



FREMONT

GOLD LTD

Fremont Gold Ltd.

An Exploration Stage Company

INTERIM MD&A – QUARTERLY HIGHLIGHTS

FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2023

Dated: November 28, 2023

Fremont Gold Ltd.

Management Discussion and Analysis
For the six months ended September 30, 2023

Management Discussion and Analysis

The following Management Discussion and Analysis (“**MD&A**”) of Fremont Gold Ltd. (“**Fremont**” or the “**Company**”) has been prepared as at November 28, 2023. It is intended to be read in conjunction with the condensed interim consolidated financial statements of the Company as at and for the six months ended September 30, 2023.

This Interim MD&A – Quarterly Highlights has been compiled in accordance with Section 2.2.1 of Form 51-102F1 - Management’s Discussion & Analysis.

All of the financial information presented in this MD&A has been prepared in accordance with International Financial Reporting Standards (“**IFRS**”) unless otherwise noted.

All monetary amounts, including comparatives, are expressed in Canadian dollars unless otherwise noted.

The Company’s year-end is March 31. Accordingly, references to Q2 2024 herein refer to the three months ended September 30, 2023.

Dennis Moore, P.G., President and CEO of the Company and a Qualified Person as defined by National Instrument 43-101, has reviewed and approved the technical information presented in this MD&A.

Overview

Fremont has been actively seeking project development opportunities in the form of properties in the central Tethyan Mineral Belt particularly in Armenia. The Company has an option to acquire up to 100% of an Armenian corporation that holds the exploration license over the Vardenis copper-gold project in central Armenia and has also received an exploration license relating to Urasar, a property located in northern Armenia. The Company is currently investigating other opportunities in Armenia.

The Company has historically been focussed on gold assets in Nevada and has assembled a portfolio of gold projects located in Nevada’s most prolific gold trends. The Company’s current property portfolio in Nevada comprises Cobb Creek, which hosts a historic mineral resource estimate, and Hurricane, which has returned significant gold intercepts from surface in past drilling. The Company is actively looking at opportunities to maximise the value of both properties.

In Q4 2023 and Q1 2024, the Company staked and filed claims in Nevada for the purpose of delineating, defining or evaluating a potential lithium resource. The assets were acquired on an opportunistic basis and were recently sold.

The Company holds its mineral property interests through wholly owned subsidiaries as follows:

- Intermont Exploration Corp. (“**Intermont**”), a Nevada corporation, holds most of the Company’s gold assets in Nevada
- Hayasa Resources Corp. (“**HRC**”), an Armenian corporation, administers the Company’s activities in Armenia
- Lithaur, Inc. (“**Lithaur**”), a Nevada corporation, holds the Company’s lithium assets in Nevada.

Highlights

The six months ended September 30, 2023 and the period ended November 28, 2023 were highlighted by the following activities and initiatives:

Finance

- The balance of cash and cash equivalents as at September 30, 2023 was \$587,802 (March 31, 2023: \$523,948) and the net working capital deficit as at this date was \$447,823 (March 31, 2023: net working capital balance of \$234,641) (see ‘Liquidity and going concern’)
- In October 2023, the Company announced the closing of a non-brokered private placement for gross proceeds of up to \$1,155,300 (see ‘Liquidity and going concern – Non-brokered private placement’)
- In order to preserve cash, management agreed to defer payment of remuneration and reimbursement of expenses. The total amount owing to the President and CEO, the CFO and the VP Exploration in connection with deferred remuneration and unreimbursed expenditures incurred on behalf of the Company as at September 30, 2023 was \$607,660. In addition, the President and CEO advanced a total of \$297,655 to the Company in Q2 2024 (see ‘Liquidity and going concern’)

Exploration and evaluation

- Exploration activity in Q2 2024 was focussed on Armenia and was comprised of the collection of over 800 surface clay and rock samples at Vardenis for a short wave infrared (SWIR) survey to assist in the determination of alteration patterns in anticipation of drilling. Subsequent to September 30, 2023, exploration activity was focussed on preparation for a drill program at Vardenis which commenced in October 2023
- The exploration permit for the Urasar license was received in October 2023. Discussions were held with village leadership in anticipation of the initial exploration program which is to include a comprehensive soil geochemical survey and ground magnetometer survey. The geochemical survey was initiated in November but may not be completed this year due to significant snow fall
- In Nevada, activity in Q2 2024 and thereafter was focussed on the staking, sampling and registration of lithium claims and a geochemical soil sampling program at the Diamond lithium project in anticipation of the pending sale of these assets. There was virtually no exploration activity undertaken at the Company’s gold assets in Nevada in Q2 2024 or subsequent thereto

