NORTH PEAK RESOURCES

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the year ended December 31, 2024, and 2023

This management's discussion and analysis ("**MD&A**") is of the results and financial condition of North Peak Resources Ltd. ("**North Peak**" or the "**Company**") for the year ended December 31, 2024, and includes events up to the date of this MD&A. This discussion should be read in conjunction with the annual audited financial statements for the years ended December 31, 2024, and 2023, and the related notes of the Company (the "**Annual Financial Statements**"), and other corporate filings of the Company.

This MD&A was prepared by management and was approved by the Board of Directors of the Company on April 10, 2025. Additional information relating to the Company is available on SEDAR+ at www.sedarplus.ca. Unless otherwise specified, all financial information has been derived from the Annual Statements, which have been prepared in accordance with IFRS accounting standards as issued by the International Accounting Standards Board ("**IFRS**"). All dollar figures stated herein are expressed in Canadian dollars, unless otherwise noted. This MD&A contains forward-looking information. Please see the section, "Note Regarding Forward-Looking Information" for a discussion of the risks, uncertainties and assumptions used to develop the Company's forward-looking information.

Description of Business and Background to Properties and Interests

North Peak was incorporated on March 28, 2011, and organized under the laws of Alberta, Canada and is a Canadian based gold exploration and development company listed on the TSX Venture Exchange (the **"Exchange**") under the symbol "NPR". The head office of the Company is located at 30th Floor, 421 7th Avenue SW, Calgary, Alberta T2P 4K9 and the registered office is located at 1600, 421 - 7 Avenue SW, Calgary, Alberta T2P 4K9.

In May 2023 the Company signed an agreement (the "**PM Agreement**") to acquire 100% of the Prospect Mountain Property (the "**Prospect Mountain Property**") in Eureka, Nevada, a historic gold and silver mining camp within the district known as the Southern Eureka Gold Belt. The gold and silver mining operations on the Prospect Mountain Property date back to 1872 and includes the historic Diamond Mine/Silver-Connor underground mining complexes consisting of four major shafts, and some 11 miles of haulage ways and tunnels. The most recent gold mining at the Prospect Mountain Property occurred in the 1980's and in 1998/1999 a 91-hole, 27,615-foot drilling campaign targeting gold on the Wabash Mine area in the northern portion of the Prospect Mountain Property ("**Prospect Mountain North**") was carried out by European American Resources ("**EPAR**").

Under the terms of the PM Agreement, the Prospect Mountain Property has been transferred into a Nevada LLC, named Nevada Gold LLC. North Peak acquired an initial 80% interest in Nevada Gold LLC in exchange for issuing 5 million common shares of the Company to the property vendors, and an initial cash payment of US$385,000. The vendors hold the remaining 20% interest in Nevada Gold LLC, and the Company (through its subsidiary, North Peak (Nevada) Ltd.) acts as operator. The PM Agreement provides for a three-year framework commencing August 17, 2023, that includes a minimum annual exploration expenditure requirement of US$1,000,000, and an annual cash payment of US$385,000 to be made in August 2025 provided North Peak elects to maintain its initial 80% interest. The Company made the 2024 annual cash payment of US$385,000 during Q3 2024. The Company has until mid-November 2026 to decide to acquire the remaining 20% interest held by the vendors, which it can do by issuing an additional 3 million common shares of the Company to the vendors. In the event North Peak elects at any time prior to, or at that deadline, not to acquire the remaining 20% interest held by the vendors, the Company must transfer its 80% interest to the vendors and the vendors must return the 5 million common shares of the Company previously issued to them. The vendor has been granted a 1% NSR royalty on any mineral production from the Prospect Mountain Property.

The Company also holds an option to acquire 100% interest in the Kenogami Lake Project, which is a gold exploration property located 15 kilometers southwest of Kirkland Lake, Ontario consisting of twenty-seven (27) mineral claims totaling approximately 500 hectares (the "**Kenogami Property**"). The Company continues to assess this property to determine the most effective and efficient path towards completing the remaining $150,000 work commitment prior to January 5, 2026.

The Company can give no assurances at this time that the Prospect Mountain Property or the Kenogami Property will fulfill the Company's business development goals.

Recent Announcements

On February 28, 2025, the Company announced its intention to complete a non-brokered private placement of up to 10,000,000 units of the Company ("**Units**") at a price of $0.60 per Unit for gross proceeds of up to $6,000,000 (the "**Private Placement**"). The Company has the option to increase the size of the Private Placement by up to an additional 1,500,000 Units, for total gross proceeds of up to $6,900,000.

Each Unit will be comprised of one (1) common share of the Company ("**Common Share**") and one-half of one (1/2) Common Share purchase warrant of the Company (a "**Warrant**"). Each whole Warrant will entitle the holder to acquire one (1) Common Share for a period of 18 months from the date of issuance of the Warrant (subject to acceleration) (the "**Expiry Date**"), at an exercise price of $0.90 per share.

The Warrants will be subject to an acceleration provision whereby, if the Common Shares trade at or above a volume-weighted average price of $1.50 for a period of 20 consecutive trading days, the Company will have the right to accelerate the Expiry Date of all or part of the outstanding Warrants issued pursuant to the Private Placement to a date that is 30 days from the notice of such acceleration that is provided by way of press release by the Company.

The Company intends to use the proceeds from the Private Placement to continue to explore and develop its exploration projects, the continued development of its business, and for general and administrative purposes.

On February 10, 2025, the Company announced the appointment of Rupert Williams as Chief Executive Officer and as a Director of the Company. Brian Hinchcliffe, who had been acting as the Company's CEO, remains as the Company's Executive Chairman and on the Board of Directors of the Company.

2024 Operational Highlights

Drilling at Prospect Mountain North began at the end of June 2024. The roughly 10,000 foot Phase 1 RC drill campaign included approximately 27 holes, ranging in depth from 300 to 700 feet, targeting former near surface high grade gold mines at Prospect Mountain North. Most of the holes drilled were from the Wabash/Williams mine area on the West side of the Mountain, where historical drilling had occurred. Additionally, a few holes were drilled on the East side targeting historic mine infrastructure of the Industry Tunnel, Duke, and Delaware Madrid sites. The drill campaign was the first comprehensive drill program performed on the Prospect Mountain Property since 1999, when 96 holes were drilled vertically by EPAR over 26,000 feet in the Wabash area. This initial campaign set out to test historic intersections of high-grade material and validate a revised interpretation of the targeted gold mineralization.

