MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

For the three-month period ended July 31, 2026

September 14, 2026

General

This Management Discussion and Analysis ("MD&A") is dated September 14, 2026 and is in respect of the three-month period ended July 31, 2026. The following discussion of the financial condition and results of operations of Thunder Gold Corp. ("Thunder Gold" or the "Company") constitutes management's review of the factors that affected the Company's financial and operating performance for the three-month period ended July 31, 2026.

The discussion should be read in conjunction with the condensed consolidated interim financial statements for the three-month period ended July 31, 2026, including the notes thereto. The Company's condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). Unless otherwise stated, all amounts discussed herein are denominated in Canadian dollars which is the Company's functional and reporting currency.

Additional information relating to the Company is available on the SEDAR website at www.sedar.com.

Going Concern

The condensed consolidated interim financial statements of the Company for the three-month ended July 31, 2026 have been prepared in accordance with International Financial Reporting Standards on the basis applicable to a going concern. The appropriateness of using the going concern basis is dependent upon, among other things, future profitable operations, and the ability of the Company to raise additional capital. Specifically, the recovery of the Company's investment in mineral properties and exploration expenditures is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to develop its properties and establish future profitable production from the properties, or from the proceeds of their disposition.

The Company is a development stage Company and has not earned any significant revenue to date. The Company has not yet determined whether its resource properties contain ore reserves that are economically recoverable.

Overview of the Company

The Company is engaged in the acquisition, exploration and if warranted, development of mining properties in Canada. The Company currently holds interests in resource properties, located in Ontario, Canada and intends to seek out and acquire additional properties, worthy of exploration and development, as finances permit. The exploration and development of the properties is accomplished either through direct expenditure by the Company or joint venturing of the property to another company (see Note 1 in the Notes to the Condensed Consolidated Interim Financial Statements). The Company's common shares are listed on the TSX Venture Exchange under the trading symbol "TGOL".

Impact of Tariffs and Trade Tensions on Mineral Exploration

Ongoing global trade tensions and the imposition of tariffs, particularly between major economies, continue to pose risks to Canadian mineral exploration companies. These measures may lead to increased costs for imported equipment and materials, disrupt supply chains, and create uncertainty in commodity markets. Additionally, retaliatory trade actions may impact demand for Canadian exports, influencing investor sentiment and access to international capital. The Company remains vigilant in monitoring these developments and adjusting its strategic planning accordingly.

Financial and Operational Performance

Financial Condition

The Company's combined cash and restricted cash balance as at July 31, 2026 was $3,637,090 compared to $4,718,508 as at April 30, 2026, a decrease related extensive exploration and evaluation expenditures at the Company's Tower Mountain gold project during the current period net of proceeds from the exercise of warrants.

Current assets of the Company as at July 31, 2026 were $4,321,140 compared to $4,940,650 as at April 30, 2026, an decrease related to ongoing general and administrative expenses and exploration and evaluation expenditures incurred during the current period over and above cash inflows from warrant exercises.

Total assets as at July 31, 2026 were $16,014,167 compared to $14,900,794 as at April 30, 2026, an increase related to the abovementioned factors.

Current liabilities as at July 31, 2026 were $276,175 compared to $411,545 at April 30, 2026 a change related to the timing of trade payables on hand at July 31, 2026 as well as a reduction of the remaining $291,265 deferred premium on flow-through shares recognized in fiscal 2026, a non-cash liability that was allocated to income as flow-through funds are expended during the current period.

Shareholders' equity increased to $15,737,992 from $14,489,249 during the period ended July 31, 2026 as a result of $1,128,750 in proceeds from the exercise of warrants received during the current period.

Results of Operations

Total operating costs and expenses for the three-month period ended July 31, 2026 were $400,378 (July 31, 2025 – $210,488), an increase due largely to increased advertising and promotional expenses, consulting fees paid and share-based payments expenses recorded in the current period ended.

Expenses incurred during the three-month periods ended July 31, 2026 and 2025 consist of:

	July 31, 2026 $	July 31, 2025 $
Advertising and promotion	71,628	12,445
Bank charges and interest	3,716	1,152
Consulting	110,042	79,281
Depreciation	5,554	4,176
Insurance	4,308	4,355
Legal and accounting	47,786	33,286
Share-based payments	62,046	-
Salaries and benefits	54,168	62,505
Office and miscellaneous	37,994	9,024
Trust and filing fees	3,136	4,264

The cumulative deficit from inception of the Company at July 31, 2026 is $5,729,968 (April 30, 2026 - $5,710,915).

Cash Flows

Cash of $631,131 was used in operating activities during the three-month period ended July 31, 2026 (July 31, 2025 - $44,637), a change due in part to an increase in cash operating expenditures in the current versus previous period and the large increase in accounts receivable in the current period that impacts cash flows.

Cash of $1,579,037 was used in investing activities (July 31, 2025 - $361,544) during the three-month period ended July 31, 2026, an increase in cash used due to the increased expenditure at Tower Mountain in the current versus prior year. This increase was offset by a $215,000 Ontario Junior Exploration Assistance grant received for Tower Mountain.

Cash from financing activities was $1,128,750 during the three-month period ended July 31, 2026 (July 31, 2025 – $1,454,015) related to larger capital raising initiatives completed in the previous versus the current period.

Summary of Quarterly Results

The Company had a net loss and comprehensive loss of $19,053 for the three-month period ended July 31, 2026 (July 31, 2025 - $209,108 comprehensive income). The following table contains the results from the eight most recently completed quarters:

	First Quarter Ended Jul. 31, 2026 $	Fourth Quarter Ended Apr. 30, 2026 $	Third Quarter Ended Jan. 31, 2026 $	Second Quarter Ended Oct. 31, 2025 $	First Quarter Ended July 31, 2025 $	Fourth Quarter Ended April 30, 2025 $	Third Quarter Ended Jan. 31, 2025 $	Second Quarter Ended Oct. 31, 2024 $
Expenses	400,378	1,017,693	337,136	132,629	210,488	266,228	523,035	304,608
Net income (loss) for the period	(19,053)	(631,898)	(48,286)	61,919	209,108	(260,903)	(602,174)	(319,746)
Comprehensive income (loss) for the period	(19,053)	(631,898)	(48,286)	61,919	209,108	(260,903)	(602,174)	(319,746)
Income (loss) Per Share	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

As the Company is still in the exploration stage, variances in its quarterly losses are not affected by sales or production-related factors. Year over year expense variances are generally attributed to successful financing activities, or the lack thereof, which result in the Company being able to conduct more (or less) exploration, which results in additional (or fewer) overhead expenditures.

Selected Annual Financial Information

All currency amounts are stated in Canadian dollars.

The following table summarizes selected financial data for the Company for each of the three most recently completed financial years. The information set forth below should be read in conjunction with the consolidated audited financial statements, prepared in accordance with International Financial Reporting Standards and related notes.

Year Ended April 30,	2026 $	2025 $	2024 $
Gain/(loss) on disposition of exploration and evaluation assets	335,000	102,951	65,000
Net loss and comprehensive loss for the year	(409,157)	(1,152,395)	(690,749)
Loss per share – basic and diluted	-	-	-
Total assets	14,900,794	8,911,514	7,609,218
Long-term liabilities	Nil	Nil	Nil
Dividends	Nil	Nil	Nil

Liquidity and Capital Resources

As of July 31, 2026, the Company had $3,607,090 in unrestricted cash (April 30, 2026 - $3,232,183) and $30,000 in restricted cash consisting of nil cash restricted for flow-through expenditures (April 30, 2026 - $1,456,325) and $30,000 as credit card collateral (April 30, 2026 - $30,000). Amounts receivable were $596,499 consisting of unclaimed HST ITCs and the Ontario Junior Exploration Assistance grant that was received subsequently (April 30, 2025 - $128,426). Marketable securities were $1 (April 30, 2026 - $1).

