Fremont Gold Ltd.
An Exploration Stage Company

INTERIM MD&A – QUARTERLY HIGHLIGHTS

FOR THE THREE MONTHS ENDED JUNE 30, 2023

Dated: August 29, 2023

Management Discussion and Analysis

The following Management Discussion and Analysis ("**MD&A**") of Fremont Gold Ltd. ("**Fremont**" or the "**Company**") has been prepared as at August 29, 2023. It is intended to be read in conjunction with the condensed interim consolidated financial statements of the Company as at and for the three months ended June 30, 2023.

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

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

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

The Company's year-end is March 31. Accordingly, references to Q1 2024 herein refer to the three months ended June 30, 2023.

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

Overview

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

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

The Company recently staked and filed claims in Nevada for the purpose of delineating, defining or evaluating a potential lithium resource. The assets were acquired on an opportunistic basis and the Company is looking at opportunities to maximise the value of these recently acquired claims.

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

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

Highlights

The three months ended June 30, 2023 and the period ended August 29, 2023 were highlighted by the following activities and initiatives:

Finance

- The balance of cash and cash equivalents as at June 30, 2023 was $146,785 (March 31, 2023: $523,948) and the net working capital deficit as at this date was $199,860 (March 31, 2023: net working capital balance of $234,641) (see 'Liquidity and going concern')
- In August 2023, the Company announced the revised terms of a non-brokered private placement for gross proceeds of up to $2,000,000 (see 'Liquidity and going concern – Private placement')
- In order to preserve cash, management agreed to defer payment of remuneration and reimbursement of expenses. The total amount owing to the President and CEO, the CFO and the VP Exploration in connection with deferred remuneration and unreimbursed expenditures incurred on behalf of the Company as at June 30, 2023 was $383,764 (see 'Liquidity and going concern')

Exploration and evaluation

- Exploration activity in Q1 2024 was comprised of the collection of surface clay and rock samples at Vardenis for a short wave infrared (SWIR) survey to assist in the determination of alteration patterns in anticipation of drilling. Subsequent to June 30, 2023, exploration activity continued to be focussed on the preparation for a drill program at Vardenis. In Nevada, activity in Q1 2024 and thereafter was focussed primarily on the staking and registration of lithium claims and a geochemical soil sampling program at the Diamond lithium project

Project development and portfolio management

- The Company began focussing its project development efforts in Armenia in early fiscal 2023 following the identification of a number of exciting opportunities there in the preceding six months
- In May 2023, the Company announced that it had entered into a letter of intent to acquire up to a 100% interest in Mendia Resources Corp. ("**Mendia**"), an Armenian corporation. Mendia holds the exploration license over the Vardenis copper-gold project in central Armenia. The definitive agreement was executed in June 2023 (see 'Vardenis')
- In May 2023, the Company announced that it had filed 133 claims in Nevada for the purpose of delineating, defining or evaluating a potential lithium resource (see 'Project development, lithium')
- In June 2023, the Company announced that it had applied for an exploration permit comprising 33.8 square kilometres over the Urasar mineral district in northern Armenia (see 'Urasar')
- The Company is continuing to seek opportunities to maximise the value of its Nevada properties

Other

- In April 2023, the Company announced that Jason Libenson had joined the Company's Board of Directors and that Alan Carter had elected to resign from the Board of Directors to pursue other opportunities. Mr. Libenson is the President and Chief Compliance Officer at Castlewood Capital Corporation, an independent investment bank in the Canadian small to mid-size capitalization market based in Toronto

