



McFARLANE LAKE

MINING

McFarlane Lake Mining Limited Management's Discussion and Analysis

For the three months ended November 30, 2024

January 14, 2025

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1. Introduction

The following Management's Discussion and Analysis ("**MD&A**") of McFarlane Lake Mining Limited (the "**Company**") should be read together with the Company's interim financial statements and related notes for the three months ended November 30, 2024 and 2023, which have been prepared in accordance with International Financial Reporting Standards ("**IFRS**").

All dollar figures in this MD&A are stated in Canadian dollars unless otherwise indicated. All references to the Company include its subsidiary unless the context requires otherwise. The effective date of this MD&A is January 14, 2025 and was reviewed and approved by the Board of Directors.

2. Caution Regarding Forward-Looking Information and Statements

This MD&A contains forward-looking statements intended to provide readers with a reasonable basis for assessing the Company's performance. Forward-looking statements can be identified by such words as "plans", "expects", "budgets", "estimates", "intends", "anticipates", "believes", "continues", "may", "could", "would", "should", "might" or "will", or equivalents or variations thereof. Forward-looking statements include those with respect to the Company's future strategy, plans, transactions, objectives and adequacy of working capital, including statements relating to acquiring, exploring, and monetizing current and future mineral exploration properties. Forward-looking statements rely on underlying assumptions, including management's expectations as to transaction opportunities, exploration potential, and precious metals prices, that, if not realized, can result in such forward-looking statements not being achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause the actual results of the Company to differ materially from those expressed or implied by such forward-looking statements. Such risks and uncertainties include those described under "Risks and Uncertainties" below and, among others, the exploration or monetization potential of the Company's mineral properties, transaction execution risk, volatility in financial markets, economic conditions, precious metals prices and unanticipated increases in expenses. Factors that could cause actual results to differ materially from those anticipated in these forward-looking statements are described under the caption "Risk Factors" in the Company's Annual Information Form ("**AIF**"), which is available for review on SEDAR+ at www.sedarplus.com. Although the Company has attempted to identify important factors that could cause actions, events or results not to be as predicted, there can be no assurance that forward-looking statements will prove to be accurate. The forward-looking statements contained in this MD&A are expressly qualified by this cautionary statement. Other than as required by applicable Canadian securities laws, the Company does not undertake to update any such forward-looking statements to reflect events or circumstances after the date hereof. Accordingly, readers should not place undue reliance on any forward-looking statements herein.

3. Qualified Person

Roger Emdin, B.Sc., P.Eng., Chief Operating Officer, is a Qualified Person as defined under National Instrument 43-101 – Standards for Disclosure for Mineral Projects ("**NI 43-101**") and has reviewed and approved the scientific and technical information contained in this MD&A. Mr. Emdin is not independent of the Company by virtue of his position as Chief Operating Officer.

4. General Overview

The Company (formerly 1287401 B.C. Ltd.) was incorporated under the laws of the Province of British Columbia on February 3, 2021, and was continued into the Province of Ontario on January 26, 2022. The Company is currently listed on the Cboe Canada Exchange (the "**Exchange**") in Canada and the US OTCQB Venture Market ("**OTCQB**") in the United States. The Company's exploration and evaluation assets include the past-producing McMillan Mine and the adjacent Mongowin property near Sudbury, Ontario, the High Lake property in northwestern Ontario, the past-producing West Hawk Lake property in Manitoba, and the Michaud and Munro properties located within the Abitibi Greenstone belt in Ontario.

During the three months ended November 30, 2024, the Company commenced a drill program on its McMillan Mine property, which is scheduled to continue into the winter of 2025. During the fiscal year ended August 31, 2024, the Company completed a second drill program on its High Lake property.

The Company's head office and registered office is located at 15 Kincora Court, Sudbury, Ontario P3E 2B9.

The Company's financial statements are presented on a consolidated basis and include its wholly owned subsidiary, McFarlane Lake Mining Incorporated.

5. Highlights and Key Developments (to the date of this MD&A)

Corporate

- In June 2024, the Company completed a non-brokered private placement, raising gross proceeds of \$1,552,040. The private placement included the issuance of 18,823,110 units of the Company, with each unit consisting of one common share and one-half of one common share purchase warrant at a price of \$0.045 per unit, and 14,100,000 flow-through shares of the Company at a price of \$0.05 per flow-through share. Each warrant is exercisable by the holder to acquire one common share at a price of \$0.07 per common share for 18 months from the closing of the offering (see section 7.2 for additional information).
- In November 2023, the Company completed a non-brokered private placement, raising gross proceeds of \$4,605,100. The private placement included the issuance of 52,100,110 units of the Company, with each unit consisting of one common share and one-half of one common share purchase warrant at a price of \$0.05 per unit and 33,335,006 flow-through shares of the Company at a price of \$0.06 per flow-through share. Each warrant is exercisable by the holder to acquire one common share at a price of \$0.07 per common share for 18 months from the closing of the offering (see section 7.2 for additional information).

Exploration

- In November 2024, the Company commenced an exploration program at the McMillan Mine that included a down-the-hole Induced Polarization ("IP"), a magnetic survey east of the McMillan Mine in existing holes, and 3,000m of diamond drilling to confirm historical high-grade gold intersections and to potentially expand gold mineralization to the east, west, and at depth (see section 8.1 for additional information). As of the date of the MD&A, the geophysics are complete and approximately 1,100m have been completed on the drill program. This initial program is expected to be complete in the second week of February.
- In April 2024, the Company completed line cutting and an IP geophysical survey on the McMillan exploration property. The survey covered 1.4 km² on surface around the McMillan Mine (see section 8.1 for additional information).
- In March 2024, the Company announced that it had completed a prospectivity analysis using artificial intelligence on a full geological compilation of all available historical and current information on its High Lake property. These targets were generated using inputs such as geological structure, lithology, mineralization, and geochemistry within the High Lake property. These generated target areas will help guide future exploration of the property (see section 8.2 for additional detail).
- Between December 2023 and March 2024, the Company completed a diamond drill program at the High Lake property, with 9,967m drilled over 33 drill holes (see section 8.2 for additional information).
- The Company added three claims to its High Lake property on January 17, 2024. These claims increased McFarlane's land position at the property from 585.61 to 626.00 hectares ("ha"). The claims are strategically important as they fill in a gap on the western part of the property, which hosts the extension of both the D and R zones and provides access and expansion opportunities for the A, B and C Zones (see section 8.2 for more information).

6. Selected Financial Information

6.1. Capital Resources

Common shares issued as of November 30, 2024, are as follows:

Date	Common shares	Gross proceeds
	#	\$
August 21, 2020	32,000,000	320
April 30, 2021	5,000,000	5,000
May 20, 2021	22,075,000	2,207,500
December 9, 2021	20,322,813	6,417,025
February 4, 2022	1,250,000	387,500
July 25, 2022	1,375,000	130,625
August 4, 2022	5,625,000	1,406,250
September 16, 2022	12,951,000	1,292,400
February 17, 2023	2,200,032	330,005
April 14, 2023	10,385,000	1,100,500
November 1, 2023	68,443,681	3,671,620
November 27, 2023	16,991,325	933,480
June 7, 2024	24,553,136	1,170,040
June 27, 2024	8,466,667	382,000
August 8, 2024	13,100,000	nil
Total	244,738,654	19,434,265

6.2. Stock Options

The Company has a stock option plan (the “**Plan**”) for its directors, officers, consultants, and key employees under which the Company may grant options to acquire a maximum number of 15% of the total issued and outstanding common shares of the Company. These options are non-transferable and are valid for a maximum term of up to ten years from the issue date unless sooner terminated. Vesting terms and conditions are determined by the Board of Directors at the time of the grant.

The exercise price of the options is fixed by the Board of Directors at the time of the grant at a minimum of the market price of the common shares, subject to regulatory requirements. Expected volatility has been determined using the share price of comparable companies for the period equivalent to the life of the options prior to the grant date.

On December 27, 2023, the Company granted 5,650,000 stock options to certain directors and officers of the Company, exercisable at \$0.09 per share for a period of five years. All of these options were issued to related parties. The grant date fair value of \$452,000 was estimated using the Black-Scholes option pricing model based on the following assumptions: expected life of five years, expected volatility of 164.65%, expected dividend yield of 0%, and a risk-free interest rate of 3.18%. The fair value of the option grant was expensed on the grant date as the options vested immediately.

On July 19, 2024, the Company approved the issuance of 6,900,000 stock options to certain directors, officers, and consultants, exercisable at \$0.025 per share for a period of five years. All of these options were issued to related parties. The options shall vest upon approval of amendments to the option plan by the shareholders of the Company scheduled to take place at the annual general meeting (“**AGM**”) on March 3, 2025. The stock options’ fair value of \$138,000 was determined using the Black-Scholes option pricing model based on the following assumptions: expected life of five years, expected volatility of 159.35%, expected dividend yield of 0%, and a risk-free interest rate of 3.35%. For the three months ended November 30, 2024, \$52,544 was recorded as share-based compensation in the statement of loss and comprehensive loss.

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On October 31, 2024, the Company approved the issuance of 1,000,000 stock options to certain consultants, exercisable at \$0.03 per share and expiring on October 31, 2027. The options shall vest upon approval of amendments to the option plan by the shareholders of the Company expected to take place at the AGM. The grant date fair value of \$20,000 was determined using the Black-Scholes option pricing model based on the following assumptions: expected life of three years, expected volatility of 149.01%, expected dividend yield of 0% and a risk-free interest rate of 3.03%. For the three months ended November 30, 2024, \$4,444 was recorded as share-based compensation in the statement of loss and comprehensive loss.

As of November 30, 2024, the following options were outstanding and available to be exercised:

Grant date	Expiration date	stock options (#)	Vested stock options (#)	Exercise price (\$)	Remaining life (years)
May 31, 2021	May 31, 2026	5,500,000	5,500,000	0.100	1.50
January 25, 2022	January 25, 2027	1,500,000	1,500,000	0.400	2.15
October 14, 2022	October 14, 2027	2,325,000	2,325,000	0.120	2.87
January 13, 2023	January 13, 2028	325,000	325,000	0.160	3.12
May 8, 2023	May 8, 2028	325,000	325,000	0.120	3.44
December 27, 2023	December 27, 2028	5,650,000	5,650,000	0.090	4.08
July 19, 2024	July 19, 2029	6,900,000	-	0.025	4.64
October 31, 2024	October 31, 2027	1,000,000	-	0.030	2.92
Total		23,525,000	15,625,000	0.095	3.32

6.3. Warrants

As at November 30, 2024, the following warrants were outstanding and exercisable into common shares:

Grant date	Expiration date	Warrants outstandings (#)	Exercise price (\$)	Remaining life (years)
December 9, 2021	December 9, 2024	4,206,156	0.60	0.02
December 9, 2021	December 9, 2024	1,097,075	0.40	0.02
September 16, 2022	September 16, 2025	6,475,500	0.20	0.79
February 17, 2023	February 17, 2026	1,100,016	0.25	1.22
April 14, 2023	April 13, 2026	3,642,500	0.20	1.37
November 1, 2023	May 1, 2025	43,500,000	0.07	0.42
November 27, 2023	May 27, 2025	8,600,000	0.07	0.49
June 7, 2024	December 7, 2025	5,326,568	0.07	1.02
June 27, 2024	December 27, 2025	4,133,333	0.07	1.07
Total		78,081,148	0.12	0.56

6.4. Restricted Share Units (RSUs)

The Company adopted a restricted share unit plan (the “**RSU Plan**”) under which the Company may grant restricted share units (“**RSUs**”) to directors, officers, consultants, and key employees of the Company. The RSUs are subject to the Company’s RSU Plan as outlined in the Company’s Management Information Circular dated January 23, 2023, which is available under the Company’s profile at www.sedarplus.com.

As at November 30, 2024, the Company had no RSUs outstanding (August 31, 2024 - nil). There were no RSUs granted during the three months ended November 30, 2024.

On December 27, 2023, the Company granted a total of 3,600,000 RSUs to certain consultants of the Company, which vested in accordance with the terms and conditions set forth in the applicable award agreements. Each vested RSU entitled the holder to receive one common share. The grant included

1,600,000 RSUs granted to a company with which a director of the Company is associated. The fair value of the RSUs was determined to be \$324,000, based on the market value of the shares on the grant date.

On July 19, 2024, the Company granted 500,000 RSUs to a consultant of the Company, which vested in accordance with the terms and conditions set forth in the applicable award agreements. Each vested RSU entitled the holder to receive one common share. The fair value of the RSUs was determined to be \$10,750 based on the market value of the shares on the grant date.

On August 8, 2024, the Company granted 2,000,000 RSUs to a consultant of the Company, which vested in accordance with the terms and conditions set forth in the applicable award agreements. Each vested RSU entitled the holder to receive one common share. The fair value of the RSUs was determined to be \$43,000 based on the market value of the shares on the grant date.

On August 8, 2024, a total of 13,100,000 RSUs granted to certain consultants were vested and settled for common shares of the Company.

The grants of the RSUs constituted "related party transactions" within the meaning of Multilateral Instrument 61-101-Protection of Minority Security Holders in Special Transactions ("**MI 61-101**"). For these grants, the Company relied on applicable exemptions from the formal valuation and minority approval requirements in Sections 5.5(a) and 5.7(1)(a), respectively, of MI 61-101. No new insiders were created as a result of these grants, nor has there been any change of control.

6.5. Notes Payable

During the fiscal year ended August 31, 2021, the Company was advanced funds in the amount of \$195,000 from companies controlled by two directors, evidenced by unsecured, demand promissory notes issued by the Company, which bear interest at 12% compounded monthly. During the year ended August 31, 2024, \$135,000 of these notes payable were repaid, leaving \$60,000 outstanding at November 30, 2024. During the three months ended November 30, 2024, the Company incurred interest expense of \$5,128 (three months ended November 30, 2023 - \$5,834). Accrued interest owed on these notes payable in the amount of \$47,073 is included in the accounts payable and accrued liabilities of the Company as of November 30, 2024 (August 31, 2024 – \$41,945).

6.6. Other Annual Financial Information

The table below sets out certain selected annual financial information regarding the operations of the Company for the periods indicated. The selected financial information has been prepared in accordance with IFRS and should be read in conjunction with the Company's financial statements and related notes.

Item	November 30,	Years ended August 31,		
	2024	2024	2023	2022
	\$	\$	\$	\$
Total assets	982,146	1,259,860	394,610	1,936,369
Total non-current liabilities	nil	nil	nil	nil
Shareholder's equity (deficit)	12,804	411,206	(920,127)	261,574
Total revenue	nil	nil	nil	nil
Net and comprehensive loss	(455,390)	(4,362,828)	(4,683,796)	(10,906,890)
Basic and diluted loss	(0.002)	(0.023)	(0.045)	(0.145)

For the year ended August 31, 2024, the Company recorded a loss and comprehensive loss of \$4.4 million, which consisted primarily of exploration and evaluation costs of \$2.7 million, professional, consulting and director fees of \$1.8 million, and other net expenses of \$0.9 million, less a flow-through share premium recovery of \$1.0 million. For the year ended August 31, 2023, the Company recorded a loss and comprehensive loss of \$4.7 million, which consisted primarily of exploration property acquisition and exploration costs of \$2.5 million, professional, consulting and director fees of \$1.0 million and other net expenses of \$1.1 million, less a flow-through share premium recovery of \$0.6 million. For the year ended

August 31, 2022, the Company recorded a loss and comprehensive loss of \$10.9 million, which consisted primarily of exploration property acquisition and exploration costs of \$7.9 million, exchange listing costs of \$1.9 million and other net expenses of \$1.1 million, less a flow-through share premium recovery of \$0.4 million.

