

AU GOLD CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED MARCH 31, 2024

INTRODUCTION

This is Management's Discussion and Analysis ("MD&A") for Au Gold Corp. (formerly Schooner Capital Corporation) (the "Company") and has been prepared based on information known to management as of July 18, 2024. This MD&A is intended to help the reader understand the consolidated financial statements of Au Gold Corp.

The Company recognizes environmental, social and governance ("ESG") best practices as key components to responsible mineral exploration and development. The Company's exploration programs are conducted to meet or exceed environmental regulations, while respecting the communities and environments in which we operate. The Company strives to earn its social license with local and indigenous communities by meeting with stakeholders, regulators, and other concerned parties before, and during, exploration work to understand traditional and cultural issues important to these communities. The Company's approach is based on transparency, open communication, inclusivity, and respect, to better enable social and economic benefit for communities as well as value for investors.

The following information should be read in conjunction with the audited consolidated financial statements as at March 31, 2024 and 2023 and the related notes thereto, prepared in accordance with International Financial Reporting Standards ("IFRS").

Management is responsible for the preparation and integrity of the audited consolidated financial statements, including the maintenance of appropriate information systems, procedures, and internal controls. Management also ensures that information used internally or disclosed externally, including the consolidated financial statements and MD&A, is complete and reliable.

The Company's board of directors follows recommended corporate-governance guidelines for public companies to ensure transparency and accountability to shareholders. The board's audit committee meets with management regularly to review the financial statements, including the MD&A, and to discuss other financial, operating and internal-control matters.

All currency amounts are expressed in Canadian dollars unless otherwise noted.

FORWARD LOOKING STATEMENTS

Certain sections of this MD&A provide, or may appear to provide, a forward-looking orientation with respect to the Company's activities and its future financial results. Consequently, certain statements contained in this MD&A constitute express or implied forward-looking statements. Terms including, but not limited to, "anticipate", "estimate", "believe" and "expect" may identify forward-looking statements. Forward-looking statements, while they are based on the current knowledge and assumptions of the Company's management, are subject to risks and uncertainties that could cause or contribute to the actual results being materially different than

those expressed or implied. Readers are cautioned not to place undue reliance on any forward-looking statement that may be in this MD&A.

The following forward-looking statements have been made in this MD&A:

- Impairment of long-lived assets;
- The progress, potential and uncertainties of the Company's mineral properties in British Columbia; and
- Expectations regarding the ability to raise capital and to continue its exploration and development plans on its properties.

ADDITIONAL INFORMATION

Financial statements, MD&A's and additional information relevant to the Company and the Company's activities can be found on SEDAR at www.sedar.com, and/or on the Company's website at www.augoldcorp.com

SUMMARY AND OUTLOOK

During the year ended March 31, 2024 the Company continued to manage its cash and corporate overhead activities carefully in order to provide capital to fund exploration in subsequent periods. Detailed Mineral Property information, including 2024 activity, can be found in Section 3.

Management's overall expectations for the Company are positive, owing in part to the following factors:

- The Company has been actively exploring the Ponderosa property during the year.
- The Company signed an amending agreement with the optionor of the EAB Option Agreement to extend the \$1 million cumulative exploration expenditure to the 8th anniversary (see section 1).
- The Company completed the DEX Option Agreement to earn into 60% of one claim in the Ponderosa property during fiscal 2023 and went on to completed acquisition the remaining 40% of this claim in February 2023.

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1. BACKGROUND

Au Gold Corp. (the "Company") was incorporated under the Business Corporations Act (British Columbia) on December 7, 2017 as a Capital Pool Corporation defined in the Policy 2.4 of the TSX Venture Exchange (the "Exchange"). The principal business of the Company was the identification and evaluation of assets or businesses with a view to completing a qualifying transaction ("QT"). The Company's registered office is 10th floor, 595 Howe Street, Vancouver, BC, V6C 2T5.