The first phase of the campaign identified two zones of mineralization based around the historic Williams and Wabash mines with a more steeply dipping structure than previously thought. The historic vertical holes completed by EPAR are not ideal for steeply dipping structures and the newly drilled angled holes helped to demonstrate better continuity within the mineralization envelope.

It also showed potential at depth and along strike to increase the overall mineralization. The holes also confirmed that the historic high-grade gold of a similar style to historic mining areas on the Prospect

Mountain Property still exist. Mineralization is more Carlin like in this area, with high silver arsenic antimony and lower lead and zinc compared to classic CRD mineralization elsewhere on the Prospect Mountain Property.

Given the success of this initial drilling phase, a second phase was initiated in September 2024 to follow up on some of the intersections and identify extension potential as well as drilling a few holes on the Eastern side of the Prospect Mountain Property. This second phase identified a new western trend and third zone of mineralization at Wabash.

The Prospect Mountain Property drilling program in 2024 was completed with 45 RC holes undertaken. The program of angled holes successfully demonstrated that the earlier interpretation of flat-dipping pods was incorrect versus the new interpretation of steeply-dipping zones controlled by structures that acted as conduits, which results in better continuity of mineralization.

High-grade gold is present- surrounded by a wide low-grade halo. The 3 highest grade holes returned were:

- **22.9m (75ft)** @ **12.0 g/t Au** (with 6.1m (20ft) voids @ 0 g/t Au), including **3.0m (10ft) @ 85.7 g/t Au** (PM24-039);
- **27.4m (90ft)** @ **7.4 g/t Au** (with a 1.5m (5ft) void @ 0 g/t Au) **from surface**, including **6.1m (20ft)** @ **23.1 g/t Au** which includes **1.5m (5ft)** @ **56.5 g/t Au & 161.4 g/t Ag** (PM24-022); and
- **3.0m (10ft)** @ **12.8 g/t Au** (PM24-021).

The best **wide low-grade** intersections include:

- **126.5m (415ft)** @ **1.06 g/t Au** which included **12.2m (40ft)** @ **4.20 g/t Au** (PM24-004);
- **42.7m (140ft)** @ **2.1 g/t Au** (with 10.7m (35ft) voids @ 0 g/t Au), including **4.6m (15ft)** @ **6.7 g/t Au**, and **6.1m (20ft)** @ **5.8 g/t Au, plus 38.1m (125ft)** @ 0.8 g/t Au (with 7.6m (25ft) voids @ 0 g/t Au) (PM24-035);
- **42.1m (135ft)** @ **1.89 g/t Au** including **60ft (18.3m)** @ **3.92 g/t Au** (which includes **10.7m (35ft)** @ **5.0 g/t Au**) (PM24-016);
- **53.35m (175ft)** @ **1.46 g/t Au** (with a 3.0m (10ft) void @ 0 g/t Au), **from surface** including **3.0m (10ft)** @ **12.8 g/t Au** (PM24-021);
- **50.3m (165ft)** @ **1.1 g/t Au** (with a 1.5m (5ft) void @ 0 g/t Au) **from surface,** including 3.1m (10ft) @ 4.0 g/t Au and 1.5m (5ft) @ 4.1 g/t Au and 1.5m (5ft) @ 2.7 g/t Au (PM24-023); and
- **39.6m (130ft)** @ **0.59 g/t Au plus 30.5 (100ft)** @ **0.90 g/t Au** (PM24-007).

On October 8, 2024, the Company announced that the Bureau of Land Management (United States Department of the Interior) has approved the Company's application to modify the Plan of Operations at its Prospect Mountain Property, resulting in a 642% increase (to 189.9 acres) of the area on which the Company can conduct surface exploration. This newly expanded surface exploration area now covers the main mountain ridge on the Prospect Mountain Property, including the more accessible east side. This extension of the permitted surface exploration area allows drilling for gold mineralization across a wider area of the Prospect Mountain Property than the original Plan of Operations exploration area covered.

Corporate

On November 5, 2024, the Company closed its previously announced non-brokered private placement for aggregate gross proceeds of $1,061,250. In connection with this private placement, 1,414,998 Common Shares were issued at a price of $0.75 per share.

Developments Subsequent to Quarter End

On January 25, 2025, the Company announced the final assay results from its 2024 drilling campaign at the Prospect Mountain Property. The final holes reported included six holes targeting the Wabash mine area, five holes targeting the Williams mine area, and three holes targeting a lone hole drilled by Homestake in 2001 located in the Prospect Mountain East area. The purpose of the drilling was to show that the Wabash and Williams areas have wide lower-grade areas in addition to the known higher-grade zones encountered previously. Combined with the new zone further to the NW, the footprint is getting larger and the zones remain open. This drilling substantiated the wide zones of mineralization intersected previously, and the Company is currently evaluating the options for additional drilling being done to prove out the depth and width potential of the area.

Highlights included:

- PM24-035 in the Williams mine area intersected 42.7m (140ft) @ 2.1 g/t Au (with 10.7m (35ft) voids @ 0 g/t Au), including 4.6m (15ft) @ 6.7 g/t Au, and 6.1m (20ft) @ 5.8 g/t Au, plus 38.1m (125ft) @ 0.8 g/t Au (with 7.6m (25ft) voids @ 0 g/t Au). This hole significantly exceeded the grades and widths of previously drilled holes in the Williams area, and substantiated the deeper intersection from a previous hole PM24-004, that was believed to have hit depth extensions to the Williams zone.
- Hole PM24-029 targeted 21.3m (69.6ft) southwest of the midpoint of PM24-004, confirmed continuous low-grade mineralization exist between the Wabash and Williams trends as demonstrated by PM24-004 from Phase 1 drilling that intersected 126.5m (415ft) @ 1.06 g/t Au from surface, suggesting potential for a bulk tonnage low grade gold halo around the high grade lodes in the northern part of the Wabash-Williams area. PM24-029 intersected 4 separate zones that together represent 95m (311.7ft) of the full hole length of 140.2m (460ft), with the hole ending in mineralization.
- PM24-040 intersected 19.8m (65ft) @ 1.23 g/t Au (with 7.6m (25ft) voids @ 0 g/t Au-2.0 g/t Au without) as part of a larger 53.3m (175ft) intersection @ 0.67 g/t Au (with 10.7m (35ft) voids @ 0 g/t Au-0.83 g/t Au without) in the deeper middle part of the Wabash lode that has been poorly drilled to date.
- Mineralization confirmed at Homestake east area following up on the upper zone of historic vertical hole HRH-1725 which intersected 10.67m (35ft) @ 4.05 g/t Au + 16 g/t Ag at a depth of 173.74 to 184.4m* (*see the Technical Report – described below). PM24-044 was an angled hole and intersected 3.05m (10ft) @ 0.85 g/t Au in the region of the historic intersection shortly before drilling into a 9.1m (30ft) void commonly associated with mineralization in the area. It has since transpired that the historic hole location was not accurate.