7. Summary of Quarterly Results

A summary of the results of the last eight fiscal quarters is as follows:

Quarter ended	Total revenue	Net loss for the period	Loss per share – basic and diluted
	\$	\$	\$
November 30, 2024	-	(455,390)	(0.002)
August 31, 2024	-	(771,744)	(0.004)
May 31, 2024	-	(1,061,039)	(0.005)
February 29, 2024	-	(1,652,802)	(0.008)
November 30, 2023	-	(877,243)	(0.005)
August 31, 2023	-	(479,794)	(0.004)
May 31, 2023	-	(1,298,900)	(0.012)
February 28, 2023	-	(1,652,694)	(0.016)

7.1. Results of Operations

7.1.1 Three months ended November 30, 2024 and 2023

The Company did not record any revenues in the three months ended November 30, 2024 (November 30, 2023 – \$nil) and incurred a net loss of \$455,390 as compared to a \$877,243 loss for the three months ended November 30, 2023. The overall decrease in the comparable loss despite lower exploration and evaluation expenditures can be mainly attributable to the fact that the Company incurred lower general and administration expenses in the current quarter. Professional fees, advertising and promotion, and investor relations and business development were all lower during the current quarter.

The current three-month period loss is comprised mainly of the following amounts:

- professional fees of \$93,808 - these fees are related to legal costs incurred for general corporate business matters, finance advisory fees, audit accrual, and ongoing accounting costs;
- exploration and evaluation expenditures of \$238,011 - the Company completed geophysical work and commenced a diamond drilling program on the McMillan property during the quarter. Minor exploration costs were incurred on other mineral properties during the period as well (see below for further details);
- consulting and director fees of \$64,600 – these fees were paid during the quarter to Company management, directors, and other mining consultants;
- regulatory and transfer agent fees of \$12,924 – included filing fees and regulatory costs and fees paid to the Company's transfer agents;
- Investor relations and business development costs and advertising and promotion of \$12,779 - fees paid to investor relations and marketing firms for promotional activities;
- other costs of \$45,556 - these costs are comprised of directors' fees of \$16,887, interest costs owed on the notes payable (as described in section 6.5) and general and office costs;
- share-based compensation of \$56,988 – these costs relate to the stock options granted in July and October 2024 to directors, officers and consultants; and
- these expenses were partially offset by a flow-through share premium recovery of \$69,276 - during the period, the Company incurred Canadian exploration expenditures, which qualify as flow-through mining expenditures.

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Total exploration and evaluation expenditures for the three months ended November 30, 2024 and 2023 were as follows:

Exploration Costs by Property	Three months ended November 30,	
	2024	2023
	\$	\$
McMillan and Mongowin Properties		
Drilling	122,275	-
Assaying	1,866	-
Field expenses and line cutting	31,561	6,946
Ground geophysics and consultants	69,759	20,547
Total McMillan and Mongowin Properties	225,461	27,493
High Lake Property		
Field expenses	-	511
Environmental and permitting	-	14,141
Studies and reports	-	64,934
Community	10,000	-
Total High Lake	10,000	79,586
Michaud and Munro		
Munro field expense	2,550	-
Total Michaud and Munro	2,550	-
Grand Total	238,011	107,079

7.2. Liquidity and Capital Resources

The Company's cash position as of November 30, 2024 was \$738,049 (August 31, 2024 - \$1,142,851) with net working capital of \$12,804 (August 31, 2024 - \$411,206) and total assets of \$982,146 (August 31, 2024 - \$1,259,860).

The Company's current capital resources are not sufficient to pay overhead expenses or fund its proposed mineral property acquisitions and exploration programs for the next twelve months. Although the Company has been successful in raising funds to date, there is no assurance that it will be able to do so in the future. These matters represent material uncertainties that cast significant doubt about the Company's ability to continue as a going concern.

The Company is currently evaluating its alternatives with regard to another proposed equity financing sometime in the first half of 2025. The Company will continue to monitor the current economic and financial market conditions and evaluate their impact on the Company's liquidity and future prospects.

Since the Company may not be able to generate cash flow from its operations for the foreseeable future, the Company will have to rely on the issuance of shares or the exercise of options and warrants to fund ongoing operations and investments. The ability of the Company to raise capital will depend on market conditions, and it may not be possible for the Company to issue securities on acceptable terms or at all.

The Company manages its capital structure to ensure sufficient resources are available to meet operational requirements and safeguard its ability to continue as a going concern. There are no externally imposed capital requirements on the Company. Management considers the items included in shareholders' equity and working capital as capital. The Company manages the capital structure and adjusts it in response to changes in economic conditions and the risk characteristics of the underlying assets. The Company's primary objective with respect to its capital management is to ensure that it has sufficient capital resources to fund the operation of the Company. To secure the additional capital necessary to pursue these objectives, the Company intends to raise additional funds through equity or debt financing.

June 2024 Private Placement Financing

On May 16, 2024, the Company announced its intention to complete a non-brokered private placement financing of up to 22,222,222 units of the Company consisting of one common share and one-half of one common share purchase warrant at a price of \$0.045 per unit and up to 20,000,000 flow-through shares of the Company at a price of \$0.05 per flow-through share, in any combination, to raise collective aggregate gross proceeds of up to \$1,000,000. Each warrant would be exercisable by the holder to acquire one common share at a price of \$0.07 per common share for 18 months from the closing of the offering.

The private placement was upsized and closed in two tranches. On June 7, 2024, the Company announced it had closed the first tranche, which consisted of 10,556,443 units at a price of \$0.045 per unit and 13,900,000 flow-through shares at a price of \$0.05 per flow-through share. On June 27, 2024, the second and final tranche consisted of 8,266,667 units at a price of \$0.045 per unit and 200,000 flow-through shares at a price of \$0.05 per flow-through share. The two tranches provided combined aggregate gross proceeds to the Company of \$1,552,040.

Additionally, the Company issued a total of 96,693 units to certain finders in consideration for introducing certain purchasers to the Company.

Insiders of the Company subscribed for approximately \$485,000 worth of a combination of units and flow-through shares in the offering.

November 2023 Private Placement Financing

On November 1, 2023, the Company closed the first tranche of a private placement offering of units of the Company and flow-through shares of the Company. The first tranche consisted of 43,500,000 units at a price of \$0.05 per unit and 24,943,681 flow-through shares at a price of \$0.06 per flow-through share for aggregate gross proceeds to the Company of \$3,671,620. On November 27, 2023, the Company closed the second tranche, which consisted of 8,600,000 units at a price of \$0.05 per unit and 8,391,325 flow-through shares at a price of \$0.06 per flow-through share for aggregate gross proceeds to the Company of \$933,479. The total gross proceeds to the Company from the first and second tranches of the offering was \$4,605,100.

Each unit consisted of one common share of the Company and one common share purchase warrant. Each warrant is exercisable by the holder to acquire one common share of the Company at a price of \$0.07 per common share until May 1, 2025, and May 27, 2025, for the first tranche and second tranche, respectively.

Certain directors and officers of the Company subscribed for a total of 3,700,000 units and 1,200,000 flow-through shares for gross proceeds of \$257,000 in the offering.

Contractual obligations

As of November 30, 2024, the Company's contractual obligations are as follows:

Contractual obligations	Total	< 1 Year	1-3 Years	4-5 Years	After 5 Years
	\$	\$	\$	\$	\$
Notes payable	60,000	60,000	-	-	-
Accounts payable and accrued liabilities	804,389	804,389	-	-	-
Total contractual obligations	864,389	864,386	-	-	-

8. Exploration and Evaluation Properties and Expenditures

The Company's exploration and evaluation assets include the past-producing McMillan Mine and the adjacent Mongowin property near Sudbury, Ontario, the High Lake property in northwestern Ontario, the past-producing West Hawk Lake property in Manitoba and the Michaud and Munro properties located within the Abitibi Greenstone belt in Ontario.

8.1 McMillan Mine and Mongowin Properties

The past-producing McMillan Mine is located 70 kilometres (“km”) southwest of Sudbury, Ontario and is comprised of twelve mining claims totalling 268 ha. The McMillan Mine was acquired by the Company in December 2021. The adjacent Mongowin property consists of 125 claims that were acquired in the calendar year 2022 following the completion of the earn-in under an option agreement.

In September 2022, the Company staked 16 new claims, increasing land holdings on the McMillan Mine and Mongowin properties (the “**McMillan/Mongowin Property**”) by 352.5 ha to a total of 3,026.5 ha over 145 mining claims and three patented claims (see Figure 1 below).

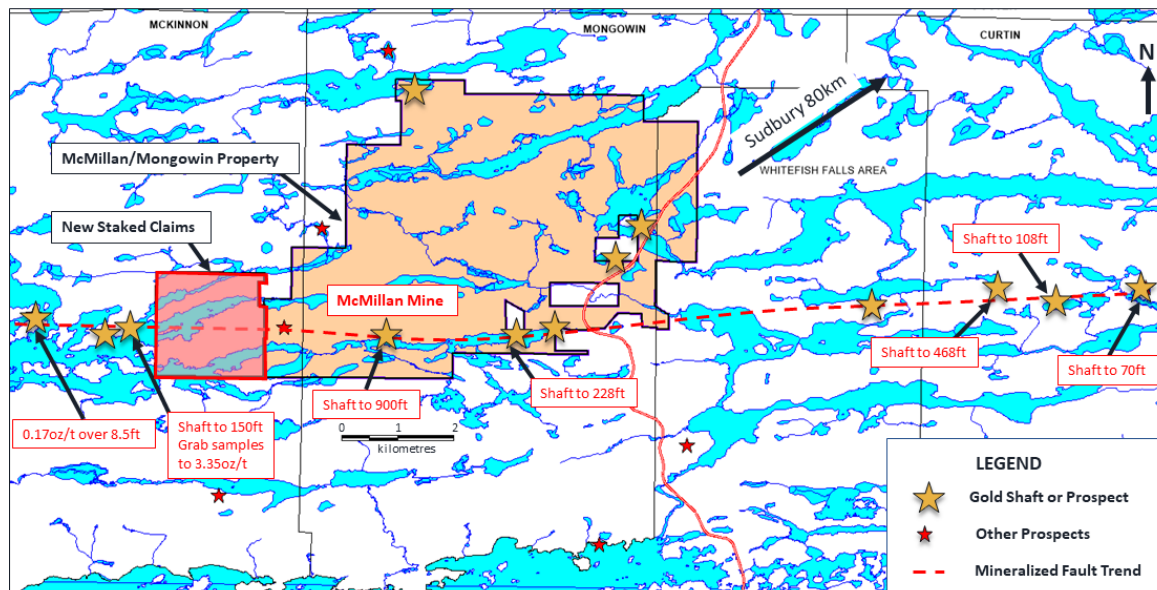


Figure 1 – Location of McMillan/Mongowin Property claims

The Mongowin property is subject to a 1.5% net smelter return (“**NSR**”) royalty, and a small portion of the Mongowin property is subject to an additional 1% NSR royalty, of which 0.5% can be acquired for \$600,000.

The McMillan/Mongowin Property is located on the Huronian Gold Belt, a favourable mineralized fault trend with a number of historical shafts and exploration properties and is 2 km from a major highway and power line. In the late 1920s, a shaft was sunk to 127 m, and a 145-tonne per day mill was constructed, producing a reported 10,600 ounces of gold from 60,139 tons of ore at a recovered grade of 0.176 ounces per ton (6.03 grams per tonne of gold (“**g/t Au**”)) between 1934 and 1937.

The property is located on the traditional lands of the First Nation (“**FN**”) communities of Atikameksheng Anishnawbek (Whitefish Lake FN), Whitefish River FN, Sagamok Anishnawbek FN and Metis Nation of Ontario.

The mine was dewatered in the 1980s, and limited exploration took place. Between 2004 and 2008, diamond drilling was completed.

In 2022, following the Company's acquisition of the McMillan/Mongowin Property, a prospecting program was undertaken. Prospecting was focused on a prospective trend developed from the reprocessing of historical very low frequency ("VLF") data and within areas of historical significance. A total of 64 grab samples were collected for analysis. The highest assay values of 5.61 and 10.9 g/t Au and 0.12% Cu, as well as anomalous cobalt and nickel up to 487 and 468 parts per million, respectively, were obtained from a 20-centimetre-wide quartz vein with arsenopyrite mineralization. Additional anomalous samples assayed include 1.02 g/t Au from a smoky grey quartz vein located north of the mine trend. A small follow-up prospecting program was completed in July 2023. Four samples were collected for gold analysis which returned negligible gold values.

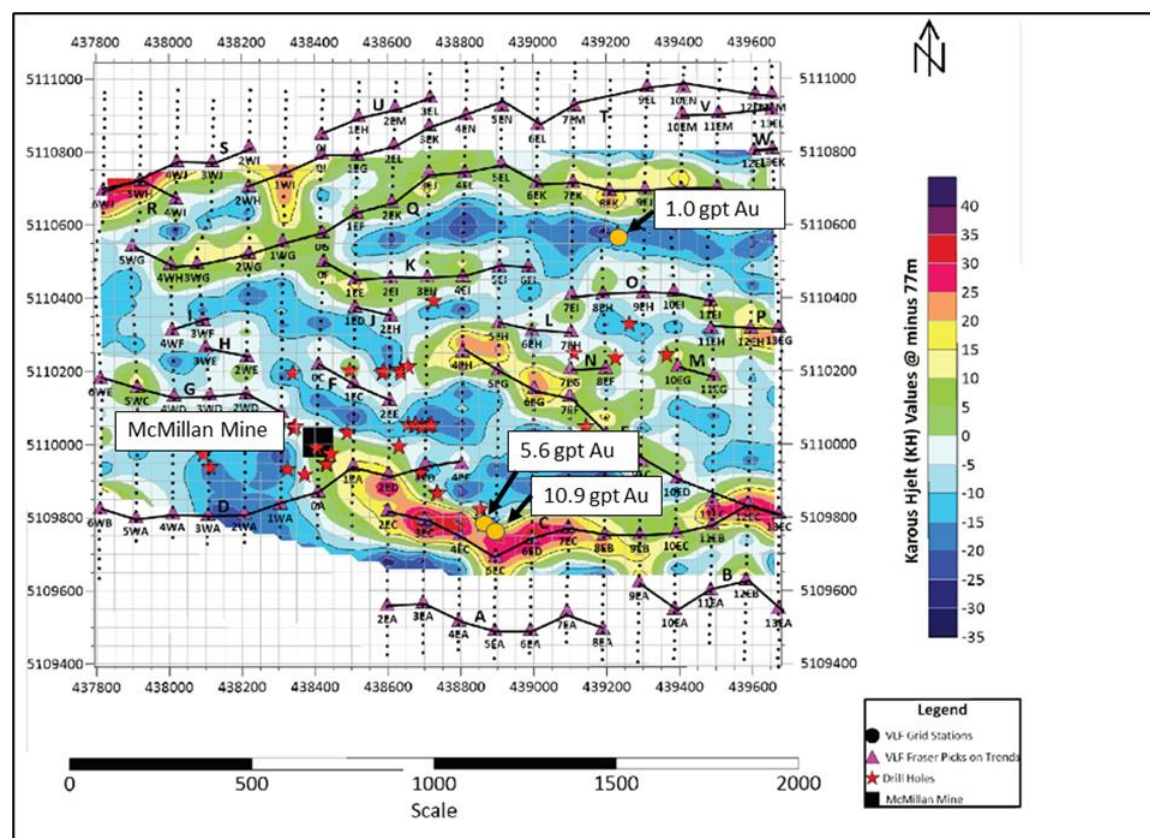


Figure 2 – Location of anomalous samples from the 2022 prospecting program

The area covered by the prospecting is outlined by the prospecting tracks in the Figure below.

