at present which were caused by previous or existing owners or operators of the properties and which could impair the commercial success, levels of production and continued feasibility and project development and mining operations on these properties.

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 or development 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 for violations of applicable laws or regulations.

Government regulation, permits and authorizations

The exploration and development activities related to mine operations are subject to extensive laws and regulations governing exploration, development, production, exports, taxes, labour standards, waste disposal, protection and remediation of the environment, reclamation, historic and cultural resources preservation, mine safety and occupational health, handling, storage and transportation of hazardous substances and other matters.

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2022 and 2021

The costs of discovering, evaluating, planning, designing, developing, constructing, operating and closing specific mine operations in compliance with such laws and regulations are significant. It is possible that the costs and delays associated with compliance with such laws and regulations could become such that the owners or operators of mines or projects would not proceed with the development of, or continue to operate, a mine. Moreover, it is possible that future regulatory developments, such as increasingly strict environmental protection laws, regulations and enforcement policies thereunder and claims for damages to property and persons resulting from mining operations could result in substantial costs and liabilities for the owners or operators of mines or projects in the future such that they would not proceed with the development of, or continue to operate, a mine.

Government approvals, licences and permits are currently, and will in the future 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 Palisades. 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 mining companies, or more stringent implementation thereof, could have a material adverse impact on 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.

Permitting and access

The operation of a mine or project is subject to receipt and maintenance of permits from appropriate governmental authorities. The mines and projects owned or operated by entities in which Palisades has an interest may be subject to delays in connection with obtaining access to the property and all necessary renewals of permits for 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 these properties, permits from appropriate governmental authorities may be required. There can be no assurance that the owners or operators of the mines or projects will continue to hold all permits necessary to develop or continue operating at any particular property.

Infrastructure

Natural resource exploration, development and mining activities are dependent on the availability of mining, drilling and related equipment in the particular areas where such activities are conducted. A limited supply of such equipment or access restrictions may affect the availability of such equipment to the owners and operators of mines or projects and may delay exploration, development or extraction activities. Certain equipment may not be immediately available or may require long lead time orders. The lack of availability on acceptable terms or the delay in the availability of any one or more of these items could prevent or delay exploration, development or production at a mine or project. Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect operations at a mine or project.

Dependence on operator's employees

Production from the properties owned or operated by entities in which Palisades holds an interest depends on the efforts of operators' employees. There is competition for persons with mining expertise. The ability of the owners and operators of such properties to hire and retain geologists and persons with mining expertise is key to those operations. Further, relations with employees may be affected by changes in the scheme of labour relations that may be introduced by the relevant governmental authorities in the jurisdictions in which those operations are conducted. Changes in such legislation or otherwise in the relationships of the owners and operators of such properties with their employees may result in strikes, lockouts or other work stoppages, any of which could have a material adverse effect on such operations.

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2022 and 2021

If these factors cause the owners and operators of such properties to decide to cease production at one or more of the properties, such decision could have a material adverse effect on the business and financial condition of Palisades.

Risks related to mineral reserves and resources

The mineral reserves and resources on properties owned by entities that Palisades holds or may hold an interest in are estimates only, and no assurance can be given that the estimated reserves and resources are accurate or that the indicated level of minerals will be produced. Such estimates are, in large part, based on interpretations of geological data obtained from drill holes and other sampling techniques. Actual mineralization or formations may be different from those predicted by the owners or operators of the properties. Further, it may take many years from the initial phase of drilling before production is possible and, during that time, the economic feasibility of exploiting a discovery may change. Market price fluctuations of commodities, as well as increased production and capital costs or reduced recovery rates, may render the proven and probable reserves on properties owned and operated by entities in which Palisades holds an interest unprofitable to develop at a particular site or sites for periods of time or may render reserves containing relatively lower grade mineralization uneconomic. Moreover, short-term operating factors relating to the reserves, such as the need for the orderly development of ore bodies or the processing of new or different ore grades, may cause reserves to be reduced or not extracted. Estimated reserves may have to be recalculated based on actual production experience. The economic viability of a mineral deposit may also be impacted by other attributes of a particular deposit, such as size, grade and proximity to infrastructure; by governmental regulations and policy relating to price, taxes, royalties, land tenure, land use permitting, the import and export of minerals and environmental protection; and by political and economic stability.

Resource estimates in particular must be considered with caution. Resource estimates for properties that have not commenced production are based, in many instances, on limited and widely spaced drill holes or other limited information, which is not necessarily indicative of the conditions between and around drill holes. Such resource estimates may require revision as more drilling or other exploration information becomes available or as actual production experience is gained. Further, resources may not have demonstrated economic viability and may never be extracted by the operator of a property.

