FORWARD-LOOKING INFORMATION AND MATERIAL ASSUMPTIONS

This report on results for the three month period and year ended December 31, 2023 contains forward-looking information, including forward-looking information about Bonterra Resources Inc.'s (the "**Company**" or "**Bonterra**") operations, estimates, and exploration and acquisition spending.

Forward-looking information is generally signified by words such as "forecast", "projected", "expect", "anticipate", believe", "will", "should" and similar expressions. This forward-looking information is based on assumptions that the Company believes were reasonable at the time such information was prepared, but assurance cannot be given that these assumptions will prove to be correct, and the forward-looking information in this report should not be unduly relied upon. The forward-looking information and the Company's assumptions are subject to uncertainties and risks and are based on a number of assumptions made by the Company, any of which may prove to be incorrect.

GENERAL

This Management Discussion and Analysis ("**MD&A**") of the financial condition, results of operations and cash flows of the Company for three month period and year ended December 31, 2023 should be read in conjunction with the audited financial statements as at and for the years ended December 31, 2023 and 2022. This MD&A is effective April 24, 2024. Additional information relating to the Company is available on SEDAR+ at www.sedarplus.com.

The Company has prepared its audited financial statements for the years ended December 31, 2023 and 2022 in Canadian dollars and in accordance with IFRS Accounting Standards ("**IFRS**"), as issued by the International Accounting Standards Board.

DESCRIPTION OF BUSINESS

The Company was incorporated under the laws of the province of British Columbia on May 1, 2007. The Company's common shares are traded on the TSX Venture Exchange ("TSX-V") under the symbol "BTR". The Company's shares also trade on the OTC Exchange in the United States under the symbol "BONXF" and on the Frankfurt Stock Exchange under the symbol "9BR2". The Company is a junior mineral exploration company engaged in the business of acquiring, exploring and evaluating natural resource properties in the province of Quebec.

RECENT COMPANY HIGHLIGHTS

- On April 22, 2024 entered into an amending agreement with Eight Capital, as lead agent, to upsize the previously announced private placement. In connection with the upsized offering, the Company will issue up to (i) 21,750,000 units of the Company and (ii) 5,250,000 Quebec premium flow-through (FT) units of the Company at a price of $0.25 per Unit and $0.445 per FT Unit for aggregate gross proceeds of up to $7,773,750. Each Unit will consist of one common share of the Company and one common share purchase warrant. Each Warrant will entitle the holder thereof to acquire one Share at an exercise price of $0.31 for a period of four years from the date of issuance. The transaction is subject to the approval of the TSX-Venture Exchange.

- On April 18, 2024 the Company announced that it has entered into an agreement with Eight Capital as lead agent in connection with a private placement of up to 16,000,000 units of the Company at a price of $0.25 per Unit for aggregate gross proceeds of up to $4,000,000, pursuant to the listed issuer financing. Each Unit will consist of one common share of the Company and one common share purchase warrant. Each Warrant will entitle the holder thereof to acquire one Share at an exercise price of $0.31 for a period of four years from the date of issuance. The Company also announced that it has reached an agreement to settle approximately $1.5 million in outstanding indebtedness owed to an arm's length creditor through the issue of 6,000,000 Shares at a deemed price of $0.25 per Share. Shares issued pursuant to the debt settlement will be subject to a hold period in Canada of four months. The transaction is subject to the approval of the TSX-Venture Exchange.

- On April 15, 2024, the Company announced encouraging drill results and an update on the ongoing drilling program on the Phoenix JV (formerly known as the Urban-Barry Property) (the "**Project**"). To date, approximately 20,000 meters ("**m**") have been drilled on the Project and exploration efforts are on track to exceed the minimum spending commitment of $10 million per year outlined in the agreement with Osisko Mining Inc. (the "**Agreement**" and "**Osisko**"). There are currently five drill rigs on the Moss target, while one is dedicated to the Barry northeast target. The first drill results at the Moss target, located five kilometers ("**km**") southwest of the multi-million ounce Windfall Gold deposit, have confirmed similarities with the geological character of the high-grade Lynx Zone along the Mazères Fault that extends towards the Moss target.

- On March 18, 2024, The Company announced that it has retained Machai Capital Inc. ("**Machai**") to provide digital marketing services in accordance with the applicable TSX-V policies. The engagement has an initial term of three months, pursuant to which Machai received 120,000 in common shares of the Company, plus applicable taxes. Machai is an arm's length to Bonterra and has no other relationship with the Company except under this engagement. The Company also announced the grant of incentive stock options to acquire a total of 1,970,000 common shares of the Company to various employees, officers, and directors of the Company pursuant to the Company's stock option plan and subject to any regulatory approval. Each stock option vests immediately and is exercisable at a price of $0.24 per share for a period of five years from the date of the grant.

- The Company announced on February 1, 2024, that Mr. Matthew Houk has joined Bonterra's board of directors (the "**Board**") as an independent non-executive director, effective immediately. Mr. Houk will serve as a member of the Audit Committee and Technical, Safety and Sustainability Committee of the Board. Following the appointment of Mr. Houk, the Board consists of seven directors, four of whom are independent. Since 2008, Mr. Houk has served as a Portfolio Manager and Research Analyst at Horizon Kinetics LLC, where he is involved in the identification, analysis and monitoring of certain investment opportunities for the firm. Matt is also the Chairman, Chief Executive Officer, and Chief Financial Officer of Winland Holdings Corporation. Matt also serves on the board of directors of Lamington Road DAC, an Irish designated activity company focused on managing a portfolio of life settlements. Previously, Matt was with Goldman, Sachs & Co. He received a BA in Economics and Political Science from Yale University.

- On January 18, 2024, the Company announced that exploration drilling has started on the newly named Phoenix JV as part of the definitive earn-in and Agreement with Osisko.

- Bonterra Resources Inc. recovered and sold 1,372 ounces of gold in total, generating gross revenue of $3.5 million (including the first gold sale announced on Aug. 9, 2023) from the Bachelor mill cleanup process. The costs associated with the sales, which include gold recovery efforts, shipment, royalty payments and refining, represent a total of $900,000, for a net revenue of $3 million.

- On November 28, 2023, the Company executed a definitive earn-in and joint venture agreement with Osisko. Under the Agreement, Osisko has the right to acquire up to a 70% interest in the Project by spending $30 million in work expenditures, with a minimum spending commitment of $10 million per year over a three-year period in the Company's Gladiator and Barry projects, in addition to the adjoining Duke and Lac Barry properties held through joint venture agreements with Osisko and Gold Royalty Corp., respectively.

  Pursuant to the terms of the agreement, Osisko has paid the Company initial upfront payments totalling $5,000,000.

  Pursuant to the terms of the agreement, Osisko has paid the Company initial upfront payments

  Specific terms of the agreement include:

  - Osisko can earn a 70-per-cent interest in the properties, reducing the Company's interest in the Gladiator, Barry and Duke properties to 30 percent and its interest in the Lac Barry joint venture to 15 percent by incurring $30 million in work expenditures on the properties, with a minimum spending commitment of $10 million per year over the three-year period following the execution of the Agreement;
  - Osisko will have the right to carry over work expenditures from year to year, and to pay cash in lieu of expenditures in the event of a shortfall;
  - Osisko will be the operator for the properties during the exploration earn-in period;

- Once a 70-per-cent interest in the properties is earned by Osisko, the properties will be operated as a joint venture, with Osisko as the operator, and each party required to contribute to future work expenditures in accordance with the proportional interests in the joint venture;
- Dilution of a party to less than 10-per-cent of the joint venture will result in the conversion of their respective joint venture interest to a 1-per-cent net smelter return royalty, 50-per-cent of which is subject to a buyback right of $1 million;
- In its sole discretion, Osisko may accelerate its exercise of the earn-in right; and
- Subsequent to the year end, the Company incorporated a subsidiary called UB Phoenix Corp. ("Subco"). As part of the deal, Osisko will own 70-per-cent interest of certain assets including existing surface infrastructure, surface mining assets, plants and equipment once the earn-in is completed. These assets along with the properties are being transferred to the Subco and will be 100% owned by Bonterra until the earn-in is completed.

As payment for its role as the Company's financial adviser in connection with the joint venture, Cormark Securities Inc. received an advisory fee of $200,000 in cash and 1,162,115 shares with a value of $200,000 in common shares of the Company.

- On October 19, 2023, Bonterra announced changes to the Board following the resignation of Mr. Akiba Leisman as a director of the Company. Mr. Paul M. Jacobi was appointed by the Board, effective immediately. Mr. Jacobi joined Wexford Capital LP in 1996 and became a Partner in 2012. From 1995-96, Mr. Jacobi worked for Moody's Investors Services as an analyst covering the investment banking and asset management industries. From 1993-95, Mr. Jacobi was employed by Kidder Peabody & Co. as a senior financial analyst in the investment banking group. From 1988-93, Mr. Jacobi worked for KPMG Peat Marwick as an audit manager in the financial services practice. Mr. Jacobi holds a BS in accounting from Villanova University and is a Certified Public Accountant.

- On July 19, 2023, The Company announced that the *Ministère des Ressources Naturelles et des Forêts* ("**MRNF**") has authorized access to the forests and roads, consequently, exploration activities can restart. The Company resumed its activities gradually while following all guidelines in force. In addition, following the 2023 Annual General Meeting of the Company, the Board appointed Mr. Normand Champigny as lead independent director of the Board.

- On June 15, 2023, the Company announced election results of its AGM held on June 14, 2023, representing its fiscal year ended 2022.

- On June 5, 2023, the Company provided an update on the forest fires in the Eeyou Istchee James Bay region, where the Company's projects and infrastructure are located. With the wildfires that are active in a large part of Quebec, particularly near the city of Lebel-sur-Quévillon, the MRNF has modified the ban of forest access on Crown land and closure of roads. Following that directive, Bonterra stopped its exploration activities and evacuated safely all personnel.