** A more complete description of the Prospect Mountain Property's geology and mineralization, including at the Wabash area, can be found in the NI 43-101 Technical Report (the "**Technical Report**") on the Prospect Mountain Property, Eureka County, Nevada, USA dated and with an effective date April 10, 2023, prepared by David Pym (Msc), CGeol. of LTI Advisory Ltd. and Dr Toby Strauss, CGeol, EurGeol., of Merlyn Consulting Ltd., which has been filed on SEDAR+ at www.sedarplus.ca under the profile of the Company and on the Company's website.*

Corporate

On February 10, 2025, the Company announced the appointment of Rupert Williams as Chief Executive Officer and as a Director of the Company. Brian Hinchcliffe, who had been acting as the Company's CEO, remains as the Company's Executive Chairman and on the Board of Directors of the Company.

On March 11, 2025, the Company announced that it has engaged the services of ICP Securities Inc. ("**ICP**") to provide automated market making services, including the use of its proprietary algorithm, in compliance with the policies and guidelines of the Exchange and other applicable securities legislation. ICP's market making activity services provided to the Company will be primarily to correct temporary imbalances in the supply and demand of the Common Shares.

On February 28, 2025, the Company announced its intention to complete the Private Placement (described above).

Outlook

Since taking on the Prospect Mountain Property in 2023, the Company has pursued a multi-pronged approach to evaluate the potential of the property, demonstrating potential for significant sulphide and oxide mineralization surrounding the extensive 19th century historical workings. In 2023 the Company did the exploration basics, applying modern exploration methods to the Prospect Mountain Property for the first time and focused on identifying controls to mineralization. In 2024, the Company successfully demonstrated there was significant high-grade gold mineralization, still insitu, around the old workings in the near surface oxide zones. Multiple high-grade intercepts were encountered from surface and new mineralized lodes outlined.

Going forward the Company aims to consolidate and further develop the Prospect Mountain Property through further drilling of both oxide and sulphide targets within the property. The Company is looking at drilling several new targets highlighted by the exploration work to date, in addition to following up extensions along strike of previous drilling and these will be assessed through diamond and RC drilling from surface. In addition, the Company is evaluating the potential to conduct underground drilling from the old workings to give more potential year-round drilling sites.

Critical to the success of any long-term exploration plan is the timing of it along with the trends in the gold and financial markets. These trends support the funding needs that exploration programs usually demand. Alongside the favorable trends in the gold market, interest in supporting exploration and development programs continues in the Eureka gold camp, evidenced by various merger and acquisitions completed in the region over the past few years.

The cash on hand as at December 31, 2024, along with proceeds from the recently announced Private Placement (expected to close by the end of April), should be sufficient to perform any 2025 drill programs planned at the Prospect Mountain Property, as well as fund the Company's additional liquidity needs for the remainder of the year and beyond. The Company currently has cash on hand of approximately $1.1M as of the date of this MD&A.

Key Economic Trends

The price of gold has an impact on the potential economic viability of the Company's mineral exploration projects. The price and demand for gold has continued to rise during Q4 2024 and Q1 2025, reaching a series of all-time highs, including reaching a price of over USD$3,000 per ounce in March 2025.

The global economy is experiencing things like stagflation, high-deficits, and geopolitics as bigger causes of uncertainty than interest rates, and gold continues to be seen as reliable regardless of the scenario. Demand for physical gold, gold futures and gold ETF's have also remained strong during 2024, as global gold demand reached all-time peaks for any single quarter during the second half of 2024 according to the World Gold Council. Alignment with a prolonged bullish market cycle for precious metals could provide easier access to capital for exploration companies. However, precious metals prices are subject to volatile price movements over short periods of time, affected by numerous factors, many of which are beyond the Company's control.

(Expressed in Canadian Dollars, unless otherwise noted)

During the year ended December 31, 2024, the average price of gold was USD$2,385 per oz, with gold trading between USD$1,985 and USD$2,778 per oz based on the London Fix PM gold price. This compares to an average of USD$1,941 per oz for the year ended December 31, 2023, with a low of USD$1,811 and a high of USD$2,078 per oz. Several factors drove the largest annual rise in gold price since 2010. Global tensions, including conflicts in Ukraine and the Middle East, expectation of slower economic growth, concerns over U.S. trade policies, and tariffs pushed investors and central banks toward gold to diversify away from the U.S. dollar and fiat currencies. These dynamics propelled gold to record highs in Q1 2025. The Company has exposure to foreign exchange rate differences between the Canadian and US Dollar as the Company finances itself in CAD but incurs a large portion of its costs in USD. During the year ended December 31, 2024, the Canadian dollar weakened against the U.S. dollar. The average foreign exchange rate was $1.369 Canadian dollars per U.S. dollar, with the Canadian dollar trading within a range of $1.325 to $1.441. This compares to an average of $1.349 with a range of $1.315 to $1.387 Canadian dollars per U.S. dollar for 2023.