It should not be assumed that any part or all of the mineral resources on properties owned or operated by entities in which Palisades holds or may hold an interest in constitute or will be converted into reserves. Any of the foregoing factors may require operators to reduce their reserves and resources, which may have a material adverse effect on Palisades' business, results of operations and financial condition.

Depleted mineral reserve replacement

A mining company operating a specific mine will be required to replace and expand mineral reserves depleted by a mine's production to maintain production levels over a long-term. It is possible to replace depleted mineral reserves by expanding known ore bodies through exploration, locating new deposits or acquiring new mines or projects. Mineral exploration is highly speculative in nature. It can take several years to develop a potential site of mineralization. There is no assurance that current or future exploration programs conducted by mining issuers in which Palisades holds an interest will be successful in replacing mining depletion. There is a risk that the depletion of mineral reserves owned by issuers in which Palisades holds an interest will not be replenished by discoveries or acquisitions, which, over time, could reduce the value of Palisades' investment portfolio.

Uninsured risks

The mining industry is subject to significant risks that could result in damage to, or destruction of, mineral properties or producing facilities, personal injury or death, environmental damage, delays in mining, monetary losses and possible legal liability. Mining companies may or may not maintain insurance in adequate amounts, including insurance for workers' compensation, theft, general liability, all risk property, automobile, directors and officer's liability and fiduciary liability and others. Such insurance, however, contains exclusions and limitations on coverage.

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2022 and 2021

Accordingly, a mining company's insurance policies may not provide coverage for all losses related to their business (and may not cover environmental liabilities and losses). The occurrence of losses, liabilities or damage not covered by such insurance policies could have a material adverse effect on the mining companies' profitability, results of operations and financial condition.

Land title

Although title to specific mines or projects may have been reviewed by or on behalf of Palisades in connection with its investment, no assurances can be given that there are no title defects affecting the properties and mineral claims owned or used by specific mines or projects. Companies may not have conducted surveys of the claims in which they hold direct or indirect interests; therefore, the precise area and location of such claims may be in doubt. It is possible that a specific mine or project may be subject to prior unregistered liens, agreements, transfers or claims, including native land claims, and title may be affected by, among other things, undetected defects. In addition, mining companies may be unable to operate the specific mine or project as permitted or to enforce their rights with respect to that specific mine or project which may ultimately impair the value of Palisades' investment in such mining companies.

First Nations land claims

Certain mines or mineral properties owned and operated by entities in which the Company has an interest may now or in the future be the subject of First Nations land claims. The legal nature of First Nations land claims is a matter of considerable complexity. Additional uncertainty has arisen due to the decision of the Supreme Court of Canada in *Tsilhqot'in Nation v. British Columbia* (2014 SCC 44), which recognized the Tsilhqot'in Nation as holding aboriginal title to approximately 1,900 square kilometres of territory in the interior of British Columbia. This decision represents the first successful claim for aboriginal title in Canada and may lead other First Nations in British Columbia to pursue aboriginal title in their traditional land-use areas.

The impact of any such claim on the mineral properties of entities in which the Company has an interest cannot be predicted with any degree of certainty and no assurance can be given that a broad recognition of First Nations rights, by way of negotiated settlements or judicial pronouncements, affecting issuers in which the Company has an interest would not have an adverse effect on the value of the Company's investment portfolio or financial condition.

In addition, there is no assurance that any such issuer will be able to maintain practical working relationships with First Nations.

Indigenous peoples

Various international and national laws, codes, resolutions, conventions, guidelines, and other materials relate to the rights of indigenous peoples. Palisades holds interests in entities that own and operate mines or mineral properties located in areas presently or previously inhabited or used by indigenous peoples. There may be certain obligations on the government to consult with indigenous people regarding actions which may affect indigenous people, including actions to approve or grant mining rights or permits. The obligations of government and private parties under the various international and national materials pertaining to indigenous people continue to evolve and be defined. From time to time, Palisades may hold interests in entities with properties that are subject to the opposition of one or more groups of indigenous people who oppose the operation, further development, or new development on such project. Such opposition may be directed through legal or administrative proceedings or protests, roadblocks or other forms of public expression against the Company or the owner/operators' activities.

Opposition by indigenous people to such activities may require modification of or preclude operation or development of projects or may require the entering into of agreements with indigenous people. Claims and protests of indigenous people may disrupt or delay activities of the owners/operators of Palisades' equity interest.

Palisades Goldcorp Ltd.**Management's Discussion and Analysis****For the three and nine months ended September 30, 2022 and 2021**

International interests

The Company may from time to time make investments in entities with projects or properties located outside of Canada, and could be exposed to political, economic or other risks or uncertainties as a result. These types of risks or uncertainties may differ between countries and can include but are not limited to, terrorism, hostage taking, military repression, crime, political instability, currency controls, fluctuations in currency exchange rates, inflation rates, labour unrest, risk of war or civil unrest, expropriation and nationalization, renegotiation or nullification of mining or mineral concessions, licenses, permits, authorizations and contracts, illegal mining or mineral exploration, taxation changes, modifications, amendments or changes to mining and mineral laws, regulations, policies, and changes to government regulations in respect of foreign investment and mining.