Project development and portfolio management

- The Company began focussing its project development efforts in Armenia in early fiscal 2023 following the identification of a number of promising opportunities there in the preceding six months
- In November 2023, the Company announced that it had completed the sale of Lithaur, which own owns Fremont’s Nevada lithium assets, to a private Australian-based group (see ‘Lithium assets’)
- In November 2023, the Company announced that it had dropped its Griffon gold property in Nevada (see ‘Nevada gold properties’)
- In October 2023, the Company announced that that it had commenced a diamond drill program at Vardenis (see ‘Vardenis’)
- In October 2023, the Company announced that it had been granted an exploration permit comprising 33.8 km² over the Urasar Mineral District in northern Armenia (see ‘Urasar’)
- In May 2023, the Company announced that it had filed 133 claims in Nevada for the purpose of delineating, defining or evaluating a potential lithium resource (see ‘Lithium assets’)
- In May 2023, the Company announced that it had entered into a letter of intent to acquire up to a 100% interest in Mendia Resources Corp. (“**Mendia**”), an Armenian corporation. Mendia holds the exploration license over the Vardenis copper-gold project in central Armenia. The definitive agreement was executed in June 2023 (see ‘Vardenis’)

- The Company is continuing to seek opportunities to maximise the value of its Nevada properties

Other

- In October 2023, the Company announced that William Richard (Rick) Brown had resigned as Fremont's Vice President of Business Development in late Q2 2024 in order to pursue other interests
- In April 2023, the Company announced that Jason Libenson had joined the Company's Board of Directors and that Alan Carter had elected to resign from the Board of Directors to pursue other opportunities. Mr. Libenson is the President and Chief Compliance Officer at Castlewood Capital Corporation, an independent investment bank in the Canadian small to mid-size capitalization market based in Toronto

Project development, Armenia

The Company incurred approximately \$125,000 in project development costs in fiscal 2023 all of which related to the assessment of opportunities in the Tethyan Mineral Belt in Armenia.

The Company's exploration activities in Armenia are administered by HRC which is a wholly owned subsidiary of Fremont incorporated under the laws of the Republic of Armenia.

Based on the availability of a number of prospective mineralized zones in Armenia and a welcoming, mining-friendly business environment, Fremont management decided to establish a small office in Yerevan, the capital of Armenia, in mid-2022.

Each of the Vardenis and Urasar properties are described below. Urasar was first investigated by Fremont management in September 2021, while Vardenis was evaluated in the spring of 2022. The two properties were included in a total of fifteen Armenian prospects that were sampled and evaluated over the past eighteen months. The Company is pursuing other exploration opportunities in the Tethyan Mineral Belt in Armenia and Georgia.

Vardenis

In May 2023, the Company announced that it had entered into a letter of intent to acquire up to a 100% interest in Mendia, an Armenian corporation, with Mendia's sole shareholder (the "**Optionor**"). Mendia holds the exploration license over the Vardenis copper-gold project in central Armenia.

In June 2023, the Company announced that it had executed a definitive option agreement with the Optionor. The agreement provides the Company with the exclusive option to acquire up to 100% of Mendia via staged option payments over 4.5 years as follows:

- On closing, the Company paid US\$ 100,000 in cash and will issue 500,000 Fremont common shares to the Optionor and initiate specified exploration work on the Vardenis property within 18 months, including a minimum of 2,500 meters of diamond drilling, the completion of which will earn the Company a 51% equity ownership interest in Mendia
- 18 months following closing, the Company shall pay US\$ 150,000 in cash and issue 700,000 Fremont common shares to the Optionor, and initiate further exploration work on the Vardenis property including an additional 2,500 meters of drilling within three years following closing (increasing to 5,000 meters upon receipt of approval from the Armenian Ministry of Territorial Administration and Infrastructure), the completion of which will earn the Company an additional 29% equity ownership interest in Mendia increasing Fremont's total interest therein to 80%
- 36 months following closing, the Company shall pay US\$ 100,000 in cash and issue Fremont 1,000,000 common shares to the Optionor, and initiate additional exploration work including a preliminary economic assessment level study within 4.5 years following closing, the completion of which will earn the

Company an additional 10% equity ownership interest in Mendia increasing Fremont's total interest therein to 90%

- Subsequent to Fremont's acquisition of a 90% interest in Mendia, the Optionor has the right to retain a 10% interest in Mendia by contributing 10% of costs moving forward. If the Optionor declines this right, Fremont has the option to purchase the remaining 10% equity in Mendia for US\$ 3,500,000 in either cash or equivalent in Fremont common shares. If this option to purchase the remaining 10% is not exercised by Fremont and the Optionor does not meet their contribution commitments, the Optionor's residual interest in Mendia will be converted to a 1.0% net smelter return royalty once their interest is diluted below 5%.

The option to acquire Mendia is held by Fremont Gold Ltd., not HRC.

The Vardenis copper-gold property is a high-sulfidation, possible Cu-porphyry mineralized system formerly held by Dundee Precious Metals Inc. ("DPMC") between 2015 and 2018. It occurs 25 kilometers along strike and in the same Eocene volcanic sequences which host the 3M ounce Amulsar gold deposit currently being developed by Orion Mine Finance, Osisko Gold Royalties and Resource Capital Fund.

