TREASURY METALS INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2021

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This management's discussion and analysis ("MD&A") reflects the assessment by management of the results and financial condition of Treasury Metals Inc. ("Treasury Metals" or the "Company") and should be read in conjunction with the Company's audited consolidated financial statements for the years ended December 31, 2021 and 2020 and the notes thereto (the "Financial Statements"). Management is responsible for the preparation of the Financial Statements and this MD&A. The Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). This MD&A and the Financial Statements are available on SEDAR (www.sedar.com) under the Company's issuer profile and on the Company's website (www.treasurymetals.com). This MD&A has been prepared as of March 24, 2022. All dollar figures in this MD&A are expressed in Canadian dollars, unless stated otherwise. References to CAD/CDN and US$ are to Canadian dollars and United States ("U.S.") dollars, respectively.

DESCRIPTION OF THE BUSINESS

Treasury Metals is a Canadian gold exploration and development company focused on its 100%-owned Goliath Gold Complex, which includes the district-scale Goliath, Goldlund and Miller projects. The Goliath Gold Complex benefits from access to first-rate infrastructure at its location spanning from the Dryden area to Sioux Lookout, northwestern Ontario, within the Kenora Mining Division. Treasury Metals is advancing the Goliath Gold Complex through the Canadian permitting process to begin mining production for an open-pit gold mine and subsequent underground operations to be developed in the latter years of mine life. The Company was granted *Canadian Environmental Assessment Act, 2012* ("CEAA") approval for the Goliath Gold Project. Key programs during 2021 include diamond drilling and field exploration, updated engineering studies, and continuation of the permitting process towards the Company's stated goals of completing a feasibility study and mine permits on the Goliath Project.

The Company's issued and outstanding common shares ("Common Shares") are listed on the Toronto Stock Exchange (the "TSX") under the symbol "TML" and also trade on OTCQX® Best Market under the symbol "TSRMF". In addition, the Company has common share purchase warrants that trade on the TSX under the symbol "TML.WT" (see "*Mineral Exploration Properties - Goldlund Gold Project*"). The Company operates its corporate headquarters in Toronto, Ontario, and a Project Office at the Goliath Gold Project. The Goldlund Gold Project is operated from the Goliath Gold Project office, approximately 35 kilometres by road from Goldlund. Additional corporate information can be found on the Company's website at www.treasurymetals.com.

The Company requires equity capital and other financing to fund working capital and the development and exploration of its properties. The Company's ability to continue as an active mineral property developer and explorer is dependent upon its ability to obtain adequate financing and to reach profitable levels of operation. There is no assurance that financing efforts will be successful or sufficient, or if the Company will attain profitable levels of operation in the future.

This MD&A contains "forward-looking" statements that are subject to risk factors set out in a cautionary note contained herein.

2021 HIGHLIGHTS

- On February 2, 2021, the Company announced the positive results from an independent Preliminary Economic Assessment ("PEA") of the Goliath and Goldlund projects. The PEA indicated the case for the project supporting a 13-year mine life with average annual production of 102,000 ounces of gold for the first nine years, with a post-tax NPV of $328 million and IRR of 30.2%. Subsequently, on March

11, 2021, the Company filed on SEDAR the PEA technical report entitled "NI 43-101 Technical Report & Preliminary Economic Assessment of the Goliath Gold Complex", dated March 10, 2021 with an effective date of January 28, 2021 and led by independent consultants Ausenco Engineering Canada Inc.

- On March 10, 2021, the Company closed a $17.6 million financing through the issuance of 10.6 million non-flow-through and 6.8 million flow-through Special Warrants, the amendment of the convertible debt extending the maturity to June 30, 2023, and the partial assignment of the debt to Sprott Resource Lending.

- Effective April 1, 2021, Orin Baranowsky was appointed to the position of Chief Financial Officer of the Company.

- Effective June 28, 2021, Jeremy Wyeth was appointed to the Board of Directors of the Company and Rachel Pineault was appointed Vice-President, Human Resources and Community Engagement.

- On July 15, 2021, First Mining Gold Corp. ("First Mining") distributed 23.3 million Common Shares and 11.7 million Treasury Metals common share purchase warrants to its shareholders, retaining approximately 20 million Common Shares following the distribution. As per the agreement with First Mining, the Company listed the common share purchase warrants on the TSX under the symbol TML.WT. See "*Mineral Exploration Properties - Goldlund Gold Project*".

- On July 22, 2021, the Company announced results from 13 holes at the Goldlund Project that included 5.48 g/t Au over 25.9 metres and 2.94 g/t Au over 26.0 metres within the PEA resources zone and along strike.

- On August 12, 2021, the Company announced changes to the management team, including the additions of Steven Woolfenden as Vice-President, Environment and Regulatory Affairs and Eben Visser as Director, Projects effective September 7, 2021, and the appointment of Mark Wheeler as Director, Indigenous Affairs.

- On September 16, 2021, the Company announced that drilling from a 14-hole campaign at the Goldlund Project confirmed the presence of Ag mineralization in the PEA resource zone and along strike with significant intersections of Au as well.

- The Company announced on October 13, 2021 significant Au intersections at the Goliath Project of 870 g/t over 0.84 metres within a larger interval of 52.60 g/t over 15.0 metres in the PEA resource zone and along strike.

- On November 3, 2021, the Company announced additional drill results at Goldlund from 27 holes which included intersections of 66.56 g/t Au over 5.5 metres, 12.70 g/t Au over 4.6 metres and 7.07 g/t Au over 6.9 metres.

- On November 5, 2021, the Company closed a previously-announced financing (October 21, 2021) by way of a non-brokered private placement for aggregate proceeds of $6.5 million through the issuance of 7.7 million flow-through shares of the Company at a price of $0.85 per flow-through share.

- On December 16, 2021, the Company released additional silver assay results from its ongoing drill program at Goldlund, including 5.8 metres grading 74.6 g/t Ag, 21.5 metres grading 4.6 g/t Ag and 36.0 metres grading 1.2 g/t Ag.

Subsequent to December 31, 2021:

- On February 2, 2022, the Company announced the 2022 exploration and development plans for Goliath and Goldlund and additional gold assay results, including 5.5 metres grading 9.55 g/t Au from Goliath and 6.8 metres grading 11.58 g/t Au at Goldlund.

- On February 11, 2022, the Company entered into a royalty agreement with an affiliate of Sprott Resource Streaming and Royalty Corp. (“Sprott”), for a US$20 million royalty financing. These funds will be used to facilitate a decision on construction at the Goliath Gold Complex. Pursuant to the terms of the agreement, Sprott will receive a 2.2% net smelter return royalty from all minerals produced at the Goliath Gold Complex for the life of the project. The terms of the agreement provide among other things a buyback provision by the Company, a step-down royalty reduction upon achieving certain production targets, minimum payments to Sprott of US$500,000 on a quarterly basis, payable in cash or common shares, until the earlier of December 31, 2027, or achievement of commercial production and a participation right for further project financing to a maximum of US$40 million by Sprott. The transaction is subject to certain customary closing conditions and regulatory approvals. The Company expects the transaction to close towards the end of March 2022.

- On February 17, 2022, the Company announced results from three exploration targets tested during the 2021 drill campaign at the Goliath Gold Complex, including the discovery of gold at the Ocelot target for the first time, and positive gold results in new drillholes at Far East and Fold Nose. Highlights included:

    - Far East hole TL21-568 with 6.95 g/t Au over 1.0 metre from 86.0 to 87.0 metres downhole and 0.51 g/t Au over 13.5 metres from 172.5 to 186.0 metres downhole;
    - Fold Nose hole TL21-578 with 0.54 g/t Au over 7.5 metres including 1.24 g/t Au over 1.5 metres from 170.0 to 177.5 metres downhole;
    - Fold Nose hole TL21-576 with 0.23 g/t Au over 28.0 metres from 100.0 to 128.0 metres downhole; and
    - Ocelot hole OC-21-003 with 0.92 g/t Au over 2.0 metres from 79.0 to 81.0 metres downhole on a new target identified by the Treasury Metals Geology team.

- On March 16, 2022, the Company announced results at the Caracal target, an additional exploration discovery made as part of the 2021 exploration drill program, reporting positive gold results in new drillholes. Highlights included:

    - Caracal hole CC-21-006 with 1.04 g/t Au over 28.4 metres from 87.6 to 116.0 metres downhole; including 2.70 g/t Au over 7.0 metres, which includes 4.44 g/t Au over 1.0 metre and 9.14 g/t Au over 1.0 metre; and 7.12 g/t Au over 1.0 metre; and
    - CC-21-009 intersected 0.48 g/t Au over 7.0 metres from 91.0 to 98.0 metres downhole; including 1.74 g/t Au over 1.0 metre; and also intersected 3.84 g/t Au over 1.0 metre from 111.0 to 112.0 metres downhole.

OUTLOOK

Following the acquisition of Tamaka Gold Corporation from First Mining., the fundamental business objective of the Company has expanded to incorporate the advancement of the Goliath Gold Complex, which includes the Goliath, Goldlund and Miller projects, to a construction decision. In the first quarter of 2021, the Company advanced and completed the PEA for the Goliath Gold Complex that included the newly-released initial mineral resource and mine plan on the Miller Project located within the Goldlund property area (see “*Mineral Exploration Properties – Technical Reports – Preliminary Economic Assessment (March 2021)*”). Following the release of the PEA, the Company put contracts out to bid for the completion of pre-feasibility level study work as recommended within the PEA. Ausenco Engineering Canada Inc. was selected as the overall pre-feasibility study (“PFS”) lead, with SRK Consulting (Canada) assisting in the areas of resource estimation and mine design and with SLR Consulting appointed to oversee tailings storage design and geotechnical investigations. Engineering study work is currently advancing towards a PFS-level goal with several trade-off studies, metallurgical test work and geotechnical investigations in progress. The Company intends to continue to advance this study, including several supporting works that will position the business for long-term success.

In addition, the Company has planned an exploration program that will evaluate certain attractive near-mine targets, including the Miller Project, a potential satellite deposit that is located to the northeast of the Main Zone of the Goldlund Gold Project.

On August 19, 2019, the Federal Minister of the Environment and Climate Change issued a positive decision statement for the proposed Goliath Gold Project pursuant to the *Canadian Environmental Assessment Act, 2012* review process. The Company is now proceeding with provincial and federal approval processes required to be obtained prior to the commencement of construction and operation of the Goliath Gold Project. At the Goldlund Gold Project, collection of environmental baseline work will be ongoing throughout 2022 with the objective to use this data to support permitting activities. Treasury Metals will continue engagement with local First Nations, Métis, and community groups throughout each phase of the development of the projects.

Since early 2020, the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown currently, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its operating subsidiaries in future periods. By undertaking a thorough review of operating expenses and the scheduling of some expenditures, the Company is focused on prudently managing the Company's financial resources and planned activities pending a resolution of the COVID-19 pandemic.

MINERAL EXPLORATION PROPERTIES

Goliath Gold Project

The Goliath Gold Project is in the Kenora Mining Division in northwestern Ontario, about 20 kilometres east of the City of Dryden and 325 kilometres northwest of the port city Thunder Bay, Ontario, Canada. The Goliath Gold Project, which is within the greater Goliath Gold Complex, consists of approximately 7,601 hectares (18,782 acres) and covers portions of Hartman, Zealand, Echo and Pickerel townships. Goliath is comprised of two historic properties that consists of: the larger Thunder Lake Property, purchased from Teck Resources and Corona Gold Corp.; and the Goliath Property, transferred to the Company from Laramide Resources Ltd. The Goliath Gold Project has been expanded from its original size through the staking of mining claims, land purchases and option agreements. The Project is held 100% by the Company, subject to certain underlying royalties and payment obligations on certain patented land parcels, totalling approximately $105,000 per year. Recently, the Company has staked claims that connect to the Goldlund property to form one contiguous land package.

Goldlund Gold Project

On August 7, 2020, the Company closed a definitive share purchase agreement (the "Goldlund Acquisition") with First Mining pursuant to which Treasury Metals acquired all of the issued and outstanding shares of Tamaka Gold Corporation, a wholly owned subsidiary of First Mining that owned a 100% interest in the Goldlund Gold Project ("Goldlund"). Goldlund included the past producing Goldlund Gold Mine, located adjacent to the Goliath Gold Project.

