



This Management Discussion and Analysis ("MD&A") should be read in conjunction with the financial statements of Klondike Gold Corp. ("Klondike Gold" or the "Company") for the three months ended May 31, 2025, and 2024. This MD&A has been prepared as at July 29, 2025. All amounts are expressed in Canadian dollars unless otherwise stated.

The Company's financial statements have been prepared on a going concern basis, which presume the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future. The Company's ability to continue as a going concern is dependent upon achieving profitable operations and upon obtaining additional financing. While the Company is extending its best efforts in this regard, the outcome of these matters cannot be predicted at this time. The financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations for the foreseeable future. These adjustments could be material.

This MD&A includes some statements that may be considered "forward-looking statements". All statements in this discussion that address the Company's expectations about future exploration and development are forward-looking statements. Although the Company believes the expectations presented in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploration successes, availability of capital and financing, and general economic, market, and business conditions. Readers are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements.

The technical and scientific information contained within the MD&A has been reviewed and approved by Peter Tallman, P.Geo., President and CEO of the Company and Qualified Person as defined by National Instrument 43-101 policy ("NI 43-101").

Additional information relating to the Company can be found on SEDAR+ at www.sedarplus.ca and also on the Company's website at www.klondikegoldcorp.com.

CORPORATE INFORMATION

Klondike Gold is a Canadian listed public company with its shares traded on the TSX Venture Exchange under the symbol "KG".

The Company is a resource exploration stage company engaged in the acquisition and exploration of mineral properties in the Yukon Territory ("Yukon"). The Company holds offices in Vancouver, British Columbia, and Dawson City, Yukon. The head office is located at Suite 3123 – 595 Burrard Street, Vancouver, British Columbia, V7X 1J1 and the Company's registered and records office is located at Suite 2500 – 700 West Georgia Street, Vancouver, British Columbia, V6Y 1B3.



The Company is focused on exploration and development of its Yukon gold projects covering 729 square kilometers of hard rock and 24 square kilometers of placer claims located approximately 20 km south of Dawson City, Yukon. The Yukon gold projects are accessible by government maintained roads 20 km south of Dawson City, Yukon within the Tr'ondëk Hwëch'in First Nation traditional territory.

On December 16, 2022, the Company filed a Technical Report dated with an effective date of November 10, 2022, entitled "NI 43-101 Technical Report on the Klondike District Gold Project, Yukon Territory, Canada". The Technical Report was prepared in accordance with NI 43-101 and is available for review under the Company's profile on SEDAR+ at www.sedarplus.ca and on the Company's website at www.klondikegoldcorp.com.

In May 2024, the Company completed its non-brokered private placement raising \$970,737.

In September 2024 the Company completed its non-brokered private placement raising \$409,000, of which \$278,500 was comprised of flow-through funds.

In December 2024, the Company completed its non-brokered private placement raising \$508,509, of which \$208,509 was comprised of flow-through funds.

In February 2025, the Company announced the appointment of Dr. M. Stephen Enders to its Advisory Board. Dr. Enders brings over 45 years of experience in the mining industry, with a distinguished career in mineral exploration and development. He has held senior leadership positions with several major mining companies, including serving as Senior Vice President of Exploration for Newmont Mining Corporation. Dr. Enders is recognized for his expertise in geology, resource assessment, and project management, having been instrumental in the discovery and advancement of significant mineral deposits globally.

In March 2025, the Company entered into a mining lease and option to purchase agreement with Armstrong Mining Corp. ("Armstrong"), granting to Armstrong a six-year lease with the option to purchase 100% of the Montana Creek (surface gravel alluvial gold) placer property (the "Montana Creek Placer Property") comprised of 239 placer claims covering 13.4 square kilometers located near Dawson City, Yukon (the "Agreement").

In April 2025, the Company completed its non-brokered private placement raising gross proceeds of \$1,518,340, of which \$185,020 was comprised of flow-through funds.

DESCRIPTION OF PROPERTIES

The Company holds one large contiguous district-spanning property in the Yukon, plus three placer gold properties overlapping parts of the same area.

YUKON PROPERTIES

The Yukon properties consist of the Klondike District Project and the Klondike Placer Gold Property. In late 2020 the Company expanded the Klondike Placer Gold Property holdings by staking eight new placer claims, adding 29.6 hectares to the 'Eldorado Creek Bench' Property and locating eight new placer exploration leases for 458

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hectares named 'Upper Eldorado Creek Leases' Property. The exploration leases have been converted to placer claims reflected in the following summary table. These acquisitions adjoin the Company's existing placer properties in the Eldorado Creek area and create one large connected block.

Ownership	Property	Property Type	Number of Claims	Area (sq. km)	Royalty
Klondike Gold	Klondike District	Claims	1811	333.2	
Klondike Gold	Klondike District	Crown Grants	14	2	
Klondike Gold	Klondike District	Claims-Gimlex	1230	244.2	2%
Klondike Gold	Klondike District	Claims-Burkhard	6	1.2	2%
Klondike Gold	Klondike District	Claims-Sophie	31	5.3	1%
Klondike Gold	Klondike District	Claims-Sulphur	543	112.6	3%
Klondike Gold	Klondike District	Claims-Quartz	146	30.3	3%
TOTAL CLAIMS			3767	728.8	
Klondike Gold	Placer	Montana Creek	239	13.4	5%
Klondike Gold	Placer	Upper Eldorado Creek	53	3.2	
Klondike Gold	Placer	Eldorado Creek Bench	69	2.8	
Klondike Gold	Placer	Upper Eldorado Creek Bench	92	4.4	
TOTAL PLACER			453	23.8	

Klondike District Project

The Klondike District Project is comprised of 729 square kilometers of contiguous quartz claims which overlie and span the Klondike District, historically regarded as the 'Klondike Gold Rush' region which has produced an estimated 20 million ounces of gold from surface alluvial creek gravels since 1896. The table above reflects the combined district holdings, both quartz and placer, and is differentiated by whether or not the claim holding is encumbered by a royalty payable. Quartz claims will remain in good standing through 2027 to 2038 without further expenditure. Through systematic exploration since 2015, the Company has focused on significant prospective areas by drilling at the Lone Star Zone, the Stander Zone, and the Gay Gulch, Dominion and Gold Run showings among others that remain to be tested.

In November 2022, the Company published a Mineral Resource Estimate ("MRE") for the Lone Star and Stander Deposits, the first-ever bedrock gold MRE in the 125-year history of alluvial gold mining in the Klondike goldfields and a major exploration milestone many decades overdue from a historical perspective.

The near-surface MRE at Lone Star comprises a total Indicated Mineral Resource of **403,857** ounces of gold at average grade of 0.64 g/t Au and a total Inferred Mineral Resource of **99,562** ounces of gold at average grade of 0.50 g/t Au at a 0.2 g/t Au grade cut-off. The near-surface MRE at Stander comprises a total Indicated Mineral Resource of **65,044** ounces of gold at average grade of 0.99 g/t Au and a total Inferred Mineral Resource of **12,397** ounces of gold at average grade of 1.27 g/t Au at a 0.2 g/t Au grade cut-off. The MRE is based upon drilling results from 2015 through 2021 field seasons. The pit-constrained MRE is summarized below and shown in Figure 1.