Project development, Armenia

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

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

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

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

Vardenis

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

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

- On closing, the Company paid US$ 100,000 in cash and will issue 500,000 Fremont common shares to the Optionor upon receipt of approval from the TSX Venture Exchange, and initiate specified exploration work on the Vardenis property within 18 months, including a minimum of 2,500 meters of diamond drilling, the completion of which will earn the Company a 51% equity ownership interest in Mendia
- 18 months following closing, the Company shall pay US$ 150,000 in cash and issue 700,000 Fremont common shares to the Optionor, and initiate further exploration work on the Vardenis property including an additional 2,500 meters of drilling within three years following closing (increasing to 5,000 meters upon receipt of approval from the Armenian Ministry of Territorial Administration and Infrastructure), the completion of which will earn the Company an additional 29% equity ownership interest in Mendia increasing Fremont's total interest therein to 80%
- 36 months following closing, the Company shall pay US$ 100,000 in cash and issue Fremont 1,000,000 common shares to the Optionor, and initiate additional exploration work including a preliminary economic assessment level study within 4.5 years following closing, the completion of which will earn the Company an additional 10% equity ownership interest in Mendia increasing Fremont's total interest therein to 90%
- Subsequent to Fremont's acquisition of a 90% interest in Mendia, the Optionor has the right to retain a 10% interest in Mendia by contributing 10% of costs moving forward. If the Optionor declines this right, Fremont has the option to purchase the remaining 10% equity in Mendia for US$ 3,500,000 in either cash or equivalent in Fremont common shares. If this option to purchase the remaining 10% is not exercised by Fremont and the Optionor does not meet their contribution commitments, the Optionor's residual interest in Mendia will be converted to a 1.0% net smelter return royalty once their interest is diluted below 5%.

The issuance of Fremont common shares to the Optionor subject to the approval of the TSX Venture Exchange.

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

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

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

The project's attributes include the following:

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

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

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

Subject to available funding, exploration plans for Q2 and Q3 2024 include completion of the Company's review of historical exploration data (including that acquired from DPMC), drill targeting comprising a detailed short-wave infrared (SWIR) alteration mapping, a ground based mag survey and induced polarisation (IP) survey over the circular copper-moly anomaly, and the initiation of a drill program. Initial drill results are expected in Q3 or Q4 2024.

Fremont expects that the drill program at Vardenis will be undertaken by a drilling contractor owned by the Optionor which should contribute to the completion of the program on a timely and cost-effective basis.

Urasar

In June 2023, The Company announced that it had applied for an exploration permit comprising 33.8 km2 over the Urasar mineral district in northern Armenia. The license application was submitted in late 2022 and the Armenian Ministry of Territories is in the process completing their review. The permit was expected to have been granted in fiscal Q4 2023 but had yet to be issued as at August 29, 2023.

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

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

See further information regarding Urasar in the Company's news release of June 6, 2023.

Project development, lithium

Lithaur

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

As at the date of acquisition:

- Lithaur held the 133 registered lithium claims and a further 210 staked lithium claims
- Lithaur had total liabilities of US$ 142,870 owing to Tectonex relating to the registration and staking of the claims (all such expenditures were charged by Tectonex to Lithaur without margin or discount at the actual cost incurred by Tectonex).

The estimated total cost of the Company's lithium initiative through August 29, 2023 was approximately US$ 240,000.

At the Diamond project, 133 placer claims have been recorded and 300 lode claims have been staked but not yet recorded. At Tub, 210 placer claims have been staked but not yet recorded.

Proposed sale of Lithaur

In August 2023, the Company announced that it had entered into a binding term sheet to sell Lithaur to a private Australian-based group. The terms of the transaction, which are subject to completion of a definitive agreement by September 15,2023, are as follows:

- A one-time payment to Fremont of US$ 100,000 within 45 days of signing of the binding term sheet
- A 2.0% NSR in favour of Fremont on each of four projects with a right for the purchaser to buy one half of each NSR (1.0%) for US$ 2,000,000 (on each project)
- Assumption of up to US$ 125,000 of debt owed by Lithaur and assumption of all ongoing Nevada-based lithium costs post September 1, 2023
- A firm commitment to take the Lithaur assets public via an IPO or RTO on an Australian or Canadian stock market within 12 months of the signing of the binding term sheet
- Fremont to receive 30% of the publicly traded equity and the right to appoint one director to Lithaur's board upon completion of such listing, and
- In the case of a sale of Lithaur or its assets to a third party in lieu of an IPO/RTO, 30% of the proceeds of such sale will be paid to Fremont.