- On May 3, 2023, congratulated Osisko and Gold Fields Limited on their recent joint venture agreement announcement for the Windfall gold project in Quebec, Canada. The 50/50 joint venture represents a significant investment of C$1.2 billion and will bring together the mine building and operating experience of a senior gold producer with the potential of a promising gold project. The Windfall gold project is one of Canada's largest undeveloped gold projects and is located approximately 15 km from Bonterra's Gladiator and Barry gold projects.

- On May 1, 2023, the Company announced more results from the now completed infill and expansion drilling campaign at the Barry underground project and provided exploration updates. The Company plans to continue regional exploration at Panache South and Barry North-East properties.

Q4 2023 EXPLORATION UPDATES AND OUTLOOK FOR 2024

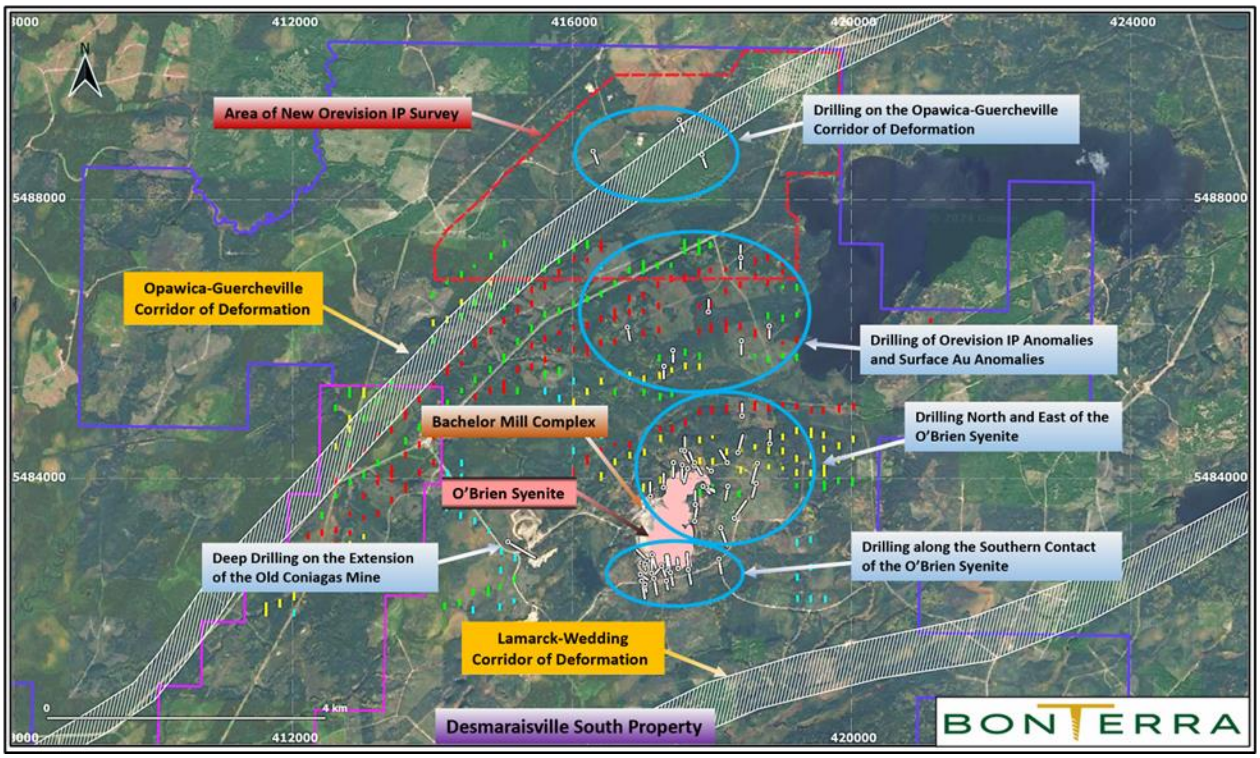
The Company decided to renew its focus on regional exploration in 2023 and to conclude the definition drill program at the Barry deposit due to challenging market conditions in the junior gold mining sector and site operational constraints, such as power supply using generators. Exploration activities were negatively impacted during the summer due to the forest fires in the Eeyou Istchee James Bay region, where the

Company's projects and infrastructure are located. The Company released on September 25, 2023, a binding letter agreement with Osisko for an exploration earn-in and joint venture agreement on its Urban-Barry property, in addition to the adjoining Duke and Lac Barry properties. The agreement was executed on November 28, 2023, by both parties. The Company redirected all its exploration work to the Desmaraisville property.

Q4 2023 Exploration Updates

During the fourth quarter, 14,144 m of exploration drilling was carried out at Desmaraisville South property with three diamond drill rigs on site.

The diamond drilling program at the Desmaraisville South project had several objectives. The main objectives were to intersect gold mineralization; (1) on the eastern side of the O'Brien Intrusive ("**East Area**"), (2) along the extensions of various gold zones discovered in 2015 south of the O'Brien Intrusive ("**South Area**") and finally, (3) to drill test geophysical targets. In addition, the ongoing geological and geophysical compilation work has allowed the Company to identify two major gold-bearing structures: the Opawica-Guercheville deformation corridor, which hosts numerous gold showings and deposits that have been the subject of historical resource calculations, and the Lamarck-Wedding Fault. See the figure below for more details on the exploration program.



In addition of the drill program, the Company completed a high-resolution helicopter-borne gravity survey and a ground-induced polarization ("**IP**") survey at its Desmaraisville North and South Properties (the "**Properties**").

The high-resolution helicopter-borne gravity survey consisted of a total of 1,627 line-km at 200 m flight-line spacing and flown at a 60 m elevation over the entirety of the Properties. The purpose of the survey is to identify potential target areas of gold enrichment in enhanced basement alteration associated with large structural corridors and as well to identify potential targets for base metals (Zn, Pb and Ag) and strategic metals (Ni and Cu) associated with volcanic and ultramafic geological environments. The survey was completed in November and preliminary data has already been received. The final report and interpretations are expected in Q1 2024.

The IP survey consisted of a total of 80 line-km OreVision® 2D IP survey at its Desmaraisville South Property with a configuration of a = 37.5 m and n = 1 to 20 for a depth of investigation of 300 m. The surveyed area covers the Opawica-Guercheville corridor of deformation in the north part of the property. The survey was completed in January 2024 and will be used in combination with the gravity survey to identify and explore disseminated and massive sulfide mineralized zones in the Company's as part of the Company's 2024 exploration program.

In early December, Bonterra mobilized one drill rig south to drill test the deep southwest plunge of a zinc, lead, and silver mineralized body. InnovExplo of Val-d'Or, Quebec was contracted to compile and generate this exploration drill target. After the completion of the 900 m deep hole, an InfiniTEM® XL BHEM survey with a patented loop configuration with depth potential up to 1,000 m was done.

There was no exploration drilling activity at the Urban-Barry property during the quarter. As part of the Phoenix joint-venture, Osisko plans to drill over 35,000 m on the Project in 2024, which Osisko expects will meet its minimum spending commitment of $10 million per year under the Agreement.

The Company has revised the scope of the expansion for the Bachelor Mill Complex at a daily throughput of 1,800 tpd (compared to 2,400 tpd in the original expansion request) and maintains the same capacity for the tailings management facility ("**TMF**") of an additional 8 million tonnes. A third set of questions was received from COMEX. The Company is reviewing the questions and will provide answers in 2024.

OUTLOOK FOR 2024

Osisko plans to drill over 35,000 m on the Project in 2024, which Osisko expects will meet its minimum spending commitment of $10 million per year under the Agreement. The Operator has identified multiple targets on the Project, including the Moss target, which is located only five kilometres south-west from the Windfall Gold deposit and shows a similar geological character to the Lynx Zone. The Moss target will be tested along the Mazères Fault that runs across both the Lynx Zone and the Moss target.

Osisko plans to mobilize up to five drill rigs during the year, primarily along the Mazères Fault on the east and west sides of the Gladiator and Barry deposits and the Moss target. Bonterra team will contribute as part of the management committee with Osisko.

At Desmaraisville, compilation work and resources modeling including the assay results from the 2023 drill campaign, as well as the results of the 2023 geophysical surveys, will take place in the first half of 2024. Exploration work in the fields is planned during the summer with the objective of generating prospective drill targets for exploration later this year. Approximately 10,000m drill program will take place in H2 2024 based on interpretation work done in the first half of the year.

2023 Exploration Summary

A total of 36,004 m of exploration drilling was done in 2023. At Barry project, the Company drilled 7,277 m of definition drilling in the open pit, and 7,853 m in exploration near the Barry deposit on the East and North-East extension at depth and at Panache property.

At the Duke property, 3,387 m were drilled during the year. Osisko participated in the program as per the former Duke JV agreement (30% work interest).

At Desmaraisville, a total of 16,778 m was drilled in the second half of the year. Most of the drilling was achieved on the Desmaraisville South where several gold intercepts had been released to date. Several geophysics surveys were done as well.

The Company continued to work on permitting and engineering for the expansion of the Bachelor mill and tailings management area.

2022 Exploration Summary

A total of 73,954 m of exploration drilling was achieved in 2022. Almost 80% of the total drilling (58,130 m) was achieved at the Barry property, focusing on expanding and delineating the mineral resources. The Company drilled nearly 45,000 m of definition drilling in the open pit, and the rest in the upper half of the underground mineral resources. Exploration drilling was mainly on the Barry North-East, South-East and Moss targets.

At Gladiator, 14,108 m was drilled during the year. Most of the drilling focused on regional exploration in the Urban-Barry, Coliseum and at Duke properties. A short drill program took place on barges last summer for a total of 3,208 m focusing on the extension of the South zone.

A total of 1,716 m was drilled mostly on the Desmaraisville North property located in the Boyvinet Township including 105 m of geotechnical drilling.

The Company continued to work on permitting and engineering for the expansion of the Bachelor mill and tailings management area. The Company submitted answers to the COMEX in November 2022 and included some changes in the scope including a reduction of the daily throughput to 1,800 tpd. The TMF capacity remains unchanged to 8 million tonnes.