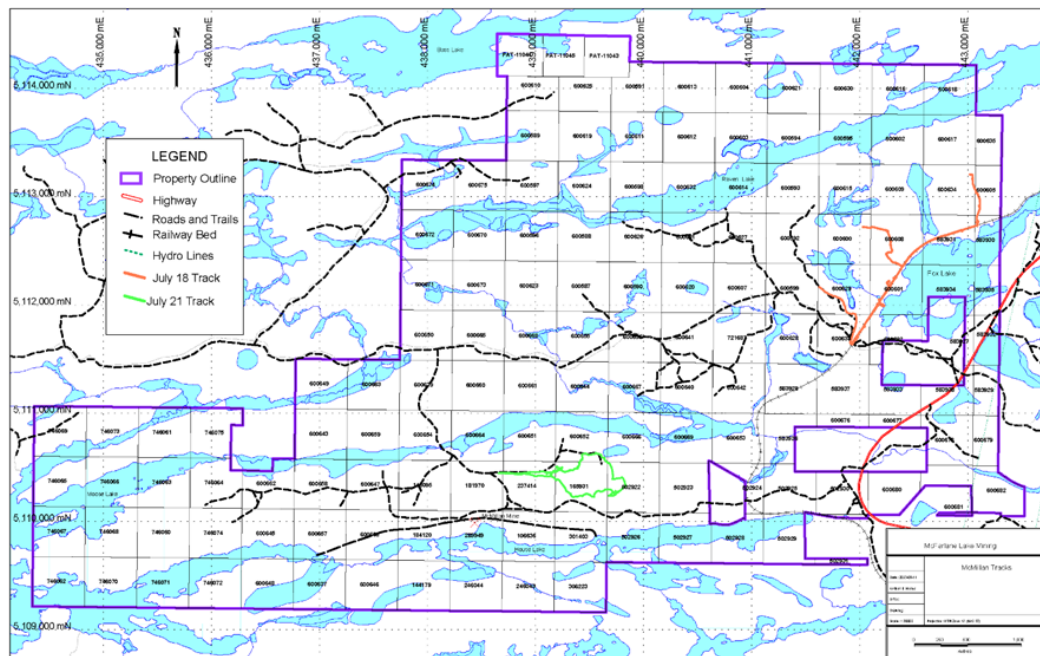


Figure 3 – Prospecting Tracks

In April 2024, the Company completed line cutting and an IP geophysical survey on the McMillan exploration property. The survey covered 1.4 km² on surface around the McMillan Mine. A 10 km east-west trending fault system called the “House Lake Fault” traces through the property. The McMillan Mine occurs near this fault system as well as a number of historical gold showings. The area covered by the line cutting and surveying is shown below in Figure 4.

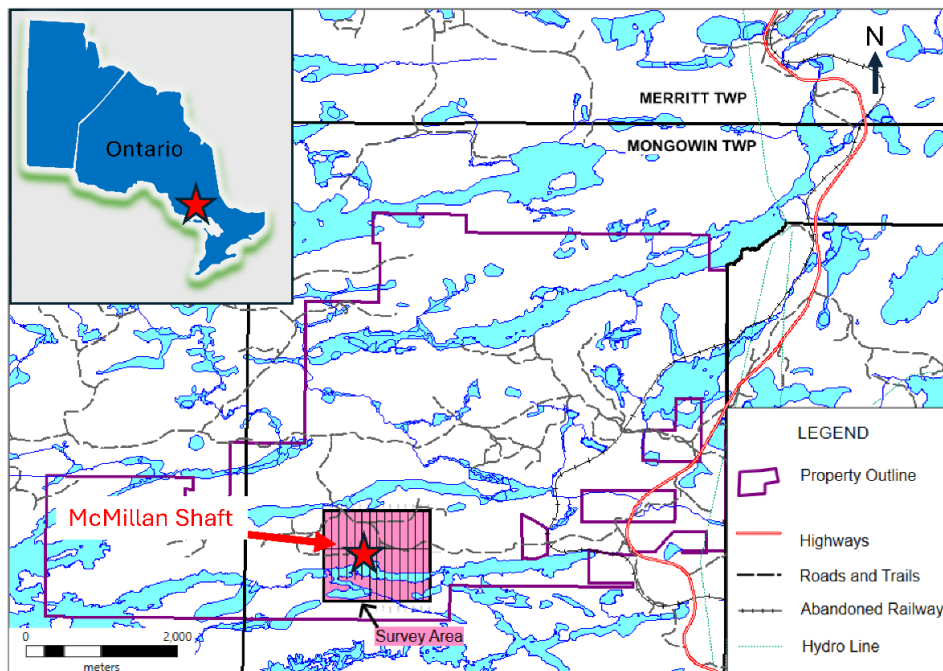


Figure 4 - McMillan Geophysical Survey Area

In November 2024, following the receipt of an exploration permit and the selection of a drill contractor, the Company commenced an exploration program that included a down-the-hole IP and magnetic survey east of the McMillan Mine in existing holes and a 3,000m diamond drill program. The program includes cleaning six historical drill holes drilled in 2005 and 2006, followed by down-the-hole geophysics utilizing magnetic and IP surveys. The program is designed, in part, to confirm historical gold intersections on the property and then target areas to materially expand the gold mineralization to the east, west, and at depth using data from recent geophysical surveys. Additionally, as historic drill core is not available for analysis, the diamond drilling will help understand the sub-surface geology and allow for polymetallic analysis of drill core samples (i.e., gold, copper, cobalt, and nickel).

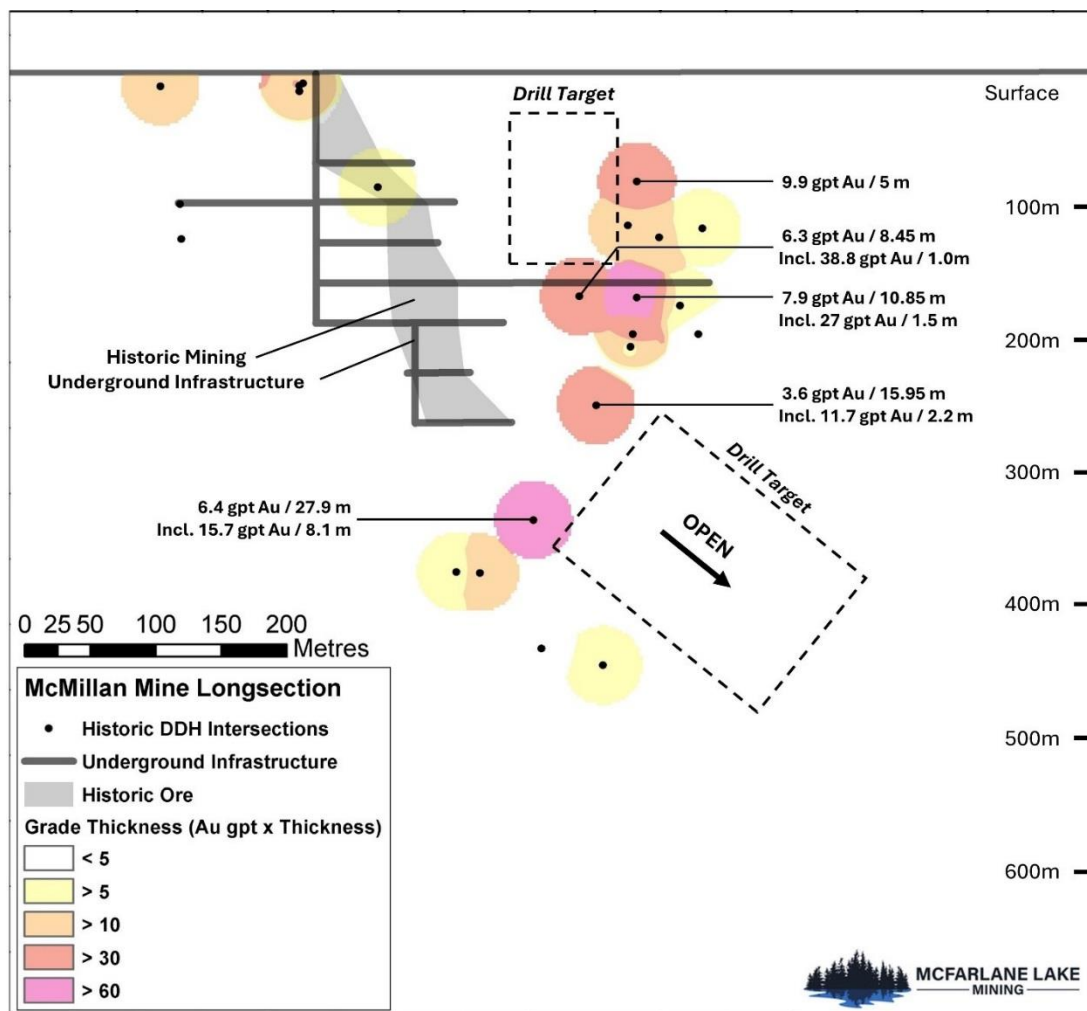


Figure 5 – McMillan Mine Longitudinal Section – Historic Gold Intercepts and Mine Workings

As of the date of the MD&A, the geophysics have been completed, indicating priority targets from both the induced polarization survey and EM profile (see Figure 6 below). Drilling was completed in five diamond drill holes totalling 1,015m. The 3,000m program is expected to be completed in the second week of February. The Company is awaiting assays prior to releasing results.

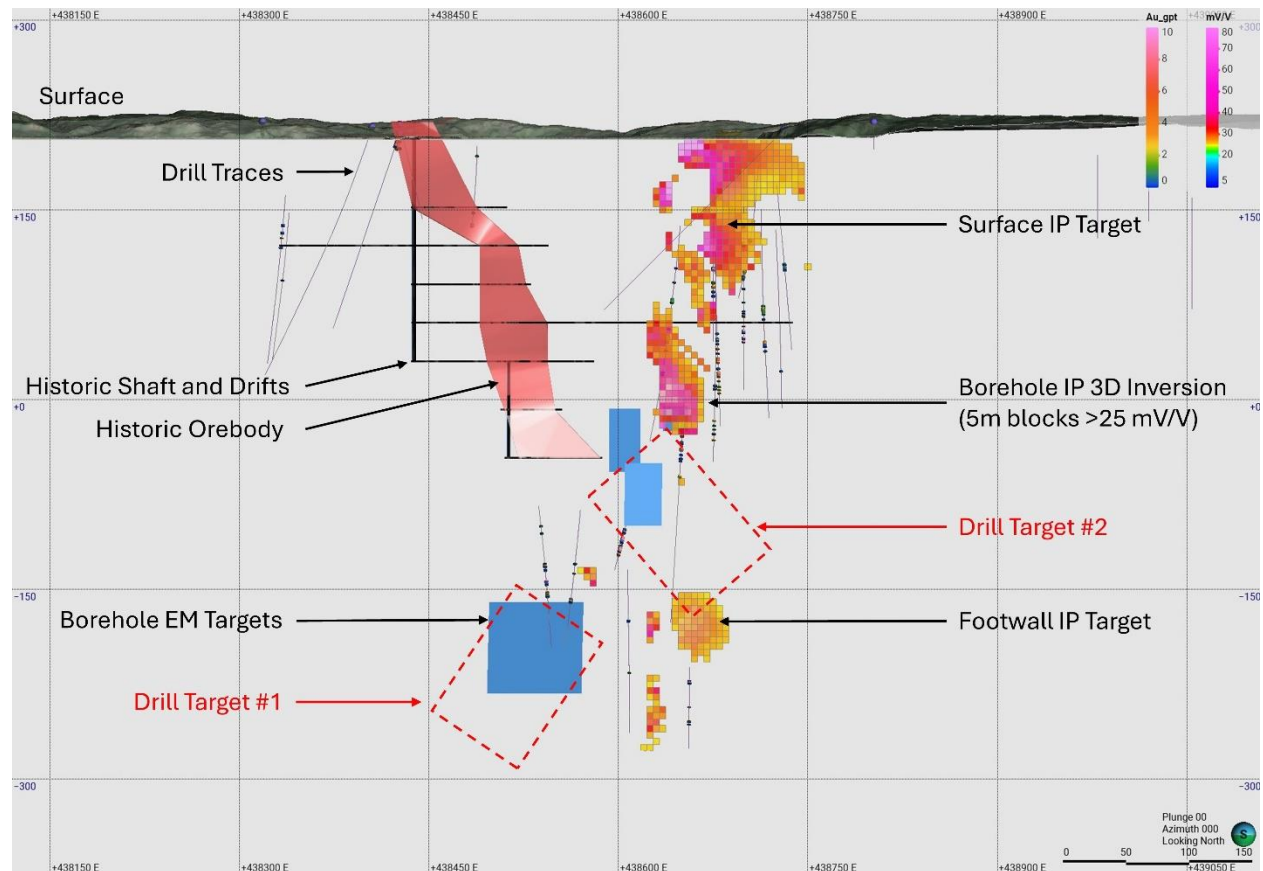


Figure 6 – McMillan Mine Longitudinal Section – Geophysical Targets

8.2 High Lake Property

The High Lake Property comprises 20 mining leases and 20 mining claims totalling 626 ha, 100% owned by the Company, and is located immediately east of the Ontario-Manitoba border, approximately 45 km west of the town of Kenora, Ontario. The Company acquired the property in 2021 by completing the earn-in requirements on an option agreement. Subsequent to acquiring the initial 20 mining leases and 15 mining claims, the Company staked an additional five mining claims. The High Lake Property is subject to a 2% NSR royalty.

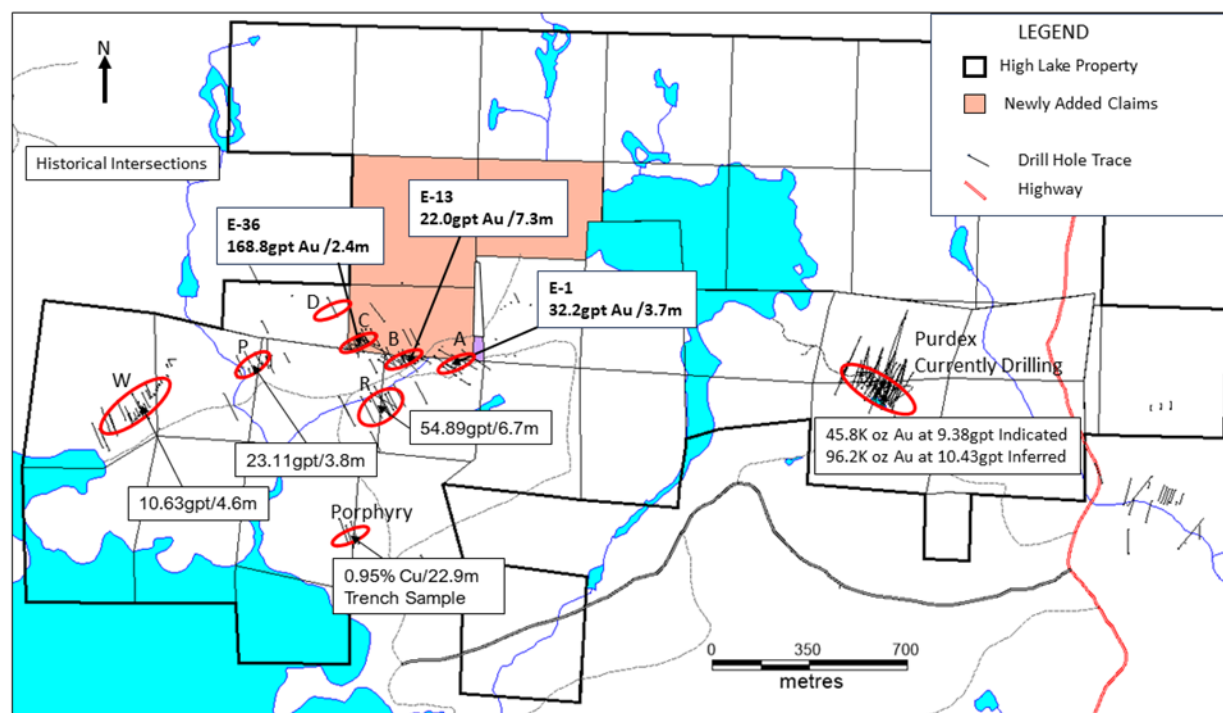
The High Lake Property is located on the traditional lands of the First Nation communities of Shoal Lake 39 and Shoal Lake 40 in Northwestern Ontario.

