



PORTOFINO
RESOURCES INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE SIX-MONTH PERIOD ENDED NOVEMBER 30, 2023

PORTOFINO RESOURCES INC.

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The Management Discussion and Analysis ("MD&A"), prepared on January 29, 2024 should be read in conjunction with the unaudited consolidated financial statements for six-month period ended November 30, 2023, together with the notes thereto of Portofino Resources Inc. ("Portofino") which were prepared in accordance with International Financial Reporting Standards.

This MD&A may contain forward-looking statements in respect of various matters including upcoming events. The results or events predicted in these forward-looking statements may differ materially from the actual results or events. The Company disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

DESCRIPTION OF BUSINESS

Portofino Resources Inc. ("the Company") was incorporated on June 14, 2011, under the laws of British Columbia. The address of the Company's corporate office and its principal place of business is Suite 520, 470 Granville Street, Vancouver, British Columbia, Canada. The Company's shares are listed for trading on the TSX Venture Exchange ("TSX-V") under the symbol "POR". On October 10, 2018, the Company incorporated under the laws of Argentina, Portofino Argentina which has been non-active with no transactions occurring during the six-month period ended November 30, 2023. The subsidiary is owned 95% by the Company and 5% by the Company's CEO.

The Company's principal business activities include the acquisition and exploration of mineral property assets. As at November 30, 2023, the Company had not yet determined whether the Company's mineral property asset contains ore reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the properties or realizing proceeds from their disposition. The outcome of these matters cannot be predicted at this time and the uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

The disclosure of technical information in this MD&A has been approved by Michael Kilbourne, P. Geo. and a Qualified Person ("QP") for the purposes of National Instrument 43-101, Standards of Disclosure for Mineral Projects ("NI 43-101"). Readers are directed to the section entitled "Scientific and Technical Disclosure" included within this MD&A.

Corporate Summary

During the six-month period ended November 30, 2023, and up to the date of the MDA, the Company's management undertook and accomplished a number of corporate objectives, as follows:

1. **Yergo Lithium Project:** September 25, 2023, the Company executed a binding agreement (the "Binding Agreement") with the new Yergo optionor (successor to the original Yergo Optionor) to acquire all rights and title to the Yergo Lithium Project concessions. Pursuant to the Binding Agreement, the Company paid consideration of \$600,000 USD. In accordance with the terms of the Binding Agreement, the Company has acquired 100% of the concession rights associated with the 2,932-hectare Yergo Lithium Project.
2. **Arizaro Lithium Project:** August 2023 to present, the Company submitted detailed proposals through a public tender process in Salta, Argentina, for two contiguous lithium concessions within the highly coveted Arizaro Salar. On January 08, 2024, the Company announced a 50:50 net equity Partnership Agreement between the Company and Lithium Chile Inc. (TSXV: LITH) following a successful tender for an 8,445 hectare concession within the lithium-bearing Arizaro Salar in the province of Salta, Argentina. Completion of the joint venture is contingent on entering into a definitive agreement with Lithium Chile and raising the necessary acquisition and initial exploration funds.

Portofino previously completed significant geological due diligence in collaboration with the state-owned resource company in Salta. Initial surface exploration work on this 8,445-hectare block (REMSa IX, Sub-Area IV) revealed a thick overburden (crust), however, samples at surface still assayed as high as 100 milligrams per litre ("mg/l") lithium, which is consistent with surface results of other groups exploring this mature salar. Additional exploration activity included: (a) 40 +surface brine samples collected and analysed; (b) 35 trenches reaching shallow water tables using excavation equipment; (c) 69,000 metres ("m") of geophysical surveying utilizing Vertical Electric Soundings ("VES") technology revealing aquifer depths up to 1,000m; and (d) Low resistivity horizons being identified and interpreted as brine targets potentially containing large concentrations of lithium. The VES results with the largest thickness in the low resistivity layer are anticipated to be the highest prospective areas of interest and are located in the east and south sections of the concession. The explored area shares geological

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characteristics with other areas in the same salt flat where brines with high lithium content have been detected at depth. Adjacent properties within the Arizaro salar, have been drilled to depths of more than 500 m, yielding prospective levels of 300 m to 400 m with >500 mg/L lithium.