On December 21, 2020, the Company completed the share exchange transaction with Ponderosa Exploration Ltd. ("Ponderosa"), which constituted the Company's QT. Ponderosa was incorporated under the Business Corporations Act (British Columbia) on March 15, 2019 and its principal business focus is the exploration and development of gold and mineral prospects in Canada. Upon completion of the QT, the Company began trading on the Exchange with the symbol "AUGC" on December 24, 2020.

The Company's principal and only property is the Ponderosa Project, located in the Nicola Mining Division of British Columbia, consisting of four claims. The Company has acquired a 100% interest on the central claim in fiscal 2023 from Almadex Minerals Ltd. ("Almadex") and has an option to earn 100% interest in the three surrounding claims pursuant to the EAB Option Agreement.

2. OVERVIEW

2(a) Company Mission and Focus

The Company is focused on exploring and developing economic mineral projects in the province of British Columbia.

2(b) Qualified Person

Mr. Marc Blythe, MBA, P.Eng., is a Qualified Person, as defined by National Instrument 43-101. The technical content of this document was prepared under the supervision of Mr. Blythe.

2(c) Description of Metal Markets

Market interest for all metals such as gold and copper is volatile and the Company will monitor its resources relative to its opportunities during the coming fiscal year.

2(d) Use of the terms "Mineral Resources" and "Mineral Reserves"

The reader is referred to the document entitled "CIM DEFINITION STANDARDS - For Mineral Resources and Mineral Reserves", published by the Canadian Institute of Mining, Metallurgy and Petroleum at: https://mrmr.cim.org/media/1092/cim_definition_standards_20142.pdf.

Any reference in this MD&A to Mineral Resources does not mean Mineral Reserve.

A Mineral Reserve is the economically mineable part of a Measured or Indicated Mineral Resource demonstrated by at least a Preliminary Feasibility Study. This Study must include adequate information on mining, processing, metallurgical, economic and other relevant factors

that demonstrate, at the time of reporting, that economic extraction can be justified. A Mineral Reserve includes diluting materials and allowances for losses that may occur when the material is mined.

Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories. An Inferred Mineral Resource has a lower level of confidence than that applied to an Indicated Mineral Resource. An Indicated Mineral Resource has a higher level of confidence than an Inferred Mineral Resource but has a lower level of confidence than a Measured Mineral Resource.

3. MINERAL PROPERTIES

Ponderosa Property

The Ponderosa property is located 16 km southwest of Merritt, BC, less than three hours drive from Vancouver, Canada. Access by road is via the sealed Coldwater Road from either Merritt or the Coquihalla Highway (Exit 256) and then 9km by way of paved and gravel roads from the Coldwater/Patchett Road junction. The property is located within the unceded traditional territory of the Nlaka'pamux People. The property consists of four contiguous mineral claims covering an area of 1.8 km by 2.3 km (420 hectares).

It lies within the Spences Bridge Gold Belt which forms a northwest trending belt roughly 180 km long and up to 24 km wide. Rocks of immediate interest in the belt and underlying much of the property comprise successions of Cretaceous subaerial and pyroclastic volcanic flows which host significant gold mineralization at Westhaven Gold Corp.'s Shovelnose project approximately 20 km southeast of Ponderosa.

Acquisition terms of a 100% interest on one claim

On June 1, 2022, the Company announced that it met the "earn in" terms of its option agreement with Almadex to earn a 60% interest in the central claim at the Ponderosa property. Instead of forming a joint venture to hold this claim 60-40 between the Company and Almadex, on February 7, 2023, the Company acquired the remaining 40% of this claim from Almadex by issuing 750,000 common shares to Almadex and now owns 100% of this claim. According to this sale and purchase agreement with Almadex, the Company needs to:

Grant to Almadex a 2% net smelter return ("NSR") royalty in relation to the Ponderosa gold project on terms more particularly set out in a royalty agreement to be entered into in connection with the closing of the acquisition; and

Issue to Almadex a total of 500,000 common shares in the capital of the Company conditional upon the defining of a mineral resource (as such term is defined by the Canadian Institute of Mining, Metallurgy and Petroleum) on the Ponderosa gold project of at least 250,000 ounces of gold.

