HIGHGOLD MINING INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three months ended March 31, 2024

HIGHGOLD

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(Expressed in Canadian Dollars)

GENERAL

The information in this Management's Discussion and Analysis ("MD&A") is intended to assist the reader in the understanding and assessment of the trends and significant changes in the results of operations and financial conditions of HighGold Mining Inc. (the "Company" or "HighGold"). This MD&A should be read in conjunction with the unaudited condensed consolidated interim financial statements of the Company for the three months ended March 31, 2024 and the audited consolidated financial statements of the Company for the year ended December 31, 2023, and other information relating to the Company on file with the Canadian provincial securities regulatory authorities on SEDAR at www.sedar.com. The Company's consolidated financial statements for the three months ended March 31, 2024 and for the year ended December 31, 2023 have been prepared in accordance with International Financial Reporting Standards ("IFRS").

This MD&A contains forward-looking information. Please refer to the cautionary language at the end of this document.

Historical results of operations and trends that may be inferred from the following discussions and analysis may not necessarily indicate future results from operations.

HighGold is a mineral exploration company focused on the high-grade Johnson Tract Gold (Zn-Cu) Project, ("JT" or the "Project") a gold-dominant polymetallic deposit, located in an accessible area of south-central coastal Alaska, USA. With a true width averaging approximately 40 meters, the existing JT Deposit lends itself to low-cost mining methods as well as the potential opportunity to achieve near term production through a Direct Shipment Ore scenario ("DSO"). The JT deposit sits on a 12km trend of multiple exploration targets that have minimal work completed and provides significant exploration upside. HighGold's experienced Board and senior management team, are committed to providing shareholder value through discovery, careful stewardship of capital, and environmentally and socially responsible mineral exploration activities.

The Company is a reporting issuer in British Columbia, Alberta and Ontario and trades on the TSX Venture Exchange ("TSX-V") under the symbol HIGH. HighGold is also listed on the OTCQX in the USA under the symbol HGMIF.

This MD&A has taken into account information available up to and including May 29, 2024.

HIGHLIGHTS

- **Definitive agreement reached for the sale of HighGold to Contango ORE, Inc. at a significant premium to market. See below for more details.**

- Results announced from property-wide, 667 line-km airborne EM and Magnetic geophysical survey (MobileMT) at Johnson Tract property, conducted on a 100m line spacing with resolution from near surface to a depth of 2km. 3D inversions and modeling of the MobileMT data successfully fingerprints the alteration halo of the JT Deposit and all other known prospects. Significantly, several new high-quality look-alike targets were identified. This survey combined with geology, delineated a 12km northeast-trending structurally controlled corridor of Epithermal/VMS-style targets that include the JT Deposit and Ellis Zone, and separate, but likely related, Porphyry-style targets at the Easy Creek and Kona prospects.

- The Company ended the quarter with approximately $4.2 million in total cash and marketable securities.

DEFINITIVE AGREEMENT REACHED FOR THE SALE OF HIGHGOLD TO CONTANGO ORE INC.

On May 1, 2024 HighGold, Contango ORE Inc. ("Contango") and Contango Mining Canada Inc., a wholly-owned subsidiary of Contango (the "Purchaser"), entered into a definitive arrangement agreement (the "Arrangement Agreement") pursuant to which Contango, through the Purchaser, will acquire all of the issued and outstanding shares of HighGold (the "HighGold Shares") by way of an arrangement pursuant to a plan of arrangement under the *Business Corporations Act* (British Columbia) (the "Transaction"). Contango is an emerging North American gold producer that is listed on the NYSE American (Stock symbol: CTGO). The Transaction will create a leading Alaskan mining company with an attractive pipeline of exploration through development stage high-grade gold projects – with first gold pour expected at the Manh Choh Mine, pursuant to which Contango holds a 30% membership interest through the Peak Gold Joint Venture, in the second half of 2024.

Under the terms of the Transaction and among other things, each shareholder of HighGold (a "HighGold Shareholder") (other than those HighGold Shareholders validly exercising their dissent rights) will receive 0.019 (the "Exchange Ratio") of a share of common stock of Contango (each whole share, a "Contango Share") in exchange for each HighGold Share held by such HighGold Shareholder immediately prior to the closing of the Transaction. The Exchange Ratio was determined based on the respective volume weighted average price ("VWAP") of Contango Shares for the five-day period ending on May 1, 2024. The Exchange Ratio implies total consideration of C$0.55 per HighGold Share and total HighGold equity value of approximately C$51 million[1]. The consideration to be received by HighGold Shareholders represents a premium of 79% and 59%, respectively, based on Contango's and HighGold's 5-day and 20-day VWAP[2] on the date of the Arrangement Agreement. Upon completion of the Transaction, it is anticipated that existing shareholders of Contango will own approximately 85% and HighGold Shareholders will own approximately 15% of the resulting combined company[3].