Selected Annual Information

Summary of Annual Financial Results

	Year Ended Dec. 31, 2024 ($)	Year Ended Dec. 31, 2023 ($)	Year Ended Dec. 31, 2022 ($)
Total assets	10,652,982	14,159,401	8,464,106
Total liabilities	175,545	564,786	192,411
Working capital	1,381,425	5,028,219	8,120,372
Net loss	(4,774,625)	(5,388,882)	(4,472,448)
Net loss per share, basic and diluted	(0.16)	(0.21)	(0.19)

General and administrative expenses:

Year ended December 31,		2024	2023
Management fees, wages and benefits	$	**524,261**	665,334
Filing and transfer agent fees		**58,142**	96,201
Insurance		**67,994**	59,343
Office, IT and general		**38,248**	52,746
Rent, foreign exchange and other		**94,818**	185,024
	$	**783,462**	1,058,648

Full year 2024 compared to Full year 2023

The Company reported a net loss of $4,774,625 during 2024 compared to $5,388,882 during the same period in 2023.

The reported loss consists primarily of the following:

- Travel expenses decreased from the $276,819 incurred during 2023 to $101,419 during the year ended December 31, 2024, as there was a significant amount of costs related to due diligence work performed at the Prospect Mountain Property prior to its acquisition in Q3 2023. This required additional travel to site by the Company’s executive management team and Board of Directors which was not required or incurred during 2024.

- Professional fees decreased to $208,950 during the year ended December 31, 2024, from $255,158 for the same period in 2023 attributable to additional legal and accounting costs incurred during 2023 related to the due diligence work related to the acquisition of the Prospect Mountain Property, and also the wind down of the Black Horse project in 2023.

- During the year ended December 31, 2024, the Company incurred $3,065,951 of exploration and evaluation expenses compared to $2,929,863 for the same period in 2023. The increase was due to the Prospect Mountain Property being acquired by the Company during Q2 2023 and work on the project didn’t begin until thereafter, while work was being performed for twelve months on the property during 2024. Exploration and evaluation expenditures incurred during the year ended December 31, 2024 included various work programs relating to geophysics and chip sampling, drilling and assay costs related to the recently completed phase 1 and phase 2 drill campaigns which totaled 45 holes over 19,000 ft. Additionally, the Company had terminated its option to acquire the Black Horse project in August 2023, and minimal costs related to the wind down of the operations were incurred during 2023. The majority of costs incurred during YTD 2023 related to one 3,250-foot exploration diamond drill hole (NPR23-01) drilled, and subsequently abandoned, from the historic Diamond Mine portal focused on a Mobile MT anomaly identified in 2023. In addition, work programs related to Mobile MT, IP and LIDAR surveys, a comprehensive mapping study, geochemical sampling, Property-wide soil sampling, permitting, and metallurgical testing were performed throughout various parts of 2023, adding additional exploration costs to the drilling.

- General and administrative costs of $783,462 were incurred during the year ended December 31, 2024, and decreased compared to costs of $1,058,648 incurred during the same period in 2023. The decrease was due to lower management fees and wages incurred as two key executives took temporary reductions in their remuneration to preserve the cash required to fund the 2024 drill campaign. Additionally, there was a reduction in filing and transfer agent fees relating to the timing of invoice payments and an incorrectly billed invoice in the prior year. Cost reductions were also realized during 2024 in other areas such as IT support, and other general office expenses.

- Investor relations and marketing costs increased from $106,717 in 2023 to $190,504 for the year ended December 31, 2024, due to an increase in the number of mining conferences attended by the Company, and marketing and IR service firms being utilized for various initiatives.

- Interest income received during the year ended December 31, 2024, was $164,440 and decreased compared to $364,562 received for the same period in 2023 due to a lower cash balance on hand during 2024.

- Additionally, share-based compensation decreased from $920,236 in 2023 to $535,841 for the year ended December 31, 2024. The decrease was due to a higher number of stock options with a higher fair value being granted during 2023 compared to 2024, one half vesting immediately. 1,025,000 stock options at a weighted average exercise price of $1.38 were granted during 2023 compared to 200,000 stock options at a weighted average exercise price of $1.00 were granted during 2024.

(Expressed in Canadian Dollars, unless otherwise noted)

Exploration and Evaluation Expenditures

		Year Ended December 31, 2024	2023
Prospect Mountain Project			
Drilling	$	**998,031**	925,288
Project management		**383,307**	228,661
Camp support		**440,493**	466,516
Geological		**429,193**	410,091
Geophysics		**89,013**	385,321
Assays		**597,783**	145,106
Mapping		**76,654**	90,586
Field supplies		**49,123**	278,294
	$	**3,063,597**	2,929,863
Black Horse Project		**2,354**	88,297
Investigation of Prospective Properties		**-**	92,283
Total Exploration Expenses for the Year	$	**3,065,951**	3,110,443

Summary and Review of Quarterly Results

Three Months Ended	Revenue ($)	Net (Loss) Income		Total assets ($)
		Total ($)	Basic and diluted earnings per share ($)	
2004 – December 31	Nil	(1,248,058)	(0.07)	10,652,982
2004 – September 30	Nil	(2,104,037)	(0.07)	10,577,286
2004 – June 30	Nil	(664,339)	(0.02)	12,392,353
2024 – March 31	Nil	(758,192)	(0.03)	13,025,296
2023 – December 31	Nil	(2,317,977)	(0.09)	14,159,401
2023 – September 30	Nil	(1,436,752)	(0.05)	15,324,903
2023 – June 30	Nil	(1,195,062)	(0.05)	15,395,054
2023 – March 31	Nil	(439,091)	(0.02)	8,001,467

Q4 2024 compared to Q4 2023

The Company reported a net loss of $1,248,058 for the three months ended December 31, 2024, compared with a net loss of $2,317,977 for same period in 2023.

The decrease in net loss incurred during Q4 2024 compared to Q4 2023 was primarily due to the following:

- General and administrative costs of $208,657 in Q4 2024 decreased from $234,374 in Q4 2023 due to lower management fees and wages incurred as two key executives took temporary reductions in their remuneration in order to preserve the cash required to fund the 2024 drill campaign. Additionally, there were cost reductions realized during Q4 2024 in other areas such as IT support, and other general office expenses.

- Professional fees incurred during Q4 2024 of $52,701 increased compared to $42,961 in Q4 2023 due to additional legal costs being incurred during Q4 2024 related mainly to the timing of invoices paid for legal and audit services.