The $91,016,596 purchase price of the transaction was determined as per the fair value of the financial instruments and other non-financial assets and liabilities provided by the Company. In exchange for all of the issued and outstanding common shares of Tamaka, First Mining received from the Company: 43,333,333 common shares and 11,666,666 common share purchase warrants with an exercise price of $1.50 for a period of 36 months; a 1.5% net smelter returns royalty ("Goldlund Royalty") with the option for the Company to buy-back 0.5% of the Goldlund Royalty for $5.0 million; and a milestone cash payment of

$5.0 million, with 50% payable upon receipt of a final and binding mining lease under the *Mining Act* (Ontario) to extract ore from an open pit mine at Goldlund, and the remaining 50% payable upon the extraction of 300,000 tonnes of ore from a mine at Goldlund.

Within 12 months of closing of the transaction, pursuant to the Investor Rights Agreement between Treasury Metals and First Mining, First Mining was to reduce its ownership stake in Treasury Metals to no greater than 19.9%. On July 15, 2021, First Mining distributed 23,333,333 of the Treasury Metals Common Shares and 11,666,666 Treasury Metals common share purchase warrants to its shareholders, retaining approximately 20 million Common Shares following the distribution. As per the agreement with First Mining, the Company listed the common share purchase warrants on the TSX under the symbol TML.WT. Upon completion of the distribution of the Common Shares and common share purchase warrants, First Mining held 20 million shares, representing 14.51% of the Company's issued and outstanding Common Shares as of December 31, 2021.

Goldlund hosts a large near-surface gold mineral resource estimated to contain 840,000 ounces of gold in the Indicated category, plus 311,000 ounces of gold in the Inferred category and includes 79,000 ounces of gold at the Miller Project in the Inferred category, all within a 271 km^2 property package located directly to the northeast of Goliath. The proximity of the projects, combined with well-developed infrastructure in the region, is expected to generate co-development synergies as the properties are advanced in tandem.

Lara Polymetallic Project

The Lara Polymetallic Project, located in the southern region of Vancouver Island, lies about 75 kilometres north of Victoria, 15 kilometres northwest of Duncan and about 12 kilometres west of the Village of Chemainus, Victoria Mining Division, British Columbia, Canada. The Lara Property consists of 59 mineral claims.

The Company is committed to a 1.0% NSR, held by Argus Metals Corp. (formerly Bluerock Resources Ltd), on eight of the mineral claims (historically known as the Chemainus claims) located on Vancouver Island.

In early 2011, the annual mining leases on a significant portion of the property were not renewed. As a consequence, in 2010, the estimated non-recoverable costs associated with this project were written off. At present, the Company has renewed the mining leases of the most significant areas of this property. The expenditures are mainly related to property renewals. There was no work done on the property in 2021.

Goldeye Explorations Limited

The acquisition of Goldeye Explorations Limited ("Goldeye") was completed on November 24, 2016. Effective upon closing, Goldeye became a wholly owned subsidiary of Treasury Metals and all the issued and outstanding common shares of Goldeye were acquired by Treasury Metals. The acquisition provided the Company with a high-quality asset—the Weebigee Project. The Weebigee Project, Goldeye's principal asset, is a high-grade gold project located near Sandy Lake in northwestern Ontario. The Weebigee Project was subject to an option agreement between Sandy Lake Gold Inc. (renamed G2 Goldfields Inc.) and Goldeye and, in 2020, the Optionee fulfilled their expenditure requirement to earn a 50.1% ownership in the Project. A joint venture was executed in November 2020 to reflect the 50.1% ownership by G2 Goldfields and the 49.9% ownership by Goldeye. On April 9, 2021, G2 Goldfields announced the spin-out of its Sandy Lake Project, which included its interest in the Weebigee Project, to S2 Minerals Inc.

Goldeye's most recent 2019 exploration program by its then Optionee reported significant gold results, following an earlier 2014 Goldeye work program consisting of a 2,200-metre shallow drill program.

Three other gold exploration properties were inherited with the Goldeye acquisition: Gold Rock/Thunder Cloud; Shining Tree-Fawcett (subsequently acquired by Platinex Inc. in Q3 2020); and Van Hise/Larder Lake (subsequently dropped), all of which reside in the Province of Ontario. All these properties are grassroots with no exploration permits in place for more advanced field work, such as diamond drilling. No work was done on these properties in 2021.

TECHNICAL REPORTS

Preliminary Economic Assessment (March 2021)

On February 2, 2021, the Company announced positive results of the PEA for the Goliath Gold Complex. Subsequently, on March 11, 2021, the Company filed on SEDAR a technical report entitled "NI 43-101 Technical Report & Preliminary Economic Assessment of the Goliath Gold Complex", dated March 10, 2021, with an effective date of January 28, 2021, led by independent consultants Ausenco Engineering Canada Inc. The PEA outlines the proposed plan for mining and development of three separate projects: Goliath Project, Goldlund Project and the Miller Project. The report includes an update of both Goliath and Goldlund mineral resource estimates along with a maiden resource estimate for the Miller Project. Additional details for the mineral processing, mining methods tailings storage and closure methods show proposed design and provide both capital and operating expenses. As laid out in the report, the mining plan is proposed to include open pit operations in a phased and staggered approach at the Goliath, Goldlund and Miller project areas. In addition, there is also a proposed underground mining operation at the Goliath site. A single gold processing facility is proposed to be located at the Goliath site and includes all associated infrastructure such as tailings and office facilities. The facilities within the Goliath site largely follow the layout that has been previously approved within the Federal Environmental Assessment and are not expected to have a material effect on that decision. Haulage of gold-bearing rock from the Goldlund and Miller projects is proposed to be overland using existing road networks.

Highlights for the Goliath Gold Complex PEA include:

- Long-term Gold Price of US$1,600/oz
- Exchange rate of CAD$1.00 = US$0.75
- After-tax net present value ("NPV") (discount rate 5%) of $328 million
- After-tax internal rate of return ("IRR") of 30.2%
- After-tax payback period 2.2 years
- Initial capital of ("CAPEX") $233 million
- Life of mine ("LOM") of 13.5 years
- Total production of 24,000 kt of mill feed yielding 1.1 M oz Au
- Average annual gold production of 102,000 oz over first 9 years
- Average recovery rate of 93.6%
- Measured and indicated mineral resource of 55,417 kt at a 1.10 g/t Au grade
- Cash cost of US$699/oz, All-in Sustaining Cost ("AISC") of US$911/oz

The following table summarizes the NI 43-101 Mineral Resource Estimate in the Measured, Indicated and Inferred Mineral Resource classifications for each specific project area:

2021 Mineral Resource Estimate

Deposit	Cut-off Grade (g/t)	Quantity ('000 tonnes)	Grade Gold (g/t)	Contained Gold ('000 oz)
Measured Resources				
Goliath Open Pit	0.25	1,471	1.90	90
Goliath Underground	1.6	98	4.84	16
Total Measured		**1,569**	**2.09**	**105**
Indicated Resources				
Goliath Open Pit	0.25	26,956	0.87	757
Goliath Underground	1.6	2,592	3.16	263
Goldlund Open Pit	0.26	24,300	1.07	840
Total Indicated		**53,848**	**1.07**	**1,860**
Total Measured and Indicated		**55,417**	**1.10**	**1,965**
Inferred Resources				
Goliath Open Pit	0.25	5,644	0.65	76
Goliath Underground	1.6	704	2.75	62
Goldlund Open Pit	0.26	14,400	0.56	260
Goldlund Underground	1.6	233	6.8	51
Miller Open Pit	0.26	1,981	1.24	79
Total Inferred		**22,962**	**0.77**	**528**

Notes on Mineral Resources:

(1) Mineral resources are estimated in conformance with the CIM Mineral Resource definitions referred to in NI 43-101 Standards of Disclosure for Mineral Projects. This mineral resource estimate covers the Goliath Deposit, the Goldlund Deposit, and the Miller Deposit.

(2) Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. The quantity and grade of the reported Inferred Mineral Resources in this estimation are conceptual in nature and are estimated based on limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade or quality continuity. For these reasons, an Inferred Mineral Resources has a lower level of confidence than an Indicated Mineral Resources and it is reasonably expected that most of the Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.

(3) Goliath: Mineral resources are reported within an optimized constraining shell using a gold price of US$1700/Oz and a Silver price of US$23/Oz and recoveries of 95.5% for gold and 62.6% for silver and a base mining, processing + G&A costs of $CDN18.68/tonne open pit, $CDN93.54/tonne for underground Grades were estimated using 1.5-meter capped composites via Ordinary kriging for the Main and C zones and inverse distance cubed for all other zones.

(4) Goldlund: Mineral resources are reported within an optimized constraining shell using a gold price of US$1700/Oz and gold recovery of 89% and a mining and processing + G&A costs of $CDN18.51/tonne open pit, $CDN93.53/tonne for underground and $CDN2.71/tonne for base mill feed cost. Gold grades were estimated using 2.0 m capped composites within 9 mineralized zones using ordinary kriging.

(5) Miller: Mineral resources are reported within an optimized constraining shell using a gold price of US$1700/Oz and gold recovery of 89% and a mining, base mill feed and G&A cost of US$21.22/tonnes. Grades were estimated using 2.0 m capped composites within the granodiorite domain using Inverse Distance Cubed interpolation.

(6) Summation errors may occur due to rounding.

ENVIRONMENTAL, PERMITTING AND DEVELOPMENT ACTIVITIES

Environmental Assessments and Permitting

Treasury Metals has engaged several technical consultants for the collection of baseline environmental data for the Goliath, Goldlund and Miller Projects. The objective of the work completed, underway or planned is to characterize the existing physical, biological, and human environment at each of the three mine project locations, expanding on existing information where available. In all cases, the work has/will apply standard field protocols and scientific methodologies and will address the anticipated information needs of regulatory agencies for the approval of Ontario mining projects.

The Goliath Gold Project, *Canadian Environmental Assessment Act, 2012* process commenced in November 2012 with Treasury Metals submission of a Project Description. The Company worked in cooperation with all stakeholders and government agencies for both the creation and refinement of the Environmental Impact Statement ("EIS") under EA guidelines to ensure that all potential effects were appropriately defined, characterized, and, in turn, addressed. Following the submission of the final version of the EIS to the federal government's Canadian Environmental Assessment Agency the Company also addressed "Information Requests" for public stakeholders, Indigenous communities, and government agencies/experts. Treasury Metals received a positive decision statement on August 19, 2019, with the Minister of Environment and Climate Change Canada concluding that the Project is not likely to cause significant adverse environmental effects. Potential benefits of the Project are expected to include employment and business opportunities, as well as tax revenues at all levels of government.

The Goliath Gold Project as presented in the recent PEA differs in that the Goliath Gold Project processing facility is proposed to accept ore from other deposits (specifically deposits from the Goldlund and Miller properties). The Company continues to work with relevant agencies to advance permitting and approvals. At this time, it is not anticipated that any changes to the Goliath Project will affect the current environmental assessment conclusions, nor would it require a review under the *Impact Assessment Act* for a mining expansion. Next steps for the Goliath Gold Project are to proceed with additional environmental studies required to ensure that any changes to the project will meet the Company's EA commitments and the Decision Statement conditions along with furthering the project's permitting and approvals program.

Baseline data collection for the Goldlund Project is underway and is expected to be completed within 12 months. Treasury Metals has begun initial phases of environmental baseline data collection at the Miller project largely focussed on the regional area surrounding the proposed open pit such that additional resource growth could be accommodated in the future if required. Baseline data for these Projects will be required to support Provincial permitting and approvals processes, including potential Provincial EAs if required. In parallel with baseline data collection, the Company is evaluating and exploring its options with regards to the Goldlund Project as a past producer. Several exploration and development programs are ongoing for the further advancement of the Goliath Gold Project, as outlined in their respective sections below.

Preliminary Feasibility Study and Trade-off Studies

The Company continues to refine the technical studies in support of updated economics for the life of the Project. Metallurgical test work is ongoing with a focus on Goldlund yields and recovery methods. Geotechnical investigations have commenced and include extensive geophysical, hydrogeological, and geochemical test work. Trade-off studies are in progress with the aim to narrow different options for the Project including the ore processing and tailings storage options, mining methods, and costing for the mining processes, proposed haulage options from the Goldlund and Miller Projects, mill feed optimization, water treatment optimization, infrastructure requirements and the use of battery-operated equipment for underground mining. The purpose of evaluating all additional options is to improve project economics (NPV and IRR) and mitigating project risks as well as simplifying environmental permitting. Completion of these studies is anticipated to guide a decision to proceed into Feasibility level studies in 2022.