ABOUT THE MINERAL PROPERTIES

The Abitibi Greenstone Belt hosts significant gold mineralization in several parallel NE to SW trending zones. Gold in the Urban-Barry Township is primarily associated with quartz-carbonate veins mineralized with sulfides. The Company's main properties include the Gladiator, Moroy and Barry deposits, and the 100% owned Bachelor Mill.

Bonterra's acquisition of Metanor Resources ("Metanor") and consolidation of the Company's databases and management have resulted in broader exploration and resource development plans. Bonterra prepared mineral resource estimates ("MRE") in accordance with National Instrument 43-101 on standards of disclosure for mineral projects ("NI 43-101"), for all its advanced Urban-Barry exploration assets in 2021, being the Gladiator, Barry and Moroy deposits.

The 2021 MREs have been prepared by SLR Consulting Ltd (Canada) and have been peer reviewed by SGS Canada Inc. and reviewed internally by the Company. The technical report is available on SEDAR+ (www.sedarplus.ca) under the Company's issuer profile and on the Company's web site. The effective date of the 2021 MREs is June 23, 2021 for the Barry, Gladiator and Bachelor- Moroy deposits. The report date is August 5, 2021 for all three properties, and was posted on August 9, 2021 on SEDAR+.

The results of the MRE for the Gladiator, Barry, and Bachelor-Moroy deposits are summarized in Table 1. The mineral resource estimates for the Gladiator and Barry deposits are reported at a 2.6 g/t Au cut-off grade for underground and at 1.0 g/t Au open-pit cut-off grade at Barry. The estimate for the Bachelor-Moroy deposit is reported at a 2.4 g/t Au cut-off grade, or at 3.0 g/t Au domain dependent cut-off grade at Moroy.

Table 1. Mineral Resource Estimate (effective June 23, 2021)

DEPOSIT	MEASURED			INDICATED			INFERRED		
	Tonnes	Au (g/t)	Ounces Au	Tonnes	Au (g/t)	Ounces Au	Tonnes	Au (g/t)	Ounces Au
Gladiator	-	-	-	1,413,000	8.61	391,000	4,174,000	7.37	989,000
Barry (Open-Pit)	1,732,000	2.66	148,000	184,000	2.87	17,000	15,000	2.36	1,000
Barry (Underground)	344,000	4.94	55,000	2,839,000	5.15	470,000	4,364,000	4.90	687,000
Bachelor	90,000	5.13	15,000	152,000	5.52	27,000	44,000	4.36	6,000
Moroy	36,000	6.01	7,000	615,000	5.64	112,000	570,000	5.37	98,000
Total	2,202,000	3.18	225,000	5,203,000	6.08	1,017,000	9,167,000	6.05	1,781,000

Notes: Gladiator, Barry and Bachelor-Moroy deposits

1. CIM (2014) definitions were followed for the mineral resource estimates.
2. Mineral resources are estimated at the following cut-off grades: 2.40 g/t Au* or 3.0 g/t Au**, domain dependent; 1.0 g/t Au*** and 2.60 g/t Au****, respectively (Bachelor & Moroy deposits*; Moroy deposit **; Barry open pit deposit ***; Barry & Gladiator deposits ****).
3. Mineral resources are estimated using a long-term gold price of US$1,600/oz Au, and a US$/C$ exchange rate of 0.75.
4. A minimum mining width of 1.2 m was used.
5. Bulk densities are as follows: 2.83 t/m³ at Bachelor-Moroy, and varies by rock type from 2.70 t/m³ to 2.80 t/m³ at Barry and 2.80 t/m³ at Gladiator
6. Mineral resources are reported above cut-off grades as well as above grade-thickness values of 2.88 g/t Au m and 3.6 g/t Au m, domain dependent, as well as below a 50 m crown pillar for the Moroy deposit.
7. Mineral Resources are reported within underground constraining shapes † and below a 50 m crown pillar †† (Bachelor deposit † and Gladiator deposit††).
8. Open pit and underground mineral resources are reported within optimized pit shell and underground constraining shapes, respectively for the Barry deposit.
9. All blocks modelled within the underground constraining shapes have been included within the mineral resource estimate for the Gladiator deposit.
10. Numbers may not add due to rounding.

DEPOSIT	TOTAL OUNCES DISCOVERED	METRES DRILLED	OUNCES/METRE DRILLED
Gladiator	1,380,000	229,691	6.0
Barry (Open-Pit & Underground)	1,378,000	213,249	6.5
Bachelor-Moroy	265,000	111,974	2.4
Total	3,023,000	554,914	5.4

Barry Open Pit PEA – (effective June 1, 2022)

On June 13, 2022, the Company released the highlights on an independent preliminary economic assessment (“**PEA**”) on the Barry open pit project in the Urban-Barry Camp in northern Quebec.

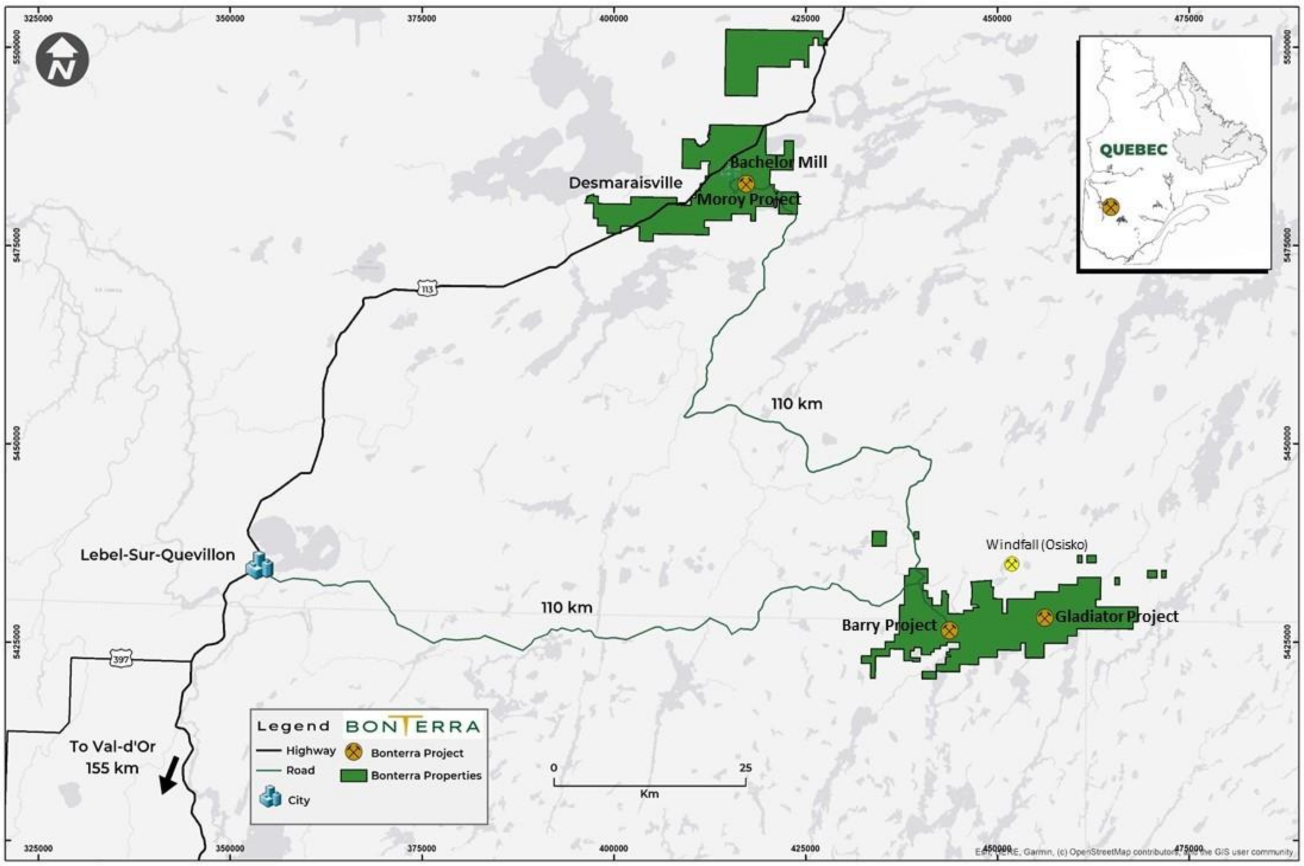
PEA Highlights

- After-tax NPV at a 5% discount rate of $48.3 million at US$1,600/oz gold, increasing to $94.0 million at US$1,900/oz gold
- After-tax IRR of 43%
- Initial capital costs of $22.1 million
- Sustaining LOM capital costs of $21.3 million
- Total mill feed of 2.0 Mt at 2.36 g/t Au
- LOM average annual gold production of 30 Koz
- LOM strip ratio of 5.4:1

- LOM total production of 145.1 Koz (95% mill recovery)
- LOM cash costs of C$1,252/oz (US$939/oz)
- LOM AISC of C$1,420/oz (US$1,065/oz)

BONTERRA EXPLORATION PROPERTIES

Below is a Map of the Company's main exploration properties in Quebec.



Urban-Barry Camp

On November 28, 2023, the Company executed a definitive earn-in and joint venture agreement with Osisko. Under the agreement, Osisko has the right to acquire up to a 70-per-cent interest in the company's Gladiator and Barry projects, in addition to the adjoining Duke and Lac Barry properties held through joint venture agreements with Osisko and Gold Royalty Corp., respectively.

Pursuant to the terms of the agreement, Osisko has paid the company initial upfront payments totaling $5,000,000. Osisko can earn a 70-per-cent interest in the properties, reducing the company's interest in the Gladiator, Barry and Duke properties to 30 per cent and its interest in the Lac Barry joint venture to 15 per cent by incurring $30,000,000 on qualifying expenditures on the properties over the next three years. As part of the deal, other assets are also being transferred in the Subco.

Gladiator Deposit

The Gladiator deposit is located 12 km east of the Barry deposit, and 8 km southeast of the Windfall deposit. The mineralized shear zones are located near the shore of Lake Barry. The Company is in the permitting process with the *Ministère de l'Environnement, de la Lutte contre les changements climatiques, de la Faune* *et des Parcs* ("**MELCCC**") to allow the excavation of an exploration decline down 150 m below surface which would provide ability to drill the Gladiator deposit year-round.