3. Corporate Activity: On August 1, 2023, closed a non-brokered private placement financing in the amount of \$538,000 priced at \$0.04 per Unit. In September 2023, Portofino closed a non-brokered private placement financing for total gross proceeds of \$965,000. Proceeds were to be used primarily for the Yergo Lithium Project option agreement buy-out.

Exploration Summary

Yergo Lithium Project, Argentina:

March 2021 Portofino completed a successful geophysical survey and surface geochemical sampling program at the Company's 100% controlled, Yergo Lithium Project (the "Yergo Project"), located in Catamarca Province, Argentina. The geophysical survey work followed up on encouraging Lithium ("Li") and Potassium ("K") analytical results generated by the Company's initial near-surface brine sampling program conducted in 2019.

The geophysical survey identified two large, anomalous sub-basins within the Aparejos Salar at the Yergo Project, which are characterized by very low resistivity (with low to very low resistivity values interpreted as corresponding to brine-bearing zones). The western sub-basin has approximate surface dimensions of 2,300 meters ("m") x 1,000m and a modeled depth of approximately 35m. The eastern sub-basin has an irregular surface expression measuring between 1,800m to 2,500m in length by approximately 700m in width with modeled depths of between 44m and 65m.

Coincident with the geophysical survey, the program included additional surface and near-surface brine sampling. Hand augers were utilized to open shallow holes to obtain the brine samples from surface to a maximum depth of 82 centimeters. Ten samples were collected and returned values of up to 336.97 mg/L Li and 7,159.78 mg/L K. Importantly, mineral impurities contained in the samples (such as magnesium) were very low.

Portofino's technical team has identified an initial 4 priority drill targets and a drilling contract has been finalized for a minimum 300 meters. In addition, Portofino has applied for a drill permit. Drill testing of the Yergo Project will enable initial evaluation of the volume and the lithium content of the brines and sediments within the sub-basin of previously identified zones.

September 22, 2022, the Company announced that it had received a Notice of Termination (the "Notice") from the claim owner and optionor of the Yergo Project in Catamarca, Argentina, regarding the April 2019 Binding Letter Option Agreement and the May 2021 Binding Letter Agreement Addendum (collectively the "Agreements"). The Notice purports to terminate the Agreements. The Company immediately and forcefully responded that claims made in the Notice are completely unsubstantiated, inaccurate, false, and malicious, and the Company rejects the purported termination as baseless and having no merit whatsoever.

October 20, 2022, the Company announced that it had filed an objection to the Notice with the Ministry of Mining in the Province of Catamarca and was granted an injunction prohibiting the owner from entering into any alternative transaction.

August 11, 2023, the Company executed a Binding Letter of Intent to buy-out the original Yergo option agreements (Yergo Binding Letter Agreement - February 15, 2019, and the Binding Letter Agreement Addendum - May 12, 2021). The Binding LOI terms include concurrent: (1) removal of the legal injunction granted in the favour of Portofino; (2) transfer of all rights and title to the Yergo concessions to Portofino; and (3) payment of US\$600,000 by Portofino to the concession owner.

September 25, 2023, the Company executed a binding agreement (the "Binding Agreement") with the new Yergo optionor (successor to the Yergo Optionor) to acquire all rights and title to the Yergo Lithium Project concessions. Pursuant to the Binding Agreement, the Company paid consideration of \$600,000 USD. In accordance with the terms of the Binding Agreement, the Company has acquired 100% of the concession rights associated with the 2,932-hectare Yergo Project.

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Allison Lake North Lithium and Rare Elements Property, Ontario:

Initial reconnaissance mapping and sampling by Portofino was completed on the Allison Lake North Lithium and Rare Earth Property (the "Allison Lake Property"), located 100 kilometers east of the town of Red Lake in northwestern Ontario, in July 2021. Encouraging reconnaissance grab and channel sample results returned values up to **398 ppm Lithium ("Li")**, **90.5 ppm Cesium ("Cs")**, **1040 ppm Rubidium ("Rb")** and **135 ppm Tantalum ("Ta")**. This represents a two-fold increase in Li and Rb and a ten-fold increase in Ta over sampling results by the Ontario Geological Survey ("OGS") in 2003 which reported up to 190 ppm Li; 90 ppm Cs; 587 ppm Rb and 12.9 ppm Ta.

