

PROSPER GOLD CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED OCTOBER 31, 2022

1.1 DATE

This management's discussion and analysis ("MD&A") of the financial condition and operating results of Prosper Gold Corp. ("Prosper Gold" or the "Company") for the year ended October 31, 2022 is derived from, and should be read in conjunction with, Prosper Gold's audited financial statements for the year ended October 31, 2022, as publicly filed on SEDAR at www.sedar.com.

The Company prepared the audited financial statements and note disclosures for the year ended October 31, 2022 in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). This MD&A complements and supplements but does not form part of the Company's audited financial statements.

All dollar amounts contained herein are expressed in Canadian dollars unless otherwise stated.

Cautionary Note to Investors Concerning Forward-looking Statements

Forward-looking statements look into the future and provide an opinion as to the effect of certain events and trends on the business. Forward-looking statements may include words such as "plans", "intends", "anticipates", "should", "estimates", "expects", "believes", "indicates", "suggests" and similar expressions.

This MD&A contains forward-looking statements that are based on the Company's expectations, estimates and projections regarding its business, and the economic environment in which it operates. These statements are not guarantee of future performance and involve risks and uncertainties that are difficult to control or predict. Examples of specific risks associated with the operations of the Company are set out under "Risk Factors". Actual outcomes and results may differ materially from those expressed in these forward-looking statements and readers should not place undue reliance on such statements.

All forward-looking statements have been made subject to risk factors summarized on page 18 of this MD&A.

This MD&A has been prepared using information as of February 3, 2023 and approved by the Board on February 3, 2023.

1.2 BUSINESS OVERVIEW

Prosper Gold is an exploration and development company focused on acquiring and advancing mineral prospects in British Columbia and Ontario.

PROJECTS

Golden Sidewalk

In August 2020, Prosper Gold optioned, staked, and purchased over 16,000 hectares of mineral claims and leases in Red Lake, Ontario, which comprise the Golden Sidewalk Project.

Gold was first discovered on the property in 1926. The discovery was called the “Golden Sidewalk” on the early maps, where it was described as a white granular quartz vein 11 feet (3.35 m) wide where exposed and was observed to contain an abundance of coarse gold. The Bathurst Mine was developed in 1929 with a 61 m shaft and two levels with about 900 m of drifting and cross cuts. A total of 149 oz of gold and 50 oz of silver were produced in 1929 and the Bathurst Mine saw intermittent production until 1937.

The most recent historical diamond drilling took place in 2008 where twenty-three holes totaling 2,472 m were drilled by Sabina Gold & Silver Corp. (“Sabina”). Drilling intersected gold mineralization in the primary target “Bathurst Mine Horizon” and discovered a second horizon with high-grade gold mineralization, including 45.96 g/t gold (1.34 oz/t gold) over 1.70 m 420 m west of the Bathurst Mine.

In 1993, the Geological Survey of Canada released results from a basal till sampling program performed in the Red Lake area (*Open File 2583, 1993 by D.R. Sharpe*). Follow-up work traced the survey findings up ice towards magnetic anomalies located at or near the Balmer/Confederation Assemblage contact. The gold grains are less rounded and mechanically worn (more pristine), which can reflect a local source. In summer and fall 2003, Teck carried out extensive exploration including a detailed airborne magnetometer survey, aerial photography, geological mapping and rock sampling, rock geochemical survey, and till sampling.

Teck’s till sampling identified many samples with pristine gold grains in a down-ice dispersal zone measuring 5 km wide by 3 km long concentrated along a regional unconformity. More detailed till sampling and a reconnaissance induced polarization (“IP”) survey were recommended to define follow-up drill targets.

After completion of geophysical, geological and geochemical surveys in the fiscal 2020 and 2021 periods, the Company has outlined a large, highly prospective target now named the Golden Corridor. The target area is defined as a west-northwest to west-trending structural corridor in proximity to a regional-scale fault that is also an unconformable contact between two lithologic assemblages. The Golden Corridor exhibits favourable multi-parameter geophysical signatures and is supported by a 7,000 m by 500 m pristine gold grain-in-till anomaly. Given the prospectivity and potential for a large gold system, the Golden Corridor is now the Company’s primary focus of exploration at the Golden Sidewalk Project.

The Company announced the commencement of diamond drilling at the Golden Corridor on May 25th, 2021. The proposed 10,000 metre Phase 1 diamond drilling, which was subsequently upgraded to a 15,000-metre program (see the company’s June 22nd, 2021 News Release), is

supported by a 25-person camp that was constructed by the Company on the Golden Sidewalk mineral claims approximately 5.5 kilometres northwest of the Golden Corridor proposed drill site locations.

Phase 2 diamond drilling, following up on high priority targets at the Golden Corridor identified in Phase 1, commenced in late October, 2021 and was completed in early April, 2022. Drilling now totals 27,844.5 metres in 87 diamond drill holes. Highlights of the drilling that have been reported publicly to date include 0.55 metres grading 22.7 g/t gold in drill hole DD21GC039, 5.88 m grading 3.13 g/t gold in drill hole DD22GC068 and 4.19 m grading 3.52 g/t gold in drill hole DD22GC087. Refer to the Company's January 17th, 2022 and May 17th, 2022 News Releases. The Company has commissioned a structural study through SRK Consulting (Canada) Inc. in Toronto, Ontario which will providing insight to structural and directional controls on gold mineralization at the Golden Corridor and targets for follow-up drill testing.

Prosper Gold exercised its option to acquire a 70% interest in the Golden Sidewalk property and the Skinner Property (see the Company's February 7th, 2022 News Release). In order to acquire the 70% interest in the properties, the Company issued an aggregate 900,000 common shares, paid an aggregate of \$40,000 in cash and incurred an aggregate of \$2,600,000 in expenditures on the properties.

The Option Agreement (See the Company's August 10th, 2020 News Release) calls for the Company to pay \$50,000 cash, issue up to 1,500,000 Prosper Gold shares and for work expenditures totaling \$2,600,000 over 4 years in order to earn a 100% interest. 2.0% NSR will be retained by the optionor and the Company can elect to purchase 1.0% of the NSR by payment of \$1,000,000. Subsequent to the 2022 year-end, the Company paid \$10,000 and issued 600,000 common shares to Sabina and other relevant stakeholders and completed the acquisition of the remaining 30% interest for the Golden Sidewalk property (see the Company's November 22nd, 2022 News Release).