Pit-Constrained MRE at a 0.2 g/t Au Cut-Off – Effective November 10, 2022 – Lone Star and Stander Deposits:

Classification	Deposit	Tonnage Tonnes	Average Au Grade g/t	Au Content oz.
Indicated	Lone Star	19,535,528	0.643	403,857
	Stander	2,049,741	0.987	65,044
	Total	21,585,269	0.676	468,901
Inferred	Lone Star	6,156,522	0.503	99,562
	Stander	304,821	1.265	12,397
	Total	6,461,343	0.539	111,959

Notes:

1. The effective date for the MRE is November 10, 2022. The MRE for the Klondike District Property was prepared by Marc Jutras, P.Eng., M.A.Sc., Principal, Ginto Consulting Inc., an independent Qualified Person in accordance with the requirements of NI 43-101. The technical report supporting the MRE entitled "NI 43-101 Technical Report on the Klondike District Gold Project, Yukon Territory, Canada" has been filed on SEDAR+ at www.sedarplus.ca effective November 10, 2022. Refer to news release of December 16, 2022.
2. Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues.
3. The Canadian Institute of Mining Metallurgy and Petroleum (CIM) definitions were followed for classification of Mineral Resources. The quantity and grade of reported inferred Mineral Resources in this estimation are uncertain in nature and there has been insufficient exploration to define these inferred Mineral Resources as an indicated Mineral Resource and it is uncertain if further exploration will result in upgrading them to an indicated or measured Mineral Resource category.
4. Mineral Resources are reported at a cut-off grade of 0.2 g/t Au, using a gold price of US\$1,700/ounces and a CAD/USD exchange rate of 0.75.



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and independent 'world expert' advisors continue to affirm multiple local sources of potential world class bedrock gold mineralization which explain placer deposits exploited historically within the Klondike District.

The Company's exploration of the Klondike District Project supports an orogenic gold deposit model of mineralization. Preliminary work suggests gold in the Klondike District is gravity recoverable, precluding the use of cyanide. This contrasts with other gold projects in Yukon requiring cyanide liberation. Gold mineralization in proximity to the Klondike District includes the nearby Golden Saddle deposit discovered by Underworld Resources Inc. which was acquired by Kinross Gold Corp. in 2011 for \$140 million, and the Coffee Gold Project deposit ("Coffee Project") discovered by Kaminak Gold Corp. ("Kaminak") which was acquired by Goldcorp Inc. ("Goldcorp") in 2016 for \$520 million. The Goldcorp acquisition of Kaminak for the Coffee Project and subsequent work to place the Coffee Project into commercial production has renewed interest in the gold potential of the region, as have exploration joint ventures or equity investments by Newmont Corporation, Barrick Gold Corporation, Agnico Eagle Mines Limited, Coeur Mining, Inc. and others with nearby junior explorers. In April 2019 Newmont Mining Corporation acquired Goldcorp Inc. for \$10 billion giving rise to Newmont Goldcorp Corporation, renamed 'Newmont Corporation' in early 2020 ("Newmont"), the world's largest gold producer by market value, output and reserves.

Within the Company's Klondike District Project, the "Stander Zone" name replaces the former "Nugget Zone" moniker. The zone name honors Anton Stander, the first discoverer of placer gold on Eldorado Creek in August 1896, two weeks following the discovery of placer gold on Bonanza Creek. Ultimately, Eldorado Creek became the richest creek of the 'Klondike gold rush'. One major bedrock source of Eldorado Creek placer gold is from coarse gold-bearing quartz veins considered to originate in the Stander Zone.

Regional Setting and Infrastructure

In September 2017, the Yukon government and the federal government announced \$360 million in combined federal and territorial funding to improve road access in two mineral-rich areas: the Dawson Range in central Yukon and the Nahanni Range Road in southeastern Yukon. The Dawson Range project includes the network of all resource access roads within the Company's Klondike District Project. This multi-year construction to upgrade roads through the Dawson Range project began in 2020 and has been expanded through 2024 to upgrade the main route including bridges along the North Klondike Highway. Completed upgrades all exhibit improved road durability and stability and has so far resulted in greater road safety and improved haulage capacity. These upgrades significantly improve the Company's transportation network and access, ultimately reducing operating costs.

Additionally, Newmont's Coffee Project planned access road route transects the middle of the Company's Klondike District Project. Some initial roadwork has been completed and substantial upgrades are planned for this road in conjunction with Coffee Project mine pre-construction. Permitting and engineering studies are underway. In 2024, Newmont placed the Coffee Project on a list of non-core assets listed for sale.

In 2018, the Yukon government funded a project to upgrade the Dawson airport from gravel to a paved runway, and to construct an all-weather airport maintenance facility. This significant airport upgrade work sufficient to accommodate 737 passenger jet service was completed in May 2019. Additional upgrades to accommodate Canada Customs processing of USA tourists were completed in 2023. In 2024, Air North purchased two "new"

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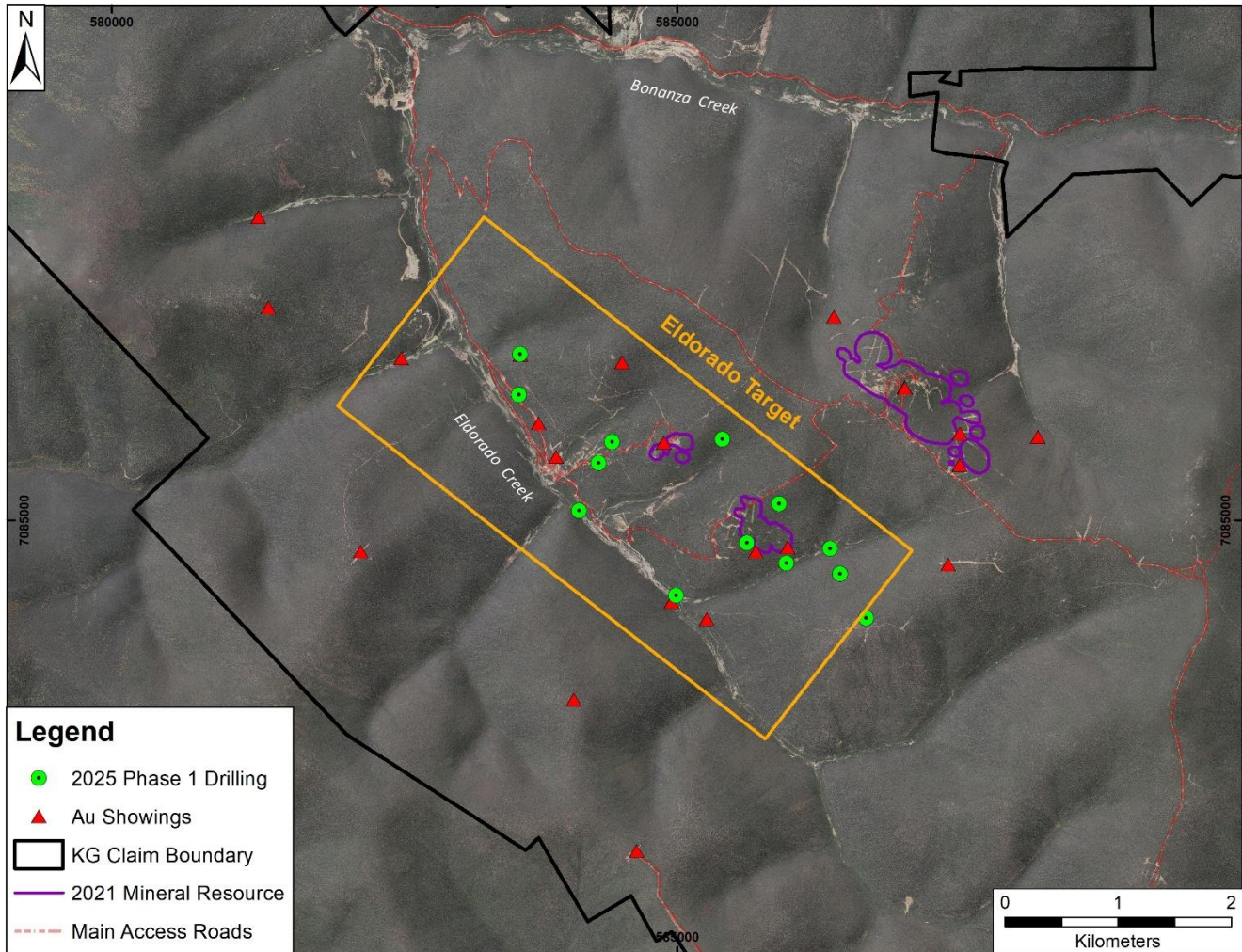