In late September 2021, 35 channel samples (17 channel samples and 18 select channel samples) and 11 select grab samples were submitted to the lab for chemical and mineral analysis. The program returned values up to **412 ppm Li** and **857 ppm Rb** from select channel samples. Maximum values from both the June and September sampling programs of **143 ppm Ta** correspond to the Ta values reported from the "SJ Pegmatite" located just east of the southern claim group. Values of Ta at the SJ Pegmatite were described as "economically interesting" by author Breaks et al. in the 2003 Ontario Geological Survey ("OGS") report.

In September 2022, a property wide high-resolution helicopter-borne magnetometer ("mag") geophysical survey was completed by Prospectair Geosurveys. The survey comprised 406 line-kilometers of high-resolution mag with GPS controlled 50-meter line separations. With this information in hand, the geological team re-mobilized to the Allison Lake Property. In addition to expanding on the Company's initial exploration program where encouraging Lithium ("Li") and Tantalum ("Ta") values were discovered, the most recent sampling has also yielded elevated values for Niobium ("Nb") and Rubidium ("Rb").

On January 3, 2023, the Company announced that it has filed an independent Technical Report (the "Technical Report") pursuant to National Instrument 43-101 ("NI 43-101") regarding its Allison Lake Property. The Technical Report has an effective date of December 10, 2022 and can be viewed either on www.sedar.com or on the Company's website at www.portofinoresources.com,

The following Exploration and Evaluation expenditures have been incurred by the Company as at November 30, 2023:

LITHIUM PROPERTIES	Canada			Argentina		Total
	Allison	Greenheart Lake	McNamara Lake	Salta (Due Diligence)	*Yergo	
Balance, May 31, 2022	227,207	19,475	19,400	159,375	194,507	619,964
Assays	3,042	-	-	-	-	3,042
Field administration	-	-	-	11,708	-	11,708
Geological services	24,343	12,711	12,717	953,535	-	1,003,306
Property payment	20,000	20,000	-	-	91,000	131,000
Balance, May 31, 2023	274,591	52,186	32,117	1,124,618	285,507	1,769,019
Field administration	-	-	-	35,194	-	35,194
Property payment	-	-	-	-	720,506	720,506
Balance, November 30, 2023	274,591	52,186	32,117	1,159,812	1,006,013	2,524,719

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GOLD PROPERTIES	Canada					Total
	Bruce Lake	Gold Creek	Melema	Sapawe	South of Otter	
Balance, May 31, 2022	126,685	546,460	132,221	103,206	285,671	1,194,243
Consulting	-	1,000	-	-	-	1,000
Field administration	4,800	1,200	-	-	-	6,000
Geological services	2,800	-	-	4,105	-	6,905
Property payment	14,000	30,000	15,000	25,000	12,000	96,000
Balance, May 31, 2023	148,285	578,660	147,221	132,311	297,671	1,304,148
Field administration	-	1,320	-	-	-	1,320
Property payment	20,000	-	25,000	-	25,000	70,000
Balance, November 30, 2023	168,285	579,980	172,221	132,311	322,671	1,375,468

Lithium & Critical Metal Properties

Yergo Lithium Brine Project, Catamarca, Argentina

On September 25, 2023, the Company executed a binding agreement (the "Binding Agreement") with the new Yergo optionor (successor to the Yergo Optionor) to acquire all rights and title to the Yergo Lithium Project concessions. Pursuant to the Binding Agreement, the Company paid consideration of \$600,000 USD. In accordance with the terms of the Binding Agreement, the Company has acquired 100% of the concession rights associated with the 2,932-hectare Yergo Lithium Project and has filed documentation pursuant to registering concessions in Portofino's name with the Ministry of Energy and Mining in Catamarca Province, Argentina.

Yergo Background:

Pursuant to an option agreement dated February 15, 2019, with a private Argentine concession owner (the "Yergo Optionor"), the Company was granted an option to acquire a 100% undivided interest in the Yergo lithium brine project in Catamarca, Argentina. The concession area comprises approximately 2,932 hectares encompassing the full salar.

