



# **Harfang Exploration Inc.**

Management's Discussion and Analysis

Year ended January 31, 2023

# Harfang Exploration Inc.

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# Harfang Exploration Inc.

## Management Discussion & Analysis

For the year ended January 31, 2023

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The following management discussion and analysis (the “MD&A”) of the financial condition and results of the operations of Harfang Exploration Inc. (the “Corporation” or “Harfang”) constitutes management’s review of the factors that affected the Corporation’s financial and operating performance for the year ended January 31, 2023. This MD&A should be read in conjunction with the Corporation’s audited consolidated financial statements for the year ended January 31, 2023 (the “Financial Statements”), which are prepared in accordance with the International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). All figures are in Canadian dollars unless otherwise noted. This MD&A is current as of May 17, 2023.

The MD&A contains forward-looking statements not based on historical facts. Forward-looking statements express, as of the date of this report, our estimates, forecasts, projections, expectations and opinions as to future events or results. Forward-looking statements herein expressed are reasonable, but involve a number of risks and uncertainties, and there can be no guarantee that such statements will prove to be accurate. Therefore, actual results and future events could differ materially from those anticipated in such statements. Factors that could cause results or events to differ materially from current expectations expressed or implied by the forward-looking statements include, but are not limited to; economic conjuncture, fluctuations in the market price of precious metals, mining industry risks, uncertainty as to the calculation of mineral reserves and requirements of additional financing and the capacity of the Corporation to obtain financing.

Further information regarding the Corporation and its operations are filed electronically on the System for Electronic Document Analysis and Retrieval (SEDAR) in Canada and can be found on [www.sedar.com](http://www.sedar.com). The following abbreviations are used to describe the periods under review throughout this MD&A:

Abbreviation	Period
Q1-22	February 1, 2021 to April 30, 2021
Q2-22	May 1, 2021 to July 31, 2021
Q3-22	August 1, 2021 to October 31, 2021
Q4-22	November 1, 2021 to January 31, 2022
Fiscal 22	February 1, 2021 to January 31, 2022
Q1-23	February 1, 2022 to April 30, 2022
Q2-23	May 1, 2022 to July 31, 2022
Q3-23	August 1, 2022 to October 31, 2022
Q4-23	November 1, 2022 to January 31, 2023
Fiscal 23	February 1, 2022 to January 31, 2023
Q1-24	February 1, 2023 to April 30, 2023
Q2-24	May 1, 2023 to July 31, 2023
Q3-24	August 1, 2023 to October 31, 2023
Q4-24	November 1, 2023 to January 31, 2024
Fiscal 24	February 1, 2023 to January 31, 2024
Q1-25	February 1, 2024 to April 30, 2025

## 1. NATURE OF ACTIVITIES

The Corporation was incorporated on March 30, 2010 under the *Business Corporations Act* (British Columbia) and on June 22, 2017, in conjunction with a reverse takeover, continued under the *Business Corporations Act* (Québec). The Corporation’s shares are listed on the TSX Venture Exchange (the “Exchange”) under symbol HAR. The Corporation’s head office is located at 1100, avenue des Canadiens-de-Montréal, Suite 300, Montréal, Québec, Canada.

The Corporation, an exploration and evaluation stage company, is in the business of acquiring and exploring mineral properties in Canada. Its focus is currently on the exploration and evaluation of its mineral properties in the James Bay area in the Province of Québec for gold and lithium and in northeastern Ontario for gold.

## **2. CORPORATE UPDATE**

### **2.1 Financial Highlights**

#### **Agreement and related transactions**

On January 5, 2022, Harfang and LaSalle Exploration Corp. ("LaSalle") entered into an arrangement agreement pursuant to which Harfang agreed to acquire all of the issued and outstanding common shares of LaSalle (the "Transaction") by way of a court-approved plan of arrangement under the *Business Corporations Act* (British Columbia) (the "Arrangement"). In addition, on January 5, 2022 and in connection with the execution of the arrangement agreement, the Board of Directors of the Corporation further agreed to amend the stock option plan of the Corporation (the "Plan") to extend the expiry date of certain stock options granted thereunder to a period of up to 12 months following the date on which an optionee ceases to be an "Eligible Person" within the meaning of the Plan. The approval of the TSX Venture Exchange was obtained as well as that of the shareholders of the Corporation during the annual meeting of shareholders held on June 29, 2022.

The Arrangement was approved by the shareholders of LaSalle at a special meeting of the shareholders held on March 30, 2022. The Arrangement was approved by the Supreme Court of British Columbia on April 1, 2022 and closed on April 13, 2022.

On April 13, 2022, immediately prior to the closing of the Transaction, the Corporation performed a consolidation on a 2.1554 for 1 basis of the Corporation's issued equity instruments including common shares, warrants and options (the "Consolidation"). All information with respect to shares and share-based instruments and related per share amounts have been retrospectively adjusted on a 1:2.1554 basis accordingly.

On February 4, 2022, Harfang completed a non-brokered private placement of 7,727,271 subscription receipts (on a post-Consolidation basis) (the "Offering") for an amount of \$4,249,999. The Offering consisted of the issuance of subscription receipts (the "Subscription Receipts") at a price of \$0.55 per Subscription Receipt. The gross proceeds arising from the Offering were held in escrow by an escrow agent pending completion of the Transaction. Each Subscription Receipt was exchangeable for one post-Consolidation common share of Harfang upon satisfaction of certain escrow release conditions, including the closing of the Transaction. Share issue expenses totalled \$180,449.

In connection with the Transaction, Monarch Mining Corporation ("Monarch") has agreed to participate in the Offering for an amount of \$1,500,000 (the "Monarch Investment"). In connection with the Monarch Investment, and as a condition precedent thereto, Harfang has also agreed, with regulatory approvals obtained, to subscribe for common shares of Monarch for a total amount of \$750,000.

On April 13, 2022, upon completion of the Arrangement, Harfang issued an aggregate of 17,739,540 common shares (on a post-Consolidation basis) to the former shareholders of LaSalle. In addition, the change in control of LaSalle resulted in payments of approximately \$255,000 to former members of management of LaSalle. Also, on April 13, 2022, the total gross proceeds arising from the Offering were released from escrow and each Subscription Receipt was automatically converted into one (1) common share of Harfang (on a post-Consolidation basis) resulting in the issuance of 7,727,271 common shares. In addition, in connection with the closing of the Arrangement, Harfang subscribed for 1,250,000 common shares of Monarch, at a price of \$0.60 per share, for a total amount of \$750,000 (1,250,000 common shares, at a price of \$0.08 per share, for a total fair value of \$100,000 as at January 31, 2023).

At the closing of the Arrangement on April 13, 2022, a new Board was appointed and comprised of Jean-Pierre Janson as Chairman, André Gaumond, Daniel Innes, Ian Campbell, Sylvie Prud'homme, Karen Rees and Vincent Dubé-Bourgeois. Frank Mariage and Robin Villeneuve resigned as directors of the Corporation on April 13, 2022. Also, Ian Campbell was appointed as President and Chief Executive Officer, Ron Stewart was appointed as Vice President, Corporate Development, François Huot remained Vice President Exploration, and Yvon Robert remained as Chief Financial Officer. François Goulet remained President and Chief Executive Officer of the Corporation until April 13, 2022.

## **2. CORPORATE UPDATE (CONT'D)**

Harfang has completed a vertical amalgamation with its wholly-owned subsidiary, LaSalle Exploration Corp., effective November 1, 2022, with the name of the amalgamated company to remain "Harfang Exploration Inc.". The amalgamation will streamline the Corporation's mining exploration activities under a single corporate entity and will reduce corporate and operational expenses.

### **Options agreement**

On July 20, 2022, the Corporation signed an option agreement (the "Option Agreement") with Li-FT Power Ltd. ("LiFT") pursuant to which LiFT has been granted the sole and exclusive option to acquire up to a 70% interest in the Pontax Property (the "Property"). Upon signing, LiFT has made a \$25,000 cash payment to Harfang and may exercise the first option to earn an initial 51% interest in the Property by making aggregate additional payments totalling \$75,000, payable in cash or in common shares at the discretion of LiFT and incurring \$1,650,000 in exploration expenditures on or before the third anniversary date of the Option Agreement. Upon earning an initial 51% interest, LiFT may exercise a second option to acquire a further 19% interest (for an aggregate 70% interest) by paying to Harfang an additional \$50,000, in cash or in common shares at the discretion of LiFT, on election, and, incurring an additional \$3,350,000 in expenditures on the Property prior to the expiry of the second option period ending three years after the exercise of the first option. Upon exercise of the second option, Harfang will have the option of converting its remaining participating interest of 30% into a 2.5% net smelter returns royalty or to form a joint venture to further explore the property.

### **Purchase agreement**

On October 11, 2022, the Corporation signed a purchase agreement with a private company, 9219-8845 Québec Inc., doing business under the name Canadian Mining House ("CMH"), regarding the acquisition by Harfang of 53 mining claims contiguous to the Lake Menarik and Menarik East properties. Pursuant to the purchase agreement, the Corporation paid a cash consideration of \$82,150, issued 300,000 common shares valued at \$60,000 as per the Exchange price on October 14, 2022 and grant to CMH a 2% Gross Overriding Royalty ("GOR") on diamonds and a 2% Net Smelter Return ("NSR") royalty on other products (collectively, the "Royalty"), with half of the Royalty being redeemable by Harfang for \$1,000,000. In addition, Harfang will have a right of first refusal with respect to any future disposition by CMH of the Royalty, subject to certain exceptions.

### **Sale of the Selbaie Property**

On February 6, 2023, the Corporation signed an agreement for the sale of 100% of its right, title and interest in the Selbaie Project to Goldseek Resources Inc. ("Goldseek"). In accordance with the terms of the agreement, Goldseek paid to Harfang \$5,000 in cash, issued on February 13, 2023 to the Corporation an aggregate of 600,000 common shares and granted in favour of the Corporation a 2% NSR royalty, half of which may be bought-back at any time for \$1,000,000, in respect of the Selbaie Project.

### **Private placements (March and May 2023)**

On March 16, 2023, the Corporation closed a non-brokered private placement consisting of 1,842,106 flow-through common shares at a price of \$0.38 per flow-through common share for gross proceeds of \$700,000.

On May 2, 2023, the Corporation closed a non-brokered private placement consisting of 953,437 flow-through common shares at a price of \$0.32 per flow-through common share for gross proceeds of \$305,100.

## **2. CORPORATE UPDATE (CONT'D)**

### **2.2 Claims acquisitions**

- The Corporation acquired 53 claims through a purchase agreement with CMH and added 141 claims by map designation to the Lake Menarik Property during Q3-23;
- The Corporation added 162 claims by map designation to the La Passe Property during Q4-23 based on the presence of previously recognized pegmatite host rocks;
- The Corporation created the Conviac (140 claims), Ewart (119 claims), Lemare (217 claims) and Sakami (204 claims) properties by map designation during Q4-23. These claims all represent targets for spodumene bearing lithium-cesium-tantalum mineralization generated as a result of an ongoing geological compilation program ("Projects Generation");
- The Corporation continued its geological compilation program in Québec for the acquisition of new gold and critical and strategic minerals properties.

### **2.3 Corporation Executive Management**

Effective June 30, 2022, the Corporation announced the departure of Ron Stewart who stepped down from his role as Vice President, Corporate Development in order to pursue other career opportunities.

### **2.4 Next 12 months outlook**

The following is a summary of main goals for the next 12 months:

- Continued field work including prospecting, trenching and geological modelling on the Lake Menarik Property considering the recent success for a total estimated budget of \$615,000 this summer;
- Anticipate additional drilling at Lake Menarik based on the 2023 winter drilling (pending results), induced polarization anomalies and recent and upcoming surface exploration;
- Complete a first pass prospecting phase on the newly acquired lithium properties for spodumene bearing pegmatite dykes;
- Complete a general reassessment of the geological data on the Serpent and Radisson properties with the intent to highlight first-priority targets for prospecting and subsequent drilling;
- Seek out partnerships on certain properties with interested parties in order to accelerate exploration;
- Pursue our generative program in Québec targeting precious and critical and strategic metal projects;
- Consider financing up to \$2,000,000 subject to activities on the ongoing projects and market conditions.