On November 28, 2022, the Company announced it had purchased 100% of Mr. Perry English's right, title and interest in a 2% net smelter return royalty on the Company's Skinner Gold Property, which forms part of the Golden Sidewalk Project.

Beginning in late June and concluding in early August of 2022, field crews completed 175 line-kilometres of ground magnetometer surveying at the Skinner Target Area. 70 lines spaced 50 metres apart were surveyed in an effort to obtain high-resolution magnetic data to outline structural elements which will help to guide future exploration at this target area.

In the centre of the magnetic survey grid exists the Skinner North Prospect, a small exposure of bedrock which hosts a gold-bearing quartz vein. A stripping, washing and channel sampling program was completed at this showing in July and August of 2022. The intent of the stripping and sampling program was to further expose and sample the gold mineralization at this historical showing. The program was successful in expanding upon previous rock chip sampling results by uncovering over 40 metres of a 6- to 12-metre-wide mineralized shear zone. Gold mineralization

is predominantly associated with disseminated to blebby pyrite in quartz-carbonate veins up to 1 metre in width, and within sheared and iron-carbonate altered mafic volcanic wallrock. Highlights of the channel sampling program include 9.69 g/t gold over 3.0 metres and 13.13 g/t gold over 1.8 metres (see the Company's September 7th, 2022 News Release). Low to locally high-grade gold mineralization persists across the width and exposed length of the shear zone.

In November of 2022, the Company completed 1,252 metres of diamond drilling in 8 drill holes at the Skinner North prospect. The drill program was the first to be completed at the Skinner North Prospect. Analytical results are pending.

ONTARIO PROJECTS

Wydee & Galahad, Matachewan

In 2016, Prosper Gold entered into a definitive agreement to acquire the option to earn a 90% interest in the extensive land position surrounding the Ashley Gold Mine and Young Davidson Mine Area in the Cadillac Larder Lake Fault Area in Ontario. The Wydee and Matachewan properties were both subject to the 2016 agreement. In February 2021, the Company withdrew from the option agreement. Prosper Gold still holds a 100% interest in 13 mineral claims and 9 mineral leases (the Galahad) contiguous to the ground previously under option.

The Company received 60,000 common shares of Canada Nickel Company Inc. ("CNC") on January 12th, 2022, in consideration for the sale of 43 mineral claims from the Company's Wydee claim block. The purchase and sale of the mineral claims is further subject to a 2.0% Net Smelter Returns royalty to be granted to Prosper Gold of which one half (1.0%) can be purchased by CNC at any time during the entirety of the life of the royalty.

No exploration activities were completed at the Matachewan, Wydee or Galahad projects for the year ended October 31, 2022.

THE STAR

The Star Project is an alkalic porphyry copper-gold prospect in northwest BC. Prosper Gold holds a 51% majority interest in the Star Project joint venture pursuant to the Joint Venture Agreement dated September 2, 2016 between the Company and Otso Gold Corp. (formerly Firesteel Resources Inc.).

No exploration activities were completed at the Star Project for the year ended October 31, 2022.

The Company signed a definitive option agreement with CAVU Mining Corp. ("CAVU") to grant CAVU the exclusive right and option to acquire the Company's 51% interest in the Star Project. Under the terms of the option agreement, CAVU may exercise the option by issuing 1,250,000 common shares of CAVU by May 23, 2022 (received) and making aggregate cash payments of \$1,155,000 to the Company consisting of \$100,000 by May 23, 2022 (received), \$285,000 by July 1, 2022 (received), \$385,000 by May 23, 2023 and \$385,000 by May 23, 2024.

1.3 SELECTED ANNUAL FINANCIAL INFORMATION

The Company's financial statements and the financial information set out below are prepared in accordance with IFRS as issued by the IASB. The Company's significant accounting policies are disclosed in note 3 to the Company's audited financial statements for the year ended October 31, 2022. The Company's functional and reporting currency is the Canadian dollar.

Statement of Financial Position Selected Information	October 31, 2022	October 31, 2021	October 31, 2020
Total current assets	\$ 622,367	\$ 4,437,651	\$ 2,514,463
Total non-current assets	1,495,066	1,498,642	1,042,074
Total assets	\$ 2,117,433	\$ 5,936,293	\$ 3,556,537
Total current liabilities	\$ 255,551	\$ 718,627	\$ 290,190
Total non-current liabilities	40,000	40,000	40,000
Total liabilities	295,551	758,627	330,190
Total equity	1,821,882	5,177,666	3,226,347
Total liabilities and shareholders' equity	\$ 2,117,433	\$ 5,936,293	\$ 3,556,537

Total current assets are comprised of cash, amounts receivable, marketable securities and prepaid expenses and deposit.

At October 31, 2022, current assets decreased by \$3,815,284 compared to October 31, 2021. The decrease is due to the decrease in cash of \$3,411,503, the decrease in amounts receivable of \$448,906, the increase in marketable securities of \$252,945 and the decrease in prepaid expenses and deposits of \$207,820. The decrease in cash is due to the operations and exploration expenditures incurred for the 2022 fiscal year. The decrease in amounts receivable is due to the refund of the second quarter GST refund for the 2021 fiscal year that was received in the 2022 fiscal year. The increase in marketable securities in 2022 is due to the 1,250,000 CAVU common shares received for the option of the Star Property. The decrease in prepaid expenses and deposit is due to the amortization of prepaid advertising and promotional expenses and the expense of a non-refundable deposit paid for the camp facility that the Company has determined not viable.

Current assets increased by \$1,923,188 for the 2021 fiscal year compared to 2020 fiscal year. The increase is due to the increase in cash of \$1,289,850, the increase of \$390,399 in amounts receivable, the addition of \$13,000 in marketable securities and the increase in prepaid and deposit of \$229,939. The increase in cash is due to the December 2020 private placement completed with a gross proceed of \$5,500,000 and the exercise of warrants for cash of \$2,804,825, offset by share issue costs of \$194,957 and payment of operational and exploration expenditures incurred. The

increase in amounts receivable is from GST receivable for the last 2 quarters. The addition of marketable securities consists of 100,000 common shares of LaSalle Exploration Corp. (“LaSalle”) with the market value of \$13,000 at the end of the 2021 fiscal year. Lastly, the prepaid expenses and deposit also increased by \$229,939 due to the increase of \$8,349 in prepaid amounts paid for liability and D&O insurance, deposits made for marketing and conferences for \$45,757 and \$117,500 partial payment for the order of a steel building structure, the increase of \$48,939 to the Company’s credit card account near the end of the 2021 fiscal year, with the remainder of the increase attributable to annual filing fees and annual service contracts for office equipment.