Amending the cumulative exploration expenditure for the option of a 100% interest on three claims

On May 20, 2024, the Company and the optionor amended its option agreement to earn a 100% interest in 3 claims forming part of the Ponderosa Property by extending the \$1 million

cumulative exploration work commitments to April 5, 2027 by issuing 150,000 common shares to the optionor (issued on June 19, 2024).

Current exploration carried out by the Company

On May 23, 2023, the Company provided an update for the 2023 exploration season at Ponderosa. It had the potential to host a significant gold discovery. The company believed the Tomahawk and Flat Iron targets associated with secondary structural elements parallel to a primary northerly trending structural system newly termed the "Ponderosa Structural Corridor" (PSC) which bisects the property along its main access road through the central part of the claim block. This structural feature was dextrally offset with en-echelon geometry and hosts a series of intermittent moderately- to well-defined gold-arsenic soil geochemical anomalies along a 1.7 km trend from the T-Bone to the Cattle Guard South zones and the Ribeye Zone. Recent and historical gold-bearing prospect samples largely fall within or very near the traces of the PSC.

Infill soil sampling of strategic gaps along the PSC commenced shortly as conditions permit. A series of RAB drillhole fences designed to test the best coincident gold-arsenic geochemical anomalies and areas of gold bearing surface prospecting samples along the PSC trend from the T-Bone to the Cattle Guard zones and the Ribeye target. The RAB program evaluated a much broader area both laterally and vertically below the relative position of the Tomahawk target to identify epithermal mineralization associated with structural feeder zones.

On January 22, 2024, the Company provided an update on its Ponderosa gold project:

- 223 soils samples collected completing gaps in the grid as recommended by industry expert Dr. Jeffery Hedenquist.
- New zones of gold anomalism coincident with Ponderosa Structural Corridor
- 2 km trend of moderately -to- strongly anomalous gold geochemistry
- The Company to display 2022 drill core at AME Roundup Conference (Vancouver) on January 24 and 25, 2024.

During 2023, infill soil samples (223) were collected from the central part of the Ponderosa property to fill in gaps between areas of previously defined anomalous gold and arsenic response. This sampling returned anomalous gold values, mostly within the structural boundaries of the newly interpreted Ponderosa Structural Corridor, with samples ranging in value from below detection to 390 ppb gold.

Completion of infill soil sampling in the central part of the property provided the final information defining the trace of the PSC. The corridor consists of a series of sinistrally offset en-echelon structural segments that trend due north through the central part of the property. The PSC can be traced for approximately 2 km and features continuous and scattered elevated gold and arsenic geochemistry with localized clusters of gold-bearing vein samples along much of the trend (historical surface samples reported up to 46.90 g/t Au and 110 g/t Ag). The PSC ties together most of the known gold-bearing zones on the property and will be the basis for future exploration.

Axel Ridge, the initial showing upon which the Ponderosa property was staked, is situated at the center of the PSC and is an enigmatic occurrence that was drill tested by previous operators. Despite multi-gram gold samples up to 12.82 g/t gold at surface and favourable epithermal textures, drilling was unable to trace the zone even to shallow depths. In conjunction with the

PSC, management now interprets Axel Ridge to be associated with lateral fluid flow along the paleo gradient, rather than an upflow or feeder zone. Management believes feeder zones are located close by and likely at lower elevations along the PSC. Future drilling at Ponderosa will focus on identifying the source of these gold-bearing fluids and following them to depth.

Corporate Update

On September 27, 2023, Neil Burns did not stand for re-election at the Company's Annual General Meeting.

