# REVIVAL GOLD INC.

# INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS

# FOR THE THREE AND SIX MONTHS ENDED DECEMBER 31, 2022

## Introduction

The following Management's Discussion & Analysis ("Interim MD&A") of Revival Gold Inc. (the "Company" or "Revival") has been prepared to provide material updates to the business operations, liquidity and capital resources of the Company since its last annual management's discussion & analysis, being the Management's Discussion & Analysis ("Annual MD&A") for the fiscal year ended June 30, 2022. This MD&A does not provide a general update to the Annual MD&A, or reflect any non-material events since the date of the Annual MD&A.

This Interim MD&A has been prepared in compliance with the requirements of section 2.2.1 of Form 51-102F1, in accordance with National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the Annual MD&A, the audited annual consolidated financial statements of the Company for the years ended June 30, 2022, and June 30, 2021, and the unaudited interim condensed consolidated financial statements for the three and six months ended December 31, 2022, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. In the opinion of management, all adjustments (which consist only of normal recurring adjustments) considered necessary for a fair presentation have been included. The results for the three and six months ended December 31, 2022, are not necessarily indicative of the results that may be expected for any future period. Information contained herein is presented as at February 23, 2023 unless otherwise indicated.

The unaudited interim condensed consolidated financial statements for the three and six months ended December 31, 2022, have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee. The unaudited interim condensed consolidated financial statements have been prepared in accordance with International Standard 34, Interim Financial Reporting.

For the purposes of preparing this Interim MD&A, management, in conjunction with the Board of Directors, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of Revival's common shares; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.
Further information about the Company and its operations is available on SEDAR at **www.sedar.com** and on the Company's website at **www.revival-gold.com**.

## Caution Regarding Forward-Looking Statements

This Interim MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this interim MD&A speak only as of the date of this Interim MD&A or as of the date specified in such statement.

| Forward-looking statements | Assumptions | Risk factors |
|---|---|---|
| For fiscal 2023, the Company's operating expenses are estimated to be $200,000 per month for recurring corporate operating costs. | The Company has anticipated all material costs; the operating activities of the Company for the twelve-month period ending December 31, 2023, and the costs associated therewith, will be consistent with Revival's current expectations. | Unforeseen costs to the Company will arise; any particular operating costs increase or decrease from the date of the estimation; changes in economic conditions; ongoing uncertainties relating to the COVID-19 virus. |
| The Company may be required to raise additional capital to meet its ongoing operating expenses and complete its planned exploration activities on all of its current projects for the twelve-month period ending December 31, 2023. | The operating and exploration activities of the Company for the twelve-month period ending December 31, 2023, and the costs associated therewith, will be consistent with Revival's current expectations; debt and equity markets, exchange and interest rates and other applicable economic conditions are favourable to Revival. | Changes in debt and equity markets; timing and availability of external financing on acceptable terms; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic conditions ongoing uncertainties relating to the COVID-19 virus. |
| Revival's properties may contain economic deposits of gold. | Financing will be available for future exploration and development of Revival's properties; the actual results of Revival's exploration and development activities will be favourable; operating, exploration and development costs will not exceed Revival's expectations; the Company will be able to retain and attract skilled staff; all requisite regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to Revival, and applicable political and economic conditions are favourable to Revival; the price of gold and applicable interest and exchange rates will be favourable to Revival; no material title disputes exist with respect to the Company's properties. | Gold price volatility; ongoing uncertainties relating to the COVID-19 virus; uncertainties involved in interpreting geological data and confirming title to acquired properties; the possibility that future exploration results will not be consistent with Revival's expectations; availability of financing for and actual results of Revival's exploration and development activities; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; permitting standards, requirements and regulation; events of force majeure; interest rate and exchange rate fluctuations; changes in economic and political conditions; the Company's ability to retain and attract skilled staff. |

| | | |
|---|---|---|
| Management's outlook regarding future trends. | Financing will be available for Revival's exploration and operating activities; the price of gold will be favourable to Revival. | Gold price volatility; ongoing uncertainties relating to the COVID-19 virus; changes in debt and equity markets; interest rate and exchange rate fluctuations; changes in economic and political conditions. |