737-800 aircrafts to expand the 737 fleet. The paved airstrip and increased availability of Air North 737s has resulted in more frequent jet flights into Dawson by Air North and by private charters. Air North, Yukon's airline, provides daily scheduled service from Dawson City via Whitehorse to Toronto, Vancouver and other major cities, and seasonal bi-weekly 737 charter service to Fairbanks or Anchorage, Alaska. Mine supply infrastructure, transport and heavy equipment availability in Yukon has expanded significantly in recent years. The Company benefits considerably from excellent access to government roads within its project area, direct access to the Klondike Highway, and the Dawson City airport. It also has access to power, water and town facilities and infrastructure in Dawson City, as well as heavy equipment availability, considerable local mining expertise, plus the local traditional knowledge encapsulated in Dawson-based Trondek Hwechin elders. The Klondike District Property including the mineral resource areas are located 20 km from Dawson City by government-maintained road. In preliminary testwork, gold in these Zones is considered to be recoverable by simple non-chemical gravity concentration, consistent with 125 years of placer mining results in the area.

2025 Work Program

Klondike Gold's Phase 1 program targeted lateral and vertical extensions of high-grade gold vein zones and aimed at testing the orientation of major structures that control gold deposition along portions of the Eldorado Target (see Figure 2). Understanding these major controls will guide the next phase of drilling which is planned to include deep holes up to 750m of length. Phase 1 Drilling began on April 28th and was executed by Kluane Drilling, based out of Whitehorse YT. A total of 2,354.70 meters of drilling was completed across 13 holes which varied from 50–350 meter lengths (see Figure 3). Samples were collected along prospective intersections throughout the 13 drill holes have been shipped to MSA Labs in Prince George, BC and results are pending.

As referenced by the April 24th, 2025 Klondike Gold News release, the Eldorado Target focusses current exploration on a 5km strike and 1400m width area which covers a major crustal structure mapped by Klondike Gold (see Figure 2).



Prior to the 2025 Exploration season, drilling successfully and prudently focused on exploring orogenic gold deposition to shallow depths of ~75 meters below surface. With this data now in place to guide deeper exploration, prospective efforts target lateral and depth extensions of previously defined mineralized zones with planned drillholes ranging from 100 meters up to 750 meters in length. To better target mineralization to greater depths, priority work currently underway includes mapping, prospecting, and detailed relogging to refine constructed 3-D lithology, structural, and mineralization models.

2024 Work Program

Field work including prospecting and mapping began in April and diamond drilling commenced in early May with one drill targeting the Stander Zone, the Gay Gulch showing, and peripheral targets adjacent the Eldorado Fault. A total of 36 drill holes for 5,826.57m were completed testing various targets in 2024.



2024 STANDER ZONE EXPLORATION DETAIL

2024 prospecting and hand trenching at the Stander Zone yielded quartz veining with visible gold in three areas spanning 150 meters in distance. Eleven prospecting samples were collected in total. The three best samples assayed 41.2 g/t Au (1.36 opt Au), 30.3 g/t Au (1.17 opt Au), and 24.9 g/t Au (0.77 opt Au) along strike from southeast to northwest respectively from each of the three areas. Visible gold was identified at each area. In total, five of eleven prospecting samples contain visible gold and all samples assayed gold between 0.24 g/t Au to 41.2 g/t Au. These prospecting results are significant for potentially demonstrating continuity of high-grade (~1 opt Au) gold mineralization from 2023 discovery drill intercepts upward to surface exposures. (see news release of June 18, 2024).

2024 Stander Zone Resource Expansion Program

The Company conducted a resource expansion and discovery drill program targeting Stander Zone gold mineralization as outlined in the Company's November 10, 2022 Mineral Resource Estimate ("MRE")¹. A total of 26 holes for 4,160.52m were completed in the 2024 overall program divided into phases targeting specific Stander Zone subareas.

Highlights of this portion of the program include:

- EC24-523 intersected 39.52 g/t Au (1.27 opt Au) over 1.0m from 102.5m, the deepest hole on section, down dip and beneath the Stander Zone MRE.
- EC24-537 intersected 25.81 g/t Au (0.83 opt Au) over 1.0m from 94.5m, the deepest hole on section, down dip and beneath the Stander Zone MRE.
- EC24-542 intersected 0.73 g/t Au over 7.0m from 4.0m, a near surface new discovery of a quartz vein zone with potential extent open to the northeast.
- EC24-534 intersected a quartz vein zone averaging 21.50 g/t Au over 4.0 meters from 96.50 meters including individual quartz veins assaying 76.07 g/t Au (2.45 opt Au) over 1.0m and 9.54 g/t Au over 1.0m, beyond the MRE extent to the southeast.
- EC24-541 intersected a quartz vein zone averaging 4.84 g/t Au over 9.0m from 118.0m including two high grade intervals of 35.44 g/t Au over 0.50m and 18.59 g/t Au over 0.60m, beyond the MRE extent to the southeast. Multiple gold-bearing quartz vein zones with individual vein intersections assaying >30 g/t Au (>1 opt Au) confirms the presence of stacked, repeated mineralization consistent with orogenic mineralization models.
- Significant high-grade gold mineralization at Stander Zone in these drill holes has been intersected over a 500 meter strike and 100 meters vertically. This mineralization remains open to depth and along strike.

2024 Gay Gulch Showing Exploration Program

The Company conducted a drill program at the Gay Gulch Showing area. The Gay Gulch Showing is located directly adjacent the main Eldorado Fault and has the record highest grade outcropping gold-bearing quartz vein (**4,064 g/t Au (143 opt Au) with 1,149 g/t Ag (37 opt Ag)**) documented in the Klondike District.