Changes, if any, in mining or investment policies or shifts in political attitude may adversely affect the operations or profitability of the Mining Operations in these countries. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, income taxes, expropriation of property, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use, mine safety and the rewarding of contracts to local contractors or requiring foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction or the imposition of additional local or foreign parties as joint venture partners with carried or other interests. Failure to comply strictly with applicable laws, regulations and local practices relating to mineral right applications and tenure, could result in loss, reduction or expropriation, cancellation or dispute of licenses or entitlements which could result in substantial costs, losses and liabilities in the future.

The occurrence of these various factors and uncertainties related to the economic and political risks for operations in foreign jurisdictions cannot be accurately predicted and could have an adverse effect on the Mining Operations resulting in substantial costs, losses and liabilities in the future.

Permitting, construction and development

Palisades may hold interests in entities with mines and projects that may be in various stages of permitting, construction, development and expansion. Construction, development and expansion of such mines or projects is subject to numerous risks, including, but not limited to: delays in obtaining equipment, materials, and services essential to completing construction of such projects in a timely manner; delays or inability to obtain all required permits; changes in environmental or other government regulations; currency exchange rates; labour shortages; and fluctuation in metal prices. There can be no assurance that the owners or operators of such mines or projects will have the financial, technical and operational resources to complete the permitting, construction, development and expansion of such mines or projects in accordance with current expectations or at all.

Critical Accounting Policies

Refer to the most recent annual consolidated financial statements for description of accounting policies used by the Company. There have been no changes in accounting policies since December 31, 2021.

Critical accounting judgments, estimates and assumptions

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the consolidated statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these judgments, estimates and assumptions could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Palisades Goldcorp Ltd.**Management's Discussion and Analysis****For the three and nine months ended September 30, 2022 and 2021**

In preparing these condensed consolidated interim financial statements, the significant estimates and critical judgments were the same as those applied to the annual financial statements as at and for the year ended December 31, 2021.

Initial application of standards, interpretations and amendments to standards and interpretations in the reporting period

The IASB issued certain new accounting standards or amendments that are mandatory for accounting periods on or after January 1, 2022, including amendments to IAS 16 Property, Plant and Equipment and IAS 37 Provisions, Contingent Liabilities and Contingent Assets – onerous contracts. The effect of such new accounting standards or amendments did not have a material impact on the Company and therefore the Company did not record any adjustments to its consolidated financial statements.

New and amended IFRS standards not yet effective

New accounting standards, amendments to accounting standards and interpretations that are effective for annual periods beginning on or after September 30, 2022, including the amendments to IAS 1 Presentation of Financial Statements – classification of liabilities as current or non-current and IAS 1 Presentation of Financial Statements – IFRS Practice Statement 2 – disclosure of accounting policies, have not been applied in preparing these condensed interim financial statements for the period ended September 30, 2022. These standards and interpretations are not expected to have a material impact on the Company's consolidated financial statements.

Financial Risk Management

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management processes.

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 is not exposed to significant credit risk on its cash and cash equivalents since they are placed with major financial institutions that have high credit ratings. The credit risk exposure of the Company's investments are represented by their values disclosed.

There have been no changes in management's methods for managing credit risk since December 31, 2021.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has in place a planning and budgeting process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives. The Company generates cash flow primarily from proceeds from the disposition of its investments and interest income. The Company invests in junior resource companies, which can at times be relatively illiquid. If the Company decides to dispose of securities of a particular issuer, it may not be able to do so at the time at favourable prices, or at all. Additionally, the amounts at which the Company's private company investments could be disposed of currently may differ from their carrying values since there is no active market to dispose of these investments. The Company has also relied on the issuance of shares to fund its activities and may require doing so again in the future.

There were no changes in management's methods for managing liquidity risk since December 31, 2021.

The Company has \$166,666 (December 31, 2021 - \$15,270,442) in accounts payable and accrued liabilities that are due within one year of the date of the statement of financial position.

Palisades Goldcorp Ltd.**Management's Discussion and Analysis****For the three and nine months ended September 30, 2022 and 2021**

Market risk

Market risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will significantly fluctuate due to changes in market prices. The value of the financial instruments can be affected by changes in interest rates, foreign exchange rates, and equity and commodity prices. The Company is focused on junior companies in the resource and mining sector. Changes in the future pricing and demand of these commodities can have a material impact on the market value of the investments. The nature of such investments is normally dependent on the invested company being able to raise additional capital to further development and to determine the commercial viability of its resource properties. The value of each investment is also influenced by the outlook of the issuer and by general economic and political conditions.