Historic exploration work on the Vardenis copper-gold property comprises early Soviet-era trenching and pits from the 1960s followed by more recent exploration undertaken by Canadian-based companies during the past decade. This recent work includes 1,246 meters of diamond drilling in seven holes, over 6,000 geochemical samples (both soils and streams), alteration mapping and trenching (two of the seven drill holes are located within Mendia's license; the other five are located on the license boundary and are directed toward/into the Mendia license). This work has defined a NW-SE arcuate-shaped, gold-in-soil anomaly approximately seven kilometers in length, as well as a separate 3.6 x 2.0-kilometer copper anomaly located 1.4 kilometers to the south of the gold anomaly.

The project's attributes include the following:

- A large-scale mineralized system
- Hosted in Armenia's most prospective Eocene volcanics, along strike from the 3M ounce Amulsar gold deposit which is currently under development
- At-surface copper-gold mineralization within widespread high-sulfidation-style alteration
- Considerable previous data which identifies significant, sizeable copper and gold anomalies
- Historical drilling limited to 1,246 meters.

See further information regarding Vardenis in the Company's news release of May 9, 2023.

In June 2023, the Company announced that it had entered into an agreement with DPMC to purchase the historic exploration data that was collected by DPMC when they explored the Vardenis project from 2015 to 2018. The Company paid \$30,000 to DPMC and will issue \$20,000 worth of Fremont common shares by December 31, 2024, if the Company elects to continue the Mendia option agreement.

Exploration activity

Exploration activity at Vardenis for Q2 2024, Q3 2024 and thereafter includes the following:

- Review of historical exploration data (including that acquired from DPMC) by a third party porphyry copper expert
- Drill targeting comprising a detailed short-wave infrared (SWIR) alteration and surface vein mapping
- A preliminary ground based mag survey over the circular copper-moly anomaly: The purpose of the survey is to better understand the subsurface geology and guide further drilling at Vardenis. The data is being processed by a geophysical consultant based in Scotland, U.K. Results are expected in Q1 2024

- An ‘orientation-level’ induced polarization survey comprising one 2,000 metre long, dipole-dipole line was completed in early November 2023 by a local Armenian geophysical contractor in order to evaluate their equipment and capabilities
- A 770 meter diamond drill program comprising two holes. The program was halted due to significant snow fall and frigid temperatures at the 2,700m elevation drill sites. Both holes encountered strongly altered, veined and brecciated volcanic host rock containing between 1% and 5% total sulfide mineralization over nearly their entire lengths. Observed sulfide mineralization comprises pyrite, enargite, chalcopyrite and molybdenite, more or less in that order, and is indicative of a fertile porphyry system. The core has been cut, logged and prepared for transport. The samples will be prepared (dried, crushed and split) in a local laboratory in Yerevan with a portion of the sample sent for geochemical analysis at the ALS laboratory in Romania. Results are expected in Q4 2024. See further information regarding drill activity in the Company’s news release of November 14, 2023

The drill program at Vardenis was undertaken by a drilling contractor owned by the Optionor.

Urasar

In October 2023, The Company announced that it had been granted an exploration permit for the Urasar mineral district in northern Armenia comprising 33.8 km².

Urasar was ranked the highest priority of the 15 Armenian prospects reviewed by the Company due to widespread surface alteration/mineralization and encouraging geochemical results that comprised eight surface rock chip and channel samples, ranging from a minimum of 0.123 g/t Au to a maximum of 12.5 g/t Au, and averaging 2.65 g/t Au. Thirty follow-up rock chip samples were collected in November 2022 from other parts of the license area and returned an average of 0.75 g/t Au, and 0.63% Cu.

Historical Soviet data reveals a non-NI 43-101 compliant resource totalling 344K oz Au in the Russian C1+C2 category and 649K oz Au in the P category in two separate zones as well as significant copper values including high-grade pods and zones. A qualified person has not done sufficient work to classify the historical estimate as current mineral resources and Fremont is not treating the historical estimate as current mineral resources.

See further information regarding Urasar in the Company’s news release of October 10, 2023.

Exploration activity

In November 2023, the Company announced the commencement of a geochemical soil sample survey at Urasar. The Urasar mineral district is at a lower elevation than Vardenis; management is hopeful that this will allow for the completion of the program prior to the arrival of inclement winter weather conditions.

Lithium assets

Lithaur

Lithaur is a company incorporated under the laws of the State of Nevada which was established by a member of management for the purpose of holding lithium claims in Nevada. Lithaur was formally acquired by Fremont Gold Ltd. for nominal consideration in July 2023.

As at the date of acquisition:

- Lithaur held the 133 registered lithium claims and a further 210 staked lithium claims
- Lithaur had total liabilities of US\$ 142,870 owing to Tectonex LLC (“**Tectonex**”) relating to the registration and staking of the claims (all such expenditures were charged by Tectonex to Lithaur without

margin or discount at the actual cost incurred by Tectonex). Tectonex is a company owned by the Company's VP Exploration

Additional lode claims were staked at various locations subsequent to the formal date of acquisition. As at September 30, 2023, Lithaur held four individual projects comprising both recorded recorded and staked placer and lode claims as follows: Butte Valley, Diamond, Jakes Valley and Tub.

The estimated total cost of the Company's lithium initiative through August 31, 2023 was approximately US\$ 220,000.