In connection with the Transaction, Contango has covenanted to use commercially reasonable efforts to ensure that, from closing of the Transaction, the board of directors of Contango will include Darwin Green, President and Chief Executive Officer of HighGold.

[1] *Equity value presented on a fully diluted in-the-money basis as of May 1, 2024*
[2] *Based on trading on the NYSE American for Contango and trading on the TSXV for HighGold.*
[3] *Presented on a basic basis.*

Benefits to HighGold Shareholders

- An opportunity to realize a significant upfront premium.
- Early participation in an emerging growth-focused gold mining company with a vision to become a low-risk multi-asset producer.
- A strong balance sheet, enhanced trading liquidity and improved market presence based on Contango's listing on NYSE American.
- Access to a logically sequenced development pipeline of quality ounces in Alaska, anchored by the Manh Choh and Lucky Shot projects with continued exposure to the Johnson Tract Project.
- Contango's Manh Choh mine is projected to generate approximately US$55 million per year in free cash flow at a gold price of $1,920/oz (attributable to Contango's 30.0% membership interest in the Peak Gold Joint Venture and based on 2023 SK-1300 Report entitled "*Technical report Summary on the Man Choh Project, Alaska, USA*" and dated May 12, 2023 @ US$1,920/oz Au)
- Near-term re-rating potential once transitioned into a producer.
- Opportunity for reduced execution risk and capital spend via the continuation of Contango's direct ship ore model. This strategy has been executed at Manh Choh and can be leveraged across the resulting combined company's compelling growth pipeline (Johnson Tract and Lucky Shot).

The Company believes that the Transaction represents a value-creating opportunity for its shareholders, with benefits including a significant upfront premium, business plan synergies between the two companies, an enhanced capital markets profile, financial strength, an experienced management team at Contango and a robust platform for future growth; and that it brings together three compelling high-grade gold deposits in Alaska into one company, with ability to self-fund growth out of cash-flow. Contango's unique business model sets it apart in the mining sector, focusing on assets with potential for DSO (i.e. Direct Shipping Ore) development, in which mineralized material is shipped to an existing off-site facility for processing mitigates much of the risk of conventional stand-alone mines. Advantages of the DSO model include lower capital costs, lower execution risk, lower environmental impact, and potential for significantly shorter timelines to achieve production. Contango's management has a strong track record of achievement in Alaska, most recently with their near-production Manh Choh project, in partnership with Kinross, which was permitted and built in two and a half years.

Transaction Structure and Terms

The Transaction will be carried out by way an arrangement pursuant to a plan of arrangement under the *Business Corporations Act* (British Columbia) and the related arrangement resolution must be approved by a resolution passed by (i) not less than two thirds of the votes cast by the HighGold Shareholders present in person or represented by proxy at the special meeting of the Company to be held on June 27, 2024 (the "Meeting"); and (ii) not less than two thirds of the votes cast by the HighGold Shareholders and holders of stock options of HighGold (the "HighGold Optionholders"), voting together as a single class, present in person or represented by proxy at the Meeting.

In addition to HighGold securityholder approval, the Transaction is subject to other applicable regulatory approvals and closing conditions which are customary for a transaction of this nature. The Agreement contains customary provisions including non-solicitation, "fiduciary out" and "right to match" provisions, as well as a C$2.0 M termination fee payable to either company under certain circumstances. Subject to the satisfaction of these conditions, Contango and HighGold expect the Transaction to be completed in July 2024.

Full details of the Transaction are set out in the Arrangement Agreement, which is available on SEDAR+ under the issuer profile of HighGold at www.sedarplus.ca and will also be contained in an information circular (the "Circular") that will be mailed to HighGold Shareholders and HighGold Optionholders at the end of May 2024. The Circular will be also be available on SEDAR+ under the issuer profile of HighGold at www.sedarplus.ca.

ABOUT THE JOHNSON TRACT PROPERTY ("JT Deposit" or the "Project")

The large, 21,000-acre Johnson Tract property is located near tidewater on Cook Inlet, 125 miles (200 kilometers) southwest of Anchorage. It includes the high-grade Johnson Tract Gold (Zn-Cu) Deposit along with excellent exploration potential indicated by several other prospects over a 12-kilometer mineralized trend. Prior to HighGold, the Project was explored in the mid-1990s by a mid-tier mining company that evaluated direct shipping gold mineralized material from the Project to the Premier Mill near Stewart, British Columbia.

HighGold acquired the Project through a lease agreement with Cook Inlet Region, Inc. ("CIRI"), an Alaska Native regional corporation that is the largest private landowner within the Cook Inlet region. The Johnson Tract property is an inholding in Lake Clark National Park and was conveyed to the CIRI Native Corporation under the terms of the Alaskan Native Claims Settlement Act ("ANSCA") and the Cook Inlet Land Exchange. As ratified by an act of Congress, CIRI is entitled to transportation and port easements through Park lands for mineral extraction.

