WESTERN ALASKA MINERALS CORP.

MANAGEMENT DISCUSSION AND ANALYSIS

FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2023 AND 2022

(EXPRESSED IN UNITED STATES DOLLARS)

INTRODUCTION

The following Management's Disclosures and Analysis ("MD&A") is presented as at August 18, 2023, and provides an analysis of the financial results of Western Alaska Minerals Corp. ("WAM" or the "Company") for the three and six months ended June 30, 2023. It should be read in conjunction with the Company's condensed interim consolidated financial statements for the three-month and six-month periods ended June 30, 2023, and the audited consolidated financial statements at December 31, 2022, and accompanying MD&A dated March 28, 2023. The Company's condensed interim consolidated financial statements and the financial information contained in this MD&A were prepared in accordance with International Accounting Standard ("IAS") 34 – Interim Financial Reporting. All amounts are expressed in U.S. dollars unless otherwise indicated (C$ - Canadian dollars). Additional information relating to the Company can be found on SEDAR at www.sedar.com

The MD&A, particularly under the heading "Capital Resources", contains forward-looking statements that involve numerous risks and uncertainties. Forward-looking statements are not historical fact, but rather are based on the Company's current plans, objectives, goals, strategies, estimates, assumptions, and projections about the Company's industry, business, and future financial results. The Company's actual results could differ materiality from those discussed in such forward-looking statements.

FORWARD LOOKING STATEMENTS

Certain statements contained in this MD&A may constitute forward-looking statements. These statements relate to future events or the Company's future performance. All statements, other than statements of historical fact, may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "propose", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this MD&A should not be unduly relied upon by investors as actual results may vary. These statements speak only as of the date of this MD&A and are expressly qualified, in their entirety, by this cautionary statement.

In particular, this MD&A contains forward-looking statements, pertaining to the following: capital expenditure programs, development of resources, treatment under governmental regulatory and taxation regimes, expectations regarding the Company's ability to raise capital, expenditures to be made by the Company to meet certain work commitments, and work plans to be conducted by the Company.

With respect to forward-looking statements listed above and contained in this MD&A, the Company has made assumptions regarding, among other things: the legislative and regulatory environment, the impact of increasing competition, unpredictable changes to the market prices for minerals, that costs related to development of mineral properties will remain consistent with historical experiences, anticipated results of exploration activities, and the Company's ability to obtain additional financing on satisfactory terms.

The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth in this MD&A: volatility in the market prices of minerals, uncertainties associated with estimating resources, geological problems, technical problems, exploration problems, processing problems, liabilities and risks including environmental liabilities and risks inherent in the exploration and mining, fluctuations in currency and interest rates, incorrect assessments of the value of acquisitions, unanticipated results of exploration activities, competition for capital, competition for acquisitions of reserves, competition for undeveloped lands, competition for skilled personnel, political risks and unpredictable weather conditions.

OVERALL PERFORMANCE

COMPANY OVERVIEW

Western Alaska Minerals Corp. (formerly 1246779 B.C. Ltd.) ("WAM", "779" or the "Company") was incorporated in the province of British Columbia on April 8, 2020. The Company is a public company whose subordinate voting shares are listed for trading on the TSX Venture Exchange ("TSXV") under the symbol "WAM".

The head office of the Company is located at 3573 East Sunrise Drive, Suite 233, Tucson, Arizona, 85718 USA.

The Company has no substantial revenue and supports its operations through the sale of equity. The value of any mineral property is dependent upon the existence or potential existence of economically recoverable mineral reserves. See section related to "Risk Factors" in this statement.

HIGHLIGHTS

In May 2023, the Company completed a brokered private placement for C$7 million and issued 2,982,049 units at a price of C$2.35 per unit. Each unit consists of one subordinate voting share and one-half of one share purchase warrant. The proceeds were used to fund the Company's 2023 exploration program and Corporate overhead.

SUBORDINATE AND PROPORTIONAL VOTING SHARES

Pursuant to the RTO transaction, each WACG common share ("WACG common share") held by a U.S. Resident shareholder was exchanged for either: (i) a "Merger Unit", comprised of 1,000 WAM subordinate voting shares ("WAM subordinate voting shares" or "subordinate voting shares") and 900 Proportional Shares ("WAM proportional shares" or "Proportional Shares"); or (ii) 1,000 Proportional Shares, and each WACG common share held by a Non-U.S. Resident shareholder was exchanged for 10,000 WAM subordinate voting shares. The Proportional Shares are, in effect, subordinate voting shares compressed at the ratio of 100:1 which have voting and economic rights on an as-converted basis. The Proportional Shares are convertible to subordinate voting shares at the request of the shareholder and with the consent of the Company.