Accounts payable and accrued liabilities were $276,175 at July 31, 2026 (April 30, 2026 - $411,545) includes accruals for expenditures on mineral properties, legal and audit fees, consultants and other amounts. These were incurred in the normal course of business. In addition, the Company recorded a $291,265 deferred premium on flow-through shares in the previous period related to its $2.15 million flow-through financing that was fully allocated to income as the flow-through funds were expended in the current period.

Working capital inclusive of restricted cash at July 31, 2026 is $4,044,965 (April 30, 2026 - $4,529,105), an decrease related to operating and exploration and evaluation expenditures net of the proceeds received from the exercise of warrants during the current period.

At this time, the Company does not own or operate any revenue producing mineral properties, and accordingly, does not have cash flow from operations. The Company raises funds for exploration, development and general overhead and other expenses through the issuance of shares from treasury. This method has been the principal source of funding for the Company since inception.

The Company also funds exploration at certain of its other properties through option agreements with other companies who have agreed to fund exploration in exchange for the right to earn an interest in the properties.

In addition to the funds in the Company's treasury, the Company intends to continue raising funds for future exploration and general overhead and other working capital through the continuation of issuances of shares from treasury and through earn-in or option agreements with other mineral exploration and mining companies.

The Company funds its project expenditures by raising equity financing. If future private placement financing cannot be completed, the Company would have to review its budgeted project expenditures and revise where necessary including reviewing property option agreements to determine if continuation in such agreements on their anniversary dates is feasible. Management continues to seek out capital required to undertake its exploration work commitments and for working capital to meet project work commitments.

Tower Mountain Gold Project, Ontario

The Tower Mountain Gold Property (the "**Property**" or the "**Project**") is located within the Archean aged Shebandowan Greenstone Belt ("**SGB**"), 40 kilometres west of the port city of Thunder Bay, Ontario, Canada (pop. 120,000). Highway 11/17, the Trans-Canada Highway, lies 3.0 km north of the Property boundary offering year-round, paved road access to the 2,166-hectare Property which is 100% owned by Thunder Gold Corp. (the "**Company**", "**Thunder Gold**" or "**TGOL**").

Gold was discovered at the Property in 1984. Surface exploration and diamond drilling has established gold mineralization within an extensive zone of carbonate-sericite-chlorite (CSC) alteration, measuring 1,800 metres (m) in length, 500 m in width and over 500 m deep. The CSC alteration halo is interpreted to represent the phyllic shell of a telescoped alteration system surrounding the calc-alkalic Tower Mountain Intrusive Complex ("**TMIC**"). The TMIC is a multi-phase, ovoid suite of calc-alkalic intrusive rocks measuring 2,000 m in length x 1,500 m in width. Favourable CSC alteration is interpreted to surround the TMIC, offering approximately 7,000 m of strike length potential. Drilling to date has tested 20% of the postulated target.

The mineralization observed to date is interpreted to be indicative of the upper expression of a buried Intrusion Related Gold Deposit ("**IRGD**").

Location and Access

The Property is located approximately 40 kilometres west-northwest of Thunder Bay, Ontario, Canada within Conmee Township, Thunder Bay Mining Division. The Property is centred at 48° 31' 08'' N, 89° 42' 06'' W (UTM 5377500 N, 300500 E, NAD83, Zone 16N).

The Property is fully permitted to conduct early exploration work, including diamond drilling with the current permit in good standing through September 15, 2028.

Year-round access is via highway 11/17 west, the main highway connecting eastern and western Canada. The Property boundary is 3.0 kms south of the highway. Both national railways are easily accessible, and both the current and future east-west hydro transmission corridor are within 3 kms of the current open pit limit. The port of Thunder Bay offers direct access to the Saint Lawrence Seaway.

Ownership

During the fiscal period, the Company increased the Tower Mountain property area to 2,791 hectares by acquisition of the following:

- a 100% interest in the 32-ha Halow Patent – April 16, 2026;
- a 100% interest in the 32-ha Kons Patent – May 12, 2026; and
- a 100% interest in 32 mineral claims (625 ha) Thunder Lake property – June 16, 2026.

The Tower Mountain property consists of:

- 146 single cell and 24 boundary mining claims (2,507 ha.);
- 4 owned patented claims (128 ha.); and
- mineral rights to 3 patents (156 ha.).

All claims and patents are in good standing and registered to Thunder Gold.

The Property is affected by NSR Royalties ranging from 2.0% to 3.0%, payable to various parties.

In April 2026, the Company optioned the 4,571 hectare Electra Property from ALX Resources Corp (CSE:GXP). The Company can earn a 100% interest in the 212 mineral claim property by paying to ALX a total of C$ 175,000 cash and issuing 1,000,000 common shares over a 24-month term.

Regional and Local Geology

The Property is located within the 150-kilometre long SGB, part of the Wawa Sub province of the Superior Province. It is bound by Quetico sedimentary rocks to the north and younger granitoids, tonalitic rocks, mafic intrusives and sedimentary rocks to the south. The SGB comprises pre-D1 rifted-arc and/or plume-generated, calc-

alkaline to tholeiitic volcanic suites known as the Greenwater, Kashabowie, Shebandowan and Auto Road Assemblages. The Property lies entirely within rocks of the Shebandowan Assemblage, consisting of fluvial-alluvial sediments, calc-alkalic volcanic rocks and calc-alkaline intrusive rocks.

Most of the Property consists of intermediate volcanic flows and volcanoclastic rocks of trachyandesite to basaltic trachyandesite composition. The TMIC is the most prominent feature of the Property, comprised of fine grained, massive monzonite, monzodiorite, gabbro and granodiorite. The host volcanic rocks surrounding the TMIC are locally extensively brecciated and variably altered.

Timiskaming sediments are mapped along a linear magnetic high believed to trace the Thunder Lake Fault ("**TLF**") along its northeasterly trend, terminating at the UV Target. The UV Target was the initial focus of early exploration with drilling from 1988 through 2005.

Alteration

Four overprinting alteration assemblages are observed along the western TMIC contact. Amphibolization, unequivocally indicative of hydrothermal alteration, is the least common. Epidotization is observed distal to the TMIC and outboard of the dominant Carbonate-Sericite-Chlorite ("**CSC**") alteration, which is widespread, extending at least 500 m west of the TMIC contact. Sulphidization, interpreted to be directly related to gold mineralization, occurs dominantly within the CSC alteration but is observed in all lithologies and interpreted to directly correlate to gold content.