Exploration Plans

The Company has implemented a multi-year plan to unlock value and demonstrate optionality at the Project. This plan is two-pronged:

- To progress advanced exploration and de-risking activities on the already defined high-grade resource at the JT Deposit to support studies for the evaluation of a potential high-grade, low-impact, underground mine and potential DSO scenario; and

- To continue exploration with a view to expanding existing deposits and making new discoveries to demonstrate the prospectivity of the Project.

HighGold has initiated preliminary internal scoping work to evaluate a conceptual DSO scenario. This includes studies and investigations into potential mining methods, mine designs, and the logistics and infrastructure required for shipping mineralized material to an existing, off-site milling facility. The Project's location near tidewater offers the potential for DSO via bulk marine transport (the lowest cost form of bulk shipping) either direct to Asia or to existing coastal mills at mines in Alaska and British Columbia.

Advantages of a DSO mine over a conventional mine include project simplicity, lower CAPEX and execution risk, and potential for an expedited timeline to production. A potential DSO development scenario at Johnson Tract would also have the attractive environmental benefits of a small surface footprint and minimal long-term management and closure concerns. Under such a scenario, development rock (waste-rock) would likely be integrated into the mining plan as backfill for permanent underground storage within the mine, and tailings would be stored at a pre-existing off-site facility, resulting in no on-site tailings.

Readers are cautioned that mineral resources are not mineral reserves and that the economic viability of resources that are not mineral reserves has not been demonstrated. DSO development scenarios referenced herein are conceptual in nature.

A key component of de-risking the Project is the development of an underground exploration ramp to the JT Deposit. The exploration ramp will provide a platform to conduct cost-effective tightly spaced definition drilling in the highest-grade portions of the known deposit to support future engineering and economic studies. The 1,800m long ramp, which is parallel to and slightly outboard of the trend of mineralization, will also provide access to efficiently test multiple deep exploration targets.

In support of this, HighGold has completed work programs consisting of hydrogeological test work, engineering, and environmental and cultural studies. The data from these studies will be incorporated into the project design and form the basis of the exploration ramp permitting that is planned to commence in the latter half of 2024.

JT Deposit Mineral Resource (July 2022)

- Indicated Resource of 3.49 million tonnes ("Mt") grading 9.39 g/t gold equivalent ("AuEq") for 1,053,000 oz AuEq
- Inferred Resource of 0.71 Mt grading 4.76 g/t AuEq for 108,000 oz AuEq
- Indicated resource averages 40-meter horizontal width, roughly 10 times the mineable width of most high-grade (+5 g/t) underground gold deposits
- Open to expansion along strike/down-dip/down-plunge with numerous high-priority property- wide targets

JT Deposit Mineral Estimate at 3.0 g/t AuEq Cut-off
(*effective date July 12, 2022*)

Category	**Tonnes (000s)**	**Au (g/t)**	**Ag (g/t)**	**Cu (%)**	**Pb (%)**	**Zn (%)**	**AuEq (g/t)**
Indicated	3,489	5.33	6.0	0.56	0.67	5.21	9.39
Inferred	706	1.36	9.1	0.59	0.30	4.18	4.76

Contained Metal

Category	**Au (k oz)**	**Ag (k oz)**	**Cu (M lb)**	**Pb (M lb)**	**Zn (M lb)**	**AuEq (k oz)**
Indicated	598	673	43.1	51.5	400.8	1,053
Inferred	31	207	9.2	4.7	65.1	108

Notes
1. Includes all drill holes completed at JT Deposit, with drilling completed between 1982 and as recently as October 2021
2. Assumed metal prices are US$1650/oz for gold (Au), US$20/oz for silver (Ag), US$3.50/lb copper (Cu), US$1/lb lead (Pb), and US$1.50/lb for zinc (Zn)
3. Gold Equivalent ("AuEq") is based on assumed metal prices and payable metal recoveries of 97% for Au, 85% for Ag, 85% Cu, 72% Pb and 92% Zn from metallurgical test work completed in 2022
4. AuEq equals = Au g/t + Ag g/t × 0.01 + Cu% × 1.27 + Pb% × 0.31 + Zn% × 0.59
5. Average bulk density value of 2.84 used as determined by conventional analytical methods for assay samples
6. Capping was applied to assays to restrict the impact of high-grade outliers, resulting in the removal of 8.4% Au, 10.1% Ag, 2.8% Cu, 6.2% Pb, and 1.3% Pb from the resource block model as compared to an uncapped version
7. The economic underground mining cut-off is estimated to be 2.5 g/t AuEq derived from assumed operating cost of $65/t for long hole open stope mining, $35/t processing and $20/t G&A and accounting for transport and smelter charges. HighGold elected to report this mineral resource at a higher cut-off grade of 3.0 g/t Au, given the high-grade nature of the deposit.
8. Preliminary underground constraints were applied, including the elimination of isolated or scattered blocks above cut-off grade to define the "reasonable prospects of eventual economic extraction" for the Mineral Resource Estimate
9. Mineral resources as reported are undiluted
10. Mineral resource tonnages have been rounded to reflect the precision of the estimate
11. Readers are cautioned that mineral resources that are not mineral reserves do not have demonstrated economic viability

In addition to attractive grades and favourable metallurgy, the JT Deposit has several attributes that are considered attractive for underground development, including: (i) excellent thickness (avg. 40m); (ii) strong continuity; (iii) subvertical geometry; and, (iv) geotechnically competent mineralization.