## **3. EXPLORATION AND EVALUATION ACTIVITIES**

	<b>Q4-23</b>	<b>Q4-22</b>	<b>Fiscal 23</b>	<b>Fiscal 22</b>
	\$	\$	\$	\$
<b>Lake Menarik</b>				
Salaries and benefits	81,121	195	190,296	1,210
Geology	4,337	281	159,930	4,551
Analysis	2,807	-	22,759	-
Transportation	772	-	6,752	-
Geophysics	154,816	-	154,816	-
Drilling	26,254	-	27,815	-
Lodging and food	2,549	-	11,140	-
Supplies and equipment	3,577	-	4,754	-
	<b>276,233</b>	<b>476</b>	<b>578,262</b>	<b>5,761</b>

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**3. EXPLORATION AND EVALUATION ACTIVITIES (CONT'D)**

	<b>Q4-23</b>	<b>Q4-22</b>	<b>Fiscal 23</b>	<b>Fiscal 22</b>
	\$	\$	\$	\$
<b>Menarik East</b>				
Salaries and benefits	1,266	-	17,374	-
Geology	450	203	36,660	203
Geophysics	49,590	-	49,590	-
Lodging and food	-	-	278	-
	51,306	203	103,902	203
<b>Serpent</b>				
Salaries and benefits	36,387	123,101	281,229	517,959
Geology	7,240	9,572	268,262	648,696
Analysis	500	91,404	169,428	285,345
Transportation	-	3,184	8,745	30,508
Geophysics	9,819	-	9,819	48,201
Drilling	-	299,529	400,374	1,928,478
Lodging and food	367	2,679	5,361	9,164
Supplies and equipment	-	6,182	3,608	16,659
Taxes, permits and insurance	-	1,368	-	2,715
	54,313	537,019	1,146,826	3,487,725
<b>Lake Fagnant</b>				
Geology	-	-	-	219
Recharge to partners	-	-	-	(131)
	-	-	-	88
<b>Lake Aulneau</b>				
Salaries and benefits	-	-	13,079	263
Geology	567	-	1,285	907
	567	-	14,364	1,170
<b>Lake Tapiatic</b>				
Salaries and benefits	1,534	-	1,534	-
	1,534	-	1,534	-
<b>Bonfait</b>				
Salaries and benefits	4,355	-	4,355	1,920
Geology	300	-	300	1,686
Analysis	-	-	-	433
	4,655	-	4,655	4,039
<b>La Passe</b>				
Salaries and benefits	5,333	-	5,333	812
Geology	992	-	992	-
	6,325	-	6,325	812
<b>Taïga</b>				
Salaries and benefits	1,789	234	3,550	890
Geology	263	-	822	-
Analysis	-	-	1,289	-
	2,052	234	5,661	890
<b>Pontax</b>				
Salaries and benefits	-	-	1,331	3,360
Geology	-	324	1,278	13,428
Lodging and food	-	-	(2,609)	870
	-	324	-	17,658

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**3. EXPLORATION AND EVALUATION ACTIVITIES (CONT'D)**

	<b>Q4-23</b>	<b>Q4-22</b>	<b>Fiscal 23</b>	<b>Fiscal 22</b>
	\$	\$	\$	\$
<b>Radisson</b>				
Salaries and benefits	353	-	353	-
Geology	13,580	-	263,126	-
Analysis	-	-	61,103	-
Transportation	-	-	4,465	-
Geophysics	88,367	-	88,367	-
Drilling	1,631	-	34,201	-
Lodging and food	-	-	2,211	-
Supplies and equipment	-	-	1,964	-
	103,931	-	455,790	-
<b>Blakelock</b>				
Salaries and benefits	716	-	716	-
Geology	588	-	2,944	-
Analysis	-	-	1,826	-
	1,304	-	5,486	-
<b>Egan</b>				
Salaries and benefits	164	-	164	-
Geology	7,675	-	109,648	-
Analysis	1,091	-	15,334	-
	8,930	-	125,146	-
<b>Selbaie</b>				
Geology	187	-	2,283	-
	187	-	2,283	-
<b>Ewart</b>				
Salaries and benefits	1,823	-	1,823	-
Geology	1,105	-	1,105	-
	2,928	-	2,928	-
<b>Lemare</b>				
Geology	75	-	75	-
	75	-	75	-
<b>Sakami</b>				
Geology	75	-	75	-
	75	-	75	-
<b>Generation</b>				
Salaries and benefits	13,364	5,926	24,321	10,015
Geology	-	-	3,046	5,236
	13,364	5,926	27,367	15,251
<b>Total</b>				
Salaries and benefits	148,205	129,222	545,458	535,539
Geology	37,434	10,614	851,831	675,816
Analysis	4,398	91,404	271,739	285,778
Transportation	772	3,184	19,962	30,508
Geophysics	302,592	-	302,592	48,201
Drilling	27,885	299,529	462,390	1,928,478
Lodging and food	2,916	2,679	18,990	10,034
Supplies and equipment	3,577	6,182	10,326	16,659
Taxes, permits and insurance	-	1,368	-	2,715
Recharge to partners	-	-	-	(131)
Payment on option	-	-	(2,609)	-
	<b>527,779</b>	<b>544,182</b>	<b>2,480,679</b>	<b>3,533,597</b>



### **3. EXPLORATION AND EVALUATION ACTIVITIES (CONT'D)**

Mr. Ian Campbell, B.Sc. Geology, P.Geo, President and Chief Executive Officer of the Corporation and Mr. François Huot, Ph.D. Geology, P.Geo, Vice President Exploration of the Corporation, qualified persons as defined by National Instrument 43-101 have verified the technical content in this section.

Below is a summary of the significant properties in which the Corporation has an interest.

#### **3.1 Lake Menarik Property**

##### ***Property Description***

As at January 31, 2023, the Corporation owns a 100% interest on 304 claims totalling 15,627 hectares in NTS Sheet 33F06. During Q3-23, 141 claims (7,251 ha) were added to the Lake Menarik Property by map designation. Additionally, a 100% interest in 53 claims (2,723 ha) was acquired through a purchase agreement with a private company, CMH, during Q3-23 as disclosed in a news release dated October 12, 2022. Pursuant to the purchase agreement, the Corporation paid a cash consideration of \$82,150, issued 300,000 common shares valued at \$60,000 as per the Exchange price on October 14, 2022, and granted to CMH a 2% Gross Overriding Royalty ("GOR") on diamonds and a 2% NSR royalty on other products (collectively, the "Royalty"), with half of the Royalty being redeemable by Harfang for \$1,000,000. In addition, Harfang will have a right of first refusal with respect to any future disposition by CMH of the Royalty, subject to certain exceptions. These 53 claims were transferred to Harfang early during Q4-23.

The property is located 45 kilometres south of Radisson and 7 kilometres northeast of the junction between the Transtaiga Road and the Billy-Diamond Highway in Eeyou Istchee James Bay (Québec). Eighty-three (83) claims of the Lake Menarik Property are subject to a 2% NSR royalty which Osisko Gold Royalties Ltd ("Osisko") is retaining.

The property, contiguous to the Menarik East Property, is known for its gold potential related to monzonite-associated and orogenic mineralization styles hosted in an Archean greenstone belt of the La Grande Subprovince. High-grade gold occurrences are abundant in the main monzonitic intrusion and adjacent volcano-sedimentary rocks, particularly associated with quartz veins and structural lineaments.

##### ***Exploration Work on the Property***

The Corporation resumed exploration work on the property during Q3-23. The last field program dated back to summer 2018. The summer and fall program, initiated in August 2022, included prospecting, detailed mapping and channel sampling. A total of 388 grab and 41 channel rock samples were collected and sent to ALS laboratories (Val-d'Or). The Corporation disclosed the most significant results in a news release dated on January 12, 2023. The program resulted in the discovery of a series of closely spaced decimetric quartz veins grading up to 17.30 g/t Au, 217 g/t Ag and 0.61% Pb (grab) and up to 6.34 g/t Au, 60 g/t Ag and 0.09% Pb over 0.40 metres (channel). This system of quartz veins, referred to as the Oswald showing, has been traced over 150 metres in length (open laterally) and is interpreted to be hosted in splay faults originating from a major east-west break crossing the southern portion of the Property. Two extensive alteration zones made up of massive ankerite were also discovered proximal to the Oswald showing. The most extensive ankerite-rich system, hosted in a highly sheared mafic unit, has been traced over 700 metres long and is up to 50 metres wide. These ankerite zones are brecciated, contain trace to 2% disseminated pyrite and rare arsenopyrite, and are crosscut by a network of quartz and calcite veins. Grab samples confirm that these alteration zones are locally anomalous in gold with up to 0.30 g/t Au. A grab sample collected in a sheared and ankeritized iron formation in this area yielded 2.87 g/t Au. These ankerite-rich shear zones are also interpreted to be hosted in splay faults originating from a major east-west break.

### **3. EXPLORATION AND EVALUATION ACTIVITIES (CONT'D)**

Detailed mapping coupled with limited prospecting, an on-site reassessment of the geological features, and relogging of selected historical drill core in the area of a gold enriched monzonite intrusion (the "Pierre monzonite", which resulted in an improved understanding of the magmatic, hydrothermal and structural controls of gold occurrences and guidance for planning a subsequent drill program. Sampling of quartz veins in sheared volcanics near the northern margin of the Pierre monzonite and south of the Massé showing yielded up to 3.57 g/t Au in grab samples.

Géologica Groupe-Conseil Inc. completed a geological data reassessment of the project early Q4-23 and defined new drill targets in and around the main monzonitic intrusion. In early December 2022, a detailed heliborne magnetic survey was flown on the property by Prospectair. The survey consisted of flight lines spaced at 50 metres, also covered the Menarik East property contiguous to the east, and totalled approximately 2,803 linear kilometres.

The Corporation was active on the project during Q1-24 as disclosed in two news releases dated February 23 and May 11, 2023. The Corporation completed its first diamond drilling program on the property with a total of 3,416 m and 17 drill holes by RJLL Drilling Inc. (Rouyn-Noranda, Québec). The program tested a variety of targets in the Pierre monzonite and its volcanic and sedimentary host rocks defined based on existing and interpreted structural lineaments, chargeability anomalies and known gold occurrences.

The results confirmed broad gold intervals in the Pierre and Pierre Ouest areas and identified additional gold mineralized zones at depth at and along strike of the David surface occurrence. Significant gold intervals include hole LMN-23-001 which tested the lateral continuity of the mineralization on the northern edge of the intrusion and returned 1.75 g/t Au over 21.0 metres (62.0-83.0 m), including 2.49 g/t Au over 14.10 metres (64.0-78.1 m); hole LMN-23-02 which returned 0.50 g/t Au over 17.0 metres (104.0-121.0 m) and LMN-23-04 which returned 0.54 g/t Au over 75.0 metres (6.0-81.0 m), including up to 6.75 g/t Au over 3.0 metres (54.0-57.0 m) and hole LMN-23-017 which returned 1.15 g/t Au over 47.0 metres (95.0-142.0 m), including up to 3.75 g/t Au over 7.0 metres (131.0-138.0 m), and 1.05 g/t Au over 12.0 metres (158.0-170.0 m). Hole LMN 23-017 represents the deepest hole at Pierre and demonstrates the gold zones are open laterally and at depth. Higher grade intervals appear to be associated with sericite, quartz veining and pyrite.

Holes LMN-23-006 to 012 tested a variety of gold showings coincident with mapped and/or interpreted structural lineaments, and IP chargeability axes within the main Pierre monzonite. LMN-23-006 to 008 targeted the contact of the intrusion with the volcano-sedimentary host rocks underneath the Benoit and Giaro gold showings. Visible gold was observed in a monzonite-hosted quartz vein in LMN-23-008 which returned 6.20 g/t Au over 0.30 metres within an anomalous interval of 0.57 g/t Au over 13.20 metres.

Three holes (LMN-23-009 to 012) tested structural lineaments and IP axes in the vicinity of the David showing. Significant gold intervals dominated by monzonite-hosted quartz veins, locally associated with shear zones, were intersected: 0.88 g/t Au over 9.45 metres (207.05-216.50 m) including 5.19 g/t Au over 1.15 metres in LMN-23-009, and a second zone grading 5.04 g/t Au over 1.0 metre (223.1-224.1 m); hole LMN-23-010 which intersected 1.16 g/t Au over 4.70 metres (6.00-10.70 m); and hole LMN-23-11 approximately 100 metres to the east which intersected 1.64 g/t Au over 5.30 metres (99.1-104.4 m) including 6.68 g/t Au over 1.20 m.

Four holes (LMN-23-013 to 016) tested the northern contact of the Pierre monzonite and/or prominent ENE-WSW sedimentary-hosted structural lineaments to the north and east of the Pierre monzonite coincident with IP chargeability axes. Drilled lithologies include wacke, siltstone, conglomerate and mafic volcanics containing thick pyrite-bearing shear zones with boudinaged, folded and irregular quartz veins but no significant gold intervals were intersected.

