E2Gold Inc.

Management's Discussion and Analysis

For the Year Ended July 31, 2024

(Expressed in Canadian Dollars)

The following Management's Discussion and Analysis ("MD&A") of the financial condition and results of operations of E2Gold Inc. ("E2Gold", "we" or the "Company") constitutes management's review of the factors that affected the Company's financial and operating performance for the year ended July 31, 2024 ("Fiscal 2024"). This MD&A was written to comply with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. This MD&A should be read in conjunction with the Company's audited financial statements and the related notes thereto for the years ended July 31, 2024 and 2023 (the "2024 Financials"). Amounts are expressed in Canadian dollars unless otherwise stated. This MD&A contains forward-looking statements that are based on the beliefs of management, as well as assumptions made by, and information currently available to, our management. Actual results could differ materially from those discussed in or implied by forward-looking statements as a result of various factors.

The 2024 Financials and the financial information contained in this MD&A are prepared pursuant to International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC"). In the opinion of management, all adjustments considered necessary for a fair presentation have been included.

This MD&A reports the Company's activities through November 27, 2024, unless otherwise indicated. All figures are expressed in Canadian dollars, unless otherwise noted.

Nature of Mineral Exploration Business

The Company is a mineral exploration company, and its mineral resource properties are in the exploration stage only. The degree of risk increases substantially where an issuer's mineral resource properties are in the mineral exploration stage as opposed to the development or operational stage. An investment in mineral exploration companies is speculative and involves a high degree of risk and should only be made by investors who can afford the total loss of their investment. Prospective investors and other readers of this MD&A should consider the risk factors in the materials referenced under the heading "*Risks and Uncertainties*".

Business Outlook and Strategy

The Company was incorporated under the Business Corporations Act (Ontario) by articles of incorporation dated October 25, 2018. The principal office of the Company is located at 8 King Street East, Suite 1700, Toronto, Ontario M5C 1B5. The financial year end of the Company is July 31.

On December 30, 2020, the Company completed its Initial Public Offering ("IPO") and its common shares commenced trading on the TSX Venture Exchange ("TSXV") at the opening of business on January 4, 2021. The common shares of the Company trade under the symbol "ETU". On February 23, 2022, the Company's common shares commenced trading in the United States on the OTCQB Market, under the symbol "ETUGF".

The principal business of the Company is the acquisition, exploration and evaluation of mineral properties, and developing these properties further or disposing of them when evaluation is complete. The Company's flagship project is the 90 km long Hawkins Gold Property located halfway between the gold districts of Timmins and Hemlo, Ontario, Canada. The large property package consists of some 3,300 claims anchored by an at surface Inferred Mineral Resource (The McKinnon Zone), compliant with National Instrument 43-101, of 6.2 million tonnes grading 1.65 Au g/t for 328,800 oz of gold.

The Company has no income and is reliant on capital markets for future funding. Through its outreach, shareholders and marketing programs E2Gold is able to judge both shareholder interest and the capital markets. Although the company is confident in securing such funding, there is no guarantee that financing will be completed.

The junior resource markets continue to be difficult, as they have been for the past few years. As a result, management has focused on reduced-cost surface exploration activities. E2Gold completed a number of financings throughout the fiscal year to fund these reduced cost activities. It will continue this effort in fiscal 2025, but the plans for upcoming drill work will require additional funds to complete. The Company continues to monitor economic conditions and can adjust its activities to lower cost surface exploration activities should the markets remain stubborn.

Trends and Economic Conditions

Management regularly monitors economic conditions and estimates their impact on the Company's operations and incorporates these estimates in both short-term operating and longer-term strategic decisions.

Apart from these and the risk factors noted under the heading "*Risks and Uncertainties*", management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's business, financial condition or results of operations.

See "*Cautionary Note Regarding Forward-Looking Statements*" below.

Corporate Developments – General

On November 21, 2023, the Company granted 5,650,000 stock options to directors, officers, employees and consultants of the Company. The stock options are exercisable for a period of 3 years at a price of $0.05 and vest immediately.

On March 1, 2024, the Company announced that it entered into a general security agreement dated February 26, 2024 (the "GSA") in connection with an existing promissory note of the Company dated March 15, 2023, held by certain insiders (non-arm's length parties). The promissory note is in the principal amount of US$153,000, is due on demand, and bears interest at a rate of 12.5% per annum until repayment. Pursuant to the GSA, security has been granted against the promissory note in respect of all or substantially all of the assets of the Company. The GSA remains subject to the final approval of the TSXV.

The Company has also negotiated an extension of property option payments to the underlying claim holder of the Hawkins optioned claims. Under the terms of the agreement, the Company has been granted an extension of the annual cash payment due on January 28, 2024 (4th Anniversary), to January 28, 2025, in exchange for an added cash payment of $50,000 due on or before January 28, 2025; and has been granted an extension of the annual cash payment due on January 28, 2025 (5th Anniversary) to January 28, 2026 in exchange for an added payment of $70,000.

Corporate Developments – Financing Activities

On September 6, 2023, the Company closed a private placement by which it issued an aggregate of 5,783,333 units at a price of $0.03 per unit for total proceeds of $173,500. Each unit included one common share of the Company and one common share purchase warrant which each whole warrant exercisable to buy one additional common share at a price of $0.06 for a period of 24 months from the date of issuance thereof.

On October 24, 2023, the Company announced that it closed its previously announced flow-through private placement by which it has issued an aggregate of 17,500,000 units at a price of $0.02 per unit, to raise aggregate gross proceeds of $350,000. Each unit is made up of one common share of the Company and one common share purchase warrant: with each whole warrant exercisable to acquire one additional common share at a price of $0.05 for a period of 24 months from the date of issuance thereof.

In connection with the offering, the Company paid aggregate cash commissions of $14,000 and issued an aggregate of 700,000 broker warrants to eligible registrants, each such broker warrant entitling the holder thereof to buy one common share at an exercise price of $0.05 for a period of two years.

Insiders of E2Gold purchased an aggregate of 7,500,000 units in connection with the offering.

On December 20, 2023, the Company closed a private placement by which it issued an aggregate of 12,716,666 flow-through units at a price of $0.03 per flow-through unit for total proceeds of $381,500. Each flow-through unit will be comprised of one "flow-through" common share of the Company and one common share purchase warrant; with each whole warrant exercisable to acquire one additional common share at a price of $0.05 for a period of 24 months from the date of issuance thereof. Insiders of E2Gold purchased an aggregate of 783,333 flow-through units in connection with the offering.

On August 27, 2024, the Company announced that it has closed a private placement in which the Company issued 15,822,502 units priced at $0.02 per unit and 2,800,000 flow-through units priced at $0.025 per flow-through unit for total gross proceeds of $386,450. Each unit included one common share of the Company and one common share purchase warrant which each whole warrant exercisable to buy one additional common share at a price of $0.05 for a period of 24 months from the date of issuance thereof. Each flow-through unit will be comprised of one "flow-through" common share of the Company and one common share purchase warrant; with each whole warrant exercisable to acquire one additional common share at a price of $0.06 for a period of 24 months from the date of issuance thereof. Insiders of E2Gold purchased an aggregate of 8,322,502 units in connection with the offering.