Total non-current assets consist of reclamation deposits, right-of-use asset, furniture, computers, camp equipment, vehicle, leasehold improvements, and the acquisition costs of mineral properties.

During the 2022 fiscal year, the Company entered into an 18-month lease agreement for the Vancouver office premise effective May 1, 2022. The Company recorded the right-of-use asset with the initial fair value of \$147,628 and recorded amortization of \$49,209 resulting in a net value of \$98,419 at October 31, 2022.

In addition, the Company also incurred \$37,244 for equipment and leasehold improvements. Amortization of equipment and leasehold improvements for the year totalled \$87,495.

During the 2021 fiscal year, the Company capitalized \$384,104 for camp equipment, vehicles, and computer equipment for Golden Sidewalk project. Amortization of fixed assets for the 2021 fiscal year totalled \$50,167.

Mineral properties had a net decrease of \$51,744 for the 2022 fiscal year compared to the 2021 fiscal year. The decrease includes the sale of the option of the Star Property to CAVU with carrying cost of \$446,715 offset by cash proceeds of \$385,000 and 1,250,000 common shares of CAVU received with a fair value of \$450,000 and legal costs of \$12,898 incurred for transaction costs. The decrease is offset by the issuance of 800,000 common shares with a value of \$352,000 for the Golden Sidewalk project and \$42,971 in acquisition costs of which \$6,000 were for payment of claims, \$20,000 for option payment and \$16,971 in legal fees for transaction costs.

Mineral properties increased by \$122,725 in 2021 compared to the 2020 fiscal year. The increase includes common shares issued with a fair value of \$87,000 for option payment, the purchase of claims for \$13,200, offset by the sale of claims of \$11,176, the purchase of vacant land for \$117,218 and the write-off of the costs of \$83,517 for the Galahad project.

Total current liabilities include accounts payable and accrued liabilities and the current portion of lease liability.

Current liabilities in 2022 decreased by \$463,076 compared to the 2021 fiscal year. Accounts payable and accrued liabilities decreased by \$563,586 due to no drilling activities for the last 6

months of the 2022 fiscal year. The current liabilities in 2022 include the current portion of lease liabilities of \$100,510 for the Vancouver office lease from May 1, 2022 to October 31, 2023.

Current liabilities in 2021 increased by \$428,436 compared to the 2020 fiscal year. This is due to the on-going drilling activities at the Company's year end. The increase is mainly due to the balance payable for drilling of \$322,557, \$88,771 for assaying expenses and the remainder in expenses related to other exploration and operational expenses.

Due to the world-wide pandemic of the COVID-19 virus during the 2020 fiscal year, the Company applied for a subsidy loan of \$40,000 through the Company's bank that is guaranteed by the Federal government. The loan payable is interest free and due for repayment by December 31, 2022. During the 2022 fiscal year, the Government of Canada extended the repayment date of the loan to December 31, 2023.

Total equity consists of share capital, reserves and deficit. Increase in share capital is due to the share issuances for private placements and mineral property options, offset by share issue costs. The increase in reserves is due to the recording of the fair value share-based compensation including the graded vesting of stock options and restricted share units, the fair value of warrants issued to unit holders and brokers for private placements, offset by the forfeiture of stock options by the departure of employees and officers of the Company. Deficit changes are due to the net loss for the year offset by the forfeiture of stock options.

Total equity decreased by \$3,355,784 at the end of the 2022 fiscal year compared to the end of the 2021 fiscal year.

The decrease is due to the exploration and operation expenses incurred with net loss of \$5,523,828 for the year, offset by the increase in contributed surplus of \$1,816,313 for share-based payments and the increase in share capital of \$351,731 consisting of common share issuance of \$352,000 for mineral property option, offset by share issue costs of \$269.

Total equity increased by \$1,951,319 at the end of 2021 compared to 2020.

During the 2021 fiscal year, the share capital increased due to the private placement in December 2020 for gross proceeds of \$5,500,000; the exercise of warrants for \$2,804,825; and the issuance of 100,000 common share for mineral option payment with a fair value of \$87,000. The issuance of shares is offset by share issue costs of \$302,047. The increase in reserves of \$2,381,367 is due to the fair values recorded for the stock options and restricted share units granted and the fair value of warrants issued for finders' fees for the private placement. In addition, stock options were forfeited during the 2021 fiscal year which reduced the increase in reserves. The increase in deficit for the 2021 fiscal year is due to the net loss for the year offset by the reversal of the fair value of stock options forfeited.

Statement of Comprehensive Loss – Selected Information	Year ended October 31, 2022	Year ended October 31, 2021	Year ended October 31, 2020
Expenses			
Exploration and property investigation expenditures	\$ 3,049,034	\$ 4,891,020	\$ 501,423
General administration	941,332	1,295,916	346,674
Share-based payments	1,816,313	2,427,844	49,773
	5,806,679	8,614,780	897,870
Other (income) and loss			
Interest income	(5,681)	(16,347)	(3,516)
Other (income)/expense (net)	(277,170)	(8,557)	-
Write-off of mineral properties	-	83,517	116,592
Net loss and comprehensive loss	\$ 5,523,828	\$ 8,673,393	\$ 1,010,946
Basic and diluted loss per share	\$ 0.23	\$ 0.42	\$ 0.12

Exploration and property investigation expenditures are costs incurred for the Star Property in British Columbia and the Ontario Projects in Ontario.

The decrease in exploration expenditures in the 2022 fiscal year compared to the 2021 fiscal year is due to the decrease in drilling programs for the Golden Sidewalk Property in 2022 while the increase in exploration expenditures in the 2021 fiscal year compared to the 2020 fiscal year is due to the multi-phase drilling program in place for the Golden Sidewalk Property.

During the 2020 fiscal year, the Company exploration costs were incurred for the Golden Sidewalk and Matachewan Projects in Ontario. There were less exploration expenses of \$272,315 in 2020 due to the smaller budget for the Matachewan Project for work performed in 2020 and the commencement of the Golden Sidewalk Project in the last quarter of the 2020 fiscal year.

General administration includes general and administrative expenses; management salaries and fees, professional fees and transfer agent, listing and filing fees.