To acquire a 100% interest in the property, the Company had agreed to make annual escalating payments to the Yergo Optionor over a four-year period totaling US\$370,000 as follows:

- a) US\$10,000 on signing (paid),
- b) By the 1st anniversary of approval- US\$20,000 (paid),
- c) By the 2nd anniversary of approval- US\$70,000,
- d) By the 3rd anniversary of approval- US\$120,000, and
- e) By the 4th anniversary- US\$150,000.

August 14, 2020, the Company reached an agreement with the Yergo lithium project claim owner to amend the terms of its option agreement that enables Portofino to earn 100% interest in the project. The original Agreement required Portofino to make escalating payments totaling US\$370,000 over a 48-month period with the next payment of US\$70,000 due by February 2021. The Claim owner had agreed to extend the payments such that the next payment was not required until August 14, 2022. The amended total payments to the Claim owner are detailed as follows:

- a) US\$10,000 on signing agreement-(paid February 2019)
- b) By August 30, 2020- US\$20,000 (paid)
- c) By August 14th, 2022- US\$70,000
- d) By August 14th, 2023- US\$120,000
- e) By August 14th, 2024- US\$150,000

On September 22, 2022, the Company announced that it had received a notice of termination from the Yergo Optionor to terminate the underlying agreements with respect to the Yergo Lithium Brine Project.

A property payment due to the optionor by October 13, 2022 (which includes a 60-day curative period from the original payment due date of August 14, 2022) was accrued pending dispute resolution.

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On October 20, 2022, the Company announced it was granted a formal injunction by the Mining Court of the Province of Catamarca prohibiting the Yergo Optionor from undertaking any form of alternate transaction.

On August 11, 2023, the Company entered into a binding agreement to buy-out the original Yergo option agreement (the "Binding Agreement"). Pursuant to the Binding Agreement, the concession owner and the Company have agreed to transfer the ownership of the Yergo Lithium Project concessions to the Company.

Allison Lake North, Birkett and Costello Lake Townships, Northern Ontario, Canada

The Company entered into an agreement with 1544230 Ontario Inc. and Gravel Ridge Resources Ltd. (the "Allison Optionors"), dated March 06, 2021, and was granted an option to acquire a 100% interest in the 1,618 hectare Allison Lake North Lithium and Rare Elements Property located 100 kilometres east of the town of Red Lake, Ontario.

To acquire a 100% interest in the Allison Lake Property, Portofino is to issue 800,000 common shares and make payments over a 3-year period totaling \$78,000, as set out below:

- a) \$12,000 (paid) on signing,
- b) 400,000 (issued) shares following receipt of TSX-V approval of this transaction on April 21, 2021,
- c) \$16,000 (paid) and 400,000 (issued) shares due on the first anniversary of TSX-V approval,
- d) \$20,000 (paid) due on the second anniversary of TSX-V approval, and
- e) \$30,000 due on the third anniversary of TSX-V approval.

The Allison Optionors retain a 1.5% NSR on all mineral production, 0.75% of which can be purchased by Portofino for \$400,000.

September 15, 2021, the claims owned by the Allison Lake Optionors were acquired by Solstice Gold Corp.

April 28, 2022, the Company extended the Allison Lake Property by 670 hectares by entering into an additional mineral claims acquisition agreement with the Allison Optionors for the Allison Lake North Birkett and Costello Lake Property (the "Allison Lake Extension").

To acquire a 100% interest in the Allison Lake Extension, the Company has made the following payments:

- a) \$2,000 (paid) on signing of the Option Agreement,
- b) 200,000 shares (issued) following receipt of TSX-V approval of this transaction on May 11, 2022.

The claims are subject to 1.5% NSR.

Greenheart Property, Northern Ontario, Canada

December 3, 2021, the Company entered into an option agreement with 1544230 Ontario Inc. and Gravel Ridge Resources Ltd. for the Greenheart Lake and McNamara Lake Lithium Properties located in Northwestern, Ontario (the "Greenheart Property").