Barry Deposit

The Barry deposit is located on one mining lease and permitted for mineral extraction of up to 1.2 million tonnes using underground and/or surface mining methods. Initial mine development access and bulk sampling, with decline and cross-cut development is completed to 100 m below surface. Recent drilling has resulted in the expansion of high-grade areas down plunge at each known strike extension. Bonterra expects to increase the size of the Barry deposit especially at depth, given that very little drilling has previously taken place below 600 m depth over a 1 km strike length.

Duke Property

On July 6, 2018, the Company entered into an agreement with Beaufield Resources Inc., which subsequently amalgamated with Osisko, to acquire a 70% interest in the Duke property, located in Québec. The Duke property is now part of the new agreement with Osisko where Bonterra will keep 30% of working interest once the terms of the agreement will be fulfilled.

The property is located immediately adjacent to the northern boundaries of the Company's Urban-Barry properties containing the Gladiator deposit and extensions. This includes a narrow inset of claims that in the western portion of the property denoted as "The Gap". This property also contains numerous gold showings with expansion potential, including Lac Rouleau and Zone 18. The geological setting is similar to that of the Gladiator property, with numerous occurrences of structurally controlled shear hosted vein mineralization on or near mafic volcanic contacts in proximity to both felsic and mafic intrusive units.

URBAN-BARRY PROPERTY

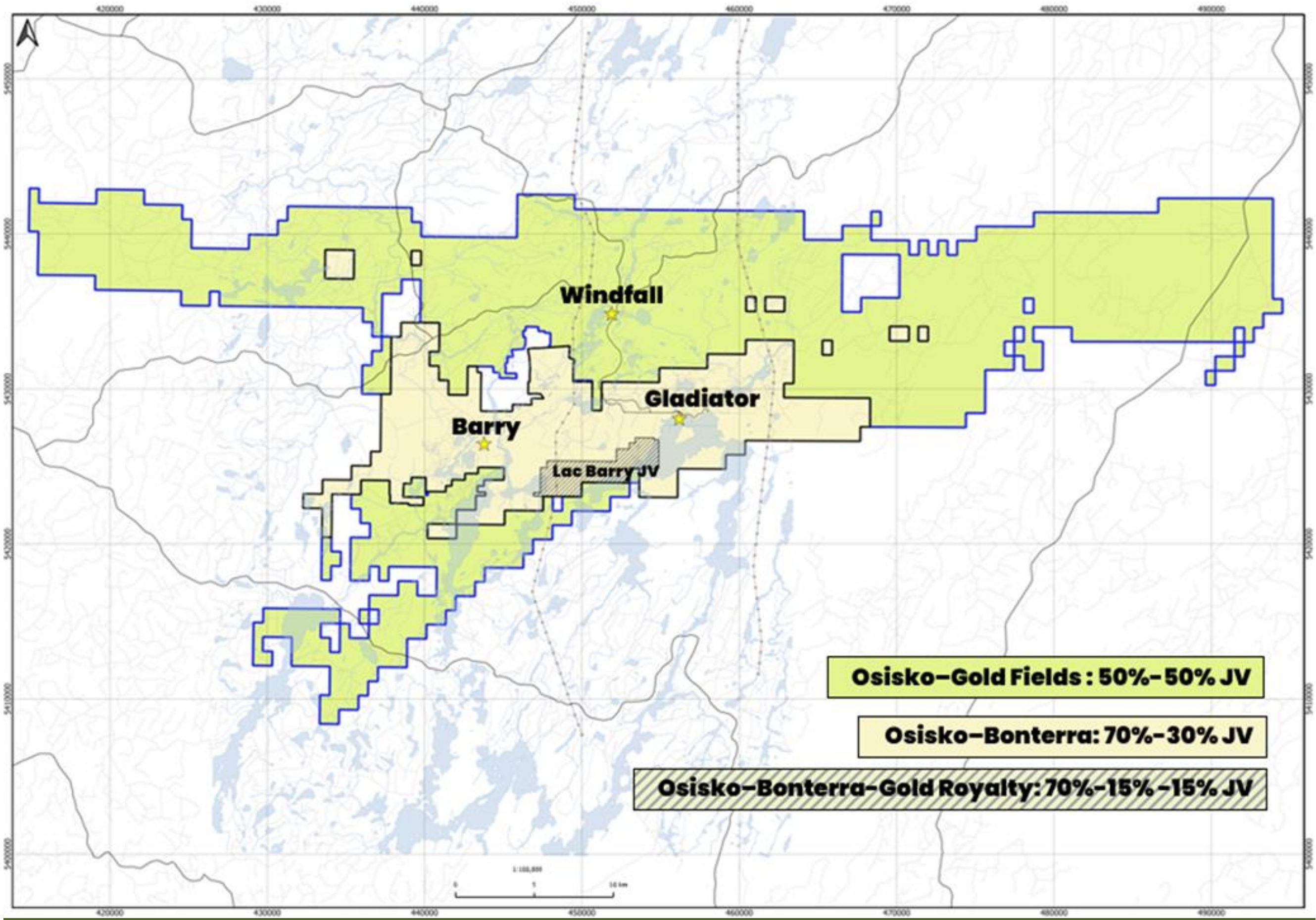
The Company holds a 100% interest in 379 mineral claims covering 17,373.65 ha in the Urban-Barry township approximately 110 km east from the town of Lebel-sur-Quévillon. In addition to the 379 mineral claims, the Company also holds 100% interest in one mining lease where the Urban-Barry property is located. The Gladiator property is also located within the Urban-Barry property.

On March 9, 2020, the Company entered into a purchase agreement and acquired nine new claims covering an area of 508 ha, contiguous with the Company's Urban-Barry properties located approximately 10 km southwest of the Barry deposit. To acquire the property, the Company made a cash payment of $10,000. These 9 claims are included in the 379 mineral claims listed above.

In March 2019, the Company entered into an option agreement to acquire a right to a new property called Panache, consisting of one mining claim covering an area of 56 ha, located 20 km north of the Barry property. The Company acquired the property by making a cash payment of $25,000 (paid on March 28, 2019) and issued 10,000 common shares (issued on March 28, 2019 and valued at $19,500) on closing, to the arm's length vendors and an additional cash payment of $50,000 (paid on March 19, 2020) and 15,000 common shares (issued on March 19, 2020 and valued at $11,400) before the one-year anniversary of the agreement. Following the March 2020 payment, the Company acquired 100% interest in the mineral claim. This claim is included in the 379 mineral claims listed above.

LAC BARRY PROPERTY

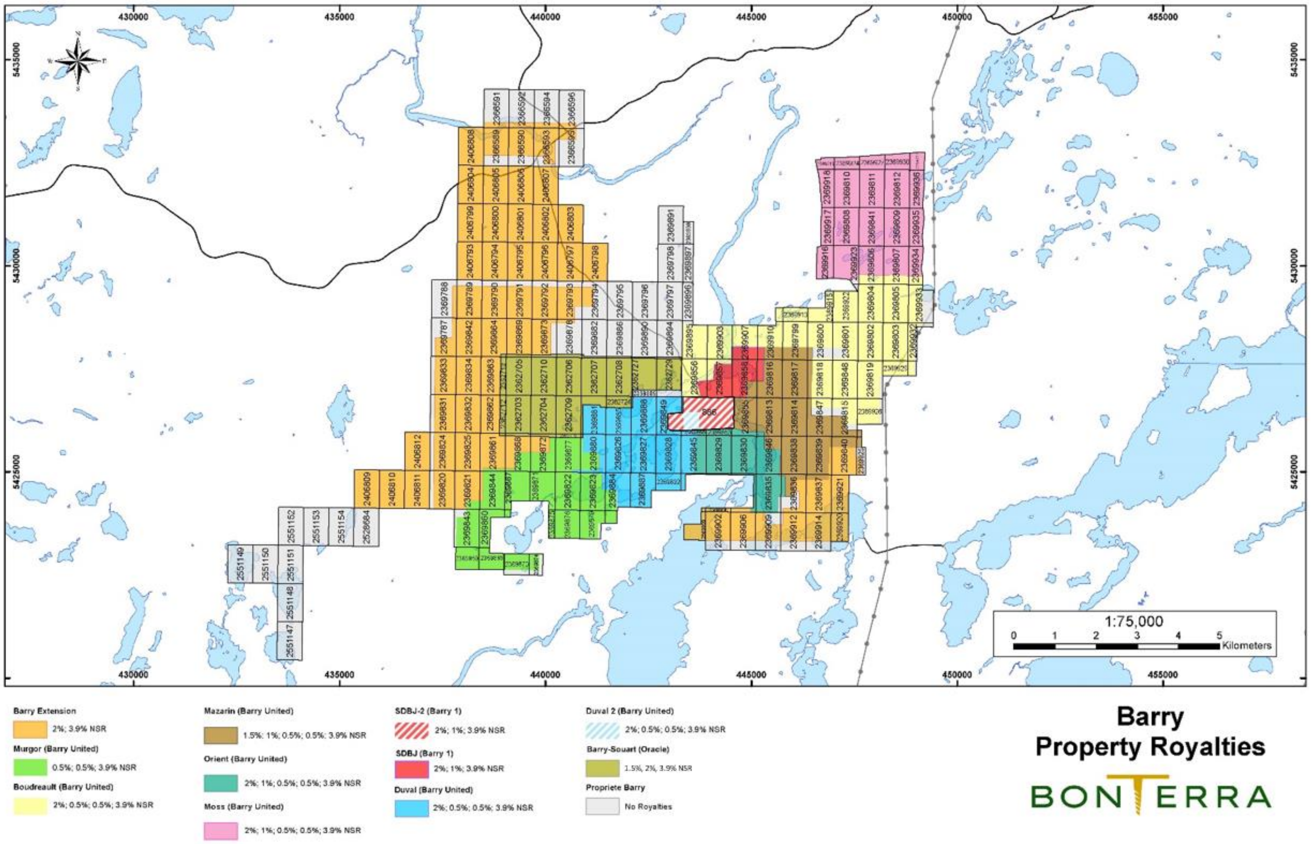
On March 10, 2016, and as amended March 30, 2017, the Company entered into an option agreement with Golden Valley Mines Ltd. ("**Golden Valley**") (acquired by Gold Royalty Corp. in November 2021) and acquired an 85% interest in Golden Valley's Lac Barry property, comprised of 35 mineral claims covering 1,431.65 ha adjacent to the south boundary of the Urban-Barry property. In February 2020, the Company agreed to a joint venture agreement with Golden Valley for the purpose of future exploration on the property.