Management mitigates the risk of loss resulting from this concentration by monitoring the trading value of the investments on a regular basis. All securities present a risk of loss of capital. The maximum risk resulting from financial instruments is equivalent to their fair value.

There were no changes in management's methods for managing market risk since December 31, 2021. The Company manages market risk by having a portfolio that is not singularly exposed to any one issuer, although the Company's investment activities are concentrated on junior companies in the resource and mining sector. The Company also requires approval from the board of directors for purchases of investments over a certain cost threshold. A 5% change in the future pricing and trading value of the Company's investments (with all other variables held constant) as at September 30, 2022, would change the value of investments with a corresponding change in total comprehensive (loss) income by \$949,742 (December 31, 2021 - \$4,443,952).

(i) 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. The Company is not exposed to significant interest rate risks.

(ii) Foreign exchange risk

Foreign 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 may have financial instruments denominated in foreign currencies such as the U.S. dollar and the Australian dollar. A change in the foreign exchange rate of the Canadian dollar versus another currency may increase or decrease the value of its financial instruments.

The Company does not hedge its exposure to fluctuations in foreign exchange rates.

There were no changes in management's methods for managing currency risk since December 31, 2021.

A 5% change in the exchange rate of the Company's investments held in foreign currencies relative to the Canadian dollar would change the value of investments with a corresponding change in total comprehensive (loss) income by \$89,600 (December 31, 2021 - \$1,634,154).

Fair value

The Company's financial assets consist of cash and cash equivalents, investments, interest and accounts receivable and convertible notes. The carrying values of cash and cash equivalents, investments, interest and accounts receivable, convertible notes and accounts payable approximate their fair values due to the short-term maturity of these financial instruments.

Palisades Goldcorp Ltd.**Management's Discussion and Analysis****For the three and nine months ended September 30, 2022 and 2021**

Capital management

The Company manages its cash and common shares as capital. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its technology and products and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash. The Company's investment policy is to keep its cash treasury on deposit in an interest bearing Canadian chartered bank account. The Company will require capital resources to carry its plans and operations through its current operating period. The Company is not subject to externally imposed capital requirements. There were no changes in management's approach to capital management during the nine months ended September 30, 2022.

Cautionary Notes Regarding Forward-Looking Statements

This MD&A contains forward looking statements which reflect management's expectations regarding the Company's future growth, results from operations (including, without limitation, statements about the Company's opportunities, strategies, competition, expected activities and expenditures as the Company pursues its business plan, the adequacy of the Company's available cash resources and other statements about future events or results), performance (both operational and financial) and business prospects, future business plans and opportunities. Wherever possible, words such as "predicts", "projects", "targets", "plans", "expects", "does not expect", "budget", "scheduled", "estimates", "forecasts", "anticipate" or "does not anticipate", "believe", "intend" and similar expressions or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, or the negative or grammatical variation thereof or other variations thereof, or comparable terminology have been used to identify forward-looking statements.

These forward-looking statements include, among other things, statements relating to; the Company's future business plans; expectations regarding the ability to raise further capital; the market price of gold; expectations regarding any environmental issues that may affect planned or future exploration and development programs and the potential impact of complying with existing and proposed environmental laws and regulations; the ability to retain and/or maintain any require permits, licenses or other necessary approvals for the exploration or development of its mineral properties; government regulation of mineral exploration and development operations; the Company's compensation policy and practices; the Company's expected reliance on key management personnel, advisors and consultants; effects of the novel COVID-19 outbreak as a global pandemic.

Forward-looking statements are not a guarantee of future performance and is based upon a number of estimates and assumptions of management in light of management's experience and perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances, without limitation, assumptions about: the ability to raise any necessary additional capital on reasonable terms; future prices of gold and other metal prices; the timing and results of exploration and drilling programs; the demand for, and price of gold; that general business and economic conditions will not change in a material adverse manner; future currency exchange rates and interest rates; operating conditions being favourable such that the Company is able to operate in a safe, efficient and effective manner; the Company's ability to attract and retain skilled personnel; political and regulatory stability; the receipt of governmental, regulatory and third-party approvals, licenses and permits on favourable terms; obtaining required renewals for existing approvals, licenses and permits on favourable terms; requirements under applicable laws; sustained labour stability; stability in financial and capital goods markets; expectations regarding the level of disruption to exploration activities as a result of COVID 19; availability of equipment.

Furthermore, such forward-looking information involves a variety of known and unknown risks, uncertainties and other factors which may cause the actual plans, intentions, activities, results, performance or achievements of the Company to be materially different from any future plans, intentions, activities, results, performance or achievements expressed or implied by such forward-looking statements.