To acquire a 100% interest in the Greenheart Property, the Company is to make payments and issue common shares over a three-year period, as follows:

- a) \$5,800 (paid) on signing of the Option Agreement,
- b) 300,000 shares (issued) following receipt of TSX-V approval of this transaction on December 14, 2021,
- c) \$12,000 (paid) and 200,000 (issued) shares due on or before one-year anniversary of TSXV Exchange approval,
- d) \$20,000 due on or before two-year anniversary of TSXV Exchange approval, and
- e) \$30,000 due on or before three-year anniversary of TSXV Exchange approval.

The claims are subject to 1.5% NSR.

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Gold Properties

South of Otter, Red Lake, Northern Ontario, Canada

Pursuant to an option agreement dated September 6, 2019, with 1544230 Ontario Inc. (the "SO Vendor"), the Company was granted an option to acquire a 100% undivided interest in the South of Otter property in the Red Lake area of Northern Ontario, Canada.

To acquire a 100% interest in the property, the Company has issued 500,000 common shares and is to make payments over a 4-year period to the SO Vendor totaling \$70,000, as set out below:

- a) \$15,000 (paid) on signing,
- b) 500,000 shares (issued) following receipt of TSX-V approval of this transaction on October 7, 2019,
- c) \$8,000 (paid) due on the first anniversary of TSX-V approval,
- d) \$10,000 (paid) due on the second anniversary of TSX-V approval,
- e) \$12,000 (paid) due on the third anniversary of TSX-V approval, and
- f) \$25,000* due on the fourth anniversary of TSX-V approval.

* Outstanding as at November 30, 2023

The vendor will retain a 1.5% Net Smelter Return ("NSR"), but Portofino has the right to purchase one half of the NSR (.75%) at any time up to commencement of production for a payment of \$400,000.

July 07, 2020, the claims owned by 1544230 Ontario Inc. were acquired by EMX Royalty Corp.

On August 31, 2023, certain claims related to the South of Otter property were allowed to expire and subsequently re-acquired. A 3 month extension of time request was granted by the Ontario Ministry of Mines related to certain other claims. There is no change to the rights and obligations of EMX.

Gold Creek Property, Shebandowan, Northern Ontario, Canada

On May 11, 2020, the Company signed an Option agreement with Gravel Ridge Resources Ltd., that allows Portofino to earn a 100% interest in mining exploration claims held by Gravel Ridge, and located primarily in Duckworth Township, Ontario (Gold Creek Property).

The Company has earned a 100% interest in the project by issuing 800,000 common shares of the Company to Gravel Ridge Resources and making cash payments of \$70,600, as set out below:

- a) \$8,600 (paid) on signing,
- b) 400,000 shares (issued) following receipt of TSX-V approval of this transaction on May 21, 2020,
- c) \$12,000 (paid) and 400,000 shares due (issued) on the first anniversary of TSX-V approval,
- d) \$20,000 (paid) due on the second anniversary of TSX-V approval, and
- e) \$30,000 (paid) due on the third anniversary of TSX-V approval.

On August 10, 2020, the Company entered into an Option Agreement Amendment with respect to the Gold Creek property whereby the Company and its partner each directly staked additional contiguous mining claims (3 mining claims/50 mining cells) and added these claims to the original Agreement.

On August 21, 2020, the Company entered into an agreement with two claim owners to purchase 100% interest in 2 Claims located in Duckworth Township, Ontario, contiguous to the Company's Gold Creek property. Consideration paid was \$10,000 and 125,000 shares as approved by the TSXV on September 4, 2020.

On September 15, 2021, the claims owned by Gravel Ridge Resources Ltd. were acquired by Solstice Gold Corp.

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Sapawe West Property, Atikokan, Northern Ontario, Canada

The Company entered into an Option agreement with 1544230 Ontario Inc. dated May 22, 2020, to acquire a 100% interest in the Sapawe West Property Claims located in Schwenger and McCaul Townships, Ontario.

The Company has earned a 100% interest in the project by issuing 700,000 common shares and making payments over a 3-year period totaling \$62,000, as set out below:

- a) \$12,000 (paid) on signing,
- b) 500,000 shares (issued) following receipt of TSX-V approval of this transaction on May 28, 2020,
- c) \$10,000 (paid) and 200,000 (issued) shares due on the first anniversary of TSX-V approval,
- d) \$15,000 (paid) due on the second anniversary of TSX-V approval, and
- e) \$25,000 (paid) due on the third anniversary of TSX-V approval.