Inherent in forward-looking statements are risks, uncertainties and other factors beyond Revival's ability to predict or control. Please also make reference to those risk factors referenced in the "Risks and Uncertainties" section below. Readers are cautioned that the above chart does not contain an exhaustive list of the factors or assumptions that may affect the forward-looking statements, and that the assumptions underlying such statements may prove to be incorrect. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this Interim MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause Revival's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether resulting from new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

## Description of Business

Revival Gold Inc. is a growth-focused gold exploration and development company. The Company has the right to acquire a 100% interest in Meridian Beartrack Co. ("Meridian Beartrack"), owner of the Beartrack Gold Project ("Beartrack") located in Lemhi County, Idaho. Revival also owns rights to a 100% interest in the neighboring Arnett Gold Project ("Arnett").

Beartrack-Arnett is the largest past-producing gold mine in Idaho and hosts the second largest known deposit of gold in the state.

In addition to its interests in Beartrack and Arnett, the Company is pursuing other gold exploration and development opportunities and holds a 51% interest in the Diamond Mountain Phosphate Project ("Diamond Mountain") located in Uintah County, Utah.

Revival trades on the TSX Venture Exchange under the symbol RVG and OTCQX under the symbol RVLGF.

## Outlook and Overall Performance

The Company has no revenues, so its ability to ensure continuing operations is dependent on it completing the acquisition of its mineral property interests, the discovery of economically recoverable reserves, confirmation of its interest in the underlying mineral claims, and its ability to obtain necessary financing to complete exploration activities, development, and future profitable production.

At December 31, 2022, the Company had net working capital of $2,089,009 (June 30, 2022 – $6,765,792). The Company had cash and cash equivalents of $3,173,031 (June 30, 2022 - $7,101,029). Working capital and cash and cash equivalents decreased during the three and six months ended December 31, 2022, due to exploration and evaluation expenditures and general and administrative expenses but was offset by a private placement financing (see below).

On November 22, 2022, the Company granted a total of 1,275,000 stock options to directors, officers and consultants of the Company. Pursuant to the Company's stock option plan, the options are exercisable at a price of $0.70 per share for a period of five years. The stock options vested 1/3 immediately with an additional 1/3 on the next two anniversaries of the date of grant. A value of $457,447 was assigned to the options using the Black-Scholes pricing model with the following assumptions: share price of $0.63; expected dividend yield - 0%; expected volatility of 68.58% (based on historical volatility); risk-free interest rate – 3.26%, respectively and an expected life of 5 years.

On December 29, 2022, the Company closed a non-brokered private placement (the "Private Placement") of 5,000,000 units of the Company (the "Units") at a price of $0.60 per Unit for aggregate gross proceeds of $3,000,000. Each Unit consists of one common share ("Share") of Revival and one-half of one common share purchase warrant (each whole common share purchase warrant), a ("Warrant") of Revival. Each Warrant entitles the holder thereof to purchase one Share of the Company at a price of $0.80 per Share, for a period of 24 months following the closing date.

The Company may be required to raise additional capital to meet its ongoing operating expenses and continue to meet its obligations on its current projects for the twelve-month period ending December 31, 2023. Management may increase or decrease budgeted expenditures depending on exploration results and ongoing volatility in the economic environment. See "Liquidity and Financial Position" below.

## Qualified Person

Steven T. Priesmeyer, B.Sc., M.Sc., C.P.G., Vice-President Exploration, Revival, and John P.W. Meyer, P.Eng., are the Company's designated Qualified Persons for the Exploration section within the meaning of National Instrument 43-101 ("NI 43-101") Standards of Disclosure for Mineral Projects and have reviewed and approved its scientific and technical content.

## Projects

During the year ended June 30, 2018, the Company signed an earn-in and related stock purchase agreement with Meridian Gold Company, a subsidiary of Yamana Inc., by which Revival may acquire a 100% interest in Meridian Beartrack, owner of the Beartrack Gold Project located in Lemhi County, Idaho, USA (the "Beartrack Agreement"). The Beartrack Agreement was amended on May 8, 2019, and May 20, 2020, and on August 31, 2022, it was amended and restated.