OUTLOOK

The 2023 drilling focuses on three objectives. The first objective is to test the extent of the Waterpump Creek CRD-style mineralization along strike to the south where the mineralization is still open. The second objective is in-fill drilling at Waterpump Creek with drill spacings suitable for resource modeling. The higher grade and thickness areas, particularly near hole WPC22-18, will be targeted. The third objective is to explore for the continuation of the Waterpump Creek mineralized zone on the south side of the Illinois Creek Fault in Anaconda's Last Hurrah prospect.

DISCUSSION OF OPERATIONS

PROPERTY DESCRIPTIONS

Round Top Property, Alaska
The Round Top property is a large copper-molybdenum-silver (Cu-Mo-Ag) porphyry system that includes both high grade copper surface discoveries and drill intercepts to a depth of 800 meters. Cu-Mo-Ag mineralization is associated with Cretaceous (+/- 74 Ma) age intrusive rocks. The Property consists of 92 state mineral claims, owned 100% by WACG, located in the Mount McKinley and Nulato mining districts of Alaska.

Illinois Creek Mine Project, Alaska
The Company's most advanced stage asset is the Illinois Creek oxide gold-silver project, a past-producing run of mine (ROM) heap leach mine, camp and airstrip that operated between 1997 and 2002. The project has an updated February 2021 43-101 resource estimate of 525,000 oz of AuEq @ +1.3 g/t. The Company's Waterpump Creek property is located within the Illinois Creek Mine project.

On October 17, 2018, WACG and one of its shareholders, Joe Piekenbrock, entered into an Operating Agreement to form the Illinois Creek Joint Venture LLC (the "JV"). Pursuant to the JV Operating Agreement, WACG issued 346 WACG common shares valued at $692,000. On March 31, 2021, WACG and one of its shareholders, Joe Piekenbrock, entered into a stock purchase agreement (the "Illinois Creek Agreement"), whereby WACG acquired 100% of the issued and outstanding common shares of an Alaska private company, Piek Incorporated ("Piek"), in exchange for 120 WACG common shares (valued at $540,000) and $3,698,000 payable by the issuance of a promissory note.

Piek is the sole owner of 110 state mineral claims, known as the Illinois Creek Project, located in the Mount McKinley mining district of Alaska. An additional 86 claims were staked by WACG in 2021, after the acquisition of Piek and 149 new claims were staked by WACG in 2022.

Honker Property, Alaska
The Honker Property is a gold-silver (Au-Ag) low sulfidation vein system discovered in 1981 located approximately six miles north of the Illinois Creek Mine. It consists of 24 state mineral claims, owned 100% by WACG, located in the Mount McKinley mining district of Alaska.

MINERAL PROPERTY EXPLORATIONS

2023 EXPLORATION ACTIVITIES

The Company's Illinois Creek camp opened in April 2023 and commenced drilling in June 2023 at its Waterpump Creek property. The 2023 exploration program utilizes the Company's new drill to expand the Waterpump Creek CRD discovery to a scale to support a mine development project. The Company will also begin to test the additional targets to determine the ultimate potential of the mineralizing system.

MINERAL PROPERTY EXPLORATIONS

Schedule of cumulative exploration and evaluation properties costs:

	Round Top Property	Honker Property	Illinois Creek Property	Total
	$	$	$	$
December 31, 2021	**5,094,198**	**603,681**	**9,285,764**	**14,983,643**
Claim maintenance	72,600	17,800	95,714	186,114
DNR permit fees	-	-	1,869	1,869
Assays	-	-	317,092	317,092
Camp food, supplies & accommodations	-	-	974,300	974,300
Camp labour/payroll costs	35,000	9,600	1,291,226	1,335,826
Consultant fees	6,917	-	280,195	287,112
Depreciation of equipment (Note 4)	-	-	50,903	50,903
Drilling	-	-	2,226,200	2,226,200
Equipment	-	-	475,095	475,095
Fuel	-	-	437,761	437,761
Fixed wing & fuel	-	-	923,421	923,421
Helicopter & fuel	-	-	194,813	194,813
Travel	-	-	156,715	156,715
Access route engineering	-	-	163,526	163,526
Other field expenses	-	-	103,497	103,497
December 31, 2022	5,208,715	631,081	16,978,091	22,817,887
Claim maintenance	-	-	18,719	18,719
DNR permit fees	150	150	150	450
Assays	-	-	178,675	178,675
Camp food, supplies & accommodations	-	-	508,588	508,588
Camp labour/payroll costs	-	-	641,746	641,746
Consultant fees	-	-	151,802	151,802
Depreciation of equipment (Note 4)	-	-	61,246	61,246
Drilling	-	-	1,377,740	1,377,740
Equipment	-	-	669,871	669,871
Fuel	-	-	96,635	96,635
Fixed wing & fuel	-	-	462,288	462,288
Travel	-	-	49,943	49,943
Access route engineering	-	-	25,791	25,791
Other field expenses	-	-	107,915	107,915
June 30, 2023	**5,208,865**	**631,231**	**21,329,200**	**27,169,296**

SUMMARY OF MATERIAL DRILL RESULTS

Management was pleased that its 2023 drilling intercepts at Waterpump Creek combined with the results from the previous 26 Waterpump Creek drill holes confirm the continuous nature of massive sulfides 30 to 75 meters wide and 495 meters in length plunging gently to the south. The Company also drilled at its Last Hurrah target and is waiting for assay results and updating its 3D IP geophysical studies.

Shown below are the Twenty-eight holes drilled at Waterpump Creek in 2022. Of the 28 holes, 9 encountered mineralization, and the remainder did not. Given the sinuous, "skeletal" nature of many CRD deposits and the sharp boundaries between mineralized and non-mineralized material in CRD's, this is not an unexpected result. Of those holes which did not encounter mineralization, 12 were drilled off to the east or west sides of the manto and two missed by drilling above or below the mineralized holes and five were located on the south side of intervening wetlands along an east-west line located approximately 150 meters south of WPC22-22. These five holes suggest the manto is further west as a consequence of the intersection with the north-east trending Illinois Creek fault zone.

2022 Waterpump Creek Drill Results

Drill hole	From (meters)	To (meters)	Thickness (meters)	Ag g/t	Pb %	Zn %
WPC22-21	**150**	**155.1**	**5.1**	**789**	**22**	**14.9**
WPC22-22	**161.6**	**184.3**	**22.7**	**293**	**20.3**	**9**
including	*161.6*	*168.6*	*7*	*557*	*21.8*	*16.7*
WPC22-22	**207**	**216.5**	**9.5**	**118**	**8.7**	**3.5**
WPC22-22	**245.7**	**300.3**	**54.6**	**187**	**5.1**	**6.2**
including	*271.1*	*274.6*	*3.5*	*1223*	*8.1*	*32.5*
including	*292.6*	*300.3*	*7.7*	*311*	*1.8*	*10.1*
WPC22-20	**166.6**	**178**	**11.4**	**284**	**10.9**	**14.8**
including	*166.6*	*175*	*8.4*	*322*	*12.8*	*12.1*
including	*166.6*	*168.2*	*1.6*	*474*	*14.3*	*24.7*
including	*173.9*	*175*	*1.1*	*883*	*45.2*	*12.2*
WPC22-20	**185.2**	**205.9**	**20.7**	**171**	**5.8**	**9.4**
including	*187.8*	*189.7*	*1.9*	*272*	*7.6*	*22.3*
including	*193.4*	*196.1*	*2.7*	*297*	*10.6*	*2.8*
WPC22-18	**147.2**	**248.9**	**101.7**	**160**	**5.3**	**5.4**
including	*158.6*	*165.8*	*7.2*	*349*	*9.7*	*7.3*
including	*191.7*	*195*	*3.3*	*358*	*10.6*	*7.2*
including	*223.8*	*242.3*	*18.5*	*355*	*13.5*	*2.2*
WPC22-17	**125.5**	**174.3**	**48.8**	**144**	**5.5**	**9**
including	*125.5*	*135.3*	*9.8*	*428*	*14.1*	*15.9*
including	*160.6*	*164.7*	*4.1*	*417*	*18.3*	*14.8*
WPC22-13	**150.1**	**152.9**	**2.8**	**1304**	**37.1**	**2.5**
WPC22-13	**158.4**	**160.8**	**2.4**	**820**	**13**	**15**
WPC22-11	**139.1**	**150.6**	**11.5**	**337**	**10**	**16.7**
WPC22-11	**152.7**	**156.3**	**3.6**	**151**	**5.1**	**22.3**
WPC22-08	**114.6**	**125.5**	**10.9**	**157**	**6.4**	**9.9**
WPC22-07	**136.4**	**142.5**	**6.1**	**459**	**14.8**	**12.1**
WPC22-07	**150.1**	**164.4**	**14.3**	**54**	**1.9**	**10.3**
WPC 21-09	**109.4**	**120.9**	**11.5**	**522**	**14.4**	**22.5**

