



# **Management's Discussion & Analysis**

**Form 51-102F1**

**For the Nine Months Ended February 28, 2023**

## **INTRODUCTION**

The following management discussion and analysis ("MD&A") of the financial condition and results of operations of the iMetal Resources Inc. (the "Company" or "iMetal") has been prepared by management, in accordance with the requirements of National Instrument of 51-102 as of April 28, 2023 and should be read in conjunction with the unaudited condensed consolidated interim financial statements for the nine months ended February 28, 2023 and the related notes contained therein which have been prepared under International Financial Reporting Standards ("IFRS"), the audited consolidated financial statements and the related MD&A for the year ended May 31, 2022 and all other disclosure documents of the Company. The information contained herein is not a substitute for detailed investigation or analysis on any particular issue. The information provided in this document is not intended to be a comprehensive review of all matters and developments concerning the Company. Additional information relevant to the Company's activities can be found on SEDAR at [www.sedar.com](http://www.sedar.com) and [www.imetalresources.ca](http://www.imetalresources.ca).

All financial information in this report has been prepared in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting and all monetary amounts referred to herein, are in Canadian dollars, unless otherwise stated.

## **FORWARD LOOKING INFORMATION**

Certain information in this MD&A, including all statements that are not historical facts, constitutes forward-looking information within the meaning of applicable Canadian securities laws. Such forward-looking information may include, but is not limited to, information which reflect management's expectations regarding the Company's future growth, results of operations (including, without limitation, future production and capital expenditures), performance (both operational and financial) and business prospects (including the timing and development of new deposits and the success of exploration activities) and opportunities. Often, this information includes words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate" or "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

In making and providing the forward-looking information included in this MD&A the Company's assumptions may include among other things: (i) assumptions about the price of base metals; (ii) that there are no material delays in the optimisation of operations at the properties; (iii) assumptions about operating costs and expenditures; (iv) assumptions about future production and recovery; (v) that there is no unanticipated fluctuation in foreign exchange rates; and (vi) that there is no material deterioration in general economic conditions. Although management believes that the assumptions made and the expectations represented by such information are reasonable, there can be no assurance that the forward-looking information will prove to be accurate. By its nature, forward-looking information is based on assumptions and involves known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements, or results, to be materially different from future results, performance or achievements expressed or implied by such forward-looking information. Such risks, uncertainties and other factors include among other things the following: (i) decreases in the price of base metals; (ii) the risk that the Company will continue to have negative operating cash flow; (iii) the risk that additional financing will not be obtained as and when required; (iv) material increases in operating costs; (v) adverse fluctuations in foreign exchange rates; and (vi) environmental risks and changes in environmental legislation.

This MD&A (See "Risks and Uncertainties") contains information on risks, uncertainties and other factors relating to the forward-looking information. Although the Company has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in the forward-looking information, there may be other factors that cause actual results, performances, achievements or events not to be anticipated, estimated or intended. Also, many of the factors are beyond the Company's control. Accordingly, readers should not place undue reliance on forward-looking information. The Company undertakes no obligation to reissue or update forward looking information as a result of new information or events after the date of this MD&A except as may be required by law. All forward-looking information disclosed in this document is qualified by this cautionary statement.

## **DESCRIPTION OF BUSINESS**

iMetal Resources Inc. is a publicly listed company whose principal business activities are the exploration and development of mineral properties. The Company has properties located in Ontario and Quebec, Canada. The Company is a reporting issuer in British Columbia and Alberta, and trades on the Tier 2 on the TSX Venture Exchange under the symbol "IMR.V", on the OTCQB under the symbol "ADTFF" and on the OTCBB under the symbol "IMRFF" as well as on Frankfurt Exchange under the symbol "A7V".

## **HIGHLIGHTS AND RECENT DEVELOPMENTS**

On July 28, 2022, the Company paid \$27,194 in cash to settle outstanding debt to an arms length party in the total amount of \$54,387 and recorded a gain of \$27,193 on the settlement.

On September 28, 2022, the Company further completed and expanded its existing option agreement with Gravel Ridge Resources Ltd. And 1544230 Ontario Inc. (collectively, the "Vendors") to expand the scope of the Kerrs Gold Deposit by acquiring an additional 137 hectares of the Property. As a result of the extension of acquisition, the Company issued the Vendors a further 200,000 common shares at a fair market value of \$16,000 and reimbursed the Vendor for the expenses of \$48,130 associated with maintaining the additional area.

On September 28, 2022, the Company granted 850,000 incentive stock options to certain directors and consultants of the Company with a fair value of \$46,000 at the date of grant. The options are exercisable at \$0.075 per share for a period of five years from the date of grant. Options granted to individuals in their capacity as a consultant vest immediately.

On Nov 14, 2022, the Company announced the appointment of Mr. Scott Zelligan, Vice President Exploration effective immediately.

On December 20, 2022, the Company held its AGSM and Johan Grandin ceased to be a director, Robert Coltura was voted to be a director. According to the policy of the Company's Stock Option Plan, the related granted options to Johan Grandin would be forfeited 90days after the ASGM.

On December 30, 2022, the Company completed its non-brokered flow-through private placement ("Non-brokered FTFPP") by issuing 2,150,000 units for gross proceeds \$602,000. The Company incurred finders' fees totaling \$42,140 and issued 150,500 finders' warrants with a fair value of \$20,000 upon closing of the financing. The finders' warrants are exercisable at a price of \$0.35 until December 30, 2024. All securities issued in connection with the Non-brokered FTFPP are subject to a statutory hold period until May 1, 2023 in accordance with applicable securities laws. A flow through premium liability of \$99,975 was recognized with respect to these flow through shares.

On January 4, 2023, the Company granted 200,000 stock options to a director of the Company with a fair value of \$43,000 at the date of grant. The options vest immediately and are exercisable at \$0.24 per share for a period of five years from the date of grant.

On January 4, 2023, the Company announced that it has extended an agreement with MIC Market Information & Content Publishing GmbH ("MIC") for marketing services of up to two additional months continuing until February 28, 2023. The Company budgeted 140,000 Euro for the services and campaigns coordinated by MIC.

During the period ending February 28, 2023, the Company issued 5,160,666 shares pursuant to the exercise of 5,160,666 warrants at a price of \$0.20 per share for gross proceed \$1,032,133.

On March 31, 2023, the Company completed its non-brokered flow-through private placement ("Non-brokered FTFPP") by issuing 2,000,000 Quebec flow-through units at \$0.25 per unit for gross proceeds of \$500,000. Each Quebec flow-through unit consists of one common share of the Company and one common share purchase warrant exercisable to acquire an additional common share at \$0.35 per unit until March 31, 2025. The Company incurred finders' fees totaling of \$30,000 and issued 120,000 warrants under the same terms upon closing of the financing to an arm's length third party introduced the subscriber to the Company. All securities issued in connection with

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the Non-brokered FTPP are subject to a statutory hold period until August 1, 2023, in accordance with applicable securities laws.

On March 31, 2023, the Company paid \$50,000 in cash to Gravel Ridge Resources Ltd. and 1544230 Ontario Inc. per the purchase option agreement dated on January 24, 2022.

On April 6, 2023, the Company completed its non-brokered flow-through private placement ("Non-brokered FTPP") by issuing 3,125,000 flow-through units at \$0.25 per unit for gross proceeds of \$781,250. Each flow-through unit consists of one common share of the Company and one common share purchase warrant exercisable to acquire an additional common share at \$0.30 per unit until April 6, 2025. The Company incurred finders' fees totaling of \$15,000 and issued 60,000 warrants under the same terms upon closing of the financing to an arm's length third party introduced the subscriber to the Company. All securities issued in connection with the Non-brokered FTPP are subject to a statutory hold period until August 7, 2023, in accordance with applicable securities laws.

On April 19, 2023, the Company announced that Mr. Eduardo Yu was appointed Chief Financial Officer ("CFO"), and Ms. Harpreet Bajaj was appointed to its Corporate Secretary. It was also announced that Ms. Joyce Liu stepped down from the position of CFO and Corporate Secretary.

On April 24, 2023, the Company announced that its common shares are now eligible for electronic clearing and settlement in the United States through the Depository Trust Company ("DTC"). The Company's shares recently began trading on the OTCBB under the symbol "IMRFF".