Palisades Goldcorp Ltd.**Management's Discussion and Analysis**

For the three and nine months ended September 30, 2022 and 2021

Such risks include, without limitation: the Company may fail to find a commercially viable deposit at any of its mineral properties; there are no resources or mineral reserves on any of the properties in which the Company has an interest; the Company's plans may be adversely affected by the Company's reliance on historical data compiled by previous parties involved with its mineral properties; mineral exploration and development are inherently risky; the mineral exploration industry is intensely competitive; additional financing may not be available to the Company when required or, if available, the terms of such financing may not be favourable to the Company; fluctuations in the demand for gold; the Company may not be able to identify, negotiate or finance any future acquisitions successfully, or to integrate such acquisitions with its current business; the Company's exploration activities are dependent upon the grant of appropriate licenses, concessions, leases, permits and regulatory consents, which may be withdrawn or not granted; the Company's operations could be adversely affected by possible future government legislation, policies and controls or by changes in applicable laws and regulations; there is no guarantee that title to the properties in which the Company has a material interest will not be challenged or impugned; the Company faces various risks associated with mining exploration that are not insurable or may be the subject of insurance which is not commercially feasible for the Company; public health crises such as the COVID-19 pandemic may adversely impact the Company's business; the volatility of global capital markets over the past several years has generally made the raising of capital more difficult; compliance with environmental regulations can be costly; social and environmental activism can negatively impact exploration, development and mining activities; the success of the Company is largely dependent on the performance of its directors and officers; the Company's operations may be adversely affected by First Nations land claims; the Company and/or its directors and officers may be subject to a variety of legal proceedings, the results of which may have a material adverse effect on the Company's business; the Company may be adversely affected if potential conflicts of interests involving its directors and officers are not resolved in favour of the Company; the Company's future profitability may depend upon the world market prices of gold; there is no existing public market for the Company's securities and an active and liquid one may never develop, which could impact the liquidity of the Company's securities; dilution from future equity financing could negatively impact holders of the Company's securities; failure to adequately meet infrastructure requirements could have a material adverse effect on the Company's business; the Company's projects now or in the future may be adversely affected by risks outside the control of the Company; the Company is subject to various risks associated with climate change; other factors discussed under "*Risk and Uncertainties*".

Although the Company has attempted to identify important factors that could cause actual actions, events, conditions, results, performance or achievements to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events, conditions, results, performance or achievements to differ from those anticipated, estimated or intended.

The Company cautions that the foregoing lists of important assumptions and factors are not exhaustive. Other events or circumstances could cause actual results to differ materially from those estimated or projected and expressed in, or implied by, the forward-looking statements contained herein. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking statements.

Forward-looking statements contained herein are made as of the date of this MD&A and the Company disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as and to the extent required by applicable securities laws.

Off-Balance Sheet Arrangements

The Company does not utilize off-balance sheet arrangements.

Proposed Transactions

There are no proposed transactions at the date of this report.

Palisades Goldcorp Ltd.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2022 and 2021

Additional Information

Additional information relating to the Company is available on its website at www.palisades.ca.

**SCHEDULE “E”
CHARTER OF THE AUDIT COMMITTEE**

(See attached)

Charter of the Audit Committee of Palisades Goldcorp Ltd.

1. ROLE AND OBJECTIVE

The Audit Committee (the “**Committee**”) is appointed by and reports to the board of directors (the “**Board**”) of Palisades Goldcorp Ltd. (the “**Company**”). The Committee assists the Board in fulfilling its oversight responsibilities relating to financial accounting and reporting process and internal controls for the Company.

The Committee and its membership shall to the best of its ability, knowledge and acting reasonably, meet all applicable legal, regulatory and listing requirements, including, without limitation, those of any stock exchange on which the Company’s shares are listed, the *Business Corporations Act* (British Columbia) (the “**Act**”), and all applicable securities regulatory authorities.

2. COMPOSITION

- The Committee shall be composed of three or more directors as shall be designated by the Board from time to time.
- At least two members of the Committee shall be “independent” and each Committee member shall be financially literate (as such terms are defined under applicable securities laws and exchange requirements for audit committee purposes). Each member of the Committee shall be able to read and understand the Company’s financial statements, including the Company’s statement of financial position, income statement and cash flow statement and any other applicable statements or notes to the financial statements.
- Members of the Committee shall be appointed at a meeting of the Board, typically held following the annual shareholders’ meeting. Each member shall serve until his/her successor is appointed unless he/she shall resign or be removed by the Board or he/she shall otherwise cease to be a director of the Company. Any member may be removed or replaced at any time by the Board.
- Where a vacancy occurs at any time in the membership of the Committee, it may be filled by a vote of a majority of the Board.
- The Chair of the Committee may be designated by the Board or, if it does not do so, the members of the Committee may elect a chair by vote of a majority of the full Committee membership. The Chair of the Committee shall be an independent director (as described above).
- If the Chair of the Committee is not present at any meeting of the Committee, one of the other members of the Committee present at the meeting shall be chosen by the Committee to preside.
- The Chair of the Committee presiding at any meeting shall not have a casting vote.
- The Committee shall appoint a secretary (the “**Secretary**”) who need not be a member of the Committee or a director of the Company. The Secretary shall keep minutes of the meetings of the Committee. This role is normally filled by the Secretary of the Company.