The High Lake Property is in the Lake of the Woods Greenstone Belt, near the western end of the Wabigoon Subprovince, a 900 km long east-west trending structural zone that is part of the Superior Province in the Canadian Shield. The Lake of the Woods Greenstone Belt is one of a series of six interconnected greenstone belts that make up the western part of the Wabigoon Subprovince in northwestern Ontario.

Historical exploration and development work completed on the High Lake Property includes ground geophysics (magnetics and VLF-EM), drilling, geological mapping, mineral prospecting, geochemical

surveys (conventional soil and MMI soil sampling), and historical mineral resource estimates. There has been no historical production on the High Lake Property.

Historical drilling (non-NI 43-101 compliant) has outlined three zones straddling the boundary between the High Lake Property and the newly added claims. Highlights from this drilling, as shown in the Figure below, include 32.2 g/t Au over 3.7m in hole E-1, 22.0 g/t Au over 7.3m in hole E-13, and 168.8 g/t Au over 2.4m in hole E-36, from Zones A, B and C, respectively. All of the above intercepts are considered historical.



Reedman, J. H., 1987: Report on Trenching, Sampling and Compilation of Drill Data at High Lake, Northwest, Ontario on behalf of Laramide Services Corporation on Mining Claims held by Calnor Resources, 230p.

Figure 7 – High Lake Property Claims

2022/2023 High Lake Property Exploration Program

The Company's first High Lake Property exploration program was initiated in November 2022 and included line cutting, an IP survey, and diamond drilling. As part of the program, 46 drill holes over 10,443m were completed. The results were outlined in six press releases issued by the Company (see the news releases dated December 12, 2022, January 9, 2023, January 25, 2023, February 7, 2023, February 28, 2023, March 6, 2023, and April 11, 2023). The purpose of this drilling was to support the Mineral Resource Estimate of the Purdex Zone. This drilling intersected multiple high-grade gold mineralized intervals with visible gold at the Purdex Zone.

The drilling included a number of significant intersections with distinct visible gold occurrences in the diamond drill core, from near surface to 357m below surface, included in the table below:

Hole ID	From metres	To metres	Length metres	Au (g/t)	Elevation metres
MLHL-22-02	65.00	66.00	1.00	10.70	-61.5
MLHL-22-04	187.00	188.45	1.45	32.58	-158.7
MLHL-22-05	242.51	250.00	7.49	4.95	-226.4
MLHL-22-05	267.45	273.83	6.38	4.49	-248.7
MLHL-22-06	325.56	340.46	14.90	24.96	-320.4
including	332.47	334.76	7.99	43.22	
including	337.31	340.46	3.15	53.87	
MLHL-23-08A	430.60	433.45	2.85	7.84	-357.4
MLHL-22-12	229.00	235.50	6.50	14.73	-178.0
MLHL-22-17	113.20	114.50	1.30	148.37	-55.0
MLHL-22-21	356.95	358.75	1.80	47.28	-350.7
MLHL-22-25	202.10	205.07	2.97	6.85	-182.3
MLHL-22-28	25.25	35.00	9.75	9.82	-20.3
including	29.62	35.00	5.38	15.35	
including	29.62	30.17	0.55	117.00	
MLHL-22-30	85.00	86.00	1.00	20.20	-80.6
MLHL-22-31	56.00	56.75	0.75	16.70	-40.1
MLHL-23-40	14.61	41.80	27.19	6.14	-19.9
including	14.61	19.94	5.33	24.55	-12.2
MLHL-23-41	14.75	15.32	0.57	6.84	-19.9
MLHL-23-43	248.67	249.00	0.33	21.10	-197.8
MLHL-23-45	292.10	296.70	26.40	9.20	-285.3

Drilling on section 700, as shown in the Figure below, has outlined a steeply dipping vein system occurring within a structural zone at or about the contact between quartz-feldspar porphyry and mafic volcanics. The porphyry and mafics are often highly sheared and may display silicification or sericitization. Gold occurs within quartz tourmaline veins and in the adjacent sheared and altered host lithologies, which may be either quartz-feldspar porphyry or mafic volcanics. These veins are often mineralized with pyrite, pyrrhotite and chalcopyrite, with occasional lesser sphalerite and arsenopyrite.

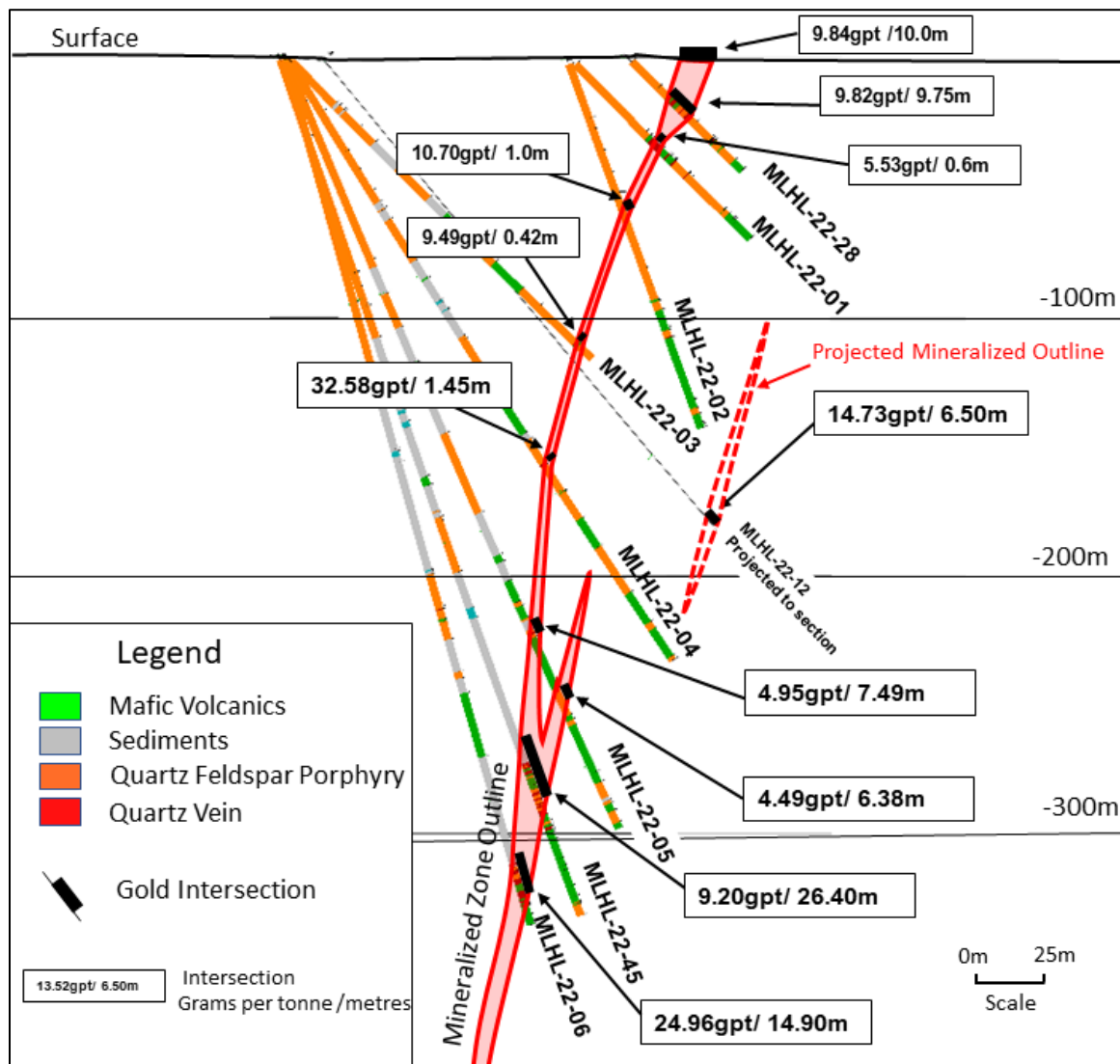


Figure 8 - Cross section of diamond drill holes from 2022/2023 exploration program

Induced Polarization Survey

Between December 2022 and February 2023, line cutting and an IP survey was completed over two grids: the eastern grid, containing the Purdex Zone, and the western grid, overlaying a number of previously identified gold zones as well as a potential copper zone. The line cutting on the eastern grid totalled 5,875m, and 15,225m on the western grid. The IP survey was conducted over 5,175m and 13,325m of line on the eastern and western grids, respectively.

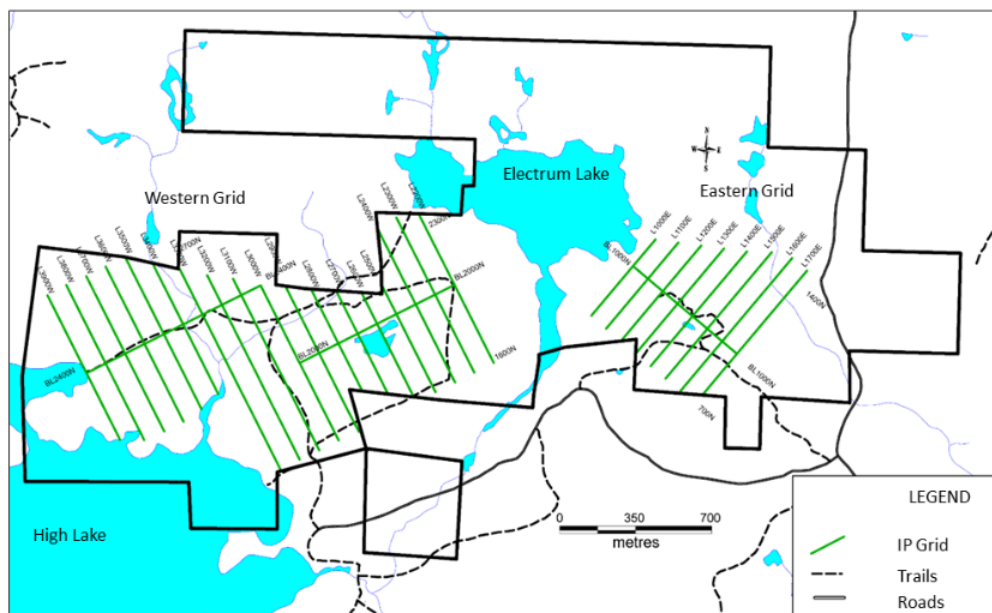


Figure 9 - IP Grid

The IP survey on the eastern grid covered the Purdex Zone, and the western grid covered the P, R, and W zones. This grid was extended to cover the porphyry zone which contained a trench that graded 0.95% Cu over 22.9m. A final report dated March 31, 2023, was received by the Company. The report identified five priority targets: Purdex East, Conglomerate, A-D Extension, Porphyry, and Gap, as shown in the Figure below.

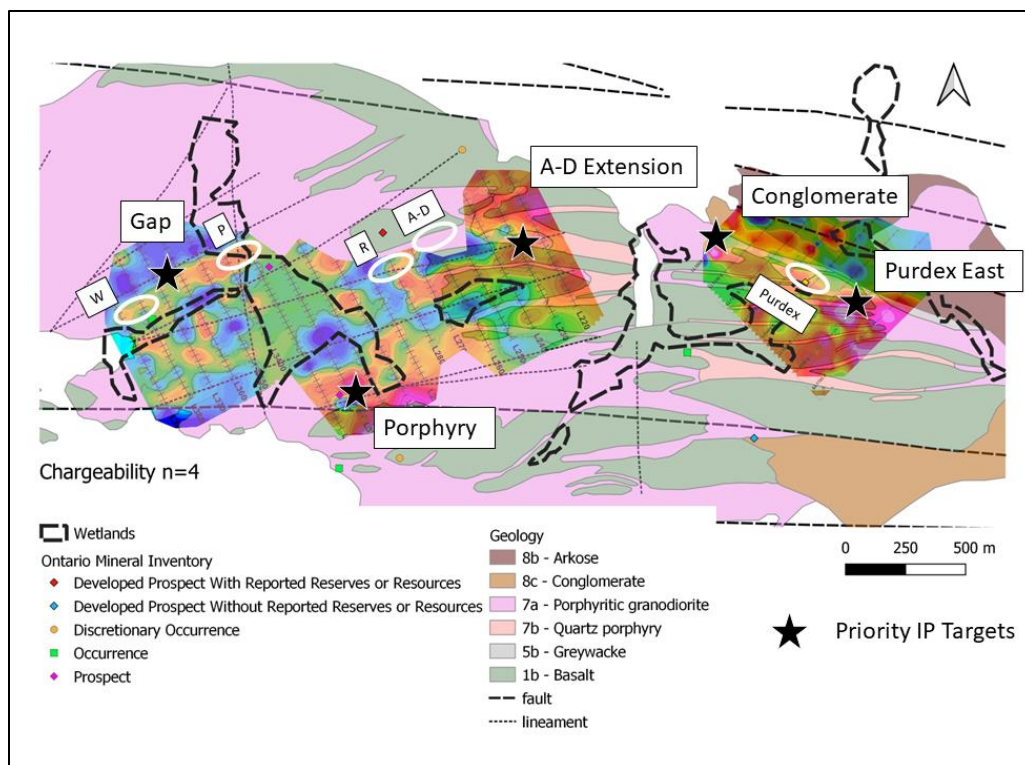


Figure 10 - IP Chargeability Plan

Purdex East is the continuation of the chargeability 300m to the southeast of the anomaly that occurs over the Purdex Zone, and the anomaly is stronger, which is a high priority for continued exploration. The Conglomerate zone displays increasing chargeability as it approaches a potential fold nose area which may bode well for gold mineralization. To the west along strike, the Purdex zone transgresses into conglomerate units with elevated chargeability, possibly providing a favourable host to gold mineralization. Details of these two targets are shown in the Figure below.

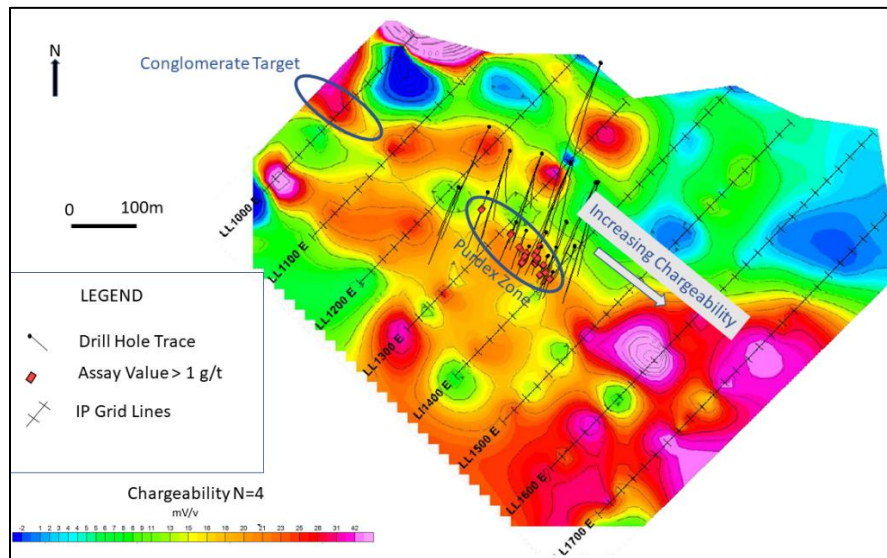


Figure 11 - IP Chargeability Plan – Purdex Area

Two gold targets were defined on the western grid with favourable chargeability anomalies associated with extensions to known gold mineralization at the A-D Extension and the Gap, as shown in Figure 11. The A-D Extension represents the eastward extension of four known gold zones onto McFarlane Lake ground. A potential fold nose, as defined by the IP survey, may provide a favourable site for gold mineralization. The Gap area is situated between two historical zones, the W and P zones. A chargeability trend between the two zones has not previously been drilled.