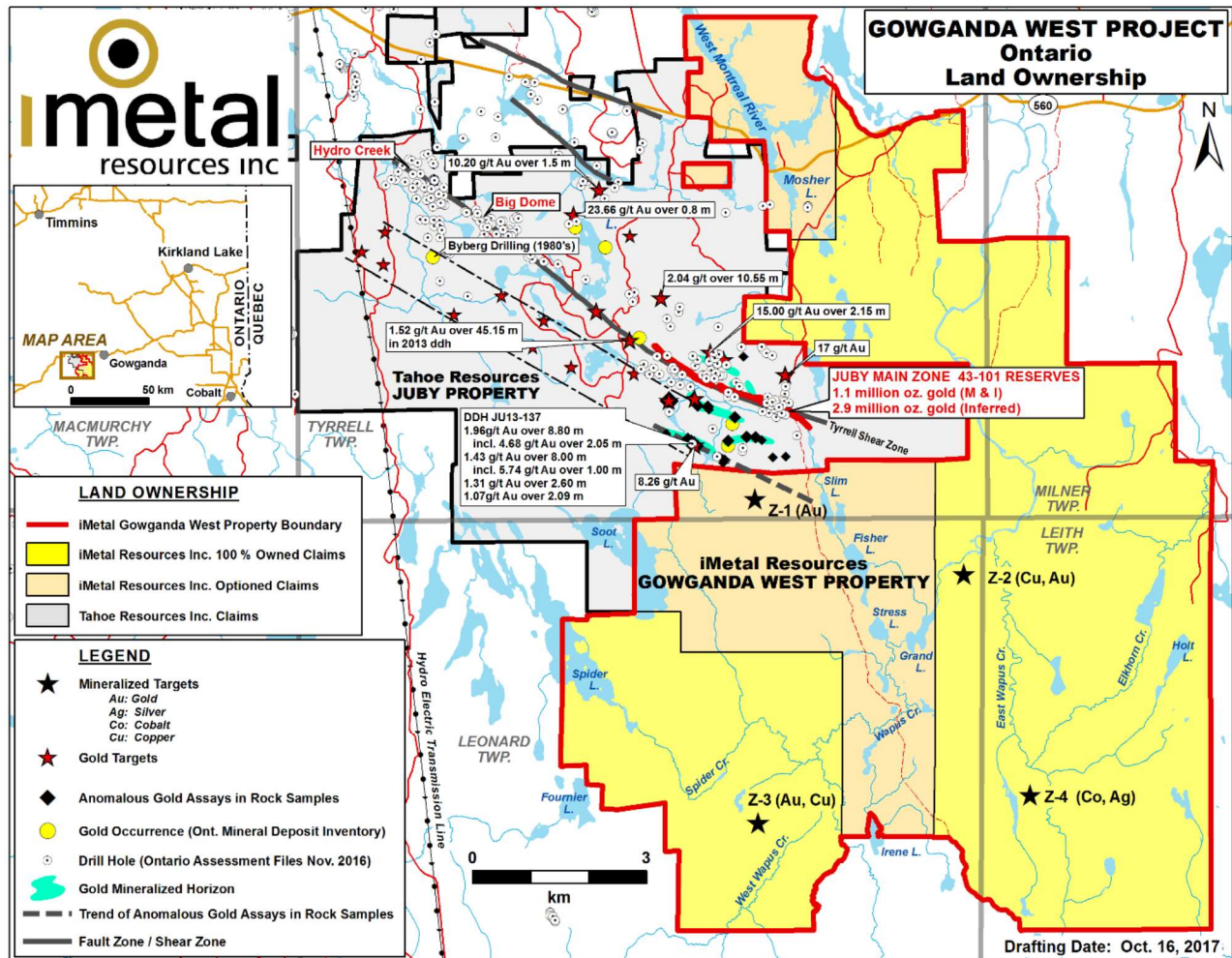
Subsequent to February 28, 2023, the Company issued 530,000 common shares pursuant to the exercise of 530,000 warrants at a price of \$0.20 per share for gross proceed \$106,000.

## **EXPLORATION ACTIVITIES**

### **Gowganda West Property**

The 100% owned Gowganda West property, initially acquired in 2016, now covers approximately 147sqkm in the Shining Tree volcano-sedimentary succession of the southwestern Abitibi Greenstone Belt contiguous to the north and west to Aris Mining's Jubu Gold deposit. The western section of Gowganda West is underlain by Archean metasediments and lesser metavolcanics of the Indian Lake Group, while the east section is largely underlain by Proterozoic Gowganda Formation, relatively flat lying, coarse to fine clastic sediments overlying the steeply dipping Archean stratigraphy below. Erosional Archean windows have been mapped within the Gowganda sediments which appear to thin to the west as they overlap the underlying Archean. Exploration is focussed on the Archean stratigraphy.

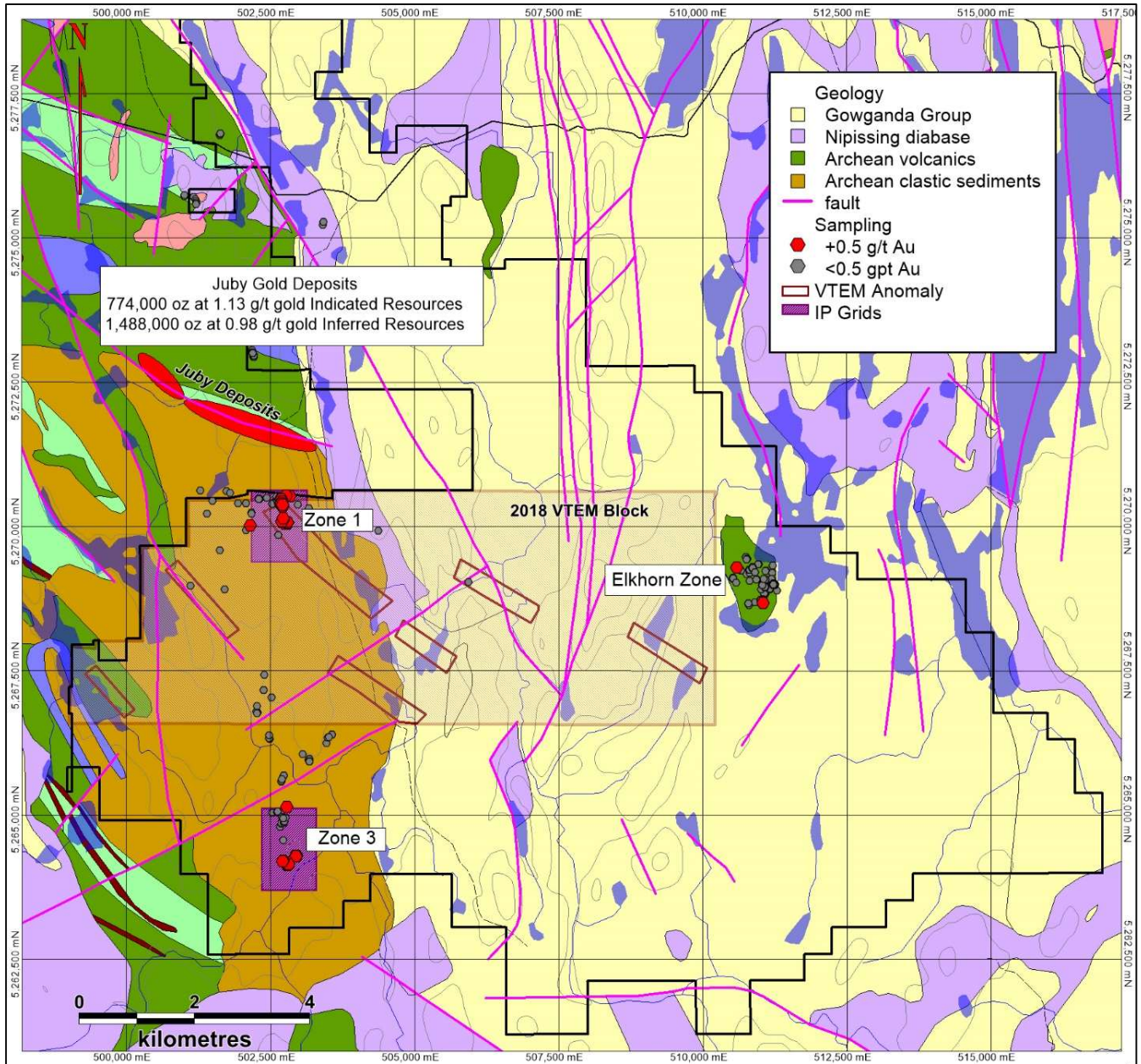
Figure 1. Overview



Gowganda West is contiguous to the northeast and south to Aris Mining’s Juby Deposit, a series of four mineralized alteration zones along the Tyrrell Shear Zone. Gold mineralization at Juby is associated with narrow quartz-carbonate-pyrite veins hosted within 20 to 330 metre wide zones of ankerite-albite-silica-sericite alteration and variable amounts of fine-grained, disseminated pyrite and also with multiple lenses containing narrow (<5m), higher grade quartz-carbonate-pyrite veins hosted within 5 to 50 metre zones of ankerite-albite-silica-sericite alteration and variable amounts of fine-grained, disseminated pyrite. The Juby Deposits host indicated resources of 773,000 ounces at 1.13 g/t Au and inferred resources of 1,488,000 ounces at 0.98 g/t Au. iMetal cautions investors mineralization at Juby is not necessarily indicative of similar mineralization at Gowganda West.

Source: Technical Report on the Updated Mineral Resource Estimate for the Juby Gold Deposit. Dated 2020-Oct-05 By: J.Campbell, A.Sexton, D.Studd, and A. Armitage.

**Figure 2. Geology and Present Exploration**



Exploration since the 2016 acquisition of Gowganda has concentrated primarily within the Archean stratigraphy in the northwestern section, proximal to the Juby property boundary. Initial prospecting led to the discovery of Zone 1 and Zone 3 and was subsequently followed by detailed chip and channel sampling at both Zones, Airborne VTEM and magnetics over approximately 42sqkm centred on Zone 1, IP surveys over Zone 1 and Zone 3 and preliminary diamond drilling with six holes at Zone 1 and one hole at Zone 3. The initial 5 drill holes at Zone 1 were drilled prior to the IP survey.

**Zone 1**

Zone 1 has excellent access and has been traced over 500m south from the Juby property boundary. Two distinct outcrop areas approximately 300m apart have been sampled, Zone 1 and Zone 1 South.

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Zone 1 consists of a 6-10m wide shear zone hosting 2-5cm to 20-30cm gold-bearing quartz-carbonate-sulphide vein within north striking, vertically dipping arkose and siltstone of the Archean Indian Lake Group. The sedimentary rocks are pervasively altered with hematite, sericite and pyrite with localized limonitic gossans. The veins are localized both within and crosscutting the shear, with gold values occurring in the moderately to intensely altered sedimentary rocks. Highlight gold samples from Zone 1 are found in Table 1.