General administrative expenses decreased by \$354,584 in the 2022 fiscal year compared to the 2021 fiscal year. The decrease is due to the decrease in management salaries and fees of \$126,867; a decrease of \$32,788 for legal and audit fees; a decrease of \$202,430 in general and administrative expenses which includes operation expenses such as promotional expenses, insurance, rent, insurance, and conferences; offset by an increase of transfer agent, listing and filing fee of \$7,501.

General administrative expenses during 2021 increased by \$949,242 compared to 2020 are due to the increase in salary expenses of \$503,901, an increase of \$46,063 for professional fees for legal and audit fees, an increase of \$22,107 for transfer agent and filing fees and an increase of \$377,171 for other operational expenses including promotion, insurance, supplies and administrative salaries.

General administrative expenses of \$346,674 for 2020 include \$84,231 for management fees, \$47,556 for legal and audit fees, \$29,562 for transfer agent, listing and filing fees and \$185,325 for other operational expenses including promotion expense, rent, insurance, office expense and conference expenses.

Share-based payments in 2022 include the fair value of stock options of 2,204,000 and the fair value of restricted share units of 1,513,000. The fair value recorded in 2022 decreased by \$611,531 from \$2,427,844 in 2021 to \$1,816,313 in 2022.

Share-based payments in 2021 include the recording of fair value of 2,245,500 stock options and the fair value of restricted share units of 1,513,000 issued and vested during the year. The increase totalled \$2,378,071 for the 2021 fiscal year compared to the 2020 fiscal year.

Interest income include interest earned on the balance in the current account with interest rate at composite prime less 2.90% and interest paid by the bank on the Company's reclamation deposit from 1.25% to 3.33% interest. The interest rate provided on the deposit balances are subject to the change in the interest rate during the period.

Other income/expense for the 2022 fiscal year includes interest income of \$5,681 and \$580,587 for the gain on sale of mineral properties, \$106,362 for loss on sale of marketable securities and \$197,055 for unrealized loss on marketable securities.

Other income/expense for the 2021 fiscal year includes the gain on sale of mineral claims of \$14,557 and the unrealized loss of \$6,000 for marketable securities for shares in LaSalle Exploration Corp.

During 2021, the Company wrote off \$83,517 for the Galahad property.

The Company wrote off \$116,592 for the Matachewan and Wydee mineral property costs in 2020.

1.4 SUMMARY OF QUARTERLY INFORMATION

The following is the selected financial information for the Company's most recent eight quarters ended October 31, 2022:

Quarter ended	Total revenue	Net loss and comprehensive loss	Net loss per share (basic and diluted)	Total assets
	\$	\$	\$	\$
Q4/22 – October 31, 2022	-	(631,483)	(0.03)	2,117,433
Q3/22 – July 31, 2022	-	(963,968)	(0.04)	2,530,014
Q2/22 – April 30, 2022	-	(2,001,260)	(0.08)	2,984,573
Q1/22 – January 31, 2022	-	(1,927,117)	(0.08)	4,142,482
Q4/21 – October 31, 2021	-	(3,688,355)	(0.16)	5,936,293
Q3/21 – July 31, 2021	-	(2,840,654)	(0.13)	7,462,984

Q2/21 – April 30, 2021	-	(1,232,070)	(0.06)	8,615,278
Q1/21 – January 31, 2021	-	(912,314)	(0.06)	8,493,006

The Company's total assets in the first quarter of 2021 include cash from the completion of a private placement for 6,111,111 units for a proceed of \$5,500,000.

During the second quarter of 2021, the Company commenced geophysical survey work. This resulted in the increase in expenditures for exploration compared to the previous quarter. In addition, the increase in net loss in the second quarter of 2021 is due to the share-based payment expense recorded for the 1,521,500 of stock options grant and an increase in promotion expenses included in general and administrative expenses.

The total assets increased in the second quarter of 2021 due to the increase in cash for the exercise of warrants, the increase in prepaid expenses for prepaid rent for the new office lease, the increase in deposit for the Company's prepaid credit card balance and the acquisition of office computers, vehicles and camp equipment.

During the third quarter of 2021, the Company continued with the Golden Sidewalk project with the drilling program which resulted in an increase in exploration expenses of \$1,404,073 compared the second quarter of 2021. During the third quarter, the Company granted 600,000 stock options and issued 1,513,000 restricted share units resulting in an increase in share-based payment expense of \$311,578 compared to the second quarter of 2021.

Total assets decreased in the third quarter due to the increase in expenses incurred for the exploration program and general operation expenses, offset by the cash proceeds from the exercise of warrants.

In the last quarter of 2021, the Company incurred \$2,581,519 for exploration expenses, an increase of \$849,412 and an increase of \$29,205 for management fees compared to the third quarter of 2021 and the increase in share-based payment for \$1,606,370 due to adjustment to the fair value of the restricted share units and vesting of stock options compared to the previous quarter. The increase is netted against the decrease in professional fees, transfer agent fees and general and administrative expenses.

In the first quarter of the 2022 fiscal year, the net loss is due to the continuation of exploration activities on the Golden Sidewalk Project totaled \$1,178,560 and the recording of the fair value of \$634,720 for stock options and restricted share units granted in the prior quarters. The Company also received a grant of \$60,000 from the Ministry of Northern Development, Mines, Natural Resources and Forestry under an Ontario Transfer Payment Agreement which has been applied against exploration expenditures for the period. In addition, the Company sold 43 claims to the Wydee Property to Canadian Nickel Company Inc. in exchange for 60,000 common shares of CNC with a fair value of \$205,200. The claims were previously written off and the gain of \$205,200 has been recognized during this quarter.

The net loss incurred in the second quarter of the 2022 fiscal year is due to the net exploration expenses of \$1,144,025 including \$140,000 received for the grant from the Ministry of Northern Development, Mines, Natural Resources and Forestry under an Ontario Transfer Payment Agreement. The net loss also includes share-based payment expenses of \$580,132 for stock options and restricted share units.

The decrease in net loss for the third quarter of 2022 compared to the second quarter of 2022 is due to no drilling program scheduled for the period. The decrease in total assets is due to decrease in mineral properties from funds received for the CAVU option agreement for the Star Project and the usage of the cash received for operating and exploration expenses.

The Company continued to incur operation expenses and lower exploration expenses in the last quarter of the 2022 fiscal year. There were no drilling activities during the last quarter of the year.

The total assets decreased in the last quarter compared to the third quarter of 2022 due to the use of cash for operations and exploration expenses.