On February 6, 2024, the Company announced that director Garrett Ainsworth resigned from the Board of the Company.

4. RISKS AND UNCERTAINTIES

The Company is engaged in the exploration for mineral deposits. These activities involve significant risks which even with careful evaluation, experience and knowledge may not, in some cases, be eliminated or mitigated. The Company's success depends on a number of factors, many of which are beyond its control. The primary risk factors affecting the Company include inherent risks in the mineral exploration and mining industries and metal price fluctuations.

Access to Capital

Exploration and development of mineral deposits is an expensive process, and frequently the greater the level of interim stage success the more expensive it can become. The Company has no producing properties and generates no operating revenues; therefore, for the foreseeable future, it will be dependent upon selling equity in the capital markets to provide financing for its continuing substantial exploration budgets. While the Company has been successful in obtaining financing from the capital markets for its projects in recent years, there can be no assurance that the capital markets will remain favourable in the future, and/or that the Company will be able to raise the financing needed to continue its exploration programs on favourable terms, or at all. Restrictions on the Company's ability to finance could have a material adverse outcome on the Company and its securities.

General Risk Associated with the Mining Industry

Mineral exploration is an inherently risky business with no guarantees that the exploration will result in the discovery of an economically viable deposit. Among the risks faced are title risk, financing risk, permitting risk, commodity price risk and environmental regulation risk.

Mining activities involve risks which careful evaluation, experience and knowledge may not eliminate or mitigate. The commercial viability of any mineral deposit depends on many factors not all of which are within the control of management. Management attempts to mitigate its exploration risk through a strategy of joint ventures with other companies which balances risk while at the same time allows properties to be advanced.

Inherent risks within the mining industry

The commercial viability of any mineral deposit depends on many factors, not all of which are within the control of management. Some of the factors that will affect the financial viability of a given mineral deposit include its size, grade and proximity to infrastructure. Government regulation, taxes, royalties, land tenure and use, environmental protection and reclamation and closure obligations could also have a profound impact on the economic viability of a mineral deposit.

Mining activities also involve risks such as unexpected or unusual geological operating conditions, floods, fires, earthquakes, other natural or environmental occurrences and political and social instability. 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 for other reasons. The Company does not currently maintain insurance against political or environmental risks. Should any uninsured liabilities arise, they could result in increased costs, reductions in profitability, and a decline in the value of the Company's securities.

There is no assurance at this time that the Company's current mineral properties will be economically viable for development and production.

Prices for metals

Metals prices are subject to volatile price fluctuations and have a direct impact on the commercial viability of the Company's exploration properties. Price volatility results from a variety of factors, including global consumption and demand for metals, international economic and political trends, fluctuations in the US dollar and other currencies, interest rates, and inflation. The Company has not hedged any of its potential future metal sales. The Company closely monitors metal prices to determine the appropriate course of action to be taken by the Company.

Dependence on Key Personnel

Loss of management personnel or key operational leaders could have a disruptive effect on the implementation of the Company's business strategy and on the running of day-to-day operations until their replacement is found. Recruiting personnel is expensive and the competition for professionals is intense. The Company may be unable to retain its key employees or attract other qualified employees which may restrict its growth potential.

5. IMPAIRMENT OF LONG-LIVED ASSETS

The Company completed an impairment analysis as at March 31, 2024 and concluded that no impairment charge was required because:

- there have been no significant changes in the legal factors or climate that affects the value of the property;
- the property in British Columbia remains in good standing.