The Porphyry target covers historical trenches in the High Lake Porphyry, which have returned copper values of 0.95% and up to 1 g/t Au over 22.9m (ODM Geological Report No. 41, 1965). This large chargeability target remains largely untested with significant potential.

Prospecting

The Company followed up the IP survey with a prospecting program on the High Lake Property. The program was successful in outlining numerous anomalous areas, with twelve samples returning values containing gold. Gold samples were returned in four target areas identified in the recent geophysical survey (see the April 11, 2023 press release). The highest-grade gold samples collected in the recent field work were obtained west of the recently drilled Purdex Zone (15.9 g/t Au) and east of the Purdex Zone (9.35 g/t Au). The eastern and western areas of Purdex are top target areas as identified from the geophysical survey. The gold samples from these areas were in elevated areas of conductivity, supporting geophysical data as having the potential to contain gold mineralization. Of key interest are samples which returned up to 1.55 g/t Au with associated copper values up to 0.87% in the Porphyry Zone. This is described in more detail below. A map outlining the sample locations with gold values is shown in the Figure below.

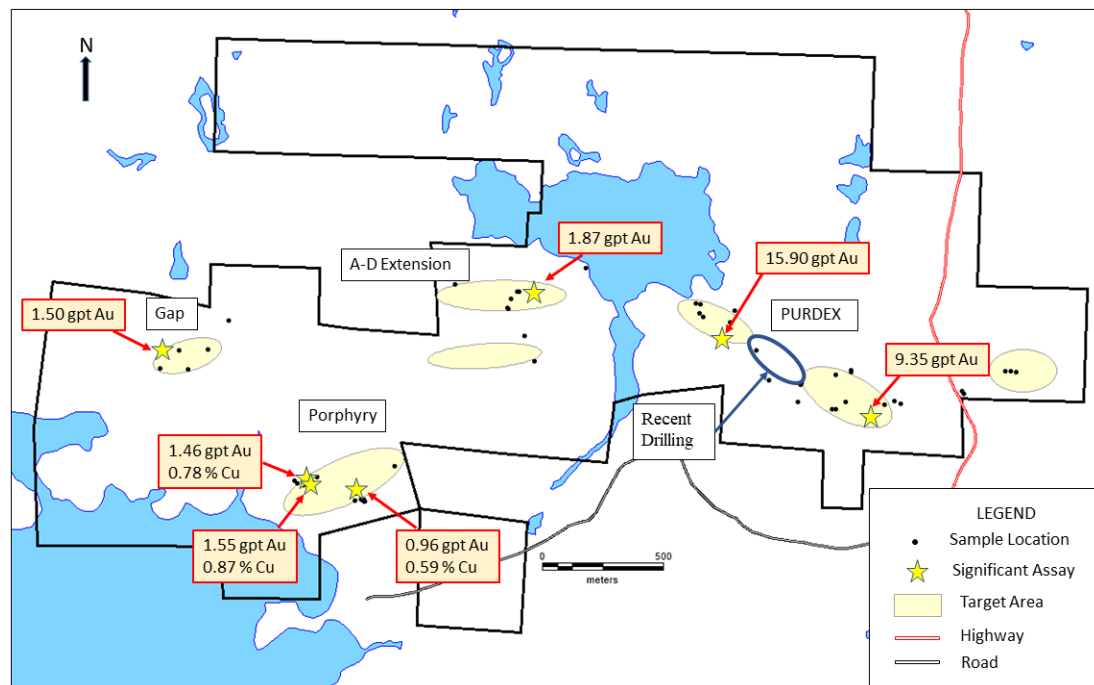


Figure 12 – Prospecting and Sampling Gold and Copper Results

Anomalous samples were returned from the Purdex Zone, A-D Extension, Gap, and Porphyry Zone. The most significant samples were obtained from 350m east and 120m west of the Purdex Zone along the trend of elevated chargeability, as shown in the Figure below. A trend of increasing chargeability is noted to the east of the Purdex Zone.

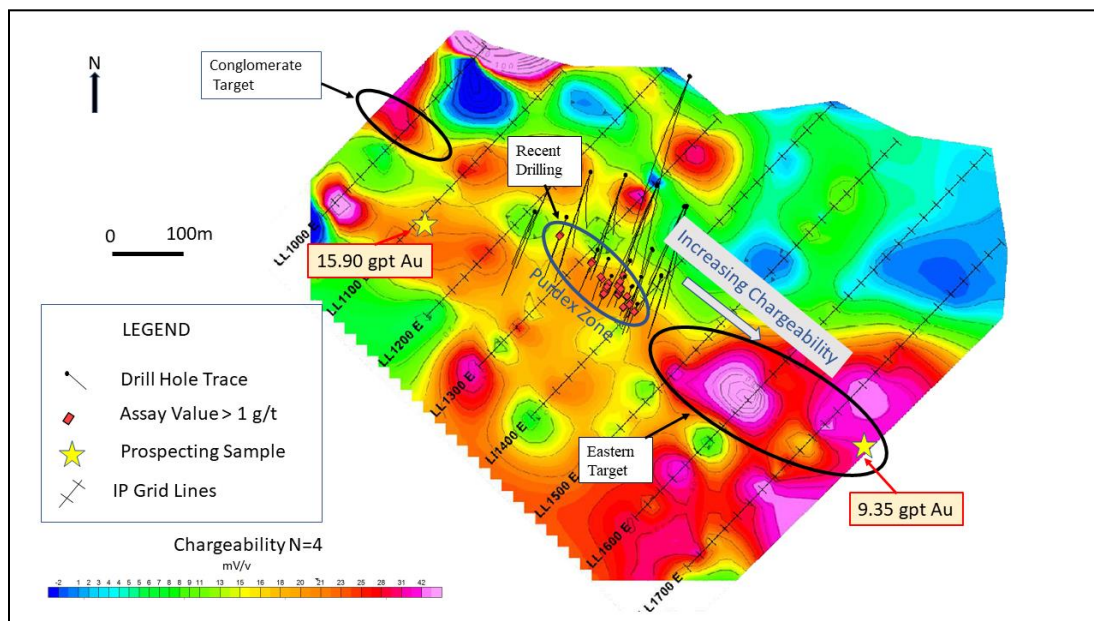


Figure 13 - Purdex Sampling Gold Results with IP Chargeability

Sampling on the western portion of the property returned elevated gold and locally copper values, as shown in the Figure below. Elevated gold values were returned from the A-D Extension, Gap, and Porphyry Zones, which returned grades of 1.87, 1.50, and 1.55 g/t Au, respectively. The A-D Extension represents the

potential on-strike continuation of the historical A, B, C, and D Zones drilled by Electrum Lake Gold Mines and Calnor Resources in 1960 and 1986, respectively. Elevated chargeability east of these zones on the High Lake Property suggests their continuation in conjunction with the sampling in the area.

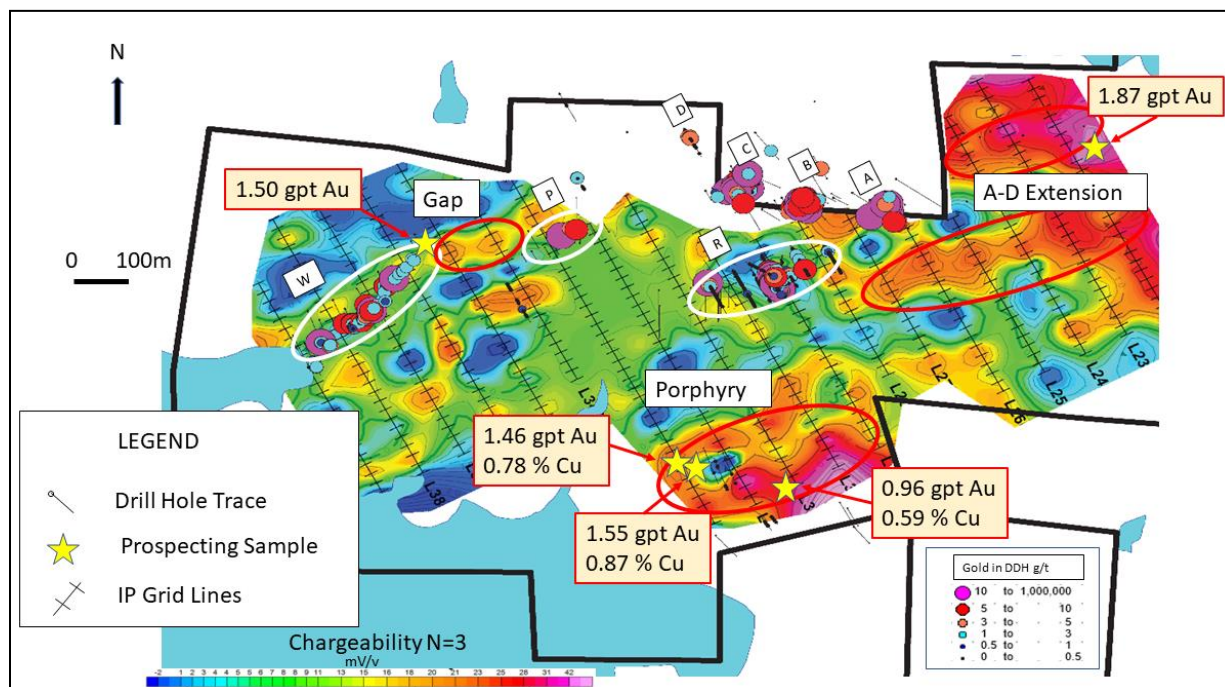


Figure 14 - Western Sampling Gold Results with IP Chargeability

The Gap is a 200m length break in drilling between the W and P zones, which remains untested. Elevated chargeability and adjacent recent sampling further enhance this target.

Of key interest is the copper-gold showing in the Porphyry Zone on the southwest of the property. The Porphyry Zone prospecting and sampling program produced a number of elevated gold and copper values, including 1.55, 1.46, and 0.96 g/t Au associated with 0.87%, 0.78%, and 0.59% Cu, respectively. This represents another opportunity, as this wide vein system has been tracked for over 600m along surface. This also supports the geological theory that the gold mineralization found elsewhere on the property may have resulted from a porphyry system within the area.

Geological Data Compilation and Artificial Intelligence Prospectivity Analysis

On October 3, 2023, the Company announced that it commissioned a full geological compilation of all available historical and current information on its High Lake Property to generate a digital dataset to help generate and prioritize exploration targets using artificial intelligence. The geological data compilation was completed as of October 18, 2023.

The data was used to complete a prospectivity analysis using artificial intelligence, as announced on March 5, 2024. The primary purpose of this prospectivity analysis was to use a combination of knowledge driven and supervised machine learning algorithms to generate both surface and subsurface prospectivity maps (targets for exploration). Prospectivity maps highlight areas of favourable geological structure, lithology, mineralization, and geochemistry for gold deposits with a focus to identify target areas and help guide further exploration on the property.

The 3D (subsurface) prospective analysis made use of all available data for historic drilling and recent drilling which were compiled and formatted into tables imported into geological software for analysis. Exploration drill hole data was used in combination with advanced mathematical modelling to interpolate

and predict prospectivity score. The generated Random Forest model was able to predict the probability of prospective intervals on the downhole data that correlate well with gold assay results. The 3D meshes produced by the RBF interpolant on the downhole prospectivity scores were projected to surface and are presented in the Figure below.

The results of the Random Forest model on the downhole data identified key features associated with the mineralization within the Purdex Zone, as well as identified areas of drilling that show similarities to the Purdex Zone. The R and W zones are the most similar to the Purdex Zone.

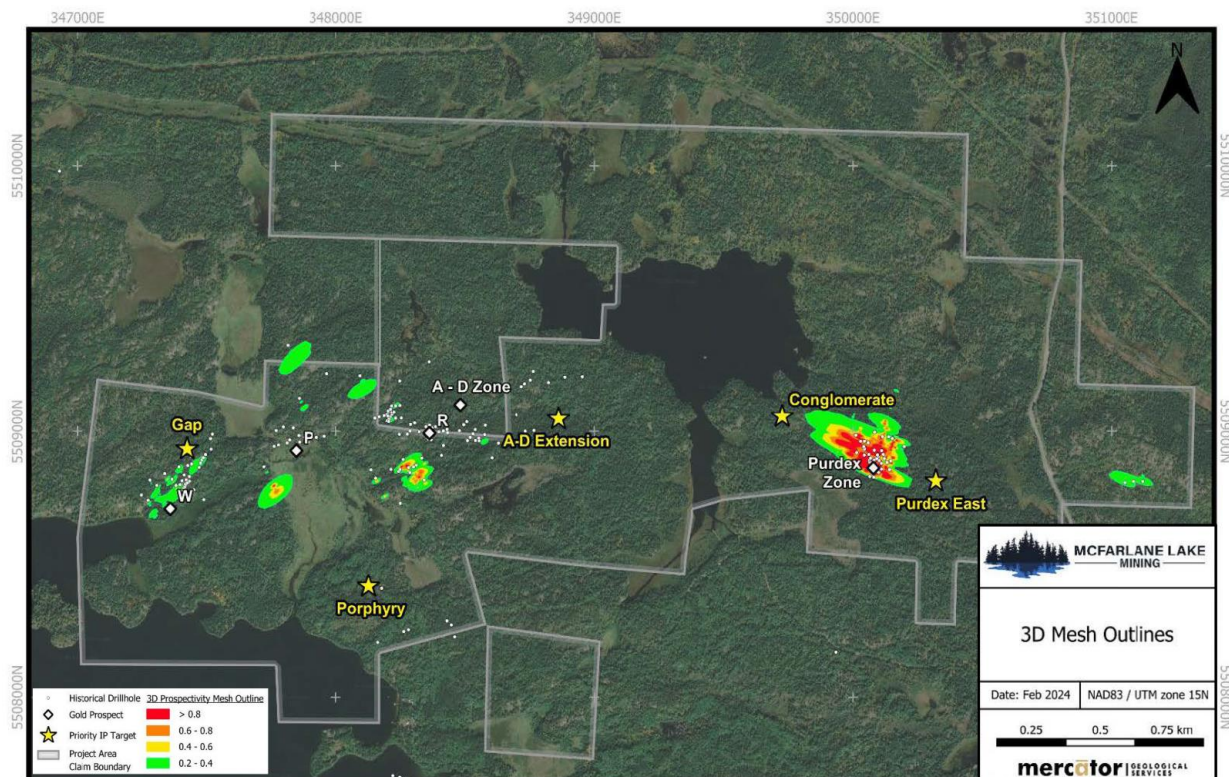


Figure 15 – Surface Projections of Downhole Prospectivity Solids

The 2D (surface) prospectivity analysis utilized both Knowledge Driven and Random Forrest methods. Figure 15 compares targets generated from the Knowledge Driven and Random Forest prospectivity models with the surface projection of the 3D RBF interpolants generated from the downhole Random Forest prospectivity model. The surface prospectivity analysis defined areas that are aligned with the results of the downhole model and known target areas for both the Random Forest and Knowledge Driven models. It also indicated additional areas of interest to the north of the property.

While the results produced by machine learning models are not absolute and should be interpreted with some degree of caution, the results confirm our previous information (historical, prospecting, geophysics and diamond drilling) and serve as computer-generated predictions that can help guide future exploration of the property.