For additional details, see the NI 43-101 Technical Report titled "*Updated Mineral Resource Estimate and NI 43-101 Technical Report for the Johnson Tract Project, Alaska*" dated August 25, 2022, authored by Ray C. Brown, CPG, Lyn Jones P.Eng. and James N. Gray, P.Geo.

Ellis Zone, DC Prospect

The DC Prospect, located four kilometers northeast of the +1Moz AuEq JT Deposit, includes the high-grade Ellis Zone discovery and numerous other mineralized showings within a series of large gossan alteration zones extending over a 1.5 km x 3.0 km area. Drilling in 2023 included 50 to 100m step-outs on the Ellis Zone to assess resource potential and first-time tests of new targets between the Ellis Zone and East DC Prospect areas.

Two distinct and overlapping styles of mineralization have been defined at the Ellis Zone: a steep-dipping, structurally-controlled high-grade quartz vein and sulphide breccia zone; and a zone of shallow-dipping, broad, lower-grade potentially stratigraphically-controlled mineralization with VMS-style characteristics. The current interpretation is of a broad zone of stringer-style mineralization with local structurally controlled high-grade shoots. Mineralization has now been intersected over a length of 200 m and to a depth of 225 m.

Highlight high-grade drill intersections from the Ellis Zone include:

- **6.4m at 577.9 g/t Au and 2,023 g/t Ag** in hole DC21-010,
- **11.9m at 25.3 g/t AuEq** in hole DC22-043,
- **14.8m at 14.3 g/t AuEq** in hole DC22-046, and
- **2.2 m at 57.0 g/t AuEq** in hole DC23-070.

Other Johnson District Targets

The Johnson Tract property hosts multiple other mineral prospects over a 12-kilometer mineralized trend and the potential for discovery of additional deposits and mineralized zones is considered excellent. A property-wide, 667 line-km airborne EM and Magnetic geophysical survey (MobileMT) completed in 2023 was successful in fingerprinting the alteration halo of the JT Deposit and all other known prospects. Significantly, several new high-quality look-alike targets were identified.
The MobileMT survey, combined with geology, defines a northeast-trending structurally controlled corridor of Epithermal/VMS-style targets that, in addition to the JT Deposit and Ellis Zones, includes the Double Glacier, South Valley, Midway, Milkbone, and East Difficult Creek prospects.

Separate, but likely related, Porphyry-style targets have been identified at the Easy Creek and Kona prospects.

RESULTS OF OPERATIONS

Exploration and Evaluation Property Expenditures

During the three months ended March 31, 2024, the Company recorded expenditure additions of $864,804 (2023 - $815,163) on its Johnson Tract property.

Operating Costs

The net loss for the three months ended March 31, 2024 was $558,247 (2023 – $582,749). Significant expenses included:

- Advertising and promotion of $41,226 (2023 - $73,880), mainly consisting of advertising campaigns and the cost of participating in virtual and in person mining investment conferences and roadshows.
- Professional fees of $33,990 (2023 - $81,502), relating to legal fees of $18,990 (2023 - $62,002), and fees of $15,000 (2023 - $19,500) related to accounting services provided to the Company.
- Salaries, wages and benefits of $192,253 (2023 - $154,412) paid to directors, officers and employees of the Company. Please refer to "Transactions with Related Parties" section for additional information.
- Share-based compensation of $241,476 (2023 - $74,626), relating to the vesting of stock options that were granted during the prior years and granting of 3,185,000 stock options exercisable at $0.35 per share for a period of 5 years during the period. In addition, the Company granted 940,000 RSUs granted to officers and directors during the period.

During the three months ended March 31, 2024, the Company recorded an unrealized gain of $22,500 (2023 – $40,000 loss) related to 50,000 shares held in Fireweed, 25,000 shares held in Snowline and 5,000,000 shares held in Onyx Gold. The Company also recorded interest income of $28,296 (2023 - $58,686) related to the Company's investment in short-term bank certificates. The shares of Onyx Gold were acquired as part of the spin-out of the Company's Ontario and Yukon properties to Onyx Gold, at their estimated fair value of $2,500,000.