6. MATERIAL FINANCIAL AND OPERATIONS INFORMATION

6(a) Selected Annual Financial Information

	For the years ended March 31, 2024	For the years ended March 31, 2023	For the years ended March 31, 2022
Total revenues	\$ -	\$ -	\$ -
Expenses	\$ 133,183	\$ 181,643	\$ 158,697
Loss for the year	\$ 112,767	\$ 185,970	\$ 151,059
Basic and diluted loss per share	\$ 0.00	\$ 0.01	\$ 0.00
Total assets	\$ 1,752,960	\$ 1,857,063	\$ 2,053,044
Total long-term financial liabilities	\$ -	\$ -	\$ -
Cash dividend declared - per share	N/A	N/A	N/A

6(b) Summary of Quarterly Results

The following is a summary of the Company's financial results for the last eight quarters:

	Three months ended			
	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023
Total revenues	\$ -	\$ -	\$ -	\$ -
Net loss and comprehensive loss	\$ 24,024	\$ 35,643	\$ 25,981	\$ 27,119
Loss per share	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

	Three months ended			
	March 31, 2023	December 31, 2022	September 30, 2022	June 30, 2022
Total revenues	\$ -	\$ -	\$ -	\$ -
Net loss and comprehensive loss	\$ 55,892	\$ 31,181	\$ 51,349	\$ 47,548
Loss per share	\$ 0.01	\$ 0.00	\$ 0.00	\$ 0.00

6(c) Review of Operations and Financial Results

For the three months ended March 31, 2024 compared with the three months ended March 31, 2023:

The Company recorded a net loss for the three months ended March 31, 2024 of \$24,024 (loss per share - \$0.00) compared to a net loss of \$55,892 (loss per share - \$0.01) for the three months ended March 31, 2023.

Excluding the non-cash deferred income taxes/(recovery) of \$(14,000) (2023 - \$14,000), the expenses amounted to \$44,440 (2023 - \$50,191), a decrease of \$5,751. The change was primarily due to decreases in: (a) consulting (2024 - \$nil; 2023 - \$4,900); (b) legal (2024 - \$557; 2023 - \$5,691) (c) filing and transfer agent fees (2024 - \$7,249; 2023 - \$8,860) and (d) office and miscellaneous (2024 - \$561; 2023 - \$1,300). These decreases were offset by increases in (a) accounting and audit (2024 - \$31,900; 2023 - \$28,348) (b) marketing and shareholders communication (2024 - \$2,500; 2023 - \$250) and (c) insurance (2024 - \$1,629; 2023 - \$794). The Company was actively conserving cash during the current period.

For the year ended March 31, 2024 compared with the year ended March 31, 2023:

The Company recorded a net loss for the year ended March 31, 2024 of \$112,767 (loss per share - \$0.00) compared to a net loss of \$185,970 (loss per share - \$0.01) for the year ended March 31, 2023.

Excluding the non-cash deferred income taxes/(recovery) of \$(14,000) (2023 - \$14,000), the expenses amounted to \$133,183 (2023 - \$181,643), a decrease of \$48,460. The change was primarily due to decreases in: (a) consulting (2024 - \$10,675; 2023 - \$59,800); (b) filing and transfer agent fees (2024 - \$15,954; 2023 - \$20,506), (c) legal (2024 - \$2,227; 2023 - \$7,388), (d) office and miscellaneous (2024 - \$2,115; 2023 - \$5,115). These decreases were offset by increases in (a) accounting and audit (2024 - \$90,715; 2023 - \$81,341); (b) marketing and shareholders communication (2024 - \$4,218; 2023 - \$1,984); and (c) insurance (2024 - \$7,107; 2023 - \$5,271). The Company was actively conserving cash during the current year.

6(d) Liquidity and Capital Resources

Capital Resources

The Company is aware of the current conditions in the financial markets and has planned accordingly. The Company's current treasury and the future cash flows from equity issuances and the potential exercise of options, along with the planned developments within the Company will allow its efforts to continue throughout 2024. If the market conditions prevail or improve, the Company will make adjustment to budgets accordingly.

Liquidity

As at March 31, 2024, the Company had a working capital of \$83,966 (March 31, 2023 \$214,432). As at March 31, 2024, \$101,561 was held in cash (March 31, 2023 - \$213,853). The total decrease of \$112,292 was due to: (a) operating activities using \$108,593; and (b) exploration and evaluation assets using \$62,330 while being offset by the Company receiving BC METC of \$58,631.