In connection with the offering, the Company paid aggregate cash commissions of $2,800 and issued an aggregate of 126,000 broker warrants to eligible registrants, each such broker warrant entitling the holder thereof to buy one common share at an exercise price of $0.05 for a period of two years.

Property option agreements

Hawkins Gold Property

The 80 km long Hawkins Project covers portions of 10 townships in north central Ontario, about 125 km northeast of Hemlo and approximately 160 km west of Timmins. The property is comprised of some 3,310 claims covering 701 km2, and of 6.2 million tonnes grading 1.65 Au g/t for 328,800 oz of gold. The project hosts a shallow-level Inferred Resource – the McKinnon Zone – which is located in the centre of the property in Hawkins Township.

The McKinnon Zone Inferred Resource estimate is based upon 1980's-era Falconbridge drilling, who completed some 79 shallow diamond drill holes, and 13 drill holes completed by Sunvest Minerals in 2017. As a private company E2Gold optioned the property from Pavey Ark Minerals in early 2020 and began a surface exploration program focused in and around the McKinnon Zone.

Following its IPO in early 2021, E2Gold embarked on a 2-phase drill program at the McKinnon Zone, completing a total of 35 holes for 13,131 m of drilling. This drilling confirmed the historic drilling and demonstrated that gold mineralization continues up to 700 m depth below the 3.5 km long Inferred resource.

Exploration Update

During the year ended July 31, 2024, the Company continued with ongoing interpretation of data collected in prior field exploration programs at Hawkins and has developed plans for its next exploration program during the first and second quarter of Fiscal 2025.

The plans focus on a 1,500 m proof-of-concept drill program aimed at testing the growth potential of the McKinnon Zone resource east along strike (McKinnon East Extension). The area includes high-grade gold bearing surface samples along the McKinnon trend and has never been drilled. Drill targeting in the area has been aided by a recently completed Induced Polarization survey over the McKinnon East Extension. Drill success could lead to a doubling of the surface footprint of the gold mineralization at McKinnon.

Technical Information

The foregoing scientific and technical disclosures for the Hawkins Gold Property have been reviewed and approved by Eric Owens, PhD, PGeo, and CEO of the Company, qualified person as defined by National Instrument 43-101.

Overall Performance

As at July 31, 2024, the Company had current assets of $186,372 (July 31, 2023 – $372,066), including cash of $49,065 (July 31, 2023 – $60,896) and short-term investments of $40,000 (July 31, 2023 – $60,000), to settle current liabilities of $1,383,316 (July 31, 2023 – $1,228,905), for a working capital deficit of $1,196,944 (July 31, 2023 – working capital deficit of $856,839).

During the year ended July 31, 2024, the Company reported a net loss of $1,547,131 (loss of $0.01 per basic and diluted share), as compared to a net loss of $3,408,905 (loss of $0.02 per basic and diluted share) in the prior year. The decrease in net loss is primarily due to the Company's efforts at reducing costs.

During the year ended July 31, 2024, net cash used in the Company's operations was $892,953, as compared to $2,965,633 cash used in operations in the prior year. The decrease is a testament to management's efforts at operating on a reduced cost basis.

During the year ended July 31, 2024, cash provided by investing activities was $861,165 (2023 – $780,859). The increase in 2024 in cash provided by financing raised predominantly from equity placements undertaken throughout the fiscal year to fund reduced-cost surface exploration activities.

Selected Annual Information

Selected financial information, prepared in accordance with IFRS, for the Company's three most recently completed fiscal years ended July 31, 2024 are summarized as follows:

	2024	2023	2022
	$	$	$
Total operating expenses	**(2,131,818)**	(3,768,452)	(8,019,548)
Total exploration expenses	**(1,004,846)**	(2,312,653)	(4,826,523)
Net loss	**(1,547,131)**	(3,408,905)	(7,452,861)
Cash	**49,065**	60,896	2,253,229
Total assets	**192,042**	403,261	2,727,916
Total liabilities	**1,383,316**	1,228,905	756,013
Shareholders' equity (deficiency)	**(1,191,274)**	(825,644)	1,971,903
Working capital (deficiency)	**(1,196,944)**	(856,839)	1,919,717

During the year ended July 31, 2024, the Company raised funds through private placements in order to fund reduced-cost surface exploration activities. The Company focused efforts on reducing expenditures, resulting in decreased expenses compared to the comparative periods.

For further details please see '*Results of Operations*' sections below.

Selected quarterly financial results

The Company's selected financial information for the last eight quarters as at July 31, 2024 are as follows:

	Q4 2024	**Q3 2024**	**Q2 2024**	**Q1 2024**
Operating expenses	(333,449)	(334,915)	(869,005)	(594,449)
Net loss	(357,244)	(126,797)	(541,524)	(521,566)
Net loss per share - basic and diluted	(0.00)	(0.00)	(0.00)	(0.00)
Cash	49,065	78,791	146,110	109,263
Total assets	192,042	266,211	211,415	336,551

	Q4 2023	**Q3 2023**	**Q2 2023**	**Q1 2023**
Operating expenses	(842,794)	(876,143)	(788,707)	(1,260,808)
Net loss	(724,201)	(807,788)	(738,999)	(1,137,917)
Net loss per share - basic and diluted	(0.00)	(0.01)	(0.01)	(0.01)
Cash	60,896	145,671	333,583	1,112,557
Total assets	403,261	603,840	756,688	1,730,756

The Company's primary objective over the is the exploration and evaluation of the Hawkins Gold Property. Operating expenses have been focused on exploration and evaluation, and the decrease is due to the fact that the Company has been focused on reduced-cost surface exploration activities in the current fiscal year.

The Company's asset variance relates primarily to changes in cash due to fundraising initiatives taken during the quarters presented.

Results of Operations – Year to Date

The following table sets forth a summary of the Company's results of operations for the periods indicated. The information should be read together with 2024 Financials.

For the:	Fiscal year ended: July 31, 2024	July 31, 2023
Operating expenses		
Depreciation	**20,691**	18,794
Exploration and evaluation expenditures	**1,004,846**	2,312,653
General and administrative expenses	**290,873**	208,039
Investor relations	**189,225**	175,051
Management fees, director fees and salaries	**301,012**	624,585
Professional fees	**136,098**	205,455
Shareholders' information	**82,546**	67,768
Share-based payments	**106,527**	156,107
Operating loss before other items	**(2,131,818)**	(3,768,452)
Other expenses		
Government exploration grants	**400,000**	-
Interest expense	**(25,997)**	(9,666)
Interest income	**1,062**	4,136
Premium on flow-through shares	**209,622**	365,077
Net loss and comprehensive loss	**$ (1,547,131)**	$ (3,408,905)

During Fiscal 2024, the Company incurred total operating expenses of $2,131,818, as compared to total operating expenses of $3,768,452 during the year ended July 31, 2023 ("Fiscal 2023"). The substantial reduction in operating expenses in the current period is a direct result of management monitoring cash flows in an effort to reduce discretionary spending. Material expenses included:

- Exploration and evaluation expenditures totaled $1,004,846 (2023 – $2,312,653), for a decrease of $1,307,807. The decrease is due to the Company remaining focused on reduced-cost surface exploration activities in the current fiscal year in order to preserve cash.
- General and administrative ("G&A") expenses totaled $290,873 (2023 – $208,039), for an increase of $82,834. G&A expenses are comprised of costs necessary in running the business, including insurance, IT services, travel, etc. The expenses increased in the current year primarily due to the Company outsourcing the bookkeeping and administration on a part-time basis, and due to the travel expenses whereas travel was restricted during Fiscal 2024.
- Management fees, director fees and salaries, and professional fees totaled $437,110 (2023 – $830,040), for a decrease of $392,930. The decrease is directly attributable to management monitoring cash flows in an effort to reduce discretionary spending.
- Shareholders' information and investor relations totaled $271,771 (2023 - $242,819). These costs are associated with maintaining good-standing status with regulatory bodies and providing information to shareholders on a timely basis. They have remained relatively consistent year over year.
- Share-based payments were $106,527 during Fiscal 2024, as compared to $156,107 during the prior year. These costs are non-cash and are related to the issuance of stock options under the Company's option plan. The Company issued 5,650,000 options during Fiscal 2024 (2023 – 5,890,000).

The Company also recorded total other incomes of $584,687 (2023 - $359,547). Other incomes included proceeds from government grants of $400,000 (2023 - $nil), premiums recorded on flow-through shares of $209,622 (2023 - $365,077), and interest income of $1,062 (2023 - $4,136). Other expenses are made up of interest expense of $25,997 (2023 - $9,666).

Overall, the Company recorded a net loss of $1,547,131 for the year ended July 31, 2024 (2023 – $3,408,905), which is a net loss per share of $0.01 (2023 – $0.02).

Results of Operations – Fourth Quarter

During the fourth quarter of Fiscal 2024 ("Q4 2024"), the Company incurred total operating expenses of $333,449, as compared to $842,794 incurred during the fourth quarter of Fiscal 2023 ("Q4 2023"). The substantial reduction in operating expenses in the current period is a direct result of management monitoring cash flows in an effort to reduce discretionary spending. Material expenses for the three-month period ended July 31, 2024 included:

- Exploration and evaluation expenditures totaled $110,265 (2023 – $541,965), for a decrease of $431,700. The decrease is due to the Company remaining focused on reduced-cost surface exploration activities in the current fiscal year in order to preserve cash.
- General and administrative ("G&A") expenses totaled $143,871 (2023 – $45,026), for an increase of $98,845. G&A expenses are comprised of costs necessary in running the business, including insurance, IT services, travel, etc. The expenses increased in the current year primarily due to the Company outsourcing the bookkeeping and administration on a part-time basis, and due to the travel expenses whereas travel was restricted during Fiscal 2024.
- Shareholders' information and investor relations totaled $88,640 (2023 - $45,187). These costs are associated with maintaining good-standing status with regulatory bodies and providing information to shareholders on a timely basis. They increase is primarily due to accruals made for costs related to the year-end filings.

Overall, the Company recorded a net loss of $357,244 for Q4 2024 (Q4 2023 – $724,201), which is a net loss per share of $0.002 (2023 – $0.005).

Liquidity and Capital Resources

The following table sets forth a summary of the Company's cash flows for the periods indicated. The information should be read together with our 2024 Financial Statements. Our historical results presented below are not necessarily indicative of cash flows that may be expected for any future period.

	2024	**2023**
	$	$
Cash Flows used in Operating Activities	(892,953)	(2,965,633)
Cash Flows provided by (used in) Investing Activities	861,165	780,589
Cash Flows provided by (used in) Financing Activities	19,957	(7,559)
Decrease in Cash	**(11,831)**	(2,192,333)
Cash, beginning of year	60,896	2,253,229
Cash, end of year	**49,065**	60,896

During Fiscal 2024, net cash used in the Company's operating activities was $892,953 (2023 – $2,965,633). The decrease in operating expenditure is a reflection on management's emphasis on reducing discretionary spending while the scope of activities continues to increase.

During Fiscal 2024, net cash provided in investing activities was $861,165 (2023 – 780,589). Financing activities consisted of various private placements and debt financings, less share issuance costs and repayments of loans outstanding.

During Fiscal 2024, the Company also incurred financing cash inflows of $19,957 (2023 – outflow of $7,559) through conversions of short-term investments to cash, less payments made for purchases of property and equipment.

The Company's ability to successfully buy mineral projects or recover amounts spent on mineral properties is conditional on its ability to secure financing when required. The Company expects to meet more financing requirements through equity financing. The Company may seek other alternatives for financing in the future depending on market conditions and exploration results; however, there can be no assurance that such financing attempts will be successful. The impact on the Company's business and the cost and availability of financing is still uncertain and could affect the overall liquidity of the Company. In addition, the ability to generate sufficient capital will depend on economic conditions and commodity prices.

Management is actively monitoring cash forecasts and managing performance against its forecasts. As of the date of the MD&A, the Company believes that it will have sufficient liquidity to continue operations for the 12-month period ending July 31, 2025. Nevertheless, management will continue to look for new sources of financing to fund its working capital and to advance the Company's operations.

Related Party Transactions

In accordance with IAS 24 – Related Party Disclosures, key management personnel, including companies controlled by them, are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company. The remuneration of directors and key executives is determined by the compensation committee of the Board.

The remuneration of directors and other members of key management personnel during the years ended July 31, 2024 and 2023 were as follows:

	As at July 31, 2024	As at July 31, 2023
	$	$
Management fees	**362,979**	467,917
Director fees	**10,000**	45,000
Consulting fees	**96,952**	129,921
Share-based payments	**79,188**	138,131
	549,119	780,969

a) Management Fees

During the year ended July 31, 2024, the Company paid the following in management fees:

$215,000 to Sheer Strategic Inc., a corporation owned by Eric Owens, for services performed as Chief Executive Officer of the Company (2023 - $214,167), of which $35,833 was included under exploration and evaluation expenditures on the statements of loss and comprehensive loss (2023 - $nil).

$107,979 to Jeffrey Pritchard, Director, for services performed as investor relations advisor of the Company (2023 - $93,750), included as investor relations expenses on the statements of loss and comprehensive loss.

$40,000 to Invera Consulting, a business owned by Ellie Owens, for services performed as President of the Company (2023 - $160,000).

As at July 31, 2023, $171,606 was owed to Eric Owens and Sheer Strategic Inc. (2023 - $80,893), $7,321 was owed to Jeffrey Pritchard (2023 - $nil), and $72,351 was owed to Ellie Owens and Invera Consulting (2023 - $81,733), and all these amounts were included in amounts payable and accrued liabilities on the statements of financial position.

b) Professional Fees

During the year ended July 31, 2024, the Company paid the following in consulting fees:

$96,952 in professional fees (2023 - $87,921) to Marrelli Support Services Inc., Marrelli Trust Company Limited, DSA Corporate Services Inc. and DSA Filing Services Limited (collectively the "Marrelli Group of Companies"), who are controlled by Carmelo Marelli, former Chief Financial Officer of the Company. As at July 31, 2024, Marrelli Group of Companies was owed $96,634 (2023 - $56,185).