- During Q4 2024, the Company incurred aggregate exploration and evaluation expenses of $663,174 (Q4 2023 - $1,643,000) on the Prospect Mountain Property. The costs incurred during Q4 2024 related to the final holes drilled as part of the recently completed 27-hole phase 1, and 18-hole phase 2 drill campaigns. Approximately 19,000 feet were drilled as part of these two drill campaigns, with the majority of the drilling being done during the first nine months of 2024. Therefore, the costs incurred during Q4 2024 decreased compared to Q4 2023, where significant costs were incurred related to one 3,250-foot exploration diamond drill hole (NPR23-01) drilled, and subsequently abandoned, from the Diamond Mine portal focused on a Mobile MT anomaly identified in 2023. In addition, work programs related to geochemical sampling, property-wide soil sampling, permitting, and metallurgical testing were ongoing for parts of Q4 2023, adding additional exploration costs to the costs of drilling performed.

- Interest income earned during Q4 2024 was $13,425 and decreased compared to $87,523 earned in Q4 2023 due to a lower cash balance on hand during Q4 2024.

- Additionally, share-based compensation expense decreased from $359,262 in Q4 2023 to $214,341 in Q4 2024. The decrease was due to a higher number of stock options with a higher fair value being granted during 2023 compared to 2024, one half vesting immediately. 1,025,000 stock options at a weighted average exercise price of $1.38 were granted during 2023 compared to 200,000 stock options at a weighted average exercise price of $1.00 were granted during 2024. This resulted in a higher amortization expense being incurred during Q4 2023 as more options were vesting during the period compared to Q4 2024.

Liquidity, Capital Resources and Commitments

The Company reported working capital of $1,381,425 at December 31, 2024, (December 31, 2023 - $5,028,219), and a cash balance of $1,273,175 (December 31, 2023 - $5,304,713).

The cash on hand as at December 31, 2024, along with proceeds from the recently announced Private Placement (expected to close by the end of April), should be sufficient to perform any 2025 drill programs planned at the Prospect Mountain Property, as well as fund the Company's additional liquidity needs for the remainder of the year and beyond. The Company currently has cash on hand of approximately $1.1M as of the date of this MD&A.

Cash Flows

Net cash flows used in operating activities were $(4,774,625) for the year ended December 31, 2024 compared to $(3,998,320) for the same period in 2023. The increase was due to the fact that its interest in the Prospect Mountain Property was acquired by the Company in Q2 2023 and work begun during May and June 2023, compared to 2024, which includes twelve months of expenditures relating to geophysics, chip sampling, assaying and drilling costs (including two drill campaigns totaling 45 holes over 19,000 ft). Additionally, the Company had terminated its option to acquire the Black Horse project in August 2023, and minimal costs related to the wind down of the operations were incurred during YTD 2023.

Cash flows used in investing activities were $598,944 for the year ended December 31, 2024, and related to annual payments made to the property optionee as per the terms of the Prospect Mountain Property acquisition agreement signed in 2023. This was a decrease compared to the cash flows used in investing activities of $731,793 that included $521,637 of property acquisition costs, as well as $210,156 of equipment purchases.

Cash flows from financing activities were $1,107,922 for the year ended December 31, 2024, compared to $1,946,890 for the same period in 2023. The decrease in cash inflows was due to the $2,000,000 gross proceeds received from the non-brokered private placement that closed during Q2 2023, being higher than the gross proceeds of $1,061,249 received from the non-brokered private placement closed during Q4 2024.

Financings completed during 2023 and 2024

On May 24, 2023, the Company closed a non-brokered private placement for aggregate gross proceeds of $2,000,000, issuing 2,272,727 Common Shares at a price of $0.88 per Common Share. Costs of issue and commissions totaling $107,571 were paid.

On November 5, 2024, the Company closed a non-brokered private placement for aggregate gross proceeds of $1,061,249, issuing 1,414,998 Common Shares at a price of $0.75 per Common Share. Costs of issue and commissions totaling $48,038 were paid.

Critical Accounting Estimates

Preparing financial statements that conform with IFRS requires management to make judgments, estimates, and assumptions affecting the reported amounts of assets and liabilities and disclosures at the end of the reporting period and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continually evaluated and are based on management’s experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from these estimates.

Significant judgments in applying accounting policies

The Company’s annual consolidated financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated 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 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. Significant assumptions about the future that management has made could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that, actual results differ from assumptions made, relate to, but are not limited to, the following:

Exploration, Evaluation and Resource Property Acquisition Costs

Judgment is required in determining whether the respective costs are eligible for capitalization where applicable, and whether they are likely to be recoverable by future exploration and development, which may be based on assumptions about future events and circumstances. Estimates and assumptions made may change significantly if new information becomes available.

Provisions and contingent liabilities

The Company judges whether a past event has led to a liability that should be recognized in the consolidated financial statements or disclosed as a contingent liability. Quantifying this type of liability often involves judgments and estimations. These judgments are based on many factors including the nature of the claims or dispute, the legal process and potential amount payable, legal advice received, experience and the probability of a loss being realized. Several of these factors are sources of estimation uncertainty.

Functional Currency

The functional currency of the Company and its subsidiary is the Canadian Dollar. The functional currency determination was conducted through an analysis of the consideration factors identified in IAS 21, The Effects of Changes in Foreign Exchange Rates. The determination of functional currency involves certain judgments to determine the location of the primary economic environment. The Company reconsiders the functional currency if there are changes in events and conditions of the factors used in the determination of the primary economic environment.

Going Concern

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

Income Taxes and Recovery of Deferred Tax Assets

The Company recognizes deferred tax assets to the extent that it is probable that future taxable profits will be available to utilize the Company's deductible temporary differences which are based on management's judgement on the degree of future taxable profits. To the extent that future taxable profits differ significantly from the estimates impacts the amount of the deferred tax assets management judges is probable.

Accounting Treatment of Prospect Mountain Acquisition

Management exercised judgement in determining the appropriate IFRS to apply in accounting for the Prospect Mountain acquisition. Specifically, an evaluation of IFRS 11, Joint Arrangements, IFRS 10 Consolidated Financial Statements and IAS 28, Investments in Associates and Joint Ventures. Largely due to the optionality of the Prospect Mountain agreement, management determined the acquisition, and ensuing costs, were in scope of IFRS 6, Exploration for and Evaluation of Mineral Resources.