Community Relations

Engagement efforts with the Indigenous and public communities have primarily focused on development of key milestones and providing opportunities for all regional communities to identify their input and describe how the Project may affect their land use, and their way of life. Treasury Metals has been in contact with stakeholders, including Indigenous peoples and communities and the public, throughout the environmental assessment process, and all stages of Project development. Treasury Metals has been in direct contact with all potentially affected Indigenous communities as defined by the Canadian Environmental Assessment Agency, and the Ministry of Northern Development, Mines, Natural Resources and Forestry. All prior communication with Indigenous and public stakeholders up to April 2017 is captured within the revised EIS, Appendix DD and Appendix V.

Current engagement activities have focused on delivery and dissemination of technical work supporting the continuation of the federal and provincial permitting phase. Treasury Metals has been in communication with all Indigenous parties, and the Company continues to document all efforts to date. All Indigenous communities have been provided all relevant documentation, and the opportunity to access capacity funding has been provided to all communities. Treasury Metals has agreed in principle to reasonable proposed costs to ensure continued open dialogue and the integral review of the Project and its potential effect to traditional land use purposes within the area. Further, to support continued participation, Treasury

Metals, in cooperation with representatives from Eagle Lake First Nation, has initiated the Environmental Management Committee with the inaugural meeting having occurred in the third quarter of 2021. Meetings in communities were restricted during the fourth quarter of 2021 due to COVID-19. The Environmental Management Committee is expected to resume meetings in 2022. This Committee's intention is to provide a suitable avenue for dialogue, and collaborative discussions to ensure Indigenous values and traditional knowledge are integrated into Project-related regulatory needs.

Treasury Metals has finalized four separate interim funding agreements with Eagle Lake First Nation to support the communication and review of project-related activities and followed this with the formal execution of a Memorandum of Understanding. In addition to this, in December 2017, the Company signed a Memorandum of Understanding with the Métis Nation of Ontario. On March 20, 2019, the Company announced the signing of an Engagement Agreement with Wabauskang First Nation. As of June 26, 2019, the Company entered a Memorandum of Understanding with Lac des Mille Lacs First Nation. Treasury Metals staff is working cooperatively with all third party and community representatives to secure community input to the Project, and to finalize additional agreements with regional stakeholders as part of the continued development of Goliath. Treasury Metals has also committed to honouring agreements with Wabigoon Lake Ojibway Nation and Lac Seul First Nation that were previously agreed upon with First Mining Gold prior to the Tamaka purchase. Further, it is anticipated in addition to these agreements referred to in the latter the Company will engage certain identified Indigenous communities in comprehensive agreement discussions focusing on continued dialogue, education, training, and other Project aspects. Treasury Metals continues to engage and support capacity-funding opportunities to ensure open and transparent dialogue regarding the development of the Project. All efforts have been documented in support of the federal EIS, permitting process, and supporting Project-related activities.

EXPLORATION

Goliath Gold Project

The 2021 Drill program at Goliath commenced on April 16, 2021. During Q2 2021, approximately 5,300 metres in seven holes were drilled on the Main and C Zones at Goliath. During Q3 2021, 14,400 metres were drilled in 33 holes focused on the Main and C Zones. During Q4 2021, 11,500 metres were drilled in 34 holes focused on exploration targets as well as the Main and C Zones.

Goliath Gold Project latest eight quarters of exploration and development program expenditures

Goliath Gold Project ($)	Balance	Incurred in three months ending				Balance
	31-Dec-20	31-Mar-21	30-Jun-21	30-Sep-21	31-Dec-21	31-Dec-21
Metallurgy	259,550	–	–	–	–	259,550
Geochemistry	121,388	–	41,725	16,946	50,084	230,143
Geotechnical	137,649	–	–	–	0	137,649
Hydrogeology	206,336	–	14,075	8,736	15,301	244,448
Environmental	1,270,257	52,579	(11,592)	127,202	67,485	1,505,931
Environmental Assessment	5,053,639	1	–	–	–	5,053,640
Pre-Feasibility & Feasibility	2,806,206	474,853	443,492	735,879	226,330	4,686,760
Drilling and other exploration exp.	25,111,384	105,415	941,349	2,537,981	2,555,909	31,252,038
Community Relations	822,823	12,946	15,147	21,644	38,290	910,850
Property purchases and payments	28,583,433	104,456	–	–	–	28,687,889
Dryden - salaries and consultants	8,490,429	160,212	244,984	176,662	318,358	9,390,645
Dryden Infrastructure	3,498,137	96,548	22,243	103,480	127,604	3,848,009
Amortization	539,478	18,843	28,379	28,379	39,404	654,483
Black Scholes on options compensation	1,478,424	80,524	72,386	76,652	4,485	1,712,471
Total	**78,379,133**	**1,106,377**	**1,812,188**	**3,833,561**	**3,443,250**	**88,574,509**

Goliath Gold Project ($)	Balance	Incurred in three months ending				Balance
	31-Dec-19	31-Mar-20	30-Jun-20	30-Sep-20	31-Dec-20	31-Dec-20
Metallurgy	240,517	–	–	–	19,033	259,550
Geochemistry	121,388	–	–	–	–	121,388
Geotechnical	137,649	–	–	–	–	137,649
Hydrogeology	206,336	–	–	–	–	206,336
Environmental	1,186,151	10,936	–	–	73,171	1,270,258
Environmental Assessment	5,030,841	7,316	–	–	15,483	5,053,640
Pre-Feasibility & Feasibility	2,268,204	1,485	–	46,447	490,070	2,806,206
Drilling and other exploration exp.	23,857,293	896,856	85,133	101,977	170,125	25,111,384
Community Relations	824,902	(16,554)	–	–	14,476	822,824
Property purchases and payments	28,478,887	104,546	–	–	–	28,583,433
Dryden - salaries and consultants	7,953,859	125,477	81,713	118,212	211,168	8,490,429
Dryden Infrastructure	3,264,500	48,226	15,284	87,938	82,187	3,498,135
Amortization	483,242	12,247	12,247	12,247	19,494	539,477
Black Scholes on options compensation	1,225,754	33,605	31,709	15,031	172,325	1,478,424
Total	**75,279,523**	**1,224,140**	**226,086**	**381,852**	**1,267,532**	**78,379,133**

Goldlund Project

The Company commenced exploration drilling at Goldlund in November 2020, where approximately 2,800 metres in 17 drillholes were completed by the end of year. Drilling continued in 2021 with approximately 4,750 metres in 28 drillholes completed during Q1 2021. This drilling mainly targeted Zones 2, 3, 6 near surface to increase confidence in mineral resources within and adjacent to the northeast pit proposed in the PEA. Also in Q1 2021, approximately 3,000 metres in 21 drillholes were completed on Miller with the primary goal to focus on extending the known mineral resource with a portion of the drilling allocated to further understanding the geological controls on known mineralization.

Approximately 8,600 metres in 46 drillholes were completed during Q2 2021 at Goldlund. The drilling targeted near the largest proposed pit from the PEA, to expand the resource and increase confidence on the known resource. Drilling to the Northwest of the main PEA proposed pit targeted Zones 4, 6 and 8. Drilling to the east of the main PEA proposed pit targeted Zone 5. Four holes were drilled targeting Zone 1 for metallurgy work and to gain confidence on the historical geological interpretation of that Zone.

In Q3 2021, 5,000 metres of drilling in 22 drillholes at Goldlund was completed, focused on target extensions of Zone 1, target infill on the Zone 4 known mineralization and infill on Zone 5. During Q4 2021, 4,650 metres in 21 drillholes was completed on Goldlund focused on new exploration targets and the Southwest end of Zone 6.

Goldlund Gold Project exploration program expenditures

Goldlund Gold Project ($)	**Balance**	**Incurred in three months ending**				**Balance**
	31-Dec-20	**31-Mar-21**	**30-Jun-21**	**30-Sep-21**	**31-Dec-21**	**31-Dec-21**
Acquisitions of properties and data	90,882,421	–	–	–	–	90,882,421
Drilling & Assaying	286,943	973,089	1,013,686	658,744	515,256	3,447,718
Environmental	74,107	200,005	222,532	255,050	161,499	913,193
Consultants	207,610	2,475	6,913	–	2,475	219,473
Pre-Feasibility & Feasibility	166,469	5,324	65,515	14,637	15,642	267,587
Community Relations	–	14,900	–	–	–	14,900
Amortization	20,708	9,536	21,493	–	–	51,737
Other	30,555	28,211	3,202	36,869	40,131	138,968
Total	**91,668,813**	**1,233,540**	**1,333,341**	**965,300**	**735,003**	**95,935,997**

Goldlund Gold Project ($)	**Acquisition**	**Acquisition**	**Balance**
	30-Sep-20	**31-Dec-20**	**31-Dec-20**
Acquisitions of properties and data	91,350,101	(467,680)	90,882,421
Drilling & Assaying	–	286,943	286,943
Environmental	45,425	28,682	74,107
Consultants	103,663	103,947	207,610
Pre-Feasibility & Feasibility	6,342	160,127	166,469
Community Relations	–	–	–
Amortization	10,354	10,354	20,708
Other	11,038	19,517	30,555
Total Goldlund Gold Project	**91,526,923**	**141,890**	**91,668,813**

Goldeye Explorations Limited / Weebigee Project

On November 24, 2016, the Company closed the acquisition of all the issued and outstanding common shares of Goldeye. The details of the acquisition are disclosed in Note 9 of the Financial Statements. The principal project of Goldeye is the Weebigee Project, which is located near Sandy Lake, north of Red Lake in northwestern Ontario, and additional properties including Gold Rock/Thunder Cloud and Shining Tree-Fawcett (sold in Q3 2020 to Platinex Inc.); Goldeye also has various NSR interests shown below. The Weebigee Project comprises 140 claims. Certain claims are subject to a 2% net smelter return royalty ("NSR") that is held by a former director of Goldeye.– Weebigee Project

On April 15, 2015, Goldeye entered into an option agreement (the "GPM Option Agreement") with GPM Metals Inc. ("GPM") whereby GPM has an option to earn a 50.1% interest in the Weebigee Project by paying a total of $550,000 in cash ($50,000, $100,000, $150,000, and $250,000 received in 2015, 2016, 2017 and 2018 respectively) and $25,000 in shares (issued in 2015) to Goldeye over a period of four years. GPM must also complete a minimum of $5,000,000 in exploration expenditures over a four-year term. In addition, if the first option is exercised, GPM will have the option to earn an additional 19.9% interest by either funding a bankable feasibility study, or at GPM's option, paying Goldeye an additional $1,500,000 in cash and completing a minimum additional $3,000,000 in exploration expenditures over the next two years. In July 2016, GPM sold its interest in the Weebigee property to Sandy Lake Gold Inc. (the "Optionee" or "SLG"). In April 2019, SLG announced it changed its company name to G2 Goldfields Inc. (the "Optionee" or "G2").

In 2020, the Company recognized that G2 had made the required expenditures on the Weebigee Project to earn a 50.1% earn-in on the project per the GPM Option Agreement and a joint venture agreement was executed providing for operation of the project going forward. At the same time G2 agreed to drop the $2 million counter claim that G2 had initiated in June 2017.

On April 9, 2021, G2 announced the spin-out of its interest in the Sandy Lake project, which included its 50.1% interest in the Weebigee project to S2 Minerals Inc.("S2").

The Option Agreement was subject to the terms of the exploration agreement signed between Goldeye and Sandy Lake First Nation ("SLFN") on November 12, 2013. This exploration agreement was renewed for a two-year period on the same terms commencing on November 12, 2014, then renewed on the same terms for a further two-year period. On November 15, 2018, the agreement was signed for a further one year and a further renewal has commenced.

Weebigee is a large, relatively unexplored property that covers the most prospective portions of the Sandy Lake Greenstone belt, with similarities to the geology in the Red Lake District. In the Northwest Arm area, numerous gold showings occur within shoreline exposures of quartz-rich felsic pyroclastic units, proximal to a major deformation zone that crosses a folded ultramafic unit under the lake. Where high strain zones are evident, the felsic units show hydrothermal biotite-silica alteration, quartz veining and patchy to pervasive silica flooding, along with the development of distinct blue quartz eyes. It should be noted that much of the geology is obscured by shallow lakes and clay deposits, and the main deformation zones have never been drill tested. In the past, shoreline mapping/prospecting located a number of auriferous quartz tourmaline veins and silicified zones controlled by mafic-ultramafic dyke filled splays or high strain zones crosscutting regional foliations. Crack and seal textures, drag folded and dismembered veins, multi-stage quartz veining and local strong silica replacement zones indicate that hydrothermal alteration occurred during periods of active brittle-ductile deformation along the high strain zones. Geophysics and recent drilling indicate that a folded ultramafic horizon is located just offshore of several of these auriferous high strain zones.