Pursuant to the Beartrack Agreement, as amended and restated, Revival may acquire Meridian Beartrack, owner of the Beartrack Project, (the "Acquisition") by making a cash payment of US$250,000 (paid), delivering four million common shares of Revival ("Common Shares"), (which have all been issued as of the date of this Interim MD&A) as follows: 1 million Common Shares on signing (issued and valued at $740,000) and 1 million Common Shares on each of the first three anniversary dates of the effective date of the Beartrack Agreement (1 million Common Shares issued during the year ended June 30, 2019 and valued at $780,000; 1 million Common Shares issued during the year ended June 30, 2020 and valued at $740,000 and 1 million Common Shares issued on August 24, 2020 and valued at $1,050,000), spending US$15,000,000 on qualifying exploration expenditures (US$14.4 million has been spent on exploration as of December 31, 2022) and funding certain site operating and maintenance ("O&M") costs during an earn-in period ending on or before October 2, 2024 (as of December 31, 2022, an estimated US$931,000 has been incurred on O&M costs). Upon completion of the Acquisition, Revival will assume future ongoing site O&M cost obligations including site bonding surety. Such costs are to be determined at the time of assuming the interest in the property but are estimated at this time to be approximately US$850,000 annually. The current face value of the bond is US$10.2 million. In addition, Revival must provide a 1% Net Smelter Return ("NSR") royalty and an additional NSR royalty of 0.5% (terminating when the payments of the additional royalty total U$2.0 million). Revival is required to pay Meridian the greater of US$6 per ounce of gold in mineral resource or US$15 per ounce of gold in mineral reserve based on a NI-43-101 compliant technical report containing a resource estimate for the Beartrack Gold Project completed three years after the Acquisition (October 2, 2027).

Beartrack is the largest past-producing gold mine in Idaho and previously operated as an open pit, heap leach operation exploiting leachable ore. The mine produced 609,000 ounces of gold before it was shut down in the year 2000 when the price of gold declined below US $300/ounce. Significant infrastructure from the historic operation remains with the potential to save US$40-50 million in capital required to resume production.

Cumulative exploration expenditures at Beartrack total approximately $19.5 million (US$15.1 million including O&M costs) as at December 31, 2022. Expenditures include mineral lease and property tax payments, diamond drilling, metallurgical testing, geological mapping, the production of the maiden Beartrack NI 43-101 technical report, dated July 12, 2018, an updated technical report dated February 21, 2020, a PEA dated December 17, 2020, an updated mineral resource estimate dated May 12, 2022, followed by the updated Technical Report, dated July 13, 2022, O&M costs and other mineral exploration and evaluation activities. Beartrack is comprised of 559 patented and unpatented claims and has a footprint of approximately 3,071 hectares (7,587 acres). Estimated costs to maintain the Beartrack Agreement and associated mineral claims in good standing are approximately $1,300,000 through December 31, 2023.

Arnett

During the year ended June 30, 2017, Revival acquired a 100% interest in 16 unpatented mining claims (the "Hai & Gold Bug Claims"), a 75% interest in 68 unpatented mining claims (the "Ace Claims") and an option to acquire 100% of 10 additional unpatented mining claims (the "Mapatsie & Poco Claims") comprising a total of approximately 1,930 acres located in Lemhi County, Idaho, USA.

The Company issued 5,750,000 Common Shares (issued and valued at $2,012,500) and paid cash of $100,000 for the Hai & Gold Bug Claims and 75% of the Ace Claims. The Company had an option to purchase the 25% residual interest in Ace Claims for US$500,000 which was exercised during the six months ended December 31, 2022, thereby completing the acquisition of the ACE Claims.

On April 9, 2020, the Company executed an amendment to the option agreement to acquire the Mapatsie & Poco Claims. Revival has the option to acquire a 100% interest in Mapatsie & Poco Claims by paying US$150,000 on signing the initial agreement (paid) and making annual payments of US$150,000 by June 30, 2018 (paid), US$150,000 by June 30, 2019 (paid), US$75,000 by June 30, 2020 (paid), US$250,000 by June 30, 2021 (paid) and US$250,000 by June 30, 2022 (paid). The Company completed the acquisition of the Mapatsie and Poco Claims.