**Table 1. Zone 1 Sample Highlights**

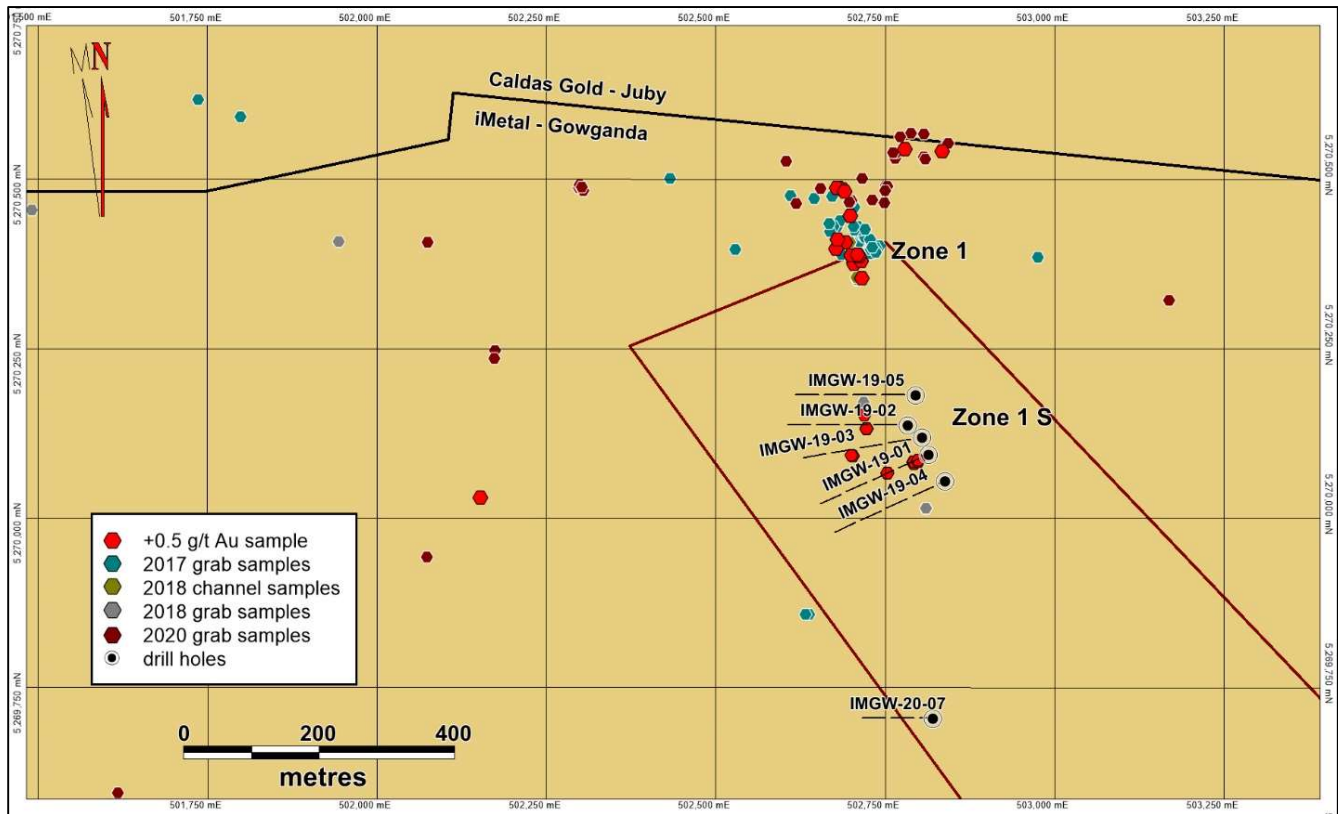
Year	Sample	Type	ppm Au	Width	Year	Sample	Type	ppm Au	Width
2017	70914	Grab	3.38		2017	70927	Grab	1.28	
2017	70916	Grab	0.43		2017	70929	Grab	0.98	
2017	70920	Grab	0.52		2017	70932	Grab	0.73	
2017	70921	Grab	3.07		2017	70945	Grab	6.47	
2017	70926	Grab	2.45		2017	70948	Grab	1.13	
2018	5629	Channel	5.1	0.80m	2018	5644	Channel	0.75	0.90m
2018	5640	Channel	8.7	0.30m	2018	5646	Channel	0.52	0.75m
2018	5643	Channel	1.03	0.50m					

Zone 1 South consists of a north-south trending, 50m wide package of rusty-weathered and silicified jasper pebble conglomerate and green carbonate-altered diabase, exposed over a length of 60m before disappearing under cover. The conglomerate carries quartz stringers, red jasper clasts and finely disseminated pyrite and local chalcopyrite, while the diabase carries two 1m wide quartz-carbonate veins. Highlight rocks samples from Zone 1 South are found in Table 2.

**Table 2. Zone 1 South Sample Highlights**

Year	Sample	Type	ppm Au	Width	Year	Sample	Type	ppm Au	Width
2018	5901	Grab	39.3		2018	5928	Grab	4.47	
2018	5919	Grab	11.5		2018	5929	Grab	2.61	
2018	5920	Grab	4.38		2018	5930	Grab	2.04	
2018	5921	Grab	1.93		2018	5931	Grab	0.63	
2018	5922	Grab	0.60		2018	8201	Grab	1.3	
2018	5923	Grab	0.77		2018	8202	Grab	0.96	
2018	5924	Grab	0.77		2018	8203	Grab	0.36	
2018	5925	Grab	4.3		2018	8204	Grab	0.56	
2018	5926	Grab	3.09		2018	8205	Grab	0.59	
2018	5927	Grab	16.5		2018	8206	Grab	0.95	

**Figure 3. Zone 1**



An initial diamond drilling program of 6 holes totaling 2010 metre was completed in February 2019, with 5 of the six holes testing Zone 1 south. A 7<sup>th</sup> hole was completed further to the south along Zone 1 South in February 2020. The drill hole details are shown in Table 3.

**Table 3. 2019/2020 Drilling Summary**

Number	83Z17 E	83Z17 N	Elevation	Aziumth	Dip	Length
IMGW-19-01	502814	5270095	363	245	-45	251
IMGW-19-02	502784	5270138	364	270	-45	251
IMGW-19-03	502804	5270120	360	260	-45	251
IMGW-19-04	502838	5270055	362	245	-45	254
IMGW-19-05	502795	5270183	365	270	-45	251
IMGW-19-06	502780	5263895	358	90	-58	752
IMGW-20-01	502820	5269705	360	270	-70	302
<b>Total</b>						<b>2312</b>

Drilling concentrated on a 150 metre section of Zone 1 South, with a series of west to southwest trending holes. All holes intersected fine to coarse grained clastic meta-sediments intruded by a series of hornblende porphyry aplite dykes and feldspar-quartz porphyry dykes. Early Proterozoic diabase dykes, likely related to the Nipissing Diabase cut the entire sequence.

Variable grades of gold mineralization are associated largely with pervasively altered metasediments carrying trace to 5% finely disseminated pyrite with local traces of chalcopyrite. Alteration consists of pervasive silicification as microcrystalline quartz flooding, imparting a grey to grey-white bleached appearance to the core, local pervasive brick red hematite, and strong flecks, wisps and filament lamellae of sericite and fuchsitic sericite. Highlight drill intersections (drill widths, not true widths) are shown in Table 4.



**Table 4. 2019/2020 Drill Intersection Highlights**

Hole No	m from	m to	m width	g/t Au	Hole No	m from	m to	m width	g/t Au
IMGW-19-01	118.4	125.5	7.1	0.56	IMGW-19-04	89.35	96	6.65	1.07
IMGW-19-01	135	139	4	0.84	IMGW-19-04	165.4	195.65	30.25	0.32
IMGW-19-01	141.5	144	2.5	2.95	IMGW-19-04	202	221.5	19.5	0.41
IMGW-19-01	191	220.4	29.4	0.37	IMGW-19-04	223.5	230	6.5	0.68
IMGW-19-02	119.35	124	4.65	0.42	IMGW-19-05	98	99	1	0.71
IMGW-19-03	40	41	1	0.53	IMGW-19-05	102	106.6	4.6	1.43
IMGW-19-03	219	219.9	0.9	1.55	IMGW-20-01	180.9	185.25	4.35	1.2

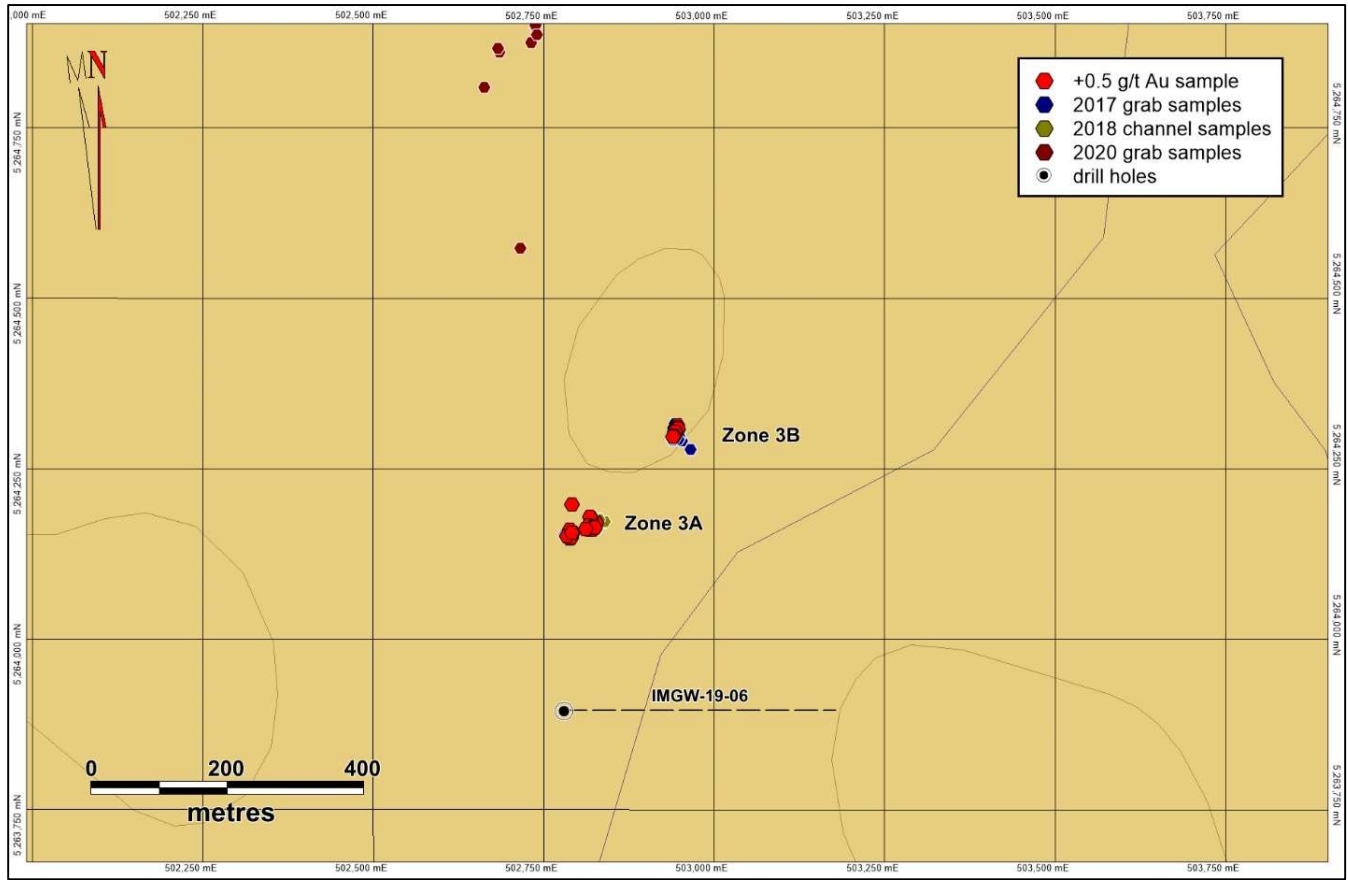
Subsequent to the 2019 drilling, a ground IP program was completed at Zone 1 and Zone 3 by Abitibi Geophysics. Several chargeability/resistivity targets were identified, with one IP target drilled at Zone 1 South and one IP target drilled south of Zone 3. The main Zone 1 target remains undrilled.