3. MEETINGS

- The Committee shall meet at least quarterly, at the discretion of the Chair or a majority of its members, as circumstances dictate or as may be required by applicable legal or listing

requirements, provided that meetings of the Committee shall be convened whenever requested by the auditor that is appointed by the shareholders (the “**Independent Auditor**”) or any member of the Committee in accordance with the Act.

- Notice of the time and place of every meeting may be given orally, in writing, by facsimile or by e-mail to each member of the Committee, when possible at least 48 hours prior to the time fixed for such meeting.
- A member may in any manner waive notice of the meeting. Attendance of a member at the meeting shall constitute waiver of notice of the meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting was not lawfully called.
- Any member of the Committee may participate in the meeting of the Committee by means of conference telephone or other communication equipment, and the member participating in a meeting pursuant to this paragraph shall be deemed, for purposes hereof, to be present in person at the meeting.
- A majority of Committee members, present in person, by video-conference, by telephone or by a combination thereof, shall constitute a quorum.
- If within one hour of the time appointed for a meeting of the Committee, a quorum is not present, the meeting shall stand adjourned to the same hour on the next business day following the date of such meeting at the same place. If at the adjourned meeting a quorum as hereinbefore specified is not present within one hour of the time appointed for such adjourned meeting, such meeting shall stand adjourned to the same hour on the next business day following the date of such meeting at the same place. If at the second adjourned meeting a quorum as hereinbefore specified is not present, the quorum for the adjourned meeting shall consist of the members then present.
- If and whenever a vacancy shall exist, the remaining members of the Committee may exercise all of its powers and responsibilities so long as a quorum remains on the Committee.
- At all meetings of the Committee, every question shall be decided by a majority of the votes cast. In case of an equality of votes, the matter will be referred to the Board for decision. Any decision or determination of the Committee reduced to writing and signed by all of the members of the Committee shall be fully effective as if it had been made at a meeting duly called and held.
- The Chief Executive Officer and Chief Financial Officer are expected to be available to attend meetings when requested, but a portion of every meeting will be reserved for in camera discussion without the Chief Executive Officer or Chief Financial Officer, or any other member of management, being present.
- The Committee may by specific invitation have other resource persons in attendance such officers, directors and employees of the Company and its subsidiaries, and other persons, including the Independent Auditor, as it may see fit, from time to time, to attend at meetings of the Committee.
- The Board may at any time amend or rescind any of the provisions hereof, or cancel them entirely, with or without substitution.
- The Committee shall have the right to determine who shall and who shall not be present at any time during a meeting of the Committee.

- Minutes of Committee meetings shall be sent to all Committee members.
- The Chair of the Committee shall report periodically the Committee's findings and recommendations to the Board.

4. RESOURCES AND AUTHORITY

- The Committee shall have access to such officers and employees of the Company and its subsidiaries and to such information with respect to the Company and its subsidiaries as it considers being necessary or advisable in order to perform its duties and responsibilities.
- The Committee shall have the authority to engage and obtain advice and assistance from internal or external legal, accounting or other advisors and resources, as it deems advisable, at the expense of the Company.
- The Committee shall have the authority to communicate directly with the Independent Auditor.

5. RESPONSIBILITIES

A. Chair

To carry out its oversight responsibilities, the Chair of the Committee shall undertake the following:

- provide leadership to the Committee with respect to its functions as described in this Charter and as otherwise may be appropriate, including overseeing the logistics of the operations of the Committee;
- chair meetings of the Committee, unless not present (including in camera sessions), and report to the Board following each meeting of the Committee on the findings, activities and any recommendations of the Committee;
- ensure that the Committee meets on a regular basis and at least four times per year;
- in consultation with the Committee members, establish a calendar for holding meetings of the Committee;
- ensure that Committee materials are available to any director on request;
- report annually to the Board on the role of the Committee and the effectiveness of the Committee in contributing to the objectives and responsibilities of the Board as a whole;
- foster ethical and responsible decision making by the Committee and its individual members;
- encourage Committee members to ask questions and express viewpoints during meetings;
- together with the Corporate Governance and Nominating Committee, oversee the structure, composition, membership and activities delegated to the Committee from time to time;
- ensure that resources and expertise are available to the Committee so that it may conduct its work effectively and efficiently;

- attend each meeting of shareholders to respond to any questions from shareholders as may be put to the Chair; and
- perform such other duties and responsibilities as may be delegated to the Chair by the Board from time to time.