Overall the program demonstrated the monzonite outlier associated with the Pierre and Pierre Ouest occurrences is highly altered and contains a broad zone of anomalous gold mineralization with higher grade zones and which is open at depth.

### **3. EXPLORATION AND EVALUATION ACTIVITIES (CONT'D)**

The winter program also included a ground geophysical survey which consisted of 39.20 km of Induced Polarization ("IP") using the dipole-dipole and the pole-dipole electrode arrays. The contract was awarded to TMC Geophysics (Val-d'Or, Québec). The main grid mainly covered volcanic and sedimentary rocks located around the eastern portion of the gold-bearing Pierre monzonite. The survey also included three lines over the shear zone-hosted ankerite zone discovered in 2022. Several IP chargeability anomalies were outlined in geologically interesting areas such as the contact between the lower volcano-sedimentary package (Yasinski Group) and the upper polymictic conglomerate (Ekomiak Formation), the large and folded iron formation and the main shear zone-hosted ankerite zone.

The Corporation is planning an extensive summer 2023 exploration program at Lake Menarik as a follow-up to recent discoveries at surface. Prospecting will also be guided by the new airborne and ground IP surveys. Other areas of the property that have had little previous exploration will be prospected.

Prior to the recent field exploration program on Lake Menarik, letters were sent to specific members of the Wemindji and Chisasibi Cree communities (Chief, Local Fur Administrator, Tallymen) to inform them about the Corporation's activities.

#### **3.2 Menarik East Property**

##### ***Property Description***

As at January 31, 2023, the Corporation owns a 100% interest on 64 claims covering 3,289 hectares in NTS Sheet 33F06. This property, contiguous to the Lake Menarik Property, is located 48 kilometres southeast of Radisson in Eeyou Istchee James Bay (Québec). It is known for its chromium, platinum, palladium, nickel and copper potential hosted in an ultramafic-mafic complex, and its gold potential associated with structural lineaments in the host rock of the complex. These lithologies are part of the La Grande Subprovince.

The Menarik East Property exposes an ultramafic-mafic complex (Menarik Complex) containing a historic mineral resource in chromium, platinum, palladium, nickel and copper. This historic resource includes 6.34 Mt @ 7.73% Cr<sub>2</sub>O<sub>3</sub>, 398 ppb Pd and 105 ppb Pt and 1.06 Mt @ 0.38% Ni and 0.15% Cu. These estimates do not refer to any category of mineral resources or mineral reserves of the NI-43-101 such as stated in the 2014 CIM Definition Standards on Mineral Resources and Mineral Reserves. These estimates are treated as historical information and have not been verified by the Corporation. The Corporation is not treating these historical estimates as a current mineral resource. Several gold and polymetallic showings are located at the periphery of the complex, more specifically in close association with arsenopyrite and quartz-rich shear zones at the contact between felsic intrusions and gabbroic dykes. Harfang considers the Menarik East property to be highly prospective for high-grade gold, and critical and strategic minerals including nickel, copper, chromium and platinum-group elements.

##### ***Exploration Work on the Property***

The Corporation has not conducted any exploration work on the property during Fiscal 23. Géologica Groupe-Conseil Inc. initiated an in-depth geological compilation during Q2-23 but the Corporation decided to halt the mandate during Q3-23 to allow the consultant to focus on defining exploration targets on Lake Menarik.

In early December 2022, a detailed heliborne magnetic survey was flown on the property by Prospektair. The survey, which included flight lines over Lake Menarik too, covered approximately 2,803 combined linear kilometres along lines spaced 50 metres apart.

The Company is in the process of planning its summer exploration program which is anticipated to include a brief prospecting program, review of on-site historical core and clean-up of the old camp site.

### **3. EXPLORATION AND EVALUATION ACTIVITIES (CONT'D)**

#### **3.3 Serpent Property**

##### ***Property Description***

As at January 31, 2023, the Corporation owns 902 mining claims covering 46,392 hectares referred to as the Serpent Property in Eeyou Istchee James Bay (Québec). The property is located in NTS sheets 33F02, 33F03 and 33F06, 90 kilometres SSE of Radisson and is adjacent to the Billy-Diamond Highway. It completely surrounds the Radisson Property, also owned by the Corporation. The eastern limit of the Serpent Property is contiguous to the Sakami gold project (Québec Precious Metals Corporation ("QPM")). All of these claims were staked by map designation and are 100% owned by the Corporation.

The Serpent Property is known for its gold (more than 40 showings) and copper, gold and silver (Mista) potential hosted in an underexplored part of the Archean intrusive basement of the La Grande Subprovince. Gold occurrences are mainly associated with shear zones and quartz veins hosted in mafic and intermediate dykes injected into a large differentiated gabbroic and dioritic intrusion (Mascha Intrusion) or into foliated/gneissic tonalite and granodiorite. The Cu-Au-Ag Mista showing, mapped over at least 350 metres laterally, corresponds to a sulphide-bearing quartz-rich arenite injected by quartz veins. The most recent exploration program highlighted that the eastern part of the Serpent property contains exploration potential for critical and strategic minerals such as lithium and rare metal pegmatites.

##### ***Exploration Work on the Property***

In Fiscal 23, the Corporation was first active on the property from January 24 to March 7, 2022, proceeding to its third drill program since winter 2021. A total of 14 drill holes (3,018 m) were completed during Q1-23. The drilling contract was awarded to RJLL Drilling Inc. (Rouyn-Noranda, Québec). All significant drill results were disclosed in a news release dated on May 17, 2022. Drill holes SER-22-047 to SER-22-053 were positioned to test the eastern extension of gold intervals obtained along the Stu Trend in 2021 drill holes. SER-22-47, drilled towards the east, returned the best intersection to date of 2.52 g/t Au over 19.65 m, including 6.05 g/t Au over 7.75 m. The true width of this mineralized interval is unknown as the hole may have intersected the targeted gold zone at a low angle. Holes SER-22-049 and SER-22-050 intersected 8.71 g/t Au over 2.25 m and 1.06 g/t Au over 9.85 m, respectively, extending the Stu Trend towards the northeast. Visible gold was observed in both holes. SER-22-048 (6.39 g/t Au over 1.50 m) and SER-22-052 (1.44 g/t Au over 4.35 m) contain anomalous gold intervals (>50 ppb Au) several tens of metres wide between holes SER-21-040 and SER-21-044. Gold intervals are most commonly hosted in fine to medium-grained diorite containing 1-3% disseminated pyrite, minor quartz veins and actinolite-feldspar-quartz veinlets. Diorite deformation is subtle, varying from weakly foliated to locally sheared. Drill holes SER-22-054 to SER-22-059 targeted specific sites inside the current extent of the gold-in-till anomaly, and defined based on gold occurrences and shear zones at surface, or magnetic discontinuities interpreted as faults or shear zones. Despite the presence of shear zones and sulphide-bearing intervals in these holes, none of them returned gold intervals with a metal factor >5 (g/t x m).

Field work activities resumed in early June and ended in late July 2022 at the combined Serpent and Radisson properties. The main common objectives were to advance the understanding of the extensive gold system identified to date, further evaluate the structural controls, and to expand exploration to areas requiring initial evaluation in order to define first-priority drill targets. The summer program included additional prospecting in unexplored areas, detailed mapping at specific localities and a major soil survey in the western sector of the previous soil surveys. A total of 204 grab and 522 soil samples were collected on Serpent during this period. Meanwhile, Terrane Geoscience ("Terrane") completed a two-week structural study on Serpent, more specifically at Ana, Moby-Dick and Mista. This work by Terrane extended into the Radisson Property, will help the Corporation to define new drill targets. The field crew also evaluated the lithium potential of pegmatite intrusions in the southeastern part of the Serpent Property. These complex, highly heterogeneous, whitish pegmatites are known to contain tourmaline, beryl and garnet. Harfang returned to the property during Q3-23 for a brief period collecting additional rock samples as a follow-up on the summer program.

### **3. EXPLORATION AND EVALUATION ACTIVITIES (CONT'D)**

Analytical results from soil and rock samples collected during Q2-23 and Q3-23 on the combined Serpent and Radisson properties were disclosed in a news release dated October 5, 2022. The 2022 program resulted in the discovery of several gold-in-soil anomalous zones. The largest geochemical anomaly is defined by 65 samples above 0.025 g/t Au scattered over 2.2 km<sup>2</sup> south of the Goldhawk gold showing and southwest of 2021 and 2022 drill holes. The highest value in the soil samples is 2.27 g/t Au. The field crew discovered additional bedrock occurrences of high-grade gold including 26.3 g/t, 14.1 g/t and 10.5 g/t Au. Moreover, the Corporation announced the presence of lithium and rare element-bearing pegmatite dykes in the eastern part of the Property and as a result considers the eastern part of the property to be prospective for including Lithium-Cesium-Tantalum ("LCT") dykes.

A detailed heliborne magnetic survey was flown by Prospectair during Q4-23 on the property. The survey, which included flight lines over Radisson, covered approximately 2,043 combined linear kilometres along lines spaced 50 metres apart. The purpose is to provide better detailed coverage on the areas of the property flown in order to advance the understanding of the structural controls and related gold mineralization.

Two technical reports related to the 2020 and 2021 exploration programs were submitted for statutory work to the *Ministère des Ressources Naturelles et de la Faune* ("MRNF") during Q1-23 and Q4-23, respectively.

The Corporation will be active on the property during Q2-24 and Q3-24. Prospecting will be conducted in the eastern part of the property to further evaluate the lithium potential of the pegmatite dykes discovered in 2022 on the southeastern part of the property. A follow-up on the gold discoveries is also planned as part of the overall geological reassessment to be undertaken during Q2-24.

Prior to all field interventions, letters were sent to specific members of the Wemindji Cree community (Chief, Local Fur Administrator, Tallymen) to inform them about the Corporation's activities. The Corporation continues strengthening its collaboration with the Cree Nation by offering multiple contracts to Tawich Construction Inc., Eeyou Lumberjack Inc., Wolf Camp Corporation and Petronor Inc.

#### **3.4 Lake Fagnant Property (joint venture)**

##### ***Property Description***

As at January 31, 2023, the Lake Fagnant Property is an aggregate of 46 mining claims totalling 2,267 hectares located in NTS sheets 33N02 and 33N03. These claims were staked by map designation by the Corporation, Kenorland Minerals Ltd. ("Kenorland") and Troilus Gold Corp. ("Troilus"). The property is located 55 kilometres east of Whapmagoostui/Kuujuarapik (Nunavik, Québec) and 155 kilometres north of Radisson (Eeyou Istchee James Bay). It covers the northwestern portion of the Archean Great Whale greenstone belt in the Minto Subprovince of the Superior Province. The property is known for its gold potential associated with structural corridors.

There are five mining claims subject to a 1% NSR royalty shared between Geotest Corporation (0.5%) and Wayne Holmstead (0.5%). Under the joint venture agreement, the initial respective participating interests of the participants are as follows: 40% for the Corporation, 40% for Kenorland and 20% for Troilus. The operator of the joint venture will be the Corporation for as long as its participating interest is equal to or greater than the other participants. If the Corporation's or Kenorland's interest is diluted to less than 10%, it will be converted into a 1% NSR royalty on the Lake Fagnant Property. The operator will have the right to buy-back half of this royalty (0.5% NSR) for \$500,000 or, under certain circumstances, the aggregate royalty (1% NSR) for \$1,000,000. If Troilus's participating interest is diluted to less than 10%, then Troilus interest will be converted to a 0.5% NSR royalty on the initial claims. The operator will have the right to buy back half of the NSR royalty (0.25% NSR) for \$250,000 or, under certain circumstances, the aggregate royalty (0.5% NSR) for \$500,000. As at January 31, 2023, the participating interests of the participants have not changed.

### **3. EXPLORATION AND EVALUATION ACTIVITIES (CONT'D)**

#### ***Exploration Work on the Property***

The Corporation has not done any fieldwork on the Lake Fagnant Property during Fiscal 23. The Corporation, Kenorland and Troilus are evaluating alternatives to undertake exploration on the property.

#### **3.5 Lake Aulneau Property**

##### ***Property Description***

As at January 31, 2023, the Lake Aulneau Property is composed of 85 mining claims totalling 3,995 hectares located in NTS sheets 24C15, 24C16 and 24F02 (Nunavik, Québec). All of these claims, 100% owned by the Corporation and staked by map designation, cover rocks belonging to the Labrador Trough. The property is located 125 kilometres south of Kuujuaq and 265 kilometres north of Schefferville.