### **Zone 3**

Zone 3 consists of two distinct area, 3A and 3B approximately 6 kilometres due south of Zone 1, underlain by Indian Lake Group clastic metasedimentary rocks including arenite, wacke, argillite, arkose and jasperoid-conglomerate. The sequence and mineralized and altered zones are intruded by a strongly magnetic early Proterozoic diabase dike. Continual surface exploration through 2018/2019 extended southernmost Zone 3A over 100m to toward Zone 3B, 220m to the northeast. Highlight assay values are shown in Table 5.

Zone 3A, initially exposed over 15 metres in outcrop, is characterized by 0.5 - 2 m quartz-carbonate veins striking 290° and dipping 75° -80° north, carrying 0.5-1% fine grained, disseminated pyrite and chalcopyrite. The veins are hosted in moderately silicified, green-grey, medium-grained arkose. Subsequent exploration located a 1m quartz vein 35m to the northeast, followed by a 10m by 20m quartz stockwork zone.

**Figure 4. Zone 3**



Zone 3B, lies 220m to the northeast, and consists of two segments of mineralized quartz veins, carrying trace to 2% pyrite, chalcopyrite and malachite. Quartz veins in the northern segment, traced for 10m in outcrop, are 5-20cm wide, and strike 20° and dip 50° west. Quartz veins in the southern segment, traced for 8-10m, vary from 10-40cm wide and strike 20° and 75° -80° east. These veins are hosted in moderately to intensely silicified Archean units.

**Table 5. Zone 3 Sample Highlights**

Year	Sample	Type	Zone	ppm Au	Width	Year	Sample	Type	Zone	ppm Au	Width
2017	3511	grab	3A	7.35		2017	5209	grab	3B	0.63	
2017	3512	grab	3A	1.24		2017	5210	grab	3B	1	
2017	5207	grab	3A	34.81		2017	5211	grab	3B	1.25	
2017	5227	grab	3A	4.7		2017	5212	grab	3B	11	
2017	5228	grab	3A	15.23		2017	5213	grab	3B	2.06	
2017	5229	grab	3A	1.11		2017	5214	grab	3B	2.59	
2017	5230	grab	3A	1.17		2017	5215	grab	3B	13.66	
2017	5231	grab	3A	1.35		2017	5218	grab	3B	0.64	
2017	5232	grab	3A	0.67		2017	5221	grab	3B	1.19	
2017	5236	grab	3A	6.03		2017	5222	grab	3B	3.65	
2017	5238	grab	3A	56.59		2017	5223	grab	3B	0.64	
2017	3513	grab	3B	4.34		2017	5224	grab	3B	0.75	
2017	3514	grab	3B	19.4		2017	5225	grab	3B	5.59	
2017	3518	grab	3B	11.3							
2018	5914	grab	3A	0.906		2018	5915	grab	3A	3.39	
2018	8012	channel	3A	3.98	1	2018	8049	channel	3A	3.91	0.9

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2018	8013	channel	3A	1.48	0.85	2018	8050	channel	3A	1.92	0.8
2018	8017	channel	3A	5.61	1	2018	8051	channel	3A	9.69	0.85
2018	8018	channel	3A	2.07	0.95	2018	8053	channel	3A	5.95	1.1
2018	8024	channel	3A	1.32	0.9	2018	8055	channel	3A	0.53	1.1
2018	8025	channel	3A	1.36	1	2018	8067	channel	3A	2.38	1.05
2018	8030	channel	3A	2.07	0.7	2018	8068	channel	3A	3.81	1.25
2018	8033	channel	3A	0.73	1	2018	8070	channel	3A	2.06	1.1
2018	8034	channel	3A	2.61	0.9	2018	8071	channel	3A	0.83	1
2018	8036	channel	3A	0.55	0.95						

One hole was drilled at Zone 3, testing a 2019 IP target approximately 250m south of Zone 3A. Nothing of significance was encountered in the east-trending drill hole. The main Zone 3 targets remain untested by drilling.

### Property Wide Sampling

The Company initiated a sampling program during the summer of 2020 to test areas of the property peripheral to Zones 1 and 3, concentrating largely in the western section of the claim group within the Archean stratigraphy, with the exception of the Archean outlier at Elkhorn Lake in the east. Sampling extended Zone 1 70 metres to the north and 100 metres to the east. Initial indications of potential gold mineralization was also found in the Archean outlier at Elkhorn Lake.

**Table 6. 2020 Sample Highlights**

Year	Sample	Type	ppm Au		Year	Sample	Type	ppm Au
2020	936397	Grab	1.49		2020	936407	Grab	1.51
2020	936399	Grab	1.25		2020	936408	Grab	1.3
2020	936404	Grab	5.13		2020	936422	Grab	0.62
2020	936405	Grab	2.01		2020	936442	Grab	0.73
2020	936406	Grab	1.02		2020	936458	Grab	2.32

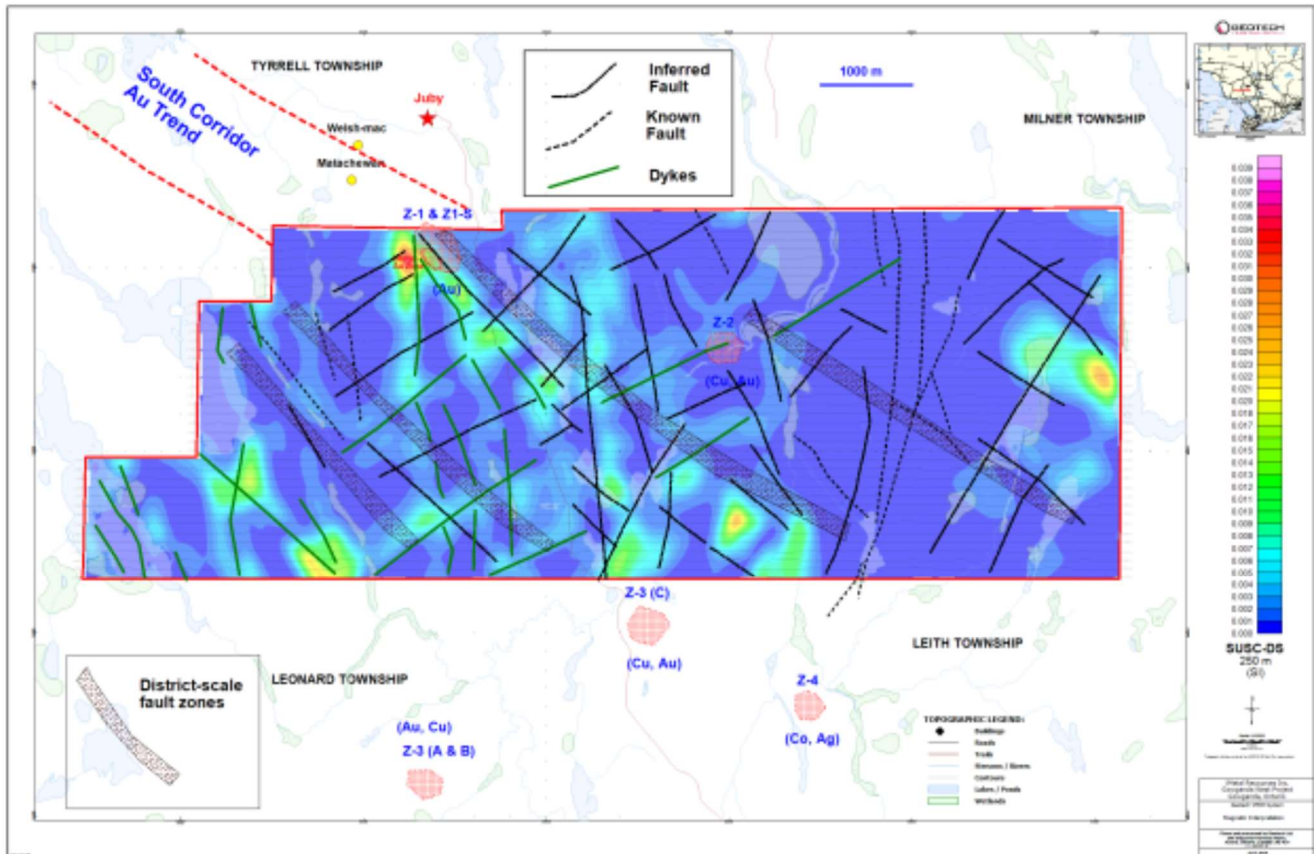
A total of 268 grab samples were taken during the 2020 prospecting program, with the highlights shown in Table 6. Thirty of the samples returned gold values in excess of 0.1 g/t Au with 10 of those exceeding 0.5 g/t Au including 8 that exceeded 1 g/t Au. Given the reconnaissance nature of the prospecting program, the Company is very pleased with these results.

### VTEM Survey

A May 2019 VTEM magnetic and EM survey was completed over a 42sqkm section of the Gowganda West property covering the area immediately south of the boundary shared with Caldas Gold. Geotech Ltd. carried out airborne inductively induced polarization (AIIP) chargeability mapping, MVI 3D inversions, and geophysical interpretation of the VTEM data with the objective of identifying exploration targets for polymetallic vein gold mineralization.