A 23-hole drill program completed during February and March 2014 resulted in a significant high-grade gold discovery at Weebigee. Drilling focused on three showing areas (Knoll, Bernadette, and RvG4) that returned significant gold values from channel sampling in 2013. The following table highlights the gold grades over core interval composites (uncut) from this 2014 drill program.

Zone	Hole	Depth (m)	Interval (m)	Assay (g/t Au)
Knoll	BK 14-07	51.8 - 55.70	3.90	18.69
Knoll	BK 14-05	14.65 - 18.15	3.50	12.45
Knoll	BK 14-16	78.33 - 85.16	6.83	8.59
Knoll	BK 14-11	22.10 - 27.57	5.47	6.71
Knoll	BK 14-12	20.70 - 27.73	7.03	6.76
Bernadette	BK 14-03	34.15 - 35.30	1.15	70.23
Bernadette	BK 14-23	7.85 - 11.70	3.85	10.89
RvG4	BK 14-18	43.56 - 47.53	3.97	23.15
RvG4	BK 14-17	48.68 - 53.19	4.51	9.35

Each of the 15 drill holes at the Knoll Zone intersected significant gold mineralization. Twenty-four core samples assayed over 10 g/t Au, including 1 intersection of 57.9 g/t Au. On the parallel Bernadette Zone, 100 m to the east, 5 individual assays over 10 g/t Au were returned, including one of 131 g/t and one of 230 g/t Au. The RvG4 Zone, on strike and 500 m to the northwest, also returned high-grade gold values with eight core samples over 10 g/t Au, five of which were over 30 g/t Au. Overall, visible gold was noted in 50% of the holes drilled. At Knoll a strike length of 100 metres was tested, with only one hole stepped back to test a vertical depth of 100 metres. All zones remain open in all directions.

On May 13, 2019, and September 4, 2019, Treasury Metals announced significant exploration results at Weebigee Gold Project. The optionee at the time earning into the Weebigee Project, G2 Goldfields Inc., reported in the May press release the results of drilling of six holes, totaling 1,980 metres, followed by the September results. The holes are on the Treasury Metals property under Option Agreement with G2. Drilling highlights in May include from 58 metres: 2.4 metres at 3.89 g/t Au; from 69 metres: 8.0 metres at 34.5 g/t Au; from 95.8 metres: 1.64 metres at 49.83 g/t Au; and from 104 metres: 3.0 metres at 3.06 g/t Au. Drilling highlights in September 2021 included: 0.75 metres of 450 g/t Au and 1.40 metres of 11.85 g/t Au in holes 19-12 and 19-14. Further details can be found in Company press releases at www.treasurymetals.com or on the Company's profile at www.sedar.com.

The drill hole results in the Company's September 4, 2019, press release included the discovery of a new zone of mineralization in the W3 area. After this release, G2 Goldfields completed drilling an additional four holes totaling approximately 750 metres. All new diamond drill holes were completed in the W3 Zone, 1.8 kilometers east of the W1/W2 area.

Goldeye Project latest eight quarters of exploration program expenditures

Goldeye Project ($)	**Balance**	**Incurred in three months ending**				**Balance**
	31-Dec-20	**31-Mar-21**	**30-Jun-21**	**30-Sep-21**	**31-Dec-21**	**31-Dec-21**
G2 -Joint Venture	10,176	17,181	–	–	–	27,357
Camp field and land costs	94,336	1,200	1,050	1,198	151	97,935
Other	273,980	–	–	–	–	273,980
Acquisitions of properties and data	2,900,701	(75,120)	–	–	–	2,825,581
Option agreement collections	(490,745)	–	–	–	–	(490,745)
Total	**2,788,448**	**(56,739)**	**1,050**	**1,198**	**151**	**2,734,108**

Goldeye Project ($)	Balance 31-Dec-19	Incurred in three months ending 31-Mar-20	30-Jun-20	30-Sep-20	31-Dec-20	Balance 31-Dec-20
Consultants	10,176	–	–	–	–	10,176
Camp field and land costs	52,928	33,908	–	7,500	–	94,336
Other	266,698	450	5,931	451	450	273,980
Acquisitions of properties and data	4,084,678	–	–	(1,216,038)	32,060	2,900,701
Option agreement collections	(490,745)	–	–	–	–	(490,745)
Total	**3,923,735**	**34,358**	**5,931**	**(1,208,087)**	**32,510**	**2,788,448**

Community Relations

Engagement and community relation efforts have been ongoing with Sandy Lake First Nation. Company representatives have conducted communication efforts and multiple community visits as part of these activities. Treasury Metals held a collaborative meeting with leadership of the community and Treasury's Optionee, which since 2020 has become a joint venture partner. These meetings have resulted in the former exploration agreement extension that was in place, as described earlier in this MD&A. Additional efforts were made throughout 2020 to secure a newly-formed exploration agreement to continue and strengthen relationships with Sandy Lake First Nation and engage the Keewaywin First Nation. Due to COVID-19 restrictions in place, limited travel or in-person dialogue was available. Treasury Metals and its joint venture partner are acutely aware of the risks of COVID-19 and in accordance with good practice, will engage in travel and work programs at a suitable junction following confirmatory dialogue with leadership of the Indigenous communities of interest.

Gold Rock Project, Kenora Mining Division, Ontario

The Company's 100%-owned Gold Rock Project is located near Dryden, Ontario and comprises two properties: the Gold Rock property, consisting of 20 legacy claims and the Thunder Cloud property consisting of one legacy claim. All claims at the Gold Rock Project are in good standing.

SELECTED ANNUAL INFORMATION

($)	2021	2020	2019
Total Revenue (1)	–	–	–
Net loss for the year	(3,750,359)	(2,756,093)	(4,842,845)
Loss per share - basic and diluted	(0.03)	(0.03)	(0.09)
Total assets	202,600,612	182,889,615	84,453,697
Mineral property acquisitions (2)	–	90,882,421	–
Mineral property sales (3)	–	1,183,977	–
Mineral property expenditures	14,408,220	3,935,192	3,587,033
Long term debt	5,409,515	4,959,393	4,822,668

(1) Treasury Metals is an exploration and development company that is not in commercial production
(2) Purchase of the Goldlund Project
(3) Sale of Shining Tree Property

This table has been prepared from information in the Company's audited financial statements for the three recently completed financial years. The Company did not declare any dividends during those periods.

Financial results of operations for the year ended December 31, 2021, compared with the year ended December 31, 2020

The net loss for the year ended December 31, 2021, is $3,750,359 (2020 – $2,756,093). The variance is explained as follows:

- Administrative, office and shareholder services in 2021 were $95,143 higher than 2020 primarily due to the combined effect of the increase of general administrative expenses, $45,371 penalties for late payment of payroll liabilities, $167,367 higher regulatory fees and the $24,583 increase of director fees partially offset by the $259,814 decrease in investor relations expenses.

- Professional fee expenses of $401,767 in 2021 were $50,535 higher than the $351,232 of 2020, mainly due to legal fees relating to the long-term debt amendment signed in 2021, the issuance of the First Mining common share purchase warrants, professional services regarding the flow-through tax issue and additional audit services regarding the prospectus filed in 2021 partially offset by $206,831 of fees paid in 2020 for CEO recruitment.

- A $148,807 increase in salary and benefits compared to 2020 is primarily associated with salaries for recently hired officers and employees.

- Share-based compensation expense decreased $108,767 in 2021 compared to 2020 due to a lower balance of unvested options.

- Accretion and amortization of transaction costs on financing debt was $45,191 higher than 2020 due to the adjustment to the amount of loss on debt extinguishment.

- Interest and commitment fees in 2021 of $487,994 were $123,587 lower than the $611,581 in 2020 mainly due to $45,000 commitment fees, in addition to interest paid in 2020 on the $750,000 short-term promissory notes.

- There was a $15,947 foreign exchange gain in 2021 versus a $118,640 gain in 2020 primarily due to the 0.4% CAD revaluation against the USD in 2021 (versus 1.97% revaluation in 2020). The CAD revaluation has had a positive effect on the USD debt of the Company.

- There was a loss of $47,097 on the convertible debt extinguishment as per the fourth amendment signed in 2021. There was no debt modification or extinguishment in 2020.

- In 2021, there was a $3,180,361 unrealized gain from the change in the fair value of derivative liabilities, compared to a $1,740,545 unrealized loss in 2020. This reduction in derivative liability is a consequence of the lower share price of Common Shares. The derivative liability is a result of the conversion feature of the USD-denominated Extract and Sprott convertible debt.

- The deferred income tax recovery for 2020 was $3,425,060, compared to an expense of $2,233,000 for 2021 due to lower deferred income tax assets available to offset deferred tax liabilities. In 2021, a substantial portion of tax-deductible exploration expenditures were financed by flow-through share financings whereby the tax deductibility of the exploration expenditure was renounced to the investor The Company has a significant non-capital loss carry-forward position and other deferred income tax assets which have been allocated to offset deferred income tax liabilities only to the extent allowable. Unrecognized deferred tax assets remain for future use and have not been recognized in the accounts as there is no certainty of realization at this time.

SELECTED QUARTERLY FINANCIAL INFORMATION

The following tables summarize the Company's selected financial data for the last eight quarters. The information set forth below should be read in conjunction with the Financial Statements and the related notes thereto, prepared by management in accordance with IFRS. Detailed explanations of quarterly variances are included in each quarterly MD&A filed on SEDAR.

($)	Q4 Dec-21	Q3 Sep-21	Q2 Jun-21	Q1 Mar-21
Expenses	1,000,848	1,196,295	1,077,355	1,376,125
Loss (gain) on debt extinguishment / modification	–	–	183,895	(136,798)
Fair value change of derivative liability – loss (gain)	(250,961)	(673,479)	(221,378)	(2,034,543)
Income tax (expense) recovery	(2,233,000)	–	–	–
Net income (loss)	(2,982,887)	(522,816)	(1,039,872)	795,216
Net income (loss) per share	(0.03)	–	(0.01)	0.01
Other comprehensive income (loss)	267,403	(506,696)	(373,133)	(153,564)
Total comprehensive income (loss)	(2,715,484)	(1,029,512)	(1,413,005)	641,652
Mineral properties and deferred costs	188,132,850	183,954,446	179,154,386	176,007,807
Total current liabilities	3,995,213	5,218,354	4,454,993	3,756,615
Total assets	202,600,612	198,433,824	197,785,128	199,068,704

($)	Q4 Dec-20	Q3 Sep-20	Q2 Jun-20	Q1 Mar-20
Expenses	1,651,915	896,372	645,271	1,247,050
Loss (gain) on debt extinguishment / modification	–	–	–	–
Fair value change of derivative liability – loss (gain)	(794,798)	(361,815)	3,941,094	(1,043,936)
Income tax (expense) recovery	3,165,685	–	–	259,375
Net income (loss)	2,308,568	(534,557)	(4,586,365)	56,261
Net income (loss) per share	0.05	–	(0.08)	–
Other comprehensive income (loss)	204,714	(165,236)	9,514	(6,294)
Total comprehensive income (loss)	2,513,282	(699,793)	(4,576,851)	49,967
Mineral properties and deferred costs	173,724,630	172,282,198	81,581,510	81,349,492
Total current liabilities	4,877,485	6,470,448	7,208,009	3,394,466
Total assets	182,889,615	184,413,454	84,369,702	84,960,851

The most significant expense variances quarter to quarter are due to vesting costs of various stock option issuances; there was also a net loss of $47,097 on debt extinguishment in 2021 compared to no impact in the prior year period. Quarterly gains or losses were due to fair value variances of derivative liability and foreign exchange resulting from the USD exchange rate variations in addition to the accretion and amortization of the convertible debt.

The quarterly variations in the other comprehensive income (loss) result from the quarter end adjustments to the market value of the long-term investments. The fluctuation in total assets from one quarter to the next is primarily a function of cash increases through various financing transactions, issuance of shares, the exercise of warrants and options, the valuation at fair market value of the investments, and the use of cash for operating expenses. In Q1 2021, there was a $16.5 million net cash inflow from a private placement and in Q3 2020 the acquisition of the Goldlund Gold Project closed, resulting in a $91 million increase of the mineral properties and deferred costs assets partially offset by the $1.2 million decrease for the sale of the Shining Tree property.