Exploration activity

A soil survey on the lode claim block was completed and results returned a strong anomaly in calcium, sulfur and arsenic has been identified over the proposed resurgent dome. This is taken to indicate a zone of evaporite gypsum or anhydrite formation. Soil anomalies in lithium, boron and other elements form halos around the calcium-sulfur anomaly. The high sulfur and arsenic content of the calcium sulfate evaporite zone may be due to hydrothermal contribution and suggests the possibility that hydrothermal alteration of smectite to illite (as at Thacker Pass) may have taken place below the sulfate anomaly. Spring/well water samples were taken in the area of the soil anomaly and results are expected in Q3 2024.

The increased demand for lithium to serve the EV market has led to a rapid expansion of lithium exploration and attendant junior explorers in prospective jurisdictions such as Nevada, Argentina and Chile. This has led to the discovery of several world-class deposits in Nevada such as Rhyolite Ridge (Ioneer, INR-ASX) and the Thacker Pass deposit (Lithium Americas Corp, LAC-TSX). Major corporations and governments are providing significant funding for lithium exploration and mining.

Fremont management has used geological and structural models from known lithium deposits in Nevada including the Thacker Pass and Rhyolite Ridge projects to stake similar settings hosted in calderas in central Nevada.

Sale of Lithaur

In November 2023, the Company announced that it had entered into a binding term sheet to sell Lithaur to a private Australian-based group. The terms of the transaction are as follows:

- A one-time payment to Fremont of US\$ 100,000 (received)
- A 2.0% royalty granted in favour of Fremont on each of four projects with a right for the purchaser to buy one half of each royalty (1.0%) for US\$ 2,000,000 (for each project)
- Buyer's assumption of up to US\$ 125,000 of debt owed by Lithaur and assumption of all ongoing Nevada-based lithium costs effective September 1, 2023
- A 'best efforts' commitment to take the Lithaur assets public via an initial public offering or reverse take over transaction or similar transaction on an Australian or Canadian stock market by October 31, 2024, with the possibility to extend to April 30, 2025 for a payment of US\$ 100,000
- Fremont to receive 30% of the new company post listing and the right to appoint one director to Lithaur's (or surviving listed entity's) board of directors upon completion of such listing, and
- In the case of a sale of Lithaur or its assets being sold to a third party in lieu of a go-public transaction, 30% of the net proceeds of such sale will be paid to Fremont.

Nevada gold properties

Fremont has assembled a portfolio of gold projects located in Nevada's most prolific gold trends. The Company's current portfolio of gold properties in Nevada comprises Cobb Creek, which hosts a 43-101

compliant resource, and Hurricane, which has returned significant gold intercepts from surface in past drilling.

No exploration activity was undertaken at these properties in Q2 2024 and thereafter. Nominal expenditures incurred in Q2 2024 related to Cobb Creek and the return of the Griffon property.

In November 2023, the Company announced that it had returned its Griffon project in White Pine County, Nevada to Pilot Gold (USA) Inc. (“**Pilot**”), a wholly owned subsidiary of Liberty Gold Corp. The termination of the option agreement with Pilot follows from the Company’s decision to shift focus to its copper-gold projects in the central Tethyan belt of Armenia.

Fremont is actively seeking opportunities to maximise the value of its two remaining Nevada gold projects, Cobb Creek and Hurricane.

Proposed transactions

As at September 30, 2023 and November 28, 2023, there were no announced asset or business acquisitions or dispositions other than as described herein, however, the Company is actively looking at opportunities to maximise the value of its two remaining Nevada projects, Cobb Creek and Hurricane.

Selected financial information

A summary of results in respect of the five quarters ended September 30, 2023 is as follows. This summary information has been derived from the audited consolidated financial statements and condensed interim consolidated financial statements (unaudited) of the Company.

Consolidated statements of income and loss

	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024
Revenue	-	-	-	-	-
Exploration and evaluation	11,067	2,963	1,045	10,515	228,937
Administration (cash):					
Professional fees	12,674	20,194	7,843	32,655	69,081
Management	48,195	44,386	46,899	51,899	56,730
General and administration	18,710	19,321	19,116	22,716	30,286
Marketing	2,164	3,611	2,898	2,237	19,287
Project development	25,829	44,496	41,989	40,782	4,188
Listing expense	3,776	2,172	28,988	6,483	2,291
Travel (cost recovery)	9,610	(1,779)	8,371	1,154	1,286
Reclamation (net)	6,419	5,258	15,302	958	-
	127,377	137,659	171,406	158,884	183,149
Administration and other (non-cash):					
Write-off of mineral properties	479,902	(11,279)	(224,558)	-	853,688
Stock-based compensation	5,981	4,741	928	42,913	26,003
Loss (gain) on securities	-	-	(42,000)	18,000	6,500
Depreciation	1,685	1,771	1,759	1,692	1,766
Loss on sale of mineral properties	-	-	228,124	-	-
	487,568	(4,767)	(35,747)	62,605	887,957
Foreign exchange loss (gain)	(48,333)	11,559	(990)	7,047	(5,476)
Interest income	(1,927)	(2,579)	(1,931)	(1,190)	(892)
Net loss	575,752	144,835	133,783	237,861	1,293,675

In general, there were limited fluctuations in cash spend between quarters in the five quarters ended September 30, 2023 due to the absence of drill programs during this period. Variability in spend was generally related to professional fees, marketing, expenditures on project development, annual listing fees and reclamation expenditures associated with the North Carlin property.