While a series of 7 target areas were identified, the key take-away from the survey was the inferred continuation of the Tyrrell Shear Zone, host of the Jubby deposits, almost 6kms into the iMetal ground. Two of the 7 targets are along the projection of the Tyrrell Shear Zone, with Zone 1 and Zone 1S lying adjacent to one target. Parallel inferred district scale fault zones have also been mapped and form the remaining targets as shown in the Magnetic Vector Inversion Map (Figure 5). The survey end 1.5km north of Zone 3.

**Figure 5. VTEM Magnetic Vector Inversion**



**IP Survey**

A ground IP survey was completed at Zone 1 and Zone 3 in July 2019, subsequent to the initial drill program. A total of 21.6 line kms were completed at Zone 1, consisting of 13 E-W lines of 1.2km and 5 N-S lines of 1.2km, while 15 E-W lines and 5 N-S lines of 1.2km totaling 24 line kms were completed at Zone 3. Several chargeability/resistivity anomalies were identified as potential drill targets.

**Gowganda West Exploration Completed During the Period Ended February 28, 2023**

On July 13, iMetal announced receipt of a three-year drill and exploration permit to carry out the next phase of exploration at Gowganda West. The permit includes:

- 15-line kilometres of induced polarization (IP) surveying;
- Trenching to refine gold targets at up to 25 locations, totalling 2,500 linear metres;
- Greater than 20 drill pads, with multiple drill collars at each pad.

iMetal has completed a series of exploration programs at Gowganda West since acquisition in 2016, including prospecting, grab and channel sampling, and preliminary diamond drilling, along with airborne VTEM and magnetics and ground IP. These programs defined a six-kilometre north-south-trending zone of anomalous gold mineralization and alteration, highlighted by zone 1 in the north and zone 3 in the south.

On September 27, iMetal announced the mobilization of a drill rig to Gowganda West (“GW”). The objective of the 2022 program is to follow up on the long gold intervals encountered in the lower sections of the westernmost drill holes from the 2019 maiden drill program: 0.37 gram per tonne (g/t) gold over 29.4 metres, 0.32 g/t gold over 30.25 metres and 0.41 g/t gold over 19.5 metres. A review of the IMR database by the company's revamped technical team identified gold targets along strike (northwest-southeast), along potential parallel trends (as seen at the

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adjacent Jubu project) and potential new trends where geophysics suggest a potential continuation or splay structure from the Jubu fault may be striking onto GW. Where it is adjacent to Aris Gold's property, GW is underlain by the same basement metasediments that host two of the four main zones of the Jubu deposit.

Concurrently, the company will further evaluate the six-kilometre gold trend hosting zone 1 and zone 3 in combination with the airborne geophysics to identify targets for the latter part of the fall 2022 program.

All drilling for the 2022 program was completed in October. Logging and sampling continued as of November 30, 2022 and was anticipated to be done in the first week of December. Results were expected by year end.

**Table 7. 2022 Drillholes**

<b>Hole #</b>	<b>Easting</b>	<b>Northing</b>	<b>Azimuth</b>	<b>Dip</b>
IMGW-22-01	503172	5269508	102	-44
IMGW-22-02	502890	5269924	226	-49
IMGW-22-03	502890	5269924	224	-61
IMGW-22-04	502784	5270030	223	-45
IMGW-22-05	502759	5270074	231	-45
IMGW-22-06	502759	5270074	48	-43
IMGW-22-07	502724	5270118	224	-45

**Drone Magnetics**

The Shining Tree Block of the Gowganda West Property was surveyed by drone for magnetics in November. Results of the survey have identified four priority target areas for gold exploration.

The survey included a total of 224 line kms of data. A thorough Quality Control process was performed, and then the following advanced processing was applied to the data:

- Total Magnetic Intensity (TMI)
- TMI reduced to the north magnetic pole (RTP)
- TMI RTP Calculated 1st vertical derivative (1VD)
- Calculated Analytic Signal (AS) of the TMI
- Tilt Derivative (TDR) of the TMI
- Total Horizontal Derivative (THDR) of the TMI
- 3D inversion by two methodologies: Inversion for magnetic susceptibility distribution, and magnetic vector inversion.

Interpretation of the results included a geophysical interpretation of the bedrock (Figure 1) and the 3D inversions (for example Figure 2).

**Figure 6. Geophysical Interpretation East Shining Tree Block**

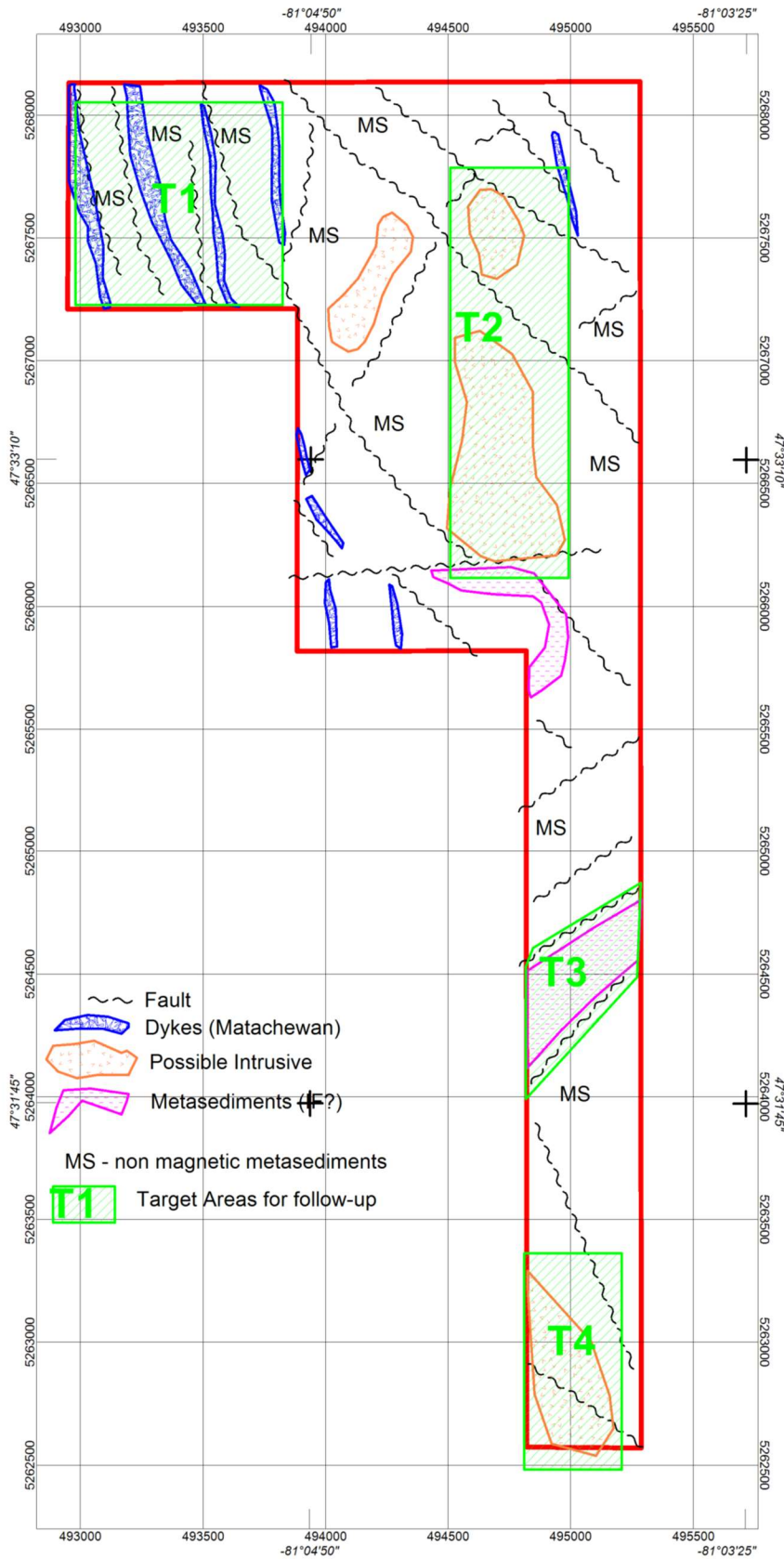
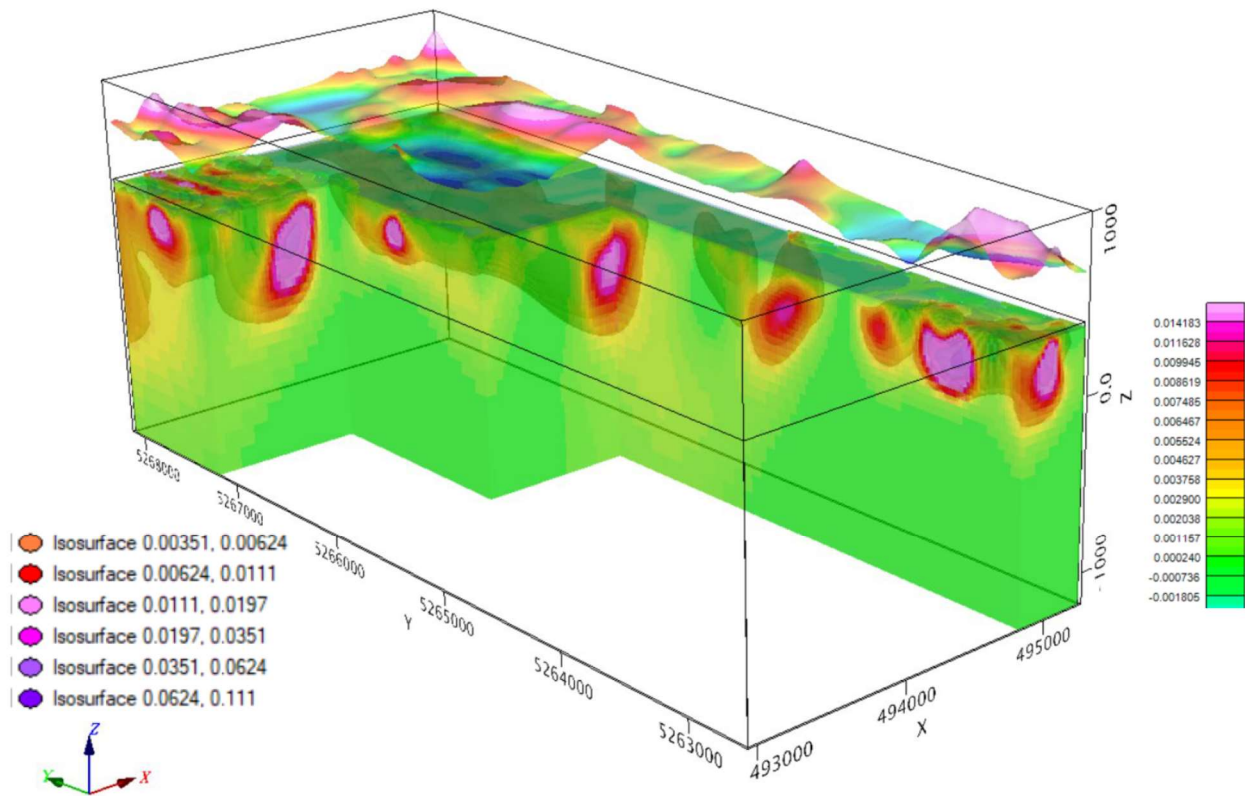