It is known for its copper, nickel, platinum and palladium potential hosted in differentiated mafic-ultramafic sills.

The property encompasses seven copper, nickel, platinum and palladium prospects and showings, namely Marymac I and II, Lepage, Island, Redcliff, Float, and Nine South. A historical resource was calculated from diamond drill holes completed in the 1970's and 1980's and published in previous exploration reports for four of the previously mentioned mineralized occurrences. It includes 1,088,000 tonnes @ 2.02% Cu, 0.45% Ni, 1.0 g/t Pt and 3.1 g/t Pd for the Lepage and Island zones combined, 1,068,000 tonnes @ 2.09% Cu and 0.51% Ni for the Redcliff prospect, 930,000 tonnes @ 1.60% Cu and 0.43% Ni for Marymac II, and 133,000 tonnes @ 2.10% Cu and 0.43% Ni for the Float prospect. These estimates do not refer to any category of mineral resources or mineral reserves of the NI-43-101 such as stated in the 2014 CIM Definition Standards on Mineral Resources and Mineral Reserves. These estimates are treated as historical information and have not been verified by the Corporation. The Corporation is not treating these historical estimates as a current mineral resource. Anomalous gold and silver values are locally associated with the previously mentioned mineralized occurrences. Harfang considers that the Lake Aulneau property is highly prospective for critical and strategic minerals such as nickel, copper and PGE and is actively seeking a partner to jointly explore the property.

##### ***Exploration Work on the Property***

Earlier during Fiscal 23, the Corporation indicated its intent to conduct a field program on the project during Q2-23. However, the Corporation postponed these activities in order to concentrate its efforts on its Eeyou Istchee James Bay's gold and critical and strategic minerals assets. The compilation of the historical drill hole database, which is part of a project reassessment, was undertaken during Q2-23. No field work is planned during Q2-24 on the property, as such, a partial impairment in the total amount of \$13,731 as been taken as at January 31, 2023.

#### **3.6 Lake Tapiatic Property**

##### ***Property Description***

As at January 31, 2023, the Lake Tapiatic Property is composed of 146 mining claims totalling 7,430 hectares located in NTS sheets 33G12 and 33G13. All of these claims are 100% owned by the Corporation. The property is located in Eeyou Istchee James Bay (Québec), approximately 110 kilometres east of the Radisson locality and just 2 kilometres north of the La Grande-3 hydroelectric power plant. It is easily accessible all year-round by ground transportation.

### **3. EXPLORATION AND EVALUATION ACTIVITIES (CONT'D)**

Dominant lithologies include highly folded wacke, paragneiss, iron formation and basalt forming one of the largest Archean volcano-sedimentary basins near the contact between the La Grande and Opinaca subprovinces. Three strong copper anomalies (>112 ppm Cu; >99.8 percentiles) in lake-bottom sediments were obtained in 1973 and 1974 surveys in the southern part of the property. No precious and/or base metal showing was known inside the limits of the property prior to the Corporation's field operations in 2019. Historical exploration was minimal and apparently guided towards the iron potential of the numerous oxide-facies iron formations found inside and outside the property. The Corporation's fieldwork led to the discovery of three copper showings grading 1.09%, 2.88% and 3.60% Cu (grab samples). Channel sampling returned 0.61% Cu over 5 m, 0.41% Cu over 8 m and 0.26% Cu over 5 m on three channels 50 metres apart in highly deformed basaltic rocks. A few quartz veins located 1-2 kilometres NNE of these channels returned anomalous copper contents (0.12% – 0.69% Cu). Gold in these veins reached up to 0.31 g/t Au.

#### ***Exploration Work on the Property***

The Corporation has not done any fieldwork on the Lake Tapiatic Property since 2019 and as such the claims comprising this property will be abandoned on their expiry dates, as such, an impairment on the full amount of \$22,046 as been taken as at January 31, 2023.

### **3.7 Bonfait Property**

#### ***Property Description***

As at January 31, 2023, the Bonfait Property is composed of 194 mining claims totalling 9,940 hectares in NTS sheets 33F08 and 33F09. The property is located in Eeyou Istchee James Bay (Québec), approximately 85 kilometres southeast of the Radisson locality and 2 kilometres south of the La Grande-3 airport. It is accessible by boat transportation from the Transtaiga Road and by air transportation. This property is considered prospective for gold and lithium mineralization. Numerous gold occurrences surrounding the Au-Cu Zone 32 prospect (O3 Mining Inc.) are located 5 kilometres west.

Geological knowledge of the area is limited to mapping done by the MRNF. No historical exploration was done inside the actual limits of the property, except for a few claims in its northwestern portion. The project includes sedimentary rocks belonging to the Opinaca Subprovince in proximity to the regional contact with the La Grande Subprovince. Dominant lithologies include folded wacke, paragneiss, polymictic conglomerate and pegmatite. No precious and/or base metal showing is yet known inside the limits of the property. The overall geological architecture of the area is considered favourable for gold mineralization especially because it straddles a metamorphic gradient (greenschist to lower amphibolite), a geological setting reminiscent of that in the region of the Éléonore mine. Harfang considers that the Bonfait property is prospective for critical and strategic minerals mainly because of the presence of pegmatite in its southern part.

#### ***Exploration Work on the Property***

The Corporation has not done any fieldwork on the property during Fiscal 23 but has compiled historical data in the vicinity of the property. The claims comprising this property will be abandoned on their expiry dates, as such, an impairment on the full amount of \$29,876 as been taken as at January 31, 2023.

### **3. EXPLORATION AND EVALUATION ACTIVITIES (CONT'D)**

#### **3.8 La Passe Property**

##### ***Property Description***

As at January 31, 2023, the La Passe Property is composed of 242 mining claims totalling 12,453 ha in NTS sheet 33F07. During Q4-23, the Corporation acquired 162 additional claims by map designation to the east of the existing property composed of 80 original claims. All of these claims are 100% owned by the Corporation. Twenty-four (24) of the original claims will be abandoned at their expiry date (May 28, 2023). The property is located in Eeyou Istchee James Bay (Québec), approximately 78 kilometres southeast of the Radisson locality. It is accessible by boat transportation on lake Sakami from the Transtaiga Road and by air transportation. This property is considered prospective for gold and lithium mineralization. The La Pointe prospect owned by Quebec Precious Metal ("QPM") is located 16 kilometres southwest whereas the JR gold showing and other nearby mineralized occurrences, also owned by QPM, are located 8 kilometres southwest of the La Passe Property.

Geological knowledge of the area is limited to mapping done by the MRNF and scarce exploration mainly located along the shore of lake Sakami. The project includes sedimentary rocks belonging to the Opinaca Subprovince in proximity to the regional contact with the La Grande Subprovince. Dominant lithologies include folded wacke, paragneiss and pegmatite. No precious and/or base metal showing is yet known inside the limits of the property. The overall geological architecture of the area is considered favourable for gold mineralization as it straddles a metamorphic gradient (greenschist to lower amphibolite), a geological setting reminiscent of that in the region of the Éléonore mine. Harfang considers that the La Passe property is prospective for critical and strategic minerals mainly because of the presence of two-mica pegmatite with accessory minerals such as tourmaline and garnet. There is no evidence of previous exploration for spodumene bearing LCT dykes on the property.

##### ***Exploration Work on the Property***

The Corporation has not done any fieldwork on the property during Fiscal 23, as such, a partial impairment in the total amount of \$3,696 as been taken as at January 31, 2023. Harfang is compiling historical data in the vicinity of the property and assessing geological information obtained in 2020 in preparation for field prospecting during summer 2023.

#### **3.9 Taiga Property**

##### ***Property Description***

As at January 31, 2023, the Taiga Property is composed of 314 mining claims totalling 16,167 ha in NTS sheets 33F06 and 33F07. All of these claims are 100% owned by the Corporation. The property is located in Eeyou Istchee James Bay (Québec), approximately 72 kilometres southeast of the Radisson locality. It is accessible by a pickup truck along the Transtaiga Road and by helicopter. This property is considered as highly prospective for gold mineralization.

Most of the property includes rocks belonging to the Langelier Complex and Duncan Intrusions (Superior Province). These geological entities are made up of a wide variety of intermediate and felsic intrusive rocks which have been underestimated for their gold potential over the last decades. The Corporation's recent success in discovering structurally controlled gold occurrences in these rocks at the Serpent and Radisson projects is the main reason for acquiring the Taiga Property. Claims cover large unexplored structural breaks along which circular ultramafic bodies were intruded suggesting the deformation corridors are deeply rooted into the continental crust, a geological setting favourable for gold mineralization.



### **3. EXPLORATION AND EVALUATION ACTIVITIES (CONT'D)**

#### ***Exploration Work on the Property***

The Corporation has compiled the few historical data collected inside the limits of the Taiga Property during Q1-23 and Q2-23 and spent two days prospecting the property north of the Transtaiga Road during Q3-23. A total of 28 grab samples were collected during the field program in areas characterized by large shear zones and networks of sulphide-free quartz veins and veinlets. No anomalous gold values were obtained during this brief program. The Corporation will be active on the property during summer 2023 to advance prospecting over most of the claims.

#### **3.10 Pontax Property**

##### ***Property Description***

As at October 31, 2022, the Pontax Property is composed of 287 mining claims totalling 15,323 hectares in NTS sheets 33N11 and 32N14. All of these claims are 100% owned by the Corporation. On July 21, 2022, Harfang entered into an option agreement with Li-FT pursuant to which Li-FT has been granted the sole and exclusive option to acquire up to a 70% interest in the Pontax Property (see section 2.1 Financial Highlights for detailed information relevant to this agreement and the news release dated July 21, 2022) and is the project operator.

The property is located in Eeyou Istchee James Bay, approximately 220 kilometres north of Matagami and 100 kilometres northeast of Waskaganish. It is accessible by pickup truck as the Billy-Diamond Highway cuts across the property. Boat transportation along the Pontax River provides good access to the middle portion of the property. This property is prospective for gold and base metal mineralization. Furthermore, a geological compilation completed by Harfang revealed the presence of pegmatite dykes providing evidence for the exploration potential of lithium in the area.

Geological features of the immediate region were outlined by the MRNF following mapping done over the past decades. Only limited historical exploration was carried in specific sectors in the eastern part of the property. The region is mainly underlain by folded volcanic and sedimentary units which are part of the Lower Eastmain River greenstone belt (La Grande Subprovince). The mafic to felsic volcanic rocks and subordinate associated iron formations and sedimentary rocks form the Anatacau-Pivert Formation (Eastmain Group). That formation is unconformably overlain by wacke and conglomerate of the Pontax Formation. The northwestern part of the property covers a portion of the structural limit between the La Grande and Nemiscau subprovinces.

##### ***Exploration Work on the Property***

Since acquiring Pontax by map staking in 2020, the Corporation completed a data compilation but did not conduct field work on the property.

The Corporation published a news release on November 16, 2022, disclosing results obtained from an initial exploration program conducted during summer of 2022 by Li-FT on the Pontax Property. Li-FT completed a regional till geochemistry survey and preliminary prospecting on its properties in the region, including the Pontax Property. The goal of that exploration program was to search for lithium pegmatite mineralization beneath the extensive glacial sediment cover by delineating till anomalies.

Results demonstrate that a cluster of till samples defines an anomaly with high values in Li-Cs-P-Nb-Ga-Mn-W-Mo  $\pm$  Ta-Sn-Rb covering an area of approximately 8 by 7.5 kilometres in the southwestern portion of the property. The geochemical anomalism suggests a spatial relationship with a variably pegmatitic granite and supracrustal rocks. Grab rock samples were collected on the property from boulders and outcrops. The best sample, assaying 0.41% Li<sub>2</sub>O, was collected from an amphibolite adjacent to a pegmatite in a quarry located 600 metres from the Billy-Diamond Highway. A pegmatite boulder collected further north on the property assayed 0.30% Li<sub>2</sub>O.

### **3. EXPLORATION AND EVALUATION ACTIVITIES (CONT'D)**

Harfang has been advised by Li-FT as operator of the option agreement, that a more extensive exploration program targeting lithium-bearing pegmatites is anticipated to be initiated in 2023 to further define the till anomaly and potentially develop drill targets but the program was not available at the time of writing.