Specific fluctuations in the Company's quarterly results were attributable to the following factors:

- Exploration: Exploration initiatives (and related spend) through Q4 2023 were limited and directed primarily to Cobb Creek. Q1 and Q2 2024 spend related primarily to various exploration activities at Vardenis including planning for a drill program which commenced in October 2023 (see 'Vardenis')
- Professional fees relate primarily to legal fees associated with general corporate matters as well as audit fees. The increase in Q2 2024 was related to legal fees associated with the establishment, acquisition and sale of Lithaur (see 'Lithium assets') and various issues relating to the Vardenis transaction including the option agreement with Mendia (see 'Vardenis')
- Management costs comprise remuneration of the Company's President, CEO and CFO. Remuneration of the Company's VP-Exploration is classified as exploration spend or capitalised to mineral properties as a component of staking costs
- General and administration charges relate to the cost of maintaining corporate offices in each of Vancouver and Nevada. The increase in Q2 2024 related to one-off costs associated with the Lithaur transaction
- Marketing relates primarily to the cost of shareholder communications including news releases and maintenance of the Company's web site. The increase in Q2 2024 related to the cost of the VP Business Development that was previously classified as project development in connection with the Armenian initiatives. The VP Business Development resigned in late Q2 2024

- Project development costs relate to preliminary exploration expenditures and consulting fees incurred in connection with the identification of new opportunities in the Tethyan Mineral Belt in Armenia. The increase in costs in Q3 2023 were attributable to the retention in October 2022 of Rick Brown, a business development professional, to assist the Company in its assessment of opportunities. Mr. Brown resigned in late Q2 2024. As noted above, the costs of the VP Business Development were classified as market-ing instead of project development in Q2 2024 with the closing of the Vardenis transaction
- Listing fees were higher in Q4 2023 due to annual fees for both the TSXV and the OTCQB listings
- The net reclamation costs incurred in Q3 and Q4 2023 relate to the reclamation of the North Carlin property in advance of the sale of the North Carlin assets to Westward Gold Inc. (“Westward”)
- The write-off of mineral property relates to the provision established for the North Carlin property in Q 2023; the established provision was partially reversed in Q3 2023 reflecting changes in the market value of the transaction consideration as at December 31, 2022. The Q2 2024 expense relates to the dropping of the Griffon property
- Stock-based compensation relates to the amortisation of the estimated fair value of stock options issued to management, directors, employees and consultants. Stock options were last issued in April 2023 (1,950,000 options including 1,500,000 options issued to officers and directors of the Company)
- Gains and losses (both realised and unrealised) on marketable securities relate to changes in value of the 600,000 common shares and sale in Q2 2024 of 200,000 common shares of Westward that were received as part of the consideration for the North Carlin transaction. The common shares were subject to both statutory and voluntary hold periods
- The loss on sale of mineral properties relates to the sale of the North Carlin property
- The significant foreign exchange gain in Q2 2023 resulted from the majority of the Company’s treasury being converted to and held in United States dollars during the quarter.

Consolidated statements of financial position

	30-Sep-22	31-Dec-22	31-Mar-23	30-Jun-23	30-Sep-23
	(Q2 2023)	(Q3 2023)	(Q4 2023)	Q1 2024	Q2 2024
Cash and cash equivalents	1,200,884	700,974	523,948	146,785	587,802
Marketable securities	-	-	90,000	72,000	42,000
Other current assets	71,344	65,816	59,524	56,002	66,472
Mineral properties	2,416,001	2,501,092	2,545,572	2,652,859	2,287,722
Fixed assets	6,637	4,820	3,061	1,357	12,827
Advances to Lithaur	-	-	-	79,377	-
Reclamation bonds	73,067	72,198	72,139	70,577	62,945
Total assets	3,767,933	3,344,900	3,294,244	3,078,957	3,059,768
Accounts payable and accrued liabilities:	296,237	55,083	68,110	90,883	238,782
Due to related parties	404,065	375,622	370,721	383,764	905,315
Total liabilities	700,302	430,705	438,831	474,647	1,144,097
Net working capital	571,926	336,085	234,641	(199,860)	(447,823)
Share capital	17,676,452	17,698,452	17,788,002	17,786,562	17,780,307
Reserves	1,947,692	1,952,433	1,953,361	1,996,274	2,022,277
Subscription receipts	-	-	-	-	537,767
Other comprehensive expense	229,989	194,647	179,170	124,455	171,976
Accumulated deficit	(16,786,502)	(16,931,337)	(17,065,120)	(17,302,981)	(18,596,656)
Total equity	3,067,631	2,914,195	2,855,413	2,604,310	1,915,671
	-	-	-	-	-