As part of the purchase of the Hai & Gold Bug Claims, purchase of the Ace Claims and the option to purchase the Mapatsie & Poco Claims, the vendors all retain a 1%, 1% and 2%, respectively, NSR, each of which may be purchased by the Company at any time for US$2,000,000 each (total for all three NSRs of US$6 million).

In addition, the Company has staked or acquired an additional 246 claims including an undivided 100% interest in the 18-acre Haidee patented mining claim ("Haidee") and the 20-acre Mapatsie #18A unpatented mining claim ("Mapatsie #18A"). Both claims are located within Revival Gold's existing Arnett land package. The Haidee and Mapatsie #18A claims were purchased from a collection of parties for total cash payments of US$350,000 plus a 2% Net Smelter Return ("NSR") from the production and sale of the minerals from the Haidee claim. The NSR may be purchased by Revival Gold at any time for US$1,000,000.

Cumulative exploration expenditures at Arnett total approximately $10.9 million as at December 31, 2022. Expenditures include mineral lease and property tax payments, diamond drilling, airborne geophysics, soil sampling metallurgical testing, geological mapping, the production of the technical report titled "Arnett Creek Property Lemhi County, Idaho United States", dated June 27, 2017, an updated mineral resource estimate dated May 12, 2022, followed by the updated Technical Report, dated July 13, 2022, and other mineral exploration and evaluation activities. There are no minimum exploration expenditures required at Arnett, other than claim maintenance fees which are estimated at approximately $76,000 through December 31, 2023.

Diamond Mountain Project

The Company holds a 51% interest in the Diamond Mountain phosphate project located in Uintah County, Utah. During the year ended June 30, 2016, the Company impaired the carrying value to $1 due to the working capital deficit and the uncertainty of the ability to fund future exploration of this Project. Due to the change in the Company's focus, the carrying value remains at $1.

Revival filed the initial NI 43-101 technical report on Diamond Mountain on October 15, 2014. Further information on Diamond Mountain is available on SEDAR at www.sedar.com and on the Company's website at www.revival-gold.com.

## Exploration & Development

Beartrack-Arnett

*Development*

On December 30, 2022, the Company provided a summary of its key accomplishments in 2022 to advance Beartrack-Arnett. Highlights include (see December 30, 2022, press release for detailed results):

- Kappes, Cassiday & Associates and Independent Mining Consultants Inc. were appointed as principal consultants to prepare a Preliminary Feasibility Study ("PFS") on the potential first phase restart of heap leach operations at Beartrack-Arnett. Metallurgical and geotechnical study work was wrapped up during the fourth quarter advancing the PFS to 70% completion by year end and putting it on track for delivery by mid-2023; and
- An expanded and extended exploration drilling permit was granted for Beartrack-Arnett during the year and KC Harvey Environmental, LLC advanced environmental baseline data collection and preparations for the potential re-permitting of the heap leach operations.

Key studies in support of a mid-2023 PFS include:

a) Column Tests–180-day results on 1.5-inch crush demonstrate 82% recovery of CNAu at Beartrack and 92% recovery of FAAu at Arnett (see September 6, 2022, press release for detailed results)
b) Geotechnical Studies –results identified opportunities to increase pit slopes
c) Power Studies –Idaho Power firming up requirements for existing 69 kV service
d) Successful Haidee drilling campaign designed to upgrade and expand the deposit's current heap leachable Inferred Mineral Resource (see *Exploration* below)

*Exploration*

On November 8, 2022, the Company announced the successful conclusion of its 2022 drill program at Beartrack-Arnett. Highlights include (see November 8, 2022, press release for detailed results):

- Four core holes were completed for a total of 2,600 meters on the main Beartrack trend of mineralization. Hole BT22-244D was drilled between Joss and the South Pit and is intended to expand on high-grade intervals from the 2018 drilling program; and
- In the Haidee target area, 18 infill and expansion core holes were completed for a total of 2,900 meters in the near surface, oxide material of this satellite deposit. The holes are intended to upgrade Inferred Resources to Indicated Resources and extend the current Mineral Resource to the southwest, or down-dip, direction.