Financial results of operations for the three months ended December 31, 2021, compared with the three months ended December 31, 2020

The net loss for the three-month period ended December 31, 2021, was $2,982,887 (2020 – income of $2,308,568). The variance is explained as follows:

- Office and administrative expenses of $342,887 in Q4 2021 were slightly higher than $334,330 in Q4 2020 primarily because of $58,464 expenses in Q4 2021 for site visits and a $22,357 increase in regulatory fees on the November 5, 2021, private placement partially offset by $74,332 of lower director fees due to the adjustment posted in Q4 2020 to reflect the increase of fees in that year.

- Professional fees in Q4 2021 were $53,941 lower than Q4 2020 mainly due to a $115,458 decrease in fees paid in 2020 for CEO recruitment, partially offset by a $82,894 increase in non-recurrent legal fees related to First Mining matters and tax consultants.

- Salaries and benefits decreased $330,928 in Q4 2021 mainly due to a severance payment to the former CEO in Q4 2020.

- Stock-based compensation expense in Q4 2021 decreased $488,803 compared to Q4 2020 due to the lower balance of options vested during the period.

- Accretion and amortization of transaction costs on financing debt was slightly higher than Q4 2020.

- Interest and commitment fees in Q4 2021 of $126,221 was slightly higher than Q4 2020.

- There was a $30,356 foreign exchange gain in Q4 2021, versus a $236,027 gain in Q4 2020, primarily due to the 0.49% CAD revaluation against the USD in Q4 2021 compared to a 4.6% revaluation in Q4 2020. The CAD revaluation had a significant positive effect on the USD debt of the Company in Q4 2020.

- In Q4 2021, there was a $250,961 unrealized gain from the change in fair value of the derivative liabilities compared to a $794,798 unrealized gain in Q4 2020. The reduction of the derivative liability is mainly due to the lower fair market value of the Company's share price. The derivative liability is a result of the conversion feature of the USD denominated Extract convertible debt.

- There is $2,233,000 of deferred income tax expense in Q4 2021 compared to recovery of $3,165,585 in Q4 2020. The Company has a significant non-capital loss carry-forward position and other deferred income tax assets which have been allocated to offset deferred income tax liabilities only to the extent allowable. Unrecognized deferred tax assets remain for future use and have not been recognized in the accounts as there is no certainty of realization at this time.

FINANCINGS

The financing transactions executed in the reported years are, as follows:

- On November 5, 2021, the Company closed a financing by way of a non-brokered private placement for aggregate proceeds of $6,539,025 through the issuance of 7,692,971 Common Shares (the "Flow-Through Shares") that qualify as flow-through shares for purposes of the *Income Tax Act* (Canada) (the "ITA") at a price of $0.85 per Flow-Through Share. The gross proceeds will be used by the Company to fund exploration programs that qualify as "Canadian Exploration Expenses" and "flow-through mining expenditures", as those terms are defined in the ITA. The Company incurred $32,682 of cash issue costs regarding this private placement.

- On March 10, 2021, the Company closed private placements of an aggregate of 10,631,579 non-flow-through special warrants ("NFT Special Warrants") on a bought deal basis at a price of $0.95 per NFT Special Warrant and 6,820,000 flow-through special warrants ("FT Special Warrants") at a price of $1.10 per FT Special Warrant. The total gross proceeds to the Company were $17,602,000. Each Special Warrant is exercisable to acquire one common share of the Company. The FT Special Warrants will be "flow-through shares" for purposes of the ITA.

- On May 6, 2021, the Company filed a final short-form prospectus and obtained a receipt with securities regulatory authorities in the provinces of British Columbia, Alberta and Ontario in connection with the March 2021 financing. In accordance with the terms of a special warrant indenture dated as of March 10, 2021 between the Company and TSX Trust Company, as special warrant agent, each Special Warrant was automatically exercised into one Common Share on May 13, 2021, being the fifth business day after the date of obtaining the Final Receipt. As consideration for services in connection with the private placement, the Company paid to the underwriters cash commission fees equal to $1,018,332; there were also $195,382 of legal fees and other costs regarding the private placement. The $16,388,286 net proceeds from this private placement will be used for the exploration and development of the Goliath Gold Complex and for general corporate purposes.

($000s)	**Original Use of Proceeds**	**Incurred to Date**	**Forecast Remaining**	**Total Forecast**
Geology	7,510	6,350	1,160	7,510
Geotechnical	998	149	849	998
Mining	50	50	–	50
Metallurgy	300	94	156	250
Infrastructure	–	–	–	–
Environmental	1,625	931	694	1,625
PFS Study Budget	652	396	256	652
Permitting and Consultations	4,375	862	3,513	4,375
General Corporate and Working Capital	800	1,372	300	1,672
Total	**16,310**	**10,204**	**6,928**	**17,132**

Expenditures incurred and forecast remain in line with those projected, other than an increase in general corporate and working capital expenses associated with the severance payment to the former CFO, as well as increased legal and stock exchange costs associated with the listing of the warrants in Canada and the United States issued to First Mining on the Tamaka Gold acquisition. The additional expenditures are expected to be funded by existing working capital resources and/or through future financings.

- On August 7, 2020, the Company closed a private placement for aggregate gross proceeds of $11.52 million through the issuance of 10,666,666 units at a price of $1.08 per unit. Each unit consisted of one common share and one-half common share purchase warrants entitling the holder to acquire one common share at an exercise price of $1.80 for a period of 24 months from the date of issuance. The private placement was completed in connection with the share purchase agreement signed with First Mining. The Company incurred $1,278,407 in issue costs regarding this private placement. The net proceeds of this financing are to be used for the exploration and development of the Goliath and Goldlund Projects.

- On March 10, 2021, the Company signed the fourth amendment of the convertible debt, under such amendment certain terms of the debt were changed such as the extension of the debt maturity by seven months to September 30, 2023 and the addition of the ability, at the Company's option, to pay interest in cash; in kind, capitalizing it to the facility or by issuing shares based on the average volume-weighted price of the 5 consecutive trading days to the interest payment ("5 day VWAP"), less a 15% discount.

- On March 10, 2021, Extract and Sprott Private Resource Lending II ("Sprott") signed a debt assignment agreement by which Extract assigned, transferred, and sold to Sprott USD$2.2 million owed to Extract by the Company together with all the rights and obligations under the debt agreement.

- In the current year 100,000 options and 13,699 warrants were exercised from which the Company received $104,795.

- On March 26, 2020, the Company signed three promissory notes for a total of $750,000 due and payable on September 26, 2020, bearing an annual interest rate of 15% starting on June 26, 2020. The Company paid a total of $45,000 of commitment fees representing 6% of the principal. The notes and the accrued interest were repaid on maturity.

LIQUIDITY AND CAPITAL RESOURCES

As of December 31, 2021, the Company had net working capital of $10,187,429 (December 31, 2020 - $4,982,048) (excluding non-cash un-renounced flow–through share premium liability and derivative liability).

In conjunction with the closing of the private placement on March 10, 2021, Extract assigned to Sprott Lending Resources US$2.2 million of convertible debt; in addition, a fourth amendment to the credit agreement was signed including the extension of the maturity date to June 30, 2023. In addition, the Company gave up its right to repay the loan before the maturity date, and the addition of the ability, at the Company's option, to make future interest payments in cash, in kind or Common Shares.

The original credit agreement to which the above transaction relates was closed on June 17, 2016 whereby the Company secured a US$4.4 million term loan ("Term Loan") with Extract Capital Master Fund ("Extract") and Loinette Leasing Company Ltd. ("Loinette"), with each of Extract and Loinette contributing US$2.2 million. The loan had a 15-month maturity from closing and an annual interest rate of 12-month LIBOR plus 6.5% for the Extract portion and 12-month LIBOR plus 9% for the Loinette portion. Minimum LIBOR was set at 2%. Interest was payable monthly, in arrears. The Extract portion of the Term Loan was convertible into Common Shares at a price equal to $0.588 per Common Share. In addition, the Company would provide Extract with a production fee of US$10 per ounce of gold and US$0.125 per ounce of silver produced from the Goliath Gold Project, with the option to repurchase the production fee. In the first quarter of 2017, the Company repurchased the production fee for US$350,000.

The First Amendment to the Term Loan was made on June 7, 2017, whereby the maturity was extended from September 20, 2017 to April 2, 2019, the Loinette portion of the Term Loan was amended to be convertible at the election of the lender into Common Shares at a conversion price of $0.90 per Common Share. As consideration, the Company: paid an aggregate of extension fees of US$102,000; issued 300,000 warrants for a three-year period at a price of the lesser of $0.75 per share or a 20% premium to the VWAP of the shares for the 20 days prior to maturity; 400,000 warrants for a three-year period at a price of the lesser of $0.80 per share or a 35% premium to the VWAP of the shares for the 20 days prior to maturity; and 300,000 warrants for an 18-month period at a price of $0.77 per share.

On November 30, 2018, a loan extension agreement was closed as part of the Second Amendment to the Term Loan, extending the maturity to November 30, 2021. Pursuant to the terms of the extension, Extract repaid US$2.2 million to Loinette, thereby assuming the entirety of the US$4.4 million Term Loan and they conversion price of the shares was fixed at $0.36 per share. As consideration, the Company paid to Extract an extension fee of US$110,000 and issued 600,000 warrants entitling Extract to purchase Common Shares (pre-consolidation) at an exercise price of $0.40 per share (pre-consolidation) for a three-year term.

On August 15, 2019, a loan extension agreement was closed as part of the Third Amendment to the Term Loan, whereby the maturity was extended from November 30, 2021 to November 30, 2022, the conversion price was reduced from $0.36 to $0.32 per Common Share (pre-consolidation). As consideration, the Company paid an extension fee of $44,000 and issued 600,000 warrants entitling Extract to purchase Common Shares (pre-consolidation) at an exercise price of $0.40 (pre-consolidation) for a three-year term.

As of December 31, 2021:

- The cash resources of the Company are held in cash with major Canadian financial institutions.

- Accounts receivable and prepaid expenses are comprised mainly of advances to contractors and sales tax receivables from the Government of Canada. Accounts receivable and prepaid expenses have increased mainly due to higher advances to contractors, which also resulted in a higher HST receivable in 2021.

- Investments in marketable securities, as of December 31, 2021, consist of 147,778 shares of Millrock Resources Inc., and 16,500,000 shares and 5,000,000 warrants of Platinex Inc., all of which collectively have a fair value of $693,825.

- The Company's carrying value of debt is $5,409,515 (US$4.4 million) at December 31, 2021. Accounts payable and accrued liabilities are short-term and non-interest bearing.

- The Company is committed to spend $6,539,025 by December 31, 2022 on Canadian exploration expenses ("CEE") as part of the flow-through financing dated on November 5, 2021. At December 31, 2021, the Company has spent $655,656, leaving a remaining commitment of $5,883,369. All flow-through spending commitments from previous flow-through financings have been fulfilled.

- In view of the current COVID-19 pandemic, the Company is evaluating all spending to ensure that its financial resources are maintained throughout this pandemic.

In addition to the $22.9 million net proceeds from the March 10 and November 5, 2021 financings, the Company received $0.1 million from the exercise of stock options and warrants as of December 31, 2021.

As of December 31, 2021, the Company paid $3.8 million of administration and salary costs and $14.1 million of additions to mineral properties and related deferred costs. As of December 31, 2021, the Company has approximately $10.1 million of cash resources.

The Company must utilize its current cash reserves, funds obtained from the exercise of warrants and options, if any, and other financing transactions to maintain the Company's capacity to meet working capital requirements, ongoing discretionary and committed exploration programs, and to fund any further development activities. The Company relies on external financing to generate sufficient operating capital. Notwithstanding success to date in acquiring equity financing on acceptable terms, there is no guarantee of obtaining future equity financings or on what terms any such equity capital may be available to the Company and as such, alternative funding programs are also being pursued by the Company. The Company's management believes it will be able to raise any required funds in the short term. Management will monitor the current market situation and make prudent business decisions, as they are required. See "*Risks and Uncertainties*".

The Company's success depends on the successful development of the Goliath Gold Complex and the corresponding permitting and feasibility study. Based upon its current operating and financial plans, management of the Company believes that it will have sufficient access to financial resources (debt and equity) to fund the Company's planned operations and development of the projects.