1.5 RESULTS OF OPERATIONS

The Company recorded a net loss and comprehensive loss of \$5,523,828 and \$8,673,393 for the year ended October 31, 2022 and October 31, 2021 respectively. The decrease in net loss totaled \$3,149,565 is due to the decrease in exploration expenses of \$1,841,986 (net of \$200,000 for grant); decrease of \$202,430 for general and administration expense; decrease of \$126,867 for management salaries and fees; decrease of \$32,788 for professional fees; an decrease of \$611,531 for share-based payment expenses; an increase of \$7,501 for transfer agent, listing and filing fees and an decrease of interest income of \$10,666. The Company also recorded a gain on sale of mineral properties of \$580,587, a realized loss on marketable securities of \$106,362 and an unrealized loss on sale of marketable securities of \$197,055 for the year ended October 31, 2022.

The following table provides a breakdown of exploration expenditures on the Ontario Projects incurred during the year ended October 31, 2022:

	Year ended October 31, 2022	Accumulated-to-date – October 31, 2022
Airborne survey	\$ -	\$ 539,543
Assay and analysis	323,654	1,275,852
Camp accommodations	117,500	622,298
Drilling	1,296,177	5,391,174
Equipment rentals	38,334	146,157
Field costs	393,086	1,065,428
Geological	295,824	1,481,695
Property rentals	166,576	399,599
Salaries and benefits	495,644	1,946,199
Staking and mining rent	2,157	64,443
Transportation and freight	55,871	213,881
Travel and accommodations	62,211	270,786
Total	\$ 3,247,034	\$ 13,417,055

The Company began exploration on the Ontario Projects during May 2016. Airborne survey and soil sampling were completed in July 2016 and the drilling program began shortly thereafter. Field costs include camp construction and camp fuel, rental costs for accommodations for camp personnel, camp food and supplies and repair and maintenance of camp equipment. Geological costs include fees paid to geological consultants and geophysics reports. Transportation and freight costs include the fuel costs for vehicles and courier charges to camp. Travel and accommodation costs include travel, meals and accommodation costs for staff and management personnel to travel to camp.

During the year ended October 31, 2022, the Company continued to incur costs for work on the Golden Sidewalk property as part of the Ontario Projects with the cost of drilling totaling \$1,296,177, salaries and benefits of \$495,644 and assay cost of \$323,654.

There were minimal exploration expenditures for the Star Property for the year ended October 31, 2022 due to no drilling programs conducted during the period. The expenditures for the year ended October 31, 2022 consist of \$2,000 for storage of equipment.

The following table provides a breakdown of general administration costs incurred during the years ended October 31, 2022 and 2021:

General administration costs:	Year ended October 31, 2022	Year ended October 31, 2021
General and administrative	\$ 360,066	\$ 562,496
Management salaries and fees	461,265	588,132
Professional fees	60,831	93,619
Transfer agent, listing and filing fees	59,170	51,669
	\$ 941,332	\$ 1,295,916

The decrease in general and administrative expenses for the year ended October 31, 2022 compared to October 31, 2021 of \$202,430 is mainly due the decrease in promotion and marketing expenses of \$148,699, a decrease in office expenses of \$43,785, a decrease in financial consultant fees of \$26,427, a decrease in office salaries of \$33,317, offset by an increase in conference fees of \$23,200, an increase in AGM and AGM meals of \$24,043.

Management salaries and fees decreased by \$126,867 for the year ended October 31, 2022 compared to the same period in 2021 due to the decrease in salaries paid to the CEO. During the first quarter of 2021, the Company paid the CEO \$200,000 for his salary for the 2020 calendar year.

The decrease in professional fees of \$32,788 is due to the decrease in legal fees for the year ended October 31, 2022 compared to the year ended October 31, 2021. During the year ended October 31, 2021, the Company incurred legal fees for the issuance of the Restricted Share Units.

The increase in transfer agent, listing and filing fees of \$7,501 is due to the increase in filing fees expenses for the 2022 fiscal year and the listing fees with the OTCQX in the US.

1.6 LIQUIDITY

The Company's main source of funding has been the issuance of equity securities for cash through private placements. There were no private placement and exercise of warrants during the year ended October 31, 2022. During the year ended October 31, 2022, the Company received a grant of \$200,000 from the Ministry of Northern Development, Mines, Natural Resources and Forestry under an Ontario Transfer Payment Agreement.

Subsequent to the 2022 fiscal year, the Company completed a private placement consisting of 3,455,000 non-flow-through units at \$0.20 per unit and 4,000,000 flow-through units at \$0.25 per unit for total proceeds of \$1,691,000. Each non-flow through unit consists of one common share and one warrant with an exercise price of \$0.30 to purchase one common share for a period of 24 months from closing. Each flow through unit consists of one common share and one-half of one non-flow through warrant. Each whole warrant is exercisable at \$0.30 for a period of 24 months from closing. In connection with the closing of the private placement, cash finder's fees of \$85,300 was paid and 354,550 common share purchase warrants were issued. Each finder's warrant is exercisable at \$0.30 for a period of 24 months from closing.

The Company's continuing operations are dependent on the ability of the Company to obtain the necessary financing to continue to explore the Ontario Projects, the Star Project and any future projects, the existence of economically recoverable mineral reserves from each project and the proceeds of dispositions of its mineral interests.

During the year ended October 31, 2022, cash flow used for operating activities was \$3,754,841 mainly due to exploration costs for the Ontario Projects, general and administrative costs including salaries and marketing. Management has estimated that the Company will continue to incur expenditures of \$450,000 per month for the months when the Company's drilling program is in effect and \$75,000 per month during the months where no drilling is conducted.

At October 31, 2022, the Company had cash of \$224,796 which will be insufficient to meet current liabilities of \$255,551 due within one year. The working capital of the Company at October 31, 2022 is \$366,816.

Additional debt or equity financing will be required to fund additional exploration programs. The Company has a reasonable expectation that additional funds will be available to meet ongoing and future exploration costs. However, there can be no assurance that the Company will continue to obtain additional financial resources on terms suitable to the Company.

Although the Company was able to successfully complete the private placement subsequent to the 2022 fiscal year, the deterioration in market conditions could potentially increase the cost of obtaining capital or limit the availability of funds in the future. Accordingly, management is

actively monitoring the effects of the current economic and financing conditions on the Company and reviewing discretionary spending, capital projects and operating expenditures, and implementing appropriate cash management strategies.