$nil in consulting fees (2023 - $42,000) paid to 5044563 Ontario Ltd., a corporation controlled by Bereket Berhe, a former director of the Company, which were included in professional fees on the statements of loss and comprehensive loss.

c) Private placements

On October 24, 2023, the Company completed an offering of $350,000. Each of Eric Owens (Chief Executive Officer of the Company), Ellie Owens (former President of the Company) and Laurel Duquette (spouse of Eric Owens) subscribed for 2,500,000 units in connection with the offering for gross proceeds of $50,000 each, for an aggregate total of $150,000.

On December 20, 2023, the Company completed an offering of $381,500. Jeffrey Pritchard (Director of the Company) and David Good (Chairman of the Board of Directors) subscribed for 783,333 units in total, in connection with the offering for an aggregate total $23,500.

On March 13, 2023, the Company entered into a demand promissory note with Laurel Duquette, providing for a loan to the Company in the aggregate principal amount of US$153,000, and, bearing interest at a rate of 12.5% per annum. The loan is unsecured and payable on demand. Laurel Duquette is the spouse of Eric Owens, the Chief Executive Officer of the Company.

Disclosure of Internal Controls

Management has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence to ensure that the financial statements (i) do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, and (ii) fairly present in all material respects the financial condition, results of operations and cash flow of the Company, in each case as of the date of and for the periods presented by such statements.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 - Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate filed by the Chief Executive Officer and Chief Financial Officer of the Company does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as such terms are defined in NI 52-109. In particular, the certifying officers filing such certificate are not making any representations relating to the establishment and maintenance of:

(i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

(ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in such certificate. Investors should be aware that inherent limitations on the ability of the Company's certifying officers of a venture issuer to design and implement, on a cost-effective basis, DC&P and ICFR may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports required to be provided under securities legislation.

Capital Management

The Company's objective when managing capital is to safeguard its ability to continue as a going concern such that it can provide returns for shareholders and benefits for other stakeholders. The management of the capital structure is based on the funds available to the Company in order to support the acquisition, exploration and development of mineral properties and to maintain the Company in good standing with the various regulatory authorities. In order to maintain or adjust its capital structure, the Company may issue new shares, sell assets to settle liabilities, issue debt instruments or return capital to its shareholders. The Company monitors its capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the underlying assets.

The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than the flow-through obligations from past financings.

Risks and Uncertainties

The exploration, development and mining of mineral resources are highly speculative in nature and are subject to significant risks. In addition to the usual risks associated with an investment in a business at an early stage of development, management and the directors of the Company believe that the risk factors should be considered by prospective investors. It should be noted that such list is not exhaustive and that other risk factors may apply. An investment in the Company may not be suitable for all investors.

Exploration, Development and Operating Risks

Mineral exploration operations generally involve a high degree of risk. The Company's operations are subject to all the hazards and risks normally encountered in the exploration, development and production of gold, precious metals and other minerals and metals, including unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other facilities, damage to life or property, environmental damage and possible legal liability. Although adequate precautions to minimize risk will be taken, mineral exploration activities are subject to hazards such as equipment failure or failure of retaining dams around tailings disposal areas, which may result in environmental pollution and consequent liability.

The exploration for and development of mineral deposits involves significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of a mineral bearing structure may result in substantial rewards, few properties which are explored are ultimately developed into producing mines.

Major expenses may be required to locate and establish Mineral Reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the exploration or development programs planned by the Company will result in a profitable commercial mining operation. Whether a mineral deposit will be commercially viable depends on several factors, some of which are: the particular attributes of the deposit, such as quantity and quality of mineralization and proximity to infrastructure; commodity prices which are highly cyclical; and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital.

There is no certainty that the expenditures made by the Company towards the search and evaluation of deposits of minerals or other metals will result in discoveries of commercial quantities of gold or other minerals or metals.

Current economic conditions

There are significant uncertainties regarding the price of gold and other minerals or metals and the availability of equity financing for the purposes of mineral exploration and development. The prices of gold and other minerals or metals have fluctuated substantially over the past years. The Company's future performance is largely tied to the development of its current mineral properties and the overall financial markets. Current financial markets are likely to be volatile in Canada, reflecting ongoing concerns about the stability of the global economy. Companies worldwide have been affected particularly negatively by these trends. As a result, the Company may have difficulties raising equity financing for the purposes of mineral exploration and development, particularly without excessively diluting present shareholders of the Company. These economic trends may limit the Company's ability to develop and/or further explore its mineral property interests.

Operating History

The Company has a very limited history of operations, is in the early stage of exploration and must be considered a start-up company. As such, the Company is subject to many risks common to such enterprises, including undercapitalization, cash shortages, limitations with respect to personnel, financial and other resources and lack of revenues. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of its early stage of operations.

Reliance on Limited Number of Properties

The only property interest of the Company is its interest in the Hawkins Gold Property. As a result, unless the Company acquires additional property interests, any adverse developments affecting this property could have a material adverse effect upon the Company and would materially and adversely affect the potential mineral resource identification and/or production (if any), profitability, financial performance and results of operations of the Company.

Insurance and Uninsured Risks

The Company's business is subject to several risks and hazards generally, including adverse environmental conditions, industrial accidents, labor disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or related facilities, personal injury or death, environmental damage to the Company's properties or the properties of others, delays in mineral exploration or development, monetary losses and possible legal liability.

Although the Company may in the future maintain insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all the potential risks associated with a mineral exploration company's operation. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards because of exploration and production is not generally available to the Company or to other companies in the mineral exploration industry on acceptable terms. The Company might also become subject to liability for pollution or other hazards which may not be insured against or which the Company may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations. At the present time, the Company does not have any insurance policies outside of vehicle insurance on a rented vehicle and workers' compensation insurance. As such, the mineral properties of the Company, including the Hawkins Gold Property, are not fully insured. Any liability relating to risks that would otherwise be insured will be borne by the Company.

Environmental Risks and Hazards

All phases of the Company's operations are subject to environmental regulation in the jurisdictions in which it operates. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on the properties on which the Company holds interests which are unknown to the Company at present, and which have been caused by previous or existing owners or operators of the properties.

Government approvals, approval of aboriginal people and permits are currently, and may in the future be required in connection with the Company's operations. In particular, the Hawkins Gold Property is located with the traditional lands of the Missanabie Cree First Nation and Brunswick House First Nations. Pavey Ark has held initial discussions with the two First Nations groups to inform them of planned exploration activities. To the extent that any aboriginal approvals are required and not obtained in respect of any of the Company's property interests, the Company may be curtailed or prohibited from continuing its exploration or development operations or from proceeding with planned exploration or development of mineral properties.

Moreover, if any permit or renewal thereof required by the Company from time to time is not approved, the Company may be curtailed or prohibited from continuing its exploration or development operations or from proceeding with planned exploration or development of mineral properties. Any of these occurrences could have an adverse material effect on the Company.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations or in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of the mining or mineral exploration activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining and exploration companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in exploration expenses, capital expenditures or other costs or reduction in levels of production at any future producing properties (if any), or require abandonment or delays in development of new mineral exploration properties.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants, which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's operations, financial condition and results of operations.