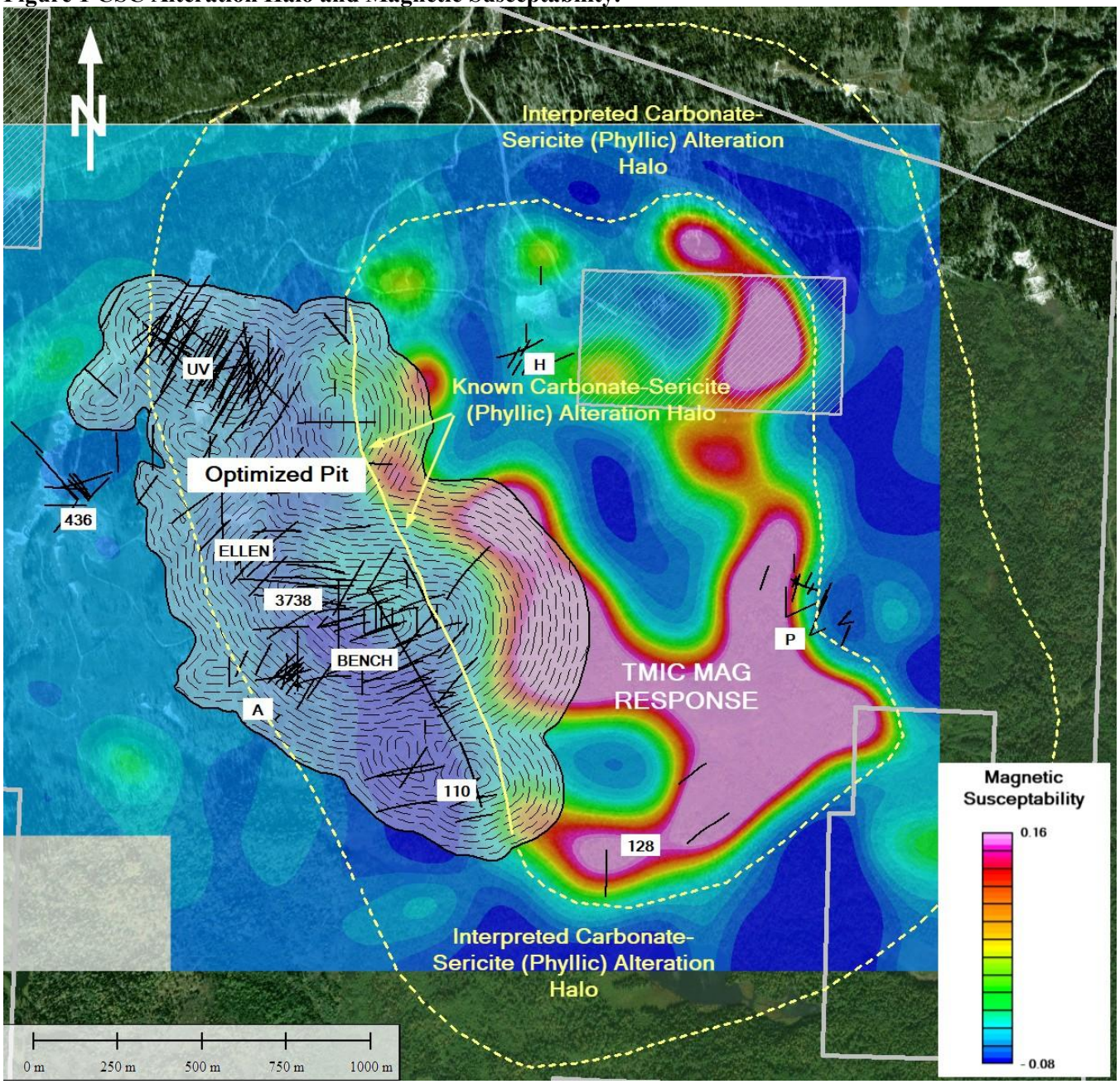
Structure

Structure is largely inferred from regional and local geophysical surveys and government of Ontario mapping. The northern contact of the TMIC is located at the intersection of the east-west trending Crayfish Break with the TLF. A second northeast-trending fault appears to offset the TMIC to the south, shifting the magnetic response believed to correlate to the TMIC several hundred of metres to the northeast. There is no field evidence supporting the location of any of these structures.

Mineralization

Pyrite is by far the most dominant sulphide mineral present, occurring as disseminated, fine to very fine grained, euhedral to anhedral poikiloblastic pyrite. It occurs in all lithologies and alteration assemblages. Chalcopyrite and galena typically occur as micron scale inclusions within the poikiloblastic pyrite. Selenides, tellurides and sulfosalts are also present as micron scale inclusion in pyrite. Primary magnetite is an accessory mineral in all lithologies, varying from euhedral to anhedral from dust to 0.3mm. Magnetite destruction is observed in all alteration assemblages and is directly linked to sulphide formation and, by association to the gold distribution. Magnetite destruction in areas of intense carbonatization superimposes light pink to cherry-red hematitic impregnation in the intrusive and volcanic rocks.

Figure 1 CSC Alteration Halo and Magnetic Susceptability.



Veining

Multiple generations of millimetre to centimetre scale quartz, carbonate +/- chlorite, +/- tourmaline, +/- sulphides occur in all lithologies. These cross-cutting relationships are complex, making it difficult to distinguish between different vein sets. No direct correlation has been established to date between gold grade and veining.

Deposit Type

Thunder Gold interprets Tower Mountain to be an IRGD with observed similarities to Syenite Associated Gold Deposits (Robert, 2001), a subset of the IRGD clan. These most striking similarities are:

- Geological setting.
- Largely fine, disseminated sulphide in intensely altered wall rocks.
- Abundant micro veinlet stockwork and fracturing demonstrates zoning towards intrusion.
- Carbonate-sericite alteration demonstrate zoning towards the intrusion.
- Penetrative fabric is absent.
- Telluride minerals are observed.

IRGD deposits are significant world-wide in terms of both size and contained gold, typically ranging from 10 to 30 million ounces of gold. Typical examples of IRGDs globally include Cripple Creek and Fort Knox (US), Cadia (AUS) and Young Davidson (Canada). IRGD's are an increasingly important exploration target globally.

Thunder Gold believes Tower Mountain represents the upper expression of a larger, higher grade IRGD, noting the rarity of albite/K-spar alteration observed to date.

Exploration Summary

The current database for the Property includes:

- 265 diamond drill holes totalling 53,099 metres.
- 35,193 gold assays from drill hole core.
- 8,437 multi-element ICP assays from drill core.
- 1,042 surface grab rock samples.
- 110 surface channel samples.
- 2,970 soil geochemical samples assayed for gold.
- 566 line-kilometres of airborne magnetic survey and
- 897 ha Induced Polarization 3D-DASVision™ geophysical survey.

History

Anomalous gold mineralization was discovered on the Property in 1984 by local prospector M. Stewart.

Noranda (1985-88) conducted geological mapping, sampling and geophysical surveys and completed 38 holes (2,881 metres) of drilling, identifying nineteen (19) gold occurrences arrayed within 500 metres of the western TMIC contact. The Noranda drill data is not included in the Company's property database.

Inco (1988-90) completed trenching and drilled 22 holes (2,595 metres) at the UV Target along the western TMIC contact.
Significant results include:

78468	0.431 g/t Au over 70.3 metres from 5.0 metres.
83805	1.779 g/t Au over 16.4 metres from 27.5 metres;
Includes	2.794 g/t Au over 9.6 metres from 30.6 metres.

83818	0.303 g/t Au over 287.0 metres from 44.0 metres;
Includes	0.456 g/t Au over 99.9 metres from 155.8 metres; and
	0.379 g/t Au over 47.5 metres from 267.0 metres.

Note: drilled intervals are not representative of true widths.

Glamis Gold (1994-95) optioned the property completing surface prospecting.

Avalon Ventures (1996-98) completed four (4) holes (1,318 metres). One hole, S96-1 targeted the Bench Target, along the western TMIC contact. The remaining holes targeted Timiskaming type conglomerates overlying the TLF to the west of the TMIC.