(Expressed in Canadian Dollars)

SUMMARY OF QUARTERLY RESULTS

The following is a summary of certain consolidated financial information of the Company for the past eight quarters:

	Quarter ended March 31, 2024	Quarter ended December 31, 2023	Quarter ended September 30, 2023	Quarter ended June 30, 2023
Revenue (1)	$ -	$ -	$ -	$ -
Net and comprehensive loss	(558,247)	(1,941,444)	(154,038)	(348,161)
Total assets	54,323,865	54,473,527	57,374,492	56,761,037
Basic and diluted loss per share	$ (0.01)	$ (0.04)	$ (0.00)	$ (0.01)
	Quarter ended March 31, 2023	**Quarter ended December 31, 2022**	**Quarter ended September 30, 2022**	**Quarter ended June 30, 2022**
Revenue (1)	$ -	$ -	$ -	$ -
Net and comprehensive loss	(582,749)	(65,265)	(388,672)	(589,354)
Total assets	61,405,906	61,547,699	62,828,258	61,417,915
Basic and diluted loss per share	$ (0.01)	$ (0.00)	$ (0.01)	$ (0.01)

(1) The Company has no sales revenues.

During the period ended June 30, 2023, the Onyx Gold shares received pursuant to the Plan of Arrangement were recorded at a value of $Nil on receipt, which resulted in an unrealized gain of $2,500,000 upon subsequently marking their value to market, and were included in the net and comprehensive income for the quarter then ended. During the period ended December 31, 2023, management determined that the Onyx Gold shares should have been initially recorded at their estimated fair value of $2,500,000, which now results in an unrealized loss of $1,425,000 included in net and comprehensive loss for the three-month period ended December 31, 2023. The quarterly net and comprehensive loss for the three-month period ended June 30, 2023 above has been restated accordingly.

Quarterly Results – General Trend

The Company's operating expenses for the quarter ended March 31, 2024, not including share-based compensation, were $377,317, compared to $534,309 for the same period last year. The Company's operating costs are not expected to increase materially over the next quarter.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

As at March 31, 2024, the Company had current assets of $4,802,770 (December 31, 2023 - $5,790,046), including cash and cash equivalents of $2,915,633 (December 31, 2023 - $3,908,915) and $198,152 (December 31, 2023 - $256,193) in total liabilities.

During the three months ended March 31, 2024, the Company used $272,756 (2023 - $494,032) in cash for operating activities and $702,936 (2023 - $1,001,652) in cash for exploration and evaluation expenses, spent primarily on the Johnson Tract and Munro-Croesus properties.

(Expressed in Canadian Dollars)

Total cash used in financing activities was $17,590 (2023 – total cash provided by $2,410) related to a sublease of the Company's office in Vancouver. The decrease in cash provided by financing activities related to share subscriptions received in advance of $20,000 in the comparative period.

The consolidated financial statements have been prepared in accordance with IFRS applicable to a going concern, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the next twelve months.

FINANCIAL INSTRUMENTS

Classification of financial instruments

	Ref.	March 31, 2024	December 31, 2023
		$	$
Financial assets at FVTPL	(a)	1,280,750	1,258,250
Financial assets at amortized cost	(b)	2,918,883	3,951,423
Financial liabilities at amortized cost	(c)	142,065	184,340

(a) Comprised of marketable securities
(b) Comprised of cash and amounts receivable excluding sales taxes receivable
(c) Comprised of accounts payable and accrued liabilities

The fair value of the Company's financial assets and financial liabilities at amortized cost approximates the carrying amount.

The Company's marketable securities carried at fair value have been classified as Level 1 within the fair value hierarchy.

Management of Industry and Financial Risk

The Company's financial instruments are exposed to certain financial risks, which include the following:

Credit risk
Credit risk is the risk of loss associated with a counterparty's inability to fulfil its payment obligations. The Company limits its exposure to credit loss for cash by placing its cash with high quality financial institutions and for trade receivables by performing standard credit checks. The credit risk for cash is considered negligible since the counterparties are reputable banks with high quality external credit ratings.

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations when they become due. The Company ensures, as far as reasonably possible, that it will have sufficient capital in order to meet short-term business requirements, after taking into account cash flows from operations and the Company's holdings of cash. As at March 31, 2024, the Company has working capital of $4,604,618 (December 31, 2023 - $5,539,716). There can be no assurance that the Company will be successful with

generating and maintaining profitable operations or will be able to secure future debt or equity financing for its working capital and expansion activities.

Foreign exchange risk
The Company operates internationally and is exposed to foreign currency risk arising from currency exposures to Canadian dollars. The main currency to which the Company has an exposure is the U.S. dollar. The Company is exposed to currency risk to the extent of its cash and trade and other payables that are denominated in U.S. dollars. The Company does not currently hedge its exposure to fluctuations in the related foreign exchange rates.

Based on the Company's net US currency exposure as at March 31, 2024, and assuming all other variables remain constant, a 15% weakening or strengthening of the Canadian dollar against the US dollar would result in an increase/decrease of approximately $70,000 in comprehensive income/loss for the period.

Interest rate risk
Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company does not hold any assets or liabilities subject to variable interest rates, and as such, the Company is not exposed to significant interest rate risk.

Equity price risk
Equity price risk arises from market fluctuations in equity prices that could adversely affect the Company's operations. The Company's current exposure to equity price risk is limited to declines in the values and volumes including those of its own shares, which could impede its ability to raise additional funds when required and movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors the individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company. As at March 31, 2024, the Company's marketable securities of $1,280,750 are subject to fair value fluctuations.