Land Title

Although the title to the Hawkins Gold Property has been reviewed by or on behalf of the Company, no assurances can be given that there are no title defects affecting such property. Title insurance generally is not available, and the Company's ability to ensure that it has obtained secure claim to individual mineral properties or mining claims may be severely constrained. Furthermore, the Company has not conducted surveys of the claims in which it holds an interest and, therefore, the precise area and location of such claims may be in doubt. Accordingly, the Company's mineral properties may be subject to prior unregistered liens, agreements, transfers or claims, including native land claims, and title may be affected by, among other things, undetected defects. In addition, the Company may be unable to operate its properties as permitted or to enforce its rights with respect to its properties.

Competition

The mineral exploration industry is competitive in all its phases. The Company faces strong competition from other mineral exploration companies in connection with the acquisition of properties producing, or potentially capable of producing, precious and base metals. Many of these companies have greater financial resources, operational experience and technical capabilities than the Company. As a result of this competition, the Company may be unable to maintain or acquire attractive mineral exploration properties on terms it considers acceptable or at all. Consequently, the Company's revenues, operations and financial condition could be materially adversely affected.

Additional Capital and Negative Operating Cash Flow

The development and exploration of the Company's properties will require substantial additional financing. Failure to obtain sufficient financing may result in the delay or indefinite postponement of exploration, development or production (if any) on any or all the Company's properties or even a loss of property interest. In particular, if the Company completes Phases I or II of the recommended program on the Hawkins Gold Property and further exploration with respect thereto is warranted, or if the Company acquires additional mineral properties which entail exploration expenditures in the future, the Company may not have sufficient funds to finance such operations.

The primary source of funding available to the Company consists of equity financing. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favourable to the Company.

Commodity Prices

The price of the common shares, the Company's financial results and exploration and development may in the future be significantly adversely affected by declines in the price of gold or other minerals. The price of gold and other minerals and metals fluctuates widely and is affected by numerous factors beyond the Company's control such as the sale or purchase of commodities by various central banks and financial institutions, interest rates, exchange rates, inflation or deflation, fluctuation in the value of the United States dollar and foreign currencies, global and regional supply and demand, the political and economic conditions of major mineral-producing countries throughout the world, and the cost of substitutes, inventory levels and carrying charges. Future serious price declines in the market value of gold or other minerals or metals could cause further exploration and any future development of the Company's properties to be impractical. Depending on the price of gold and other minerals or metals, cash flow from future operations, if any, may not be sufficient and the Company could be forced to discontinue its operations and may lose its interest in, or may be forced to sell, some of its properties. Future production from the Company's properties, if any, will be dependent upon the prices of gold and other minerals or metals being adequate to make these properties economic.

In addition to adversely affecting the Company's Mineral Resource estimates and its financial condition, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if the project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

Government Regulation

The mineral exploration activities of the Company are subject to various laws governing prospecting, development, production, taxes, labour standards and occupational health, safety, toxic substances, land use, water use, land claims of local people and other matters. Although the Company's exploration and development activities are currently carried out in accordance with all applicable rules and regulations in all material respects, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration or development. Amendments to current laws and regulations governing operations and activities of mineral exploration or more stringent implementation thereof could have a substantial adverse impact on the Company.

Canadian Tax Treatment of Flow-Through Shares ("FT Shares")

The tax treatment of FT Shares constitutes a major consideration of an investment in the FT Shares. There is no guarantee that the current tax laws and administrative practices of both the federal and provincial tax authorities will not be amended or construed in such a way that the tax considerations for a subscriber holding FT Shares will not be altered in a materially unfavourable way and there is no guarantee that there will be no material differences of opinion between the federal and provincial tax authorities with respect to the tax treatment of the FT Shares, the status of such FT Shares and the activities contemplated by the Company's exploration and development programs. There is no guarantee that the Qualifying Expenditures incurred by the Company, or the expected tax deductions or credits claimed by subscribers will be accepted as Qualifying Expenditures by the Canada Revenue Agency ("CRA").

There can be no assurance that the FT Shares will not be viewed by the CRA or a court as constituting prescribed shares for the purposes of the Tax Act. If the FT Shares are prescribed shares, such shares will not be considered a "flow-through share", and subscribers will not be entitled to any renunciations of Qualifying Expenditures from the Company. However, in such circumstances, the FT Shares will not be governed by the rules of the Tax Act deeming flow-through shares to have a cost of nil.

Market Price of Common Shares and Unpredictable Litigation

Securities of micro-cap and small-cap companies have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include macroeconomic developments in North America and globally and market perceptions of the attractiveness of industries. The price of the common shares is also likely to be significantly affected by short-term changes in gold or other mineral or metal prices or in the Company's financial condition or results of operations. Other factors unrelated to the Company's performance that may have an effect on the price of the common shares include the following: the extent of analytical coverage available to investors concerning the Company's business may be limited if investment banks with research capabilities do not follow the Company's securities; lessening in trading volume and general market interest in the Company's securities may affect an investor's ability to trade significant numbers of common shares; the size of Company's public float may limit the ability of some institutions to invest in the Company's securities; and a substantial decline in the price of the common shares that persists for a significant period of time could cause the Company's securities to be delisted from such exchange, further reducing market liquidity.

As a result of any of these factors, the market price of the common shares at any given point in time may not accurately reflect the Company's long-term value. Securities class action litigation often has been brought against companies following periods of volatility in the market price of their securities. The Company may in the future be the target of similar litigation or other litigation concerning operational, employment, title, environmental or other matters of which the Company is not presently aware. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

Dilution to Common Shares

The increase in the number of common shares issued and outstanding and the possibility of sales of such shares may have a depressive effect on the price of the common shares. In addition, because of such additional common shares, the voting power of the Company's existing shareholders will be diluted.

The Company is also required to issue common shares with respect to the Hawkins Option Agreement on each of the first five anniversary dates of such agreement. The number of common shares issuable to maintain the option in good standing will be based on the market price of common shares at the time of issuance. Depending on the market price of the common shares, which may depend on several factors beyond the control of the Company, such as current market conditions, these issuances could be excessively dilutive to existing shareholders.

Future Sales of Common Shares by Existing Shareholders

Sales of many common shares in the public markets, or the potential for such sales, could decrease the trading price of the common shares and could impair the Company's ability to raise capital through future sales of common shares.

Key Executives

The Company is dependent on the services of key executives, including the directors of the Company and a small number of highly skilled and experienced executives and personnel. Due to the relatively small size of the Company, the loss of these persons or the Company's inability to attract and retain additional highly skilled employees may adversely affect its business and future operations.

The success of the Company is currently largely dependent on the performance of its directors and officers. The loss of the services of any of these persons could have a materially adverse effect on the Company's business and prospects. There is no assurance the Company can maintain the services of its directors, officers or other qualified personnel required to operate its business. As the Company's business activity grows, the Company will require additional key financial, administrative and technical personnel as well as additional operations staff. There can be no assurance that these efforts will be successful in attracting, training and retaining qualified personnel as competition for persons with these skill sets increase. If the Company is not successful in attracting, training and retaining qualified personnel, the efficiency of its operations could be impaired, which could have an adverse impact on the Company's operations and financial condition.