B. The Committee

The Committee has the authority to conduct any investigation appropriate to its responsibilities, and it may request the Independent Auditor as well as any officer of the Company, or outside counsel for the Company, to attend a meeting of the Committee or to meet with any members of, or advisors to, the Committee. The Committee shall have unrestricted access to the books and records of the Company and has the authority to retain, at the expense of the Company, special legal, accounting, or other consultants or experts to assist in the performance of the Committee's duties.

The Committee is hereby delegated the duties and powers specified in Section 225 of the Act and, without limiting these duties and powers, the Committee will carry out the following responsibilities:

Financial Accounting and Reporting Process and Internal Controls

- review the annual audited financial statements and report thereon to the Board and recommend to the Board whether or not same should be approved prior to their being filed with the appropriate regulatory authorities. The Committee shall also review and approve the interim financial statements prior to their being filed with the appropriate regulatory authorities. The Committee shall discuss significant issues regarding accounting principles, practices, and judgments of management with management and the Independent Auditor as and when the Committee deems it appropriate to do so. The Committee shall satisfy itself that the information contained in the annual audited financial statements is not significantly erroneous, misleading or incomplete and that the audit function has been effectively carried out;
- assess the integrity of internal controls and financial reporting procedures and ensure implementation of appropriate controls and procedures;
- review the financial statements, management's discussion and analysis relating to annual and interim financial statements, and press releases and any other public disclosure documents containing financial disclosure before the Company publicly discloses this information;
- be satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, and periodically assess the adequacy of these procedures;
- meet no less frequently than annually with the Independent Auditor and the Chief Financial Officer or, in the absence of a Chief Financial Officer, with the officer of the Company in charge of financial matters, to review accounting practices, internal controls and such other matters as the Committee deems appropriate;
- inquire of management and the Independent Auditor about significant risks or exposures, both internal and external, to which the Company may be subject, and assess the steps management has taken to minimize such risks;
- review the post-audit or management letter containing the recommendations of the Independent Auditor and management's response and subsequent follow-up to any identified weaknesses;

- oversee the Company's plans to adopt changes to accounting standards and related disclosure obligations;
- in consultation with the Corporate Governance and Nominating Committee, ensure that there is an appropriate standard of corporate conduct including, if necessary, adopting and overseeing a corporate code of ethics for senior financial personnel;
- provide oversight to related party transactions entered into by the Company; and
- establish procedures for:
 - the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and
 - the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Independent Auditor

- recommend to the Board for approval by shareholders, the selection, appointment and compensation of the Independent Auditor;
- be directly responsible for oversight of the Independent Auditor and the Independent Auditor shall report directly to the Committee;
- with reference to the procedures outlined separately in "Procedures for Approval of Non-Audit Services" (attached hereto as Appendix 'A'), pre-approve all audit and non-audit services not prohibited by law to be provided by the Independent Auditor;
- review the Independent Auditor's audit plan, including scope, procedures, timing and staffing of the audit;
- review the results of the annual audit with the Independent Auditor, including matters related to the conduct of the audit, and receive and review the auditor's interim review reports; and
- review fees paid by the Company to the Independent Auditor and other professionals in respect of audit and non-audit services on an annual basis.

Other Responsibilities

- perform any other activities consistent with this Charter and governing law, as the Committee or the Board deems necessary or appropriate;
- institute and oversee special investigations, as needed; and
- review and assess the adequacy of this Charter annually and submit any proposed revisions to the Board for approval.

Adopted: July 18, 2022

Appendix A

Policy for Approval of Non Audit Services

1. In the event that Palisades Goldcorp Ltd. (the “**Company**”) or a subsidiary of the Company wishes to retain the services of the Company’s Independent Auditor for services other than the annual audit (e.g. tax compliance, tax advice or tax planning, to meet the requirements of a regulatory filing or due diligence, to receive advice on various matters, etc.), the Chief Financial Officer of the Company shall consult with the Audit Committee of the board of directors of the Company (the “**Committee**”), who shall have the authority to approve or disapprove such non-audit services. The Chair of the Committee has the authority to approve or disapprove such non-audit services on behalf of the Committee, and shall advise the Committee of such pre-approvals no later than the time of the next meeting of the Committee following such pre-approval having been given.
2. The Committee, or the Chair of the Committee, as appropriate, shall confer with the Independent Auditor regarding the nature of the services to be provided and shall not approve any services that would be considered to impair the independence of the Independent Auditor. For greater clarity, the following is a non-exhaustive list of the categories of non-audit services that would be considered to impair the independence of the Independent Auditor:
 - (a) bookkeeping or other services related to or requiring management decisions in connection with the Company’s accounting records or financial statements;
 - (b) financial information systems design and implementation;
 - (c) appraisal or valuation services, fairness opinion or contributions-in-kind reports;
 - (d) actuarial services;
 - (e) internal audit outsourcing services;
 - (f) management functions;
 - (g) human resources;
 - (h) broker or dealer, investment adviser or investment banking services;
 - (i) legal services;
 - (j) expert services unrelated to the audit; and
 - (k) any other service that the Canadian Public Accountability Board or any other applicable regulatory authority determines is impermissible.
3. The Chief Financial Officer of the Company shall maintain a record of non-audit services approved by the Chair of the Committee or the Committee for each fiscal year and provide a report to the Committee any services pre-approved since the last report, at each meeting and no less frequently than on a quarterly basis.
4. In accordance with the requirements set forth under the “Exemption for minimal non-audit services” provided by Section 2.3(4) of National Instrument 52-110 — *Audit Committees*, whereby the Independent Auditor has commenced a service and:

- (a) the Company or the subsidiary entity of the Company, as the case may be, and the Independent Auditor did not recognize the services as non-audit services at the time of the engagement;
- (b) once recognized as non-audit services, the services are promptly brought to the attention of the Committee and approved by the Committee prior to the completion of the audit; and
- (c) the aggregate fees for the non-audit services not previously approved are immaterial in comparison to the aggregate fees paid by the Company to the Company's Independent Auditor during the financial year in which the services are provided,

such services shall be exempted from the requirements for pre-approval of non-audit services set out in this Policy.

SCHEDULE “F”
INVESTMENT POLICY OF THE COMPANY

(See attached)

Palisades Goldcorp Ltd.

(the “Company”)

INVESTMENT POLICY

Investment Objectives

The Company’s investment objectives are to seek:

1. An above average return on investment, primarily in the mining sector, through the acquisition of equity in mining companies and derivatives tied to mining companies or precious metals.

Investment Strategy

The Company’s strategy is flexible and is expected to change over time to reflect prevailing market conditions and the size and diversification of its investment portfolio. The current investment strategy is summarized below.

Investment Sector	The mining industry, including exploration and development projects and producing mines.
Investment Types	Equity, debt, royalties, income and commodity streams, derivatives and any other investment structures or instruments that could be acquired or created.
Investment Size	Unlimited, which may result in the Company holding a control position in a target corporation and/or having its assets concentrated in a small number of investments. Investments in one entity will be subject to criteria and limits approved by the Board of Directors.
Investment Targets	Investments in public or private corporations or other legal entities, which own, or will own, mining assets or derivatives of mining assets.
Investment Diligence	The Company will review each potential investment opportunity alongside a team of technical experts with specific experience in the mining sector when necessary.
Investment Oversight	The Company will seek to maintain the ability to actively review and revisit all of its investments on an ongoing basis.
Commodities	The objective is to invest in gold, silver, uranium, rare earths and other metals and minerals including, but not limited to: platinum group metals, base metals, ferrous metals, non-ferrous metals, industrial metals, non-industrial metals, agricultural minerals, industrial minerals and other minerals.
Jurisdictions	The Company is not limited to any one jurisdiction or region as it pertains to its investments.
Timeline	The objective is to hold investments for long periods. However, circumstances may cause the Company to reconsider its investment time horizon. In addition, certain investments will be short term in nature.
Liquidity	The Company will evaluate the liquidity of investments and seek to realize value in a prudent and orderly fashion.

Composition of Investment Portfolio

The nature and timing of the Company’s investments will depend, in part, on the investment opportunities identified and available to the Company.

The composition of the Company's investment portfolio will vary over time depending on its assessment of a number of factors, including the performance of financial markets, commodities markets, geopolitical factors, credit risk and availability of technical team members, when necessary, to provide proper oversight with respect to mining operations in which the Company has a stake.

CERTIFICATE OF THE ISSUER

Dated December 21, 2022

This amended and restated prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously offered by the issuer as required by the securities legislation of British Columbia.

(signed) “*Collin Kettell*”

Collin Kettell
Chief Executive Officer

(signed) “*Bassam Moubarak*”

Bassam Moubarak
Chief Financial Officer

**On behalf of the Board of Directors of
PALISADES GOLDCORP LTD.**

(signed) “*Elizabeth Harrison*”

Elizabeth Harrison
Director

(signed) “*William Hayden*”

William Hayden
Director

CERTIFICATE OF THE PROMOTER

Dated December 21, 2022

This amended and restated prospectus constitutes full, true and plain disclosure of all material facts relating to the securities previously offered by the issuer as required by the securities legislation of British Columbia.

PROMOTER

(signed) "*Collin Kettell*"

Collin Kettell
Chief Executive Officer