Six core holes (EC24-544 to EC24-549) for 1159.15m were drilled, targeting along-strike and down-dip extensions to the near-surface area of gold mineralization. Hole EC24-547 was a deeper 355m hole which intersected two stacked gold-bearing quartz vein zones 150 meters vertically apart. The concept of repeating, stacked, gold-bearing quartz vein zones has now been observed within structural panels along the primary Eldorado Creek target area.

2023 Work Program

Early season prospecting and mapping work focused on sampling and evaluating targets with potential to host high grade gold veins. Targets are generated from new geological research insights combined with criteria including high Au rock samples within extensive multi-element soil/rock geochemical signatures proximal to interpreted faults. The Company hosted a 5-day field review by two acknowledged world experts (Dr. Ben Frieman, and Dr. Richard Goldfarb) in mid-season. The review was extremely positive. It corroborated the Company's view of 'world class' gold potential and provided practical insights on exploration targeting. Dr. Frieman returned to conduct independent structural mapping from which a technical talk highlighting the Klondike was presented at Geological Society of America annual conference. These reviews and input informed prospecting that followed, led to bonanza gold-vein discoveries which informed 2023 drill targeting.

Diamond drilling began in August targeting new outcrop areas of high grade gold mineralization discovered by prospecting at Gold Run, Gay Gulch, and Stander Zone. The Company completed 2,340 meters of drilling in a total of 25 drill holes testing areas adjacent to known mineralization at Gold Run (6 holes), Gay Gulch Showing (7 holes), and Stander Zone (7 holes) with the remainder testing new targets.

Significant results have been obtained from nearly all holes drilled in 2023 and are summarized in the table below.

Assay highlight results from 2023 drill holes reported to date include:

- 1.22 g/t Au over 26.5 meters from 10.1 meters to 36.6 in EC23-501 including 4.39 g/t Au over 6.95m (Gay Gulch)
- 0.83 g/t Au over 19.9 meters from 17.1 meters to 37.0 in EC23-502 including 14.08 g/t Au over 1.10m (Gay Gulch)
- 0.81 g/t Au over 75.4 meters from 21.05 meters to 96.45m in EC23-508 including 90.55 g/t Au over 0.55m
- 0.89 g/t Au over 45.0 meters from 71.5 meters to 116.5m in EC23-510 including 38.2 g/t Au over 0.50m
- 0.77 g/t Au over 20.9 meters from 29.4 meters to 50.3 meters in EC23-511 including 25.7 g/t Au over 0.52m

Drill holes at Stander Zone are interpreted to have intersected the gold shear (including four 2023 intersections now correlated with two from 2021) indicating a 350 meter strike length and 200 meter dip length with mineralized intersections all grading between 30.3 to 90.6 g/t Au (0.97 to 2.91 opt Au) over 0.5m to 1.5m width. All holes have significant halos of 'extensional sheeted veins' containing low grade gold.

Table 1: Compilation of Stander Zone drilling intersections of Shear Vein to date.

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Hole ID	From (m)	To (m)	Shear Vein Au (g/t)	Shear Vein Au (troy oz/t)	Interval (m)	Section (m)
EC23-508	21.05	21.60	90.6	2.91	0.55	585780E
EC21-424	42.67	44.20	36.6	1.18	1.53	585780E
EC21-425	70.00	71.00	36.4	1.17	1.00	585780E
EC23-510	92.70	93.20	38.2	1.23	0.50	586120E
EC23-511	49.78	50.30	39.6	1.27	0.52	586120E
EC23-514	98.65	99.15	30.3	0.97	0.50	586275E

2022 Work Program*Gay Gulch*

An important outcrop discovery at Gay Gulch Showing was made midway in the season of a quartz breccia vein associated with abundant visible gold which assayed 4,064 g/t Au with 1,149 g/t Ag associated with anomalous Te (tellurium). Later SEM (scanning electron microprobe) analyses of the sample was conducted at Colorado School of Mines. The probe work identified gold as electrum (Au-Ag mix) with telluride inclusions associated with silver sulfosalts. Geological mapping places the gold-bearing vein at the reverse fault contact between a graphitic unit and a silicic quartz eye schist.

A total of eleven drill holes were completed, targeting the Gay Gulch Showing (EC22-467 to EC22-477). Six drill holes tested for 'traditional' sheeted quartz veining along a total of 450 meters of strike length. Five drill holes were oriented 90 degrees (orthogonally) to test for gold-bearing cross structures along a 250 meter distance.

Results from drilling show gold mineralization was intersected over a 300-meter lateral distance. The mineralized zone outcrops at surface exhibits a shallow southeast-directed plunge and remains open. Highlight gold intersections beginning near surface include:

- 0.43 g/t Au over 32.7 meters in EC22-467 from 65.1 meters to 97.8 meters at 210° azimuth
- 0.42 g/t Au over 34.5 meters in EC22-468 from 38.0 meters to 72.5 meters at 290° azimuth
- 0.60 g/t Au over 27.85 meters in EC22-477 from 23.0 meters to 50.85 meters at 290° azimuth

Overall the gold mineralization shows continuity along strike and down dip. The Company is optimistic the Gay Gulch Showing can be developed with further work into a new pit-constrained mineral resource area.

Stander Zone Deposit Area

The Stander Zone has two pit-constrained mineral resource areas included in the first-ever MRE from drilling completed in 2015-2021, not including 2022 drilling (see Figure 1 above).

Twenty-four drill holes in 2022 were completed at the Stander Zone (EC22-447 to EC22-464 plus EC22-480 to EC22-485) targeting potential extensions to gold mineralization contained in sheeted quartz veins along a total of



1,500 meters of strike length. At the main Stander Zone Showing outcrop area, six drill holes (EC22-480 to EC22-485) were oriented 90 degrees (orthogonally) to test for gold-bearing cross structures along a 280 meter distance.

Assay highlight results from twenty-four (24) Stander Zone drill holes during 2022 include:

- 24.85 meters ("m") of 0.42 g/t Au from 17.8 m in EC22-453
- 6.00 meters ("m") of 2.20 g/t Au from 7.0 m in EC22-455
- 20.0 meters ("m") of 1.02 g/t Au from 48.0 m in EC22-459
- 49.06 meters ("m") of 1.21 g/t Au from 7.97 m in EC22-481
- 15.15 meters ("m") of 1.27 g/t Au from 7.60 m in EC22-482
- Visible gold noted in EC22-448 (1 grain), EC22-459 (1 grain), EC22-460 (1 grain), EC22-481 (3 grains) EC22-482 (2 grains)

Research

The Company has partnered with Colorado School of Mines and CASERM (Centre for Advanced Subsurface Earth Resource Models) and has sponsored PhD, MSc, and HBSM theses with Canadian academic institutions including University of Toronto, University of Ottawa, and Dalhousie University. Preliminary results from three research initiatives were presented as posters in 2023, 2024, and 2025 at PDAC and as upcoming talks to the Geological Society of America and Denver Mineral Exploration Symposium.