Based on the Company's marketable securities as at March 31, 2024, and assuming all other variables remain constant, a 10% increase/decrease in the fair value of marketable securities would result in an increase/decrease of approximately $130,000 in comprehensive income/loss for the period.

Capital management
Capital is comprised of the Company's shareholders' equity and any debt that it may issue. As at March 31, 2024, the Company's shareholders' equity totalled $54,125,713 (December 31, 2023 - $54,217,334). The Company's objectives when managing capital are to maintain financial viability and to protect its ability to meet its on-going liabilities, to continue as a going concern, to maintain creditworthiness and to maximize returns for shareholders over the long term. Protecting the ability to pay current and future liabilities includes maintaining capital above minimum regulatory levels, current financial strength rating requirements and internally determined capital guidelines and calculated risk management levels.

The Company's current capital was received from the issuance of common shares, options and warrants. The Company has done and continues to plan to use a significant portion of the net proceeds raised to date for the development of its current mineral properties and for the acquisition of additional mineral properties or assets.

The Company is not subject to externally imposed capital requirements as at March 31, 2024 except when the Company issues flow-through shares for which the amount should be used for exploration work.

There were no changes to the Company's approach to capital management during the three months ended March 31, 2024.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements and no long-term debt obligations.

SUBSEQUENT EVENTS

On May 2, 2024, the Company announced that they have entered into a definitive arrangement agreement with Contango ORE, Inc. ("Contango") pursuant to which Contango will acquire all of the issued and outstanding shares of the Company by way of a court approved plan of arrangement under the Business Corporations Act (British Columbia) (the "Transaction"). Under the terms of the agreement, each share of the Company will be exchanged for 0.019 shares of Contango common stock based on the respective volume weighted average price of Contango for the five-day period ending on May 1, 2024. Upon completion of the Transaction, existing Contango shareholders will own approximately 85% and the shareholders of the Company will own approximately 15% of the combined company.

TRANSACTIONS WITH RELATED PARTIES

As at March 31, 2024, the Company had a total of $9,970 (December 31, 2023 - $Nil) payable to Mr. Darwin Green, the Chief Executive Officer and a director for outstanding expense reimbursements payable.

As at March 31, 2024, the Company had a total of $Nil (December 31, 2023 - $1,193) payable to Mr. Lance Miller, Director for outstanding expense reimbursements payable.

As at March 31, 2024, the Company had a total of $6,656 (December 31, 2023 - $Nil) payable to Ms. Nicole Hoeller, VP Corporate Communications of the Company for outstanding expense reimbursements payable.

As at March 31, 2024, the Company had a total of $3,250 (December 31, 2023 – $42,508) receivable from Onyx Gold and its subsidiary, Epica Gold, a company with certain management and directors in common, for reimbursement of geologist expense that is noninterest bearing, unsecured, and has no specified terms of repayment.

During the three months ended March 31, 2024, the Company paid/accrued salaries, wages and benefits included in administrative expenses of $30,000 (2023 - $15,000), paid/accrued salaries, wages and benefits included in exploration and evaluation expenditures of $30,000 (2023 - $45,000) to Mr. Darwin Green, the Chief Executive Officer and a director of the Company.

(Expressed in Canadian Dollars)

During the three months March 31, 2024, the Company paid/accrued salaries, wages and benefits included in administrative expenses of $24,000 (2023 - $24,000) and paid/accrued management to Mr. Aris Morfopoulos, Chief Financial Officer and a director of the Company.

During the three months March 31, 2024, the Company paid/accrued salaries, wages and benefits included in exploration and evaluation expenditures of $30,000 (2023 - $54,999) to Mr. Ian Cunningham-Dunlop, Senior VP Exploration of the Company.

During the three months March 31, 2024, the Company paid/accrued salaries, wages and benefits included in exploration and evaluation expenditures of $24,990 (2023 - $Nil) to Ms. Nicole Hoeller, VP Corporate Communications of the Company.

During the three months March 31, 2024, the Company paid/accrued salaries, wages and benefits included in administrative expenses of $45,000 (2023 - $45,000) to Ms. Naomi Nemeth, VP Investor Relations of the Company.

During the three months March 31, 2024, the Company paid director fees of $3,125 (2023 - $3,125) to each of the non-executive directors of the Company (Michael Cinnamond, Michael Gray, Lance Miller and Anne Labelle).

During the three months ended March 31, 2024, the Company recorded total share-based compensation of $296,166 (2023 - $77,133), of which $218,298 (2023 - $51,137) is included in administrative expenses and $77,868 (2023 - $25,996) is included in exploration and evaluation assets, related to the vesting of stock options and RSUs previously granted to officers and directors of the Company.