- The balance of cash as at September 30, 2023 had increased relative to that as at June 30, 2023 as a result of subscription receipts received in connection with the non-brokered private placement that closed in October 2023
- Other current assets relate to prepaid insurance expenditures and various receivables (including GST)
- The carrying value of mineral properties includes claim acquisition (option payments, value of common shares issued to optionors in connection with property transactions, costs of staking, etc.) and the costs of maintaining the claims in good standing (annual Bureau of Land Management (“BLM”) and county charges in respect of the Nevada properties). The carrying value of mineral properties is impacted by movement in the \$ / US\$ foreign exchange rate. Costs of both exploration and indirect costs associated with claim acquisition (such as legal expenses) are expensed as incurred. Specific issues impacting the carrying value of mineral properties during the period under consideration were as follows:
 - Q3 2023 increase relates primarily to an option payment associated with the Cobb Creek property (US\$ 30,000), an option payment associated with the Griffon property in the form of 250,000 common shares, various staking activity and a partial reversal of the North Carlin provision established in Q2 2023
 - Q4 2023 increase includes an option payment associated with the Hurricane property (US\$ 25,000)
 - Q1 2024 increase relates entirely to the Vardenis property (comprising a US\$ 100,000 option payment and \$30,000 for the purchase of historical exploration data; see ‘Vardenis’) and foreign exchange fluctuations
 - Q2 2024 decrease relates to the dropping of the Griffon property and the write off of the capitalised cost of the property (\$853,688) offset by increases in respect of capitalised costs of both the lithium assets in Nevada held by Lithaur and the acquisition costs associated with the Vardenis and Urasar properties in Armenia held by HRC
- The Company had advanced Lithaur a total of US\$ 59,952 (\$79,377) through June 30, 2023. The inter-company balances were eliminated on consolidation commencing in Q2 2024
- Reclamation bonds total US\$ 46,557 (\$62,945) and relate to exploration activities on various properties (see ‘Liquidity and going concern - Contractual commitments’)
- Accounts payable and accrued liabilities comprise amounts due to third parties including accrued audit fees and recurring liabilities relating to ongoing operations in Nevada, Armenia and Vancouver. The significant increase in Q2 2024 relates to fees and other amounts owing to the former VP Business Development, accrued audit and legal fees and various exploration expenditures incurred in connection with the Vardenis property. All applicable liabilities that were due for payment were paid in full subsequent to September 30, 2023
- The increase in the balance due to related parties relates to the ongoing deferral of certain management costs and advances provided by the President and CEO (see ‘Transactions with related parties’)

Liquidity and going concern

As at September 30, 2023, the Company had a cash balance of \$587,802 (March 31, 2023: \$523,948), and a net working capital deficit of \$447,823 (March 31, 2023: net working capital balance of \$234,641).

Going concern

The nature of the Company’s operations results in significant expenditures for the acquisition, maintenance and exploration of mineral properties. To date, the Company has not generated any revenue from mining or other operations as it is considered to be in the exploration stage.

Given the Company’s liquidity situation in recent years, management took the following steps to preserve cash:

- Significant reduction in all marketing spend
- Continued reduction in office and administrative spend

- The President and CEO began working without remuneration when starting in this combined role in May 2021, but recognition of his remuneration commenced effective June 1, 2021. Payment of remuneration was deferred from this date through September 30, 2022 and then again commencing July 1, 2023
- The payment of the CFO's remuneration was deferred from May 1, 2021 through September 30, 2022
- The payment of part of the VP Exploration's remuneration has been deferred from May 1, 2021 through September 30, 2022
- The reimbursement of certain expenses incurred by members of management on behalf of the Company has been deferred since May 1, 2021
- The reimbursement of the majority of costs associated with the Company's lithium assets incurred since January 2023 has been deferred

In addition, the Company's President and CEO advanced a total of \$297,655 to the Company during Q2 2024 for various purposes of which \$100,000 was repaid subsequent to September 30, 2023 with the proceeds of the October 2023 non-brokered private placement (see 'Transactions with related parties').

A liability due to the three members of management totalling \$905,315 has accumulated through September 30, 2023 as a result of the aforementioned deferrals and the loan and advance received. It is expected that part of this balance will be restructured, however, the terms of such a restructuring had not been established as at November 28, 2023.

As at the time of Fremont's acquisition of Lithaur in July 2023, Lithaur had US\$ 142,870 of liabilities owing to Tectonex, a company previously owned by the Company's VP Exploration, relating to the registration and staking of the claims; all such expenditures were charged by Tectonex to Lithaur without margin or discount at the actual cost incurred by Tectonex (see 'Lithium assets').

The Company's ability to continue as a going concern is dependent upon its ability to obtain additional funding from equity financings provided by the Company's existing shareholders and/or new shareholders or through other arrangements. There is no assurance that the Company will continue to be successful in this regard.

The recoverability of the carrying value of mineral properties and deferred expenditures is dependent upon a number of factors including the existence of recoverable reserves, the ability of the Company to obtain financing to maintain properties in good standing and continue exploration and the discovery of economically recoverable reserves.

The Company's financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption deemed to be inappropriate. These adjustments could be material.