6(e) Disclosure of Outstanding Share Data

The authorized share capital of the Company consists of an unlimited number of common shares without par value. As at March 31, 2024, the Company's share capital was \$2,757,156 (March 31, 2023 - \$2,757,156) representing 33,655,824 common shares (March 31, 2023 - 33,655,824 common shares).

Stock option transactions and the number of stock options are summarized as follows:

Expiry date	Exercise price	March 31, 2023	Granted	Exercised	Expired / Cancelled	March 31, 2024
June 27, 2023	\$ 0.10	475,000	-	-	(475,000)	-
December 21, 2025	\$ 0.10	2,250,000	-	-	-	2,250,000
March 23, 2027	\$ 0.10	150,000	-	-	-	150,000
Options outstanding		2,875,000	-	-	(475,000)	2,400,000
Options exercisable		2,875,000	-	-	-	2,400,000
Weighted average exercise price	\$ 0.10	\$ -	\$ -	\$ -	\$ 0.10	\$ 0.10

The continuity of warrants for the year ended March 31, 2024 is as follows:

Expiry date	Exercise price	March 31, 2023	Issued	Exercised	Expired	March 31, 2024
December 21, 2023 *	\$ 0.15	5,500,000	-	-	(5,500,000)	-
Warrants outstanding		5,500,000	-	-	(5,500,000)	-
Weighted average exercise price	\$ 0.15	\$ -	\$ -	\$ -	\$ 0.15	\$ -

* On November 30, 2022, the Exchange approved the extension of these 5,500,000 warrants with the original expiry date of December 21, 2022 to December 21, 2023.

If the remaining options were exercised, the Company's available cash would increase by \$240,000.

As of March 31, 2024 and the date of this MD&A:

	Issued and outstanding	
	March 31, 2024	July 18, 2024
Common shares outstanding	33,655,824	33,655,824
Options	2,400,000	2,400,000
Fully diluted common shares outstanding	36,055,824	36,055,824

6(f) Commitment and Contingency

None.

6(g) Off-Balance Sheet Arrangements

None.

6(h) Transactions with Related Parties

The aggregate value of transactions and outstanding balances relating to key management personnel and entities over which they have control or significant influence were as follows:

	Services for:	For the years ended		Amounts due to:	
		March 31, 2024	March 31, 2023	As at March 31, 2024	As at March 31, 2023
Private company owned by the Chief Executive Officer (a)	Prospecting, inspection and consulting fee	\$ 10,675	\$ 69,075	\$ -	\$ -
Private company owned by the Exploration Manager (b)	Geological consulting and project investigation	21,525	125,300	-	-
Private company controlled by a director of the Company (c)	Accounting and management services	44,060	61,841	2,520	1,575
Total		\$ 76,260	\$ 256,216	\$ 2,520	\$ 1,575

(a) Marc Blythe, the Chief Executive Officer, president, and director of the Company is the owner of this private company.

(b) Bill Wengzynowski, the exploration manager, is the owner of this private company.

(c) Mark T. Brown, a director of the Company, is the president of this private company.

Key management personnel compensation includes all compensation paid to executive management and members of the board of directors of the Company.

For the year ended March 31, 2024:

	Short-term employee benefits	Post- employment benefits	Other long- term benefits	Termination benefits	Other expenses	Share-based payments ⁽¹⁾	Total
Marc Blythe Chief Executive Officer, Director	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
Winnie Wong Chief Financial Officer, Corporate Secretary	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
Total:	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil

For the year ended March 31, 2023:

	Short-term employee benefits	Post- employment benefits	Other long- term benefits	Termination benefits	Other expenses	Share-based payments ⁽¹⁾	Total
Marc Blythe Chief Executive Officer, Director	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
Winnie Wong Chief Financial Officer, Corporate Secretary	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
Total:	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil

6(i) Financial Instruments

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.