OUTSTANDING SHARE DATA

The following table shows the Company's share capital data as at March 31, 2024:

Total issued and outstanding	**87,760,828**
Stock options ($0.45 - $1.46 per share)	8,354,997
Warrants ($0.45 per share)	75,500
Registered Share Units	1,200,000
Fully diluted	**97,391,325**

In April 2023, the Company issued 14,029,243 shares at a price of $0.66, pursuant to completion of a non-brokered private placement and 281,375 shares at a price of $0.45, pursuant to the exercise of warrants.

In January 2024, the Company granted 3,185,000 stock options to certain directors, officers, employees and/or consultants of the Company with an exercise price of $0.35 expiring in 5 years. A total of 796,250 stock options vested immediately and the remaining 2,388,750 stock options vest in three equal parts over 18 months from the date of grant. The fair value of these options was calculated to be $0.26 per option.

(Expressed in Canadian Dollars)

In January 2024, the Company granted 940,000 RSUs to certain officers and directors of the Company pursuant to the Company's omnibus incentive plan. The RSUs will vest over 36 months from the date of grant. The fair value of these RSUs were calculated to be $0.325 per RSU.

The following table shows the Company's share capital data as of the date of this MD&A:

Total issued and outstanding	**87,760,828**
Stock options ($0.45 - $1.46 per share)	8,354,997
Warrants ($0.45 per share)	75,500
Registered Share Units	1,200,000
Fully diluted	**97,391,325**

Future Cash Requirements
The Company's future capital requirements will depend on many factors, including, among others, its ability to earn cash flow from operations. Should the Company wish to pursue current and future business opportunities, additional funding will be required. If additional funds are raised through the issuance of equity securities, the percentage ownership of current shareholders will be reduced and such equity securities may have rights, preferences, or privileges senior to those of the holders of the Company's common stock. No assurance can be given that additional financing will be available, or that it can be obtained on terms acceptable to the Company and its shareholders. If adequate funds are not available, the Company may not be able to meet its contractual requirements.

CRITICAL ACCOUNTING ESTIMATES

The preparation of these financial statements requires management to make judgments and estimates 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 judgments and estimates. The financial statements include judgments and estimates that, by their nature, are uncertain. The impacts of such judgments and 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 the revision affects both current and future periods.

RISKS AND UNCERTAINTIES

Environmental risk
Exploration and development projects are subject to federal, state and provincial environmental laws and regulations. As such laws are subject to change, the Company monitors proposed and potential changes and management believes the Company remains in compliance with current environmental regulations in the relevant jurisdictions.

The Munro Croesus project includes the small past producing Croesus Gold Mine that mined approximately 5,000 tons of ore. The Company has assumed the environmental liability at the Croesus mine site on the Munro Croesus property. The previous owner completed remediation of what the

Company considers to be the major liabilities, which included capping the Walsh and Croesus shafts. A crown pillar stability assessment completed in 2021 by independent professional engineers reached the conclusion that the old workings do not pose a significant risk to human health or safety. Ongoing environmental liabilities associated with the Munro Croesus Project are considered by the Company to be relatively low risk, and to consist of periodic monitoring and surface reclamation at known, and potential unknown, pits, trenches, exploration shafts or other disturbances within the greater Munro Croesus property package.

Operational risk

Exploration development projects require third party contractors for the execution of certain activities. The availability and cost of third-party contractors is subject to a competitive environment for their use, which is beyond the control of the Company.

Cyber security risk

Cyber security risk is the risk of negative impact on the operations and financial affairs of the Company due to cyber-attacks, destruction or corruption of data, and breaches of its electronic systems. Management believes that it has taken reasonable and adequate steps to mitigate the risk of potential damage to the Company from such risks. The Company also relies on third-party service providers for the storage and processing of various data. A cyber security incident against the Company or its contractors and service providers could result in the loss of business sensitive, confidential or personal information as well as violation of privacy and security laws, litigation and regulatory enforcement and costs. The Company has not experienced any material losses relating to cyber-attacks or other information security breaches, however there can be no assurance that it will not incur such losses in the future.

Uninsured Risks

The Company may carry insurance to protect against certain risks in such amounts as it considers adequate. Risks not insured against include key person insurance as the Company heavily relies on the Company's officers.

Conflicts of Interest

Certain directors of the Company also serve as directors and/or officers of other companies involved in other business ventures. Consequently, there exists the possibility for such directors to be in a position of conflict. Any decision made by such directors involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with the Company and such other companies. In addition, such directors will declare, and refrain from voting on, any matter in which such directors may have a conflict of interest.

Negative Operating Cash Flows

As the Company is at the early start-up stage it may continue to have negative operating cash flows. Without the injection of further capital and the development of revenue streams from its business, the Company may continue to have negative operating cash flows until it can be sufficiently developed to commercialize.

Risks Related as a Going Concern

The ability of the Company to continue as a going concern is uncertain and dependent upon its ability to achieve profitable operations, obtain additional capital and receive continued support from its shareholders. Management of the Company will have to raise capital through private placements or debt financing and proposes to continue to do so through future private placements and offerings. The outcome of these matters cannot be predicted at this time. However, management believes that the Company has sufficient resources on hand to fund its planned operations for the next 12 months and meet its obligations as they fall due.

