

North Peak Resources Ltd. Management's Discussion and Analysis
For the Three Months Ended March 31, 2024
Expressed in Canadian Dollars
Dated: May 30, 2024

The following management's discussion and analysis ("**MD&A**") of the financial condition and results of operations of North Peak Resources Ltd. ("**North Peak**", or the "**Company**") constitutes management's review of the factors that affected the Company's financial and operating performance for the three months ended March 31, 2024. This MD&A has been prepared in compliance with the requirements of National Instrument 51-102 – *Continuous Disclosure Obligations*. This discussion should be read in conjunction with the audited annual consolidated financial statements of the Company for the year ended December 31, 2023, as well as the unaudited interim condensed consolidated financial statements for the three months ended March 31, 2024. Results are reported in Canadian dollars, unless otherwise noted. Information contained herein is presented as at May 30, 2024 unless otherwise indicated.

Description of Business

North Peak was incorporated on March 28, 2011, and organized under the laws of Alberta, Canada and is a Canadian based gold exploration and development company listed on the TSX Venture Exchange (the "**Exchange**") under the symbol "NPR".

The Company's current project of focus is the Prospect Mountain Property ("**Prospect Mountain**") and is operating under the terms and conditions of the May 2023 agreement described below. Prospect Mountain is a 1,700-acre+ property located in Eureka Nevada, within the district known in Nevada as the Southern Eureka Gold Belt. This district has had many gold mining operations dating from 1872 and Prospect Mountain includes the Diamond Mine/Silver-Connor complex where there is underground infrastructure consisting of 4 former shaft complexes and some 11 miles of haulage ways and tunnels. The most recent gold mining at Prospect Mountain occurred in the 1980's and in 1998/1999 a 91-hole, 27,615-foot drilling campaign targeting gold on the Wabash Mine area in the northern portion of Prospect Mountain ("**Prospect Mountain North**") was carried out by European American Resources.

The Company also holds an option to acquire 100% interest in the Kenogami Lake Project, which is also a gold exploration property and is located 15 kilometres southwest of Kirkland Lake, Ontario consisting of twenty-seven (27) mineral claims totaling approximately 500.3 hectares (the "**Kenogami Property**").

The Company can give no assurances at this time that the Kenogami Property or Prospect Mountain will fulfil the Company's business development goals.

Background to Properties and Interests

In May 2023 following months of discussions, the Company signed an agreement to acquire 80% of Prospect Mountain from Solarljos LLC ("**Solarljos**") and Gullsil LLC of Nevada in exchange for the issuance of 5 million common shares of the Company ("**Common Shares**") to Solarljos, a three-year commitment to spend US\$1 million annually on exploration, annual property payments of US\$385,000 for three years, and granting a 1% NSR royalty. Solarljos and Gullsil LLC are controlled by the Erickson family of Nevada who have taken one seat on the Company's Board of Directors.

The Company can withdraw from its commitments under the Prospect Mountain agreement at any time whereby it will transfer its 80% interest in Prospect Mountain back to Solarljos and the 5 million Common Shares will be returned to the Company. The Company also has the right until mid-November 2026 to acquire the remaining 20% interest held by Solarljos by issuing an additional 3 million Common Shares to Solarljos.

The mining claims and rights that constitute Prospect Mountain were transferred into North Peak Gold LLC. The Company (through its Nevada subsidiary, North Peak (Nevada) Ltd.) acts as operator and holds an 80% interest in North Peak Gold LLC and Solarljos holds the remaining 20% interest.

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The Company continues to assess the Kenogami Property to determine the most effective and efficient path towards completing the remaining \$150,000 work commitment which must be completed by January 5, 2026.

Highlights for Quarter Ending March 31st

In late October 2023, the Company's Phase 1 program started with a deep hole from the 7,925-foot level at the Diamond Mine portal to drill the geophysical anomaly identified from the summer 2023 MT survey and, at the same time, confirm Prospect Mountain's deeper geologic structures. This PM23-001 core hole reached a depth of 3,253 feet and was halted.