Lithium soil survey

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

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

Fremont management has used the Thacker Pass geological and structural model to stake similar settings hosted in calderas in central Nevada.

Nevada gold properties

Fremont has assembled a portfolio of gold projects located in Nevada's most prolific gold trends. The Company's current portfolio of gold properties in Nevada comprises Cobb Creek, which hosts a 43-101 compliant resource, Griffon, a past producing gold mine, and Hurricane, which has returned significant gold intercepts from surface in past drilling.

No exploration activity was undertaken at these properties in Q1 2024 and thereafter.

The Company is actively looking at opportunities to maximise the value of all three properties.

In October 2022, the Company announced that it had entered into a definitive claims acquisition agreement with Westward Gold Inc. ("**Westward**") to sell the Company's 100% interest in the Coyote and Rossi claim blocks. In January 2023, the Company announced that the transaction had closed.

Proposed transactions

As at June 30, 2023 and August 29, 2023, there were no announced asset or business acquisitions or dispositions other than as described herein, however, the Company is actively looking at opportunities to maximise the value of all three Nevada gold properties.

Selected financial information

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

Consolidated statements of income and loss

	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
Revenue	-	-	-	-	-
Exploration and evaluation	**14,809**	**11,067**	**2,963**	**1,045**	**10,515**
Administration (cash):					
Management	43,703	48,195	44,386	46,899	51,899
Project development	12,159	25,829	44,496	41,989	40,782
Professional fees	9,638	12,674	20,194	7,843	32,655
General and administration	23,316	18,710	19,321	19,116	22,716
Listing expense	1,466	3,776	2,172	28,988	6,483
Marketing	2,478	2,164	3,611	2,898	2,237
Travel (cost recovery)	11,102	9,610	(1,779)	8,371	1,154
Reclamation (net)	-	6,419	5,258	15,302	958
	103,862	***127,377***	***137,659***	***171,406***	***158,884***
Administration and other (non-cash):					
Stock-based compensation	11,893	5,981	4,741	928	42,913
Unrealised loss (gain) on securities	-	-	-	(42,000)	18,000
Depreciation	2,092	1,685	1,771	1,759	1,692
Write-off of mineral properties	-	479,902	(11,279)	(224,558)	-
Loss on sale of mineral properties	-	-	-	228,124	-
	13,985	***487,568***	***(4,767)***	***(35,747)***	***62,605***
Foreign exchange loss (gain)	1,502	(48,333)	11,559	(990)	7,047
Interest income	-	(1,927)	(2,579)	(1,931)	(1,190)
Net loss	**134,158**	**575,752**	**144,835**	**133,783**	**237,861**

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

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

- Exploration: Exploration initiatives (and related spend) through Q4 2023 were limited and directed primarily to Cobb Creek. Q1 2024 spend related primarily to Vardenis in advance of a planned drill program (see 'Vardenis')
- Management costs comprise remuneration of the Company's President, CEO and CFO. Remuneration of the Company's VP-Exploration is classified as exploration spend or capitalised to mineral properties as a component of staking costs
- Project development costs relate to preliminary exploration expenditures and consulting fees incurred in connection with the identification of new opportunities in the Tethyan Mineral Belt in Armenia. The increase in costs in Q3 2023 were attributable to the retention in October 2022 of Rick Brown, a business development professional, to assist the Company in its assessment of opportunities. Mr. Brown was subsequently appointed Vice President of Business Development in January 2023
- Professional fees relate primarily to legal fees associated with general corporate matters as well as audit fees. The increase in Q3 2023 was related to the sale of the North Carlin assets to Westward and the restructuring of the Griffon agreement with Pilot Gold (USA) Inc. The increase in Q1 2024 was related to the establishment and acquisition of Lithaur (see 'Project development, lithium') and the Vardenis option agreement with Mendia (see 'Vardenis')
- General and administration charges relate to the cost of maintaining corporate offices in each of Vancouver and Nevada