FINANCINGS

On May 4, 2023, the Company issued by private placement, an aggregate of 2,982,049 subordinate voting shares for gross proceeds of C$7 million, and paid cash commission of C$405,469 and issued 172,540 broker warrants.

On September 6, 2022, the Company issued by private placement, an aggregate of 548,780 subordinate voting shares for gross proceeds of $1.7 million (C$2.2 million).

On August 22, 2022, the Company issued by private placement, an aggregate of 2,378,219 subordinate voting shares for gross proceeds of $7.5 million (C$9.8 million) and incurred share issue costs of $0.4 million and issued 36,585 finder's shares.

On May 5, 2022, the Company issued by private placement, an aggregate of 4,170,000 subordinate voting shares for gross proceeds of $3.9 million (C$5million) and incurred share issue costs of $0.1 million

USE OF PROCEEDS

The following table sets out the planned, actual and continued uses of proceeds of each of the above listed financings. As of the date of this MD&A, there have been no variances between the planned uses of proceeds as announced by the Company and the actual and continued planned uses of the proceeds.

Previous Financing	Proposed Use of Funds as Announced by Press Release	Actual Use of Funds	Variance
May 2022 Private Placement ($5,004,000)	To fund the Company's 2022 exploration program on the Project, including geophysical surveys and 6,000+ meters of drilling.	Exploration activities and general working capital purposes.	Nil
August 2022 Private Placement ($9,750,697.90)	To fund the extension of the Company's 2022 exploration program on the Project, including expanding drilling meterage to 10,500 meters, to further explore along the Last Hurrah area of the Project, initiate metallurgical studies, continue Yukon River access route and environmental baseline studies, fund expenditures in anticipation of the 2023 drill program and for general corporate purposes.	Exploration activities and general working capital purposes.	Nil
September 2022 Private Placement ($2,249,998)	To fund the extension of the Company's 2022 exploration program on the Project, including expanding drilling meterage to 10,500 meters, to further explore along the Last Hurrah area of the Project, initiate metallurgical studies, continue Yukon River access route and environmental baseline studies, fund expenditures in anticipation of the 2023 drill program and for general corporate purposes.	Exploration activities and general working capital purposes.	Nil
May 2023 Private Placement ($7,007,815)	To fund the Company's 2023 exploration program on the Property, including step-out drilling to expand the footprint of the bonanza silver-zinc-lead mineralization of the Waterpump Creek carbonate replacement deposit, explore targets identified by the 3D inversions of historical IP geophysical data and the CSAMT geophysical survey completed in 2022, and for general corporate purposes.	Exploration activities and general working capital purposes.	Nil

EXERCISE OF STOCK OPTIONS

On June 23, 2023, the Company received $17,000 and issued 25,000 subordinate voting shares in relation to a stock option exercise.

On February 1, 2023, the Company received $9,000 and issued 20,000 subordinate voting shares in relation to a stock option exercise.

During the year ended December 31, 2022, 982,500 subordinate voting shares were issued from stock option exercises.

FINANCIAL RESULTS

OVERALL PERFORMANCE

During the three and six months ended June 30, 2023, the Company's main focus was the 2023 drilling season with planning and coordinating for site activities and human resources at the Company's Waterpump Creek property located within the Illinois Creek Project.