#### **3.11 Radisson Property**

##### ***Property description***

As at January 31, 2023, Harfang owns 86 mining claims covering 4,451 hectares referred to as the Radisson Property (Québec). Early during Q4-23, these claims were all transferred to Harfang from LaSalle. The property is subject to NSR royalty agreements which include i) a 2% NSR royalty payable to Mr. Gilbert Lamothe and, which at any time, the Corporation has retained the right to purchase one half of the NSR (1%) for \$1,000,000, and ii) an additional NSR royalty equal to 2% on all minerals mined, produced or otherwise recovered from the property to the beneficiaries of Sunridge Capital Corp. ("Sunridge") in satisfaction of an assignment agreement whereby the original option agreement on the property was acquired by the Corporation from Sunridge. In 2019, the Corporation obtained the right to purchase one half of the Sunridge NSR (1%) for \$1,000,000. The property is located in Eeyou Istchee James Bay (NTS sheet 33F03), 80 kilometres south of the Radisson locality and 375 kilometres north of the town of Matagami. It represents an exploration target for gold mineralization as well as for copper, nickel and PGE mineralization. The southwest portion of the property is easily accessible via the Billy-Diamond Highway.

##### ***Exploration Work on the Property***

During Fiscal 2023, the Corporation was active on the Radisson Property during four distinct exploration phases. During winter 2022 (Q1-23), Harfang completed a 4-hole drill program (LXR-22-013 to LXR-22-016) totalling 1,182 m. The drilling contract was awarded to RJLL Drilling Inc. (Rouyn-Noranda, Québec). Drill holes were distributed along two transects and tested for the continuity of the gold mineralization between Goldhawk and Goldhawk Extension (May 17, 2022, Harfang's news release). Each hole intersected one gold interval with a metal factor >5 (g/t x m) with the best interval at 4.76 g/t Au over 1.49 m in LXR-22-014. Gold intercepts are found in shear zones developed in diorite and adjacent gneiss. Visible gold was observed in LXR-22-014 and LXR-22-016.

From early June to the end of July 2022, field exploration work was conducted simultaneously on the Radisson and Serpent properties. A soil (B-horizon) survey was completed at the limits of both properties, in areas where most of the gold showings have been discovered to date. This survey, which includes 591 soil samples on Radisson, was designed to expand upon previous surveys completed further east by the Corporation and LaSalle. Harfang also continued its prospecting efforts on Radisson by collecting a total of 335 grab samples. This field program outlined the extensions of known shear zones and discovered additional major deformation zones stretching over several hundred metres in length. Integral to the field program, Terrane completed a two-week structural study on Radisson, more specifically at Wisht, Goldhawk, Talon and Goldfang. This work extended into the Serpent Property and will assist the Corporation in understanding the structural framework in relation to controls on gold mineralization and in defining and prioritizing drill targets.

During fall 2022, the Corporation completed a field follow-up of significant results obtained during the summer program. Analytical results from soil and rock samples collected in Q2-23 and Q3-23 on Radisson were disclosed in a news release dated on October 5, 2022. The section on the Serpent property gives more details about analytical results included in this news release which also concerns Radisson.

A detailed heliborne magnetic survey was flown by Prospectair during Q4-23 on the property. The survey, which included flight lines over portions of the Serpent property, covered approximately 2,043 combined linear kilometres along lines spaced 50 metres apart. The purpose is to provide better detailed coverage on the areas of the property flown in order to advance the understanding of the structural controls and related gold mineralization with the intent to localize areas favourable for exploration.

### **3. EXPLORATION AND EVALUATION ACTIVITIES (CONT'D)**

It is expected that the Corporation will proceed to a complete geological reassessment of the data collected so far on the property to highlight first priority targets that will require more exploration and drilling. Harfang plans to be active on the property during Q2-24 and Q3-24 on a part-time basis to gather more information for the compilation.

Prior to all field interventions, letters were sent to specific members of the Wemindji Cree community (Chief, Local Fur Administrator, Tallymen) to inform them about the Corporation's activities. The Corporation continues strengthening its collaboration with the Cree Nation by offering multiple contracts to Tawich Construction Inc., Eeyou Lumberjack Inc., Wolf Camp Corporation and Petronor Inc.

#### **3.12 Blakelock Property**

##### ***Property description***

As at January 31, 2023, Harfang owns 335 contiguous mining claims covering 6,977 hectares referred to as the Blakelock Property (Ontario). The previous MD&A (October 31, 2022) stated that the property was composed of 340 claims. Since then six claims were merged into one. Early during Q4-23, these claims were all transferred to Harfang from LaSalle. On October 25, 2018, the Corporation entered into an agreement with Lake Shore Gold Corp. ("Lake Shore") and its parent, Pan American Silver Corp. (formerly, Tahoe Resources Inc.), wherein the Corporation acquired 100% of its Blakelock Property. In order to complete the acquisition, the Corporation successfully incurred qualifying exploration expenditures on the property before December 20, 2021. In addition, Pan American Silver retains a NSR royalty equal to 2% on all minerals mined, produced, or otherwise recovered from the property, as defined in and governed by the NSR Royalty Agreement dated December 14, 2018. The Corporation retains the right to buyback one half (1%) of the Pan American Silver NSR at any time in the future for a purchase price of \$1,000,000. On June 29, 2021, Maverix Metals Inc. announced the acquisition of the Pan American Silver NSR royalty.

The Blakelock Property is located along the same deformation corridor that is host to the Casa Berardi Gold Mine currently being operated by Hecla Mining Co. The Corporation believes that Blakelock has the potential to host gold mineralization typical of the Casa Berardi Gold Mine.

##### ***Exploration Work on the Property***

Previous owners of Blakelock, including Lake Shore, a privately held subsidiary of Pan American Silver, encountered drill intersections such as 10.91 g/t Au and 97.45 g/t Ag over 10.25 m, and 6.16 g/t Au and 17.7 g/t Ag over 4.55 m (1988), 15.68 g/t Au over 1.50 m (2006), 3.05 g/t Au over 1.10 m (2008) and 28.41 g/t Au over 2.40 m (2010) on the Porphyry Creek Zone.

In December 2020, the Corporation initiated a 5-hole, 1,500 m diamond drill program to test continuity of gold mineralized zones at the Porphyry Creek area with only two holes completed totalling 486 m due to inclement weather conditions. The holes cut a sequence of massive to locally pillowed metavolcanics and tuffaceous rocks along with altered quartz diorite. The Corporation identified a deformation/shear zone within the diorite that strikes roughly east-west and dips at 74° to the north. A set of narrow quartz veins ranging <1 cm to 30 cm in thickness are exclusively hosted by the quartz diorite, oriented subparallel to the shear and dip shallowly at 35 to 40° north. Alteration within the diorite consists of chlorite, epidote, carbonate, potassium feldspar and biotite. The most significant drill intersections are related to quartz vein intervals and include 2.42 g/t Au over 1.0 m from 119.0 m depth (LXB20-001) and 1.01 g/t Au over 1.22 m from 260.98 m depth (LXB20-002).

In May 2021, an aerial LiDAR survey and a high-resolution helicopter-borne magnetic gradiometer survey were completed on the property. This data will be used to help define the structural framework of the property and plan the next phase of exploration.

### **3. EXPLORATION AND EVALUATION ACTIVITIES (CONT'D)**

No exploration work was conducted on the Blakelock Property during Fiscal 23 and Q1-24, and no field work is planned for Q2-24 at this time. The Corporation is contemplating an exploration program later during Fiscal 24 which would consist of line cutting followed by IP geophysics with the intent of generating drill targets.

#### **3.13 Egan Property**

##### ***Property description***

As at January 31, 2023, the Egan Property ("Egan") located in northeastern Ontario consists of 449 contiguous mining claims covering 11,721 hectares. The previous MD&A (October 31, 2022) stated that the property was composed of 454 claims. The difference in the number of claims is due to the existence of boundary claims that were recently merged to form regular claims. Early during Q4-23, all of these claims were transferred to Harfang. On August 5, 2020 (the "Effective Date"), the Corporation entered into an option agreement granting it the right to earn a 100% interest in Egan by making \$350,000 in cash payments, \$400,000 in exploration expenditures and issuing 900,000 shares staged over a three-year period.

The cash payments include \$20,000 on signing (paid), \$20,000 in six months of signing (paid) and \$60,000 (paid), \$80,000 (paid), and \$170,000 on each anniversary of the Effective Date. The \$400,000 exploration expenditure requirement by the third anniversary of the Effective Date has been completed. The Vendors also received 200,000 shares of the Corporation on signing, and 200,000 shares on the first anniversary. According to the option agreement, the Vendors were entitled to receive 200,000 and 300,000 LaSalle shares on the second and third anniversaries of signing, respectively. On April 13, 2022, Harfang and LaSalle completed their merger by way of a plan of arrangement, pursuant to which Harfang acquired all of the issued and outstanding shares of LaSalle on the basis of 0.1813 Harfang Share for each LaSalle Share (the "Exchange Ratio"). The agreement provided that in the event of a merger, acquisition or plan of arrangement, some proportionate adjustments would be made with respect to the number of shares issuable to the Vendors. Based on the Exchange Ratio, 36,260 (completed) shares of Harfang valued at \$10,878 as per the Exchange price on September 2, 2022, and 54,390 common shares of Harfang would be required to be issued to the Vendors on the second and third anniversaries, respectively. The Vendors retain a 2% NSR of which the Corporation retains the option to buy back one half (1%) at any time for \$1,500,000 and a right of first refusal over the remaining NSR.

In September 2021, the Corporation further expanded and consolidated Egan through two separate transactions involving purchase agreements increasing the total land area to 11,720 hectares and 454 claims. A purchase agreement was completed to obtain a 100% interest in a block of 30 claims covering 642 hectares in the northeast area of the property in exchange for a cash payment of \$15,000 and the issuance of 100,000 common shares of the Corporation. The Vendors have also been granted a 2% NSR royalty, half of which may be purchased at any time by the Corporation for \$1,000,000. The second transaction was on a block of six claims in the south-central portion of the property and was acquired by granting a 2% NSR royalty to the owners, half of which may be purchased by the Corporation at any time for \$1,000,000.

Egan was optioned in August 2020 based on the 2018 discovery by the Vendors of the E1 high-grade gold showing exposed by forestry logging operations. The E1 showing consists of a shear zone hosted, quartz veins stockwork which crosscuts the Bradley Lake ("BL") syenite. Syenite intrusions in the area display a close spatial relationship with several gold deposits including Alamos's Young Davidson Mine (3 M oz), the past producing Ross Mine (1 M oz), Kirkland Lake Gold's Macassa (5 M oz), and Holt-McDermott mines (3 M oz). The property is also strategically located near three actively producing gold mining camps (Timmins, Kirkland Lake, Matachewan) which collectively have produced greater than 115 M oz gold.

### **3. EXPLORATION AND EVALUATION ACTIVITIES (CONT'D)**

#### ***Exploration Work on the Property***

Work completed in 2020 consisted of prospecting and geological mapping. The initial focus was the E1 and E2 gold zones within and adjacent to the BL syenite, which is part of a multi-phase felsic intrusive body that intruded an east-west trending sequence of mafic metavolcanic rocks. This work confirmed the northeast trending E1 shear zone with quartz veins stockwork within a syenite, which contained high-grade gold. Selected grab samples yielded up to 63.70 g/t, 22.70 g/t and 4.70 g/t Au.

At the E2 zone, easterly trending laminated quartz veins are hosted by sheared mafic metavolcanics. Zones of northerly trending sigmoidal quartz-ankerite veins with anomalous gold values up to 4.51 g/t Au were identified. The same program led to the discovery of the E3 Zone (news release May 17, 2021) in the southern portion of the property. The E3 Zone consists of an easterly trending shear zone of sulphidic schist with 10-20% pyrite and 5-15% narrow quartz veins hosted in chloritic mafic metavolcanics. The mineralized zone is wide open along strike. Two grab samples returned values of 26.9 g/t and 15.7 g/t Au.

In May and June 2021, a field program was conducted beginning with an aerial LiDAR survey covering 117 km<sup>2</sup> and an 828-linear kilometre high-resolution helicopter-borne magnetic gradiometer survey. This was followed with a field program consisting of geological mapping, prospecting and sampling over certain portions of the property. Five rock samples returned assays greater than 1 g/t Au, and ten (10) samples returned assays between 0.1 g/t and 1 g/t Au. These were highlighted by the discovery of additional high-grade gold at the E3 Zone with individual grab samples returning 44.70 g/t and 19.00 g/t Au. This showing is 8 to 10 m wide and has been outlined over 25 m of strike length. These high-grade samples consisted of chlorite schist with cross-cutting 0.5-1.0 cm quartz veins, 1-2% fine-grained pyrite and minor chalcopyrite from within an 8-10 metric-wide zone.