Assay results for PM23-001 were released on February 12, 2024, and reported intersections of 8 mineralized zones of up to 9% zinc of the Carbonate Replacement (CRD) style that were within altered Hamburg dolomite which is the host rock of the Diamond Mine workings. Significant intersections included 9.5% Zn, 221.6 g/t Ag, 0.8% Cu, and 0.3% Pb over 1.0 m (3.28 ft), 7.3% Zn, 54.6 g/t Ag, and 0.8% Pb over 1.9 m (6.23 ft), and 355 g/t Ag and 4.6% Pb over 0.3 m (1 ft). This hole intersected faults that occur on Prospect Mountain that will help test theories of the fault systems that exist across the Eureka camp and possibly led to the creation of the multiple zones of mineralization that exist in Prospect North, the area to be targeted in a Phase 2 drill program described below.

This first deep hole intersected significant zones of pyrite, sphalerite, galena and chalcopyrite mineralization and confirmed that sulphides were the cause of the 2km MT anomaly that was targeted. In February, the Company conducted a BHEM survey down the hole to evaluate the orientation of nearby mineralized sulphide zones for potential wedging of additional holes. However, the decision was taken instead to begin the planning and permitting process for the Phase 2 drilling around the high-grade former gold mines of the Williams, Wabash and the Duke in Prospect North.

Outlook

The Company's exploration plans for 2024 are to drill targets in the near surface, former high-grade gold mines in the Prospect North area. These mines were connected to underground haulage ways and shaft compartments of the Diamond Mine/Silver-Connor complex where a 1,000 ton per day mining permit is still in place.

A successful Prospect North drill program aligned with a prolonged bullish market cycle for precious metals, could provide easier access to capital and enhance the potential economics for a future underground drilling program focusing on attractive gold targets further south on the Prospect Mountain property.

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Summary of Quarterly Results

Three Months Ended	Revenue (\$)	Net (Loss) Income		Total assets (\$)
		Total (\$)	Basic and diluted earnings per share (\$)	
2024 – March 31	Nil	(758,192)	(0.03)	13,025,296
2023 – December 31	Nil	(2,317,977)	(0.09)	14,159,401
2023 – September 30	Nil	(1,436,752)	(0.05)	15,324,903
2023 – June 30	Nil	(1,195,062)	(0.05)	15,395,054
2023 – March 31	Nil	(439,091)	(0.02)	8,001,467
2022 – December 31	Nil	1,151,672	0.05	8,464,106
2022 – September 30	Nil	(857,100)	(0.04)	9,418,872
2022 – June 30	Nil	(3,133,761)	(0.13)	10,174,696

Three Months Ended March 31, 2024 vs Three Months Ended March 31, 2023

The Company reported a net loss of \$758,192 for the three months ended March 31, 2024, compared with a loss of \$439,091 for the comparative period ended March 31, 2023.

The reported loss consists primarily of the following:

- Contractor fees of \$10,078 for the three months ended March 31, 2024, increasing from \$5,624 during in the comparative three months ended March 31, 2023. Contractor fees consist of hourly based operational support staff.
- Travel expenses declined to \$34,556 during the three months ended March 31, 2024, from \$91,558 during the three months ended March 31, 2023. Travel expenses consisted of marketing, executive travel and operational management of the Prospect Mountain project.
- Professional fees increased to \$61,044 during the three months ended March 31, 2024, from \$55,384 for the comparative three months ended March 31, 2023, attributable to an increase in legal and accounting fees, and general corporate matters.
- During the three months ended March 31, 2024, the Company incurred aggregate exploration and evaluation expenses of \$485,108 (three months ended March 31, 2023 - \$111,984), consisting of \$482,754 on the Prospect Mountain project (March 31, 2023 - \$nil), \$2,354 (March 31, 2023 - \$34,803) on the Black Horse project, and \$nil (2023 - \$nil) on the Kenogami Property. As noted previously, the Company terminated its option to acquire the Black Horse project from Minex LLC, effective August 31, 2022. Accordingly, exploration on that project has since ceased, with the current

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costs being associated with the wind down of operations. During the three months ended March 31, 2024, the Company incurred \$nil in costs related to the investigation of prospective properties (2023 - \$75,241). See note 11 in the Company's March 31, 2024 condensed interim consolidated financial statements for further detail on the Company's property expenditures during the period.