SUMMARY OF QUARTERLY RESULTS
The following is a summary of the Company's most recent 8 quarterly result:

	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022	Jun 30, 2022	Mar 31, 2022	Dec 31, 2021	Sep 30, 2021
Expenses	1,126,881	1,444,646	$712,402	$636,728	$723,435	$456,968	$1,818,896	$112,251
Loss for the period	1,173,737	1,445,786	$708,357	$623,471	$737,272	$474,020	$1,818,896	$87,951
Pre-RTO: Weighted Average number of subordinate voting shares outstanding	N/A	N/A	N/A	N/A	N/A	N/A	N/A	3,054
Post-RTO: Weighted Average number of subordinate voting shares outstanding	25,700,604	23,823,915	20,733,508	20,487,428	17,193,817	13,685,096	6,710,279	N/A
Weighted Average number of proportional shares outstanding	224,801	224,801	236,182	238,643	238,643	238,643	144,520	N/A
Loss per share	(0.04)	(0.06)	(0.03)	$(0.03)	$(0.04)	$(0.03)	$(1.37) *	$(28.80)
Exploration and evaluation assets – additions	4,416,178	659,118	$1,102,958	$3,774,137	$2,507,785	$449,364	$759,505	$1,533,983

*The weighted average number of shares outstanding and loss per share for fiscal year ended December 31, 2021, have been adjusted for the exchange of WACG subordinate voting shares to WAM subordinate voting shares post the RTO.

Overall, during the eight recently completed quarters, the Company was in an expansion mode especially starting from the fourth quarter of 2021 whereby the Company incurred more substantial listing expenses as it was preparing to go public.

The Company's operating losses are due to Management fees, and consulting and marketing expenses for the Company's management team and its external resources to assist with the Company's engagement with its shareholders and increase in market exposure to the Capital markets. In addition, the Company issued stock options during the year and were expensed as share-based payment.

Results of Operations for the Three Months ended June 30, 2023

The loss for the three months ended June 30, 2023 was $1,173,737 compared to $737,272 for the three months ended June 30, 2022. The increase in the loss from 2022 to 2023 was mainly due to higher management fees paid in 2023 as well as increased office and sundry expenses and share-based payments.

Results of Operations for the Six Months ended June 30, 2023

The loss for the six months ended June 30, 2023 was $2,619,523 compared to $1,129,254 for the six months ended June 30, 2022. The increase in the loss from 2022 to 2023 was mainly due to share-based payments when the Company granted options to officers and directors of the Company in the first quarter of 2023, as well as more consulting fees paid in 2023 and increased office and sundry expenses.

Transaction with Related Parties

The Company's related parties include its subsidiaries, key management personnel, and companies related by way of directors or shareholders in common. Transactions with related parties for goods and services are made on normal commercial terms.

Key Management Personnel Compensation

Key management personnel include the Company's Board of Directors and members of senior management.

Three Months ended – June 30, 2023	Position	Cash Compensation	Share-based Compensation
Christopher (Kit) Marrs	CEO/Director	$ 45,273	$ 23,039
Nathan Brewer	Director	-	18,041
David Smallhouse	Director	-	18,041
Gregory Anderson	Senior VP/Director	-	23,243
Kevin Nishi	Director	-	18,041
A company controlled by Alex Tong	CFO	25,598	22,733
Joan Marrs	VP Operations	32,338	22,733
Joe Piekenbrock	Chief Exploration Officer	28,555	22,630
		$ 131,764	$ 168,502

Three Months ended – June 30, 2022	Position	Cash Compensation	Share-based Compensation
Christopher (Kit) Marrs	CEO/Director	$ 45,000	$ 5,775
Nathan Brewer	Director	-	19,792
David Smallhouse	Director	-	19,792
Gregory Anderson	Senior VP/Director	18,750	7,426
Kevin Nishi	Director	-	19,792
A company controlled by Alex Tong	CFO	49,903	3,300
Joan Marrs	VP Operations	15,000	3,300
Joe Piekenbrock	Chief Exploration Officer	33,750	2,475
		$ 162,403	$ 81,653

Six Months ended – June 30, 2023	Position		Cash Compensation		Share-based Compensation
Christopher (Kit) Marrs	CEO/Director	$	90,706	$	100,832
Nathan Brewer	Director		-		77,727
David Smallhouse	Director		-		77,727
Gregory Anderson	Senior VP/Director		-		101,464
Kevin Nishi	Director		-		77,727
A company controlled by Alex Tong	CFO		51,013		99,884
Joan Marrs	VP Operations		64,790		99,884
Joe Piekenbrock	Chief Exploration Officer		70,743		99,568
		$	277,252	$	734,814

Six Months ended – June 30, 2022	Position		Cash Compensation		Share-based Compensation
Christopher (Kit) Marrs	CEO/Director	$	90,000	$	13,966
Nathan Brewer	Director		-		23,302
David Smallhouse	Director		-		23,302
Gregory Anderson	Senior VP/Director		37,500		17,956
Kevin Nishi	Director		-		23,302
A company controlled by Alex Tong	CFO		68,561		7,981
Joan Marrs	VP Operations		30,000		7,981
Joe Piekenbrock	Chief Exploration Officer		67,500		5,985
		$	293,561	$	123,776