Figure 7. 3D Magnetic Susceptibility Inversion (looking to the NE)

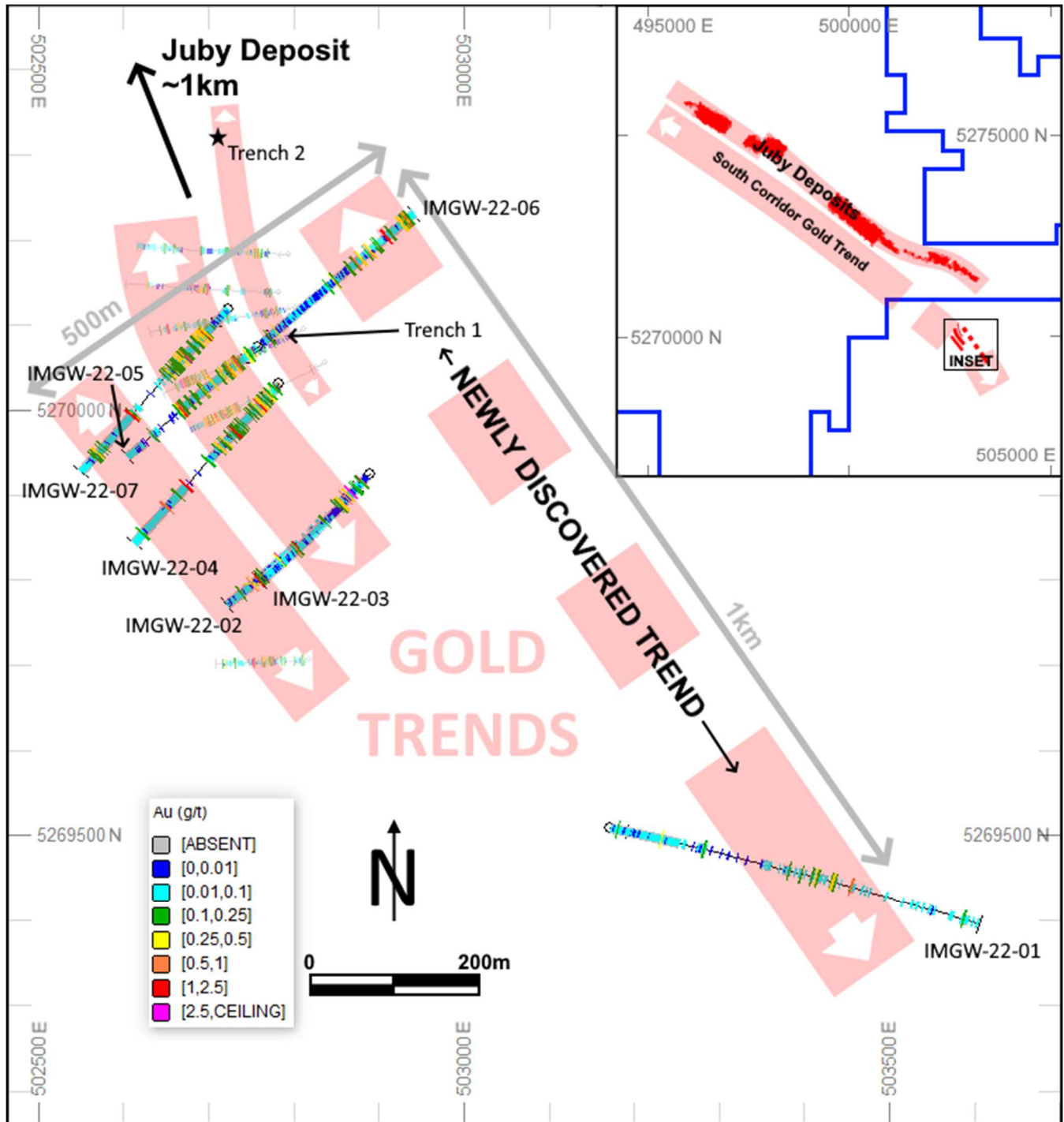


All processing and interpretation were completed by Robert Hearst, P.Geo. of GeoFizX Geophysical Consulting.

**Fall 2022 Drill Results**

A total of seven drill holes were completed for a total meterage of 2611m. All seven holes intersected gold mineralization in multiple intervals. The results strongly suggest all previously encountered gold zones at Gowganda West continue along strike and up dip (towards surface), with gold trends now intersected over a strike of at least 1000m. Equally as important, the gold system continues to grow as a new gold trend to the east was discovered, part of the multiple parallel gold zones encountered. The system is now open along 500m of width, 1000m of strike and 200m of depth. Mineralization continues to show strong similarities to the nearby Jubly Deposits.

Figure 8. Plan Map of Zone 1 Area with 2022 Drilling Locations





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**Table 8. 2022 Drilling Significant Results**

Hole #	From	To	Length	Au (g/t)
IMGW-22-01	86.00	87.00	1.00	0.40
IMGW-22-01	397.00	398.00	1.00	0.71
IMGW-22-02	47.10	47.90	0.80	4.56
IMGW-22-02	60.40	61.00	0.60	0.57
IMGW-22-02	217.50	220.00	2.50	0.75
including	218.65	219.20	0.55	2.52
IMGW-22-02	268.40	269.50	1.10	1.01
IMGW-22-02	280.70	283.10	2.40	0.36
including	282.60	283.10	0.50	0.83
IMGW-22-03	26.50	29.50	3.00	0.92
including	27.20	28.00	0.80	2.41
IMGW-22-03	44.50	45.00	0.50	0.64
IMGW-22-03	100.00	100.60	0.60	0.45
IMGW-22-03	245.50	251.50	6.00	0.52
including	247.00	248.50	1.50	1.30
IMGW-22-04	44.50	47.50	3.00	0.89
including	46.00	47.50	1.50	1.45
IMGW-22-04	95.80	107.50	11.70	0.26
including	106.00	107.50	1.50	1.00
IMGW-22-04	224.90	226.00	1.10	1.32
IMGW-22-04	271.00	272.50	1.50	0.92
IMGW-22-05	22.00	23.50	1.50	0.45
IMGW-22-05	44.30	44.90	0.60	0.59
IMGW-22-05	49.00	50.50	1.50	0.43
IMGW-22-05	62.10	62.90	0.80	0.67
IMGW-22-05	161.50	167.40	5.90	0.95
IMGW-22-06	205.00	206.50	1.50	0.63
IMGW-22-06	233.50	236.50	3.00	0.51
IMGW-22-06	268.00	269.50	1.50	1.04
IMGW-22-06	304.00	313.00	9.00	0.75
including	310.00	310.80	0.80	4.13
IMGW-22-07	57.40	60.80	3.40	0.50
including	57.90	58.60	0.70	1.10
IMGW-22-07	71.30	72.30	1.00	0.45
IMGW-22-07	105.70	108.10	2.40	1.63
including	106.30	107.10	0.80	4.10
IMGW-22-07	232.00	236.00	4.00	0.69
including	235.00	236.00	1.00	1.24

On January 25, 2023, iMetal Resources received the exploration permits for next phase of exploration at Gowganda West. The issued permits are three-year drill and exploration permits and cover the Zone 1 and Zone 3 exploration areas. The permits include allowance for:

- 15 line kilometres of induced polarization (IP) surveying;
- Trenching to refine gold targets at up to 25 locations and 4,000 square metres;
- Greater than 20 drill pads

**Quality assurance/quality control**

iMetal adheres to a strict QA/QC program for core handling, sampling, sample transportation and analyses. Drill core will be securely transported to the rented core facility in Larder Lake which has gate only access. Samples will be sawn in half, labelled, placed in sealed, securitized bags and shipped directly to ALS Laboratories in Rouyn-

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Noranda, Quebec for analysis. ALS Geochemistry Rouyn-Noranda is a Standards Council of Canada (SCC) accredited facility that conforms with both CAN-P-1579 and CAN-P-4E ISO/IEC 17025.

QA/QC control procedures include the systematic insertion of duplicate, blank and certified reference materials (CRM) at regular intervals into the sampling stream. Geochemistry analyses will consist of gold by fire assay and atomic absorption spectrometry (Au-AA26) with overlimit values subsequently analyzed using the gravimetric finish (Au-GRA22) technique. Where elected select samples may be analyzed for multi-element using a four acid/inductively coupled plasma mass spectrometry (ME-MS61) analysis.

**Gowganda West Exploration Completed Subsequent to the Period Ended February 28, 2023**

The Company engaged Laframboise Drilling Inc. of Earlton, Ontario and began drilling on March 27<sup>th</sup>, 2023. To date (April 14<sup>th</sup>, 2023) 1914m have been drilled. No samples have yet been delivered to the analytical laboratory.