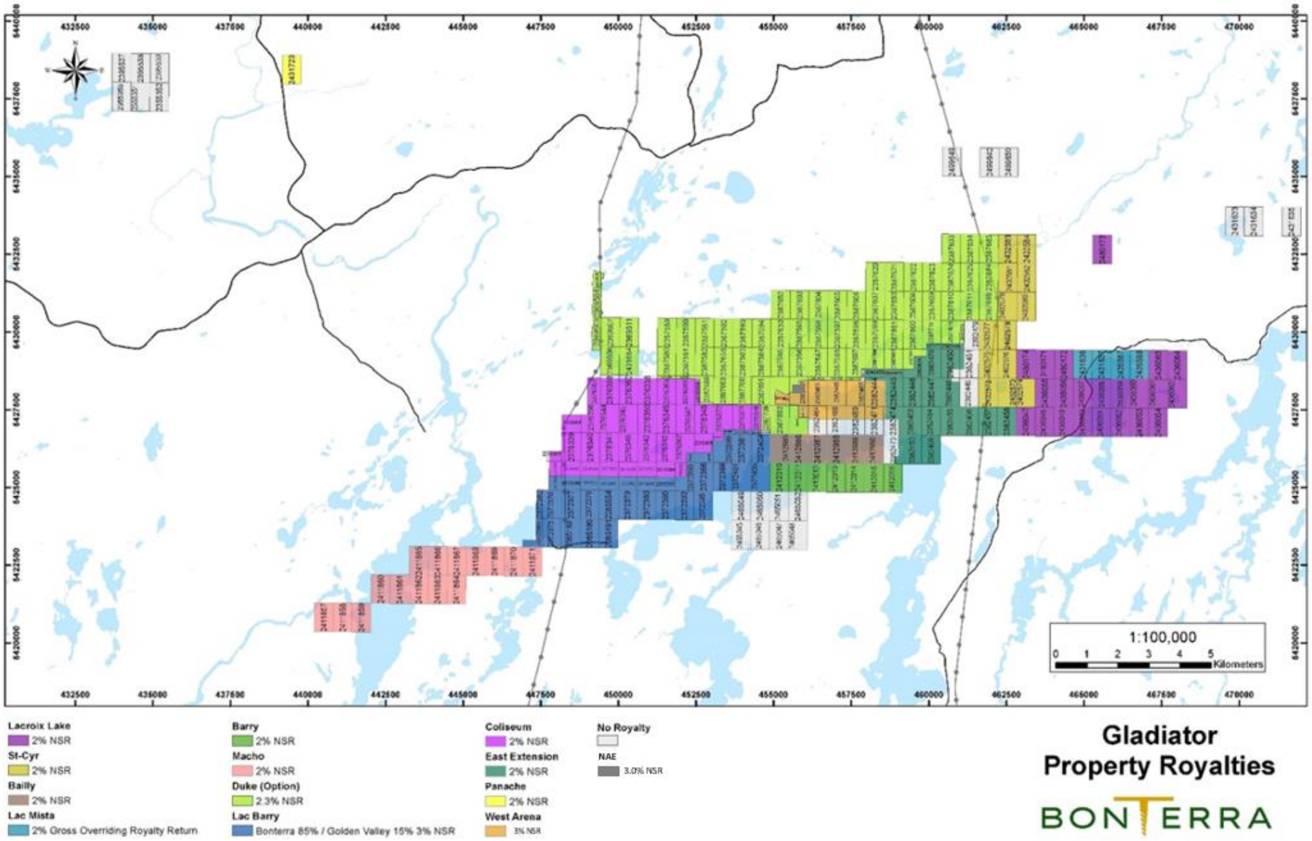
Above is a map of the Company's properties in the Urban-Barry Camp in Quebec.

Some of the Company's Barry mineral properties are subject to a net smelter returns royalty ("**NSR**"). These NSR's may have various purchase options in which the Company may be able to reduce the NSR percentages by making cash payments.

On September 29, 2017, the Company entered into an amending agreement with Sandstorm Gold Ltd., effectively reducing the existing gold stream on the Bachelor mine (which required the Company to sell 20% of its gold production at the fixed price of US $500) and replacing it with a 3.9% NSR on all minerals produced from the Bachelor and Barry properties (including the surrounding exploration properties held by Metanor at September 29, 2017). The amending agreement has a buyback provision whereby 2.1% of the NSR can be repurchased upon payment of US $2M for each property, thereby reducing the NSR to 1.8%.



Map of the NSR's on the Barry properties in the Urban-Barry Camp in Quebec.



Map of the NSR's on the Gladiator property in the Urban-Barry Camp in Quebec.

Bachelor Camp

Moroy Deposit

The Moroy deposit is a recent discovery near the Bachelor Mill with access via the Bachelor Mine underground infrastructure. Current development consists of three sub-drifts and a series of raises, accessed from the 11th level and 14th level at the Bachelor Mine. Extensive drill information exists from 475 holes totaling 115,894 m from surface and underground at the 11th level to a depth of approximately 800 m below surface, confirming the existence of multiple unmined mineralized zones. The Moroy deposit is currently on long-term care and maintenance.

Desmaraisville Properties

The Company holds a 100% interest in 436 mineral claims covering 22,779.32 ha surrounding the town of Desmaraisville. Above the 436 claims, the company holds 100% interest in 1 mining concession, and 1 mining lease where the Bachelor Mine and mill are located. The property is immediately south, and outside the Bachelor mining lease.

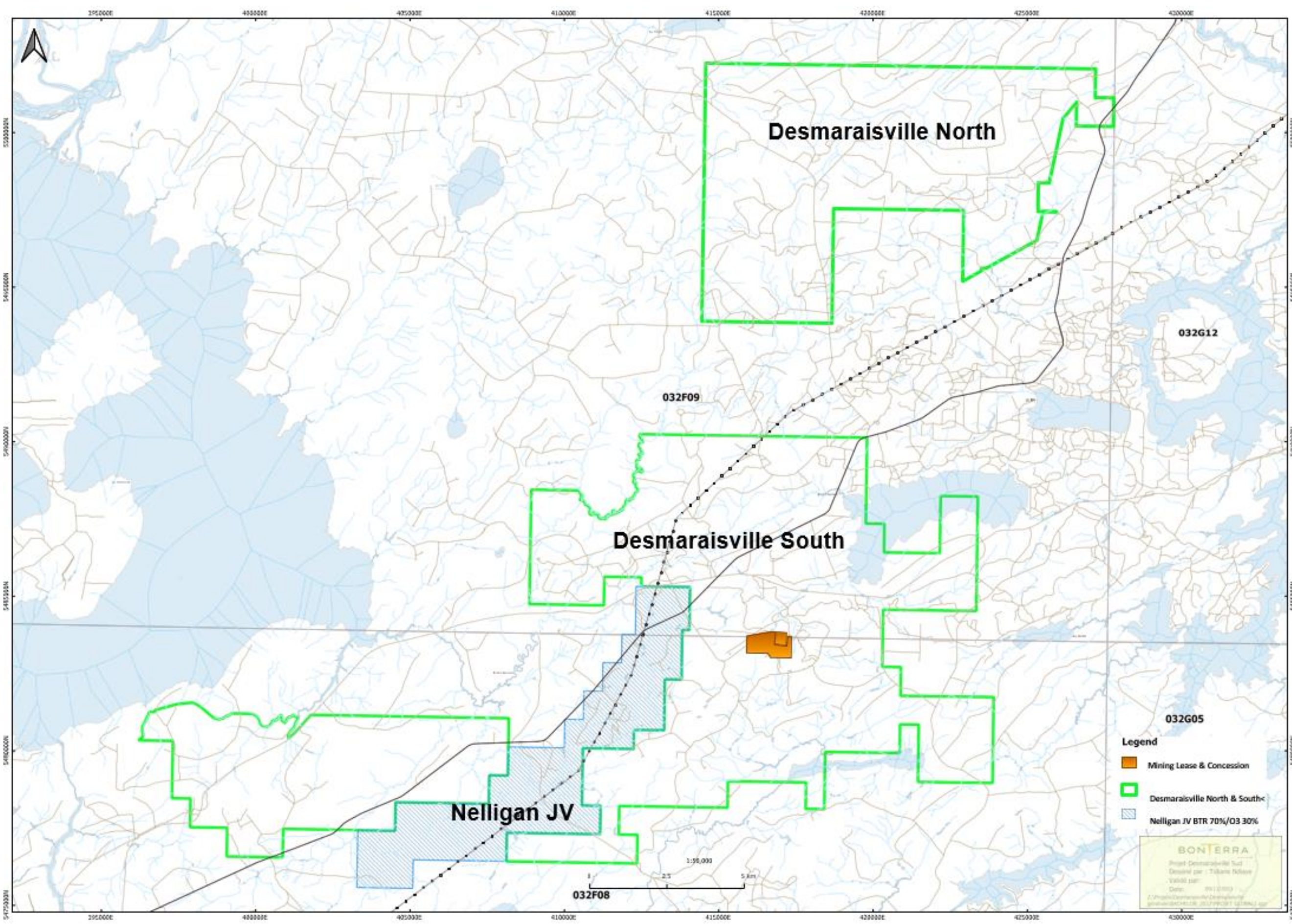
In 2020, the Company staked 231 claims north and west of the Bachelor mine and are included in the 436 claims listed above.