In the event the Company is unable to arrange appropriate financing, the carrying value of its assets and liabilities could be subject to material adjustment and the Company may not be able to meet its obligations as they become due in the normal course of business. Furthermore, these conditions indicate the existence of a material uncertainty that raises significant doubt as to the Company's ability to continue as a going concern.

Non-brokered private placement

In October 2023, the Company announced the closing of a non-brokered private placement consisting of a total of 11,553,000 units (at a price of \$0.10 per unit for gross proceeds of \$1,155,300).

Each unit consists of one common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder to purchase an additional common share at a price of \$0.17 per share for a period of 24 months following closing of the private placement.

The stated use of the net proceeds of the private placement is general working capital, to undertake an initial drill campaign at Vardenis, advance the Urasar project and repay \$100,000 of the advance provided by the President and CEO.

Dividends

The Company has neither declared nor paid any dividends on its common shares to date. The Company does not anticipate paying any dividends on its common shares in the foreseeable future.

Contractual commitments

The Company is responsible for remediating ground on its Hurricane property on which it undertook trenching activity in Q3 2018. In this regard, the Company was required to post a reclamation bond of US\$ 56,066 with the BLM. In October 2021, the Company received a partial refund of the Hurricane bond amounting to US\$ 33,640 leaving a remaining balance of US\$ 22,426. The Company has estimated that there are no further costs of reclamation to be incurred in connection with the Hurricane property.

The Company is responsible for remediating ground on its Gold Bar property on which it undertook drilling activity in Q1 2019. In this regard, the Company was required to post reclamation bonds totalling US\$25,404 with the BLM. In November 2019, the Company received a partial refund of the Gold Bar bond amounting to US\$ 15,240 and a further partial refund amounting to US\$ 4,929 in May 2022 leaving a remaining balance of US\$ 5,235. The Company has estimated that there are no further costs of reclamation to be incurred in connection with the Gold Bar property.

The Company is responsible for remediating ground on its Griffon property on which it undertook drilling activity in Q3 2021. In this regard, the Company chose to address its reclamation commitment through a bond agency; the bond amount is US\$ 72,700. The Company has estimated the cost of reclamation of the Griffon property to be approximately US\$ 15,000. The Company is obligated to complete this reclamation despite having terminated the underlying option agreement.

The Company is responsible for remediating ground on its North Carlin property on which it undertook drilling activity in Q4 2021. In this regard, the Company was required to post a reclamation bond of US\$ 25,645 with the BLM. Following the reclamation activity undertaken in Q4 2023 preceding the sale of the property to Westward, the Company has estimated the cost of reclamation of the North Carlin property to be approximately US\$ 2,000.

The three bonds totaling US\$ 46,557 (\$62,945) as at September 30, 2023 will be refunded in full once the BLM has concluded that the reclamation work completed is satisfactory. Management is actively seeking to recover the outstanding balances.

The Company is required to make certain option and lease payments to third parties in order to maintain its remaining two Nevada gold mineral properties and agreements in good standing. Such expenditures to be incurred in the year ended March 31, 2024 total US\$ 25,000 (\$33,800) in respect of Hurricane which is due in February 2024.

Annual statutory claim maintenance expenditures (BLM and county charges) are due in August of each year.

As at the time of Fremont’s acquisition of Lithaur in July 2023, Lithaur had US\$ 142,870 of liabilities owing to Tectonex, a company owned by the Company’s VP Exploration, relating to the registration and staking of the claims (see ‘Lithium assets’).

Other than as described above, the Company had no significant medium- or long-term contractual commitments as at September 30, 2023 or November 28, 2023 beyond its stated liabilities and other commitments associated with its mineral properties and related lease and option agreements.

Legal proceedings

The Company was not involved in any legal proceedings as at either September 30, 2023 or November 28, 2023.

Off-balance sheet arrangements

As at September 30, 2023 and November 28, 2023, the Company was utilising the services of a bond agent in connection with the provision of a bond to the applicable authorities relating to the Griffon drill program. The bond amount is US\$ 72,770.

Otherwise, the Company is not a party to any off-balance sheet arrangements.

Transactions with related parties

The Company incurred the following expenses resulting from transactions with related parties including officers and directors and companies that are controlled by officers and directors of the Company:

	6 months ended Sept. 30, 2023	6 months ended Sept. 30, 2023
Remuneration of officers of the Company (1)	\$ 177,393	\$ 118,700
Stock-based compensation relating to stock options issued to officers and directors of the Company	53,012	14,813
Recharge of exploration, claim and local administrative expenditures (2)	105,134	33,706
	<u>\$ 335,539</u>	<u>\$ 167,219</u>

Officers of the Company include its President, CEO, CFO and VP Exploration. See discussion in ‘Liquidity and going concern’ regarding the deferrals of management remuneration that were introduced in fiscal 2022.