**Kerrs Gold Property**

On January 25, 2022, iMetal optioned the road accessible Kerrs gold deposit, 90 kilometres (km) east-northeast of Timmins, Ont., in the Abitibi greenstone gold belt. The 802 hectare property consists of 44 claim units. The terms of the option agreement are as follows:

Due date	Cash	Common shares
Upon receipt of the TSXV's approval on April 1, 2022	\$60,000 (Paid)	3,500,000 (issued)
On April 1, 2023	\$50,000 (Paid March 31, 2023)	-
On April 1, 2024	\$40,000	-
On April 1, 2025	\$60,000	-

Following completion of the above cash payments and share issuances, the company will acquire the deposit and will grant to the vendors a 3-per-cent royalty on net smelter returns from the deposit. The company may acquire 2 per cent of the royalty from the vendors at any time by completing a one-time cash payment of \$2,000,000.

On September 28, 2022, the Company further completed and expanded its existing option agreement with Gravel Ridge Resources Ltd. And 1544230 Ontario Inc. (collectively, the "Vendors") to expand the scope of the Kerrs Gold Deposit by acquiring an additional 137 hectares of the Property. As a result of the extension of acquisition, the Company issued the Vendors a further 200,000 common shares at a fair market value of \$16,000 and reimbursed the Vendor for the expenses of \$48,130 associated with maintaining the additional area.

The Kerrs gold deposit comprises a series of gold-bearing pyritized quartz vein replacement breccias enveloped by quartz fuchsite carbonate vein breccias averaging 10 metres in thickness. The deposit hosts an historical resource estimate of 7,041,460 tonnes grading 1.71 grams per tonne (g/t) gold yielding 386,467 ounces at a 0.5-gram-per-tonne gold cut-off. Drilling subsequent to the historic estimate appears to have extended the mineralized zone along strike and downdip.

The Kerrs gold historical resources estimate was disclosed in "NI 43-101 Resource Estimation on the Kerrs Gold Deposit, Matheson, Ontario," prepared for Sheltered Oak Resources Inc. by Garth Kirkham, PGeo, of Kirkham Geosystems Ltd., and dated June 10, 2011. The company considers the resource estimate relevant as it will drive further exploration by the company and reliable, as it was completed by a competent qualified person to the standards of the day. The resource estimation methods and parameters were as follows:

- Forty-one drill holes were utilized to interpolate the KBX zone.
- Composite length of two metres (m) was chosen and composites were weighted by length.
- Sectional interpretations were wire framed to create 3-D (three-dimensional) solids of the zones.
- Zones were coded to the composites and the block model to constrain the modelling process.
- Composites for the mineralized zone were used to interpolate into the blocks for each zone.
- Ordinary kriging was used as the interpolator.
- Relative elevation modelling was used to guide the ellipse orientation that accounts for the variation in dip due to the synclinal structure.

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- A minimum of two composites were used for each block and a maximum of two composites were used per drill hole; a maximum of 12 composites were used per hole.
- A cutting factor was applied for gold with outlier composites limited to 10 g/t gold (Au) based on cumulative frequency plots. A zero cut-off grade was used for the manual polygonal method.
- Minesight software was used to perform the block modelling and estimations.
- The Kerrs historic estimate is an inferred resource as defined in National Instrument 43-101. The company is not aware of any more recent resource estimates, though there was further drilling completed after the historic estimate was released. The company will need to review the historical drilling and analyses and will need to twin a number of the historic holes to bring the historic estimate current. The company's qualified person has not done sufficient work to classify the historic estimate as a current mineral resource.

iMetal is not treating the historical estimate as a current mineral resource.

The deposit was discovered by Noranda in the late 1970s to early 1980s by following glacial dispersion trains up ice to the source. Drilling continued into the late 1980s, with further drilling in the early to late 2000s and early 2011s. The drilling database was used to calculate the 2011 historic resource estimate, with further drilling completed subsequent to the release of the estimate. The Kerrs gold deposit consists of a series of gold-bearing pyritized quartz vein replacement breccias enveloped by quartz fuchsite carbonate vein breccias averaging approximately 10 metres and alteration envelopes varying up to 40 metres in thickness. Gold is directly related to pyrite content which ranges to 10 per cent and is commonly found as disseminations and crystal aggregates in the sheeted, quartz vein replacement breccias. These breccias, averaging 31 per cent quartz, exhibit reasonable correlation conforming to volcano-stratigraphic contacts, as well as moderate to good continuity in grade correlations at the lower and upper boundaries of the vein breccia and alteration envelope assemblages.

The Kerrs gold deposit is strata bound, occurring at the contact of a thick, mafic pillow flow sequence overlying an ultramafic, magnetite-rich flow sequence. Quartz feldspar porphyry sills are spatially located above and below the breccia zones. This stratigraphy is synclinally folded with the deposit lying 350 metres (m) to 425 m below surface. Drilling has traced the main zone 800 metres and remains open in both directions and at depth.

The Company plans an review of the historical database to define target areas to both significantly expand the historic resource and to test for additional structures.

### **Kerr's Gold Exploration Completed During the Period Ended February 28, 2023**

On September 28, iMetal announced an additional 8 claim units were added to Kerr's property bringing the claim holdings to some 802 hectares.

### **Kerr's Gold Exploration Completed Subsequent to the Period Ended February 28, 2023**

The company continues the review of the Kerr's database, as a volume of historic data not previously held has been obtained. The company has yet to verify the historical data.

### **Mosher Lake Property**

In October 2017, the Company entered into an option agreement for mineral properties in Gowganda, Ontario. The option agreement includes cash payments totalling \$50,000 and share issuances totalling 120,000 which have been completed in full. The Mosher Lake property now forms part of the Gowganda West property.

### **Ghost Mountain Property**

During the year ended May 31, 2017, the Company entered into an option agreement for mineral properties in Kirkland Lake, Ontario. The option agreement includes cash payments totalling \$50,000 and share issuances totalling 60,000 which have been completed in full.

Ghost Mountain, lying within the Abitibi Greenstone Belt, has a long, sporadic exploration history going back to the 1950s. Originally, the ground around Ghost Mountain was prospected and drilled for asbestos with one hole completed on the current claim block. The hole appears to have been drilled perpendicular to stratigraphy,

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intersecting peridotite from bedrock to full depth at 695 feet (211.8 metres). The next drilling took place in 1974, with one hole drilled within the claim block. Intermediate volcanics, rhyolite, graphitic tuff and andesite were intersected with several areas of quartz veins and sulphides noted. A further drill hole was completed in 1983, in the opposite direction to the 1974 hole, intersecting metasediments and andesites, with local areas of quartz veins and sulphides. One hole was drilled south of the claim block in 1991, with the last 75 metres underlying the current claim block, intersecting mafic and ultramafic volcanics. The ultramafic carried ankerite, sericite and fuchsite with fracture filling pyrite. The final historic drilling was completed in 1993, with one hole lying within the current property. This hole was an extension of an earlier hole, intersecting mafic to ultramafic volcanics with strong to pervasive ankerite and local sericite and fuchsite. There were no assays filed with any of the drill logs.

The Company plans to undertake preliminary geological mapping, sampling and prospecting surveys over on Ghost Mountain during the upcoming field season.

**Ghost Mountain Exploration Completed During the Period Ended February 28, 2023**

On June 22, iMetal announced the completion of a drone magnetic survey at Ghost Mountain. The drone magnetic survey was undertaken to highlight geophysical anomalies that may be related to structural zones or corridors which may have acted as conduits and/or hosts for precious metal mineralization. While assay results from the historic drilling are not available, areas of intense alteration, quartz veining and sulphides were noted in the drill logs, supporting the potential of the Ghost Mountain property. An exploration permit application was submitted in November 2022 in order to obtain permission to drill at Ghost Mountain in 2023.

**Ghost Mountain Exploration Completed Subsequent to the Period Ended February 28, 2023**

Waring Minerals Inc. completed a DEP program at Ghost Mountain in March 2023. UAV LiDAR was flown in order to locate outcrops on the property for the purposes of sampling and mapping. The DEP results will be combined with the 2022 AeroVision® results to guide the next stage of exploration which will include defining drill targets. 10 priority sampling targets have been identified and sampling will take place when snow has melted sufficiently in late April or early May 2023.

**Carheil Property**

During the year ended May 31, 2019, the Company renewed the 54 claims to August 2023.

On December 30, 2022, the Company completed its non-brokered flow-through private placement ("Non-brokered FTFPP") by issuing 2,150,000 units for gross proceeds \$602,000. The Proceeds from the Non-brokered FTFPP will be used for the development of the Company's 100% owned Carheil property. In December 2022, there was a discovery of a large copper-gold-silver-molybdenum system less than 1.5 kms from the Carheil boundary.

**Carheil Exploration Completed Subsequent to the Period Ended February 28, 2023**

The Company engaged DIAFOR Inc. of Malartic, Québec for drilling at Carheil. Access to the property has been opened and drilling has commenced as of April 1st, 2023. Drilling completed on April 13<sup>th</sup>, 2023 due to access conditions. The program is targeting the previously drilled graphite zones, in order to expand the extent of known horizons. The program completed 3 drill holes for a total of 1053m. As of April 14<sup>th</sup>, 2023, 207 samples have been delivered to ALS in Rouyn-Noranda.

*Scott Zelligan, P. Geo (Ontario), VP Exploration of iMetal Resources Inc., is the qualified person who has reviewed and approved the technical content of this MD&A on behalf of the Company.*

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**SELECTED ANNUAL INFORMATION**

	<b>For the years ended</b>		
	<b>May 31, 2022</b>	<b>May 31, 2021</b>	<b>May 31, 2020</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Net loss	(1,656,691)	(1,855,169)	(648,026)
Basic (loss) per share	(0.04)	(0.03)	(0.01)
Total assets	6,459,468	4,154,447	2,759,955
Working capital/(deficiency)	1,826,507	704,144	(224,062)

**RESULTS OF OPERATIONS**

***Revenues***

Due to the Company's status as an exploration and development stage mineral resource company and a lack of commercial production from its properties, the Company currently does not have any revenues from its operations. Its only source of revenue is interest income.

***Operating expenses***

***For the nine months ended February 28, 2023 and 2022***

The net loss for the nine months ended February 28, 2023 was \$1,086,385 as compared to a loss of \$481,851 for the nine months ended February 28, 2022.

Consulting fees for the nine months ended February 28, 2023 was \$250,232 compared to \$289,586 for the nine months ended February 28, 2022. The decrease was due to the reduction in business consulting activities coming from cost savings initiatives.