Three Months Ended March 31,	2024	2023
Prospect Mountain Property	(\$)	(\$)
Drilling	37,737	-
Camp support	105,412	-
Geological	164,453	-
Geophysics	66,356	-
Field supplies	27,160	-
Assays	68,159	-
Amortization of equipment	12,281	-
Environmental	1,196	-
	482,754	-
Three Months Ended March 31,	2024	2023
Black Horse Project	(\$)	(\$)
Project management	2,033	31,998
Survey	321	-
Field supplies	-	2,805
	2,354	34,803
	2023	2022
Investigation of Prospective Properties	(\$)	(\$)
Geological	-	75,241
	-	75,241
Three Months Ended March 31,	2024	2023
The Kenogami Property	(\$)	(\$)
Geological	-	1,940
	-	1,940

- Stock-based compensation declined to \$9,157 for the three months ended March 31, 2024, from \$17,758 in the comparative period. The comparative decline is driven by the completion of graded vesting prior period option grants.
- See page 11 for a variance analysis with respect to office and general expenditures.
- Interest income of \$64,389 was earned on the Company's cash balances during the three months ended March 31, 2024, compared with \$83,323 in the comparative period. Strengthening interest rates partially mitigated by a decline in cash balances drive the increase.

Liquidity, Capital Resources and Commitments

The Company reported working capital as at March 31, 2024 of \$4,295,142 (December 31, 2023 - \$5,028,219), and a cash balance of \$4,131,542 (December 31, 2023 - \$5,304,713).

The cash on hand as at March 31, 2024, is expected to be sufficient to meet the Company's liquidity requirements for the next twelve months.

On May 24, 2023, the Company closed a private placement for aggregate gross proceeds of \$2 million. In connection with this financing, 2,272,727 Common Shares were issued at a price of \$0.88 per Common Share.

The Company completed a private placement on March 11, 2022 for gross proceeds of \$5.75 million, pursuant to which it issued 2,499,996 Units at a price of \$2.30 per Unit. Each Unit was comprised of one Common Share and one half of one Common Share purchase warrant. Each whole warrant entitled the holder to acquire one Common Share for a period of 12 months from the date of issue at a price of \$3.50 per Common Share. The warrants have subsequently expired.

Following the amendment of the Black Horse property option agreement such that control of that property reverted to Minex and the Company has forgone all option rights over this project. As a result, the Company does not expect to incur further material costs on that project going forward.

The Company posted a bond with the Bureau of Land Management totalling US\$21,949 with respect to reclamation activities required on the Black Horse project resulting from the Company's initial drilling programs completed in the second quarter of 2022. The Company has substantially completed the nominal reclamation activity and is taking steps to recover the amounts funding the bond.

Critical Accounting Estimates

Application of the Company's accounting policies in compliance with International Financial Reporting Standards ("IFRS") requires the Company's management to make certain judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. These estimates and assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Share-based Payments

Management is required to make certain estimates when determining the fair value of stock options awards, and the number of awards that are expected to vest. These estimates affect the amount recognized as stock-based compensation in the statement of operations based on estimates of forfeiture and expected lives of the underlying stock options.

Several variables are used when determining the value of stock options using the Black-Scholes valuation model:

- The expected term: the Company used the expected term of the stock of five years, which is the maximum term ascribed to these stock options, for the purposes of calculating their value. The Company chose the maximum term because it is difficult to determine with any reasonable degree of accuracy when these stock options will be exercised.

- **Volatility:** the Company used historical information of the Company on the market price of its Common Shares to determine the degree of volatility at the date the stock options were granted. Therefore, depending on when the stock options were granted and the period of historical information examined, the degree of volatility can be different when calculating the value of different stock options.
- **Risk-free interest rate:** the Company used the interest rate available for government securities of an equivalent expected term as at the date of the grant of the stock options. The risk-free interest rate would vary depending on the date of the grant of the stock options and their expected term.
- **Dividend yield:** the Company has not paid dividends in the past because it is in the exploration stage and has not yet earned any sufficient operating income. Therefore, a dividend rate of 0% was used for the purposes of the valuation of the stock options.

Critical Judgments Used in Applying Accounting Policies

In the preparation of the financial statements management has made judgments, aside from those that involve estimates, in the process of applying the accounting policies. These judgments can have an effect on the amounts recognized in the financial statements.

Income taxes and recovery of deferred tax assets

The measurement of income taxes payable and deferred income tax assets and liabilities requires management to make judgments in the interpretation and application of the relevant tax laws. The actual amount of income taxes only becomes final upon filing and acceptance of the tax return by the relevant authorities, which occurs subsequent to the issuance of the financial statements.