Significant research results to date agree with the Company's observations and mineralization model. As currently considered, the Company's relative estimate of mineralization age places it metallogenically coeval with Carlin/California Motherlode (USA) to the south and Kolyma Belt (Russia). Considering 20 M oz Au has been eroded and recovered by placer mining in the region versus only 1,000 oz Au total extracted historically from bedrock mining, the Company considers the potential bedrock gold endowment to be considerable. Specific research advances include:

- Detection for the first time of sub-visible alteration halos adjacent gold bearing veins using 'Short Wave Infrared' (SWIR) (at Lone Star and Stander Zones) with applicability for positive exploration throughout the Klondike District Property;
- Detection of laterally extensive carbonate-pyrite alteration halos linked directly to gold bearing veins within mafic rocks (at Gold Run target) also with applicability throughout the Klondike District Property; and
- Mapping of low-angle (~30 degree) flexures along major faults through the Klondike District Property coincident with gold mineralized target areas (Stander, Lone Star, Dominion, and Gold Run), and other untested target areas with extensive Au-soil and/or Au-rock anomalies.

2021 Work Program

The 2021 exploration/resource drilling program consisted of four phases totalling approximately 7,687 meters drilled. Phase 1 exploration drilling focused on discovering bedrock sources of gold at the historic Virgin/Lindow



Target areas. Five holes totalling 356 meters of core were drilled. Narrow quartz veins containing some gold were intersected with local values of up to 0.5 g/t Au over 1.0 meter. Significantly these veins strike ~320 azimuth and dip ~35 degrees northeast, close to the same orientation as all the gold bearing quartz veins discovered within the Klondike District Project, continuing to point to a district-scale gold mineralizing event.

Phase 2 drilling tested the Lone Star Zone in two phases.

Drilling at Lone Star Zone 'East' (Phase 2a) tested for an eastern extension of the Lone Star Zone along strike with 12 holes totalling 1,222 meters. Near-surface gold mineralization was intersected in all holes which significantly extended the Lone Star Zone eastward by 250 meters or ~25% greater in length with these results. Assay highlights from this phase of Lone Star Zone Phase 2a drilling includes:

- 1.70 g/t Au over 14.6 meters from 21.0 meters to 35.6 in LS21-388
- 1.08 g/t Au over 49.65 meters from 40.35 meters to 90.0 meters in LS21-389
- 2.9 g/t Au over 11.0 meters from 15.0 meters to 26.0 meters in LS21-392
- 3.23 g/t Au over 6.0 meters from 58.0 meters in LS21-394
- 0.84 g/t Au over 29.0 meters from 4.0 meters to 33.0 meters in LS21-399
- 1.11 g/t Au over 23.5 meters from 1.5 meters to 25.0 meters in LS21-410

Drilling at the Lone Star Zone 'deep' area (Phase 2b) tested the downslope and potential down-dip extension of the Lone Star Zone with 13 holes totalling 2,661 meters with significant positive intersections. At ~200 meters vertical depth, these latest Phase 2b drill results from the Lone Star Zone intersected the deepest gold mineralization yet. In addition, Lone Star Zone gold mineralization has demonstrated continuity along the downhill slope dip length over 350 meters distance. This is a substantial increase from 200 meters previously. All dimensions remain open. Assay highlights from this phase of Lone Star Zone Phase 2b drilling includes:

Hole ID	From (m)	To (m)	Grade (g/t Au)	Length (m)
LS21-391	189.00	198.00	0.48	9.00
LS21-391	189.00	218.00	0.27	29.00
LS21-391	232.00	252.00	0.49	20.00
LS21-396	5.00	10.00	0.72	5.00
LS21-397	7.00	157.00	0.35	150.00
LS21-397	7.00	17.00	0.94	10.00
LS21-397	64.00	82.00	0.53	18.00
LS21-397	93.00	131.00	0.74	38.00
LS21-398	93.83	107.00	0.58	13.17
LS21-399	4.00	33.00	0.84	29.00

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Hole ID	From (m)	To (m)	Grade (g/t Au)	Length (m)
LS21-400	117.00	130.00	0.52	13.00
LS21-401	14.00	55.00	0.20	31.00
LS21-402	105.00	124.36	0.60	19.36
LS21-402	156.00	214.00	0.62	58.00
LS21-403	1.52	46.00	0.37	44.48
LS21-403	65.00	80.77	0.47	15.77
LS21-404	139.00	146.00	0.82	7.00
LS21-405	235.00	239.27	0.43	4.27
LS21-406	18.00	34.00	0.41	16.00
LS21-407	22.00	42.00	0.51	20.00
LS21-407	134.00	139.00	0.49	5.00
LS21-407	134.00	172.20	0.24	38.20
LS21-407	158.00	172.20	0.43	14.20

Phase 2 program results are included in the MRE generated from a 950 meter by 200 meter size area of 50-meter spaced drilling within the 3,000+ meter overall length of Lone Star Zone as currently defined by widely spaced drill holes and outcrop samples.

Phase 3 program results are included in the MRE. Drilling tested the Stander Zone area for extensions to mineralization in all directions with 20 holes totalling 2,602 meters of drilling. Stander Zone Phase 3 testing was completed in August 2021. Assay highlights from this Stander Zone phase 3 drilling includes:

Hole ID	From (m)	To (m)	Grade (g/t Au)	Length (m)	Subarea
EC21-414	112.00	115.00	0.83	3.00	main
EC21-414	152.00	169.00	0.15	17.00	main
EC21-416	47.75	64.00	0.43	16.25	main
EC21-416	47.75	100.50	0.17	52.75	main
EC21-417	18.00	31.00	0.28	13.00	main
EC21-418	26.00	35.00	0.29	9.00	main
EC21-419	55.50	56.00	12.59	0.50	main
EC21-420	17.00	18.00	1.22	1.00	main

KLONDIKE GOLD CORP.**MANAGEMENT'S DISCUSSION & ANALYSIS**

May 31, 2025

(Expressed in Canadian dollars)



Hole ID	From (m)	To (m)	Grade (g/t Au)	Length (m)	Subarea
EC21-421	67.00	87.00	0.18	20.00	main
EC21-422	1.52	8.00	1.35	6.48	main
EC21-423	71.00	77.00	0.60	6.00	main
EC21-423	71.00	92.00	0.32	21.00	east
EC21-424	32.00	80.00	1.55	48.00	east
including	32.00	53.34	3.36	21.34	east
EC21-425	22.86	96.00	0.61	73.14	east
including	70.00	96.00	1.57	26.00	east
EC21-426	110.80	123.00	0.31	12.20	east
EC21-427	16.00	23.00	0.84	7.00	east
EC21-427	86.00	117.00	0.21	31.00	east
EC21-428	4.57	13.00	0.59	8.43	east
EC21-428	110.00	111.00	5.02	1.00	east
EC21-430	6.90	43.00	0.31	36.10	east
EC21-430	117.00	147.00	0.33	30.00	east
EC21-431	66.00	111.00	0.21	45.00	east
EC21-432	8.50	50.50	0.14	42.00	east

Phase 4 Drilling along the Eldorado Fault in Eldorado Creek tested over a 4 kilometer length, including the Gay Gulch target, with 13 holes totalling 846 meters of drilling. At Gay Gulch, EC21-439 intersected sheeted gold-bearing quartz veins hosted within and adjacent a graphitic thrust fault with the best individual assay of 30.97 g/t Au over 0.50 meters from 40.0 meters downhole. Additionally, EC21-440 intersected sheeted gold-bearing quartz veins across a broader interval, interpreted to be a 'mineralization halo' that assayed 0.29 g/t Au over 30.0 meters from 33.0 meters downhole. Intersections are approximately true width based on oriented core measurements of gold bearing veins.