Certain exploration, local administrative and claim acquisition expenditures are charged to the Company (both Intermont and Lithaur) by Tectonex. Such charges totalled US\$ 78,333 (\$105,133) in the six months ended September 30, 2023 (six months ended September 30, 2022: US\$ 26,255 (\$33,706)). All such expenditures are recharged to the Company without margin or discount at the actual cost incurred by Tectonex

The Company owed the following amounts to related parties including officers and directors or companies that are controlled by officers and directors of the Company:

	Sept. 30, 2023	March 31, 2023
Amount owing to Tectonex relating to the recharge of exploration, claim and local administrative expenditures	\$ 258,235	\$ 109,450
Amounts owing to directors and officers relating to deferred remuneration and the reimbursement of expenses	349,425	261,271
Advances provided by President and CEO	297,655	-
	\$ 905,315	\$ 370,721

In July 2023, the President and CEO loaned the Company US 72,230 to fund the payment of annual BLM fees.

In August 2023, the President and CEO loaned \$200,000 to the Company of which \$100,000 was subsequently repaid with the proceeds of the October 2023 non-brokered private placement. The repayment of the remainder of the loan is subject to the sale of the Company's Nevada gold assets which the Company is actively seeking to sell or joint venture; the loan will be repaid in whole or in part with the proceeds of such transaction.

Amounts due to related parties as at September 30, 2023 and subsequent thereto (including the advance and loan from the President and CEO) were unsecured, non-interest bearing and had no set terms of repayment (other than the repayment of the remaining \$100,000 of the loan).

It is expected that the majority of the balance (other than the advance and loan balances due to the President and CEO) will ultimately be restructured, however, the terms of such a restructuring had not been established as at November 28, 2023.

In July 2023, the Company acquired Lithaur Inc. from a member of management for nominal consideration (see 'Lithium assets').

Outstanding share data

The Company has authorized capital of an unlimited number of common shares without nominal or par value and an unlimited number of preferred shares without nominal or par value.

Share consolidation

In May 2022, the Company announced that it was consolidating its common shares on a ten for one basis (the "**Consolidation**"). The Company's common shares commenced trading on a post-consolidated basis effective at market opening on May 18, 2022.

Immediately prior to completion of the Consolidation, the Company had 146,114,292 common shares issued and outstanding. After giving effect to the Consolidation, the Company had 14,611,431 common shares issued and outstanding.

The Company's outstanding incentive stock options and warrants were adjusted on the same ten for one basis to reflect the Consolidation in accordance with their respective terms, with proportionate adjustments being made to exercise prices.

For accounting purposes, recognition of the Consolidation has been made retroactively such that all share and per share numbers presented in the audited 2022 consolidated financial statements and this MD&A have been adjusted to reflect the Consolidation.

Capital structure

The Company had the following common shares, warrants and stock options outstanding as at September 30, 2023 and November 28, 2023:

	Nov. 28, 2023	Sept. 30, 2023
Issued and outstanding common shares	37,422,097	25,869,097
Fully diluted	45,498,597	32,274,217
Share purchase warrants:		
Oct. 27, 2025 (\$0.17)	5,776,500	-
Nov. 2, 2023 (\$1.00)	-	4,000,000
Nov. 2, 2023, finder warrants (\$1.00)	-	105,120
	5,776,500	4,105,120
Stock options	2,300,000	2,300,000

Cautionary Statement on Forward-Looking Information

This MD&A document contains ‘forward-looking information’ and ‘forward-looking statements’ (together, the “forward-looking statements”) within the meaning of applicable securities laws. Such forward-looking statements concern the Company’s anticipated operations in future periods, planned exploration and evaluation of its properties, and plans related to its business and other matters that may occur in the future. This information relates to analyses and other information that is based on expectations of future performance and planned work programs. These forward-looking statements are made as of November 28, 2023.

Users of forward-looking statements are cautioned that actual results may vary from the forward-looking statements contained herein. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements should not be read as guarantees of future performance or results and will not necessarily be accurate indications of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to:

- Risks related to the exploration and evaluation of natural resource properties
- Risks related to the uncertainty of mineral resource calculations and the inclusion of inferred mineral resources in economic estimations
- Risks related to fluctuations in future metal prices (particularly gold prices)
- Risks related to market events and conditions
- Risks related to governmental regulations, including without limitation, environmental laws and regulations
- Risks related to delays in obtaining governmental or regulatory approvals, licenses or permits
- Risks related to the Company’s mineral properties being subject to prior unregistered agreements, transfers or claims and other defects in title
- Risks related to uncertainty associated with the Company’s ability to obtain funding in the future
- Risks related to the Company’s inability to meet its financial obligations under agreements to which it is a party (see ‘Liquidity and going concern’)
- Risks related to competition from larger companies with greater financial and technical resources, and

- Risks related to the Company's directors and officers becoming associated with other natural resource companies which may give rise to conflicts of interest.

Other risk factors associated with the Company are identified in the document entitled 'Filing Statement of Palisades Ventures Inc.' dated as at May 29, 2017 which is available on www.sedar.com.

Although the forward-looking statements contained in this document are based upon what management of the Company believes are reasonable assumptions, the Company cannot assure investors that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this document, and the Company assumes no obligation to update or revise them to reflect new events or circumstances except as may be required under applicable securities laws. There can be no assurance that forward-looking statements, or the material factors or assumptions used to develop such forward-looking statements, will prove to be accurate. Accordingly, readers should not place undue reliance on forward-looking statements.