In early October 2021, a comprehensive field exploration program was initiated consisting of 75 kilometres of IP geophysics over priority target areas, geological mapping, prospecting, and soil sampling, followed by hand stripping. Harfang published a news release on January 25, 2022, disclosing strong gold in soil geochemical results up to 1.52 g/t and 1.90 g/t Au in the vicinity of E1 zone. Integration of geochemical and geophysical anomalies with LiDAR and airborne magnetic surveys indicate several compelling targets.

In late May 2022, soil sampling and brief prospecting resumed on the Egan Property as the continuation of the fall 2021 program which was suspended due to winter conditions. Field work was conducted by a crew of four people. The soil survey was a continuation of the successful 2021 fall survey. Prospecting in the vicinity of E1 and E3 zones investigated anomalous results from the 2021 soil survey, underexplored areas of interest, and chargeability axes detected by the IP survey. A total of 248 B-horizon and 31 grab samples were collected.

The Corporation announced in a news release dated on August 31, 2022, that the new soil results returned a broad zone of anomalous gold south of E1 showing with the highest results at 54 ppb, 74 ppb and 139 ppb Au. The anomaly cluster is approximately 1 kilometre long by 500 metres wide. Follow-up prospecting on the 1,900 ppb (1.90 g/t) gold-in-soil anomaly resulted in a new showing (E1S) in altered syenite with grab samples up to 25 g/t Au. Prospecting in the area of another strong gold-in-soil anomaly from the late 2021 program that returned 1,520 ppb gold (1.52 g/t), 230 metres southwest of the E1 Zone, discovered a glacial float of altered syenite similar in appearance to E1. The float, probably transported from a local source, returned 5.51 g/t Au. The crew returned to the field during Q3-23 as a follow-up on the latest results. The Corporation collected an additional 19 grab samples from the BL syenite together with another 53 soil samples. Six of the rock samples collected at the E1S showing returned between 1.84 g/t and 4.07 g/t Au. With the exception of one soil sample (80 ppb Au), all other soil samples have values lower than 23 ppb Au. Another group of six rock samples collected by the Vendors in September 2022 at the E1S showing returned between 1.26 g/t and 65.3 g/t Au.

A technical report related to the 2021 ground IP survey completed on the property was filed and accepted by the MRNF in Q4-23.

### **3. EXPLORATION AND EVALUATION ACTIVITIES (CONT'D)**

The Corporation did not proceed to field activities on the property in Q4-23 and Q1-24 and has not planned exploration in Q2-24 at this time.

#### **3.14 Selbaie Property**

##### ***Property description***

As at January 31, 2023, Harfang owns a 100% interest on six mining claims covering 334 hectares referred to as the Selbaie Property (Québec) (NTS sheet 32E15). Early during Q4-23, these claims were transferred to Harfang from LaSalle. The property is located 12 kilometres east of the past producing copper-zinc-gold Selbaie Mine and has excellent road access. It is located 80 kilometres west of Matagami. The property was acquired by staking based on its favourable geological setting and exploration potential for hosting similar mineralization to the Selbaie Mine but also for shear zone-hosted mesothermal gold mineralization. The claims cover the eastern flank of the Brouillan Pluton and the adjacent undifferentiated volcanics of the Brouillan-Fenelon Group (Abitibi Subprovince).

Pursuant to an agreement dated February 6, 2023, the six claims were sold to Goldseek. Goldseek has agreed to pay \$5,000 in cash and issue 600,000 common shares to the Corporation. Goldseek also grants to Harfang a 2% net smelter return royalty, half of which may be bought back at any time for \$1,000,000.

##### ***Exploration Work on the Property***

No exploration work has been conducted on the property during Fiscal 23 and Q1-24.

#### **3.15 Ewart**

##### ***Property description***

Early during Q4-23, the Corporation acquired 119 contiguous claims (6,146 hectares) by map designation in NTS sheet 33G04. This new acquisition, referred to as the Ewart claims, covers an area considered by the MRNF to host lithium and rare metal mineralization hosted in granite and pegmatite of the Vieux Comptoir Granitic Suite. According to the MRNF, this favourable zone corresponds to an aureole 2 to 3 kilometres thick on the periphery of an intrusion of the Granitic Suite of the Vieux Comptoir. This zone is characterized by the presence of banded and beryllium-enriched pegmatitic intrusions intersecting paragneiss of the Laguiche Complex. It is possible to suppose a metallic zonation in pegmatites marked by a progressive enrichment of Be; Be, Nb, Ta; Li, Be, Ta, Nb; and Li, Cs, Be, Ta, Nb outwards of the pluton. That region located inside the Opinaca Subprovince still remains largely unexplored.

##### ***Exploration Work on the Property***

No exploration has been conducted on that property in Fiscal 23 and Q1-24. The Corporation is proceeding to the geological compilation of historical work done in the area in preparation for a first prospecting program planned during Q2-24 and Q3-24.

#### **3.16 Lemare**

##### ***Property description***

As at January 31, 2023, the Corporation owns 217 mining claims covering 11,436 hectares in NTS sheets 32O11 and 32O12 referred to as the Lemare Property in Eeyou Istchee James Bay (Québec). All of these claims, 100% owned by the Corporation, were staked by map designation late during Q4-23. The property, straddling across the all-season gravel North Road (*Route du Nord*), is located approximately 20 kilometres southeast of the Whabouchi lithium deposit.

### **3. EXPLORATION AND EVALUATION ACTIVITIES (CONT'D)**

The property is located inside the Opatica Subprovince, some four kilometres south of the La Grande Subprovince. Granite and pegmatite of the Theodat Complex are abundant in the region. A limited surface area of the property is located inside a zone where exploration is allowed under specific conditions due to the proximity of a hydroelectric reservoir.

The Corporation targeted this specific area based on several strong calculated lithium anomalies in lake sediments. It is also located near the major tectonic boundary between the La Grande and Opatica subprovinces and 20 kilometres southeast of the Whabouchi lithium deposit.

#### ***Exploration Work on the Property***

No exploration has been conducted on that property in Fiscal 23 and Q1-24. The Corporation is proceeding to the geological compilation of historical work done in the area in preparation for a first prospecting program planned during Q2-24 and Q3-24.

#### **3.17 Conviac**

##### ***Property description***

As at January 31, 2023, the Corporation owns 140 mining claims covering 7,360 hectares in NTS sheets 33B06 and 33B07 referred to as the Conviac Property in Eeyou Istchee James Bay (Québec). These claims were staked by map designation late during Q4-23.

Geological units mainly include paragneiss and metatexite mapped in both subprovinces and granodiorite and tonalite in the La Grande Subprovince. The region is largely under-explored and is prospective for lithium and gold.

The Corporation targeted this specific area based on a strong calculated lithium anomaly in lake sediments. It is also located along the major tectonic boundary between the La Grande and Opinaca subprovinces. The Éléonore Mine is located 70 kilometres to the northwest along the same boundary.

#### ***Exploration Work on the Property***

No exploration has been conducted on that property in Fiscal 23 and Q1-24. The Corporation is proceeding to the geological compilation of historical work done in the area in preparation for a first prospecting program planned during Q2-24 and Q3-24.

#### **3.18 Sakami**

##### ***Property description***

As at January 31, 2023, the Corporation owns 204 mining claims covering 10,481 hectares in NTS sheets 33G06 and 33G07 referred to as the Sakami Property in Eeyou Istchee James Bay (Québec). These claims were staked by map designation at the end of Fiscal 23. Grouped into two distinct blocks eight kilometres apart, the property is located seven kilometres south of the Transtaiga Road. A secondary gravel road connected to the Transtaiga road and a powerline run through the eastern block of claims.

The Corporation targeted this specific area based on a couple of strong calculated lithium and beryllium anomalies in lake sediments. The property is located near the northern border of the Opinaca Subprovince. It contains wacke-derived paragneiss and intrusive rocks such as tonalite and granite of the Vieux Comptoir Granitic Suite. The area is largely under-explored and has the potential to host lithium-bearing pegmatite.

### **3. EXPLORATION AND EVALUATION ACTIVITIES (CONT'D)**

#### ***Exploration Work on the Property***

No exploration has been conducted on that property in Fiscal 23 and Q1-24. The Corporation is proceeding to the geological compilation of historical work done in the area in preparation for a first prospecting program planned during Q2-24 and Q3-24.

#### **3.19 Ross**

##### ***Property description***

As at January 31, 2023, the Corporation had not yet created the Ross property. During Q1-24, the Corporation acquired 100 mining claims (5,302 hectares) by map designation in NTS sheets 32O15, 32O16, 33B01 and 33B02 referred to as the Ross property. Access to the property is by air transportation.

The Corporation targeted this specific area based on a geological setting relatively similar to that of the Whabouchi lithium deposit located 85 kilometres to the southwest along the same Lac des Montagnes volcano-sedimentary belt. Lithologies of the property include paragneiss of the Voirdye and Prosper formations, felsic intrusions and minor ultramafic rocks. A strong calculated beryllium anomaly in lake sediments is located inside the limits of the property. The area is largely under-explored and has the potential to host lithium-bearing pegmatite.

##### ***Exploration Work on the Property***

No exploration has been conducted on that property in Q1-24. The Corporation is proceeding to the geological compilation of historical work done in the area in preparation for a first prospecting program planned during Q2-24 and Q3-24.

#### **3.20 Projects Generation**

During Fiscal 23, the Corporation continued its geological compilation program for the acquisition of new critical and strategic mineral assets as well as gold and base metal properties in Québec.

A block of 73 contiguous claims (4,077 ha) located 5 kilometres north of the Douay gold prospect owned by Maple Gold was acquired by map designation in June 2020 following a geological compilation. The claims are located in NTS sheet 32E09. This asset, referred to as the Douay North claims, is located along the northern Casa Berardi Deformation Corridor in the Abitibi greenstone belt. The Corporation has never proceeded to any exploration work on these claims since their acquisition and is planning to abandon these claims at their expiry date (June 17, 2023), as such, an impairment on the full amount of \$21,199 as been taken as at January 31, 2023.



#### 4. SELECTED ANNUAL INFORMATION

	Fiscal 23	Fiscal 22	Fiscal 21
	\$	\$	\$
<b>Financial Results</b>			
Revenues	3,282	8,159	76
Exploration and evaluation expenditures, net of tax credits and government grant	2,180,027	3,533,597	1,794,334
Net loss	3,533,961	3,407,060	1,663,550
Net loss per share, basic and diluted	0.07	0.11 <sup>(1)</sup>	0.08 <sup>(1)</sup>
<b>Financial Position</b>			
Cash	7,413,806	7,264,839	8,683,053
Total assets	17,186,332	8,924,540	10,019,247
Total current liabilities	198,687	931,353	1,303,377
Shareholders' equity	16,987,645	7,993,187	8,715,870
Working capital	7,698,909	6,454,249	7,466,502

<sup>(1)</sup> On April 13, 2022, the Corporation performed a consolidation of its common shares on a 2.1554 for (1) basis of the Corporation's issued equity instruments including common shares, warrants and options. All net loss per share values above have been retroactively adjusted to give effect to the share consolidation as required by IAS 33.

#### 5. RESULT OF OPERATIONS

##### 5.1 Discussion on Fiscal 23

The Corporation reported a net loss of \$3,533,961 in Fiscal 23 (\$3,407,060 in Fiscal 22). The main variations are as follow:

- Exploration and evaluation expenditures, net of tax credits and government grant \$2,180,027 (\$3,533,597 in Fiscal 22). See section on exploration and evaluation activities for details of exploration and evaluation expenditures. An amount of tax credits and government grant of \$300,652 was recorded in Fiscal 23 (\$nil in Fiscal 22).
- Salaries and benefits for \$55,796 (\$190,186 in Fiscal 22). The salary of the former President and CEO of the Corporation remained paid until April 13, 2022 while the expense of his replacement is presented in the consulting and professional fees.
- Stock-based compensation of \$235,800 (\$291,810 in Fiscal 22) was estimated using the Black-Scholes model. On April 20, 2022 a total of 600,000 stock options (795,000 in Fiscal 22) were granted and their fair value was estimated at \$235,800 (\$291,810 in Fiscal 22). The options became fully vested upon the grant date.
- Director's fees for \$77,625 (\$nil in Fiscal 22). The Corporation began paying director's fees effective May 1, 2022 to non-executive directors.
- Consulting and professional fees of \$480,963, office and administrative of \$135,043, travel, conference and investor relations of \$204,162 and filing fees of \$41,718, for an aggregate of \$861,886 (\$378,198 in aggregate in Fiscal 22). There was an increase of consulting and professional fees partly explained by the arrival in the Corporation of a new President and CEO as well as increased legal and accounting fees as there have been more transactions and corporate activities. There was an increase of travel, conference and investor relations expenses explained by an increase in participation in marketing activities as well as the development of a new branding, digital marketing development within capital markets, investor presentation and website of the Corporation.
- Impairment of exploration and evaluation assets (non-cash items) of \$90,548 (\$11,112 in Fiscal 22). See section on exploration and evaluation activities for the detailed explanations.
- Interest income for \$206,594 (\$35,861 in Fiscal 22). Interest earned on bank account principal has increased due to the significant rise in market interest rates.