On November 17, 2022, the Company announced further results from the 2022 drilling program at Beartrack-Arnett. Highlights include (see November 17, 2022, press release for detailed results):

- Drill hole BT22-243D intersected 7.92 g/t gold over 2.9 meters and 2.02 g/t gold over 47.4 meters approximately 175 meters below the south end of the South Pit area; and
- The high-grade interval observed in BT22-243D is consistent with the overall tenor of high-grade mineralization observed in the Joss area, located approximately 1.2 kilometers to the south.

On December 14, 2022, the Company announced remaining drill results in the Joss and South Pit target areas at Beartrack-Arnett. Highlights include (see December 14, 2022, press release for detailed results):

- The fourth core hole drilled between Joss and the South Pit, intersected 0.58 g/t gold over 6.4 meters. The hole appears to have penetrated the Panther Creek Fault ("PCF") in the vicinity of an intersecting cross-fault; and
- The mineralization encountered in BT22-244D was intersected on the west side of the PCF and is thought to be associated with South Pit mineralization. Joss mineralization occurs on the east side of the PCF. Only weakly anomalous gold values were encountered east of the PCF in hole BT22-244D. It appears that Joss mineralization has been removed, or displaced, by post-mineral faulting in the vicinity of this hole.

On January 9, 2023, the Company announced drill results from the first twelve of eighteen core holes drilled in the Haidee deposit area at Beartrack-Arnett. Highlights include (see January 9, 2022, press release for detailed results):

- 1.12 g/t gold over 18.0 meters and 0.36 g/t gold over 32.8 meters in AC22-097D
- 0.81 g/t gold over 30.1 meters and 0.53 g/t gold over 16.9 meters in AC22-100D
- 0.76 g/t gold over 19.8 meters in AC22-092D
- 0.53 g/t gold over 35.8 meters, 0.53 g/t gold over 29.3 meters and 0.40 g/t gold over 14.7 meters in AC22-095D

On January 30, 2023, the Company announced drill results from the final six of eighteen core holes drilled in the Haidee deposit area at Beartrack-Arnett. A total of 18 holes were completed for approximately 2,900 meters. Highlights include (see January 30, 2022, press release for detailed results):

- 1.51 g/t gold over 15.8 meters in AC22-086D
- 1.07 g/t gold over 18.0 meters and 0.45 g/t gold over 13.2 meters in AC22-089D
- 0.70 g/t gold over 27.1 meters in AC22-099D
- 0.42 g/t gold over 19.9 meters in AC22-093D

## Trends

Although there can be no assurance that additional funding will be available to the Company, management is of the opinion that the gold price will be favourable and hence, it may be possible to obtain additional funding for its projects. However, the Company remains cautious in case the economic factors that impact the mining industry deteriorate.

Apart from these and the risk factors noted under the heading "Risks and Uncertainties", the Company is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's business, financial condition or results of operations.

## Discussion of Operations

Six months ended December 31, 2022, compared with six months ended December 31, 2021

Revival's net loss totaled $7,277,695 for the six months ended December 31, 2022, with basic and diluted loss per share of $0.08. This compares with a net loss of $5,304,093 with basic and diluted loss per share of $0.07 for the six months ended December 31, 2021. The increase of $1,973,602 in net loss was principally because for the six months ended December 31, 2022:

- Exploration and evaluation expenditures increased by $1,793,676 due to expenses incurred on the Beartrack and Arnett projects, including the preparation of pre-feasibility study and further drilling at Haidee compared to the same period in 2021;
- Foreign exchange loss was higher by $66,815 due to a weaker Canadian dollar compared to the same period in 2021;
- Director fees and employee salaries increased by $28,993 primarily due to the hiring of the VP Engineering and Development in January 2022
- Investor relations increased by $91,568 primarily due to increased attendance at investor and trade show conferences and events, investor site visits, advertising and promotion compared to same period in 2021; and,
- All other expenses are related to general working capital purposes.