Conflicts of Interest

Certain of the directors and officers of the Company also serve as directors and/or officers of other companies involved in natural resource exploration and development and consequently there exists the possibility for such directors and officers to be in a position of conflict. Any decision made by any of such directors and officers involving the Company should be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of the Company and its shareholders. In addition, (i) the Company has adopted a code of ethics to govern the directors and officers of the Company, and (ii) each of the directors is required to declare and refrain from voting on any matter in which such directors may have a conflict of interest in accordance with the procedures set forth in the Business Corporations Act (Ontario) and other applicable laws.

Reliance on Professional Advisors and Service Providers

The Company relies on several professional advisors and service providers, including external auditors, legal counsel and its accounting and CFO service provider. These professionals are subject to their respective professional and/or regulatory requirements and they may not comply with all regulatory requirements or may fail to perform to their respective professional standards. They may not comply with their obligations to the Company or perform their services in a timely or acceptable manner. The failure of such professionals to comply with their respective regulatory requirements or professional standards could affect the Company in ways that are not predictable, including ways that could have a material adverse effect on the Company's business, prospects, results of operations and financial condition.

Risk Management

The Company is exposed to various risks as it relates to financial instruments. Management, in conjunction with the Board, mitigates these risks by assessing, monitoring and approving the Company's risk management process. There have not been any changes in the nature of these risks or the process of managing these risks from the previous reporting periods.

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and due from related party, which expose the Company to credit risk should the borrower default on maturity of the instruments. Cash is held with reputable chartered bank in Canada, which is closely monitored by management. Management believes that the credit risk concentration with respect to financial instruments included in cash and due from related party is minimal.

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if the Company's access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or related to matters specific to the Company. The Company generates cash flow primarily from its financing and investing activities.

As at July 31, 2024, the Company had a cash balance of $49,065 (July 31, 2023 – $60,896) to settle current liabilities of $1,383,316 (July 31, 2023 – $1,228,905).

As at July 31, 2024, the Company had the following contractual obligations:

	Less than 1 year	**1 to 3 years**	**3 to 5 years**	**Total**
	$	**$**	**$**	**$**
Amounts payable and accrued liabilities	1,149,308	-	-	**1,149,308**
Total	**1,149,308**	-	-	**1,149,308**

The Company manages liquidity risk by maintaining adequate cash reserves and by continuously monitoring forecasts and actual cash flows for a rolling period of 12 months to identify financial requirements. Where insufficient liquidity may exist, the Company may pursue various debt and equity instruments for short or long-term financing of its operations. Management believes there is sufficient capital to meet short-term business obligations, after taking into account cash flow requirements from operations and the Company's cash position as at July 31, 2024.

Flow-through obligations

Pursuant to the terms of flow-through share agreements, the Company is also in the process of complying with its flow-through obligations to subscribers with respect to the Income Tax Act (Canada) requirements for flow-through shares. As of July 31, 2024, the Company had a remaining balance of $542,281 to be spent by December 31, 2024.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at July 31, 2024, the Company had no hedging agreements in place with respect to floating interest rates. Management believes that the interest rate risk concentration with respect to financial instruments is minimal.

Foreign exchange risk

Foreign exchange risk is the risk that the Company will be subject to foreign currency fluctuations in satisfying obligations related to its foreign activities. The Company has from time to time, financial instruments and transactions denominated in foreign currencies, notably in USD. The Company's primary exposure to foreign exchange risk is that transactions denominated in foreign currency may expose the Company to the risk of exchange rate fluctuations. Based on its current operations, management believes that the foreign exchange risk remains minimal.

Fair value

Fair value estimates of financial instruments are made at a specific point in time based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

As at July 31, 2024 the Company's financial instruments consisted of cash and amounts payable and accrued liabilities.

The fair value of amounts payable and accrued liabilities are approximately equal to their carrying value due to their short-term nature.

The Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

July 31, 2024	**Level 1**	**Level 2**	**Level 3**	**Total**
	$	**$**	**$**	**$**
Cash	49,065	-	-	**49,065**
Short-term investments	40,000	-	-	**40,000**

As at July 31, 2024, the Company's financial instruments carried at fair value consisted of its cash, which is classified as Level 1. There were no transfers between Levels 2 and 3 for recurring fair value measurements during the years ended July 31, 2024 and 2023

Significant Accounting Judgments, Estimates and Assumptions

The preparation of these financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, revenue, and expenses. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenue, and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions. These estimates are reviewed periodically, and adjustments are made as appropriate in the period they become known. Items for which actual results may differ materially from these estimates are described as follows:

Going concern

At each reporting period, management exercises judgment in assessing the Company’s ability to continue as a going concern by reviewing the Company’s performance, resources, and future obligations. The conclusion that the Company will be able to continue as a going concern is subject to critical judgments of management with respect to assumptions surrounding the short and long-term operating budgets, expected profitability, investment and financing activities and management’s strategic planning. The assumptions used in management’s going concern assessment are derived from actual operating results along with industry and market trends. Management believes there is sufficient capital to meet the Company’s business obligations for at least the next 12 months, after taking into account expected cash flows, including financing activities, and the Company's cash position at year-end.

Fair value of financial assets and financial liabilities

Fair value of financial assets and financial liabilities on the statements of financial position that cannot be derived from active markets, are determined using a variety of techniques including the use of valuation models. The inputs to these models are derived from observable market data where possible, but where observable market data are not available, judgment is required to establish fair values. Judgments include, but are not limited to, consideration of model inputs such as volatility, estimated life and discount rates.

Technical feasibility and commercial viability

Management exercises judgment, in accordance with IFRS 6 – Exploration for and Evaluation of Mineral Resources (“IFRS 6”), to determine an accounting policy specifying which expenditures, if any, are capitalized as E&E assets, and to apply the policy consistently. E&E expenditures not capitalized as E&E assets are expensed as incurred. Once the technical feasibility and commercial viability of extracting a mineral resource are demonstrable, an entity stops recording E&E expenditures for that mineral project, tests capitalized E&E assets (if any) for impairment and reclassifies those E&E assets to other applicable development-stage accounts. An assessment of technical feasibility and commercial viability is conducted on a project-by-project basis with regard to all relevant facts and circumstances. The nature and status of the mineral project is determined on the merits of the mineral project itself.

Provisions

Provisions recognized in the financial statements involve judgments on the occurrence of future events, which could result in a material outlay for the Company. In determining whether an outlay will be material, the Company considers the expected future cash flows based on facts, historical experience and probabilities associated with such future events. Uncertainties exist with respect to estimates made by management and as a result, the actual expenditure may differ from amounts currently reported.

Income taxes

Income taxes and tax exposures recognized in the financial statements reflect management’s best estimate of the outcome based on facts known at the reporting date. When the Company anticipates a future income tax payment based on its estimates, it recognizes a liability. The difference between the expected amount and the final tax outcome has an impact on current and deferred taxes when the Company becomes aware of this difference.

In addition, when the Company incurs losses that cannot be associated with current or past profits, it assesses the probability of taxable profits being available in the future based on its budgeted forecasts. These forecasts are adjusted to take account of certain non-taxable income and expenses and specific rules on the use of unused credits and tax losses. When the forecasts indicate the sufficient future taxable income will be available to deduct the temporary differences, a deferred tax asset is recognized for all deductible temporary differences.