1544230 Ontario Inc. retains 1.5% NSR on all mineral production, 0.75% of which can be purchased by Portofino for \$500,000.

Melema West Property, Atikokan, Northern Ontario, Canada

The Company entered into an agreement with 1544230 Ontario Inc., dated May 22, 2020, and was granted an option to acquire a 100% interest in Melema West Property located in Hutchinson, Bellmore Lake and Ramsay Wrights Townships, Ontario.

To acquire a 100% interest in the property, Portofino is to issue 700,000 common shares and make payments over a 3-year period to the Owner totaling \$62,000, as set out below:

- a) \$12,000 (paid) on signing,
- b) 500,000 shares (issued) following receipt of TSX-V approval of this transaction June 16, 2020,
- c) \$10,000 (paid) and 200,000 (issued) shares due on the first anniversary of TSX-V approval,
- d) \$15,000 (paid) on the second anniversary of TSX-V approval, and
- e) \$25,000* on the third anniversary of TSX-V approval.

* Outstanding as at November 30, 2023

1544230 Ontario Inc. retains a 1.5% NSR on all mineral production, 0.75% of which can be purchased by Portofino for \$500,000.

Bruce Lake Property, Red Lake, Northern Ontario, Canada

On June 20, 2020, the Company entered into an Option Assignment Agreement with Falcon Gold Corp. ("Falcon") to acquire a 100% interest in the 1,428 hectare Bruce Lake Property in the Red lake, Ontario gold district. Portofino issued 650,000 shares to Falcon. In addition, Portofino assumed the underlying claim holder payments which total \$52,000 over a 4-year option period. The Claims are subject to a 1.5% Net Smelter Return ("NSR") royalty pursuant to the Underlying Agreement. In addition, Portofino has agreed to grant Falcon a 0.5% NSR.

- a) 650,000 shares (issued) following receipt of TSX-V approval of this transaction July 8, 2020,
- b) \$8,000 (paid) assuming the cash payment due by Falcon Gold to 1544230 Ontario Inc.* on or before September 6, 2020,
- c) \$10,000 (paid) assuming the cash payment due by Falcon Gold to 1544230 Ontario Inc. on or before September 6, 2021,
- d) \$14,000 (paid) assuming the cash payment due by Falcon Gold to 1544230 Ontario Inc. on or before September 6, 2022,
- e) \$20,000* assuming the cash payment due by Falcon Gold to 1544230 Ontario Inc. on or before September 6, 2023.

* Outstanding as at November 30, 2023

On July 07, 2020, the claims owned by 1544230 Ontario Inc. were acquired by EMX.

On May 5, 2023, the claims comprising the Bruce Lake Property expired and were re-staked same day by the Company. There is no change to the rights and obligations of EMX as a result of the expiration and re-staking.

As at January 11, 2024 the Company and EMX agreed to terminate the property agreement.

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RESULTS OF OPERATION

The following financial data has been derived from the unaudited financial statements for the six-month period ended November 30, 2023, and 2022, respectively:

During the six-month period ended November 30, 2023, the Company had a net loss and comprehensive loss of \$1,940,382 versus \$966,165 in the comparative period, being an increase of \$974,217 or 101%. The expenses and related costs that reflect changes in the Company's operations during the six-month period ended November 30, 2023, includes the following:

- Consulting fees (2023: \$381,069, 2022: \$118,103) increased as a result of significant progress related to the Yergo Project and activity in Salta Province (Argentina);
- Investor communications (2023: \$136,964, 2022: \$53,330) increased during the period to directionally align with anticipated increased project activity in Argentina;
- General exploration expenditures (2023: \$827,020, 2022: \$479,108) were incurred primarily for the Company's Yergo Lithium Brine Project and ongoing due diligence in Salta (Argentina);
- Management fees (2023: \$81,500, 2022: \$75,000) refers to advisory and services fee paid to two directors of the Company;
- Office expense (2023: \$94,366, 2022: \$64,314) increased due to significant changes related to the Yergo Lithium Brine Project and ongoing activities in Salta (Argentina);
- Professional fees (2023: \$101,815, 2022: \$112,862) decreased slightly due to a small reduction legal fees;
- Rent expense (2023: \$10,763, 2022: \$10,357) has remained relatively the same;
- Share-based compensation (2023: \$261,148, 2022: \$Nil) relates to stock options issued;
- Transfer agent and filing fees (2023: \$17,916, 2022: \$19,790) decreased in the normal course of business; and
- Travel and promotion (2023: \$27,821, 2022: \$33,301) decreased slightly in the normal course of business