Sources of estimation uncertainty

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting year, which could result in a material adjustment to the carrying amounts of assets and liabilities, relate to the following:

The recoverability of exploration and evaluation properties

The Company's management reviews the carrying values of its exploration and evaluation properties at the end of each reporting period to determine if there is an impairment. The recovery of carrying amounts depends on confirmation of the Company's interest in the underlying mineral claims, the Company's ability to obtain the necessary financing to complete the exploration and development, and future profitable production or proceeds from the disposition thereof.

Valuation of stock options and equity-settled share-based payment transactions

The determination of the fair value of stock options is not based on historical cost but derived from subjective assumptions that are put into an option pricing model. The model requires management to forecast future events, including estimates of the average future hold year of issued stock options before exercise, expiry, or cancellation, future volatility of our share price during the expected hold year (using historical volatility as a reference), and the appropriate risk-free interest rate.

Shares Issued for Non-cash Consideration

The Company measures equity-settled share-based payment transactions based on an estimate of the fair value of goods or services received, unless that fair value cannot be estimated reliably, in which case the Company measures the fair value of the goods or services received based on the fair value of the equity instruments granted.

Financial Risk Factors

The Company has exposure to risks of varying degrees of significance which could affect its ability to achieve its strategic objectives for growth and shareholder returns. The principal financial risks to which the Company is exposed are: liquidity risk, credit risk, and market risk.

Liquidity risk

Liquidity risk refers to the risk that the Company will not be able to meet its financial obligations as they become due or can only do so at excessive cost. The Company's liquidity and operating results may be adversely affected if the Company's access to capital markets is hindered or slowed due to a decline in the stock market or other macroeconomic factors. As at December 31, 2024, the Company had a cash balance of $1,273,175 (December 31, 2023 - $5,304,713) to settle current liabilities of $175,545 (2023 -$536,733). The Company regularly evaluates its cash position to ensure preservation and security of capital as well as maintenance of liquidity and financial flexibility.

Most of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. At December 31, 2024, the Company has no sources of revenue to fund its exploration and development expenditures and relies on non-brokered private placements to fund its operations. The Company's current cash balance is sufficient to fund the remainder of the 2024 work program as well as the existing administrative needs. The Company may require additional financing to accomplish long-term strategic objectives and has an experienced management team and Board of Directors to assist with managing liquidity risk.

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfil its payment obligations. The Company's credit risk is primarily attributable to cash and investments. The Company has no significant concentration of credit risk arising from operations. Cash consists of cash at banks. The cash has been invested and held with reputable financial institutions, from which management believes the risk of loss to be remote.

Market Risk

1) Interest rate risk

The Company has cash balances with rates that fluctuate with prevailing market rates and has no current debt. The Company's current policy is to invest cash in cash accounts or short-term interest-bearing securities issued by high quality financial institutions and chartered banks. The Company monitors its cash and investments as well as the credit ratings of its banks.

2) Currency risk

Foreign currency risk is the risk that the value of the Company's financial instruments denominated in foreign currencies will fluctuate due to changes in foreign exchange rates. Changes in the exchange rate between foreign currencies and the Canadian dollar would not likely have a significant impact on the Company's financial position, results of operations, and cash flows. The Company does not currently use derivative instruments to reduce its exposure to foreign currency risk, however exchange rates are continually monitored for any significant changes. A portion of the Company's exploration expenses are paid in USD, and the Company frequently converts a portion of its CAD cash balances into USD to reduce its currency risk exposure related to the CAD when required or deemed appropriate or advantageous due to timing or opportunities in currency markets. The Company is mainly exposed to foreign currency risk on financial instruments consisting of trade payables denominated in USD and GBP, however a 10% movement in foreign exchange rates would not have a material impact on the net loss for the years ended December 31, 2024 or 2023.

3) Price risk

The Company is exposed to price risk with respect to precious metal commodity prices and the prices of equity securities. Equity security price risk is defined as the potential adverse impact on the Company's net income or loss due to movements in individual prices of equity securities or price movements in the stock market generally. Commodity price risk is defined as the potential adverse impact on net income or loss and economic value due to commodity price movement and volatility. The Company closely monitors commodity prices, particularly as they relate to gold and silver and movements in the price of individual equity securities, and movements in macroeconomic trends and market cycles.

Capital Management

The Company manages its capital with the following objectives: to ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future growth opportunities, and pursuit of accretive acquisitions; and to maximize shareholder return through enhancing share value.

The Company manages, and makes adjustments to, the capital structure as a result of changes in economic conditions, and the risk characteristics of the Company's assets, in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by management and the Board of Directors on an ongoing basis.

The Company considers its capital to be equity, comprising share capital, contributed surplus and deficit, which at December 31, 2024 totaled $10,477,437 (2023 - $13,594,615). The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. The forecast is updated based on activities related to its development and exploration properties. The Company's capital management objectives, policies and processes have remained unchanged during the year ended December 31, 2024.

(Expressed in Canadian Dollars, unless otherwise noted)

Related Party Transactions

a) Key management compensation

The Company incurred charges with directors, officers (Chief Executive Officer, Chief Financial Officer, and Director of Corporate Development who are the key personnel), and a company founded by a common director. Key management personnel have the authority and responsibility to plan, direct, and control the activities of the Company and receive compensation for services rendered in that capacity. Amounts paid to related parties were incurred in the normal course of business. Salaries, benefits, consulting fees and director's fees are recorded at the exchange amount while share-based compensation is measured at the fair value of the instruments issued, with the expense recognized over the relevant vesting periods.

Compensation awarded to key management for the years ended December 31, 2024, and 2023 was:

Year Ended December 31,		**2024**	2023
Management fees, wages and benefits	**$**	**481,535**	584,867
Share-based compensation expense officers and directors		**277,300**	330,943
	$	**758,835**	915,810

Additionally, during the year ended December 31, 2024, the Company paid legal fees of $161,179 (2023: $191,597) to a law firm for which a director is a founder. Additionally, during the year ended December 31, 2024, bookkeeping, office, and regulatory filing support fees of $24,699 (2023 - $71,021) were paid to a company for which a director is the president. Lastly, during the year ended December 31, 2024, accrued interest charges of $71,375 ($nil – 2023) were paid to a company with a common director.