Significant results include:

S96-1	0.345 g/t Au over 613.5 metres from 115.5 metres;
Includes	0.369 g/t Au over 18.0 metres from 135.0 metres; and
	1.226 g/t Au over 21.0 metres from 166.5 metres; and
	0.511 g/t Au over 27.0 metres from 199.5 metres; and
	0.407 g/t Au over 31.5 metres from 246.0 metres; and
	0.379 g/t Au over 30.0 metres from 387.0 metres; and
	0.333 g/t Au over 54.0 metres from 441.0 metres; and
	0.716 g/t Au over 60.0 metres from 513.0 metres; and
	0.534 g/t Au over 30.0 metres from 627.0 metres; and
	0.416 g/t Au over 24.0 metres from 700.5 metres.

Note: drilled intervals are not representative of true widths.

ValGold Resources (2002-11) completed trenching and drilled 104 holes (23,116 metres) targeting both the UV (2002-2005) and Bench (2007-2011) Targets along the western TMIC contact.

Significant results include:

TM02-03	1.050 g/t Au over 70.5 metres from 165.5 metres.
Includes	1.770 g/t Au over 24.0 metres from 177.5 metres.
TM-03-11	1.270 g/t Au over 40.5 metres from 51.0 metres;
Includes	19.764 g/t Au over 1.5 metres from 66.0 metres.
TM04-03	17.87 g/t Au over 52.5 metres from 31.5 metres;
Includes	588.89 g/t Au over 1.5 metres from 73.5 metres.
TM04-09	1.95 g/t Au over 78.0 metres from 171.0 metres;
Includes	3.406 g/t Au over 19.5 metres from 195.0 metres.
TM04-24	0.93 g/t Au over 88.5 metres from 246.0 metres;
Includes	1.864 g/t Au over 19.5 metres from 304.5 metres.
TM05-44	0.375 g/t Au over 70.5 metres from 78.0 metres.
TM05-49	0.262 g/t Au over 205.5 metres from 55.5 metres.
TM07-55	0.469 g/t Au over 60.0 metres from 62.0 metres; and
	0.689 g/t Au over 15.0 metres from 245.0 metres.
TM11-67	0.620 g/t Au over 102.0 metres from 5.0 metres.
TM11-84	0.91 g/t Au over 52.5 metres from 63.5 metres.

Note: drilled intervals are not representative of true widths.

The Company optioned the Property in 2020 and initiated surface stripping and channel sampling, prospecting geophysical surveys (Induced Polarization – DASVision ™) and diamond drilling. To date, the Company has

completed one-hundred five (105) diamond drill holes totalling 20,043 metres, approximately 90% of which has targeted the UV, Bench, A, Ellen and other Targets parallel to the western TMIC contact.

Significant results include:

TM21-94	1.750 g/t Au over 82.5 metres from 10.0 metres;
Includes	59.90 g/t Au over 1.5 metres from 16.0 metres.
TM21-100	0.685 g/t Au over 177.0 metres from 23.0 metres;
Includes	4.247 g/t Au over 9.0 metres from 24.5 metres; and
	1.345 g/t Au over 16.5 metres from 48.5 metres; and
	2.194 g/t Au over 18.0 metres from 87.5 metres.
TM21-108	1.388 g/t Au over 77.9 metres from 3.7 metres;
Includes	3.947 g/t Au over 23.9 metres from 3.7 metres.
TM21-119	2.233 g/t Au over 40.5 metres from 6.5 metres;
Includes	20.20 g/t Au over 1.5 metres from 18.5 metres.
TM21-120	0.81 g/t Au over 154.5 metres from186.5 metres.
TM22-134	0.451 g/t Au over 318.0 metres from 53.0 metres;
Includes	0.986 g/t Au over 18.0 metres from 129.5 metres; and
	0.733 g/t Au over 60.0 metres from 182.0 metres; and
	0.788 g/t Au over 30.0 metres from 258.5 metres; and
	0.684 g/t Au over 31.5 metres from 31.5 metres.
TM23-137	3.83 g/t Au over 404.7 metres from 3.3 metres;
Includes	35.14 g/t Au over 41..0 metres from 104.5 metres;
Includes	941.0 g/t Au over 1.5 metres from 125.5 metres; and
	0.770 g/t Au over 23.0 metres from 187.5 metres; and
	0.830 g/t Au over 58.0 metres from 300.5 metres.

Note: drilled intervals are not representative of true widths.

In fiscal 2025, the Company established gold mineralization at the P-Target, the first demonstrated sub-surface gold mineralization located along the eastern TMIC contact. To date, twenty-six (26) diamond drill holes totalling 2,294 metres have tested this target which is open to the southeast and down dip.

Significant results include:

TM24-152	1.93 g/t Au over 54.2 metres starting at 0.0 metres;
Includes	3.55 g/t Au over 7.6 metres starting at 16.4 metres.
TM24-153	1.42 g/t Au over 31.6 metres starting at 0.0 metres;
Includes	2.03 g/t Au over 15.0 metres starting at 0.0 metres.
TM24-160	0.93 g/t Au over 41.8 metres starting at 3.0 metres;
Includes	1.10 g/t Au over 16.4 metres from 30.0 metres.

Note: drilled intervals are not representative of true widths.

Fiscal 2026 Exploration Overview

The Company completed 49.7line kilometres of ground magnetic surveys of the northern and eastern TMIC contact. Results indicated little to no difference to the 2012 airborne magnetic survey so the decision was made to terminate ground magnetic surveys of the remainder of the TMIC contact.

The Company expanded soil geochemical sample coverage adding 927 sample stations including initial reconnaissance coverage (200 metre line spacing with 50 metre sample spacing) of the SW, SE and STAR Targets with infill soil geochemical sampling (100 metre line spacing with 25 metre sample spacing) of the H-PAPA-P Target.

Surface prospecting and rock geochemical sampling focused on expanding the A and Ellen Targets. Additional prospecting work evaluated soil geochemical anomalies isolated at the STAR, H-PAPA-P, SE and SW exploration grids.

The Company completed 30 drill holes totalling 6,028 metres of drilling during the fiscal period ending April 30, 2026. Approximately 22% (1,341 metres) of the total metres drilled were completed on the P and H Targets (eastern TMIC contact) and STAR Target (500 metres to the west).

The remaining drilling was completed at the Bench, 3738, Ellen, A and UV Targets, all of which lie within the 2026 Mineral Resource Estimate ("**MRE**") pit limit.

Significant results include:

P-Target	**TM25-170**	0.830 g/t Au over 56.5 metres from 14.0 metres.
	TM25-171	0.470 g/t Au over 64.5 metres from 10.5 metres;
	Includes	0.710 g/t Au over 34.5 metres from 30.0 metres.
A-Target	**TM25-175**	0.750 g/t Au over 34.5 metres from 39.0 metres;
	TM25-176	4.22 g/t Au over 82.5 metres from 10.5 metres;
	Includes	327.0 g/t Au over 1.0 metres from 24.0 metres.
	TM25-190	0.661 g/t Au over 22.5 metres from 7.5 metres.
H-Target	**TM25-182**	0.410 g/t Au over 22.5 metres from 3.0 metres.
3738 Target	**TM25-180**	0.469 g/t Au over 333.0 metres from 15.0 metres;
	Includes	1.269 g/t Au over 24.0 metres from 126 metres; and
		0.745 g/t Au over 100.5 metres from 228.0 metres.
	TM25-181	0.290 g/t Au over 405.0 metres from 16.5 metres;
	Includes	0.684 g/t Au over 40.5 metres from 240.0 metres; and
		0.838 g/t Au over 48.0 metres from 319.5 metres.
	TM25-186	0.450 g/t Au over 239.0 metres from 10.5 metres;
	Includes	1.794 g/t Au over 13.5 metres from 109.5 metres; and
		1.050 g/t Au over 25.5 metres from 184.5 metres; and
		1.109 g/t Au over 20.0 metres from 229.5 metres.
	TM25-187	0.488 g/t Au over 249.0 metres from 42.0 metres;
	Includes	1.018 g/t Au over 24.0 metres from 93.0 metres; and
		1.141 g/t Au over 37.5 metres from 168.0 metres; and
		1.507 g/t Au over 16.5 metres from 264.0 metres.
Bench Target	**TM25-192**	0.311 g/t Au over 249.0 metres from 3.0 metres;
	Includes	0.666 g/t Au over 25.5 metres from 21.0 metres and
		0.641 g/t Au over 12.0 metres from 139.5 metres and
		1.075 g/t Au over 9.0 metres from 175.5 metres.
STAR Target	**TM26-193**	0.364 g/t Au over 73.5 metres from 4.5 metres;
	Includes	0.779 g/t Au over 16.5 metres from 27.0 metres.
	TM26-194	0.513 g/t Au over 35.5 metres from 2.5 metres;
	Includes	0.832 g/t Au over 15.0 metres from 2.5 metres.
UV Target	**TM26-199**	0.220 g/t Au over 208.5.0 metres from 390.0 metres;