## 5. RESULT OF OPERATIONS (CONT'D)

- A net unfavorable change in fair value of listed shares (non-cash) of \$641,250 (unfavorable of \$166,250 in Fiscal 22) was recorded and explained by the decline in value of Monarch shares for \$650,000 and a slight increase in value of QcX Gold shares for \$8,750.
- Deferred income taxes recovery of \$402,093 (\$1,120,073 in Fiscal 22). This recovery consists mainly in the amortization, in proportion of the exploration work completed, of the premium related to flow-through shares renunciations following the June 25, 2021 and November 3, 2021 private placements (December 9 and 24, 2020 and June 25, 2021 private placements in Fiscal 22).

### 5.2 Discussion on Q4-23

The Corporation reported a net loss of \$433,301 in Q4-23 (\$657,269 in Q4-22). The main variations are as follow:

- Exploration and evaluation expenditures, net of tax credits and government grant \$230,722 (\$544,182 in Q4-22). See section on exploration and evaluation activities for details of exploration and evaluation expenditures. An amount of tax credits and government grant of \$297,057 was recorded in Q4-23 (\$nil in Q4-22).
- Director's fees for \$20,875 (\$nil in Q4-22). The Corporation began paying director's fees effective May 1, 2022 to non-executive directors.
- Consulting and professional fees of \$149,340, office and administrative of \$40,271, travel, conference and investor relations of \$49,729 and filing fees of \$4,230, for an aggregate of \$243,570 (\$71,504 in aggregate in Q4-22). There was an increase of consulting and professional fees partly explained by the arrival in the Corporation of a new President and CEO in April 2022 as well as increased legal and accounting fees as there have been more transactions and corporate activities. There was an increase of travel, conference and investor relations expenses explained by an increase in participation in marketing activities as well investor presentation.
- Impairment of exploration and evaluation assets (non-cash items) of \$90,548 (11,112 in Q4-22). See section on exploration and evaluation activities for the detailed explanations.
- Interest income for \$83,228 (\$8,817 in Q4-22). Interest earned on bank account principal has increased due to the significant rise in market interest rates.
- A favorable change in fair value of listed shares (non-cash) of \$75,000 (an unfavorable of \$113,750 in Q4-22) was recorded and explained by the increase in value of Monarch shares for \$31,250 as well as QcX Gold shares for \$43,750.
- Deferred income taxes recovery of \$nil (\$124,500 in Q4-22). This recovery consists mainly in the amortization, in proportion of the exploration work completed, of the premium related to flow-through shares renunciation following the June 25, 2021 private placement in Q4-22.

## 6. SELECTED QUARTERLY INFORMATION

The following table presents selected financial information for each of the most recent eight quarters:

	Q4-23	Q3-23	Q2-23	Q1-23
	\$	\$	\$	\$
Revenues	-	-	3,282	-
Exploration and evaluation expenditures, net of tax credits and government grant	230,722	499,219	765,743	684,343
Net loss	433,301	1,134,719	981,485	984,456
Net loss per share, basic and diluted	0.01	0.02	0.02	0.02
Cash	7,413,806	8,244,531	9,485,292	10,267,346
Total assets	17,186,332	17,664,412	19,217,971	20,331,697
Total current liabilities	198,687	206,371	733,184	865,425
Shareholders' equity	16,987,645	17,458,041	18,484,787	19,466,272
Working capital	7,698,909	8,259,358	9,006,652	9,874,828

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**6. SELECTED QUARTERLY INFORMATION (CONT'D)**

	<b>Q4-22</b>	<b>Q3-22</b>	<b>Q2-22</b>	<b>Q1-22</b>
	\$	\$	\$	\$
Revenues	-	165	7,994	-
Exploration and evaluation expenditures, net of tax credits and government grant	544,182	1,130,545	850,557	1,008,313
Net loss	657,269	958,203	692,858	1,098,730
Net loss per share, basic and diluted <sup>(1)</sup>	0.02	0.03	0.02	0.04
Cash	7,264,839	7,760,649	9,198,155	7,225,296
Total assets	8,924,540	9,214,123	10,586,067	8,885,112
Total current liabilities	931,353	853,631	1,284,292	907,082
Shareholders' equity	7,993,187	8,360,492	9,301,775	7,978,030
Working capital	6,454,249	7,133,014	8,053,419	6,709,494

<sup>(1)</sup> On April 13, 2022, the Corporation performed a consolidation of its common shares on a 2.1554 for (1) basis of the Corporation's issued equity instruments including common shares, warrants and options. All net loss per share values above have been retroactively adjusted to give effect to the share consolidation as required by IAS 33.

Highlights for each quarter are as follows.

**6.1 Q4-23**

- Harfang has completed a vertical amalgamation with its wholly-owned subsidiary, LaSalle Exploration Corp., effective November 1, 2022, with the name of the amalgamated company to remain "Harfang Exploration Inc."
- The Corporation added 162 claims by map designation to the La Passe property.
- The Corporation created the Conviac (140 claims), Ewart (119 claims), Lemare (217 claims) and Sakami (204 claims) properties by map designation.
- Exploration and evaluation expenditures before tax credits and government grant for a sum of \$527,779 were mainly incurred on Lake Menarik property and are composed primarily of geophysics, salaries and benefits, and drilling expenses.

**6.2 Q3-23**

- On October 11, 2022, the Corporation signed a purchase agreement with CMH, regarding the acquisition by Harfang of 53 mining claims contiguous to the Lake Menarik and Menarik East properties and paid a cash consideration of \$82,150 and issued 300,000 common shares valued at \$60,000.
- In order to honor the option agreement for the Egan property, the Corporation paid \$80,000 and issued to the vendors 36,260 shares of Harfang valued at \$10,878.
- Exploration and evaluation expenditures for a sum of \$502,814 were mainly incurred on Lake Menarik property and are composed primarily of geology, salaries and benefits, and analysis expenses.

**6.3 Q2-23**

- On July 20, 2022, the Corporation signed an option agreement with Li-FT pursuant to which LiFT has been granted the sole and exclusive option to acquire up to a 70% interest in the Pontax property. Upon signing, LiFT made a \$25,000 cash payment to Harfang.
- Exploration and evaluation expenditures for a sum of \$765,743 were mainly incurred on Serpent and Radisson properties and are composed primarily of geology, salaries and benefits, and analysis expenses.

**6. SELECTED QUARTERLY INFORMATION (CONT'D)**

**6.4 Q1-23**

- On January 5, 2022, Harfang and LaSalle entered into a definitive Arrangement Agreement pursuant to which Harfang agreed to acquire all of the issued and outstanding shares of LaSalle. On April 13, 2022, upon completion of the Arrangement, Harfang issued an aggregate of 17,739,540 common shares (on a post-Consolidation basis) to the former shareholders of LaSalle.
- On April 13, 2022, immediately prior to the closing of the Transaction, the Corporation performed a consolidation on a 2.1554 for 1 basis of the Corporation's issued equity instruments including common shares, warrants and options.
- On February 4, 2022, Harfang completed a non-brokered private placement of 7,727,271 subscription receipts (on a post-Consolidation basis) at a price of \$0.55 per subscription receipt for an amount of \$4,249,999. The gross proceeds arising from the Offering were held in escrow by an escrow agent pending completion of the Transaction. On April 13, 2022, the total gross proceeds arising from the Offering were released from escrow and each subscription receipt was automatically converted into one (1) common share of Harfang (on a post-Consolidation basis) resulting in the issuance of 7,727,271 common shares.
- On April 13, 2022, in connection with the closing of the Arrangement, Harfang subscribed for 1,250,000 common shares of Monarch, at a price of \$0.60 per share, for a total amount of \$750,000.
- The Corporation granted the CEO with 600,000 options exercisable at an exercise price of \$0.55 and valid for 10 years.
- Exploration and evaluation expenditures for a sum of \$684,343 were mainly incurred on the Serpent property and are composed primarily of drilling, salaries and benefits, and analysis expenses.

**6.5 Q4-22**

- On January 5, 2022, Harfang and LaSalle have entered into a definitive Arrangement Agreement pursuant to which Harfang will acquire all of the issued and outstanding shares of LaSalle.
- On November 3, 2021, the Corporation closed a non-brokered private placement consisting of 1,089,007 flow-through common shares at a price of \$0.45 per flow-through common share for a gross proceed of \$490,053.
- Exploration and evaluation expenditures were mainly incurred on Serpent property for a sum of \$544,182 and are composed primarily of drilling, salaries and benefits, analysis expenses.

**6.6 Q3-22**

- The Corporation added 57 claims by map designation to the Serpent property.
- The Corporation granted to a director 60,000 options exercisable at an exercise price of \$0.32 and valid for 10 years.
- Exploration and evaluation expenditures were mainly incurred on Serpent properties for a sum of \$1,130,545 and are composed primarily of drilling, salaries and benefits and geology expenses.

**6.7 Q2-22**

- On June 25, 2021, the Corporation closed a non-brokered private placement consisting of 4,000,000 flow-through common shares at a price of \$0.50 per flow-through common share for gross proceeds of \$2,000,000.
- The Corporation received \$594,000 following the exercise of 1,485,000 warrants with an exercise price of \$0.40 per share.
- Exploration and evaluation expenditures were mainly incurred on Serpent property for a sum of \$850,557 and are composed primarily of geology, salaries and benefits and analysis expenses.

## **6. SELECTED QUARTERLY INFORMATION (CONT'D)**

### **6.8 Q1-22**

- The Corporation granted to its directors, officers, employees and consultants 735,000 options exercisable at an exercise price of \$0.425 and valid for 10 years.
- Exploration and evaluation expenditures were mainly incurred on the Serpent property for a sum of \$1,008,313 and are composed primarily of drilling, salaries and benefits, and analysis expenses.

## **7. LIQUIDITY AND CAPITAL RESOURCES**

The Corporation has working capital of \$7,698,909 as at January 31, 2023, (\$6,454,249 as at January 31, 2022). The working capital position was favorably improved on April 13, 2022 when the total gross proceeds of \$4,249,999 arising from the Offering dated February 4, 2022 were released from escrow.

Management is of the opinion that it will be able to maintain the status of its current exploration obligations and to keep its properties in good standing. Advanced exploration of some of the mineral properties would require substantially more financial resources. In the past, the Corporation has been able to rely on its ability to raise financing in privately negotiated equity offerings. There is no assurance that such financing will be available when required, or under terms that are favourable to the Corporation. The Corporation may also elect to advance the exploration and development of mineral properties through joint-venture participation.

## **8. OFF BALANCE SHEET ARRANGEMENTS**

At the date of this MD&A, the Corporation had no material off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Corporation.

## **9. SUBSEQUENT EVENTS**

See section 2.1 for details on subsequent events.

## **10. RELATED PARTY TRANSACTIONS**

Related party transactions are described in note 16 of the Fiscal 23 Financial Statements. Nevertheless, following are further details on related party transactions:

The President of the Corporation's consulting agreement, which came into force on April 13, 2022, provides for payments, on termination of the agreement without cause or following a change of control, of \$180,000 to \$270,000 representing 12 to 18 times the monthly fee, depending on circumstances.

In addition, the previous President of the Corporation's employment agreement, which came into force on June 22, 2017, provided for payments, on termination of employment without cause or following a change of control, of \$175,000 to \$262,500 representing 12 to 18 months of base salary, depending on circumstances. François Goulet remained President and Chief Executive Officer of the Corporation until April 13, 2022 and had no termination payment.