SELECTED QUARTERLY FINANCIAL INFORMATION

The following information is derived from and should be read in conjunction with the unaudited financial statements for each of the past eight quarters which have been prepared in accordance with IFRS applicable to interim financial reporting including IAS 34.

Financial results	November 30, 2023	August 31, 2023	May 31, 2023	February 28, 2023
Net loss for the period	\$ (1,123,189)	\$ (817,244)	\$ (1,245,132)	\$ (275,286)
Comprehensive loss for the period	(1,123,189)	(817,244)	(1,245,132)	(275,286)
Basic and diluted loss per share	0.01	0.01	-	-
Balance sheet data				
Cash	\$ 20,969	\$ 50,980	\$ 65,139	\$ 125,246
Total assets	257,095	275,637	353,905	590,885
Shareholders' equity (deficiency)	(608,356)	(498,889)	(402,878)	389,107

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Financial results	November 30, 2022	August 31, 2022	May 31, 2022	February 28, 2022
Net loss for the period	\$ (652,759)	\$ (301,627)	\$ (947,352)	\$ (640,806)
Comprehensive loss of the period	(652,759)	(301,627)	(947,352)	(640,806)
Basic and diluted loss per share	-	-	(0.01)	(0.01)
Balance sheet data				
Cash	\$ 188,071	\$ 41,490	\$ 155,663	\$ 369,189
Total assets	313,776	117,518	277,011	675,566
Shareholders' equity	59,442	173,696	127,931	575,085

The Company has declared no dividends for any period presented.

LIQUIDITY AND CAPITAL RESOURCES

During the six-month period ended November 30, 2023, Portofino had a working capital deficiency of \$608,356, which included a cash balance of \$20,969.

The Company does not currently own or have an interest in any producing mineral properties and does not derive any revenues from operations. Historical exploration and administrative activities have been funded through equity financing and the Company expects that it will continue to be able to utilize this source of financing until the Company has cash flow from operations. There can be no assurance, however, that efforts will be successful. If such funds are not available or other sources of financing cannot be obtained, then we will be curtailed to a level for which funding is available or can be obtained.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-balance sheet arrangements.

OUTSTANDING SHARE DATA

As of the date of this MD&A, Portofino has 172,867,843 Common shares issued and outstanding; 83,927,815 share purchase warrants; 14,533,500 share options exercisable into common shares; and 533,500 restricted stock units exercisable into common shares.

TRANSACTIONS WITH RELATED PARTIES

The following is a summary of the Company's related party transactions during the six-month period ended November 30, 2023:

Name	Relationship	Purpose	November 30, 2023	November, 2022
Pacific Capital Advisors Inc.	Company controlled by David Tafel, CEO and Director of the Company	Advisory services related to CEO duties	\$75,000	\$75,000
Euro Sigma Mines Inc. and/or Stephen Wilkinson	Company controlled by Stephen Wilkinson, and Director of the Company	Advisory services	\$6,500	-
Seatrend Strategy Inc.	Company controlled by Jeremy Wright, the CFO of the Company	CFO services	\$60,000	\$30,000

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The following related parties' amounts have been included in amounts receivable and accounts payable and accrued liabilities:

	November 30, 2023	November 30, 2022
	\$	\$
Amounts receivable	44,234	15,076
Accounts payable and accrued liabilities	31,937	9,509

The amounts are due to or advanced to companies controlled by directors of the Company. The amounts receivable, accounts payable and accrued liabilities are non-interest bearing, unsecured and are due upon demand.