Bachelor Mine

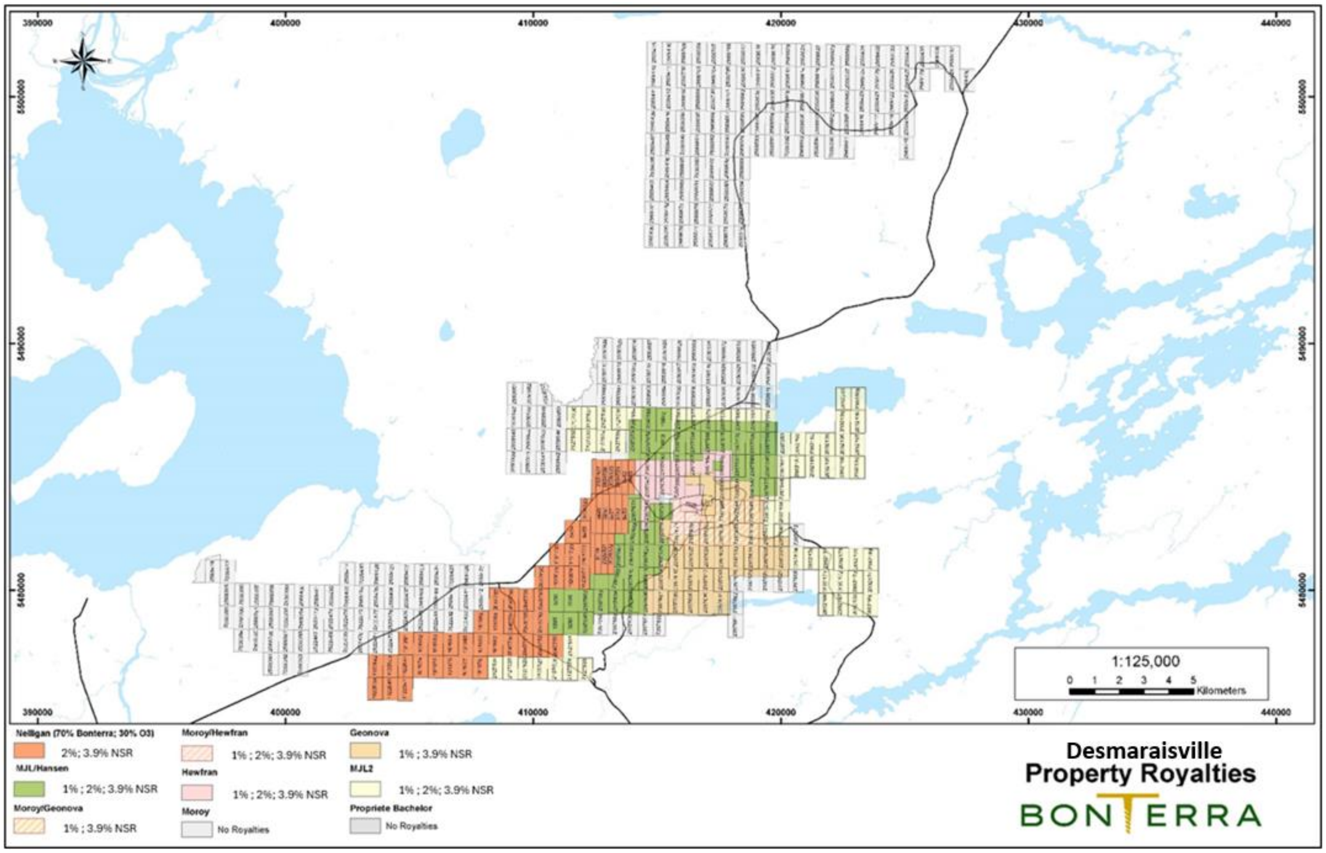
The Bachelor Mine is located on 1 mining concession, and 1 mining lease, 4 km south of Highway 113 and 90 km northeast of the city of Lebel-sur-Quévillon. The mine site is connected to the provincial electrical grid and has access to high-speed internet and mobile phone service on site. The mine site has a modern camp facility for all the workers. The mill and TMF are fully functional with the required permits and regulatory approvals. The Bachelor Mine infrastructure was used to access the Moroy deposit. There is no mineral reserves left to mine, only mineral resources. The mineralization from the Main vein continues at depth under the mined out stopes. Further exploration drilling is required to evaluate the potential of a mineral resource. The Bachelor Mine is currently in long-term care and maintenance.

Bachelor Mill

The Bachelor Mill is the only permitted mill in the region, and connected to the power grid, with more than 15 high-grade gold deposits within a 110 km radius of the mill site. The mill is accessible by a paved highway with a network of logging gravel roads linking the other properties in the area to feed the mill. Bonterra began the environmental assessment process in 2017 to proceed with the mill expansion project to increase the daily production capacity of the Bachelor Mill from 800 tonnes per day to 2,400 tpd, and to increase the total capacity of the tailing's storage facility to 8 million tonnes. In October 2019, the Company submitted an environmental assessment of the mill expansion project to the COMEX and the MELCCC. In 2020, the COMEX/MELCCC submitted a series of questions related to the mill expansion project to which the Company has responded. The Company has received a second set of questions in January 2022. A new scope was submitted in Q4 2022 to the COMEX/MELCCC for their review. The new scope proposes to reduce the mill expansion to 1,800 tpd from Barry mine feed only. A third set of questions was received in May 2023 and the Company is currently reviewing the document in preparation to provide comments later this year.



Map of the Company's properties in the Bachelor Camp in Quebec.



Map of the NSR's for the Desmaraisville properties in Quebec.

OTHER PROPERTIES

DUBUISSON PROPERTY

The Company holds a 100% interest in 21 mineral claims in the city of Val-d'Or in Québec covering 457.53 ha. The claims are adjacent to the Goldex mine, which is owned and operated by Agnico-Eagle Mines Limited.

WAHNAPITEI PROPERTY

The Company holds a 90% interest in two mining leases north of the town of Skead within the city of Greater Sudbury in Ontario. The two mining leases cover an area of 129.99 ha.

ADDITIONAL DISCLOSURE FOR VENTURE COMPANIES WITHOUT SIGNIFICANT REVENUE

Total for all properties

	Year ended December 31, 2023	Year ended December 31, 2022
Drilling and assays	**$ 6,585,484**	$ 12,395,947
Depreciation	**478,665**	526,000
Geological, consulting and wages	**4,289,245**	3,530,379
Camp costs, travel and other	**2,959,548**	4,885,382
Environmental	**72,755**	299,491
Osisko JV participation, less transaction costs	**(4,622,706)**	-
Change in estimate for asset retirement obligation	**4,566,000**	547,000
Refundable mining tax credits	**(2,877,651)**	(11,761,199)
Technical studies	**24,023**	1,681,075
	$ 11,475,363	$ 12,104,075

Desmaraisville North

	Year ended December 31, 2023	Year ended December 31, 2022
Drilling and assays	**$ -**	$ 347,813
Geological, consulting and wages	**146,145**	238,291
Camp costs, travel and other	**14,301**	141,578
	$ 160,446	$ 727,682

Desmaraisville South

	Year ended December 31, 2023	Year ended December 31, 2022
Drilling and assays	**$ 3,627,503**	$ -
Geological, consulting and wages	**1,517,092**	-
Camp costs, travel and other	**667,375**	-
Refundable mining tax credits	**(231,222)**	-
	$ 5,580,748	$ -

Moroy and Bachelor properties

	Year ended December 31, 2023	Year ended December 31, 2022
Drilling and assays	**$ 8,124**	$ 12,600
Geological, consulting and wages	**74,860**	92,535
Camp costs, travel and other	**250,279**	43,196
Environmental	**54,043**	-
Change in estimate for asset retirement obligation	**3,443,000**	(714,000)
Technical studies	**-**	26,469
	$ 3,830,306	$ (539,200)

Barry property

	Year ended December 31, 2023	Year ended December 31, 2022
Drilling and assays	**$ 1,748,476**	$ 8,426,265
Depreciation	**93,333**	101,000
Geological, consulting and wages	**2,029,268**	2,197,311
Camp costs, travel and other	**1,753,141**	3,270,582
Environmental	**15,627**	250,746
Technical studies	**24,023**	1,585,511
Refundable mining tax credits	**(2,646,429)**	(5,936,222)
Osisko JV participation, less transaction costs	**(4,371,741)**	-
Change in estimate for asset retirement obligation	**1,123,000**	1,261,000
	$ (231,302)	$ 11,156,193

Gladiator and Duke properties

	Year ended December 31, 2023	Year ended December 31, 2022
Drilling and assays	**$ 511,876**	$ 2,413,756
Depreciation	**385,332**	425,000
Geological, consulting and wages	**282,040**	777,751
Camp costs, travel and other	**199,581**	1,302,516
Osisko JV participation, less transaction costs	**(250,965)**	-
Environmental	**3,085**	48,745
Technical studies	**-**	69,095
Refundable mining tax credits	**-**	(5,824,977)
	$ 1,130,949	$ (788,114)

Other properties

	Year ended December 31, 2023	Year ended December 31, 2022
Drilling and assays	**$ 689,505**	$ 1,195,513
Geological, consulting and wages	**239,840**	224,491
Camp costs, travel and other	**74,871**	127,510
	$ 1,004,216	$ 1,547,514

SELECTED ANNUAL AND QUARTERLY INFORMATION

The following tables summarize selected annual financial data of the Company for the years ended December 31, 2023, 2022 and 2021:

	Year ended December 31, 2023	**Year ended December 31, 2022**	**Year ended December 31, 2021**
Recurring revenue	$NIL	$NIL	$NIL
Net loss and comprehensive loss	7,603,541	34,636,705	31,920,324
Basic and diluted loss per share	0.06	0.28	0.31
Total assets	26,853,419	32,562,740	46,361,769
Total current liabilities	6,987,620	10,568,755	8,397,464

SELECTED QUARTERLY INFORMATION

Results for the 8 most recently completed quarters are summarized below:

For the Three Months Ending	**December 31, 2023 $**	**September 30, 2023 $**	**June 30, 2023 $**	**March 31, 2023 $**
Exploration expenses (recoveries)	8,281,619	(1,958,906)	1,387,633	3,765,017
(Income) Loss for the period	4,674,890	(2,594,465)	1,857,239	3,665,877
Basic and diluted (income) loss per share	0.04	(0.02)	0.01	0.03
Total assets	26,853,419	25,503,205	24,293,503	26,288,599
Total current liabilities	6,987,620	5,704,766	7,218,779	7,817,886

For the Three Months Ending	**December 31, 2022 $**	**September 30, 2022 $**	**June 30, 2022 $**	**March 31, 2022 $**
Exploration expenses	3,403,466	(1,408,533)	4,529,405	5,579,737
(Income) Loss for the period	8,010,334	14,974,507	4,296,116	7,355,748
Basic and diluted (income) loss per share	0.06	0.12	0.03	0.06
Total assets	32,562,740	38,611,036	56,636,618	60,852,336
Total current liabilities	10,568,755	9,248,382	12,487,322	12,566,494

OVERALL PERFORMANCE

Three month period ended December 31, 2023 and 2022

During the three months ended December 31, 2023, the Company reported a net loss of $4,674,890 compared to a net loss in 2022 of $8,010,334. Variations in expenses from the three month period ended December 31, 2023 to 2022 are as follows:

- Exploration and evaluation of $8,281,619 (2022 - $3,403,466). The expense is higher in the current year, driven primarily by a higher increase in estimate of asset retirement obligation of $4,352,000 (2022 - $400,000), offset by lower geological, drilling, consulting and wages due to lower meters drilled.
- The Company recorded sales proceeds from the sale of precious metals from the Company's Bachelor Mill cleanup process of $795,567 (2022 - $nil) from the production of 332 (2022 - nil) ounces of gold, sold in October 2023;
- Professional fees increased to $124,486 in 2023 compared to $99,972 in 2022. The expense remained fairly consistent between the two periods and the Company expects these professional fees to be consistent in the coming quarters;
- The Company incurred costs of $26,326 in shareholders communications and investor relations as compared to $90,866 in 2022. The amounts decreased between the two periods consistent with overall decrease in Company activity;
- Recovery of flow-through premium liability of $1,741,000 (2022 - $1,069,144 expense) related to the reduction of the flow-through premium liability created by the issuance of Flow-Through (FT) Shares at a premium. The expense in the comparable period is due to the increase of the flow-through premium liability due to the Company receiving mining tax credit refunds which increased the spending requirements; The flow-through liability is at $0 as at December 31, 2023.
- Mill care and maintenance of $740,447 (2022 - $1,468,665) decreased as expected following the underground mine had been flooded and needs less care and maintenance expenses. These costs are expected to be consistent in the coming quarters; in 2023 they mostly represent depreciation (non-cash item); and
- The Company had share based payments expenses of $85,000 (2022 - $211,000) for the three month period ended December 31, 2023. Share based payments expenses are booked based on the valuation of options using the Black-Scholes model. The expenses vary based on the number of options issued and vested or vesting and the underlying assumptions used in the model.

Years ended December 31, 2023 and 2022

During the year ended December 31, 2023, the Company reported a net loss of $7,603,541 compared to a net loss in 2022 of $34,636,705. Variations in expenses from the year ended December 31, 2023 to 2022 are as follows:

- Exploration and evaluation expenditures of $11,475,363 (2022 - $12,104,075). The expense is lower in the current year, driven by lower geological, drilling, consulting and wages due to lower meters drilled. The forest fire of June 2023 forced Bonterra to stop its drilling program for 6 weeks. The decrease in expenditures was offset by a higher increase in estimate of asset retirement obligation of $4,566,000 (2022 - $547,000);
- The Company recorded sales proceeds from the sale of precious metals produced or sold from the Company's Bachelor Mill cleanup process, net of costs, of $3,021,120 (2022 - $nil) from the production of 1,372 (2022 - nil) ounces of gold;
- Professional fees amounted to $349,492 in 2023 compared to $654,910 in 2022. The expense decreased between the two periods in line with overall cost savings efforts and the Company expects these professional fees to be consistent in the coming quarters;
- The Company incurred costs of $223,072 in shareholders communications and investor relations as compared to $392,072 in 2022. The amounts decreased between the two periods consistent with overall decrease in Company activity;
- Recovery of flow-through premium liability of $3,940,144 (2022 - $6,183,856) related to the reduction of the flow-through premium liability created by the issuance of FT Shares at a premium. The decrease was in relation to reduced exploration and evaluation expenditures made by the Company during 2023 related to FT Shares issuances;

- Mill care and maintenance of $1,520,774 (2022 - $6,922,600) decreased as expected following the underground mine had been flooded and needs less care and maintenance expenses. These costs are expected to be consistent in the coming quarters; in 2023 they mostly represent depreciation (non-cash);
- The Company had share based payments expenses of $710,000 (2022 - $1,657,000) for the year ended December 31, 2023. Share based payments expenses are booked based on the valuation of options using the Black-Scholes model. The expenses vary based on the number of options issued and vested or vesting and the underlying assumptions used in the model.
- In the prior year, the Company had impairment of property, plant and equipment of $16,544,757 for the year ended December 31, 2022. This was as result of the Company putting the underground infrastructure at the Bachelor-Moroy deposit under long-term care and maintenance. As part of this process, the Company salvaged all the underground infrastructure and related equipment that still had future value for the Company with the remaining book costs being recorded as an impairment of property, plant and equipment.

LIQUIDITY AND CAPITAL RESOURCES

The Company's cash position as at December 31, 2023 was $2,793,796 compared to $7,394,113 at December 31, 2022. Working capital deficiency was $2,493,157 at December 31, 2023, compared to working capital deficiency of $140,357 at December 31, 2022. Working capital included a non-cash component related to flow-through premium liability of $nil (December 31, 2022 - $3,940,144). If this non-cash amount was excluded, working capital deficiency would have been $2,493,157 (December 31, 2022 - $3,799,787).

The Company recorded sales proceeds from the sale of precious metals produced or sold from the Company's Bachelor Mill cleanup process, net of costs, of $3,021,120 (2022 - $nil) from the production of 1,372 (2022 - nil) ounces of gold.

On March 10, 2022, the Company closed a brokered private placement, issuing: (a) 6,405,000 common shares of the Company at a price of $1.21 per common share for gross proceeds of $7,750,050; and (b) 8,383,500 common shares of the Company that qualify as flow-through (FT) at a price of $2.06 per FT share for gross proceeds of $17,270,010, representing total aggregate gross proceeds of the offering of $25,020,060.

Notwithstanding success to date in acquiring equity financing on acceptable terms, there is no guarantee of obtaining future equity financings or on what terms any such equity capital may be available to the Company and, as such, alternative funding programs are also being pursued by the Company.

The Company must utilize its current cash reserves, funds obtained from the exercise of options and warrants, if any, and other financing transactions to maintain the Company's capacity to meet working capital requirements, and ongoing discretionary and committed exploration programs, and to fund any further development activities. The Company anticipates that it will raise additional capital when and if the opportunity arises.

TRANSACTIONS WITH RELATED PARTIES

These amounts of key management compensation are included in the amounts shown on the statements of comprehensive loss:

For the year ended,		**December 31, 2023**		December 31, 2022
Short-term compensation				
Salaries, management and director fees	**$**	**1,301,000**	$	847,752
Professional fees		**-**		180,000
Termination fees paid or accrued in professional fees		**-**		240,000
Termination fees paid or accrued in salaries, management and director fees		**-**		353,127
		1,301,000		1,620,879
Share-based payments		**683,000**		1,660,000
	$	**1,984,000**	$	3,280,879

Included in trade and other payables at December 31, 2023 was $220,096 (December 31, 2022 - $55,731) due to officers and or directors for expense reimbursements, unpaid fees and termination payments. The amounts payable are non-interest-bearing, uncollateralized and are repayable on demand.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-balance sheet arrangements.

PROPOSED TRANSACTIONS

None.

CAPITAL DISCLOSURES

The Company's objectives when managing capital are to identify, pursue and complete the exploration and development of mineral properties, to maintain financial strength, to protect its ability to meet its ongoing liabilities, to continue as a going concern, to maintain creditworthiness and to maximize returns for shareholders over the long term. Except for the TSX-V's minimum working capital requirements, the Company does not have any externally imposed capital requirements to which it is subject. Capital of the Company comprises shareholders' equity.

The Company manages the capital structure and adjusts it following changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares. The Company's investment policy is to invest its cash in financial instruments at high credit quality financial institutions with terms to maturity selected regarding the expected timing of expenditures from continuing operations. The Company's overall strategy remains unchanged from the prior year.

FINANCIAL INSTRUMENTS

As at December 31, 2023, the Company's financial instruments consist of cash, marketable securities, receivables, security and contract deposits, trade and other payables and long-term debt.

Fair Value

The Company classifies its fair value measurements in accordance with an established hierarchy that prioritizes the inputs in valuation techniques used to measure fair value as follows:

- Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities,
- Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 - Inputs that are not based on observable market data.

The following table sets forth the Company's financial assets measured at fair value by level within the fair value hierarchy:

December 31, 2023	**Level 1**	**Level 2**	**Level 3**	**Total**
Cash	**$ 2,793,796**	**$ -**	**$ -**	**$ 2,793,796**
Marketable securities	**$ 50,000**	**$ -**	**$ 10,000**	**$ 60,000**

December 31, 2022	**Level 1**	**Level 2**	**Level 3**	**Total**
Cash	$ 7,394,113	$ -	$ -	$ 7,394,113
Marketable securities	$ 50,000	$ -	$ 10,000	$ 60,000

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Title to mineral property interests

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

Going concern risk assessment

The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon its ability to fund its existing acquisition and exploration commitments on its exploration and evaluation projects when they come due, which would cease to exist if the Company decides to terminate its commitments, and to cover its operating costs. The Company may be able to generate working capital to fund its operations by the sale of its exploration and evaluation assets or raising additional capital through equity markets. However, there is no assurance it will be able to raise funds in the future. The financial statements do not give effect to any adjustments required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying financial statements.