DISCLOSURE OF OUTSTANDING SHARE DATA

The following table summarizes the fully diluted number of subordinate voting shares outstanding as at June 30, 2023 and the date of this MD&A if all outstanding and vested options were exercised to purchase subordinate voting shares:

	June 30, 2023 Undiluted	June 30, 2023 Fully diluted subordinate voting shares
Subordinate voting shares	26,837,853	26,837,853
Proportionate shares	224,801	22,480,100
Total Subordinate voting shares		49,317,953
Options	3,246,116	3,246,116
Warrants	1,663,564	1,749,834
Fully Diluted Subordinate voting shares		54,313,903

	As at date of MD&A Undiluted	As at date of MD&A Fully diluted subordinate voting shares
Subordinate voting shares	26,837,853	26,837,853
Proportionate shares	224,801	22,480,100
Total Subordinate voting shares		49,317,953

Options	3,252,366	3,252,366
Warrants	1,663,564	1,749,834
Fully Diluted Subordinate voting shares		54,320,153

LIQUIDITY AND CAPITAL RESOURCES

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements.

Working Capital

As at June 30, 2023, the Company had working capital of $1,334,625 (December 31, 2022 - $1,824,093).

Cash

As at June 30, 2023, the Company had cash of $2,914,392 (December 31, 2022 - $3,842,748).

Cash Used In Operating Activities

Cash used in operating activities during the six months ended June 30, 2023, was $1,347,245. Cash was mostly spent on marketing, consulting fees, management fees and professional fees.

Cash Used in Investing Activities

During the six months ended June 30, 2023, the Company spent $3,650,649 on exploration of mineral properties, $449,403 on purchase of equipment, and $353,088 on deposits for drilling equipment. During the six months ended June 30, 2022, the Company spent $2,957,149 on exploration readiness on its exploration and evaluation properties and $94,013 on purchase of equipment.

Cash Generated by Financing Activities

During the six months ended June 30, 2023, the Company received proceeds of $4,715,615 from an equity financing and proceeds of $26,000 from exercise of stock options.

The Company has a promissory note payable of $2,751,583 with 5% interest charge per annum. The repayment details are noted on Note 8 of the Company's condensed interim consolidated financial statements.

GOING CONCERN

The recoverability of amounts shown as mineral exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, the Company's ability to obtain financing to develop the properties and the ultimate realization of profits through future production or sale of the mineral property interests. Realized values may be substantially different than carrying values as recorded in these financial statements.

The Company's condensed interim consolidated financial statements have been prepared on a going concern basis which assumes that the Company will be able to continue its operation as a going concern for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. At June 30, 2023, the Company had not achieved profitable operations, had an accumulated deficit of $8,499,169.

Requirement of Additional Equity Financing
The Company has no source of revenue, income or cash flow. It is wholly dependent upon raising monies through the sale of its Subordinate voting shares to finance its business operations. There can be no assurances that this capital will be available in amounts or on terms acceptable to the Company, or at all.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments are accounted for in accordance with IFRS 9, "Financial Instruments: Classification and Measurement". A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

FINANCIAL INSTRUMENTS

Financial Assets
On initial recognition, financial assets are recognized at fair value and are subsequently classified and measured at: (i) amortized cost; (ii) fair value through other comprehensive income ("FVOCI") or (iii) fair value through profit or loss ("FVTPL"). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. A financial asset is measured at fair value net of transaction costs that are directly attributable to its acquisition except for financial assets at FVTPL where transaction costs are expensed.

All financial assets not classified and measured at amortized cost or FVOCI are measured at FVTPL. On initial recognition of an equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income.

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

The classification determines the method by which the financial assets are carried on the statement of financial position subsequent to inception and how changes in value are recorded.

Impairment of Financial Assets
IFRS 9 uses the expected credit loss ("ECL") model. The credit loss model groups receivables based on similar credit risk characteristics and days past due in order to estimate bad debts. The ECL model applies to the Company's receivables.