The determination of categories of financial assets and financial liabilities has been identified as an accounting policy which involves judgments or assessments made by management.

Estimation uncertainty

The following are key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year:

- (a) Provisions for income 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 originally recorded, such differences will affect the tax provisions in the period in which such determination is made.

Off-Balance Sheet Arrangements

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

Financial Risk Factors

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk, market risk (including interest rate risk).

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Risk management is carried out by the Company's management team with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfil its payment obligations. The Company's credit risk is primarily attributable to cash. The Company has no significant concentration of credit risk arising from operations. Cash consists of cash at banks and on hand. The cash has been invested and held with reputable financial institutions, from which management believes the risk of loss to be remote.

Liquidity Risk

Liquidity risk refers to the risk that the Company will not be able to meet its financial obligations as they become due or can only do so at excessive cost. The Company's liquidity and operating results may be adversely affected if the Company's access to the capital market is hindered, whether because of a downturn in market conditions generally or as a result of conditions specific to the Company. As at March 31, 2024, the Company had a cash balance of \$4,131,542, to settle current liabilities of \$163,570. The Company regularly evaluates its cash position to ensure preservation and security of capital as well as maintenance of liquidity.

Most of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

Trends and Economic Conditions

Securities of mining and mineral exploration 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 globally, and market perceptions of the attractiveness of particular industries. The price of the securities of companies is also significantly affected by short-term changes in commodity prices, base and precious metal prices or other mineral prices, currency exchange fluctuation and the political environment in the countries in which the Company does business. Financial and commodities markets are likely to be volatile, reflecting ongoing concerns regarding the impact of the wars in Ukraine and the Middle East, the stability of the global economy and global growth prospects.

As of March 31, 2024, the global economy continues to be in a period of significant economic and political volatility, in large part due to inflationary supply chain pressure, US, European, Asian and Russian economic concerns, and political volatility which have impacted global economic growth. The potential effects of global economic and political instability is counterparty risk, supply chain constraints, increased costs, risk and adverse impacts from supply chain and logistics challenges, which could negatively affect the business, results of operations, and financial results.

Market Risk

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company has cash balances no debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institution. The Company periodically monitors the investments it makes and is satisfied with the creditworthiness of its banks.

Capital Management

The Company manages its capital with the following objectives:

- (a) to ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future growth opportunities, and pursuit of accretive acquisitions; and
- (b) to maximize shareholder return through enhancing the share value.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by management and the Board of Directors on an ongoing basis.

The Company considers its capital to be equity, comprising share capital, contributed surplus and deficit, which at March 31, 2024, totaled \$12,843,975 (December 31, 2023 - \$13,594,615). The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. Information is provided to the Board of Directors of the Company. The Company's capital management objectives, policies and processes have remained unchanged during the three months ended March 31, 2024.

Related Party Transactions

As at March 31, 2024, amounts due to related parties totaled \$36,273 (December 31, 2023 - \$47,235) pertaining to amounts payable for key management remuneration, and reimbursement of expenses paid on behalf of the Company included in accounts payable.

During the three months ended March 31, 2024, Mr. Brian Hinchcliffe was paid consulting fees of \$78,355 (three months ended March 31, 2023 - \$40,495) in his capacity as executive chairman and CEO. As at March 31, 2024, \$8,010 (December 31, 2023 - \$7,509) was included in accounts payable and accrued liabilities in relation to these fees.

During the three months ended March 31, 2024, Ms. Chelsea Hayes was paid consulting fees of \$54,776 in her capacity as an officer of the Company, being director of business development (three months ended March 31, 2023 - \$49,424). Included in accounts payable and accrued liabilities at March 31, 2024 is \$nil (December 31, 2023 - \$nil) with respect to these services.

During the three months ended March 31, 2024, the Company expensed \$16,280 (three months ended March 31, 2023 - \$15,710) to Marrelli Support Services Inc. ("Marrelli Support") and DSA Corporate Services Inc., together known as the "Marrelli Group" for:

- (a) Robert D.B. Suttie, President of Marrelli Support, to act as Chief Financial Officer of the Company;
- (b) bookkeeping and office support services; and
- (c) regulatory filing services.