Note: drilled intervals are not representative of true widths.

On January 26, 2026, the Company published the MRE for the Property with an effective date of January 19, 2026.

The MRE was completed under the supervision of Micon International Limited (MICON), Toronto, Ontario, Canada. MICON is an independent engineering firm specializing in mineral resource and reserve estimation for a global client pool.

The qualified persons responsible for the MRE disclosed were William J. Lewis, P.Geo., Charley Murahwi, P.Geo., FAusIMM, Tudorel Ciuculescu, P.Geo.and Richard Gowans, P.Eng.

In August 2026, the Company released exploration diamond drill program results from the Bench Target at Tower Mountain with the following highlights:

- Longest continuously mineralized interval reported to date: 661.5 metres averaging 0.554 g/t Au;
- Longest continuous interval greater than 1.0 g/t Au: 24.0 metres averaging 1.815 g/t Au;
- Strong resource expansion relevance: 516.0 metres averaging 0.503 g/t Au inside 2026 Mineral Resource Estimate ("MRE") pit shell;
- Mineralization extends below the current pit shell: 145.5 metres averaging 0.731 g/t Au immediately below MRE pit shell;
- Hole TM26-210 ended in mineralization: Supports the interpreted sub-vertical continuity of the Bench target and indicates the alteration system remains open down-dip.

TM26-210 targeted the interpreted continuation of the 300+ metre wide, sub-vertical zone of brecciated and altered volcanic-intrusive rocks of the Bench Target. The hole followed the eastern edge of the current optimized pit constraining the 2026 MRE, along the 100-metre interpolation limit utilized to estimate inferred resources. The hole lies 100 metres below holes TM21-120 **(399.0 metres averaging 0.458 g/t Au) a**nd TM22-134 (318.0 metres averaging 0.452 g/t Au), both of which terminated prematurely in mineralization. Elevated gold values were intersected 50 metres earlier than anticipated and continued 75 metres past the interpreted lower limit. The hole ended in mineralization suggesting potential to further increase the inferred resource at depth. A summary of significant results for TM26-210 appear in the table below:

Summary of Significant Results – TM26-210

Hole ID	From (metres)	To (metres)	Interval (metres)	Au (g/t)	Metal Factor (Au g x metres)	True Width (metres)
TM26-210	0.00	6.00	OVERBURDEN			
and	6.00	25.50	19.50	0.047	0.9	UNKNOWN
and	25.50	28.50	3.00	0.414	1.2	UNKNOWN
and	28.50	88.50	60.00	0.059	3.5	UNKNOWN
and	88.50	750.00	661.50	0.554	366.5	375.0
including	88.50	109.50	21.00	0.136	2.9	11.9
including	109.50	111.00	1.50	6.740	10.1	0.9
and	111.00	126.00	15.00	0.120	1.8	8.5
and	126.00	129.00	3.00	0.482	1.4	1.7
and	129.00	156.00	27.00	0.071	1.9	UNKNOWN
and	156.00	171.00	15.00	0.182	2.7	8.5
and	171.00	172.50	1.50	13.200	19.8	0.9
and	172.50	189.00	16.50	0.247	4.1	9.4
and	189.00	196.50	7.50	0.062	0.5	UNKNOWN
and	196.50	211.50	15.00	1.650	24.8	8.5
including	204.00	205.50	1.50	7.090	10.6	0.9
and	211.50	288.00	76.50	0.110	8.4	43.4
and	288.00	333.00	45.00	0.211	9.5	25.5
and	333.00	337.50	4.50	1.370	6.2	2.6
and	337.50	430.50	93.00	0.326	30.3	52.7
and	430.50	448.50	18.00	2.327	41.9	10.2
including	432.00	433.50	1.50	17.200	25.8	0.9
and	448.50	504.00	55.50	0.409	22.7	31.5
and	504.00	517.50	13.50	1.070	14.4	7.7
and	517.50	525.00	7.50	0.276	2.1	4.3
and	525.00	552.00	27.00	1.117	30.2	15.3
and	552.00	600.00	48.00	0.262	12.6	27.2
and	600.00	604.50	4.50	1.185	5.3	2.6
MRE OPTIMIZED PIT BOTTOM						
and	**604.50**	619.50	15.00	0.287	4.3	8.5
and	**619.50**	678.00	58.50	1.397	81.7	33.2
including	**622.50**	676.50	54.00	1.454	78.5	30.6
including	**631.50**	655.50	24.00	1.815	43.6	13.6
and	**678.00**	691.50	13.50	0.211	2.8	7.7
and	**691.50**	720.00	28.50	0.441	12.6	16.2
and	**720.00**	733.50	13.50	0.210	2.8	7.7
and	**733.50**	745.50	12.00	0.044	0.5	UNKNOWN
and	**745.50**	750.00	4.50	0.323	1.5	2.6

Note: drilled intervals are not representative of true widths.

Mineral Resource Estimate

The gold mineralization model at Tower Mountain is manifested as the upper expression of an Intrusion Related Gold Deposit ("IRGD"). The MRE which has been prepared by MICON , focuses on the UV, Bench, Ellen, A, 110, and 3738 targets, arrayed along the western contact of the TMIC, representing only about 20% of the total circular distance/length surrounding the TMIC. The project database contained information from 230 diamond drill holes and 30 channel samples. The MRE has an effective date of January 19, 2026. Table 1 summarizes the MRE.