*In the normal course of operations:*

- A company controlled by Ian Campbell (President, Chief Executive Officer and director) invoiced an amount of \$142,250 (\$nil in Fiscal 22) as president and CEO compensation;
- A company controlled by Karen Rees (director, appointed April 13, 2022) charged an amount of \$2,550 (\$nil in Fiscal 22) which was recorded as professional fees;

## 10. RELATED PARTY TRANSACTIONS (CONT'D)

- A company controlled by Marc Pothier (corporate secretary, appointed June 22, 2017) charged an amount of \$113,799 (\$124,957 in Fiscal 22) of which \$76,028 (\$51,182 in Fiscal 22) was recorded as professional fees, \$8,510 (\$19,115 in Fiscal 22) as share issuance costs, \$nil (\$28,086 in Fiscal 22) as deferred share issuance costs, \$nil (\$26,574 in Fiscal 22) as deferred transaction costs and \$29,261 (\$nil in Fiscal 22) as transaction costs;
- A firm in which Frank Mariage (director until April 13, 2022) is a partner charged an amount of \$95,045 (\$117,369 in Fiscal 22) of which \$3,354 (\$2,971 in Fiscal 22) was recorded as professional fees, \$nil (\$114,398 in Fiscal 22) as deferred transaction costs and \$91,691 (\$nil in Fiscal 22) as transaction costs;
- As at January 31, 2023, the balance due to those related parties amounted to \$60,295 (\$105,605 as at January 31, 2022).

### *Out of the normal course of operations:*

- In Fiscal 23, directors and officers of the Corporation did not participate in any flow-through private placements (\$77,000 in the June 25, 2021 and \$20,250 in November 3, 2021 flow-through private placements). In Fiscal 23, the directors of the Corporation participate in the February 4, 2022 private placement for \$150,001 (\$nil in Fiscal 22). Where applicable, the directors and officers subscribed to the private placements and the flow-through private placements under the same terms and conditions set forth for all subscribers.

## 11. CRITICAL ACCOUNTING POLICIES, ESTIMATES, JUDGEMENTS AND ASSUMPTIONS

The preparation of the Financial Statements requires Management to make judgments and form 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. On an ongoing basis, Management evaluates its judgments in relation to assets, liabilities and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments. Actual outcomes may differ from these estimates under different assumptions and conditions. Critical estimates, judgments, and assumptions exercised in applying accounting policies with the most significant effect on the amounts recognized in the consolidated financial statements are described at note 5 of the 2023 Financial Statements. The critical accounting policies are described at note 3 of the 2023 Financial Statements.

## 12. CHANGE IN ACCOUNTING POLICIES

The most relevant standards, amendments and interpretations issued up to the date of the issuance of the 2023 Financial Statements are listed at note 4 of the Financial Statements.

## 13. FINANCIAL INSTRUMENTS

Financial instruments are described in notes 3.4, 6, 7, 17 and 18 of the 2023 Financial Statements.

## 14. OUTSTANDING SHARES DATA

	May 17, 2023	January 31, 2023
	Number	Number
Capital stock	60,858,856	58,063,313
Warrants	946,726	946,726
Stocks options	1,888,065	2,549,880
<b>Fully diluted</b>	<b>63,693,647</b>	<b>61,559,919</b>

## **15. STOCK OPTION PLAN**

The purpose of the Option Plan is to provide the Corporation with a share-related mechanism to attract, retain and motivate qualified directors, senior officers, employees and consultants of the Corporation, to reward such of these participants from time to time for their contributions toward the long-term goals of the Corporation and to enable and encourage such participants to acquire shares as long-term investments. There is no performance indicator relating to profitability or risk attached to the plan.

The number of options granted is determined by the Board of Directors. The exercise price of any option granted under the plan shall be fixed by the Board of Directors at the time of grant and shall not be lower than the closing price on the day preceding the grant. The term of the option will not exceed ten years from the date of grant. The options vesting period is determined by the Board of Directors. On January 5, 2022 and in connection with the execution of the arrangement agreement, the Board of Directors of the Corporation further agreed to amend the stock option plan of the Corporation to extend the expiry date of certain stock options granted thereunder to a period of up to 12 months following the date on which an optionee ceases to be an "Eligible Person" within the meaning of the Plan. On June 29, 2022, the shareholders of the Corporation approved the amendment to the stock option plan and reapproved the stock option plan which provides that the maximum number of common shares in the capital of the Corporation that may be reserved for issuance under the plan is limited to a maximum of 10% of the common shares outstanding.

## **16. RISK FACTORS**

The following discussions review a number of important risks which Management believes could impact the Corporation's business. There are other risks, not identified below, which currently, or may in the future exist in the Corporation's operating environment.

### **16.1 International Conflict**

International conflict and other geopolitical tensions and events, including war, military action, terrorism, trade disputes, and international responses thereto have historically led to, and may in the future lead to, uncertainty or volatility in global commodity and financial markets and supply chains. Russia's invasion of Ukraine has led to sanctions being levied against Russia by the international community and may result in additional sanctions or other international action, any of which may have a destabilizing effect on commodity prices, supply chains, and global economies more broadly. Volatility in commodity prices and supply chain disruptions may adversely affect the Corporation's business, financial condition, and results of operations. The extent and duration of the current Russia-Ukraine conflict and related international action cannot be accurately predicted at this time and the effects of such conflict may magnify the impact of the other risks identified in this MD&A, the Financial Statements of the Corporation, including those relating to commodity price volatility and global financial conditions. The situation is rapidly changing and unforeseeable impacts, including on shareholders of the Corporation, and third parties with which the Corporation relies on or transacts, may materialize and may have an adverse effect on the Corporation's business, results of operation, and financial condition.

### **16.2 Exploration and Mining Risks**

The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines.

Currently, there are no known bodies of commercial ore on the mineral properties of which the Corporation intends to acquire an interest and the proposed exploration program is an exploratory search for ore. Unusual or unexpected formations, formation pressures, fires, power outages, labor disruptions, flooding, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labor are other risks involved in the conduct of exploration programs. The Corporation, from time to time, increases its internal exploration and operating expertise with due advice from consultants and others as required.

## **16. RISK FACTORS (CONT'D)**

The economics of developing gold and other mineral properties is affected by many factors including the cost of operations, variation of the grade of ore mined and fluctuations in the price of any minerals produced. There are no underground or surface plants or equipment on the Corporation's mineral properties.

### **16.3 Titles to Property**

While the Corporation has diligently investigated title to the various properties in which it has interest, and to the best of its knowledge, title to those properties are in good standing, this should not be construed as a guarantee of title. The properties may be subject to prior unregistered agreements or transfer, or native or government land claims, and title may be affected by undetected defects.

### **16.4 Permits and Licenses**

The Corporation's operations may require licenses and permits from various governmental authorities. There can be no assurance that the Corporation will be able to obtain all necessary licenses and permits that may be required to carry out exploration, development and mining operations at its projects.

### **16.5 Metal Prices**

Even if the Corporation's exploration programs are successful, factors beyond the control of the Corporation may affect marketability of any minerals discovered. Metal prices have historically fluctuated widely and are affected by numerous factors beyond the Corporation's control, including international, economic and political trends, expectations for inflation, currency exchange fluctuations, interest rates, global or regional consumption patterns, speculative activities and worldwide production levels. The effect of these factors cannot accurately be predicted.

### **16.6 Information Systems Security Threats**

The Corporation's operations depend upon information technology systems which may be subject to disruption, damage, or failure from different sources, including, without limitation, installation of malicious software, computer viruses, security breaches, cyber-attacks, and defects in design.

Although to date the Corporation has not experienced any material losses relating to cyber-attacks or other information security breaches, there can be no assurance that the Corporation will not incur such losses in the future. The Corporation's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage or unauthorized access remain a priority. As cyber threats continue to evolve, the Corporation may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

### **16.7 Competition**

The mining industry is intensely competitive in all its phases. The Corporation competes with many companies possessing greater financial resources and technical facilities than itself for the acquisition of mineral interests as well as for recruitment and retention of qualified employees.

### **16.8 Environmental Regulations**

The Corporation's operations are subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions of spills, release or emission of various substances produced in association with certain mining industry operations, such as seepage from tailing disposal areas, which could result in environmental pollution.



## **16. RISK FACTORS (CONT'D)**

A breach of such legislation may result in imposition of fines and penalties. In addition, certain types of operations require submissions to and approval of environmental impact assessments. Environmental legislation is evolving in a manner, which means stricter standards, and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations. The Corporation intends to fully comply with all environmental regulations.

### **16.9 Conflicts of Interest**

Certain directors and officers of the Corporation are also directors, officers or shareholders of other companies that are similarly engaged in the business of acquiring, developing and exploiting natural resource properties. Such associations may give rise to conflicts of interest from time to time. The directors or officers of the Corporation are required by law to act honestly and in good faith with a view to the best interests of the Corporation and to disclose any interest, which they may have in any project or opportunity of the Corporation. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict will disclose his interest and abstain from voting on such matter. In determining whether or not the Corporation will participate in any project or opportunity, the directors will primarily consider the degree of risk to which the Corporation may be exposed and its financial position at that time.

### **16.10 Stage of Exploration**

The Corporation's properties are in the exploration stage and to date none of them have a proven ore body. The Corporation does not have a history of earnings or return on investment, and there is no assurance that it will produce revenue, operate profitably or provide a return on investment in the future.

### **16.11 Industry Conditions**

Mining and milling operations are subject to government regulations. Operations may be affected in varying degrees by government regulations such as restrictions on production, price controls, tax and mining duty increases, expropriation of property, pollution controls or changes in conditions under which minerals may be mined, milled or marketed. The marketability of minerals may be affected by numerous factors beyond the control of the Corporation, such as government regulations. The Corporation undertakes exploration in areas that are or could be the subject of native land claims. Such claims could delay work or increase exploration costs. The effect of these factors cannot be accurately determined.

### **16.12 Uninsured Hazard**

Hazards such as unusual geological conditions are involved in exploring for and developing mineral deposits. The Corporation may become subject to liability for pollution or other hazards, which cannot be insured against or against which the Corporation may elect not to insure because of high premium costs or other reasons. The payment of any such liability could result in the loss of Corporation assets or the insolvency of the Corporation.

### **16.13 Capital Needs**

The exploration, development, mining and processing of the Corporation's properties will require substantial additional financing. The only current source of future funds available to the Corporation is the sale of additional equity capital. There is no assurance that such funding will be available to the Corporation or that it will be obtained on terms favourable to the Corporation or will provide the Corporation with sufficient funds to meet its objectives, which may adversely affect the Corporation's business and financial position. Failure to obtain sufficient financing may result in delaying or indefinite postponement of exploration, development or production on any or all of the Corporation's properties or even a loss of property interest.

**16. RISK FACTORS (CONT'D)**

**16.14 Key Employees**

Management of the Corporation rests on a few key officers, the loss of any of whom could have a detrimental effect on its operations.

**16.15 Canada Revenue Agency and provincial agencies**

No assurance can be made that Canada Revenue Agency and provincial agencies will agree with the Corporation's characterization of expenditures as Canadian exploration expenses or Canadian development expenses or the eligibility of such expenses as Canadian exploration expenses under the Income Tax Act (Canada) or any provincial equivalent.

**17. MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL INFORMATION**

The Corporation's Financial Statements are the responsibility of the Corporation's management. The Financial Statements were prepared by the Corporation's management in accordance with IFRS. The Financial Statements include certain amounts based on the use of estimates, judgements and assumptions. Management has established these amounts in a reasonable manner, in order to ensure that the Financial Statements are presented fairly in all material respects.

The Financial Statements have been approved by the board of directors based on the estimates, judgements and assumptions as presented by management.

**18. FORWARD LOOKING INFORMATION**

This MD&A contains forward-looking information within the meaning of applicable securities legislation, which reflects the Corporation's current expectations regarding future events, including expectations regarding the completion of the Offering, the receipt of necessary authorizations from securities regulatory authorities and the use of the net proceeds from the Offering. Such statements can be recognized by the terms "forecast", "anticipate", "consider", "foresee" and other terms and similar expressions. In this MD&A there is forward-looking information based on a number of assumptions and subject to a number of risks and uncertainties, many of which are beyond the Corporation's control that could cause actual results and events to differ materially from those that are disclosed in or implied by such forward-looking information. Such risks and uncertainties include, but are not limited to, the factors discussed under "Risk Factors" in Section 16. Any forward-looking information included in this MD&A is based only on information currently available to the Corporation and speaks only as of the date on which it is made. Except as required by applicable securities laws, the Corporation assumes no obligation to update or revise any forward-looking information to reflect new circumstances or events.

May 17, 2023

(s) Ian Campbell  
Ian Campbell  
President and CEO

(s) Yvon Robert  
Yvon Robert  
CFO