The Marrelli Group is also reimbursed for out-of-pocket expenses.

As of March 31, 2024, the Marrelli Group was owed \$10,468 (December 31, 2023 - \$10,625). These amounts are included in accounts payable and accrued liabilities.

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For the three months ended March 31, 2024, legal fees of \$45,000 (three months ended March 31, 2023 - \$45,384) were paid to a law firm for which a director is a founder. The legal fees incurred pertained to general corporate matters. As at March 31, 2024, \$17,795 (December 31, 2023 - \$16,013) was included in accounts payable and accrued liabilities in relation to these fees.

The above noted transactions are in the normal course of business and are measured at the exchange amount, as agreed to by the parties, and approved by the Board of Directors in strict adherence to conflict of interest laws and regulations.

Additional Disclosure for Venture Issuers Without Significant Revenue

Office and General expenses for the three months ended March 31, 2024, and 2023 are comprised of the following:

	2024	2023
	(\$)	(\$)
Consulting and fees paid to Directors	133,131	89,919
Accounting fees	8,780	8,416
Chief Financial Officer fees	7,500	7,500
Transfer Agent expense	2,288	7,640
Insurance	25,903	32,151
Annual general meeting costs	-	4,526
Software subscriptions	1,587	11,060
Rent and utilities	-	28,688
Office supplies	759	556
Phones, internet and computer support	8,008	7,442
Investor relations	-	14,570
Stock exchange fees	10,604	8,388
Meals and entertainment	2,766	7,273
Foreign exchange (gain)/loss	7,731	4,333
Other	13,581	7,643
	222,638	240,105

- Office and general expenses declined to \$222,638 for the three months ended March 31, 2024, from \$240,105 for the three months ended March 31, 2023. Significant variances are as follows:
 - Consulting fees paid to management increased to \$133,131, for the three months ended March 31, 2024 from \$89,919, driven by increases in monthly remuneration paid to two individuals and the effect of foreign exchange as director and consulting fees paid to directors are remitted in US dollars and UK pounds.
 - Insurance declined marginally to \$25,903 from \$32,151 in the comparative period. The decline is market driven.
 - Chief Financial Officer fees remained static at \$7,500.
 - During the three months ended March 31, 2024, the Company incurred a foreign exchange loss of \$7,731 over a loss of \$4,333 for the comparative three months ended March 31, 2023, driven by volatility in realized foreign exchange as the Company engaged US vendors for its exploration projects as well as settling the consulting fees of two directors with one in UK pounds and the

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- other in US dollars.
- Office supplies increased marginally to \$759 during the current period from \$556 in the comparative period, as the Company supported operations in Nevada.
- Transfer agent expenses declined from \$7,640 in the comparative period to \$2,288 in the current period driven by changes in timing for the annual general meeting.
- Phones, internet and computer support increased to \$8,008 during the three months ended March 31, 2024, from \$7,442, driven by the ramp up of operations at the Prospect Mountain project.
- Exchange fees increased to \$10,604 during the three months ended March 31, 2024, from \$8,388 during the comparative three months ended March 31, 2023. With the fee fundamentally based upon the market capitalization of the Company, the increase in the number of shares issued and outstanding and share price volatility yielded an increased market capitalization.
- "Other" expenses, consisting primarily general consumable costs increased to \$13,581, up from \$7,643 incurred in comparative three months ended March 31, 2023, reflective of a marginal increase in administrative support costs associated with the comparative increase in exploration activity.

Qualified Person

Mr. Mike Sutton, P.Geo., a director of the Company, is the Qualified Person, as defined under National Instrument 43-101 - *Standards of Disclosure for Mineral Projects*, who reviewed and approved scientific and technical disclosure in this MD&A.

Risks and Uncertainties

The success of the Company is dependent, among other things, on obtaining sufficient funding to enable the Company to acquire, develop or exploit its mining properties and assets. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of further development. The Company will require new capital to continue to operate and there is no assurance that capital will be available when needed, if at all. It is likely such additional capital will be raised through the issuance of additional equity, which will result in dilution to the Company's shareholders.

The Company does not have a historical track record of operating upon which investors may rely. Consequently, investors will have to rely on the expertise of the Company's management. The Company does not have a history of earnings or the provision of return on investment, and there is no assurance that it will produce revenue, operate profitably or provide a return on investment in the future.