Quality Assurance and Methods

From 2015 to 2023, and 2025 drill core samples, prospecting rock samples, soil samples, and check assaying is submitted by Klondike Gold personnel to Bureau Veritas Mineral Laboratories ("BV Labs") with chemical analysis of sample pulps completed in Vancouver, British Columbia. BV Labs is an accredited ISO 9001:2008 full-service commercial laboratory. All drill core samples are assayed for gold by fire assay fusion with a gravimetric finish.

KLONDIKE GOLD CORP.

MANAGEMENT'S DISCUSSION & ANALYSIS

May 31, 2025

(Expressed in Canadian dollars)



From 2024 through 2025 drill core and prospecting samples are submitted by Klondike Gold personnel to the MSALabs preparation facility in Prince George, BC with chemical analysis of samples completed in Langley, British Columbia. MSALabs is an accredited ISO 9001:2015 full-service commercial laboratory. At MSALabs preparation facility, each 1 kg drill core sample is dried at 60°C (Code DRI-060) then crushed to 70% passing 2mm size (Code CRU-220). A 500 g subsample is then analysed for gold in the Prince George laboratory using the non-destructive PhotonAssay technique (Code CPA-Au1). Overlimit gold results in excess of 350 ppm are re-assayed under alternate parameters (Code PAAU02H). At the Langley facility, a 250 g subsample is pulverized to 85% passing -75 microns size (Code PPU-510), and a 0.5 g subsample is digested by Aqua Regia with an inductively coupled plasma mass spectrometry (ICP-MS) and emission spectroscopy (ICP-ES) for 39 elements (Code IMS-127). Samples overlimit in Ag are rerun using a high-detection limit ICP-ES procedure (Code ICF-6Ag). QA/QC includes the insertion and continual monitoring of numerous standards, blanks and duplicates. Blanks and standards are obtained commercially from Canadian Resource Laboratories of Langley, British Columbia. In 2024, the Company inserted one pulverized and one coarse silica blank, as well as one high grade and one low grade gold standard, rotating each in 20 sample intervals, in addition to one duplicate analysis per 100 samples.

Sampling/assay procedures and protocols can be viewed on the Company's website at: <http://www.klondikegoldcorp.com/projects/sampling-and-assay-protocols/>.

YUKON PLACER GOLD PROPERTIES

The Yukon Placer Gold properties include the Upper Eldorado Creek, Eldorado Creek Bench and Montana Creek (also known as 'McKinnon Creek' or 'Indian River') Placer Project. Previously these three property groupings have been aggregated.

Upper Eldorado Creek Placer Project

The Upper Eldorado Creek placer project is located 25 km south of Dawson City within the heart of the Klondike Gold Fields. The placer property is comprised of 53 contiguous placer claims totaling 3.2 square kilometers in area covering the Upper Eldorado Creek and Chief Gulch drainages. The Company holds a 10-year Class IV placer mining permit issued in 2022, expiring 2032 which includes this area. In September 2019, the Company entered into a lease agreement with Dulac Mining Ltd. ("Dulac Mining") whereby Klondike Gold assigns to Dulac Mining the rights and permits to placer mine on the Upper Eldorado Creek property. Under the terms of the lease agreement, Klondike Gold received from Dulac Mining a direct 10% gold production royalty from mining on the placer property payable in raw gold. The lease agreement was for a term of 3 years, expiring July 2022, renewable thereafter subject to approval by both parties. The original agreement was extended through September 30, 2022 for mining activities until June 2023 for any further remediation activities required.

In early 2024, the Company leased this placer property to a private Yukon company whereby Klondike Gold assigns the rights and permits to placer mine on a portion of the Company's Upper Eldorado Creek Placer property totalling 34 contiguous claims covering the Upper Eldorado and Chief Gulch drainages. The lease is for a term of 3 years through 2026 and is renewable thereafter subject to approval by both parties. Klondike Gold is to receive a direct 10% gold production royalty from any mining production on the Placer Property payable in raw gold. Exploratory test work including sonic and auger drill holes along with road upgrades was conducted in June and



July 2024 with interesting results. Further work is considered for 2025. The Chief Gulch drainage lies 3.5 km along strike from the southwest end of known high grade gold mineralization at the Stander Zone. Exploration in the Chief Gulch drainage for placer gold deposits benefits the Company's overall exploration efforts.

The Class III permit underlying this property has been replaced by a new 10-year Class IV mining permit issued in 2022, expiring 2032, covering both the Upper Eldorado Creek Placer and the Upper Eldorado Creek Bench placer claims (see 'Upper Eldorado Creek Bench Project' below).

Dulac Mining recovered from the Eldorado Creek placer project a total of 501 ounces of raw gold from 2020 processing. In October 2020 the Company received a payment from Dulac Mining, as per the lease agreement, of 50.14 ounces of raw gold. The Company paid applicable Yukon production royalties, and fees associated with refining the raw gold to commercial purity. Following refining, Technic Inc. Canada ("Technic") held, on behalf of the Company, physical 35.8 ounces of gold (0.9999 purity) and 11 ounces of silver (0.9999 purity).

Dulac Mining recovered a total of 94.6 ounces of raw gold in total from 2021 processing. In October 2021, the Company received a lease payment of 9.5 ounces of raw gold from Dulac Mining. Following refining, the Company received physical 6.2 ounces of gold (0.9999 purity) held by Technic.

Dulac Mining began work on the project in early June 2022 and completed seasonal mining and reclamation in September. Dulac Mining recovered a total of 163 ounces of raw gold in total from 2022 processing. In September 2022, the Company received a lease payment of 16.3 ounces of raw gold from Dulac Mining. Following refining, the Company received physical 11.1 ounces of gold (0.9999 purity) held by Technic. In 2023 Dulac Mining conducted remediation of mined areas at the end of the lease term. During the year ended February 29, 2024, the Company sold all the physical gold held at Technic on behalf of the Company.

Eldorado Creek Bench Placer Project

The Eldorado Creek Bench placer project is located 25 km south of Dawson City within the heart of the Klondike Gold Fields. The Eldorado Creek Bench placer property has previously been comprised of 69 non-contiguous placer claims totaling 2.8 square kilometers in area covering the east slope along Eldorado Creek.

New placer staking in 2021 has filled in gaps between the Upper Eldorado Creek placer project (see 'Dulac Mining Lease' above) and the Eldorado Bench placer properties. This new area of leases has successfully been converted to 92 claims covering an additional 4.4 square kilometer area.

The Company now has 214 contiguous claims in the Upper Eldorado area covering 10.4 square kilometers within these two named projects.

In December 2021, the Company applied for a Class IV placer mining permit to cover the 214 contiguous claim in the Upper Eldorado placer expanded project area. Mining Permits and all associated approvals were issued in July 2022 for a 10-year term expiring in 2032.



Montana Creek Placer Project

The Montana Creek placer project is located 55 km south of Dawson City within the southern boundary of the Klondike Gold Fields. Approximately 60% of the Montana Creek Placer Property has been tested by 350 auger drill holes between 2005 and 2015 to locate and delineate White Channel Gravel 'pay streaks'. Gold was recovered from nearly 100% of the holes in the main target area. Drill results indicate gold-bearing gravels extend over a distance of more than 3 kilometers and remain open for expansion to the east and south.