Three months ended December 31, 2022, compared with three months ended December 31, 2021

Revival's net loss totaled $3,404,268 for the three months ended December 31, 2022, with basic and diluted loss per share of $0.04. This compares with a net loss of $1,872,173 with basic and diluted loss per share of $0.03 for the three months ended December 31, 2021. The increase of $1,532,095 in net loss was principally because for the three months ended December 31, 2022:

- Exploration and evaluation expenditures increased by $1,464,890 due to expenses incurred on the Beartrack and Arnett projects, including the preparation of pre-feasibility study and further drilling at Haidee compared to the same period in 2021;
- Director fees and salaries increased by $17,354 primarily due to the hiring of the VP Engineering and Development in January 2022;
- Investor relations increased by $52,379 primarily due to attendance at investor and trade show conferences and events, and advertising and promotion compared to same period in 2021; and,
- All other expenses are related to general working capital purposes.

## Liquidity and Financial Position

The activities of the Company, principally the acquisition and exploration of mineral properties, are financed through the completion of equity transactions such as equity offerings and the exercise of stock options and warrants. There is no assurance that equity capital will be available to the Company in the amounts or at the times desired or on terms that are acceptable to the Company, if at all.

Cash used in operating activities was $6,205,413 for the six months ended December 31, 2022.

Operating activities were affected by a net loss of $7,277,695 plus non-cash items of $323,497 and the positive change in non-cash working capital balances of $748,785.

Cash provided by financing activities was $2,933,855 for the six months ended December 31, 2022, which represents the net proceeds from the Private Placement.

Cash used in investing activities was $652,800 which represents the final US $500,000 payment of the ACE claims of the Arnett project.

At December 31, 2022, Revival had $3,173,031 in cash and cash equivalents (June 30, 2022 - $7,101,029).

The Company has no operating revenues and therefore must utilize its funds obtained from equity financing and other financing transactions to maintain its capacity to meet ongoing exploration and operating activities. The Company may be required to raise additional capital to meet its ongoing operating expenses and continue to meet its obligations on its current projects for the twelve-month period ending December 31, 2023. Management may increase or decrease budgeted expenditures depending on exploration results and ongoing volatility in the economic environment.

As of December 31, 2022, and to the date of this Interim MD&A, the cash resources of Revival are held with the Royal Bank of Canada.

The Company's use of cash at present occurs, and in the future will occur, principally in two areas, namely, funding of its general and administrative and exploration expenditures and funding of its investment activities. Those investing activities include the cash components of the cost of acquiring its tenements. For fiscal 2023, the Company's expected operating expenses are estimated to average $175,000 per month for recurring operating costs. The Company has estimated mineral lease payments of $215,000 over the next twelve-month period. Management may reassess its planned expenditures based on the Company's working capital resources, the scope of work required to advance exploration on its projects and the overall condition of the financial markets.

Assuming that management is successful in developing a substantial gold deposit in the USA, future work plans to develop the deposit will depend upon the Company's assessment of prior results, the condition of the Company financially and the then prevailing economic climate in general.

The Company's working capital is $2,089,009 at December 31, 2022.

## Recent Accounting Pronouncements

The Company adopted amendments to the following standards as of July 1, 2022:

- Classification of Liabilities as Current or Non-Current (Amendments to IAS 1);
- IAS 16, Property, Plant and Equipment; and
- IAS 37, Provisions, Contingent Liabilities and Contingent Assets.

There was no material impact on the Company's interim condensed consolidated financial statements from the adoption of these amendments.

## Off-Balance-Sheet Arrangements

The Company has a reclamation bond (the "Bond") in place with a surety bond company, as required by the US Forest Service, to secure clean-up costs if the exploration drilling project is abandoned or closed. The Bond was secured in September 2022 for the entire Beartrack-Arnett project for US$155,000 ($212,000), which replaced three bonds previously issued for the three exploration drilling projects.

## Related Party Transactions

Related parties include the Board of Directors and officers of the Company, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions. Related party transactions conducted in the normal course of operations are measured at the amount established and agreed to by the related parties.