Dependence on Key Employees

The Company's business and operations are dependent on retaining the services of a small number of key employees. The success of the Company is, and will continue to be, to a significant extent, dependent on the expertise and experience of these employees. The loss of one or more of these employees could have a materially adverse effect on the Company. The Company does not maintain insurance on any of its key employees.

Potential Dilution

The issue of Common Shares upon the exercise of the options will dilute the ownership interest of the Company's current shareholders. The Company may also issue additional options and warrants or additional Common Shares from time to time in the future. If it does so, the ownership interest of the Company's then current shareholders could also be diluted.

Critical Accounting Estimates

Significant assumptions about the future that management has made that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Stock-Based Compensation

Management is required to make certain estimates when determining the fair value of stock options awards, and the number of awards that are expected to vest. These estimates affect the amount recognized as stock-based compensation in the statements of loss based on estimates of forfeiture and expected lives of the underlying stock options.

Critical Accounting Estimates and Judgments

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future that management has made that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Impairment of Resource Property Costs

Management reviews the carrying values of exploration and evaluation assets whenever events or changes in circumstances indicate that their carrying values may not be recoverable. The recoverable amount of cash-generating units for an exploration stage company requires various subjective assumptions. These assumptions may change significantly over time when new information becomes available and may cause original estimates to change.

Income Taxes and Recovery of Deferred Tax Assets

The measurement of income taxes payable and deferred income tax assets and liabilities requires management to make judgments in the interpretation and application of the relevant tax laws. The actual amount of income taxes only becomes final upon filing and acceptance of the tax return by the relevant authorities, which occurs subsequent to the issuance of the financial statements. Judgment exists in relation to the eligibility of qualifying exploration and evaluation expenditures on properties in relation to flow-through share financing. Deferred tax assets require management to assess the likelihood that the Company will generate taxable income in future periods in order to utilize recognized deferred tax assets. As at March 31, 2024 and 2023, no deferred tax assets were recognized, as the Company is still in the exploration stage, and management is uncertain when sufficient taxable income will be available to realize the deferred tax assets.

Management's Responsibility for Financial Information

The Company's financial statements are the responsibility of the Company's management and have been approved by the Board of Directors. The financial statements were prepared by the Company's management in accordance with Canadian generally accepted accounting principles. The financial statements include certain amounts based on the use of estimates and assumptions. Management has established these amounts in a reasonable manner, in order to ensure that the financial statements are presented fairly in all material respects.

Disclosure of Outstanding Share Data

As of the date of this MD&A, the Company had 30,157,178 Common Shares issued and outstanding, 2,550,000 options with exercise prices between \$0.55 and \$2.87, and 340,000 warrants with an exercise price of \$1.34.

Forward Looking Statements

Except for the historical statements contained herein, this MD&A presents "forward-looking statements" within the meaning of Canadian securities legislation that involve inherent risks and uncertainties. Forward-looking statements include, but are not limited to, statements with respect to requirements for additional capital, government regulation of its operations, environmental risks, or claims and limitations on insurance coverage. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "proposed" "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved".

Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements, including but not limited to: (i) limited operating history; (ii) exploration, development and operating risks; (iii) substantial capital requirements and liquidity; (iv) fluctuating mineral prices and marketability of minerals; (v) the uncertainty in commodity prices and market volatility; (vi) regulatory, permit and license requirements; (vii) financing risks and dilution to shareholders; (viii) title to properties; (ix) competition; (x) reliance on management and key personnel; (xi) environmental risks; (xii) local resident concerns; (xiii) conflicts of interest; (xiv) uninsurable risks; (xv) litigation; (xvi) timing for receipt of regulatory approvals necessary to begin the proposed drilling program at Prospect Mountain; (xvii) estimates of mineralization from drilling and geophysical surveys, (xviii) geological information projected from sampling results and the potential quantities and grades of the target zones; (xix) the potential for minerals and/or mineral resources and reserves, and (xx) other factors beyond the control of the Company. Although the management and officers of the Company believe that the expectations reflected in such forward-looking statements are based upon reasonable assumptions and have attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statements that are incorporated by reference herein, except in accordance with applicable securities laws.

Additional Information

Additional information relating to the Company is available on the SEDAR+ website www.sedarplus.ca or the Company's website at www.northpeakresources.com