Marketing for the nine months ended February 28, 2023 was \$718,309 compared to \$101,717 for the nine months ended February 28, 2022. The increase was due to additional marketing promotional activities to raise the Company's profile.

Share-based payments for the nine months ended February 28, 2023 was \$112,934 compared to \$4,000 for the nine months ended February 28, 2022. The increase was due to the granting of 1,050,000 stock options with a fair value of \$89,000.

***For the three months ended February 28, 2023 and 2022***

The net loss for the three months ended February 28, 2023, was \$848,867 as compared to a loss of \$116,643 for the three months ended February 28, 2022.

Marketing for the three months ended February 28, 2023 was \$648,809 compared to \$11,450 for the three months ended February 28, 2022. The increase was due to additional marketing promotional to raise the Company's profile.

Share-based payments for the three months ended February 28, 2023 was \$50,890 compared to \$nil for the three months ended February 28, 2022. The increase was due to the granting of 200,000 stock options with a fair value of \$43,000.

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**LAST EIGHT QUARTERLY RESULTS**

<b>Quarter ended</b>	<b>Net Loss</b> <b>\$</b>	<b>Basic Loss per Share</b> <b>\$</b>
February 28, 2023	(848,867)	(0.02)
November 30, 2022	(114,571)	(0.00)
August 31, 2022	(122,947)	(0.00)
May 31, 2022	(1,115,597)	(0.04)
February 28, 2022	(116,643)	(0.01)
November 30, 2021	(122,703)	(0.00)
August 31, 2021	(301,748)	(0.00)
May 31, 2021	(361,509)	(0.05)

During the three months ended February 28, 2023, the Company recorded consulting fees of \$94,047, marketing fees of \$648,809, professional fees of \$37,562 and share-based payments of \$ 50,890.

During the three months ended May 31, 2022, the Company recorded consulting fees of \$70,975, marketing fees of \$589,733, professional fees of \$62,750 and share-based payments of \$ 408,121.

During the three months ended February 28, 2022, the Company recognized a gain on debt settlement \$25,243 by settling \$54,643 of debt with a cash payment of \$15,000 and the issuance of 72,000 common shares from the date of issuance at a price of \$0.20 per share.

During the three months ended November 30, 2021, the Company recorded consulting fees of \$97,022, marketing fees of \$34,000, professional fees of \$26,104 and share-based payments of \$nil.

There are no significant variations in other quarterly results.

**INDUSTRY AND ECONOMIC FACTORS**

The Company's future performance is largely tied to the outcome of its exploration programs, the price of precious and base metals, and the overall health and stability of junior capital markets, inclusive of the TSX Venture Exchange. The financial markets, upon which the Company is reliant, are subject to potential volatility, reflective of investor anxiety with regard to the strength and longevity of the global economy, global growth prospects, and their associated impact upon liquidity, security and return. This uncertainty has led to continued volatility in commodity markets.

Furthermore, unprecedented uncertainty in the credit markets has also led to increased difficulties in accessing capital. Junior exploration companies worldwide at times have been hit particularly hard by these trends. Accordingly, the Company may have difficulty raising additional equity financing for the purposes of gold and other precious mineral exploration without significantly diluting the position of its current shareholders.

**FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES**

In March 2020 the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, have adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or results of operations at this time.

Currently, the Company has no operating revenues and does not anticipate any operating revenues until the Company is able to find or acquire and place in production an operating mining property. Historically, the Company has raised funds through loans, shares for debt settlements, private placements and the exercise of options and warrants.

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Management is still working on raising additional capital, as further financing is required to continue with the Company's ongoing exploration and development plans as well as to pay for office and other administrative expenses. Management is constantly actively seeking additional financing, and while it has successfully done this in the past, there is no assurance that it will continue to be able to do so in the future. The Company's ability to continue as a going concern depends on management's continual success in raising funds.

The Company has not yet determined whether its properties contain ore reserves that are economically recoverable. The recoverability of amounts shown for mineral properties is dependent upon the discovery of economically recoverable ore reserves in its mineral properties, the ability of the Company to obtain the necessary financing to complete development, confirmation of the Company's interest in the underlying mineral claims and leases and upon the future profitable operation of or obtaining sufficient proceeds from the disposition of its mineral properties.

The market price of metals is highly speculative and volatile. Instability in metal prices may affect the interest in mining properties and the development of and production from such properties. Any down-turn may adversely affect the Company's ability to raise capital to explore existing or new mineral properties.

The Company has incurred losses since inception. As at February 28, 2023, the Company had working capital of \$1,498,577 (May 31, 2022 – \$1,826,507), and management must continue to be successful in raising financing. Failing that, the Company faces a serious threat of insolvency and its ability to continue as a going concern.

#### **OFF-BALANCE SHEET ARRANGEMENTS**

The Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, an effect on the results of operations or financial condition of the Company.

#### **CONTINGENCIES**

In June 2019, the Company received a lawsuit in the Supreme Court of British Columbia from a shareholder citing that the Company terminated a consulting agreement between the shareholder and the Company and is seeking damages for breach of contract. However, in the opinion of management, the claim is without merit and the outcome is unknown. No provision has been recorded for this lawsuit.

#### **RELATED PARTY TRANSACTIONS**

The Company incurred expenses to related parties during the nine months ended February 28, 2023.

- \$Nil (2022 - \$Nil) in consulting fees to a company owned by a director of the Company.
- \$157,500 (2022 - \$108,000) in consulting fees to a company controlled by the Company's chief executive officer and director of the Company.
- \$45,701 (2022 - \$345,000) in consulting fees capitalized to exploration and evaluation assets to a company controlled by a director of the Company.
- \$Nil (2022 - \$20,250) in professional fees to a firm previously providing accounting and corporate secretary services where an officer and director of the Company is a partner.
- \$19,000 (2022 - \$9,000) in consulting fees to a company controlled by an officer of the Company.
- \$123,000 (2022 - \$nil) in consulting fees, \$120,000 capitalized to exploration and evaluation assets and \$3,000 expensed to mineral property investigation expenses to a company controlled by an officer of the Company.
- \$5,000 (2022 - \$Nil) in consulting fees to a company controlled by a director of the Company.

As at February 28, 2023, the Company owed Nil (2022 – \$5,250) to a company controlled by a director of the Company.

As at February 28, 2023, the Company owed \$17,900 (2022 – \$Nil) consulting fees to a company controlled by an officer of the Company.

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Amounts owing to or from related parties are non-interest bearing and due on demand.

During the period ended February 28, 2023, the Company issued 700,000 (May 31, 2022 - 1,600,000) stock options with a fair value of \$70,059 (May 31, 2022- \$323,201) to related directors and officers of the Company. During the period ended February 28, 2023, \$112,934 in total (May 31, 2022 - \$412,121) has been included in share-based compensation.

## **RECENT ACCOUNTING POLICIES**

Please refer to the May 31, 2022 audited consolidated financial statements on [www.sedar.com](http://www.sedar.com).

## **FINANCIAL INSTRUMENTS**

Please refer to the February 28, 2023 condensed consolidated interim financial statements on [www.sedar.com](http://www.sedar.com).

## **RISKS AND UNCERTAINTIES**

The Company is engaged in the acquisition and exploration of exploration and evaluation assets. These activities involve significant risks which careful evaluation, experience and knowledge may not, in some cases eliminate the risk involved. The commercial viability of any material deposit depends on many factors not all of which are within the control of management. Some of the factors that affect the financial viability of a given mineral deposit include its size, grade and proximity to infrastructure. Government regulation, taxes, royalties, land tenure, land use, environmental protection and reclamation and closure obligations, have an impact on the economic viability of a mineral deposit.

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Annual losses are expected to continue until the Company has an interest in an exploration and evaluation asset that produces revenues. The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon the continued support of its shareholders, obtaining additional financing and generating revenues sufficient to cover its operating costs. The Company's accompanying financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying financial statements.

Any forward-looking information in this MD&A is based on the conclusions of management. The Company cautions that due to risks and uncertainties, actual events may differ materially from current expectations. With respect to the Company's operations, actual events may differ from current expectations due to economic conditions, new opportunities, changing budget priorities of the Company and other factors.

## **PROPOSED TRANSACTIONS**

There are no proposed transactions that have not been disclosed herein.

## **CRITICAL ACCOUNTING ESTIMATES**

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual reports could differ from management's estimates.



## **INTERNAL CONTROLS OVER FINANCIAL REPORTING**

### *Changes in Internal Control over Financial Reporting ("ICFR")*

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

## **MANAGEMENT'S RESPONSIBILITY OF FINANCIAL STATEMENTS**

The information provided in this report, including the financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the financial statements.

## **OTHER MD&A REQUIREMENTS**

Additional disclosure of the Company's technical reports, material change reports, news releases and other information can be obtained on SEDAR at [www.sedar.com](http://www.sedar.com).

## **OUTSTANDING SHARES, STOCK OPTIONS, AND WARRANTS**

As at the date of this report, the Company had the following outstanding:

	<b>Number of shares</b>	<b>Exercise Price (\$)</b>	<b>Expiry Date</b>
Common shares issued and outstanding	50,345,063		
Stock options	12,000	1.875	May 31, 2023
Stock options	2,000	2.125	June 8, 2023
Stock options	507,000	0.700	November 18, 2025
Stock options	2,000,000	0.330	April 8, 2027
Stock options	150,000	0.380	April 14, 2027
Stock options	850,000	0.075	September 28, 2027
Warrants	1,540,000	1.00	May 31, 2023
Warrants	97,580	1.00	May 31, 2023
Warrants	7,600	1.00	May 31, 2023
Warrants	14,259,667	0.20	April 7, 2024
Warrants	1,338,332	0.20	April 7, 2024
Warrants	464,533	0.20	April 7, 2024
Warrants	225,360	0.20	April 7, 2024
Warrants	150,500	0.35	December 30, 2024
Warrants	2,000,000	0.35	March 31, 2025
Warrants	120,000	0.35	March 31, 2025
Warrants	3,125,000	0.30	April 6, 2025
Warrants	60,000	0.30	April 6, 2025
Fully diluted, April 28, 2023	77,254,635		