Off-Balance Sheet Arrangements

As at December 31, 2024, and up to the date of this MD&A, the Company had no off-balance sheet arrangements.

Additional Disclosure for Venture Issuers Without Significant Revenue

See analysis on Q4 2024 vs Q4 2023 and YTD 2024 vs YTD 2023 earlier in this document, as well as refer to the Company's annual consolidated financial statements for the year ended December 31, 2024.

Accounting Standards Issued but not yet Adopted

IFRS 18 Presentation and disclosure in the financial statements (replacement of IAS 1)

This new standard maintains many of the current requirements for the presentation of financial statements and adds new requirements concerning the statement of profit or loss, management-defined performance measures, and the principles of aggregation and disaggregation of information. The new requirements concerning the statement of profit or loss include requiring entities to classify income and expenses included in the statement of profit or loss in one of five categories (operating, investing, financing, income taxes, discontinued operations), and prescribing that subtotals for operating profit or loss and profit or loss before financing and income taxes are presented. The new requirements concerning management-defined performance measures involve explanation of the purpose, calculation of, and reconciliation to the most closely related performance measure prescribed in an IFRS accounting standard, of performance measures used in public communications by entities outside of the financial statements that are not a measure specifically required to be presented or disclosed by an IFRS accounting standard.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier adoption permitted. The Company is assessing the impact of the new standard on its financial statements.

Other new accounting standards and amendments to existing standards that have been issued and that the Company will be required to adopt in future years are either not applicable or are not expected to have a significant impact on the Company's financial statements.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

- controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

- a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's generally accepted accounting principles (IFRS).

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Qualified Person

Mr. Mike Sutton, P.Geo., a director of the Company, is the Qualified Person, as defined under National Instrument 43-101 - *Standards of Disclosure for Mineral Projects*, who reviewed and approved scientific and technical disclosure in this MD&A.

Risks and Uncertainties

The success of the Company is dependent, among other things, on obtaining sufficient funding to enable the

Company to acquire, develop or exploit its mining properties and assets. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of further development. The Company will require new capital to continue to operate and there is no assurance that capital will be available when needed, if at all. It is likely such additional capital will be raised through the issuance of additional equity, which will result in dilution to the Company's shareholders.

The Company does not have a historical track record of operating upon which investors may rely. Consequently, investors will have to rely on the expertise of the Company's management. The Company does not have a history of earnings or the provision of return on investment, and there is no assurance that it will produce revenue, operate profitably or provide a return on investment in the future.

Dependence on Key Employees

The Company's business and operations are dependent on retaining the services of a small number of key employees. The success of the Company is, and will continue to be, to a significant extent, dependent on the expertise and experience of these employees. The loss of one or more of these employees could have a materially adverse effect on the Company. The Company does not maintain insurance on any of its key employees.

Potential Dilution

The issue of Common Shares upon the exercise of the options will dilute the ownership interest of the Company's current shareholders. The Company may also issue additional options and warrants or additional Common Shares from time to time in the future. If it does so, the ownership interest of the Company's current shareholders could also be diluted.

Limited Business History

The likelihood of success of the Company must be considered in light of the problems, expenses, difficulties, complications, and delays frequently encountered in connection with the establishment of any business. The Company has limited financial resources and there is no assurance that additional funding will be available to it for further operations or to fulfill its obligations under applicable agreements. There is no assurance that the Company can generate revenues, operate profitably, or provide a return on investment, or that it will successfully implement its plans.

Exploration, Development and Operating Risks

The Company's mining and exploration activities will involve significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. Few properties which are explored are ultimately developed into producing mines. Any figures presented for mineral resources, if any, are only estimates. The estimating of mineral resources is a subjective process and the accuracy of mineral resource estimates is a function of the quantity and quality of available data, the accuracy of statistical computations, and the assumptions used and judgments made in interpreting available engineering and geological information. There is significant uncertainty in any mineral resource estimate and the actual deposits encountered and the economic viability of a deposit may differ materially from the estimates.

Estimated mineral resources may have to be re-estimated based on changes in mineral prices, further exploration or development activity or actual production experience. This could materially and adversely affect estimates of the volume or grade of mineralization, estimated recovery rates or other important factors that influence mineral resource estimates. Mineral resources are not mineral reserves and there is no assurance that any mineral resources will ultimately be reclassified as proven or probable reserves. Mineral resources which are not mineral reserves do not have demonstrated economic viability.

There can be no guarantee that the estimates of quantities and qualities of minerals disclosed will be economically recoverable. With all mining operations there is uncertainty and, therefore, risk associated with operating parameters and costs resulting from the scaling up of extraction methods tested in pilot conditions.

Most exploration projects do not result in the discovery of commercially viable mineral deposits and no assurance can be given that any particular level of recovery or mineral resources or reserves will in fact be realized or that any identified mineral deposit will ever qualify as a commercially viable deposit which can be legally and economically exploited.

Substantial Capital Requirements and Liquidity

Substantial additional funds for the establishment of the Company’s current and planned mineral exploration and development will be required. No assurance can be given that the Company will be able to raise the additional funding that may be required for such activities, should such funding not be fully generated from operations. Mineral prices, environmental rehabilitation or restitution, revenues, taxes, transportation costs, capital expenditures and operating expenses and geological results are all factors which will have an impact on the amount of additional capital that may be required. To meet such funding requirements, the Company may be required to undertake additional equity financing, which would be dilutive to shareholders. Debt financing, if available, may also involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and pursue only those projects that can be funded through cash flows generated from its existing operations, if any.

Fluctuating Mineral Prices and Marketability of Minerals

The economics of mineral exploration are affected by many factors beyond the Company’s control, including commodity prices, the cost of operations, variations in the grade of minerals explored and fluctuations in the market price of minerals. Depending on the price of minerals, the Company may determine that it is impractical to continue a mineral exploration operation. Fluctuating mineral prices may also adversely affect the ability of the Company to obtain financing.

Mineral prices are prone to fluctuations and the marketability of minerals is affected by government regulation relating to price, royalties, allowable production and the importing and exporting of minerals, the effect of which cannot be accurately predicted. There is no assurance that a profitable market will exist for the sale of any minerals found on the Company’s properties.