During the year ended October 31, 2022, the Company signed a definitive option agreement with CAVU Mining Corp. (“CAVU”) to grant CAVU the exclusive right and option to acquire the Company’s 51% interest in the Star Project. Under the terms of the option agreement, CAVU may exercise the option by issuing 1,250,000 common shares of CAVU by May 23, 2022 (received) and making aggregate cash payments of \$1,155,000 to the Company consisting of \$100,000 by May 23, 2022 (received), \$285,000 by July 1, 2022 (received), \$385,000 by May 23, 2023 and \$385,000 by May 23, 2024. The fair value of the 1,250,000 common shares at issuance was \$450,000. The fair value will be adjusted with an unrealized loss recorded in the statement of comprehensive loss.

Subsequent to the 2022 fiscal year, CAVU is acquired by Alpha Copper Corp. (“ALCU”). As CAVU shareholders received 0.7 of ALCU common shares, the Company received 875,000 ALCU common shares.

Subsequent to the 2022 fiscal year, the Ministry of Energy, Mines and Low Carbon Innovation returned the two Letters of Credits of \$190,000 and \$29,000 and released the Company of any further obligations for the Star Property in British Columbia.

1.7 CAPITAL RESOURCES

At October 31, 2022, there were no externally imposed capital requirements to which the Company is subject and with which the Company has not complied.

The Company’s capital consists of items in shareholders’ equity of \$1,821,882, lease liability of \$100,510 and loan payable of \$40,000 as at October 31, 2022, compared to \$5,177,666 in shareholders’ equity and \$40,000 of loan payable as at October 31, 2021. The decrease is due to the net loss of \$5,523,828 offset by the recording of \$1,816,313 in share-based payments.

1.8 OFF-BALANCE SHEET ARRANGEMENTS

None.

1.9 TRANSACTIONS BETWEEN RELATED PARTIES

The Company’s related parties consist of its key management personnel, including its directors and entities controlled by key management personnel. During the normal course of business, the Company entered into transactions with its related parties that are considered to be arm’s length transactions and are made at normal market prices and on normal commercial terms.

- a) Key management compensation includes \$786,746 for short-term benefits and share-based payments of \$879,482 for stock options benefit and \$945,202 for restricted share units for the year ended October 31, 2022.
- b) At October 31, 2022, accounts payable and accrued liabilities include \$33,269 due to the management for accrued salary and fees and \$324 for expense reimbursements.

1.10 FOURTH QUARTER

Statement of Financial Position Selected Information	October 31, 2022	July 31, 2022
Total current assets	\$ 622,367	\$ 919,469
Total non-current assets	1,495,066	1,610,545
Total assets	\$ 2,117,433	\$ 2,530,014
Total current liabilities	\$ 255,551	\$ 234,433
Total non-current liabilities	40,000	64,350
Total liabilities	295,551	298,783
Total equity	1,821,882	2,231,231
Total liabilities and shareholders' equity	\$ 2,117,433	\$ 2,530,014

The decrease in current assets of \$297,102 for the quarter is mainly due to the decrease in cash used for exploration and operation expenses.

The decrease in non-current assets of \$115,479 is mainly due to the amortization of right-of use assets and equipment and leasehold improvements and the adjustment to mineral properties for the CAVU common shares issued to the Company.

The decrease in total equity is due to the net loss for the quarter offset by the increase in contributed surplus from the recording of the fair value of shared based payments.

The total equity has decreased mainly due to the net loss for the period.

Statement of Comprehensive Loss – Selected Information	3 months ended October 31, 2022	3 months ended October 31, 2021
Expenses		
Exploration and property investigation expenditures	\$ 397,366	\$ 2,581,519
General administration	201,401	208,373
Share-based payments	222,135	821,475
	820,902	3,611,367
Other (income) and loss	(3,345)	(9,029)

Interest income		
Gain on disposal of mineral property	(375,387)	-
Unrealized loss on marketable securities	189,313	2,500
Write-off of mineral properties	-	83,517
Net loss and comprehensive loss	\$ 631,483	\$ 3,688,355
Basic and diluted loss per share	\$ 0.03	\$ 0.16

Exploration and property investigation expenditures decreased compared to the last 3 months of 2021 due to decrease in the drilling program in the last quarter of the 2022 year. General administration expenses also decreased due to the decrease in advertising and promotion expense and other operation expenses because of the decrease in exploration activities for the last quarter.

The share-based payments decreased for the last quarter of 2022 due to the decrease in stock options and restricted share units vested compared to the 2021 year.

1.11 PROPOSED TRANSACTIONS

There are no proposed transactions currently in progress for the Company.

1.12 CRITICAL ACCOUNTING ESTIMATES

Refer to Note 2 of the audited financial statements for the year ended October 31, 2022.

1.13 CHANGES IN ACCOUNTING POLICIES

Refer to Note 3 of the audited financial statements for the year ended October 31, 2022.

1.14 FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Company's financial instruments consist of cash and cash equivalents, amounts receivable other than GST receivable, marketable securities, deposit, reclamation deposit, accounts payable and accrued liabilities, lease liability and loan payable. The fair values of the Company's cash and cash equivalents, amounts receivable other than GST receivable, deposit and accounts payable and accrued liabilities approximate the carrying amounts due to the short-term maturities of these instruments. The marketable securities are valued at market value.

The Company's financial instruments are exposed to certain financial risks, including credit risk, liquidity risk, interest rate risk and foreign currency risk.

The Company considers its exposure to credit risk to be low as its cash and cash equivalents, deposit and its reclamation deposits are held with a large financial institution with a strong credit rating.

The Company manages liquidity risk by maintaining adequate cash and managing its capital. At October 31, 2022, the Company had accounts payable and accrued liabilities of \$155,041 and lease liability of \$100,510 due within one year, and cash of \$224,796.

Floating interest earned on the Company's cash balances are considered to be at market interest rates. The deposit earns no interest and was held as a deposit for the Company's corporate credit card. The reclamation deposit earns interest of 0.10%. Assuming that all variables remain constant, a change representing a 1% increase or decrease in interest rate would not have a significant effect for the Company.

The Company is exposed to foreign currency risk to the extent that monetary assets and liabilities are denominated in foreign currency. At October 31, 2022, the Company's monetary assets and liabilities are primarily denominated in Canadian dollars.