SHARE CAPITAL

The following table sets forth information concerning the outstanding securities of the Company on December 31, 2021.

Fully Diluted Shares

As at	December 31 2021	December 31 2020
Common Shares issued	137,879,334	112,621,146
Warrants outstanding[(1)]	24,592,635	27,448,028
Stock options outstanding[(1)]	5,585,325	4,019,667
Total	**168,057,294**	**144,088,841**

[(1)] Each stock option and warrant is exercisable for one Common Share

As of December 31, 2021, the exercise in full of outstanding warrants and stock options would raise a total of approximately $44.4 million; there are nil in-the-money stock options. Management does not know when and how much will be collected from the exercise of such securities, as this is dependent on the determination of the holder and the market price of the Common Shares.

As of March 24, 2022, there were 137,879,334 Common Shares outstanding.

Warrants

See Notes 14 and 15 to Financial Statements for detailed disclosure of warrant data.

Share-Based Compensation

See Note 16 to the Financial Statements for detailed disclosure of share-based compensation.

In June 2021, shareholders of the Company approved an Omnibus Equity Incentive Plan (the “Equity Incentive Plan”), replacing the previous stock option plan of the Company (the “Legacy Plan”). The Legacy Plan continues to be authorized for the sole purpose of facilitating the vesting and exercise of existing awards previously granted under the Legacy Plan. Once the existing awards granted under the Legacy Plan are exercised or terminated, the Legacy Plan will terminate and be of no further force or effect.

The maximum number of Common Shares issuable under the Equity Incentive Plan shall not exceed 9.9% the issued and outstanding Common Shares from time to time. The Equity Incentive Plan is a rolling plan as the number of shares reserved for issuance pursuant to the grant of stock options and RSUs will increase as the Company’s issued and outstanding share capital increases. Under the Equity Incentive Plan, directors, officers, employees, and consultants may be granted stock options and/or restricted share units ("RSUs") to purchase Common Shares. RSUs may be awarded to an employee or consultant as a discretionary payment in consideration of past or futures services to the Company. Limits have also been set in respect of the maximum number of stock options or RSUs that may be issued to insiders at any time as well as within any one-year period.

As of December 31, 2021, 5,585,325 stock options were outstanding at an average exercise price of $1.16 (December 31, 2020 – 4,019,667 stock options at an average exercise price of $1.19), of which 3,814,992 stock options were exercisable (December 31, 2020 – 2,486,000 stock options). The exercise in full of the outstanding stock options would raise a total of approximately $6.5 million. Management does not know when and how much will be collected from the exercise of such securities as this is dependent on the determination of the option holders and the market price of the Common Shares.

During the year ended December 31, 2021, nil RSUs were granted or were outstanding.

Subsequent to December 31, 2021, the Company granted: (i) an aggregate of 2,728,129 stock options to certain directors, officers and employees of the Company with an exercise price of $0.70 and expiring on February 18, 2025; and (ii) an aggregate of 1,337,489 RSUs to certain directors and officers of the Company.

As of March 24, 2022, there were 7,882,454 stock options and 1,337,489 RSUs outstanding.

TRENDS AND RISKS THAT HAVE AFFECTED THE COMPANY'S FINANCIAL CONDITION

See the "Risks and Uncertainties" section of this MD&A for information regarding known trends, demands, commitments, events, or uncertainties that are reasonably likely to have an effect on the Company's business and industry and economic factors affecting the Company's performance.

OFF-BALANCE SHEET TRANSACTIONS

During the year ended December 31, 2021, there were no off-balance sheet transactions. The Company has not entered into any specialized financial agreements to minimize its investment risk, currency risk or commodity risk.

CONTINGENCIES AND COMMITMENT

The Company has made the following commitments as of the date of this MD&A:

- Certain underlying royalties and payment obligations of $105,000 per year remain on 13 of the 23 patented land parcels.

- The Company is committed to spend $6,539,025 by December 31, 2022, on CEE as part of the flow-through financing dated November 5, 2021. By December 31, 2021, the Company has spent $655,656, leaving a remaining commitment of $5,883,369. All flow-through spending commitments from previous flow-through financings have been fulfilled.

- An audit was initiated by the Canada Revenue Agency (the "CRA") in December 2016 of the flow-through expenditures incurred by the Company pursuant to the flow-through share financings completed on December 6, 2011, September 21, 2012, May 1, 2013, and December 20, 2013. On March 7, 2018, the Company was advised by the CRA that, out of the total of $12.5 million the Company raised through the flow-through share financings and renounced to subscribers, the CRA had reclassified approximately $1.8 million of CEE to operating expenses and a further approximately $2.2 million of CEE to Canadian Development Expenses. In addition, pursuant to the audit, the CRA has notified the Company that it is liable for Part XII.6 tax in the amount of $477,726 in connection with the shortfall from the disallowed CEE. On July 2, 2021, the CRA sent a Notice of Reassessment that reduced the amount of the unpaid Part XII.6 tax to $430,689. On September 30, 2021, the Company filed a Notice of Appeal where it strongly disputed the CRA's proposed re-characterization of expenses from CEE to either CDE or operating expense. Due to the uncertainty of the outcome and tax amount, no liability has been recorded in the consolidated financial statements.

Contractual Obligations ($)	**Payments Due by Period**				
	Total	**Less than 1 year**	**1 - 3 years**	**4 - 5 years**	**After 5 Years**
Long Term Debt [1]	5,409,515	–	5,409,515	–	–
Capital Lease Obligations	–	–	–	–	–
Operating Leases [2]	213,678	142,452	71,226	–	–
Purchase Obligations	–	–	–	–	–
Other Long-term Obligations	–	–	–	–	–
Total Contractual Obligations	**5,623,193**	**142,452**	**5,481,241**	**–**	**–**

(1) This payable represents a US$4.7 million Debt Facility with a maturity date extended up to June 30, 2023.
(2) This payable is regarding a sub-lease agreement of the administrative offices in Toronto until June 2023.

RELATED PARTY TRANSACTIONS

Certain corporate entities that are related to the Company's officers and directors provided services to Treasury Metals. Laramide Resources Ltd. ("Laramide") had a director and an officer in common with Treasury Metals and shared office facilities with the Company. During Q1 2021, Laramide charged the Company $94,536 (2020 – $318,196) for office space rent and other expenditures paid by Laramide on behalf of the Company and the Company charged $13,221 (2020 – $19,997) of shared expenditures paid on behalf of Laramide. After March 31, 2021, Laramide ceased to be a related party to the Company and accordingly there was $nil accounts payable to Laramide as of December 31, 2021 (December 31, 2020 – $26,422).

Cypherpunk Holdings Inc. had an officer and director in common with Treasury Metals. During the Q1 2021, Cypherpunk was charged $881 for shared expenditures paid by the Company (2020 – $3,125). After March 31, 2021, Cypherpunk ceased to be a related party to the Company and accordingly there was $nil accounts receivable from Cypherpunk as of December 31, 2021 (December 31, 2020 – $207).

Transactions with related parties were conducted in the normal course of business.

DIVIDENDS

The Corporation has neither declared nor paid any dividends on its Common Shares. The Corporation intends to retain its earnings, if any, to finance growth and expand its operations and does not anticipate paying any dividends on its Common Shares in the foreseeable future.

FINANCIAL INSTRUMENTS

The current bank accounts, accounts receivable and accounts payable are non-interest bearing. Most cash and cash equivalents are held in short-term investments bearing interest up to 0.8%.

The principal financial instruments affecting the Company's financial condition and results of operations is currently its cash, which it receives from interest and royalty payments, its investment portfolio and any financing transactions entered by the Company. These sources of revenue are subject to various risks, including production risks with respect to the royalty payments and market risks with respect to the investment portfolio. The investment portfolio is managed by the Company.

ACCOUNTING ESTIMATES AND JUDGEMENTS

See Note 4 to the Financial Statements for disclosure regarding critical accounting estimates and judgements.

ADOPTION OF NEW ACCOUNTING STANDARDS

During the year ended December 31, 2021, no new accounting standards were adopted. Note 3 to the Financial Statements discloses new accounting standards that may affect the Company commencing January 1, 2022 and January 1, 2023.

RISKS AND UNCERTAINTIES

The Company's business, being the acquisition, exploration, and development of mineral properties in Canada, is speculative and involves a high degree of risk. Certain factors, including but not limited to the ones below, could materially affect the Company's financial condition and/or future operating results, and could cause actual events to differ materially from those described in forward looking statements made by or relating to the Company. See "Cautionary Note Regarding Forward-Looking Information". The reader should carefully consider these risks as well as the information disclosed in the Company's financial statements, the Company's annual information form dated March 24, 2022, and other publicly-filed disclosure regarding the Company, available on SEDAR (www.sedar.com) under the Company's issuer profile.

Global Health Conditions

The Company faces risks related to health epidemics and other outbreaks of communicable diseases. Since January 2020, the outbreak of the novel strain of coronavirus, specifically identified as “COVID-19”, has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. Global financial conditions remain subject to sudden and rapid destabilizations in response to future events, as government authorities may have limited resources to respond to future crises.

The COVID-19 pandemic crisis and a continued or worsened slowdown in the financial markets or other economic conditions, including but not limited to consumer spending, employment rates, business conditions, inflation, fuel and energy costs, consumer debt levels, government-imposed restrictions, lack of available credit, the state of the financial markets, interest rates and tax rates, may adversely affect the Corporation and its business. Future crises may be precipitated by any number of causes, including additional epidemic diseases, natural disasters, geopolitical instability, changes to energy prices and/or sovereign defaults. If increased levels of volatility continue, or in the event of a rapid destabilization of global economic conditions, it may result in a material adverse effect on commodity prices, demand for metals, including demand for gold, the availability of credit, investor confidence, and general financial market liquidity, all of which may adversely affect the Corporation’s operations and business and the market price of the Corporation’s securities. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its operating subsidiaries in future periods.

The Company faces numerous exploration, development and operating risks.

Although the Company’s activities are directed towards the development of mineral deposits, its activities also include the exploration for and development of mineral deposits.

The exploration for and development of mineral deposits involves significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, few properties that are explored are ultimately developed into producing mines. Major expenses may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the exploration or development programs planned by the Company will result in a profitable commercial mining operation. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as size, grade and proximity to infrastructure; metal prices that are highly cyclical; and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital.

There is no certainty that the expenditures made by the Company towards the search and evaluation of mineral deposits will result in discoveries of commercial quantities of ore.

To date, the Company is considered to be a development stage company and has not recorded any revenues from its exploration and development activities nor has the Company commenced commercial production on any of its properties. There can be no assurance that the Company will commence commercial production, generate any revenues or that the assumed levels of expenses will prove to be accurate.

The development of the Company’s properties will require the commitment of substantial resources to complete exploration programs and to bring the properties into commercial production. There can be no assurance that the Company will be profitable in the future. The Company’s operating expenses and capital expenditures may increase in subsequent years as needed consultants, personnel and equipment associated with advancing exploration, development and commercial production of its properties are added. The amounts and timing of expenditures will depend on the progress of ongoing development, the results of consultants' analyses and recommendations, the rate at which operating losses are incurred, the execution of any joint venture agreements with strategic partners, the Company's acquisition of additional properties and other factors, some of which are beyond the Company's control.

If mineral resource estimates are not accurate, production may be less than estimated which would adversely affect the Company's financial condition and result of operations.

Mineral resource estimates are imprecise and depend on geological analysis based partly on statistical inferences drawn from drilling, and assumptions about operating costs and metal prices, all of which may prove unreliable. The Company cannot be certain that the resource estimates are accurate and cannot guarantee that it will recover the indicated quantities of metals if commercial production is commenced. Future production could differ dramatically from such estimates for the following reasons: mineralization or formations at the properties could be different from those predicted by drilling, sampling and similar examinations; declines in the market price of gold may render the mining of some or all of the resources uneconomic; and the grade of ore may vary significantly from time to time and the Company cannot give any assurances that any particular quantity of metal will be recovered from the resources. The occurrence of any of these events may cause the Company to adjust the resource estimates or change its mining plans, which could negatively affect the Company's financial condition and results of operation.

The Company's exploration and development properties may not be successful and are highly speculative in nature.

Exploration for gold is highly speculative in nature. The Company's exploration activities involve many risks, and success in exploration is dependent upon a number of factors including, but not limited to, quality of management, quality and availability of geological expertise and the availability of exploration capital. The Company cannot give any assurance that its current or future exploration efforts will result in the discovery of a mineral reserve or new or additional mineral resources, the expansion of current resources or the conversion of mineral resources to mineral reserves.