(a) The Company entered into the following transactions with related parties:

Carmelo Marrelli, who was a director of the Company until January 31, 2022, is the managing director of Marrelli Support Services Inc., a firm providing accounting services. Fees for services provided by Marrelli Support totaled $13,616 and $20,707 for the three and six months ended December 31, 2022 (three and six months ended December 31, 2021 - $18,881 and $31,353). As at December 31, 2022, Marrelli Support was owed $2,849 and this amount was included in accounts payable and accrued liabilities (June 30, 2022 - $2,806).

During the three and six months ended December 31, 2022, the Company paid professional fees of $8,953 and $34,816 (three and six months ended December 31, 2021 - $5,070 and $33,196) to DSA Corporate Services Inc., DSA Filing Services Limited, Marrelli Press Release Services Ltd. and Marrelli Trust Company Limited (together referred to as "DSA"), four organizations which Mr. Marrelli controls. These services were incurred in the normal course of operations for corporate secretarial and public filing matters. All services were made on terms equivalent to those that prevail with arm's length transactions. As at December 31, 2022, DSA was owed $8,939 (June 30, 2022 - $2,462) and this amount was included in accounts payable and accrued liabilities.

A corporation controlled by Steven T. Priesmeyer, an officer of the Company, was paid or accrued consulting fees of $65,465 and $129,071 for the three and six months ended December 31, 2022 (three and six months ended December 31, 2021 - $56,425 and $112,428). As at December 31, 2022, this corporation was owed $21,689 and this amount was included in accounts payable and accrued liabilities (June 30, 2022 - $21,350).

(b) Remuneration of directors and key management personnel, other than consulting fees, of the Company was as follows:

| | **Salaries and director fees** | | **Share based payments** | | **Total** | |
|---|---|---|---|---|---|---|
| | **Six Months Ended December 31,** | | **Six Months Ended December 31,** | | **Six Months Ended December 31,** | |
| | **2022 ($)** | **2021 ($)** | **2022 ($)** | **2021 ($)** | **2022 ($)** | **2021 ($)** |
| Wayne Hubert, Director | 15,750 | 15,000 | 20,992 | 26,464 | 36,742 | 41,464 |
| Hugh Agro, Director and Officer | 131,250 | 125,000 | 35,650 | 40,079 | 166,900 | 165,079 |
| Donald Birak, Director | 11,288 | 10,750 | 11,883 | 12,849 | 23,171 | 23,599 |
| Rob Chausse, Director | 12,076 | 11,500 | 11,883 | 17,343 | 23,959 | 28,843 |
| Michael Mansfield, Director | 10,500 | 10,000 | 11,883 | 12,849 | 22,383 | 22,849 |
| Maura Lendon, Director | 11,288 | 10,750 | 14,472 | 19,742 | 25,760 | 30,492 |
| Tim Warman, Director | 11,288 | nil | 18,582 | nil | 29,870 | nil |
| Carmelo Marrelli, Director | nil | 10,750 | 4,945 | 12,849 | 4,945 | 23,599 |
| Lisa Ross, Officer | 105,000 | 100,000 | 21,742 | 28,081 | 126,742 | 128,081 |
| Adam Rochacewich, Former Officer | nil | nil | nil | 11,479 | nil | 11,479 |
| Steve Priesmeyer, Officer | nil | nil | 17,826 | 20,040 | 17,826 | 20,040 |
| John Meyer, Officer | 133,145 | nil | 27,055 | 26,491 | 160,200 | 26,491 |
| **Total** | **441,585** | **293,750** | **196,913** | **228,266** | **638,498** | **522,016** |