- Listing fees were higher in Q4 2023 due to annual fees for both the TSXV and the OTCQB listings
- Marketing relates primarily to the cost of shareholder communications including news releases and maintenance of the Company's web site
- The majority of travel expenditures incurred during this 15 month period related to project development initiatives associated with the identification of new opportunities
- The net reclamation costs incurred in Q3 and Q4 2023 relate to the reclamation of the North Carlin property in advance of the sale of the North Carlin assets to Westward. Actual reclamation costs were higher than the provision that had previously been established and subsequently released
- Stock-based compensation relates to the amortisation of the estimated fair value of stock options issued to management, directors, employees and consultants. Stock options were last issued in April 2023 (1,950,000 options including 1,500,000 options issued to officers and directors of the Company)
- Unrealised gains and losses on marketable securities relate to changes in value of the 600,000 common shares of Westward that were received as part of the consideration for the North Carlin transaction. The common shares are subject to both statutory and voluntary hold periods
- The write-off of mineral property relates to the provision established for the North Carlin property. The provision established in Q2 2023 was partially reversed in Q3 2023 reflecting changes in the market value of the transaction consideration as at December 31, 2022
- The loss on sale of mineral properties relates to the sale of the North Carlin property
- The significant foreign exchange gain in Q2 2023 resulted from the majority of the Company's treasury being converted to and held in United States dollars during the quarter.

Consolidated statements of financial position

	30-Jun-22 (Q1 2023)	30-Sep-22 (Q2 2023)	31-Dec-22 (Q3 2023)	31-Mar-23 (Q4 2023)	30-Jun-23 Q1 2024
Cash and cash equivalents	634,498	1,200,884	700,974	523,948	146,785
Marketable securities	-	-	-	90,000	72,000
Other current assets	58,231	71,344	65,816	59,524	56,002
Mineral properties	2,477,078	2,416,001	2,501,092	2,545,572	2,652,859
Fixed assets	8,022	6,637	4,820	3,061	1,357
Advances to Lithaur	-	-	-	-	79,377
Reclamation bonds	68,690	73,067	72,198	72,139	70,577
Total assets	***3,246,519***	***3,767,933***	***3,344,900***	***3,294,244***	***3,078,957***
Accounts payable and accrued liabilities	94,437	296,237	55,083	68,110	90,883
Due to related parties	334,559	404,065	375,622	370,721	383,764
Total liabilities	***428,996***	***700,302***	***430,705***	***438,831***	***474,647***
Net working capital	***263,733***	***571,926***	***336,085***	***234,641***	***(199,860)***
Share capital	16,491,460	17,676,452	17,698,452	17,788,002	17,786,562
Reserves	1,941,711	1,947,692	1,952,433	1,953,361	1,996,274
Subscription receipts	537,920	-	-	-	-
Other comprehensive expense	57,182	229,989	194,647	179,170	124,455
Accumulated deficit	(16,210,750)	(16,786,502)	(16,931,337)	(17,065,120)	(17,302,981)
Total equity	***2,817,523***	***3,067,631***	***2,914,195***	***2,855,413***	***2,604,310***
	-	-	-	-	-

- The balance of cash as at September 30, 2022 had increased relative to that as at June 30, 2022 as a result of the non-brokered private placement that closed in July 2022
- Other current assets relate to prepaid insurance and marketing expenditures and various receivables (including GST)