Options and warrants

Options and warrants, including finders' warrants, are initially recognized at fair value using market-based valuation techniques. The fair value of the market-based and performance-based share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgments are used in applying the valuation techniques. These assumptions and judgments include the expected volatility of the share price, expected forfeitures, expected dividend yield, expected term of the warrants or options, and expected risk-free interest rate. Such assumptions and judgments are inherently uncertain. Changes in these assumptions can affect the fair value estimates of stock-based compensation.

Expected credit losses on financial assets

Determining an allowance for expected credit losses ("ECL") for amounts receivable and all debt financial assets not held at fair value through profit or loss ("FVTPL") requires management to make assumptions about the historical patterns for the probability of default, the timing of collection and the amount of incurred credit losses, which are adjusted based on management's judgment about whether economic conditions and credit terms are such that actual losses may be higher or lower than what the historical patterns suggest.

Functional currency

The functional currency for the Company and its subsidiaries is the currency of the primary economic environment in which they operate. Determination of functional currency involves significant judgments and other entities may make different judgments based on similar facts. Periodically, the Company reconsiders the functional currency of its business if there is a change in the underlying transactions, events or conditions which determine its primary economic environment.

Shares issued for non-cash consideration

The Company is required to recognize these transactions at fair value which requires judgment in selecting valuation techniques and other factors.

Summary of Material Accounting Policies

(a) Current and Non-Current Classification

Assets and liabilities are presented in the statements of financial position based on current and non-current classification.

An asset is classified as current when it is either expected to be realized or intended to be sold or consumed in the normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realized within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when it is either expected to be settled in the normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

(b) Cash

Cash in the statements of financial position comprises cash at a chartered bank in Canada and funds held in trust with the Company's legal counsels which is available on demand.

(c) Short-term investment

Short-term investment consists of Guaranteed Investment Certificates ("GIC") with expiry dates between 3 and 12 months.

(d) Property and Equipment

Property and equipment are carried at cost, less accumulated depreciation and accumulated impairment losses.

The cost of an item of property and equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Depreciation is recognized based on the cost of an item of property and equipment, less its estimated residual value, over its estimated useful life at the following rates:

- Computer equipment – Straight line method over 3 years
- Exploration equipment - Straight line method over 3 years

At each financial position reporting date the carrying amounts of the Company's assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any.

The recoverable amount is the higher of fair value less disposal costs and value in use. In assessing value in use, the estimated future cash flows are discounted at a rate that reflects current market assessments of the pre-tax time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the statement of loss and comprehensive loss.

(e) Financial Instruments

The Company classifies and measures financial instruments in accordance with IFRS 9 – Financial Instruments ("IFRS 9"). 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. The Company recognizes financial assets and financial liabilities on the statements of financial position when it becomes a party to the financial instrument or derivative contract.

<u>Classification</u>

The Company classifies its financial assets in the following measurement categories: (a) those to be measured subsequently at FVTPL; (b) those to be measured subsequently at fair value through other comprehensive income (loss) ("FVTOCI"); and (c) those to be measured at amortized cost. The classification of financial assets depends on the business model for managing the financial assets and the contractual terms of the cash flows. Financial liabilities are classified as those to be measured at amortized cost unless they are designated as those to be measured subsequently at FVTPL (irrevocable election at the time of recognition). The Company reclassifies financial assets when and only when its business model for managing those assets changes. Financial liabilities are not reclassified.

The Company's financial assets include cash, other receivables excluding any sales tax amounts, and due from related party. The Company's financial liabilities include its accounts payable, due to related parties, lease liabilities, derivative liabilities and other liabilities.

<u>Fair value through profit or loss</u>

This category includes derivative instruments as well as quoted equity instruments which the Company has not irrevocably elected, at initial recognition or transition, to classify at FVTOCI. This category would also include debt instruments whose cash flow characteristics do not meet the solely payment of principal and interest ("SPPI") criterion or are not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell. Financial assets in this category are recorded at fair value with changes recognized in the statements of loss and comprehensive loss.

Financial assets at fair value through other comprehensive income

Debt and equity instruments that are held for collection of contractual cash flows and for sale, and where the assets' cash flows represent solely payments of principal and interest, are classified as FVTOCI. Movements in fair values are recognized in other comprehensive income ("OCI") and accumulated in fair value reserve, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognized in profit and loss.

When the financial asset is derecognized, the cumulative gain or loss recognized in OCI is reclassified from equity to profit or loss and presented in "other gains and losses". Interest income from these financial assets is recognized using the effective interest rate method and presented in "interest income". As at July 31, 2024 and 2023, the Company did not have any financial assets at FVTOCI.

Amortized cost

Debt and equity instruments that are held for collection of contractual cash flows where those cash flows represent SPPI are measured at amortized cost. Interest income from these financial assets is included in interest income using the effective interest rate method.

The Company's classification of financial assets and financial liabilities is summarized below:

Cash	Amortized cost
Short-term investments	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Loan payable	Amortized cost

Measurement

All financial instruments are required to be measured at fair value on initial recognition, plus, in the case of a financial asset or financial liability not at FVTPL, transaction costs that are directly attributable to the acquisition or issuance of the financial asset or financial liability. Transaction costs of financial assets and financial liabilities carried at FVTPL are expensed in profit or loss. Financial assets and financial liabilities with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortized cost at the end of the subsequent accounting periods. All other financial assets, including equity investments, are measured at their fair values at the end of subsequent accounting periods, with any changes taken through profit and loss or OCI (irrevocable election at the time of recognition). For financial liabilities measured subsequently at FVTPL, changes in fair value due to credit risk are recorded in OCI.

Expected credit loss impairment model

Under IFRS 9, the Company recognizes a provision for ECL on financial assets that are measured on amortized cost. The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Company considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Company in full or when the financial asset is more than 90 days past due.

The carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts.

Derecognition

The Company derecognizes financial assets only when the contractual rights to cash flow 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 Company derecognizes a financial liability when its contractual obligations are discharged, 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.

Gains or losses on derecognition are generally recognized in profit or loss.

Determination of fair value

The determination of fair value requires judgment and is based on market information, where available and appropriate. The Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

(f) Impairment of Assets

At each reporting date, the Company reviews the carrying amounts of its assets to determine whether there are any indicators of impairment. If any such indicator exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any.

Where the asset does not generate cash inflows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit ("CGU") to which the asset belongs. Any intangible asset with an indefinite useful life is tested for impairment annually and whenever there is an indication that the asset may be impaired. An asset's recoverable amount is the higher of FVLCS and VIU. In assessing VIU, the estimated future cash flows are discounted to their present value, using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount is reduced to the recoverable amount and an impairment loss is recognized immediately in the statements of loss and comprehensive loss. Where an impairment subsequently reverses, the carrying amount is increased to the revised estimate of recoverable amount but only to the extent that this does not exceed the carrying value that would have been determined if no impairment had previously been recognized. A reversal of impairment is recognized in the statements of loss and comprehensive loss.

(g) Provisions

A provision is recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

(h) Income Taxes

Income tax expense consists of current and deferred tax expense. Current and deferred tax are recognized in profit or loss except to the extent that it relates to items recognized directly in equity or OCI.