1.15 OTHER MD&A REQUIREMENTS

a) Disclosure of Outstanding Share Data

	Number Outstanding
At the date of this MD&A	
Common Shares	31,611,476
Stock Options	2,204,000
Restricted Share Units	1,488,000
Warrants	5,809,550

b) Limitations of Controls and Procedures

The Company's management, including its Chief Executive Officer and Chief Financial Officer, believe that any system of disclosure controls and procedures or internal control over financial reporting, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Furthermore, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of controls. The design of any system of controls is also based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

1.16 RISK FACTORS

The risk factors associated with the principal business of the Company are outlined in detail below for the year ended October 31, 2022. Due to the nature of the Company's business and the present stage of exploration of the Property, an investment in the securities of the Company is highly speculative and subject to risks. Briefly, these include the highly speculative nature of the resources industry characterized by the requirement for large capital investments from an early stage and a very small probability of finding economic mineral deposits. In addition to the general risks of mining, there are country-specific risks, including currency, political, social, permitting and legal risk. An investor should carefully consider the risks and the other information that the Company provides on its website or files on Sedar before investing in the Company's common shares and should not consider an investment in the Company unless the investor can sustain an economic loss of the entire investment. The Company's actual exploration and operating results may be very different from those expected as at the date of this MD&A.

Ongoing Need for Financing

As the Company has limited financial resources, its ability to continue acquisition, exploration and development activities may be reliant on its continued attractiveness to equity and/or debt investors. The Company has incurred operating losses as it continues to expend funds to explore and develop the Star Project and any other properties it may acquire. Even if its financial resources are sufficient to fund its exploration and development programs, which will allow the Company to arrive at conclusions regarding commercial viability of the resources and reserves in the Property, there is no guarantee that the Company will be able to develop them in a profitable manner. The Company's ability to arrange financing in the future will depend in part upon prevailing capital market conditions, as well as the Company's business success. There can be no assurance that the Company will be successful in its efforts to arrange additional financing on terms satisfactory to the Company, and failure to raise such capital could result in the Company forfeiting its interest in the Property, missing certain acquisition opportunities, or going out of business.

Volatile Stock Price

The price of the Company shares is expected to be highly volatile and will be drastically affected by the success of exploration and test results. The Company cannot predict the results of its exploration activities expected to take place in the future. The results of these tests will inevitably affect the Company's decisions related to further exploration and/or production at any of the Property or other properties that the Company may explore in the future and will likely trigger major changes in the trading price of the Company shares.

Exploration, Development and Production Risks

There are inherent risks and speculation due to the expected nature of the Company's involvement in the evaluation, acquisition, exploration and if warranted, development and production of metals. Mineral exploration involves a high degree of risk and there is no assurance that expenditures made on future exploration by the Company will result in discoveries of commercial grade and/or quantities. While the Company have or will develop a limited number of specific identified exploration or development prospects within the Property, management will continue to evaluate prospects on an ongoing basis in a manner consistent with industry standards. The long-term commercial success of the Company depends on its ability to find, acquire, develop and commercially produce reserves. No assurance can be given that the Company will be able to locate satisfactory properties for acquisition or participation. Moreover, if such acquisitions or participations are identified, the Company may determine that current markets, terms of acquisition and participation or pricing conditions make such acquisitions or participations uneconomic. The Company has no history of earnings and will have no producing resource properties to begin with.

Uninsurable Risks from Operations

The Company's involvement in the exploration for and development of natural resource properties may result in the Company becoming subject to liability for certain risks, and in particular unexpected or unusual geological operating conditions including rock bursts, cave ins, fires, floods, earthquakes, pollution, blow-outs, property damage, personal injury or other hazards. Although the Company will obtain insurance in accordance with industry standards to address such risks, such insurance has limitations on liability that may not be sufficient to cover the full extent of such liabilities. In addition, such risks may not, in all circumstances be insurable or, in certain circumstances, the Company may elect not to obtain insurance to deal with specific risks due to the high premiums associated with such insurance or other reasons. The payment of such uninsured liabilities would reduce the funds available to the Company. The occurrence of a significant event that the Company is not fully insured against, or the insolvency of the insurer of such event, could have a material adverse effect on the Company's financial position, operations or prospects.

No assurance can be given that insurance to cover the risks to which the Company's activities will be subject will be available at all or at economically feasible premiums. Insurance against environmental risks (including potential for pollution or other hazards as a result of the disposal of waste products occurring from production) is not generally available to the Company or to other companies within the industry. The payment of such liabilities would reduce the funds available to the Company. Should the Company be unable to fully fund the cost of remedying an environmental problem, it might be required to suspend operations or enter into interim compliance measures pending completion of the required remedy.

Prices, Market Conditions and Marketing of Mineral Resources

The Company's ability to fund its exploration and development activities, and possible future profitability, will be directly related to the demand for the mineral resources found on its properties and their related market prices. Mineral prices are determined based on world demand, supply and other factors, all of which are beyond the control of the Company.

The Company must also successfully sell its mineral resources to prospective buyers. The marketability and price of natural resources which may be acquired or discovered by the Company will be affected by numerous factors beyond its control. These factors include market fluctuations, the proximity and capacity of natural resource markets, and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of natural resources and environmental protection. The exact effect of these factors cannot be accurately predicted, but any one or a combination of these factors could result in the Company not receiving an adequate return for shareholders. The Company has limited experience in the marketing of mineral resources.

Mineral Resource Estimates

The Company's future cash flows and earnings will be highly dependent upon the Company discovering and developing mineral resources from its properties. Any mineralization figures or descriptions presented in the Company's filings with securities regulatory authorities, press releases and other public statements that may be made from time to time are and will be based on descriptions and estimates made by the Company's personnel and independent consultants. These descriptions and estimates are imprecise and depend upon geological interpretation and statistical inferences drawn from drilling and sampling analysis, which may prove to be unreliable. The Technical Report states that no mineral resource or mineral reserve estimates have been completed for the Property. There can be no assurance that future estimates will be accurate, or reserves, resource or other mineralization figures will be accurate. There can be no assurance that the Company's future exploration and development efforts will result in the discovery of commercial accumulations of natural or mineral resources that the Company can develop at economically feasible costs.