| | Salaries and director fees | | Share based payments | | Total | |
|---|---|---|---|---|---|---|
| | Three Months Ended December 31, | | Three Months Ended December 31, | | Three Months Ended December 31, | |
| | 2022 ($) | 2021 ($) | 2022 ($) | 2021 ($) | 2022 ($) | 2021 ($) |
| Wayne Hubert, Director | 7,875 | 7,500 | 15,098 | 16,825 | 22,973 | 24,325 |
| Hugh Agro, Director and Officer | 65,625 | 62,500 | 26,809 | 25,305 | 92,434 | 87,805 |
| Donald Birak, Director | 5,644 | 5,375 | 8,936 | 8,345 | 14,580 | 13,720 |
| Rob Chausse, Director | 6,038 | 5,750 | 8,936 | 10,861 | 14,974 | 16,611 |
| Michael Mansfield, Director | 5,250 | 5,000 | 8,936 | 8,345 | 14,186 | 13,345 |
| Maura Lendon, Director | 5,644 | 5,375 | 9,905 | 11,638 | 15,549 | 17,013 |
| Tim Warman, Director | 5,644 | nil | 12,760 | nil | 18,404 | nil |
| Carmelo Marrelli, Director | nil | 5,375 | 1,998 | 8,345 | 1,998 | 13,720 |
| Lisa Ross, Officer | 52,500 | 50,000 | 15,689 | 18,321 | 68,189 | 68,321 |
| Adam Rochacewich, Former Officer | nil | nil | nil | 4,092 | nil | 4,092 |
| Steve Priesmeyer, Officer | nil | nil | 13,405 | 12,653 | 13,405 | 12,653 |
| John Meyer, Officer | 67,818 | nil | 17,938 | 26,491 | 85,756 | 26,491 |
| **Total** | **222,038** | **146,875** | **140,410** | **151,221** | **362,448** | **298,096** |

As at December 31, 2022, directors and management were owed $36,095 (June 30, 2022 - $nil).

(c) Insider shareholdings

None of the Company's major shareholders have different voting rights than other holders of the Company's common shares.

As of December 31, 2022, directors and officers of the Company, with individual control of less than 10% of the total common shares outstanding, collectively control 6,648,773 (June 30, 2022 - 6,369,107) common shares of the Company or approximately 7.2% (June 30, 2022 - 7.3%) of the total common shares outstanding. To the knowledge of the directors and officers of the Company, the remaining common shares of the Company were widely held.

## Commitments

The Company is party to certain management contracts. As at December 31, 2022, the contracts require that additional payments of approximately $1,174,689 be made upon a change of control. As a triggering event has not taken place, the contingent payments have not been reflected in the financial statements. Commitments upon termination without cause of these contracts are approximately $1,174,689.

The Company has earn-in and related stock purchase agreements that require certain share issuance and spending commitments (see "Projects").

## Share Capital

As of the date of this Interim MD&A, the Company had 91,884,267 issued and outstanding common shares.

Stock options outstanding for the Company at the date of this Interim MD&A were as follows:

| Options | Expiry Date | Exercise Price |
|---|---|---|
| 1,200,000 | November 14, 2023 | $0.75 |
| 1,100,000 | December 18, 2024 | $0.72 |
| 1,225,000 | November 24, 2025 | $1.00 |
| 200,000 | March 8, 2026 | $0.75 |
| 850,000 | November 23, 2026 | $0.70 |
| 200,000 | December 7, 2026 | $0.70 |
| 125,000 | February 1, 2027 | $0.70 |
| 1,275,000 | November 22, 2027 | $0.70 |

Warrants outstanding for the Company at the date of this Interim MD&A were as follows:

| Warrants | Expiry Date | Exercise Price |
|---|---|---|
| 7,750,000 | January 26, 2024 | $0.90 |
| 76,241 | January 26, 2024 | $0.65 |
| 2,500,000 | December 29, 2024 | $0.80 |
| 47,280 | December 29, 2024 | $0.60 |

## Subsequent Event

On January 23, 2023, 125,000 options with an exercise price of $0.75 expired.

## Disclosure of Internal Controls

Management has established processes to provide them sufficient knowledge to support representations that they have exercised reasonable diligence that (i) the consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the consolidated financial statements; and (ii) the consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented.

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:

i) 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
ii) 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 GAAP (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.

## Risks and Uncertainties

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position. For a comprehensive discussion of these and other risks facing the Company, please refer to the section entitled "Risk Factors" in the Company's most recent Annual Information Form and the section entitled "Risks and Uncertainties" in the Company's Annual MD&A for the year ended June 30, 2022, both of which are filed on SEDAR at **www.sedar.com**.