McFarlane Lake Mining Limited
Management's Discussion and Analysis
For the three months ended November 30, 2024

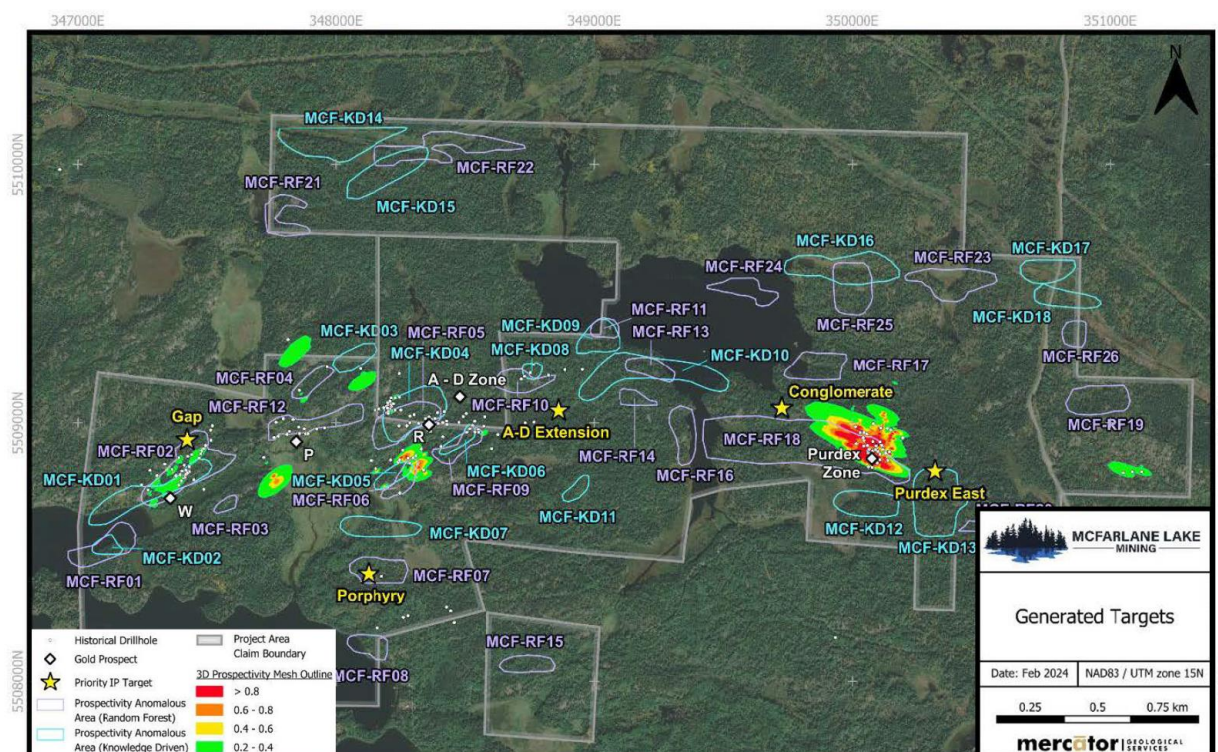


Figure 16 – Target areas identified in the Knowledge Driven and Random Forest surface analysis overlaying Surface Projections of Downhole Prospectivity Solids

2023/2024 High Lake Exploration Program

In December 2023, the Company commenced a diamond drilling program at the High Lake Property that targeted to expand the existing Mineral Resource Estimate in the Purdex Zone and follow up on other priority targets developed through geophysics and prospecting. The program was completed at the end of March 2024, with 33 holes completed for a total of 9,967m drilled.

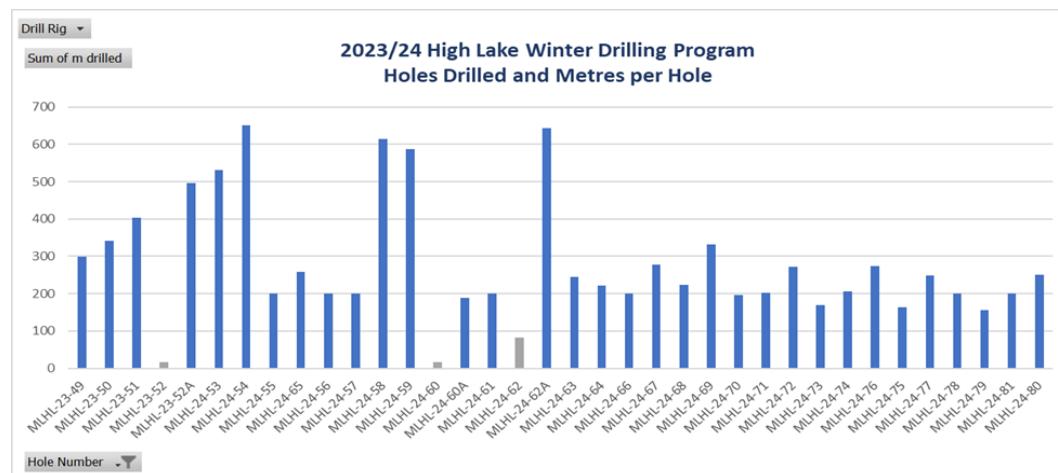


Figure 17 – 2023/2024 High Lake Exploration Program Drilling Statistics

Twenty-six holes were completed on the Purdex Zone for a total of 8,460m drilled. Three holes had to be recollared for various reasons, with 115m drilled. Deeper drilling accuracy was an issue, and a directional drilling company was engaged to drill hole MLHL-24-62A to ensure the zone of interest was intersected.

The Company intersected gold, extending the gold mineralization from its NI-43-101 compliant gold resource in the Purdex Zone in hole MLHL-23-50 and in hole MLHL-24-53 (the Figure below highlights the area of new gold mineralization). Drill hole MLHL-23-50 intersected 13.96 g/t Au over 1.17m, while hole MLHL-24-53 intersected 4.04 g/t Au over 2.25m. Hole MLHL-23-50 extended gold mineralization to the east of the Purdex zone, while hole MLHL-25-53 extended gold mineralization at depth.

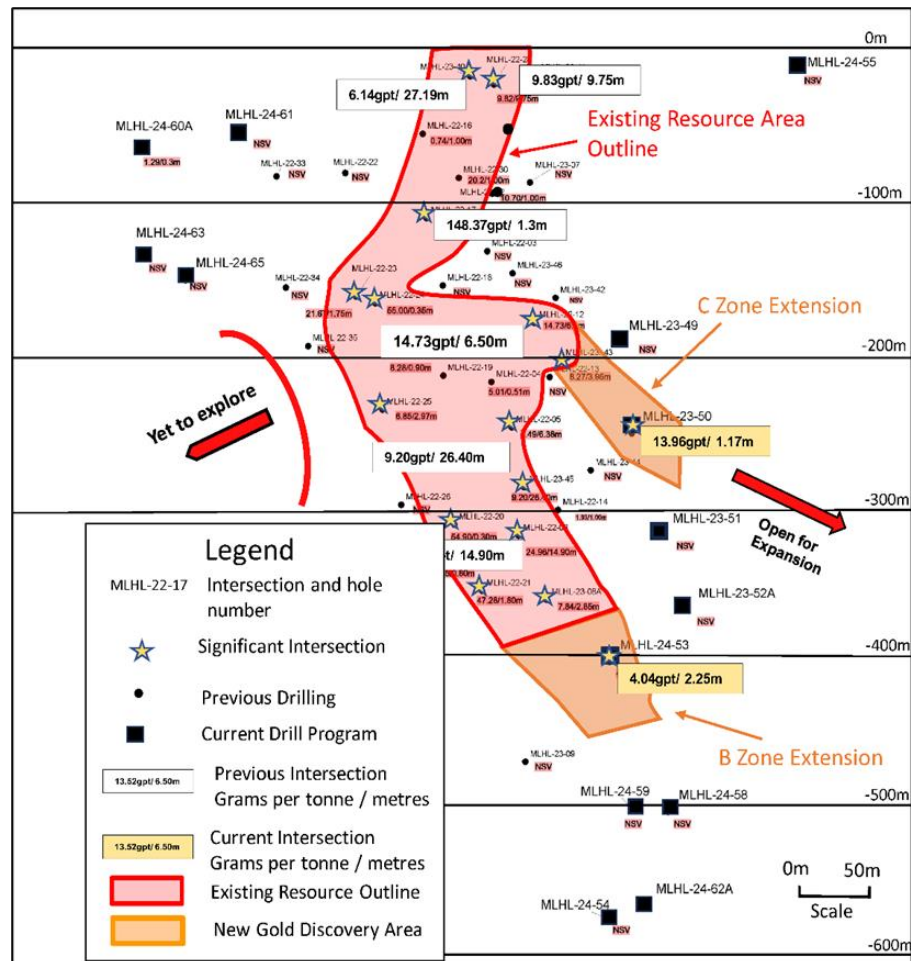


Figure 18 – Purdex Zone Resource Area - Longitudinal Section

Seven holes were completed on the western area, with 1,391m drilled. Three holes were drilled in the Porphyry Zone and one each in the R-Zone, B Zone, C Zone, and A-D Extension.

Due to warm weather conditions and difficult terrain, two of the holes (79 and 80) required the use of a helicopter to set up the pads and fly in the drill and other materials.

Within this winter's drilling program, McFarlane also explored parts of the western area of the High Lake Property. Drilling in the western area of the property is shown on Figure 18 below. Specifically, McFarlane explored historical prospective areas of the R Zone, B Zone, C Zone, A-D Extension and the Porphyry Zones.

The best results from the western drilling were from the historic B Zone area and Porphyry Zone. Drill hole MLHL-24-80 intersected 15.50 g/t Au over 0.3m, while hole MLHL-24-81 intersected 1.23 g/t Au over 6.12m in the B Zone. Drilling on the Porphyry Zone returned a grade of 0.37% Cu and 0.23 g/t Au over 6.5m from drill hole MLHL-24-71 and 0.41% Cu and 0.17 g/t Au over 9.0m from drill hole MLHL-24-75.

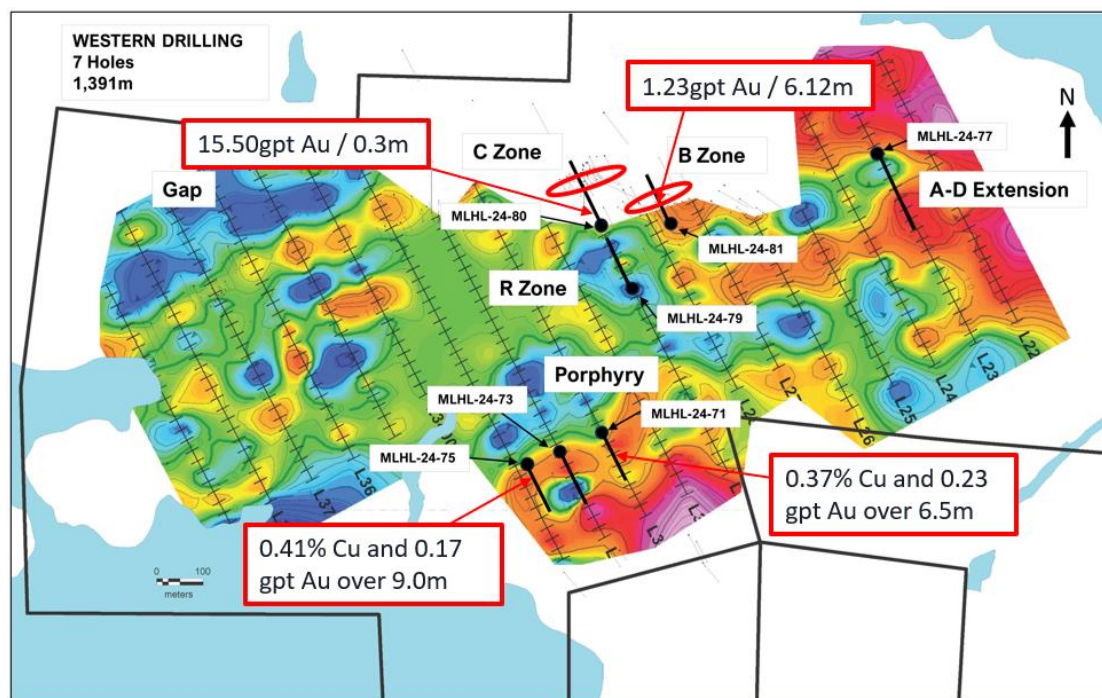


Figure 19 - High Lake Western Drilling

A summary of the significant intersections from the drill program are tabulated below.

Hole ID	From	To	Length (m)	Au g/t	Cu %	Elevation (m)
MLHL-23-50	296.70	297.87	1.17	13.96		-238.80
including	297.00	297.30	0.30	41.70		
MLHL-23-53	416.50	418.75	2.25	4.04		-389.68
Including	418.00	418.30	0.30	9.24		
MLHL-23-53	431.00	431.30	0.30	3.96		-402.15
MLHL-23-53	457.40	458.10	0.70	6.78		-426.63
MLHL-24-57	152.65	1453.00	0.35	2.72		-104.97
MLHL-24-62A	571.00	572.30	1.30	1.39		-550.85
MLHL-24-62A	591.35	591.90	0.55	1.99		-569.73
MLHL-24-71	131.28	137.78	6.50	0.23	0.37	-99.04
MLHL-24-75	49.70	58.70	9.00	0.17	0.41	-40.31
MLHL-24-79	67.00	68.00	1.00	2.75		-47.12
MLHL-24-80	12.85	13.15	0.30	15.50		-9.22
MLHL-24-81	40.85	41.50	0.65	1.47		-28.68
MLHL-24-81	71.00	71.30	0.30	2.99		-49.49
MLHL-24-81	119.00	125.12	6.12	1.23		-84.62
MLHL-24-81	129.00	132.00	3.00	1.83		-90.43

High Lake Property Mineral Resource Estimate

The Company's maiden mineral resource estimate ("MRE") on the High Lake Property was released on May 24, 2023. The Technical Report was independently prepared by P&E Mining Consultants Inc. in accordance with NI-43-101, with an effective date of April 14, 2023. The full Technical Report is available on SEDAR+ (www.sedarplus.com).

This MRE has been classified in accordance with CIM Definition Standards on Mineral Resources and Mineral Reserves (CIM, 2014) and follows the CIM Estimation of Mineral Resources and Mineral Reserves Best Practice Guidelines (CIM, 2019). It is based on the Company's recently completed drilling program and mineralization modelling.

Most of the estimated Mineral Resource tonnage related to the High Lake deposit is contained in three stacked zones (Zone A, B, and C in Figure below) within a 75m-wide corridor starting at surface and covering an area of 420m vertical by 220m along strike. The true thickness of the High Lake zones varies from 1.2 to 9.0m.

The mineralized zone and drill results are shown in the Figure below.