Regulatory Matters

The exploration, development or mining operations carried on by the Company will be subject to government, legislation, policies and controls relating to prospecting, development, production, environmental protection, mining taxes and labour standards. The exercise of discretion by governmental authorities under existing regulations, the implementation of new regulations or the modification of existing regulations affecting the natural resources industry are beyond the control of the Company and could reduce demand for mineral resources, increase the Company's costs and have a material adverse impact on the Company. Before proceeding with a project, the

participants in the project must obtain all required regulatory approvals. Failure to obtain regulatory approvals, or failure to obtain them on a timely basis, could result in delays and abandonment or restructuring of the projects undertaken by the Company and increased costs, all of which could have a material adverse effect on the Company. In addition, the profitability of any mining prospect is affected by the markets for metals which are influenced by many factors including changing production costs, the supply and demand for metals, the rate of inflation, the inventory of metal producing companies, the political environment, and changes in industry investment patterns.

Competition

The Company may actively compete for acquisitions, leases, licenses, concessions, claims, skilled industry personnel, equipment, and other related interests with a substantial number of other companies, many of which have significantly greater history of operating and financial resources than the Company. The Company's ability to successfully bid on and acquire additional property rights, to participate in opportunities and to identify and enter into commercial arrangements with other parties could be adversely affected by the intensely competitive nature of the mining industry.

Potential Conflicts of Interest

Certain directors or officers of the Company are also directors, officers, shareholders and/or Promoters of other reporting and non-reporting issuers, including those engaged in the business of acquiring, developing and exploiting mineral resource properties. Such associations may give rise to conflicts of interest from time to time. The directors and officers 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 which they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the Board of Directors, any director in a conflict will disclose his interest and abstain from voting on such matter.

Title to Properties, Investments in Properties

There can be no certainty that an unforeseen defect in the chain of title in the Company's mineral properties will not arise to defeat the claim of the Company which could result in a reduction of any future revenue received by the Company. The possibility exists that title to the Property, or other properties of the Company, might be defective because of errors or omissions in the chain of title, including defects in conveyances and defects in locating or maintaining such claims or concessions. No assurances can be given that there are not title defects or other interests conflicting with the mining claims and interests subject to the Options, and the Property may be subject to prior unregistered liens, agreements or transfers, native land claims or other undetected title defects. As well, the Company may be required by its exploration and production contracts to make regular ongoing investments on its properties and perform minimum exploration work to

maintain its exploration and production contracts and to be eligible for further extensions. If the Company is unable to meet those minimum requirements, it may impede the extension of its contracts. The Company's properties will have been acquired from third parties and the terms for exploration and investment requirements pursuant to the contracts governing its interest in each property may vary significantly.

There is uncertainty related to unsettled aboriginal rights and title in BC and this may adversely impact the Company's operations and profit.

Native land claims in BC remain the subject of active debate and litigation. There can be no guarantee that the unsettled nature of land claims in BC will not create delays in project approval on the Property or unexpected interruptions in project progress or result in additional costs to advance the project.

Licensing and Permitting Delays

On February 20, 2014, the Company received a Multi-Year Area Based ("MYAB") Notice of Work permit from the British Columbia government authorizing a five-year exploration program at the Star Property (extended to March 2026). The operations of the Company will require licenses and permits from various governmental authorities. There can be no assurance that the Company will be able to obtain all necessary licenses and permits that may be required to carry out the exploration and development of its projects in a timely manner or at all.

Environmental Legislation

All phases of the mineral resource business present environmental risks and hazards and are subject to environmental laws and regulation pursuant to a variety of governmental authorities. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with operations. The legislation also requires that facility sites and mines be operated, maintained, abandoned, and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs. The discharge of tailings or other pollutants into the air, soil or water may give rise to liabilities to third parties and may require the Company to incur costs to remedy such discharge. No assurance can be given that environmental laws, today or in the future, will not result in a curtailment of production or a material increase in the costs of productions, development or exploration activities or otherwise adversely affect the Company's financial condition, results of operations or prospects.

Companies engaged in the exploration and development of mineral properties generally experience increased costs and delays as a result of the need to comply with applicable laws, regulations and permits. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties, such as the Company, engaged in natural resource exploration and development activities may be required to compensate those suffering loss or damage by reason of its activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, environmental laws.

Amendments to current laws, regulations and permits governing operations and activities of natural resource companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or a reduction in levels of production at producing properties or require abandonment or delays in development of new properties.

Reliance on Others and Key Personnel

The success of the Company will be largely dependent upon the performance of its management and key employees, as well as the talents of its outside consultants and suppliers. The Company may not have any “key man” insurance policies, and therefore there is a risk that the death or departure of any one or more members of management or any key employee could have a material adverse effect on the Company. The Company also faces intense competition for qualified personnel and there can be no assurance that the Company will be able to attract and retain the employees, personnel and/or consultants necessary to successfully carry out its activities.

Significant Capital Requirements

Substantial expenditures are required to establish ore reserves through drilling, to develop metallurgical processes to extract metal from the ore and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis. The discovery of mineral deposits is dependent upon several factors. The commercial viability of a mineral deposit once discovered is also dependent upon a number of factors, some of which relate to particular attributes of the deposit, such as size, grade and proximity to infrastructure, and some of which are more general factors, such as metal prices and government regulations. Most of these factors are beyond the Company's control. In addition, because of these risks, there is no certainty that the expenditures to be made by the Company on the exploration of the Property or other properties that it may acquire, as described herein, will result in the discovery of commercial quantities of ore.

Dilution to Existing Shareholders

The Company may be required to complete additional equity financings raised in the future. The Company may be required to issue securities on less than favorable terms to raise sufficient capital to fund its business plan in a timely manner. Any future transaction involving the issuance of equity securities or securities convertible into common shares would result in dilution, possibly substantial, to shareholders of the Company.

Dividends

To date, Prosper Gold has not paid any dividends on its outstanding securities and the Company does not expect to do so in the foreseeable future. Any decision to pay dividends on the Company shares will be made by the board of directors.

COVID-19

Since December 2019, the outbreak of the novel strain of coronavirus, specifically identified as “COVID-19”, has resulted in a widespread health crisis that has affected economies and financial markets around the world resulting in an economic downturn. This outbreak may also cause staff shortages, reduced consumer demand, increased government regulations or interventions, all of which may negatively impact the business, financial condition, or results of operations of the Company. The duration and impact of the COVID-19 outbreak remains unknown and it is not possible to reliably estimate the length and severity of these developments.

Russia-Ukraine Crisis

Russia’s invasion of Ukraine has injected a new uncertainty into the global economy, the impact of which is difficult to predict, as its outcome and longevity are unknown. With rising oil and commodity prices, the developing situation remains fluid, and the impact on Canadian consumer confidence in the face of a potentially significant inflationary threat is difficult to assess at this time.