An 'expected credit loss' impairment model applies which applies a loss allowance to be recognized based on expected credit losses. The estimated present value of future cash flows associated with the asset is determined and an impairment loss is recognized for the difference between this amount and the carrying amount as follows; the carrying amount of the asset is reduced to estimated present value of the future cash flows associated with the asset, discounted at the financial asset's original effective interest rate, either directly or through the use of an allowance account and the resulting loss is recognized in profit or loss for the period.

In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortized cost decreases, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

Financial Liabilities

Financial liabilities are designated as either (i) fair value through profit or loss; or (ii) other financial liabilities. All financial liabilities are classified and subsequently measured at amortized cost except for financial liabilities at FVTPL. The classification determines the method by which the financial liabilities are carried on the statement of financial position subsequent to inception and how changes in value are recorded. Accounts payable and loans payable are classified under other financial liabilities and carried on the statement of financial position at amortized cost.

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and/or cash flows of the modified instrument are substantially different; in which case a new financial liability based on the modified terms is recognized at fair value.

RISK MANAGEMENT

The Company's risk exposures and the impact on the Company's financial instruments are summarized as follows:

Credit Risk

Credit risk is the risk of potential loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets, including cash and amounts receivable. The Company limits the exposure to credit risk in its cash by only investing its cash with high-credit quality financial institutions in business and savings accounts, in guaranteed investment certificates, and in government treasury bills which are available on demand by the Company for its programs.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. These fluctuations may be significant.

a) Interest Rate Risk – The Company is exposed to interest rate risk to the extent that its cash balances bear variable rates of interest. The interest rate risks on cash and on the Company's obligations are not considered significant.

b) Foreign Currency Risk – The Company has identified its functional currencies as the US dollar and the US dollar. Business is transacted in Canadian dollars and US dollars. The Company maintains US dollar bank accounts in Canada and the United States to support the cash needs of its operations.

c) Commodity Price Risk – While the value of the Company's mineral properties is related to the price of gold and silver and the outlook for these minerals, the Company does not currently have any operating mines and therefore does not have any hedging or other commodity-based risks with respect to its operating activities.

Historically, the price of gold and silver has fluctuated significantly and is affected by numerous factors outside of the Company's control including, but not limited to, industrial and retail demand, central bank lending, forward sales by producers and speculators, levels of worldwide production, short-term changes in supply and demand because of speculative hedging activities, and certain other factors related specifically to gold and silver.

RISKS AND UNCERTAINTIES

The Company is in the business of acquiring, exploring, and developing mineral properties. It is exposed to a number of risks and uncertainties that are common to other mineral exploration companies in the same business. The industry is capital intensive at all stages and is subject to variations in commodity prices, market sentiment, exchange rates for currency, inflation and other risks. The Company currently has no source of revenue other than interest income. The Company will rely mainly on equity financing to fund acquisitions and its other activities. The risks and uncertainties described in the Company's year ended December 31, 2022, MD&A and can be found on www.sedarplus.ca. The risks and uncertainties below are not inclusive of all the risks and uncertainties the Company may be subject to and other risks may exist.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

The components of mineral properties are described in Note 4 of the consolidated financial statements.

PROPOSED TRANSACTIONS

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

OFF-BALANCE SHEET TRANSACTIONS

There are no off-balance sheet transactions that have not been disclosed herein.

CRITICAL ACCOUNTING ESTIMATES

A detailed summary of all the Company's significant accounting policies is included in Note 2 of the consolidated financial statements of the Company for the years ended December 31, 2022.

CHANGES IN ACCOUNTING POLICIES

The Company has adopted the following new accounting standards for the fiscal 2023 reporting period.:

<u>IAS 1 – Presentation of Financial Statements</u>
An amendment to IAS 1 was issued in January 2020 and applies to annual reporting periods beginning on or after January 1, 2023. The amendment clarifies the criterion for classifying a liability as non-current relating to the right to defer settlement of a liability for at least 12 months after the reporting period.

<u>IAS 12 – Income Taxes</u>
An amendment to IAS 12 was issued in May 2021 and applies to annual periods beginning on or after January 1, 2023. The amendment narrowed the scope of the recognition exemption so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences such as deferred taxes on leases and decommissioning obligations.

The application of the above amendments have no material impact on its results and financial position.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

<u>Changes in Internal Control over Financial Reporting ("ICFR")</u>

In connection with National Instrument 52-109 ("NI 52-109"), Certification of Disclosure in Issuer's Annual and Interim Filings, 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 MD&A. 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 NI 52-109.

Management's Responsibility over 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 property reflected in the financial statements.