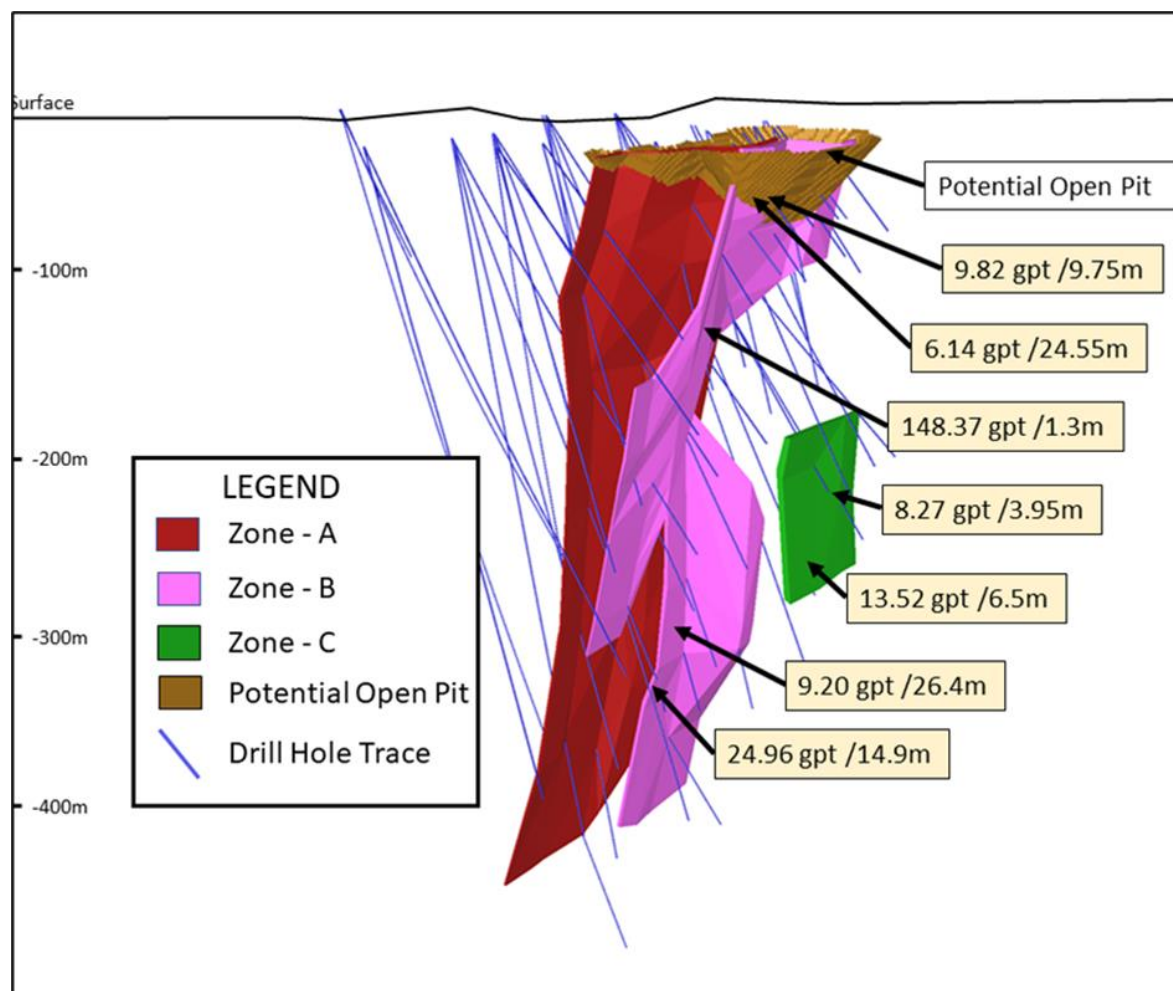


Figure 20 - 3D of the Mineral Resource Model

Purdex Zone Mineral Resource at 2.6 g/t Au Cut-off

Classification	Tonnes (k)	Au (g/t)	Au (k oz)
Indicated	152	9.38	45.8
Inferred	287	10.43	96.2

Mineral Resource Sensitivity to Cut-off Grade

A sensitivity analysis was performed on the MRE to assess the impact of various lower cut-off gold grades. The sensitivity is low, indicating a well-constrained model.

Au cut-off (g/t)	Indicated			Inferred		
	Tonnes (t)	Au grade (g/t)	Au (oz)	Tonnes (t)	Au grade (g/t)	Au (oz)
3.0	139,747	9.95	44,705	260,540	10.98	91,975
2.9	142,155	9.83	44,927	265,418	10.84	92,502
2.8	145,051	9.69	45,189	270,031	10.7	92,894
2.7	148,441	9.53	45,482	274,556	10.57	93,303
2.6	151,851	9.38	45,794	287,373	10.43	96,165
2.5	155,726	9.21	46,112	285,116	10.27	94,142
2.4	159,140	9.06	46,355	289,847	10.15	94,586
2.3	162,621	8.92	46,637	295,015	10.01	94,944
2.2	166,374	8.77	46,911	300,930	9.86	95,397
2.1	170,427	8.61	47,177	307,287	9.7	95,831
2.0	174,316	8.47	47,469	313,324	9.55	96,203

Notes

1. The mineral resources described above have been prepared in accordance with the CIM Standards (Canadian Institute of Mining, Metallurgy, and Petroleum, 2014) and follow Best Practices outlined by CIM (2019).
2. Underground Mineral Resources have been reported using a 2.6 g/t lower cut-off based on US\$1,800/oz Au, 0.77 US\$ FX, 95% process recovery and costs of C\$130/t mining, C\$40/t processing and C\$15/t G&A.
3. The High Lake deposit has been classified as Inferred and Indicated Mineral Resources according to drill spacing and two grade estimation passes. Underground Mineral Resources have been classified manually within a constraining volume to remove isolated areas not satisfying reasonable prospects for eventual economic extraction ("RPEEE") and have been reported using an approximate 2m minimum thickness.
4. There are no known underground workings at the High Lake Deposit.
5. The bulk density of 2.7 t/m³ has been applied based on measurements taken on the drill core and assigned in the block model.
6. The MRE is based on a block model with a block size of 0.5 m x 0.5 m x 0.5 m.
7. Tonnage has been expressed in the metric system, and gold metal content has been expressed in troy ounces.
8. The tonnages have been rounded to the nearest 100 tonnes, and the metal content has been rounded to the nearest 100 ounces. Gold grades have been reported to two decimal places.

These Mineral Resources are not Mineral Reserves as they have not demonstrated economic viability. The quantity and grade of reported Inferred Mineral Resources disclosed herein are uncertain in nature, and there has been insufficient exploration to define these Mineral Resources as Indicated or Measured; however, the Company reasonably expects that most of the Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.

The qualified person of the Company is not aware of any factors or issues that materially affect the MRE other than normal risks faced by mining projects in the province in terms of environmental, permitting, taxation, socio-economic, marketing, and political factors, and additional risk factors regarding Inferred Mineral Resources.

The mineralized zone on the Purdex Zone extends to surface, and there may be an opportunity to mine these Mineral Resources early in a development project through an open pit. P&E Mining Consultants Inc. has reviewed two potential pit options and subsets of the Mineral Resource that could feasibly be exploited through these options, which are outlined in the table below.

Potential Pits (Subsets of MRE above) at 1.0 g/t Au cut-off

	Classification	Tonnes (k)	Au grade (g/t)	Au (k oz)
Pit 1	Indicated	22	6.36	4.5
	Inferred	3	5.25	0.5
Pit 2	Indicated	45	4.47	6.5
	Inferred	7	3.65	0.8

8.3. West Hawk Lake Property

The West Hawk Lake Property is located 5 km west of the Ontario-Manitoba border, in southwestern Manitoba, 53 km west of the City of Kenora and 130 km east of the City of Winnipeg. It lies immediately north of the Trans-Canada Highway, within the Whiteshell Provincial Park and consists of a single mining lease, totalling 886.5 ha, and is 100% owned by the Company. The property was acquired in 2021 following the completion of earn-in requirements on an option agreement. The West Hawk Lake Property is subject to a 2% NSR royalty.

The West Hawk Property's location within the boundaries of the Whiteshell Provincial Park means that special conditions apply to its development. The Mining Lease ML-18 states, "*Subject and pursuant to the Act and regulations, the Minister conveys to the lessee the exclusive right to the minerals that are the property of the Crown, together with the mineral access rights to explore for, develop, mine and produce the minerals that are found in place, on, in or under the land...*". Any future mining operation on the property will require mined production to be transported and processed at a facility outside the Whiteshell Provincial Park boundary. The closest park boundary is the Manitoba-Ontario border, 6 km east. The High Lake Property is located on the traditional lands of the First Nation communities of Shoal Lake 39 and Shoal Lake 40 in Northwestern Ontario.

The West Hawk Lake Property is in the Lake of the Woods Greenstone Belt, near the western end of the Wabigoon Subprovince, a 900 km long east-west trending structural zone that is part of the Superior Province in the Canadian Shield. The Lake of the Woods Greenstone Belt is one of six interconnected greenstone belts that make up the western part of the Wabigoon Subprovince in northwestern Ontario.

The historical exploration and development work completed on the West Hawk Lake Property includes mineral prospecting, shaft sinking and underground level excavation, drilling, trenching, sampling for metallurgical test work, ground geophysics (magnetics and VLF-EM), and historical mineral resource estimates. There has been minor historical production on the West Hawk Lake Property.

An IP survey was completed on the West Hawk Lake Property in January and February 2022. The objective of the IP survey was to detect chargeability and resistivity anomalies for drill testing. The IP survey was completed on 18 cut grid-lines for a total of 17,500m. The IP survey detected strong chargeability anomalies flanked by or co-incident with resistivity anomalies over significant strike lengths. These prospective anomalies suggest the presence of sulphides within silicified zones. In total, 52 anomalies were identified and compiled for follow-up work, particularly drilling. Additionally, the IP survey displayed resistivity and chargeability towards the eastern portion of the grid. These findings are supported by historical drilling within the anomalous trends, which has confirmed the presence of sulphides, silicification, and quartz veins in sheared quartz monzonite. Previously, the eastern portion of this property has been overlooked.

In 2022 and 2023, the Company completed 3,151m of diamond drilling over 15 drill holes. The drill holes were designed to confirm and expand the mineralized zones delineated in historical drilling and detected in IP geophysical surveys. This drilling intersected multiple high-grade gold mineralized intervals at the historical Waverly and Sunbeam Zones.

8.3. Michaud and Munro Properties

In March 2022, the Company acquired a 100% interest in the Michaud and Munro properties, which consist of 17 mining leases and are located in northeastern Ontario near the town of Matheson, within the historic Timmins mining area in Ontario, along the Porcupine Destor fault. The Michaud property lies adjacent to Mayfair Gold Corp.'s Fenn-Gib exploration property. The Munro property lies in the Kidd-Munro stratigraphic assemblage within the Abitibi Greenstone Belt. The Michaud and Munro properties have been family-held for over 50 years and have seen limited work, with the most recent drilling completed in 1995.

The Michaud and Munro properties are subject to a 1.5% NSR royalty, of which 1% can be purchased for \$1.5 million.

In October 2022, the Company completed the strategic acquisition of an additional six claims adjoining the Munro property, increasing the property by 111.5 ha, as shown in the Figure below. The current Munro property is comprised of six mining claims and twelve mining leases covering an area of 404.4 ha.

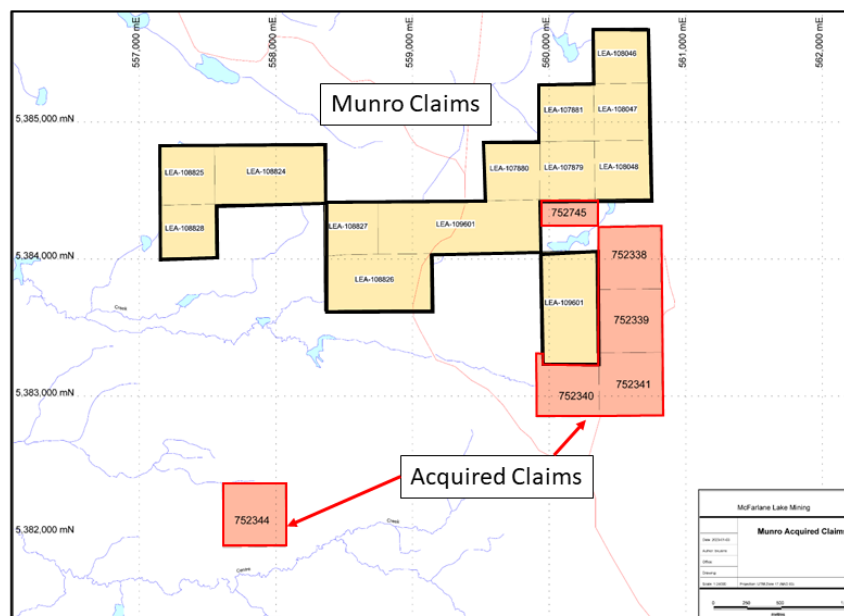


Figure 21 - Location of Munro Property

9. Other

9.1. Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements requiring disclosure.

9.2. Transactions Between Related Parties

Related party transactions are comprised of services rendered by directors or officers of the Company or by a company with a director or officer in common. Related party transactions are in the normal course of business and are measured at the exchange amount.

During the three months ended November 30, 2024 and 2023, the Company incurred the following expenses with directors and key management personnel:

	Three months ended November 30,	
	2024	2023
	\$	\$
Consulting fees	64,600	126,000
Share-based compensation	54,544	nil
Director fees	16,887	2,250

Included in accounts payable and accrued liabilities as at November 30, 2024 is \$72,950 owing to the officers, directors and management of the Company (August 31, 2024 - \$63,153). This amount included outstanding director fees in the amount of \$27,000 (August 31, 2024 - \$21,000). The amounts are unsecured, non-interest bearing and due on demand.

During fiscal 2021, the Company was advanced funds totalling \$195,000 from companies controlled by Perry Dellelce and Mark Trevisiol. These promissory notes payable are unsecured, bear interest at 12% compounded monthly and are due on demand. During the year ended August 31, 2024, \$135,000 of these notes were repaid, leaving an outstanding principal balance of \$60,000. Included in accounts payable and accrued liabilities as of November 30, 2024, is accrued interest owed on these notes payable in the amount of \$47,073 (August 31, 2024 - \$41,945). The funds were advanced to assist in the financing of the Company's operations.

During the three months ended November 30, 2024, the Company incurred professional fees to a law firm and its associated companies for legal, accounting and capital advisory services totalling \$53,808 (three months ended November 30, 2023 - \$212,722). One of the directors is a partner in this law firm and a shareholder in the other two associated companies. Included in accounts payable and accrued liabilities as at November 30, 2024, is \$372,293 owing to this law firm and its associated companies (August 31, 2024 - \$335,986). The amounts are unsecured, non-interest bearing and due on demand.

As of November 30, 2024, the Company had a related party receivable of \$82,417 due from an officer and director (August 31, 2024 - \$nil) related to withholdings remitted to the Canadian Revenue Agency on the exercise of RSUs.

9.3. Notes Payable

During fiscal 2021, McFarlane was advanced funds totalling \$195,000 from companies controlled by certain directors of the Company. These promissory notes payable are unsecured, bear interest at 12% compounded monthly and are due on demand. During the year ended August 31, 2024, \$135,000 of the loan was repaid. Included in accounts payable and accrued liabilities as of November 30, 2024 is accrued interest owed on these notes payable in the amount of \$47,073 (August 31, 2024 - \$41,945). The monies were advanced to assist in the financing of the Company's operations.

10. Commitments and Contingencies

(1) Consulting Agreements

The Company entered into consulting agreements with its key management personnel (the Chief Executive Officer, the Chief Operating Officer, and the Chief Financial Officer) at combined consulting fees of \$17,000 per month. These contracts require payment of approximately \$1,000,000 upon a change of control of the Company, as defined by each officer's respective consulting agreement. The Company is also committed to payments upon termination of approximately \$420,000 pursuant to the terms of these contracts. As a triggering event has not taken place, these amounts have not been recorded in the financial statements.

The Company entered into a one-year consulting agreement with its Vice President of Geology on June 14, 2021. The terms of the agreement included a grant of 500,000 stock options issued on May 31, 2021, and consulting fees of \$15,000 per month. The Company and the consultant mutually agreed to continue the agreement on a month-by-month basis. During the fiscal year ended August 31, 2024, the consultant retired, and the consulting agreement was terminated.

The Company entered into an 18-month consulting agreement with a mining consultant on December 30, 2021. The terms of the agreement initially included consulting fees of \$10,000 per month. As of June 1, 2022, the mining consultant agreed to reduce the monthly consulting fee to \$5,000 per month, thereby extending the term of the consulting agreement.