Impairment of long-term assets

The evaluation if an impairment test in accordance with IAS 36 needs to be performed on its long-term assets requires judgement in determining whether it is likely that future economic benefits will be achieved at certain mining properties, which may be based on assumptions about future events or circumstances. If, after expenditure is capitalized, information becomes available suggesting that the recovery of the expenditure is unlikely, the amount capitalized is written down in the statement of comprehensive loss in the period when the new information becomes available.

Asset retirement obligations

The Company assesses its asset retirement obligations annually. Determining these obligations requires significant estimates and assumptions due to the numerous factors that affect the amount ultimately payable. Such factors include estimates of the scope and cost of restoration activities, legislative amendments, known environmental impacts, the effectiveness of maintenance and restoration measures and changes in the discount rate. This uncertainty may lead to differences between the actual expense and the allowance. At the date of the statement of financial position, asset retirement obligations represent management's best estimate of the charge that will result when the actual obligations are terminated.

In 2023, the asset retirement obligations had significantly increased since the Company quotes from various suppliers had increased as well.

CONTINGENCIES AND COMMITMENTS

As at December 31, 2023, the Company had three (December 31, 2022 – three) of these types of agreements with officers of the Company that totaled annual base fees of $695,000 and US$150,000 (December 31, 2022 – $690,000 and US$150,000). In the case of termination, the officers are entitled to an amount equal to $593,000 (December 31, 2022 – $570,000 and US$150,000) and in the case of a change of control of the Company, the officers under certain circumstances are entitled to an amount equal to $1,145,000 (December 31, 2022 – $1,140,000 and US$150,000).

Flow-through obligations

On March 10, 2022, the Company closed a brokered private placement issuing 8,383,500 FT Shares at a price of $2.06 per FT Share for gross proceeds of $17,270,010. The Company renounced these amounts by December 31, 2022 and has $nil commitment remaining in required eligible expenditures (December 31, 2022 - $9,549,000) by December 31, 2023.

Asset retirement obligations

On September 9, 2013, the MRNF approved the update of the closure plan for the Bachelor mine. The financial guarantee covering the closure costs amount to $4,000,104 which as at December 31, 2023 and December 31, 2022 was covered by insurance bonds, which the company has paid 50% (2022 – 30%) collateral for the insurance bonds.

Bachelor Mill Complex

A closure plan for the mill, tailing storage, and underground facilities at both Bachelor and Moroy is in good standing. A 40% collateral insurance bond is in place for the site. In May 2023, the Company received an amended closure plan approved by the Minister. The revised closure plan was approved in May 2023 and in March 2024, the Company retracted the revised closure plan approved in May 2023 and will resubmit a new plan in mid-2024.

Barry Mine

A closure plan for the underground and surface facilities at Barry is in good standing as a new closure plan was approved by the MRNF in February 2024. A 40% collateral insurance bond is in place for the site for an amount of bond of $1,911,240. The revised closure plan was approved in February 2024 and as a result the Company is required to increase its bonding requirements as follows: $563,606 by May, $281,802 by February 2025 and $281,802 by February 2026.

DISCLOSURE OF OUTSTANDING SHARE DATA

The Company had the following securities issued and outstanding:

	April 24, 2024	December 31, 2023	December 31, 2022
Common shares	133,477,615	127,357,615	126,195,500
Warrants	-	-	-
Stock options	10,050,000	7,755,000	9,110,000
Restricted Stock Unit (RSU)	750,000	-	-
Fully diluted shares	144,277,615	135,112,615	135,305,500

RISKS AND UNCERTAINTIES

The Company is engaged primarily in mineral exploration and manages related industry risk issues directly. The Company may be at risk for environmental issues and fluctuations in commodity pricing.

Business Risk

There are numerous business risks involved in the mineral exploration industry, some of which are outlined below. The Company may not always own 100% of the mineral claims, concessions, rights or other interests. Similarly, any non-compliance with or non-satisfaction of the terms of an option agreement by the Company could affect its ability to exercise the option and earn its interest in the claims, concessions and assets relating to mineral properties.

Mining claims, concessions or other interests may not include surface rights and there can be no assurance that the Company will be successful in negotiating long-term surface rights access agreements in respect of the properties. Failure to obtain surface rights could have an adverse impact on the Company's future operations.

The Company's current or future operations, including exploration and evaluation activities, are subject to environmental regulations which may make operations not economically viable or prohibit them altogether.

The success of the operations and activities of the Company is dependent to a significant extent on the efforts and abilities of its management, outside contractors, experts, and other advisors. Investors must be willing to rely to a significant degree on management's discretion and judgment, as well as the expertise and competence of the outside contractors, experts, and other advisors. The Company does not have a formal program in place for succession of management and training of management. The loss of one or more of the key employees or contractors, if not replaced on a timely basis, could adversely affect the Company's operations and financial performance.

Additional Capital

The exploration activities of the Company may require substantial additional financing. Failure to obtain sufficient financing may result in delaying or indefinite postponement of exploration and evaluation of any of the Company's properties. 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 financings will be favourable to the Company. In addition, low commodity prices may affect the Company's ability to obtain financing.

Commodity Price Risk

The price of the common shares in the capital the Company, its financial results, exploration and evaluation activities have been, or may in the future be, adversely affected by declines in the price of gold and/or other metals. Gold, silver and other commodity prices fluctuate widely and are affected by numerous factors beyond the Company's control, such as the sale or purchase of commodities by various central banks, financial institutions, expectations of inflation or deflation, currency exchange fluctuations, interest rates, global or regional consumptive patterns, international supply and demand, speculative activities and increased production due to new mine developments, improved mining and production methods and international economic and political trends. The Company's revenues, if any, are expected to be in large part derived from mining and sale of precious and base metals or interests in properties related thereto. The effect of these factors on the price of precious and base metals, and therefore the economic viability of any of the Company's exploration projects, cannot accurately be predicted.

Acquisition

The Company uses its best judgment to acquire mining properties for exploration and evaluation. In pursuit of such opportunities, the Company may fail to select appropriate acquisition candidates or negotiate acceptable agreements, including arrangements to finance the acquisitions and evaluation, or integrate such opportunity and their personnel with the Company. The Company cannot assure that it can complete any acquisition that it pursues or is currently pursuing, on favourable terms, or that any acquisition completed will ultimately benefit the Company.

Political Risk

All of the Company's properties are located in Quebec, Canada. Accordingly, the Company is subject to risks normally associated with exploration for and evaluation of mineral properties in this country. The Company's mineral exploration activities could be affected in varying degrees by such political instability, aboriginal land claims and government regulation relating to foreign investment and the mining business. Operations may also be affected in varying degrees by terrorism, military conflict or repression, crime, extreme fluctuations in currency rates and high inflation.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company manages credit risk, in respect of cash, by placing it at major Canadian financial institutions. Included in receivables as at December 31, 2023 is $1,237,160 (2022 - $2,634,857) owing from the Canada Revenue Agency and Revenu Québec. Management of the the Company believes it has minimal credit risk.

Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on capital.

- Currency risk – The Company has no funds held in a foreign currency, and as a result, is not exposed to significant currency risk on its financial instruments at period-end.

- Interest rate risk – Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. Interest earned on cash is at nominal interest rates. Long-term debt bears interest at fixed rates, the Company is not exposed to the risk of changes in fair value arising from interest rate fluctuations.

- Other price risk – Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk. The Company is exposed to other price risk on its marketable securities and the gold price.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquid funds to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The current financial liabilities of the Company as of December 31, 2023 equal $6,987,620 (December 31, 2022 - $10,568,755).

Environmental and Permitting

All aspects of the Company's operations are subject to environmental regulation in the various jurisdictions in which it operates. These regulations, among other things, mandate the maintenance of air and water quality standards, land reclamation, transportation, storage and disposal of 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.

Competition

The mining industry is intensely competitive in all of its phases, and the Company competes with many companies possessing greater financial resources and technical facilities than the Company. Competition in the mining business could adversely affect the Company's ability to acquire suitable producing properties or prospectus for mineral exploration in the future.

Internal Control over Financial Reporting

Internal controls over financial reporting are procedures designed to provide reasonable assurance that transactions are properly authorized, assets are safeguarded against unauthorized or improper use, and transactions are properly recorded and reported. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance with respect to the reliability of financial reporting and financial statement preparation.

OTHER INFORMATION

Additional information is accessible at the Company's website www.btrgold.com or through the Company's public filings at www.sedarplus.ca.

MANAGEMENT'S RESPONSIBILITY

Management is responsible for all information contained in this MD&A. The audited financial statements have been prepared in accordance with IFRS and include amounts based on management's informed judgments and estimates. The financial and operating information included in this MD&A is consistent with that contained in the audited financial statements in all material aspects.

Management maintains internal controls to provide reasonable assurance that financial information is reliable and accurate and assets are safeguarded.

The Company's audit committee has reviewed the audited financial statements with management. The Board of Directors has approved these audited financial statements on the recommendation of the audit committee.

TECHNICAL INFORMATION

This Quarterly Highlights uses the terms measured, indicated, and inferred mineral resources as a relative measure of the level of confidence in the resource estimate. Readers are cautioned that mineral resources are not economic mineral reserves and that the economic viability of mineral resources that are not mineral reserves has not been demonstrated. The estimate of mineral resources may be materially affected by geology, environmental, permitting, legal, title, socio-political, marketing, or other relevant issues. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to an indicated or measured mineral resource category. The mineral resource estimate is classified in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum's "CIM Definition Standards on Mineral Resources and Mineral Reserves" incorporated by reference into NI 43-101. Under Canadian rules, estimates of inferred mineral resources may not form the basis of feasibility or pre-feasibility studies or economic studies except for a preliminary economic assessment as defined under NI 43-101. Readers are cautioned not to assume that further work on the stated resources will lead to mineral reserves that can be mined economically.

The scientific and technical content in this Management Discussion and Analysis has been reviewed and approved by Mr. Marc-André Pelletier, P.Eng. (OIQ #113978), CEO of Bonterra and Donald Trudel, P.Geo. (OGQ #813) and Bonterra's Director of Geology, who are each a Qualified Person within the meaning of NI 43-101.