Allowance for doubtful amounts receivable relate to amounts due from a public company having common directors with the Company relating to a cost-sharing arrangement whereby the Company is reimbursed for shared administrative and office expenses. During the year ended May 31, 2022, the Company has recorded an allowance against the receivable of \$267,067 which represents 100% of the amounts receivable. During the year ended May 31, 2023, the Company received a payment in the amount of \$116,779 consisting of \$10,000 in cash, \$1,779 filing fee payment and 3,000,000 Common shares with a fair value of \$105,000. Amounts receivable balance at November 30, 2023 is \$44,234. (2022: \$Nil).

NEW ACCOUNTING STANDARDS ADOPTED EFFECTIVE JUNE 1, 2021

The Company was not required to and has not adopted any new accounting standards effective June 1, 2021, which would have had a significant impact on the financial statements of the Company.

ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

A number of new standards, and amendments to standards and interpretations, are not yet effective during the six-month period ended November 30, 2023 and have not been early adopted in preparing these financial statements. These new standards, and amendments to standards and interpretations are either not applicable or are not expected to have a significant impact on the Company's financial statements.

FINANCIAL INSTRUMENTS AND FINANCIAL RISK

International Financial Reporting Standards 7, *Financial Instruments: Disclosures*, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair Value of Financial Instruments

The Company's financial assets include cash and marketable securities, which are classified as Level 1. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

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Assets measured at fair value on a recurring basis were presented on the Company's statements of financial position as at November 30, 2023 are as follows:

	Fair Value Measurements Using			Total
	Quoted Prices in Active Markets For Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
	\$	\$	\$	\$
Cash	20,969	-	-	20,969
Marketable securities	75,000	-	-	75,000

Fair value

The fair value of the Company's financial instruments approximates their carrying value as at November 30, 2023, because of the demand nature or short-term maturity of these instruments.

The following table summarizes the carrying value of the Company's financial instruments:

	November 30, 2023	November 30, 2022
	\$	\$
Cash (i)	20,969	188,071
Marketable securities (i)	75,000	-
Amounts receivable (i)	86,198	15,076
Accounts payable (ii)	606,682	240,084

i. FVTPL

ii. Amortized cost

Financial risk management objectives and policies

The Company's financial instruments include cash, amounts receivable, promissory notes and accounts payable. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(i) *Currency risk*

The Company is exposed to foreign currency risk related to cash payments, exploration expenditures and its promissory notes that are denominated in US dollars and Argentine Pesos. The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada. Management does not hedge its exposure to foreign exchange risk and the Company's net exposure is limited.

The principal business of the Company is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities.

(ii) *Interest rate risk*

The Company is exposed to interest rate risk to the extent that the cash maintained at the financial institution. The fair value interest rate risk on cash is insignificant due to their short-term nature.

The Company has not entered into any derivative instruments to manage interest rate fluctuations.

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(iii) *Credit risk*

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist of cash and promissory notes. To minimize the credit risk the Company places these instruments with a high quality financial institution. The Company is exposed to credit risk relating to amounts receivable from another publicly listed company.

(iv) *Liquidity risk*

In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations.

Scientific and Technical Disclosure

The Company's projects and those in which we have an interest are early stage and do not contain any mineral resource estimates as defined by NI 43-101. Technical Information is based on information contained in news releases (collectively the "Disclosure Documents") available under Portofino's company profile on SEDAR at www.sedar.com. The Disclosure Documents are each intended to be read as a whole, and sections should not be read or relied upon out of context. The Technical Information is subject to the assumptions and qualifications contained in the Disclosure Documents.

Our Disclosure Documents were in part prepared by or under the supervision of an independent Qualified Person ("QP"). Readers are encouraged to review the full text of the Disclosure Documents which qualifies the Technical Information. The disclosure in this MD&A has been made in accordance with Canadian National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101"). The NI 43-101 is a rule developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects.

Michael Kilbourne, P.Geo. is the Company's QP for the purposes of NI 43-101 and has reviewed and validated the scientific or technical information contained in this MD&A related to the properties. Mr. Kilbourne has consented to the inclusion of the Technical Information in the form and context in which it appears in this MD&A.

SUBSEQUENT EVENTS

Please refer to note 12 of the unaudited condensed interim consolidated financial statements.