(2) Environmental Contingencies

The Company's exploration and evaluation activities are subject to laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its activities are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

(3) Flow-Through Financings

The Company has conducted flow-through private placements to fund exploration activities. Canadian tax rules require the Company to spend flow-through funds on "Canadian exploration expenses" (as defined in the *Income Tax Act* (Canada)) by the end of the calendar year following the year in which they were raised. The Company indemnifies the subscribers of flow-through shares from any tax consequences should the Company, notwithstanding its plans, fail to meet its commitments under the flow-through subscription agreements.

In April 2023, the Company issued 3,100,000 flow-through shares for gross proceeds equal to \$372,000, thus committing to spend this amount by December 31, 2024 on "Canadian exploration expenses," which qualify as "flow-through mining expenditures," as these terms are defined in the *Income Tax Act* (Canada) ("**Resource Expenditures**"). Upon the issuance of the flow-through shares, the Company recorded an aggregate flow-through share premium liability of \$142,242. As of August 31, 2024, the Company had spent the required amount on qualifying expenses, thereby fulfilling its liability obligation under the terms of the agreement.

In November 2023, the Company issued 33,335,006 flow-through shares for gross proceeds equal to \$2,000,100, thus committing to spend this amount by December 31, 2024 on Resource Expenditures. Upon the issuance of the flow-through shares, the Company recorded an aggregate flow-through share premium liability of \$921,230. The Company had spent the required amount on qualifying expenses, thereby fulfilling its liability obligation under the terms of the agreement.

In June 2024, the Company issued 14,100,000 flow-through shares for gross proceeds equal to \$705,000, thus committing to spend this amount by December 31, 2025 on Resource Expenditures. Upon the issuance of the flow-through shares, the Company recorded an aggregate flow-through share premium

liability of \$196,348. During the year ended August 31, 2024, the Company incurred \$79,418 of Resource Expenditures towards this commitment and recorded a flow-through share premium recovery of \$22,119 in the statement of loss and comprehensive loss. During the three months ended November 30, 2024, the Company incurred a further \$248,741 of Resource Expenditures towards this commitment and recorded a flow-through share premium recovery of \$69,276. As of November 30, 2024, the Company had a remaining flow-through share premium liability of \$104,953, which will require Resource Expenditures of \$376,841 before December 31, 2025.

11. Subsequent Events to November 30, 2024

On December 2, 2024, the Company approved the issuance of 1,000,000 stock options to an officer, exercisable at \$0.035 per share and expiring on December 2, 2029. The options were issued to a related party. The options shall vest upon approval of amendments to the option plan by the shareholders of the Company scheduled to take place at the AGM on March 3, 2025.

On December 9, 2024, a total of 5,303,231 warrants, including 4,206,156 warrants with an exercise price of \$0.60 per share and 1,097,075 with an exercise price of \$0.40 per share, expired unexercised.

12. Changes in Accounting Policies, Including Initial Adoption

During the three months ended November 30, 2024, the Company adopted the following amendment. This change did not have any material impact on the Company's financial statements.

IAS 1 – Presentation of Financial Statements ("IAS 1") was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or non-current is based solely on a company's right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company's own equity instruments is regarded as settlement of a liability unless it results from the exercise of a conversion option meeting the definition of an equity instrument. In February 2021, the IASB issued "Disclosure of Accounting Policies" with amendments that are intended to help preparers in deciding which accounting policies to disclose in their financial statements.

13. Critical Accounting Estimates

The preparation of the condensed consolidated annual financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Information about critical judgements in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements is discussed below:

a) Title to mineral property interests

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company titles. Such properties may be subject to prior agreement or transfers, and titles may be affected by undetected defects.

b) Valuation of share-based payments

The Company values share-based payments granted using market-based generally accepted valuation techniques at the date of grant or issuance. Assumptions made for the valuation include volatility of the share price, risk free interest rate and the life of the stock options granted. Such assumptions are highly subjective, and changes in these assumptions materially affect the calculated fair value. Assumptions and models used for estimating fair value for share-based payment transactions are disclosed in the Company's consolidated financial statements for the year ended August 31, 2024. The expected volatility assumptions for the Company's option grants are based on comparable companies.

c) Valuation of deferred income tax assets

Each year, the Company evaluates the likelihood of whether some portion of deferred tax assets, if any, will not be realized. This evaluation is based on historic and future expected levels of taxable income, the timing of reversals of taxable temporary timing differences that give rise to deferred tax liabilities, tax planning initiatives, and deferred tax rates.

d) Going concern

The assessment of the Company's ability to continue as a going concern involves judgment regarding future funding available for its exploration projects and working capital requirements.

e) Income, value-added, withholding and other taxes

The Company is subject to income, value-added, withholding and other taxes. Judgment is used in determining provisions for taxes as there are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The determination of the Company's income, value-added, withholding, and other tax liabilities requires interpretation of complex laws and regulations, which may not coincide with the interpretation of the tax authorities. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. In case the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax-related accruals and deferred income tax provisions in the period in which such determination is made.

f) Use of estimates

The estimates and associated assumptions are based on historical experience and various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Management believes the estimates are reasonable; however, actual results could differ from those estimates and could impact future results of operations and cash flows. Significant estimates include the valuation of options using the Black-Scholes pricing model.

14. Internal Control Over Financial Reporting

Subject to the limitations, if any, described below, the Company's CEO and CFO, have, as at the end of the period ended November 30, 2024, designed Disclosure and Control Procedures, ("DC&P") or caused it to be designed under their supervision, to provide reasonable assurance that:

- material information relating to the issuer is made known to us by others, particularly during the period in which the interim filings are being prepared; and
- information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized, and reported within the time periods specified in securities legislation.

Internal control over financial reporting has been designed, based on the framework established in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"), to provide reasonable assurance regarding the reliability of the Company's financial

reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in Canada.

There have been no significant changes to the Company's DC&P and internal controls over financial reporting that occurred during the period ended November 30, 2024 that have materially affected, or are reasonably likely to materially affect, the Company's disclosure controls and procedures and internal control over financial reporting.

Because of inherent limitations, internal control over financial reporting and disclosure controls can provide only reasonable assurances and may not prevent or detect misstatements. Furthermore, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

15. Financial Instruments and Other Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or an equity instrument of another entity.

The Company does not have any outstanding hedging or derivative contracts as at November 30, 2024.

The carrying value of the Company's financial instruments approximate fair value due to the short-term or demand nature of these financial instruments.

16. Outstanding Share Data

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

Security Description	January 13, 2025	November 30, 2024	August 31, 2024
Common shares	244,738,654	244,738,654	244,738,654
Stock options to acquire common shares	24,525,000	23,525,000	15,625,000
Share purchase warrants	<u>72,777,917</u>	<u>78,081,148</u>	<u>78,081,148</u>
Common shares fully diluted	342,041,571	346,344,802	338,444,802

17. Company Forecast Twelve-Month Operating Expenditures

Assuming the Company acquires financing and completes a similar exploration program, it is forecasted to incur the following expenditures in the next year:

Use of funds	Amount of funds
	\$
Technical work	
Exploration programs	1,257,000
Consulting and studies	50,000
Corporate development	
Management and director fees	267,000
Legal and professional fees	783,000
Regulatory and transfer agent fees	33,000
Office and administration, including digital marketing and investor relations	<u>167,000</u>
Total	2,557,000

18. Risks and Uncertainties

The business and operations of the Company are subject to a number of risks. The Company considers the risks set out below to be the most significant to existing and potential investors in the Company, but not all of the risks associated with an investment in securities of the Company. Accordingly, investors should also refer to the risks and uncertainties set forth in the Company's Annual Information Form, which is available for review under the Company's SEDAR+ profile at www.sedarplus.com. Investors should carefully consider the risks and uncertainties described below as well as the other information contained in this MD&A and in the Annual Information Form. If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which the Company is currently unaware or which it considers to be material in relation to the Company's business actually occur, the Company's assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects are likely to be materially and adversely affected. In such circumstances, the price of the Company's securities could decline, and investors may lose all or part of their investment.

(1) Going Concern

The consolidated financial statements have been prepared using accounting policies applicable to a going concern, which contemplate the realization of assets and settlement of liabilities in the normal course of business as they become due. The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that the planned exploration programs will ultimately result in profitable mining operations.

The consolidated financial statements have been prepared in accordance with IFRS applicable to a going concern. Accordingly, they do not give effect to the adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its obligations and commitments in other than the normal course of business. As of November 30, 2024, the Company had not yet achieved profitable operations, had accumulated losses of \$19,889,337 (August 31, 2024 - \$19,433,947), and expects to incur further losses in the development of its business.

The Company has raised capital for working capital and the planned exploration and development of its mineral properties. The Company's continuation as a going concern is dependent upon successful results from its planned exploration and evaluation activities, its ability to attain profitable operations to generate funds and its ability to raise equity capital or borrowings sufficient to meet its current and future obligations for the next twelve months. Although the Company has been successful in raising funds to date there is no assurance that it will be able to do so in the future. These matters represent material uncertainties that cast significant doubt about the Company's ability to continue as a going concern.

(2) No Operating History

The Company was incorporated on February 3, 2021 and has not commenced commercial operations. The Company has no history of earnings or paid any cash dividends, and it is unlikely to produce earnings or pay dividends in the immediate or foreseeable future.

(3) Speculative Nature of Investment Risk

An investment in securities of the Company involves a high degree of risk and must be considered highly speculative due to the nature of the Company's business and the present stage of development of its mineral properties. In addition to information set out or incorporated by reference in this MD&A, prospective investors should carefully consider the risk factors set out below. Any one risk factor could materially affect the Company's financial condition and future operating results and could cause actual events to differ materially from those described in forward-looking statements relating to the Company.

(4) Exploration and Mining Risks

Resource exploration and development and mining operations are highly speculative and characterized by a few significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate, 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 be mined profitably. Few properties that are explored are ultimately developed into producing mines. There is no assurance that the Company's mineral exploration and development programs will result in any discoveries of bodies of commercial mineralization. There is also no assurance that even if commercial quantities of mineralization are discovered, a mineral property will be brought into commercial production. The Company will continue to rely upon the advice and work of consultants and others for exploration, development, construction, and operating expertise.

Substantial expenditures are required to establish and upgrade mineral resources, to establish mineral reserves, to develop metallurgical processes to extract metals from mineral resources and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. No assurance can be given that the funds required for development can be obtained on a timely basis. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as size and grade; metal prices which are highly cyclical; and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. Unsuccessful exploration and development programs could have a material adverse impact on the Company's operations and financial condition.

(5) Factors Beyond the Company's Control

The mining exploration business is subject to several factors beyond the Company's control, including changes in economic conditions, intense industry competition, variability in operating costs, changes in government and rules and regulations of various regulatory authorities. An adverse change in any one of such factors would have a material adverse effect on the Company, its business and results of operations, which might result in the Company not identifying a body of economic mineralization, completing the development of a mine according to specifications in a timely, cost-effective manner or successfully developing mining activities on a profitable basis.

(6) Additional Funding Required

Exploration and development of the Company's mineral properties will require significant additional financing. Accordingly, the continuing development of the Company's mineral properties will depend upon the Company's ability to obtain financing through equity financing, debt financing, the joint venturing of projects or other external sources. Failure to obtain sufficient financing may result in a delay or an indefinite postponement of exploration, development, or production on any or all of the Company's mineral properties, or even a loss of property interest, or have a material adverse impact on the Company's future cash flows, earnings, results of operations and financial condition or result in the substantial dilution of its interests in its mineral properties. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favourable to the Company. If the Company was required to arrange for debt financing, it could be exposed to the risk of leverage, while equity financing may cause existing shareholders to suffer dilution. There can be no assurance that the Company will be successful in overcoming these risks or any other problems encountered in connection with such financings. Failure to raise capital when needed would have a material adverse effect on the Company's business, financial condition, and results of operations.

The Company has and will continue to have negative operating cash flow until its mineral properties commence commercial production should exploration and development efforts demonstrate that commercial production from such mineral properties is feasible.

(7) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its obligations. The Company mitigates its exposure by monitoring the counterparty's ability to repay.

(8) Liquidity Risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if its access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or matters specific to the Company. The Company generates cash flow primarily from its financing activities. The Company prepares annual capital expenditure budgets, which are monitored and updated as required. In addition, the Company requires authorization from the Board of Directors for expenditures on projects to assist with the management of capital. As of November 30, 2024, the Company has a net working capital of \$12,804 (August 31, 2024 - \$411,206).

(9) Reliance on Independent Contractors

The Company's success depends to an extent on the performance and continued service of certain independent contractors. The Company has or will be contracting the services of professional drillers and others for exploration, environmental, engineering, and other services. Poor performance by such contractors or the loss of such services could have a material and adverse effect on the Company, its business and results of operations and result in the Company failing to meet its business objectives.

(10) Fluctuating Mineral Prices

The Company's revenues in the future, if any, are expected to be in large part derived from the extraction and sale of precious and base minerals and metals, which in turn depend on the results of the Company's exploration on these properties and whether development will be commercially viable or even possible. Factors beyond the control of the Company may affect the marketability of metals discovered, if any. Metal prices have fluctuated widely, particularly in recent years, partially due to the significant market reaction to COVID-19. Consequently, the economic viability of any of the Company's exploration projects cannot be accurately predicted and may be adversely affected by fluctuations in mineral prices.

(11) Competition

The mining industry is intensely competitive in all its phases. The Company competes for the acquisition of mineral properties, claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees, with many companies possessing greater financial resources and technical facilities than the Company. The competition in the mineral exploration and development business could have an adverse effect on the Company's ability to hire or maintain experienced and expert personnel or acquire suitable properties or prospects for mineral exploration in the future.

(12) Resale of Common Shares

The continued operation of the Company will be dependent upon its ability to generate operating revenues and to procure additional financing. There can be no assurance that any such revenues can be generated or that other financing can be obtained. If the Company is unable to generate such revenues or obtain such additional financing, any investment in the Company may be lost. In such an event, the probability of resale of the common shares by any investor of the Company would be diminished.

(13) Mineral Properties May be Subject to Rights of and Consultation with Indigenous Peoples

Various international, national, state and provincial laws, codes, resolutions, conventions, guidelines, treaties and other principles and considerations relate to the rights of Indigenous peoples. The Company will hold exploration interests in respect of operations located in some areas presently or previously inhabited or used by Indigenous peoples. Many of these impose obligations on the government to respect the rights of Indigenous peoples. Some mandate consultation with Indigenous peoples regarding actions

which may affect Indigenous peoples, including actions to approve or grant mining rights or permits. The obligations of government and private parties under the various international and national requirements, principles and considerations pertaining to indigenous peoples continue to evolve and be defined. The High Lake Property and the West Hawk Lake Property, in respect of which the Company holds an interest are subject to the risk that one or more groups of Indigenous peoples may oppose operation or new development. Such opposition may be directed through legal or administrative proceedings or protests, roadblocks or other forms of public expression against the operator's activities. Opposition by Indigenous peoples to such activities may require modification of or preclude the operation or development of projects or may require the entering into of agreements with Indigenous peoples. Claims and protests of Indigenous peoples may disrupt or delay activities of the operators of assets in respect of which the Company holds an exploration interest, which may result in a material adverse effect on the Company profitability, results of operations and financial condition and the trading price of its securities.

(14) Community Groups

There is an ongoing level of public concern relating to the effects of mining on the natural landscape, on 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. 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.

(15) Assurance of Right and Title

Although the Company has taken steps to verify title to the properties on which it will conduct exploration and in which it has an interest in accordance with industry standards to the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing, requirements, or regulations, unregistered prior agreements, unregistered claims, first nations' claims and non-compliance with regulatory requirements. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contacts and political uncertainties.

19. Additional Information

Additional information relating to the Company, including the Company's Annual Information Form, may be found under the Company's SEDAR+ profile at www.sedarplus.com.