The Company received royalties from gold production on the Montana Creek Placer Property of \$216,341 in 2014 and \$526,994 in 2015, from a total production in those years of 4,300 ounces of raw gold.

In early 2017, the Company applied to renew placer mining extraction permits for 10 years. In late 2019, the Company received approval of mining extraction from the Yukon Environmental and Socio-economic Assessment Board, and on April 29, 2020, the Company received a mining permit and water licence for a 7-year mine life plus a 3-year remediation period from the Yukon Water Board. As of January 2025, nearly eight years after the original application, the Company awaits consideration, pending an approval of a revised 'Wetland Reclamation Plan' from the Yukon Department of Energy, Mines and Resources.

On March 9, 2025, the Company entered into the Agreement with Armstrong. The terms of the Agreement are as follows:

- Payment of \$500,000 to the Company as a preproduction royalty on signing of the Agreement (Received March 2025).
- The Company grants Armstrong the exclusive right to mine, extract, remove and dispose of all leased minerals from the Montana Creek Placer Property over a term of six years.
- Armstrong grants the Company a 10% production royalty on all gold and other minerals produced from the Montana Creek Placer Property, payable quarterly.
- Armstrong has an option acquire a 100% interest in the leased Montana Creek Placer Property, exercisable at any time during the term of the lease, in consideration of the payment of \$9,500,000. In the event Armstrong chooses to exercise the purchase option, any and each production royalty payment shall be credited towards the purchase price.
- Armstrong agrees to assume obligations pertaining to an underlying royalty held by a third party.

Work as of mid-July 2025 is underway on the Montana Creek Placer Property. A substantial overburden drill program testing the Montana Creek Placer Property surface gravel alluvial gold to expand the placer "pay streak" is complete with positive results. Overburden stripping is ongoing and placer 'pay gravel' is being stockpiled. As of July 15, 2025, Armstrong has notified the Company that the sluice (gold recovery) plant is commissioned and operating.



OVERALL FINANCIAL PERFORMANCE

Results from Operations

As at May 31, 2025, a total of \$32.77 million was held in exploration and evaluation assets (February 28, 2025 - \$32.60 million), which is invested in the Yukon. Total assets increased to \$34.02 million (February 28, 2025 - \$32.97 million).

Three months ended May 31, 2025 and 2024

The Company's loss and comprehensive loss for the three months ended May 31, 2025, was \$215,690 compared to loss of \$147,941 for the three months ended May 31, 2024. Loss was higher in the current period due primarily to share-based compensation and office and miscellaneous expenses.

SUMMARY OF QUARTERLY RESULTS

	May 31, 2025	Feb 28, 2025	Nov 30, 2024	Aug 31, 2024
	\$	\$	\$	\$
Revenue	-	-	-	-
Loss and comprehensive loss	(215,690)	(278,055)	(345,700)	(178,728)
Loss per share	(0.00)	(0.00)	(0.00)	(0.00)

	May 31, 2024	Feb 29, 2024	Nov 30, 2023	Aug 31, 2023
	\$	\$	\$	\$
Revenue	-	-	-	-
Loss and comprehensive loss	(147,941)	(192,854)	(200,472)	(84,468)
Loss per share	(0.00)	(0.00)	(0.00)	(0.00)

FINANCIAL LIQUIDITY AND CAPITAL RESOURCES

As at May 31, 2025, the Company had working capital of \$729,229 (February 28, 2025 - working capital deficit of \$373,378) and cash of \$953,402 (February 28, 2025 - \$79,382). As at and for the three months ended May 31, 2025, the Company reported loss and comprehensive loss of \$215,690 (2024 - \$147,941), and had an accumulated deficit of \$65,787,350 at that date (February 28, 2025 - \$65,571,660).

Cash increased during the three months ended May 31, 2025, by \$874,020. Cash provided by financing activities was \$1,492,783 from proceeds on issuance of common shares, net of share issuance costs. Cash used in investing activities was \$786,739 to fund exploration and evaluation asset expenditures, partially offset by \$500,000 received as a preproduction royalty. Cash used in operating activities totaled \$332,025.



SHARE CAPITAL INFORMATION

The authorized share capital of the Company consists of an unlimited number of common shares.

In May 2024 the Company issued 10,785,965 non-flow-through units, comprised of one common share and one warrant, at a price of \$0.09 per non-flow-through units for gross proceeds of \$970,737. The 10,785,965 warrants issued are exercisable at \$0.15 per common share until May 17, 2026.

In September 2024 the company issued 1,450,000 non-flow-through units, comprised of one common share and one warrant, at a price of \$0.09 per non-flow-through units for gross proceeds of \$130,500. The Company also issued 2,785,000 flow-through units, comprised of one flow-through common share and one warrant, at a price of \$0.10 per flow-through unit for gross proceeds of \$278,500. The 4,235,000 warrants issued in aggregate are exercisable at \$0.15 per common share until September 27, 2026. Cash transaction costs of \$4,000 were incurred as a finder's fee and 45,000 warrants issued as a finder's fee, exercisable at \$0.15 per common share until September 27, 2026, in relation to this private placement.

In December 2024, the Company issued 3,207,830 flow-through shares at a price of \$0.065 per flow-through share for gross proceeds of \$208,509. The company also issued 5,000,000 non-flow-through units, comprised of one common share and one warrant, at a price of \$0.06 per non-flow-through units for gross proceeds of \$300,000. The 5,000,000 warrants issued are exercisable at \$0.10 per common share until December 27, 2026.

In April 2025, the Company issued 2,176,700 flow-through units, comprised of one common share and one-half of one warrant, at a price of \$0.085 per flow-through unit for gross proceeds of \$185,020. The company also issued 17,777,600 non-flow-through units, comprised of one common share and one warrant, at a price of \$0.075 per non-flow-through unit for gross proceeds of \$1,333,320. The 18,865,950 warrants issued in aggregate are exercisable at \$0.12 per common share until April 14, 2027.

In April 2025, 24,582,426 warrants with an exercise price of \$0.20 expired.

In May 2025, 50,000 options with an exercise price of \$0.26, 25,000 options with an exercise price of \$0.21, and 50,000 options with an exercise price of \$0.25, were cancelled.

As at the date of this MD&A, the Company has 235,128,011 common shares issued and outstanding on a non-diluted basis. The Company also has 51,304,916 warrants and 17,345,000 stock options outstanding, each of which is exercisable to acquire one common share of the Company.

RELATED PARTY TRANSACTIONS

The Company entered into the following transactions and had the following balances payable with related parties. The transactions were recorded at fair value. Balances outstanding are non-interest bearing, unsecured and have no specific terms of repayment.



- a) During the three months ended May 31, 2025, the Company was charged management fees of \$37,500 (2024 - \$37,500) by a company owned by the CEO of the Company. Of this amount, \$27,500 (2024 - \$37,500) was included in additions to exploration and evaluation assets on the statements of financial position. As at May 31, 2025, \$nil included in trade and other payables on the statements of financial position was owing to this company (February 28, 2025 - \$144,375).
- b) During the three months ended May 31, 2025, the Company was charged \$45,183 (2024 - \$39,707), \$15,183 of which was share issue costs (2024 - \$9,707), by a company whose CEO is a director of the Company, for corporate administration services included in consulting on the statements of loss and comprehensive loss.