Current income tax is recognized and measured at the amount expected to be recovered from, or payable to, the taxation authorities based on the income tax rates enacted or substantively enacted at the end of the reporting period and includes any adjustment to taxes payable in respect of previous years.

Deferred tax is recorded for temporary differences at the date of the statements of financial position between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The carrying amount of a deferred tax asset is reviewed at the end of the reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at the end of the reporting period and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if, and only if, they relate to income taxes levied by the same taxation authority and the Company has the legal rights and intent to offset.

Estimates

Provisions for taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxing authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

(i) Share Capital

Common shares are classified as share capital. Costs directly attributable to the issue of common shares are recognized as a deduction from share capital, net of any tax effects.

(j) Share-Based Payments Transactions

The Company operates a stock option plan (the "Option Plan"). Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received, or at the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured and are recorded at the date the goods or services are received. The fair value of options is determined based on the application of the Black-Scholes valuation model ("Black-Scholes"). The fair value of equity-settled stock-based compensation transactions is recognized as an expense with a corresponding increase in the share-based payments reserve.

If share-settled awards are modified, as a minimum an expense is recognized as if the modification has not been made. An additional expense is recognized, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

Amounts recorded for cancelled or expired unexercised options are transferred to accumulated deficit in the period of which the cancellation or expiry occurs.

(j) Warrants

Share purchase warrants (each a "Warrant") are classified as a component of equity. Warrants issued along with shares in an equity unit financing are measured using the residual approach, whereby the fair value of the Warrant is determined after deducting the fair value of the shares from the unit price less applicable financing costs. Warrants issued for broker/financing compensation, are recognized at the fair value using Black-Scholes at the date of issuance. Warrants are initially recorded as a part of the reserves in warrant in equity at the recognized fair value.

Upon exercise of the Warrants, the previously recognized fair value of the Warrants exercised is reallocated to share capital from warrants reserve. Proceeds generated from the payment of the exercise price are also allocated to share capital. Amounts recorded for expired unexercised warrants are transferred to accumulated deficit in the period of which the expiry occurs.

(l) Flow-Through Shares

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resource property exploration expenditures within a two-year period. The portion of the proceeds received but not yet expended at the end of the year is disclosed separately.

The issuance of flow-through common shares results in the tax deductibility of the qualifying resource expenditures funded from the proceeds of the sales of such common shares being transferred to the purchasers of the shares. On the issuance of such shares, the Company bifurcates the flow-through shares into a flow-through share premium, equal to the estimated fair value of the premium that investors pay for the flow-through tax feature, which is recognized as a liability, and equity values of share capital and/or warrants. As related exploration expenditures are incurred, the Company derecognizes the premium liability and recognizes the related recovery.

(m) Loss Per Share

Basic loss per share is computed by dividing the net loss available to common shareholders by the weighted average number of common shares outstanding during the period. Diluted loss per share is calculated by the treasury stock method. Under the treasury stock method, the weighted average number of common shares outstanding for the calculation of diluted (loss) earnings per share assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period.

(n) Foreign Currency Translation

Monetary assets and liabilities denominated in currencies other than CAD are translated into CAD at the rate of the financial statements of the Company are prepared in its functional currency, determined on the basis of the primary economic environment in which the entity operates. Given that operations are in Canada, the presentation and functional currency of the Company is the Canadian dollar.

Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing at the transaction dates. At each reporting date, monetary items denominated in foreign currencies are translated into the entity's functional currency at the then prevailing rates and non-monetary items measured at historical cost are translated into the entity's functional currency at rates in effect at the date the transaction took place.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are included in the statements of loss and comprehensive loss for the period in which they arise.

(o) Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

(p) Exploration and evaluation expenditures

The Company expenses exploration and evaluation expenditures as incurred. Exploration and evaluation expenditures include acquisition costs of mineral properties, property option payments, evaluation activities and exploration costs.

Once a project has been established as commercially viable and technically feasible, related development expenditures are capitalized. This includes costs incurred in preparing the site for mining operations. Capitalization ceases when the mine is capable of commercial production, with the exception of development costs that give rise to a future benefit.

Exploration and evaluation expenditures are capitalized if the Company can demonstrate that these expenditures meet the criteria of an identifiable intangible asset. To date, no such exploration and evaluation expenditures have been identified and capitalized.

(q) Restoration, rehabilitation and environmental obligations

A legal or constructive obligation to incur restoration, rehabilitation and environmental costs may arise when environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. Such costs are discounted to their net present value and are provided for and capitalized at the start of each project to the carrying amount of the asset, as soon as the obligation to incur such costs arises. Discount rates using a pretax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either a unit-of-production or the straight-line method as appropriate. The related liability is adjusted for each period for the unwinding of the discount rate and for changes to the current market-based discount rate, amount or timing of the underlying cash flows needed to settle the obligation.

Off Balance Sheet Arrangements

As at July 31, 2024 and the date of this MD&A, the Company does not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on the results of operations or financial condition of the Company.

Subsequent Events

On August 27, 2024, the Company announced that it has closed a private placement in which the Company issued 15,822,502 units priced at $0.02 per unit and 2,800,000 flow-through units priced at $0.025 per flow-through unit for total gross proceeds of $386,450. Each unit included one common share of the Company and one common share purchase warrant which each whole warrant exercisable to buy one additional common share at a price of $0.05 for a period of 24 months from the date of issuance thereof. Each flow-through unit will be comprised of one "flow-through" common share of the Company and one common share purchase warrant; with each whole warrant exercisable to acquire one additional common share at a price of $0.06 for a period of 24 months from the date of issuance thereof. Insiders of E2Gold purchased an aggregate of 8,322,502 units in connection with the offering.

In connection with the offering, the Company paid aggregate cash commissions of $2,800 and issued an aggregate of 126,000 broker warrants to eligible registrants, each such broker warrant entitling the holder thereof to buy one common share at an exercise price of $0.05 for a period of two years.

Disclosure of Outstanding Share Data as of November 27, 2024

	Authorized	**Outstanding**
Voting or equity securities issued and outstanding	Unlimited number of common shares	224,504,367 common shares

Trend Information

Management regularly monitors economic conditions and estimates their impact on the Company's operations and incorporates these estimates in both short-term operating and longer-term strategic decisions.

Apart from these and the risk factors noted under the heading "*Trends, Risks and Uncertainties*", management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's business, financial condition or results of operations.

See "*Cautionary Note Regarding Forward-Looking Statements*" below.

Cautionary Note Regarding Forward-Looking Statements

This MD&A contains certain "forward-looking information" as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "budgeted", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statements.

These forward-looking statements are based on numerous assumptions that are believed by management to be reasonable in the circumstances, with respect to, among other things, the Company's future plans, financial results and operational performance, anticipated expense levels, and technological developments, and are subject to a number of risks and uncertainties, including without limitation those listed in the "*Trends, Risks and Uncertainties*" section of this MD&A. Actual results may differ materially from results contemplated by the forward-looking statements herein. Investors and others should carefully consider the foregoing factors and should not place undue reliance on such forward-looking statements. The Company assumes no responsibility to update forward looking statements made herein, other than as may be required by applicable securities laws.