- The carrying value of mineral properties includes claim acquisition (option payments, value of common shares issued to optionors in connection with property transactions, costs of staking, etc.) and the costs of maintaining the claims in good standing (annual Bureau of Land Management ("**BLM**") and county charges). The carrying value of mineral properties is impacted by movement in the $ / US$ foreign exchange rate. Costs of both exploration and indirect costs associated with claim acquisition (such as legal expenses) are expensed as incurred. Specific issues impacting the carrying value of mineral properties during the period under consideration were as follows:
  - Q2 2023 net decrease relates to the $479,902 provision established in respect of North Carlin offset by annual statutory claim maintenance charges and miscellaneous staking charges ($218,781), an option payment associated with the Cobb Creek property (US$ 20,000) and continued deterioration in the value of the $ relative to the US$
  - Q3 2023 increase relates primarily to an option payment associated with the Cobb Creek property (US$ 30,000), an option payment associated with the Griffon property in the form of 250,000 common shares, various staking activity and a partial reversal of the North Carlin provision established in Q2 2023
  - Q4 2023 increase includes an option payment associated with the Hurricane property (US$ 25,000)
  - Q1 2024 increase relates entirely to the Vardenis property (comprising a US$ 100,000 option payment and $30,000 for the purchase of historical exploration data; see 'Vardenis') and foreign exchange fluctuations
- The Company had advanced Lithaur a total of US$ 59,952 ($79,377) through June 30, 2023
- Reclamation bonds total US$ 53,306 ($70,577) and relate to exploration activities on various properties (see 'Liquidity and going concern - Contractual commitments')
- Accounts payable and accrued liabilities comprise amounts due to third parties including accrued audit fees and recurring liabilities relating to ongoing operations in both Nevada and Vancouver. The significant increase in Q2 2023 relates to amounts owing in respect of annual statutory claim maintenance charges totalling approximately $162,000. The reduction in Q3 2023 was also attributable to the drawdown of US$ 20,000 of the reclamation provision in connection with the North Carlin property
- The increase in the balance due to related parties relates to the ongoing deferral of management costs (see 'Transactions with related parties')
- Changes in share capital during the period under consideration relate primarily to the July 2022 non-brokered private placement comprising 10,077,666 common shares at $0.12 per unit for gross proceeds of $1,200,920

Liquidity and going concern

As at June 30, 2023, the Company had a cash balance of $146,785 (March 31, 2023: $523,948), and a net working capital deficit of $199,860 (March 31, 2023: net working capital balance of $234,641).

Going concern

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

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

- Significant reduction in all marketing spend
- Continued reduction in office and administrative spend
- The President and CEO began working without remuneration when starting in this combined role in May 2021, but recognition of his remuneration commenced effective June 1, 2021. Payment of remuneration was deferred from this date through June 30, 2022
- The payment of the CFO's remuneration was deferred from May 1, 2021 through June 30, 2022

- The payment of part of the VP Exploration's remuneration has been deferred from May 1, 2021 through June 30, 2022
- The reimbursement of certain expenses incurred by members of management on behalf of the Company has been deferred since May 1, 2021.

A liability due to the three members of management totalling $383,764 has accumulated through June 30, 2023 as a result of the aforementioned deferrals. It is expected that part of this balance and additional liabilities that have accumulated subsequent to June 30, 2023 will be restructured, however, the terms of such a restructuring had not been established as at August 29, 2023.

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

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

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

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

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

Private placement

In August 2023, the Company announced the revised terms of a non-brokered private placement comprising up to 20,000,000 units at a price of $0.10 per unit for gross proceeds of up to $2,000,000 (the revised terms and size of the private placement replace those of an offering that was previously announced in June 2023). Each unit will be comprised of one common share of the Company and one half of one share purchase warrant. Each whole share purchase warrant will entitle the holder to purchase one common share at a purchase price of $0.17 per for a period of 24 months following the closing of the private placement. The net proceeds of the private placement will be used to undertake an initial drill campaign at Fremont's Vardenis project located in central Armenia, to advance the Urasar project (if the Company ultimately obtains the licence) and for general working capital purposes.