Key Management Compensation

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

There was \$16,138 (2024 - \$nil) for vested stock options and RSU's/DSU's granted to directors and officers of the Company, and affiliated companies of directors and officers of the Company, included in share-based compensation on the statements of loss and comprehensive loss.

NEW ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS

There are no new standards or amendments to existing accounting standards which the Company reasonably expects are applicable to the Company and will significantly impact the Company.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the Company's financial statements require management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions, and other factors including expectations of future events that are believed to be reasonable under the circumstances. Material accounting policy information is described in Note 3 of the Company's annual financial statements for the years ended February 28, 2025, and February 29, 2024.



FINANCIAL INSTRUMENTS

The fair values of the Company's cash, restricted cash, amounts receivable, reclamation bond, and trade and other payables approximate their carrying value due to their short-term maturities and market interest rate.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk is attributable to cash, restricted cash and amounts receivable. Cash and restricted cash are held with large Canadian banks or brokerages. Management believes the risk of loss to be remote. The Company's amounts receivable is primarily comprised of amounts owing from the Government of Canada for input tax credits receivable. Accordingly, the Company does not believe it is subject to significant credit risk.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company manages its liquidity risk through careful management of its financial obligations in relation to its cash position. Using budgeting processes, the Company manages its liquidity requirements based on expected cash flow to ensure there are adequate funds to meet the short-term obligations during the year. The Company is subject to liquidity risk.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk:

i) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company holds its cash and restricted cash in bank accounts that earn variable interest rates. Due to the short-term nature of these financial instruments, fluctuations in market rates do not have a significant impact on estimated fair values of the Company's cash and restricted cash balances. The Company does not have any interest bearing debt.

ii) Foreign currency risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the Company's functional currency. The Company's purchases are predominantly transacted in Canadian dollars.



iii) **Price risk**

The Company's ability to raise capital to fund exploration or development activities is subject to risk associated with fluctuations in the market prices of base and precious metals including gold, silver, zinc and lead, and the outlook for these metals. The Company does not have any hedging or other derivative contracts respecting its operations.

Market prices for metals historically have fluctuated widely and are affected by numerous factors outside of the Company's control, including, but not limited to, levels of worldwide production, short-term changes in supply and demand, industrial and retail demand, central bank lending, and forward sales by producers and speculators. The Company has elected not to actively manage its commodity price risk, as the nature of the Company's business is in exploration.

Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

RISKS AND UNCERTAINTIES

The Company is subject to a number of risks and uncertainties due to the nature of its business. The Company's exploration and development activities expose the Company to various financial and operational risks that could have a significant impact on its level of operating cash flows in the future. Readers are advised to study and consider risk factors stressed below. The following are identified as main risk factors that could cause actual results to differ materially from those stated in any forward-looking statements made by, or on behalf of, the Company.

Financing

The Company's future financial success depends on the ability to raise additional capital from the issue of shares or the discovery of properties which could be economically justifiable to develop. Such development could take years to complete and resulting income, if any, is difficult to determine. The sales value of any mineralization potentially discovered by the Company is largely dependent upon factors beyond the Company's control, such as the market value of the products produced.

Properties

Although the Company has taken steps to verify 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 may be subject to unregistered prior agreements and non-compliance with regulatory requirements.



General Resource Exploration Risks and Competitive Conditions

The resource exploration industry is an inherently risky business with significant capital expenditures and volatile metals markets. The marketability of any minerals discovered may be affected by numerous factors that are beyond the Company's control and which cannot be predicted, such as market fluctuations, mineral markets and processing equipment, and changes to government regulations, including those relating to royalties, allowable production, importing and exporting of minerals, and environmental protection. This industry is intensely competitive and there is no guarantee that, even if commercial quantities are discovered, a profitable market will exist for their sale. The Company competes with other junior exploration companies for the acquisition of mineral claims as well for the engagement of qualified contractors. Metal prices have fluctuated widely in recent years, and they are determined in international markets over which the Company has no influence.

Timeliness of Results

Analytical results may be unduly delayed again this year due to work restrictions related to COVID-19 protocols at the Company's contracted independent analytical laboratories. The Company uses two analytical streams; inductively coupled plasma – mass spectroscopy ("ICP-MS") for alteration and trace elements, and a quantitative metallic screen fire assay for determining gold content. ICP-MS involves less labour and analytical process time and provides the Company with non-quantitative indications of gold (effectively a yes/no indication) as well as information on the overall component rock chemistry. Metallic screen fire assay is a multi-stage process involving more labour and process time. Samples submitted to the Company's laboratories are put through various preparatory and analytical steps; sample analyses may continue to experience extended delay prior to receipt of analytical results over which the Company has no control.

Governmental Regulation

Regulatory standards continue to change, making the review process longer, more complex and therefore more expensive. Exploration and development on the Company's properties are affected by government regulations relating to such matters as environmental protection, health, safety and labour, mining law reform, restrictions on production, price control, tax increases, maintenance of claims, and tenure. There is no assurance that future changes in such regulations couldn't result in additional expenses and capital expenditures, decreasing availability of capital, increased competition, reserve uncertainty, title risks, and delays in operations. The Company relies on the expertise and commitment of its management team, advisors, employees and contractors to ensure compliance with current laws.

MANAGEMENT AND BOARD OF DIRECTORS

There were no changes to the Company's Board of Directors or management during the three months ended May 31, 2025, and to the date of this MD&A.



OUTLOOK

The Company's continued exploration program has identified a MRE of 469,000 Indicated and 112,000 Inferred gold ounces, a milestone first for the Klondike District. Exploration in 2015 through 2025 has identified gold mineralization in outcrop and drilling throughout the entirety of the Klondike District Project that indicates the area has considerable exploration potential for additional gold deposits that warrant further testing. A 2019 drill intersection of 1,009 g/t Au and 1.036 g/t Ag over 1.0 meter is an acknowledged world-class interval which highlights the potential for further significant discoveries. Bedrock gold discoveries to date at the Lone Star Zone, Stander Zone, Gay Gulch Showing and Gold Run target among others can be shown in each case to be the local sources of alluvial gold.

The Company has identified an orogenic gold model with similarities to both the nearby Coffee Project and Golden Saddle mineral resource and with comparables to other world class orogenic gold districts around the world that guides exploration and predicts the Klondike District has significant potential for future discovery of gold mineralization. The first-ever MRE announced in early 2022 and three years of continued positive results from drilling have, in the opinion of the Company's management, confirms the potential of the Klondike District properties to host significant in situ gold mineralization.

Management believes there is potential for further discoveries and mineral resource expansion with concomitant possibility for value creation at its gold properties in the Klondike District, Yukon. The Company's conviction in continued well-planned, efficient exploration remains unchanged, however management recognizes the need to safeguard the Company's treasury and advance its programs in measured steps. In general, management is acting on the expectation that successful exploration that yields gold discoveries can add significant value to shareholders at a time of rising demand for the commodity.