Regulatory, Permit and License Requirements

The current or future operations of the Company require permits from various governmental authorities, and such operations are and will be governed by laws and regulations concerning exploration, development, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, site safety and other matters. Companies engaged in the exploration and development of mineral properties generally experience increased costs and delays in development and other schedules as a result of the need to comply with applicable laws, regulations and permits. There can be no assurance that all permits which the Company may require for facilities and the conduct of exploration and development operations on its properties will be obtainable on reasonable terms, or that such laws and regulations will not have an adverse effect on any exploration or development project which the Company might undertake.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in exploration and development operations may be required to compensate those suffering loss or damage by reason of the exploration and development activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations. Amendments to current laws, regulations and permits governing operations and activities of mineral companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or exploration and development costs, or require abandonment or delays in the development of new or existing properties.

Financing Risks and Dilution to Shareholders

The Company will have limited financial resources, no operations and no revenues. If the Company's exploration program on its properties are successful, additional funds will be required for the purposes of further exploration and development. There can be no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be available on favourable terms or at all. It is likely such additional capital will be raised through the issuance of additional equity which will result in dilution to its shareholders.

Title to Properties

Acquisition of title to mineral properties is a very detailed and time-consuming process. Title to, and the boundaries of, mineral properties may be disputed. The Company cannot give assurance that title to its properties will not be challenged or impugned. Mineral properties sometimes contain claims or transfer histories that examiners cannot verify. A successful claim that the Company does not have title to its properties could cause the Company to lose any rights to explore, develop and mine any minerals on its properties without compensation for its prior expenditures relating to the applicable property.

Operations, Including Permitting, may be Subject to Legal Challenges

The Company's exploration, and any future development and mining operations, and the permits required for such activities, may be subject to legal challenges at the international, federal, state, and local level by various parties. Legal challenges may result in adverse impacts on the Company's planned operations. The Company may also be subject to more localized opposition, including efforts by environmental groups, which could attract negative publicity or have an adverse impact on its reputation.

Competition

The Company will compete for, among other things, the acquisition of minerals claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel. Failure to compete successfully against other mining companies could have a material adverse effect on the Company and its prospects.

Environmental Risks

The Company's exploration and appraisal programs will, in general, be subject to approval by regulatory bodies. Additionally, all phases of the mining business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of international conventions and state and municipal laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with mining operations. The legislation also requires that wells and facility sites be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liabilities, and potentially increase capital expenditures and operating costs.

Local Resident Concerns

Apart from ordinary environmental issues, the exploration, development and mining of the Company's properties could be subject to resistance from local residents that could either prevent, or delay, exploration and development of those properties, as applicable.

Conflicts of Interest

Certain of the directors and officers of the Company will be engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies (including mineral resource companies) and, as a result of these and other activities, such directors and officers may become subject to conflicts of interest. The *Business Corporations Act* (Alberta) provides that in the event that a director has a material interest in a contract or proposed contract or agreement that is material to an issuer, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement, subject to and in accordance with the *Business Corporations Act* (Alberta). To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the *Business Corporations Act* (Alberta).

Uninsurable Risks

Exploration, development and production operations on mineral properties involve numerous risks, including unexpected or unusual geological operating conditions, rock bursts, cave-ins, fires, floods, earthquakes and other environmental occurrences, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although precautions to minimize risk will be taken, operations are subject to hazards that may result in environmental pollution, and consequent liability that could have a material adverse impact on the business, operations and financial performance of the Company. It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks as a result of high premiums or other reasons. Should such liabilities arise, they could have an adverse impact on the Company's results of operations and financial condition and could cause a decline in the value of the Company's shares.

Litigation

The Company and/or its directors may be subject to a variety of civil or other legal proceedings, with or without merit.

The success of the Company will be dependent upon the efforts and abilities of its management team. The loss of any member of the management team could have a material adverse effect upon the business and prospects of the Company. In such an event, the Company will seek satisfactory replacements but there can be no guarantee that appropriate personnel may be found.

Management's Responsibility for Financial Information

The Company's financial statements are the responsibility of the Company's management and have been approved by the Board of Directors. The financial statements were prepared by the Company's management in accordance with Canadian generally accepted accounting principles. The financial statements include certain amounts based on the use of estimates and assumptions. Management has established these amounts in a reasonable manner, in order to ensure that the financial statements are presented fairly in all material respects.

Disclosure of Outstanding Share Data

As of the date of this MD&A, the Company had 31,772,176 Common Shares issued and outstanding, 2,825,000 options with exercise prices between $0.55 and $2.87, 340,000 warrants with an exercise price of $1.34, and 64,050 warrants with an exercise price of $0.90.

Forward Looking Statements

Except for the historical statements contained herein, this MD&A presents “forward-looking statements” within the meaning of Canadian securities legislation that involve inherent risks and uncertainties. Forward-looking statements include, but are not limited to, statements with respect to requirements for additional capital, government regulation of its operations, environmental risks, or claims and limitations on insurance coverage. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as “plans”, “expects” or “does not expect”, “is expected”, “proposed” “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved”.

Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements, including but not limited to: (i) limited operating history; (ii) exploration, development and operating risks; (iii) substantial capital requirements and liquidity; (iv) fluctuating mineral prices and marketability of minerals; (v) the uncertainty in commodity prices and market volatility; (vi) regulatory, permit and license requirements; (vii) financing risks and dilution to shareholders; (viii) title to properties; (ix) competition; (x) reliance on management and key personnel; (xi) environmental risks; (xii) local resident concerns; (xiii) conflicts of interest; (xiv) uninsurable risks; (xv) litigation; (xvi) timing for receipt of regulatory approvals necessary for drilling at the Prospect Mountain Property; (xvii) estimates of mineralization from drilling and geophysical surveys, (xviii) geological information projected from sampling results and the potential quantities and grades of the target zones; (xix) the potential for minerals and/or mineral resources and reserves, and (xx) other factors beyond the control of the Company. Although the management and officers of the Company believe that the expectations reflected in such forward-looking statements are based upon reasonable assumptions and have attempted to identify important factors that could cause actual results to differ materially from those contained in forward- looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statements that are incorporated by reference herein, except in accordance with applicable securities laws.

Additional Information

Additional information relating to the Company is available on the SEDAR+ website www.sedarplus.ca or the Company’s website at www.northpeakresources.com