Reliance on Key Personnel and Advisors

The Company relies heavily on its officers. The loss of their services may have a material adverse effect on the business of the Company. There can be no assurance that one or all of the employees of, and contractors engaged by, the Company will continue in the employ of, or in a consulting capacity to, the Company or that they will not set up competing businesses or accept positions with competitors. There is no guarantee that certain employees of, and contractors to, the Company who have access to confidential information will not disclose the confidential information.

Operating History and Expected Losses

The Company expects to make significant investments in the near future on its acquired assets. As a result, start-up operating losses are expected and such losses may be greater than anticipated, which could have a significant effect on the long-term viability of the Company.

Growth of Management

In executing the Company's business plan for the future, there will be significant pressure on management, operations and technical resources. The Company anticipates that its operating and personnel costs will increase in the future. In order to manage its growth, the Company will have to increase the number of its technical and operational employees and efficiently manage its employees, while at the same time efficiently maintaining a large number of relationships with third parties.

Industry Risks

Exploring and developing mineral resource projects bears a high potential for all manner of risks. Additionally, few exploration projects successfully achieve development due to factors that cannot be predicted or foreseen. Moreover, even one such factor may result in the economic viability of a project being detrimentally impacted such that it is not feasible or practical to proceed. The Company monitors its risk-based activities and periodically employs experienced consulting, engineering, insurance and legal advisors to assist in its risk management reviews.

Although the Company has taken steps to verify the title to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the company's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

Metal Price Risk

The principal activity of the Company is the exploration and development of precious metal and base metal resource properties. The feasible development of such properties is highly dependent upon the price of gold, silver, copper, lead and zinc. A sustained and substantial decline in precious metal and base metal commodity prices could result in the write-down, termination of exploration and development work or loss of its interests in identified resource properties. Although such prices cannot be forecasted with certainty, the Company carefully monitors factors which could affect precious metal and base metal commodity prices in order to assess the feasibility of its resource projects.

Political Risk
The resource properties on which the Company is actively pursuing its exploration and development activities are located in Alaska, USA. While the political climate in Alaska is considered by the Company to be stable, there can be no assurances that this will continue indefinitely. To alleviate such risk, the Company funds its operations on an as-needed basis. The Company does not presently maintain political risk insurance for its foreign exploration projects.

Regulatory Risks
The Company is subject to a number of technological challenges and requirements, and can be subject to the regulations and standards imposed by applicable regulatory agencies. There can be no assurance that the Company will be able to comply with all regulations concerning its businesses.

CORPORATE GOVERNANCE

The Company's Board and its committees follow the recommended corporate governance guidelines for public companies while tailored to its size and operations to ensure transparency and accountability to shareholders. The current Board is comprised of five individuals, one of who is the Chief Executive Officer of the Company. The Audit Committee is comprised of three members, all of whom are independent directors of the Company.

FORWARD-LOOKING STATEMENTS

This MD&A contains certain statements that may constitute "forward looking statements". Forward-looking statements include but are not limited to, statements regarding future anticipated business developments and the timing thereof, and business and financing plans. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Forward looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or which by their nature refer to future events. The Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance, and that actual results may differ materially from those in forward looking statements as a result of various factors, including, but not limited to, the Company's ability to continue its projected growth, to raise the necessary capital or to be fully able to implement its business strategies. This MD&A includes, but is not limited to, forward-looking statements regarding the Company's upcoming exploration plans for the year, the meeting of its Canadian flow-through expenditure obligations and its ability to meet its working capital needs for the next fiscal year.

Forward-looking statements contained herein are made as of the date of this MD&A and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by applicable securities laws.

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FINANCIAL AND DISCLOSURE CONTROLS AND PROCEDURES

During the three months ended March 31, 2024, there has been no significant change in the Company's internal control over financial reporting since its inception on April 16, 2019.

The management of the Company is responsible for establishing and maintaining appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete, reliable and timely. Management is also responsible for establishing adequate internal controls over financial reporting to provide sufficient knowledge to support the representations made in this MD&A and the Company's financial statements for the three months ended March 31, 2024 (together the "Interim Filings").

The management of the Company has filed the Venture Issuer Basic Certificate with the Interim Filings on SEDAR+ at www.sedarplus.ca.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the venture issuer basic certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency, and timeliness of interim and annual filings and other reports provided under securities legislation.

APPROVALS

The Board of Directors of the Company has approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.

Ian Cunningham-Dunlop, P.Eng., Senior VP Exploration for HighGold Mining Inc. and a qualified person ("**QP**") as defined by Canadian National Instrument 43-101, has reviewed and approved the technical information contained in this document.

ADDITIONAL INFORMATION

Additional information pertaining to the Company is available on the SEDAR+ website at www.sedarplus.ca.