As well, mineral deposits, even though discovered, may be insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Company may be affected by additional factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment and other factors, which may make a mineral deposit unprofitable to exploit.

The Company's mineral properties are in the exploration and development stages and are without known bodies of mineral reserves, although a mineral resource has been established on the Goliath Gold Project. Development of such projects will only follow upon obtaining satisfactory exploration results and the completion of feasibility or other economic studies.

The risks and hazards associated with mining and processing may increase costs, reduce profitability in the future or be uninsurable.

Mining operations generally involve a high degree of risk. Exploration, development and production operations on mineral properties involve numerous risks, including but not limited to unexpected or unusual geological operating conditions, seismic activity, rock bursts, cave-ins, fires, floods, landslides, earthquakes and other environmental occurrences, risks relating to the shipment of precious metal concentrates or ore bars, and political and social instability, any of which could result in damage to, or destruction of, the mine and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although the Company believes that appropriate precautions to mitigate these risks are being taken, operations are subject to hazards such as equipment failure or failure of structures, which may result in environmental pollution and consequent liability. It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks because of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate the Company's future profitability and result in increasing costs and a decline in the value of the Common Shares. The Company does not maintain insurance against title, political or environmental risks.

While the Company may obtain insurance against certain risks in such amounts as it considers adequate, the nature of these risks is such that liabilities could exceed policy limits or be excluded from coverage. The potential costs that could be associated with any liabilities not covered by insurance or in excess of insurance coverage may cause substantial delays and require significant capital outlays, thereby adversely affecting the Company's business and financial condition.

Not all health and safety risks are covered by insurance.

Mining, like many other extractive natural resource industries, is subject to potential risks and liabilities due to accidents that could result in serious injury or death. The impact of such accidents could affect the profitability of the operations, cause an interruption to operations, lead to a loss of licenses, affect the reputation of the Company and its ability to obtain further licenses, damage community relations and reduce the perceived appeal of the Company as an employer. The Company has procedures in place to manage health and safety protocols in order to reduce the risk of occurrence and the severity of any accident and is continually investing time and resources to enhance health and safety at all operations.

The Company has limited insurance policies in place to cover some accidents and regularly monitors the adequacy of such policies; however, not all risks are covered by insurance policies due to either coverage not being available or not being available at commercially reasonable prices.

The Company may experience higher costs and lower revenues than estimated due to unexpected problems and delays.

New mining operations often experience unexpected problems during the development and start-up phases and such problems can result in substantial delays in reaching commercial production. Delays in construction or reaching commercial production in connection with the Company's development of its mines would increase its operating costs and delay revenue growth.

Future exploration at Company's projects or elsewhere may not result in increased mineral resources.

The Company intends to upgrade and expand its existing resource base by surface and underground drilling in the immediate vicinity of the presently defined mineral resources. Mineral exploration involves significant risks over a substantial period of time, which even with a combination of careful evaluation, experience and knowledge may not eliminate. Even if the Company discovers a valuable deposit of minerals, it may be several years before production is possible and during that time, it may become economically unfeasible to produce those minerals. There is no assurance that current or future exploration programs will result in any new economically viable mining operations or yield new resources to replace and expand current resources.

The Company's vulnerability to changes in metal prices may cause its share price to be volatile and may affect the Company's operations and financial results.

If the Company commences production, the profitability of the Company's operations will be dependent upon the market price of mineral commodities. Metal prices fluctuate widely and are affected by numerous factors beyond the control of the Company. The level of interest rates, the rate of inflation, the world supply of mineral commodities and the stability of exchange rates, can all cause significant fluctuations in prices. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and political developments. The price of mineral commodities has fluctuated widely in recent years and future price declines could cause commercial production to be impracticable, thereby having a material adverse effect on the Company's business, financial condition and results of operations. Furthermore, reserve calculations and life-of-mine plans using significantly lower metal prices could result in material write-downs of the Company's investment in mining properties and increased amortization, reclamation and closure charges. In addition to adversely affecting the Company's reserve estimates and its financial condition, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if the project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

The Company is subject to extensive environmental legislation and the costs of complying with these regulations may be significant. Changes in environmental legislation could increase the costs of complying with applicable regulations and reduce levels of production.

All phases of the Company's operations are subject to environmental regulation. There is no assurance that existing or future environmental regulation will not materially adversely affect the Company's business, financial condition and results of operations.

Environmental legislation relating to land, air and water affects nearly all aspects of the Company's operations. This legislation requires the Company to obtain various operating licenses and also imposes standards and controls on activities relating to exploration, development and production. The cost of obtaining operating licenses and abiding by standards and controls on its activities may be significant. Further, if the Company fails to obtain or maintain such operating licenses or breaches such standards or controls imposed on its activities, it may not be able to continue its operations in its usual manner, or at all, or the Company may be subject to fines or other claims for remediation which may have a material adverse impact on its operations or financial results. While the Company is unaware of any existing material environmental liabilities, it cannot guarantee that no such liabilities currently exist or will occur in the future.

Changes in environmental laws, new information on existing environmental conditions or other events may increase future compliance expenditures or otherwise have a negative effect on the Company's financial condition and results of operations. In addition to existing requirements, it is expected that other environmental regulations will likely be implemented in the future with the objective of further protecting human health and the environment. Some of the issues currently under review by environmental agencies include reducing or stabilizing air emissions, mine reclamation and restoration, and water quality. Other changes in environmental legislation could have a negative effect on production levels, product demand, product quality and methods of production and distribution. The complexity and breadth of these issues make it difficult for the Company to predict their impact. The Company anticipates capital expenditures and operating expenses will increase as a result of compliance with the introduction of new and more stringent environmental regulations. Failure to comply with environmental legislation may result in the issuance of clean up orders, imposition of penalties, liability for related damages and the loss of operating permits. While the Company believes it is in material compliance with existing environmental legislation, it cannot give assurances that it will, at all future times be in compliance with all federal and state environmental regulations or that steps to bring the Company into compliance would not have a negative effect on its financial condition and results of operations.

Government approvals and permits are currently, or may in the future be, required in connection with the Company's operations. To the extent such approvals are required and are not granted, the Company may be curtailed or prohibited from proceeding with planned exploration or development of mineral properties.

Compliance with current and future government regulations may cause the Company to incur significant costs and slow its growth.

The Company's activities are subject to extensive laws and regulations governing matters relating to occupational health, labour standards, prospecting, exploration, production, exports and taxes. Compliance with these and other laws and regulations could require the Company to make significant capital outlays which may slow its growth by diverting its financial resources. The enactment of new adverse regulations or regulatory requirements or more stringent enforcement of current regulations or regulatory requirements may increase costs, which could have an adverse effect on the Company. The Company cannot give assurances that it will be able to adapt to these regulatory developments on a timely or cost-effective basis. Violations of these regulations and regulatory requirements could lead to substantial fines, penalties or other sanctions.

The Company is required to obtain and renew governmental permits and licences in order to conduct mining operations, which is often a costly and time-consuming process.

In the ordinary course of business, the Company will be required to obtain and renew governmental permits and licenses for the operation and expansion of existing operations or for the commencement of new operations. Obtaining or renewing the necessary governmental permits is a complex and time-consuming process. The duration and success of the Company's efforts to obtain and renew permits and licenses are contingent upon many variables not within its control including the interpretation of applicable requirements implemented by the permitting or licensing authority. The Company may not be able to obtain or renew permits and licenses that are necessary to its operations or the cost to obtain or renew permits and licenses may exceed what the Company expects. Any unexpected delays or costs associated with the permitting and licensing process could delay the development or impede the operation of the Company's projects which could adversely affect the Company's revenues and future growth.

The exploration and development of the Company's properties, including continuing exploration and development projects, and the construction of mining facilities and commencement of mining operations, will require substantial additional financing.

Failure to obtain sufficient financing will result in a delay or indefinite postponement of exploration, development or production on any or all of the Company's properties or even a loss of a property interest. Additional financing may not be available when needed or, if available, the terms of such financing might not be favourable to the Company and might involve substantial dilution to existing shareholders. Failure to raise capital when needed would have a material adverse effect on the Company's business, financial condition and results of operations.

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure.

Reliable roads, bridges, power sources and water supply are important determinants, which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's operations, financial condition and results of operations.

There is no guarantee that title to any of the Company's mineral properties will not be challenged or disputed or that the term of the Company's mineral rights can be extended or renewed.

Title to, and the area of, mineral concessions may be disputed. Although the Company believes it has taken reasonable measures to ensure proper title to its properties, there is no guarantee that title to any of its properties will not be challenged or impaired. While the Company intends to take all reasonable steps to maintain title to its mineral properties, there can be no assurance that the Company will be successful in extending or renewing mineral rights on or prior to expiration of their term.

If the Company loses key personnel or is unable to attract and retain additional personnel, the Company's mining operations and prospects could be harmed.

Recruiting and retaining qualified personnel is critical to the Company's success. The number of persons skilled in the acquisition, exploration and development of mining properties is limited and competition for such persons is intense. As the Company's business activity grows, additional key financial, administrative and mining personnel as well as additional operations staff will be required. Although the Company believes it will be successful in attracting, training and retaining qualified personnel, there can be no assurance of such success. If the Company is not successful in attracting, training and retaining qualified personnel, the efficiency of operations may be affected.

The mining industry is intensely competitive in all of its phases and the Company competes with many companies possessing greater financial and technical resources than it does.

Competition in the precious metals mining industry is primarily for mineral rich properties that can be developed and produced economically; the technical expertise to find, develop, and operate such properties; the labour to operate the properties; and the capital for the purpose of funding such properties. Many competitors not only explore for and mine precious metals, but conduct refining and marketing operations on a global basis. Such competition may result in the Company being unable to acquire desired properties, to recruit or retain qualified employees or to acquire the capital necessary to fund its operations and develop its properties. Existing or future competition in the mining industry could materially adversely affect the Company's prospects for mineral exploration and success in the future.

Indigenous Nations Rights and Consultation Issues

The Company's relationships with the communities in which it operates are critical to ensure the future success of its existing operations and the construction and development of its projects.

Indigenous treaty rights may be claimed with respect to Crown properties or other types of tenure with respect to which mining rights have been conferred. The Crown has been notified by several Indigenous groups that they assert the area comprising the Company's mineral properties to be within their traditional territories and accordingly, they assert the right to be consulted by the Crown prior to the issuance of any approvals or permits and to discuss whether any disruption to their Section 35 rights can be avoided or mitigated. These processes may affect the ability of the Company to pursue exploration, development and mining at its properties. The legal basis of such claims is a matter of considerable legal complexity and the impact of the assertion of such land claims cannot be predicted with any degree of certainty at this time. No assurance can be given that the Company's operations will not be delayed or hindered by any potential claims. In addition, no assurance can be given that any recognition of Indigenous rights whether by way of a negotiated settlement or by judicial pronouncement would not delay or even prevent the Company's exploration, development or mining activities. Managing these issues is an integral part of exploration, development and mining in Canada, and the Company is committed to managing these issues effectively.

There is no guarantee that the Company will receive financing to complete the development of the project.

Although the Company believes that sufficient funding will be available to complete the development of the Project, funding is dependent on market conditions that could change and result that funding could be delayed or unavailable.

Current global financial conditions have been subject to increased volatility, and access to public financing, particularly for junior resource companies, has been negatively impacted. These factors may impact the ability of the Company to obtain equity or debt financing in the future and, if obtained, such financing may not be on terms favourable to the Company. If increased levels of volatility and market turmoil continue, the Company's operations could be adversely impacted, and the value and price of the Common Shares could be adversely affected

There is no guarantee the Company will fulfill its spending commitments from its flow-through financings.

There is no guarantee that the Company's spending on the exploration and development will be considered as eligible flow-through expenditures by the Canada Revenue Agency. Although the Company believes it has and will take reasonable measures to ensure that expenditures claimed as flow-through eligible are correct, these expenditures are often audited and challenged by the tax authorities.

Information Systems Security Threats

The Company's operations depend upon information technology systems which may be subject to disruption, damage or failure from different sources, including, without limitation, installation of malicious software, computer viruses, security breaches, cyber-attacks and defects in design. Although to date the Company has not experienced any material losses relating to cyber-attacks or other information security breaches, there can be no assurance that the Company will not incur such losses in the future. The Company's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attach, damage or unauthorized access remain a priority. As cyber threats continue to evolve, the Company may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

Option and Joint Venture Agreements

The Company has and may continue to enter into option agreements and/or joint ventures as a means of gaining property interests and raising funds. Any failure of any partner to meet its obligations to the Company or other third parties, or any disputes with respect to third parties' respective rights and obligations, could have a negative impact on the Company.