Dividends

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

Contractual commitments

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

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

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

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

The three bonds totaling US$ 53,306 ($70,577) as at June 30, 2023 will be refunded in full once the BLM has concluded that the reclamation work completed is satisfactory. Management is actively seeking to recover the outstanding balances.

The Company is required to make certain option and lease payments to third parties in order to maintain its mineral properties and agreements in good standing. Such expenditures to be incurred in the year ended March 31, 2024 total US$ 150,000 ($198,600) and comprise the following:
- Cobb Creek: US$ 25,000 (September 2023)
- Griffon: US$ 100,000 (December 2023)
- Hurricane: US$ 25,000 (February 2024).

In addition to the cash payments referred to above, the Company is required to issue 250,000 common shares to the optionor of the Griffon property in December 2023.

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

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

Other than as described above, the Company had no significant medium- or long-term contractual commitments as at June 30, 2023 or August 29, 2023 beyond its stated liabilities and other commitments associated with its mineral properties and related lease and option agreements.

Legal proceedings

The Company was not involved in any legal proceedings as at either June 30, 2023 or August 29, 2023.

Off-balance sheet arrangements

As at June 30, 2023 and August 29, 2023, the Company was utilising the services of a bond agent in connection with the provision of a bond to the applicable authorities relating to the Griffon drill program. The bond amount is US$ 72,770.

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

Transactions with related parties

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

	3 months ended June 30, 2023	3 months ended June 30, 2022
Remuneration of officers of the Company (1)	$ 58,093	$ 56,171
Stock-based compensation relating to stock options issued to officers and directors of the Company	33,010	9,837
Recharge of exploration, claim and local administrative expenditures (2)	10,546	18,568
	$ 101,649	**$ 84,576**

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

Certain exploration, local administrative and claim acquisition expenditures are charged to the Company by Tectonex LLC, a company owned by the Company's VP Exploration. Such charges totalled US$ 7,851 ($10,546) in the three months ended June 30, 2023 (three months ended June 30, 2022: US$ 14,547 ($18,568)). All such expenditures are recharged to the Company without margin or discount at the actual cost incurred by Tectonex.

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

	June 30, 2023	March 31, 2023
Amount owing to Tectonex relating to the recharge of exploration, claim and local administrative expenditures	$ 108,932	$ 109,450
Amounts owing to directors and officers relating to deferred remuneration and the reimbursement of expenses	274,832	261,271
	$ 383,764	**$ 370,721**

In August 2023, the President and CEO loaned $200,000 to the Company.

Amounts due to related parties as at June 30, 2023 and subsequent thereto (including the $200,000 loan from the President and CEO) were unsecured, non-interest bearing and had no set terms of repayment.
It is expected that the majority of this balance will ultimately be restructured, however, the terms of such a restructuring had not been established as at August 29, 2023.

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

Outstanding share data

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

Share consolidation

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

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

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

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

Capital structure

The Company had the following common shares, warrants and stock options outstanding as at June 30, 2023 and August 29, 2023:

	Aug. 29, 2023	**June 30, 2023**
Issued and outstanding common shares	25,869,097	25,869,097
Fully diluted	32,274,217	34,375,500
Share purchase warrants:		
Nov. 2, 2023 ($1.00)	4,000,000	4,000,000
Nov. 2, 2023, finder warrants ($1.00)	105,120	105,120
July 27, 2023 ($0.50)	-	2,073,283
July 27, 2023, finder warrants ($0.50)	-	28,000
	4,105,120	6,206,403
Stock options	2,300,000	2,300,000

Cautionary Statement on Forward-Looking Information

This MD&A document contains 'forward-looking information' and 'forward-looking statements' (together, the "forward-looking statements") within the meaning of applicable securities laws. Such forward-looking statements concern the Company's anticipated operations in future periods, planned exploration and evaluation of its properties, and plans related to its business and other matters that may occur in the future. This information relates to analyses and other information that is based on expectations of future performance and planned work programs. These forward-looking statements are made as of August 29, 2023.

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

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

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

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