Table 1. Tower Mountain Mineral Resource Estimate - January 19, 2026

Category	Tonnage (Mt)	Grade (g/t Au)	Contained Metal ('000 oz gold)
Indicated	34.5	0.46	514
Inferred	211.1	0.45	3,053

Notes:

1. The effective date of this MRE is January 19, 2026.
2. Messrs. William Lewis, P.Geo., Charley Murahwi, P.Geo., FAusIMM, and Tudorel Ciuculescu, P.Geo. from Micon International Limited are the Qualified Persons (QPs) responsible for this MRE.
3. The MRE has been classified in the Indicated and Inferred categories. At this time, there are no Measured resources at the Tower Mountain Project.
4. The calculated gold cut-off grade is 0.19 g/t Au.
5. An average specific gravity (SG) value of 2.77 g/cm3 was used.
6. The MRE used economic assumptions for open pit mining. The following economic parameters were used for generating the cut-off grade: a gold price of US$3,000/oz, 80% recovery, open pit mining cost of US$3.0/t, processing costs of US$8.0/t, general and administration cost of US$3.5/t, transportation cost of US$2.5/oz of gold, and a royalty of 3%.
7. The open pit used slope angles of 30° in overburden and 50° in fresh rock.
8. The block model is orthogonal and has a parent block size of 5 m x 5 m x 5 m, with minimum sub-block size of 2.5 m x 2.5 m x 2.5 m.
9. The open pit optimization used a re-blocked size of 10 m x 10 m x 10 m.
10. The mineral resources described above have been prepared in accordance with the current Canadian Institute of Mining, Metallurgy and Petroleum Standards and Practices.
11. Numbers have been rounded to the nearest million tonnes and nearest thousand ounces. Differences may occur in totals due to rounding.
12. Mineral Resources are not Mineral Reserves as they do not have demonstrated economic viability. The quantity and grade of reported Inferred Mineral Resources are uncertain in nature and there has been insufficient exploration; however, it is reasonably expected that a significant portion of Inferred Mineral Resources could be upgraded into Indicated Mineral Resources with further exploration.
13. Micon QPs have not identified any legal, political, environmental, or other relevant factors that could materially affect the potential development of the mineral resources and of the estimate.

Seequent's Leapfrog Geo/EDGE software was used to build the block model supporting the estimate. Gold assays show a natural break differentiating anomalous from background values at a threshold value of 0.1 g/t Au; hence no wireframe was used to constrain the mineralization. Assay results were composited in 3 m-long intervals, with intervals shorter than 1 m being added to the previous composite. The gold grade was estimated in a single pass. The inverse distance cubed (ID3) interpolation method was used, with a spherical search of 100 m radius. Additional estimation methods (Ordinary Kriging and Nearest Neighbour) were used for validation purposes.

MICON classified mineral resources in the Indicated and Inferred categories. For Indicated category, blocks within a nominal distance of 30 m away from a drill hole and informed by at least two drill holes were initially selected, then a wireframe was built around the target blocks to ensure continuity of the selected volume. The remaining estimated blocks were classified as Inferred.

A pit optimization algorithm was used to define a constraining resource shell for Tower Mountain. The MRE was constrained with a resource shell corresponding to a price of $3,000/oz gold. A cut-off grade of 0.19 g/t Au was applied for reporting mineral resources.

The pit constraining the MRE does not impact any existing or planned public infrastructure. Figure 3 shows the outline of the ultimate pit with diamond drill hole locations shown within the existing claim boundaries and infrastructure.

Figure 3. 2026 Ultimate Pit, Existing Infrastructure and Diamond Drill Locations (Thunder Gold, 2026).

Goals-Objectives - Fiscal 2026

Management successfully completed all the goals and objectives for the fiscal period.

- Expand the P-Target down plunge through wide spaced (100 metre) drill sections (COMPLETED);
- Evaluate gaps in the drill coverage along the western intrusive contact, specifically at the A, Bench and UV Targets where significant resource addition is possible through selective drill targeting. (COMPLETED);
- Drill test at least two of the gold in soil targets identified in 2024 (COMPLETED);
- Expand the soil geochemistry coverage to 7—75% of the total property area, especially along the NE trending Thunder Lake Fault (COMPLETED);
- Continue to evaluate opportunities to increase the mineral tenure through strategic acquisition (COMPLETED); and

- Continue to reduce exploration cost and ensure that the 66% exploration funding commitment remains unchanged (COMPLETED).

Goals-Objectives - Fiscal 2027

- 7,500 metres of exploration drilling;
- 7,500 metres of resource definition drilling;
- Conversion of 50% of the currently defined Inferred resource to the Indicated classification;
- Replacement of the converted Inferred resources;
- Advanced metallurgical test work including gravity and floatation tests.
- Design criteria for environmental, cultural and archaeological baseline studies;
- Updated MRE targeted for December 2026.
- Initial Scoping Study in Q2, 2027.

Other Properties – Joint Ventures

The Company retains residual interests in certain other early-stage mineral property interests as detailed in Table 2 below. Readers are encouraged to visit https://www.thundergoldcorp.com/ for more detailed information about these projects.

Table 2 – Other Properties held by Thunder Gold

Project Name	Mineral(s) Sought	Location	Status	Partner	Ownership (Retained)
Okohongo	Copper, Silver	Namibia	Optioned	Himba	100% subject to underlying 1% NSR and US$1.0M Convertible Note
Far Lake	Copper, Silver	Ontario	Joint Venture	Benton Resources	(40%)
Iris Lake/Vanguard	Gold, Silver, Copper and Zinc	Ontario	Optioned	Goldshore Resources Corp	(25%)

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements.

Contractual Obligations

The Company has commitments as described in Note 6 of the July 31, 2026 condensed consolidated interim financial statements with respect to certain agreements on its mineral property interests.

In January 2026, the Company entered into a services agreement with Atrium Research Corporation ("Atrium"), a Toronto-based research firm, whereby Atrium will publish various research reports on the Company based on publicly available information, industry data, and discussions with management. Atrium will also host two recorded interviews with the Company's management team to present the investment case in an interview format. In exchange for its research services. Under the terms of the agreement, Atrium will receive compensation of $12,000 per quarter. The agreement was for an initial term 12 months commencing February 1, 2026.

Commencing in August 2025, the Company entered into an agreement with Alliance Advisors Investor Relations ("Alliance") to provide investor relations and communications services on behalf of the Company. The engagement is for an initial period of three months for a total fee of $22,500 expiring on November 15, 2025.

Alliance will maintain an arm's length relationship with the Company and no securities will be issued as compensation.

In March 2025, the Company entered into a market making services agreement with Independent Trading Group ("ITG"), a Toronto-based CIRO dealer-member that specializes in market making, liquidity provision, agency execution, ultra-low latency connectivity, and bespoke algorithmic trading solutions. Under the terms of the agreement, ITG will receive compensation of $5,000 per month. The agreement was for an initial term of one month and renews for additional one-month terms unless terminated by either party with 30 days notice. There are no performance factors contained in the agreement, and ITG will not receive shares or options as compensation.

During the year ended April 30, 2025, the Company engaged Altitude Capital Consultants Inc. to provide advisory services with respect to the Company's capital markets development strategy and general business advisory services.

Related Party Transactions

Key management personnel compensation:

	July 31, 2026	July 31, 2025
	$	$
Salaries and benefits	62,567	62,500
Director fees	16,000	-
Share–based payments	62,046	-
Consulting fees	27,500	27,500
Total key management personnel compensation	168,113	90,000

All transactions with related parties have occurred in the normal course of operations and management represents that they have occurred on a basis consistent with those involving unrelated parties, and accordingly that they are measured at fair value. Details of the balances in the table above are more fully described below.

During the three-month period ended July 31, 2026, Wesley Hanson, President and CEO of the Company, earned $62,567 in salary and statutory benefits (July 31, 2025 –$62,500).

During the three-month period ended July 31, 2026, 2803923 Ontario Inc., a company controlled by David Speck, billed the Company $27,500 plus HST (July 31, 2025 – $27,500) for corporate development consulting services and services related his role as CFO for the Company. In addition, Mr. Speck was reimbursed during the year ended April 30, 2026 for corporate incidental expenses totaling $70.

Included in accounts payable and accrued liabilities at July 31, 2026 are $10,000 in unpaid director fees (July 31, 2025 – nil) that were settled in the subsequent period.