Level 2 – Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the market place.

Level 3 – Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

As at March 31, 2024, the Company's financial instruments are comprised of cash and cash equivalents, trade and other payables. The carrying value of cash and cash equivalents, trade and other payables approximate their fair values due to the relatively short periods to maturity of these financial instruments.

The Company's financial instruments are exposed to certain financial risks. The risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash is exposed to credit risk. The Company reduces its credit risk on cash by placing these instruments with institutions of high credit worthiness.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's cash is exposed to interest rate risk.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company's trade and other payables are all current and due within 90 days of the balance sheet date. At March 31, 2024, the Company had a working capital of \$83,966 (March 31, 2023 – \$214,432) which will provide sufficient capital to meet its short-term financial obligations.

Management of industry risk

The Company is engaged primarily in the mineral exploration field and manages related industry risk issues directly. The Company is potentially at risk for environmental reclamation and fluctuations in commodity-based market prices associated with resource property interests. Management is of the opinion that the Company addresses environmental risk and compliance in accordance with industry standards and specific project environmental requirements.

6(j) Management of Capital Risk

The Company manages its cash and cash equivalents, common shares, warrants and share purchase options as capital. The Company's objectives when managing capital are to safeguard its ability to continue as a going concern and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, acquire or dispose of assets or adjust the amount of cash and cash equivalents held.

In order to maximize ongoing operating efforts, the Company does not pay out dividends. The Company's investment policy is to invest its short-term excess cash in highly liquid short-term interest-bearing investments with maturities of 90 days or less from the original date of acquisition, selected with regards to the expected timing of expenditures from continuing operations.

The Company expects its current capital resources will be sufficient to carry out its exploration and operations in the near term.

7. SUBSEQUENT EVENTS

None other than disclosed already in other sections.

8. POLICIES AND CONTROLS

8(a) Significant Accounting Policies and Estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and further periods if the revision affects both current and future periods.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the statement of financial position date, that 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:

Critical judgments

- The assessment of indications of impairment of each mineral property and related determination of the net realized value and write-down of those properties where applicable; and
- The determination that the Company will continue as a going concern for the next year.

8(b) Future Accounting Pronouncements

None.

8(c) Changes in Internal Controls over Financial Reporting (“ICFR”)

Changes in Internal Control Over Financial Reporting (“ICFR”)

In connection with National Instrument 52-109, Certification of Disclosure in Issuer’s Annual and Interim Filings (“NI 52-109”) adopted in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to financial information contained in the unaudited interim financial statements and the audited annual financial statements and respective accompanying Management’s Discussion and Analysis. The Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI52-109.

Disclosure Controls and Procedures

The Company’s CEO and CFO are responsible for establishing and maintaining the Company’s disclosure controls and procedures. Management, including the CEO and CFO, have evaluated the procedures of the Company and have concluded that they provide reasonable assurance that material information is gathered and reported to senior management in a manner

appropriate to ensure that material information required to be disclosed in reports filed or submitted by the Company is recorded, processed, summarized and reported within the appropriate time periods.

While management believes that the Company's disclosure controls and procedures provide reasonable assurance, they do not expect that the controls and procedures can prevent all errors, mistakes, or fraud. A control system, no matter how well conceived or operated, can only provide reasonable, not absolute, assurance that the objectives of the control system are met.

9. INFORMATION ON THE BOARD OF DIRECTORS AND MANAGEMENT

Directors:

Mark T. Brown

Marc Blythe

Scott Trebilcock

Audit Committee members:

Scott Trebilcock (Chair), Mark T. Brown, Marc Blythe

Management:

Marc Blythe – Chief Executive Officer, President

Winnie Wong – Chief Financial Officer and Corporate Secretary

Bill Wengzynowski – Exploration manager