Under the terms of such option agreements the Company may be required to comply with applicable laws, which may require the payment of maintenance fees and corresponding royalties in the event of exploitation/production. The costs of complying with option agreements are difficult to predict with any degree of certainty; however, were the Company forced to suspend operations on any of its concessions or pay any material fees, royalties or taxes, it could result in a material adverse effect to the Company's business, financial results and condition.

The Company may be unable to exert direct influence over strategic decisions made in respect of properties that are subject to the terms of these agreements, and the result may be a materially adverse impact on the strategic value of the underlying concessions.

Directors and officers could be in a position of conflicts of interest.

Certain of the directors and officers of the Company also serve as directors and/or officers of other companies involved in natural resource exploration, development and mining operations. Consequently, there exists the possibility for such directors and officers to be in a position of conflict. The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company, and to disclose any interest they may have in any project or opportunity of the Company. In addition, each of the directors is required by law to declare his or her interest in and refrain from voting on any matter in which he or she may have a conflict of interest, in accordance with applicable laws.

No guarantee of effect of outside influences on Infrastructure.

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supplies, as well as the location of population centres and pools of labour, are important determinants which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could impact the Company's ability to explore its properties, thereby adversely affecting its business and financial condition.

The outstanding Common Shares could be subject to dilution.

The exercise of stock options, warrants, DSUs and RSUs already issued by the Corporation and the issuance of additional equity securities in the future could result in dilution in the equity interests of holders of Common Shares.

No assurance the Company will be able to meet commitments under the Term Loan

The Company entered into secured debt (the "Term Loan") (see Liquidity and Capital Resources" in this MD&A) with an interest rate of 12-month LIBOR (minimum 200 basis points) plus 6.5% that can be satisfied in shares, cash interest payment, or capitalizing it to the facility. The Term Loan has a maturity date of June 30, 2023. The Company's ability to meet these payment obligations will depend on its future financial performance, which will be affected by financial, business, economic and other factors. The Company will not be able to control many of these factors, such as economic conditions in the markets in which it operates. The Company cannot be certain that its future cash flow from operations will be sufficient to allow it to make principal and interest payments on its Term Loan and meet its other obligations.

Compliance with Anti-Corruption Laws and ESTMA

The Company is subject to various anti-corruption laws and regulations including, but not limited to, the Canadian Corruption of Foreign Public Officials Act. In general, these laws prohibit a company and its employees and intermediaries from bribing or making other prohibited payments to foreign officials or other persons to obtain or retain business or gain some other business advantage. The Company cannot predict the nature, scope or effect of future regulatory requirements to which its operations might be subject or the manner in which existing laws might be administered or interpreted. Failure to comply with the applicable legislation and other similar foreign laws could expose the Company and its senior management to civil and/or criminal penalties, other sanctions and remedial measures, legal expenses and reputational damage, all of which could materially or adversely affect the Company's business, financial condition and results of operations. Likewise, any investigation of any potential violations of the applicable anti-corruption legislation by Canadian or foreign authorities could also have an adverse impact on the Company's business, financial condition and results of operations, as well as on the market price of the Common Shares. As a consequence of these legal and regulatory requirements, the Company instituted policies with regard to its anti-corruption policies. There can be no assurance or guarantee that such efforts have been and will be completely effective in ensuring the Company's compliance, and the compliance of its employees, consultants, contractors and other agents, with all applicable anti-corruption laws.

In addition, the *Canadian Extractive Sector Transparency Measures Act* ("ESTMA"), which became effective June 1, 2015, requires public disclosure of payments to governments by mining and oil and gas companies engaged in the commercial development of oil, gas and minerals who are either publicly listed in Canada or with business or assets in Canada. Commencing in 2017, mandatory annual reporting is required for extractive companies with respect to payments made to foreign and domestic governments at all levels, including entities established by two or more governments. ESTMA requires reporting on the payments of any taxes, royalties, fees, production entitlements, bonuses, dividends, infrastructure improvement payments, and any other prescribed payment over C$100,000. Failure to report, false reporting or structuring payments to avoid reporting may result in fines of up to C$250,000 (which may be concurrent). If the Company becomes subject to an enforcement action or is in violation of ESTMA, this may result in significant penalties, fines and/or sanctions, which may have a material adverse effect on the Company's reputation.

Liquidity Risk

Liquidity risk arises through the excess of financial obligations due over available financial assets at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available cash reserves and credit to meet its liquidity requirements at any point in time. The total cost and planned timing of acquisitions and/or other development or construction projects is not currently determinable and it is not currently known precisely when the Company will require additional financing in future periods.

Credit Risk

Credit risk arises from cash and cash equivalents, held with banks and financial institutions, and amounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets.

ADDITIONAL INFORMATION

Additional information regarding the Company can be found in the annual information form of the Company dated March 24, 2022 for the financial year ended December 31, 2021, which is available electronically on SEDAR (www.sedar.com) under the Company's issuer profile.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL INFORMATION

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

DISCLOSURE CONTROLS AND PROCEDURES

Management has designed and evaluated the effectiveness of our disclosure controls and procedures and the internal controls on financial reporting and have concluded that, based on our evaluation, they are sufficiently effective as of December 31, 2021, to provide reasonable assurance that material information relating to the Company is made known to management and disclosed in accordance with applicable securities regulations.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

The Company's internal controls over financial reporting is intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with applicable IFRS. Internal Control over Financial Reporting should include those policies and procedures that establish the following:

- maintenance of records in reasonable detail, that accurately and fairly reflect the transactions and dispositions of our assets;
- reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with applicable IFRS;
- receipts and expenditures are only being made in accordance with authorizations of management and the Board of Directors; and
- reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. In addition, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management, including the Chief Executive Officer and the Chief Financial Officer, has evaluated the effectiveness of the design and operation of the Company's internal controls over financial reporting as of December 31, 2021. The Company has designed appropriate internal controls over financial reporting for the nature and size of the Company's business, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS except as noted herein.

As of December 31, 2021, the Chief Executive Officer and Chief Financial Officer have each concluded that the Corporation's internal controls over financial reporting, as defined in National Instrument 52-109 – *Certification of Disclosure in Issuer's Annual and Interim Filings*, are effective to achieve the purpose for which they have been designed. There have been no changes in internal control over financial reporting during the year ended December 31, 2021, that have materially affected or are reasonably likely to materially affect the Company's internal control over financial reporting. The control framework used to evaluate the effectiveness of the design and operation of the Corporation's internal controls over financial reporting is the 2013 Internal Control-Integrated Framework published by the Committee of Sponsoring Organizations of the Treadway Commission.

QUALIFIED PERSON

Maura Kolb, the Company’s Director, Exploration, is a Qualified Persons as defined by NI 43-101, and is responsible for the preparation of, and has reviewed and approved, the technical disclosure in this Management’s Discussion and Analysis, unless otherwise indicated.

Cautionary Note Regarding Forward-Looking Statements

This MD&A may contain forward-looking statements and forward-looking information within the meaning of applicable Canadian securities legislation (collectively, "forward-looking information"), including, but not limited to, statements relating to the future financial or operating performance of the Company, the Company's mineral projects, the future price of metals, the estimation of mineral resources, the realization of mineral resource estimates, the timing and amount of estimated future production (if any), capital, operating and exploration expenditures, the impact of COVID-19 on the Company's business or prospects, costs and timing of the development of new deposits, costs and timing of future exploration, use of proceeds from financings, proposed extensions regarding the flow-through funds spend period, the ability of the Company to obtain any outstanding permits or approvals required for its operations on the timing described herein (if at all), requirements for additional capital, government regulation of mining operations and mineral exploration activities, environmental risks, reclamation expenses, title disputes or claims, limitations of insurance coverage, development of the Goliath Gold Complex, timing to complete a pre-feasibility study on the Goliath Gold Complex (if at all), and advancement of exploration activities. Often, but not always, forward-looking information can be identified by the use of words and phrases such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or state that certain actions, events, or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking information reflects the Company's beliefs and assumptions based on information available at the time such statements were made. Actual results or events may differ from those predicted in forward-looking information. All of the Company's forward-looking information is qualified by (i) the assumptions that are stated or inherent in such forward-looking information, including the assumptions listed below, and (ii) the risks described in the section entitled "Risks and Uncertainties" in this MD&A, the financial statements of the Company, and the sections entitled "Risk Factors" and " Forward-Looking Statements" in the annual information form of the Company for the fiscal year ended December 31, 2021, dated March 24, 2022, which are available electronically on SEDAR (www.sedar.com) under the Company’s issuer profile.

Although the Company believes that the assumptions underlying the forward-looking information contained in this MD&A are reasonable, this list is not exhaustive of the factors that may affect any forward-looking information. The key assumptions that have been made in connection with forward-looking information include the following: the significance of drill results and ongoing exploration activities; timing to obtain assay results from labs; ability of exploration activities (including drill results) to accurately predict mineralization; the predictability of geological modelling; the accuracy of the Company's records of its property interests; the global economic climate; the impact of COVID-19 on the Company's business and prospects; metal prices; environmental risks; community and non-governmental actions; that permits required for the Company's operations will be obtained on a timely basis in order to permit the Company to proceed on schedule with its planned drilling programs; that skilled personnel and contractors will be available as the Company's operations continue to grow; that the price of gold will exceed levels that will render the project of the Company economical; the relevance of the assumptions, estimates and projections in technical reports; the timing and results of a pre-feasibility study on the Goliath Gold Project; and that the Company will be able to continue raising the necessary capital to finance its operations and realize on its mineral resource estimates.

Forward-looking information involves known and unknown risks, future events, conditions, uncertainties, and other factors which may cause the actual results, performance, or achievements to be materially different from any future results, performance or achievements expressed or implied by forward-looking information. Such factors include, among others, general business, economic, competitive, political and social uncertainties; public health crises; the actual results of current exploration activities; errors in geological modelling; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of metals; possible variations of grade or recovery rates; failure of plant and equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; political instability; and delays in obtaining governmental approvals or financing or in the completion of development or construction activities.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking information contained herein is given as of the date of this MD&A and the Company disclaims any obligation to update any forward-looking information, whether as a result of new information, future events, or results, except as may be required by applicable securities laws. There can be no assurance that forward-looking information 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 information.

Differences in Reporting of Mineral Resource Estimates

This MD&A was prepared in accordance with Canadian standards for reporting of mineral resource estimates, which differ in some respects from U.S. standards. In particular, and without limiting the generality of the foregoing, the terms “inferred mineral resources,” “indicated mineral resources,” “measured mineral resources” and “mineral resources” used or referenced in this MD&A are Canadian mineral disclosure terms as defined in accordance with NI 43-101 under the guidelines set out in the Canadian Institute of Mining, Metallurgy and Petroleum (the “CIM”) Standards on Mineral Resources and Mineral Reserves (the “CIM Standards”). The CIM Standards differ significantly from standards in the U.S. While the terms “mineral resource,” “measured mineral resources,” “indicated mineral resources,” and “inferred mineral resources” are recognized and required by Canadian regulations, they are not defined terms under standards in the U.S. “Inferred mineral resources” have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Under Canadian rules, estimates of inferred mineral resources may not form the basis of feasibility or other economic studies, except in limited circumstances. The term “resource” does not equate to the term “reserves”. Under U.S. standards, mineralization may not be classified as a “reserve” unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made. Readers are cautioned not to assume that all or any part of measured or indicated mineral resources will ever be converted into mineral reserves. Readers are also cautioned not to assume that all or any part of an inferred mineral resource exists or is economically or legally mineable. Disclosure of “contained ounces” in a mineral resource is permitted disclosure under Canadian regulations; however, U.S. companies are only permitted to report mineralization that does not constitute “reserves” by standards in the U.S. as in place tonnage and grade without reference to unit measures. The requirements of NI 43-101 for identification of “reserves” are also not the same as those of the United States Securities and Exchange Commission (the “SEC”), and reserves reported by the Company in compliance with NI 43-101 may not qualify as “reserves” under SEC standards. Accordingly, information regarding mineral resources contained or referenced in this MD&A containing descriptions of our mineral deposits may not be comparable to similar information made public by U.S. companies.