Subsequent Events

The following occurred subsequent to the period ended July 31, 2026:

- 1,990,000 warrants with an expiry date of December 27, 2026 and an exercise price of $0.10 were exercised for gross proceeds of $199,000.
- 2,349,165 warrants with an expiry date of June 19, 2027 and an exercise price of $0.10 were exercised for gross proceeds of $234,917.
- 3,130,000 warrants with an expiry date of August 30, 2027 and an exercise price of $0.10 were exercised for gross proceeds of $313,000.

Current and Future Changes in Accounting Policy Including Initial Adoption of International Financial Reporting Standards ("IFRS")

Statement of Compliance

The condensed consolidated interim financial statements, including comparatives for the three-month period ended July 31, 2026, have been prepared using accounting policies in compliance with IFRS as issued by the International Accounting Standards Board ("IASB").

New standards, amendments and interpretations to existing standards not adopted by the Company

The following new standards and interpretations have been issued by the IASB, but are not yet effective and have not been applied in preparing these financial statements. The Company will adopt as applicable the amendments on their effective dates.

IFRS 18 Presentation and Disclosure in Financial Statements - In April 2024, the IASB issued IFRS 18, Presentation and Disclosure in the Financial Statements. IFRS 18 will replace IAS 1 Presentation of Financial Statements but carries forward many of the requirements from IAS 1. The standard introduces new defined subtotals to be presented in the Company's statement of loss and comprehensive loss, disclosure of any management-defined performance measures related to the statement of loss and comprehensive loss and requirements for grouping of information. IFRS 18 is effective for annual periods beginning on or after January 1, 2027, with earlier adoption permitted, and will apply retrospectively. The Company is currently in the process of assessing the impact of IFRS 18 (and applicable amendments to other standards) on the financial statements and notes to the financial statements.

IFRS 9 and IFRS 7 Classification and Measurement of Financial Instruments - In May 2024, the IASB issued Amendments to the Classification and Measurement of Financial Instruments. The amendments clarify that a financial liability is derecognized on the settlement date and introduce an accounting policy choice to derecognize a financial liability settled using an electronic payment system before the settlement date. Other clarifications include guidance on the classification of financial assets with ESG-linked features, non-recourse loans and contractually linked instruments. The amendments are effective for annual periods beginning on or after January 1, 2026. Early adoption is permitted, with an option to early adopt only the amendments to the classification of financial assets (for contingent features). The Company is currently in the process of assessing the impact of the amendments on the financial statements and notes to the financial statements.

Risk Management

The Company's financial instruments are comprised of cash and cash equivalents, receivables, investments and accounts payable and accrued liabilities.

The Company's financial instruments are exposed to certain risks, including credit risk, liquidity risk, interest rate risk and market risk.

Credit risk

Counterparty credit risk is the risk that the financial benefits of contracts with a specific counterparty will be lost if a counterparty defaults on its obligations under the contract. This includes any cash amounts owed to the Company by those counterparties, less any amounts owed to the counterparty by the Company where a legal right of offset exists and also includes the fair values of contracts with individual counterparties which are recorded in the consolidated financial statements.

i. *Trade credit risk*

The Company is in the exploration stage and has not yet commenced commercial production or sales. Therefore, the Company is not exposed to significant credit risk and overall the Company's credit risk has not changed significantly from the prior year.

ii. *Cash and cash equivalents*

In order to manage credit and liquidity risk the Company's cash and short-term investments are held through large Canadian Financial Institutions.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet is financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure. The Company monitors and reviews current and future cash requirements and matches the maturity profile of financial assets and liabilities.

Accounts payable and accrued liabilities are due within the current operating year.

Interest Rate Risk

The Company's interest revenue earned on cash and or short-term investments is exposed to interest rate risk. The Company does not enter into derivative contracts to manage this risk. The Company's exposure to interest rate risk is very low as the Company's short-term investments are either fully liquid or bear short, staggered maturity dates to mitigate the risk of fluctuating interest rates.

The Company limits its exposure to interest rate risk as it invests only in short-term investments at major Canadian Financial Institutions.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices and is comprised of currency risk, interest rate risk, and other price risk. The Company currently does not have any financial instruments that would be impacted by changes in market prices.

Other MD&A Requirements

Additional Disclosure for Venture Issuers without Significant Revenues:

As of July 31, 2026, the Company has incurred and capitalized $11,586,730 (April 30, 2026 - $9,868,037) as exploration and evaluation assets since inception of the Company, net of write-downs, recoveries and dispositions.

Outstanding Share Data

At the date of this management's discussion and analysis, there are 326,631,286 common shares outstanding as well as: (a) stock options to purchase an aggregate of 23,550,000 common shares expiring between November 9, 2026 and August 9, 2029 and exercisable between $0.05 and $0.15 per share; and (b) share purchase warrants to purchase an aggregate of 72,275,127 common shares expiring between December 27, 2026 and September 17, 2027, exercisable at $0.06 to $0.15. For additional details of share data, please refer to Note 8 of the July 31, 2026 condensed consolidated interim financial statements.

The Company is authorized to issue an unlimited number of voting shares and an unlimited number of preferred shares issuable in series.

On June 27, 2025, the Company completed a non-brokered private placement of both flow-through and non-flow-through units for gross proceeds of $1,600,000. Pursuant to the private placement, the Company issued 12,857,143 flow-through units at a price of $0.07 per unit, each flow-through unit consisting of one common share and one-half of one warrant, each whole warrant entitling the holder to acquire a common share of the Company at a price of $0.10 for a period of 18 months from the date of issuance, subject to an accelerated expiry date at the option of the Company in the event the 20 day volume-weighted average price of the common shares of the Company trade on the TSX-V for any 20 consecutive trading days is $0.20 or more. Additionally the Company issued 11,666,667 non-flow-through units at a price of $0.06 per non-flow-through unit, with each non-flow-through unit consisting of one common share and one warrant, each warrant entitling the holder to acquire a common share of the Company at a price of $0.10 for a period of 18 months from the date of issuance, subject to the same acceleration clause detailed above.

On December 19, 2025, the Company completed a non-brokered private placement of non-flow-through units for gross proceeds of $2,150,000. Pursuant to the private placement, the Company issued 28,666,666 flow-through units at a price of $0.075 per unit, each flow-through unit consisting of one common share and one-half of one warrant, each whole warrant entitling the holder to acquire a common share of the Company at a price of $0.10 for a period of 18 months until June 19, 2027. The Company paid cash commissions totaling $37,905 in connection with the private placement.

On March 9, 2026, the Company issued 700,000 shares valued at $0.10 pursuant to the exercise of warrants.

On March 17, 2026, the Company completed a non-brokered private placement of units for gross proceeds of $2,500,000. Pursuant to the private placement, the Company issued 25,000,000 units at a price of $0.10 per unit, each unit consisting of one common share and one-half of one warrant, each whole warrant entitling the holder to acquire a common share of the Company at a price of $0.15 until September 17, 2027. In connection with the private placement, the Company paid $75,000 in cash commissions and issued 750,000 finders' warrants exercisable at $0.15 until September 17, 2027.

On March 18, 2026, the Company issued 100,000 shares valued at $0.10 pursuant to the exercise of warrants.

On April 15, 2026, the Company issued 100,000 shares valued at $0.10 pursuant to the exercise of warrants.

On April 30, 2026, the Company issued 200,000 shares valued at $0.105 pursuant to the acquisition of the Electra Nickel property.

On May 7, 2026, the Company issued 700,000 shares valued at $0.11 pursuant to the acquisition of the Kons Patent.

On June 15, 2026, the Company issued 433,333 shares valued at $0.10 pursuant to the exercise of warrants.

On June 25, 2026, the Company issued 750,000 shares valued at $0.10 pursuant to the exercise of warrants.

On July 22, 2026, the Company issued 2,850,000 shares valued at $0.10 pursuant to the exercise of warrants.

On July 23, 2026, the Company issued 4,379,165 shares valued at $0.10 and 1,041,665 shares valued at $0.06 pursuant to the exercise of warrants.

On July 24, 2026, the Company issued 2,249,998 shares valued at $0.10 pursuant to the exercise of warrants.

Dividend Policy

No dividends have been paid on any shares of the Company since the date of incorporation, and it is not contemplated that any dividends will be paid in the immediate or foreseeable future.

Legal Proceedings

To the knowledge of the Company, there are no actual or pending legal proceedings to which the Company is or is likely to be a party or of which any of its assets are likely to be subject.

Indebtedness of Directors, Officers, Promoters and Others

No director, officer, or promoter or other member of management of the Company, or any Associate or Affiliate of any such person, is or has been indebted to the Company.

Conflicts of Interest

There are potential conflicts of interest to which the directors and officers of the Company will be subject in connection with the operations of the Company. Some of the directors and officers have been and will continue to be engaged in the identification and evaluation, with a view to potential acquisition of interests in businesses and corporations on their own behalf and on behalf of other corporations, and situation may arise where the directors and officers will be in direct competition with the Company. Conflicts, if any, will be subject to the procedures and remedies under the British Columbia Business Corporations Act.

Risk Factors

Mining Industry

The exploration for and development of mineral deposits involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Major expenses may be required to establish ore reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the current exploration programs planned by the Applicant will result in a profitable commercial mining operation.

Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are the particular attributes of the deposit, such as size, grade and proximity to infrastructure, as well as metal prices which are highly cyclical and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Applicant not receiving an adequate return on invested capital.

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

The Applicant's mineral exploration activities are directed towards the search, evaluation and development of mineral deposits. There is no certainty that the expenditures to be made by the Applicant as described herein will result in discoveries of commercial quantities of ore. There is aggressive competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. The Applicant will compete with other interests, many of which have greater financial resources than it will have for the opportunity to participate in promising projects. Significant capital investment is required to achieve commercial production from successful exploration efforts.

Government Regulation

The exploration activities of the Applicant are subject to various federal, provincial and local laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substance and other matters. Exploration activities are also subject to various federal, provincial and local laws and regulations relating to the protection of the environment. These laws mandate, among other things, the maintenance of air and water quality standards, and land reclamation. These laws also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Although the Applicant's exploration activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development. Amendments to current laws and regulations governing operations and activities of exploration, mining and milling or more stringent implementation thereof could have a substantial adverse impact on the Applicant.

Permits and Licenses

The exploitation and development of mineral properties may require the Applicant to obtain regulatory or other permits and licenses from various governmental licensing bodies. There can be no assurance that the Applicant will be able to obtain all necessary permits and licenses that may be required to carry out exploration, development and mining operations on its properties.

Environmental Risks and Hazards

All phases of the Applicant's mineral exploration operations are subject to environmental regulation in the various jurisdictions in which it operates. 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 Applicant's operations. Environmental hazards may exist on the properties on which the Applicant holds interests which are unknown to the Applicant at present, which have been caused, by previous or existing owners or operators of the properties. The Applicant may become liable for such environmental hazards caused by previous owners and operators of the properties even where it has attempted to contractually limit its liability.

Government approvals and permits are currently, and may in the future be, required in connection with the Applicant's operations. To the extent such approvals are required and not obtained; the Applicant may be curtailed or prohibited from proceeding with planned exploration or development of mineral properties.

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

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Applicant and cause increases in exploration expenses, capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.
Production of mineral properties may involve the use of dangerous and hazardous substances such as sodium cyanide. While all steps will be taken to prevent discharges of pollutants into the ground water the environment, the Applicant may become subject to liability for hazards that cannot be insured against.

Commodity Prices

The profitability of mining operations is significantly affected by changes in the market price of gold and other minerals. The level of interest rates, the rate of inflation, world supply of these minerals and stability of exchange rates can all cause significant fluctuations in base metal prices. Such external economic factors are in turn influenced by changes in international investment patterns and monetary systems and political developments. The price of gold and other minerals has fluctuated widely in recent years, and future serious price declines could cause continued commercial production to be impracticable. Depending on the price of gold and other minerals, cash flow from mining operations may not be sufficient. Any figures for reserves presented by the Applicant will be estimates and no assurance can be given that the anticipated tonnages and grades will be achieved or that the indicated level of recovery will be realized. Market fluctuations and the price of gold and other minerals may render reserves uneconomical. Moreover, short-term operating factors relating to the reserves, such as the need for orderly development of the ore bodies or the processing of new or different grades of ore, may cause a mining operation to be unprofitable in any particular accounting period.

Uninsured Risks

The Applicant carries insurance to protect against certain risks in such amounts as it considers adequate. Risks not insured against include environmental pollution or other hazards against which such corporations cannot insure or against which they may elect not to insure.

Conflicts of Interest

Certain of the directors of the Applicant also serve as directors and/or officers of other companies involved in natural resource exploration and development. Consequently, there exists the possibility for such directors to be in a position of conflict. Any decision made by such directors involving the Applicant will be made in accordance with their duties and obligations to deal fairly and in good faith with the Applicant 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.

Land Title

Although the Applicant has obtained title opinions with respect to certain of its properties, there may still be undetected title defects affecting such properties. Accordingly, such properties may be subject to prior unregistered liens, agreements, transfers or claims, and title may be affected by, among other things, undetected defects which could have a material adverse impact on the Applicant's operations.

Aboriginal Land Claims

No assurance can be given that aboriginal land claims will not be asserted in the future in which event the Company's operations and title to its properties may potentially be seriously adversely affected.

Auditors, Transfer Agents and Investor Relations

The auditor of the Company is Kreston GTA LLP of Markham, Ontario.

The Transfer Agent and Registrar for the Common Shares of the Company is Computershare of Vancouver, British Columbia.

Investor relations duties are carried out by directors, officers, and employees of the Company.

Commitments and Contingencies

Except as otherwise discussed, the Company is in compliance with commitments required by contractual obligations in the normal course of business.

Forward Looking Statements

This management discussion and analysis contains certain forward-looking statements relating but not limited to the Company's expectations, intentions, plans and beliefs. Forward-looking information can often be identified by forward-looking words such as "anticipate", "believe", "expect", "goal", "plan", "intend", "estimate", "may", and "will" or similar words suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. Forward-looking information may include reserve and resource estimates, estimates of future production, unit costs, costs of capital projects and timing of commencement of operations, and is based on current expectations that involve a number of business risks and uncertainties. Factors that could cause actual results to differ materially from any forward-looking statement include, but are not limited to, failure to establish estimated resources and reserves, the grade and recovery of ore which is mined varying from estimates, capital and operating costs varying significantly from estimates, delays in obtaining or failures to obtain required governmental, environmental or other project approvals, inflation, changes in exchange rates, fluctuations in commodity prices, delays in the development of projects and other factors. Forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from expected results.

Potential shareholders and prospective investors should be aware that these statements are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. Shareholders are cautioned not to place undue reliance on forward-looking information. By its nature, forward-looking information involves numerous assumptions, inherent risks and uncertainties, both general and specific that contributes to the possibility that the predictions, forecasts, projections, and various future events will not occur. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking information whether as a result of new information, future events or other such factors which affect this information, except as required by law.