



# **Lion Copper and Gold Corp.**

## **Management's Discussion and Analysis For the three and six months ended June 30, 2024**

Dated: August 14, 2024

(In U.S. dollars)

This Management's Discussion and Analysis ("**MD&A**") of Lion Copper and Gold Corp. and its wholly owned subsidiaries (collectively, "**Lion CG**" or the "**Company**"), dated August 14, 2024, should be read in conjunction with the condensed interim consolidated financial statements for the three and six months ended June 30, 2024 and audited consolidated financial statements for the year ended December 31, 2023, and related notes thereto which have been prepared in accordance with accounting principles generally accepted in the United States ("**U.S. GAAP**"). All dollar amounts in this MD&A are United States dollars unless otherwise noted.

Additional information about Lion CG, including the Company's press releases, quarterly and annual reports is available through the Company's filings with the securities regulatory authorities in Canada at [www.sedarplus.com](http://www.sedarplus.com) or the United States Securities Exchange Commission ("**SEC**") at [www.sec.gov/edgar](http://www.sec.gov/edgar). Information about mineral resources, as well as risks associated with investing in the Company's securities is contained in the Company's most recently filed 10-K.

Steve Dischler, CEO of the Company, is a Qualified Person under National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("**NI 43-101**"), and has approved the scientific and technical information in this MD&A.

## ABOUT LION CG

Lion Copper and Gold Corp., formerly Quaterra Resources Inc., is a Canadian-based Company advancing its 100% owned flagship copper projects at Yerington, Nevada through an option to earn-in agreement with Nuton LLC, a Rio Tinto Venture. The Company also looks for opportunities to acquire projects on reasonable terms that have the potential to host large mineral deposits attractive to major mining companies.

The Company is incorporated in British Columbia, Canada. Its registered and records offices are located at 1200 - 750 West Pender Street, Vancouver, British Columbia, Canada, V6C 2T8.

On November 22, 2021, the Company changed its name and began trading on the TSX Venture Exchange ("**TSXV**") under the symbol "LEO" and on the OTCQB Market under the symbol "LCGMF".

During the year ended December 31, 2022, the Company transitioned into the SEC reporting system because more than 50% of its outstanding voting common shares are held directly or indirectly by residents of the United States, and the majority of its directors are U.S. citizens. Consequently, the Company must adhere to the SEC's reporting and disclosure requirements, enhance financial and corporate governance and ensure greater transparency.

Effective April 27, 2022, the Company entered an option to earn-in agreement (the "**Rio Agreement**") with Rio Tinto America Inc. ("**Rio Tinto**"), to advance studies and exploration at the Company's copper projects in Mason Valley, Nevada. Under the Rio Agreement, Rio Tinto has the exclusive option to earn a 65% interest in the projects comprising Yerington, MacArthur, Wassuk, Bear and associated water rights (the "**Mining Assets**") for \$50 million over three stages.

In addition, Rio Tinto evaluates the potential commercial deployment of its Nuton™ technologies at the site. Nuton™ offers copper heap leaching technologies developed by Rio Tinto to deliver greater copper recovery from mined ore and access new sources of copper, such as low-grade sulfide resources and reprocessing of stockpiles and mineralized waste. These technologies have the potential to deliver leading environmental performance through more efficient water usage, lower carbon emission, and the ability to reclaim mine sites by reprocessing waste.

The Rio Agreement was amended in October 2023 with Stage 2 being modified to Stage 2a and Stage 2b. The Company completed Stage 1 on December 22, 2022, Stage 2a on January 12, 2024, and is currently progressing in Stage 2b.

As of June 30, 2024, the Company has received \$23 million accumulative funding from Rio Tinto, incurred \$16.742 million expenditures, including \$12.755 million in exploration, \$3.318 million in general operating and \$0.669 million in capital items under the Rio Agreement.

## SELECTED FINANCIAL INFORMATION

(in thousands)	June 30, 2024		December 31, 2023	
<b>Financial Position:</b>				
Cash and cash equivalents	\$	8,318	\$	2,310
Working capital deficit	\$	(589)	\$	(2,854)
Investments	\$	894	\$	1,206
Mineral properties	\$	7,802	\$	7,647
Total assets	\$	17,261	\$	11,258
Total long-term liabilities	\$	19	\$	-

## SUMMARY OF QUARTERLY RESULTS

(In thousands except for per share amount)	Q2'24	Q1'24	Q4'23	Q3'23	Q2'23	Q1'23	Q4'22	Q3'22
General administration	(1,358)	(1,821)	(1,161)	(2,148)	(723)	(877)	(515)	(795)
Fair value (loss) gain on derivative liabilities	(427)	680	(131)	6	1,421	(940)	377	17
Foreign exchange gain (loss)	(7)	(1)	(2)	-	-	-	(11)	12
Other Income	152	86	16	32	51	12	-	-
Loss on settlement of convertible notes	-	(1,695)	-	-	-	-	-	-
Gain on transfer of shares	-	-	-	-	-	22	19	-
Gain on settlement of debt	-	-	-	-	-	-	-	14
Accretion	(29)	(111)	(136)	(129)	(121)	(74)	(57)	(47)
Loss on revaluation of SAFE notes	-	-	-	-	-	(305)	(364)	-
NSR buy-down	-	-	-	-	-	-	-	250
Share of loss of investment in associate	(218)	(94)	(287)	3	22	(26)	(316)	(42)
Exploration Expenditures	(2,389)	(2,660)	(1,597)	(1,344)	(2,159)	(1,250)	(1,370)	(1,020)
Rio Tinto Deposit	3,102	3,218	1,682	1,262	2,250	1,322	1,104	464
Impairment of mineral properties	-	-	-	-	(602)	-	-	-
Loss on Extinguishment	-	(55)	-	-	-	-	-	-
<b>Net income (loss)</b>	<b>(1,174)</b>	<b>(2,453)</b>	<b>(1,616)</b>	<b>(2,318)</b>	<b>139</b>	<b>(2,116)</b>	<b>(1,133)</b>	<b>(1,147)</b>
<b>Basic income (loss) per share</b>	<b>(0.00)</b>	<b>(0.01)</b>	<b>(0.01)</b>	<b>(0.01)</b>	<b>0.00</b>	<b>(0.01)</b>	<b>(0.00)</b>	<b>(0.00)</b>

The Company's results have been driven by its general corporate and exploration activities. Other income and expenses fluctuate due to changes in the fair value of the Company's convertible notes and investment in associate.

The Company's results are also impacted, from time to time, by other non-recurring events arising from its ongoing activities, as discussed below, where applicable

## RESULTS OF OPERATIONS

### Preliminary Economic Assessment (“PEA”)

On January 30, 2024, the Company announced the results of a PEA on its Yerington Copper Project. The PEA envisions an open pit mining strategy followed by a heap leach operation, enhanced by the application of Rio Tinto’s Nuton technologies to process primary sulfide copper materials. Highlights of the PEA results include:

- Post-tax NPV7% of \$356 million and IRR of 17.4%, calculated at a copper price of \$3.85/lb.
- 12-year open pit mine life encompassing operations at Yerington and MacArthur, with projected lifetime copper (Cu) production of 1.4 billion pounds, averaging 117 million pounds per year
- Initial capital expenditure of \$413 million including all mine pre-production costs, with sustaining capital of \$653 million
- Post-tax payback period of 5.0 years
- Average cash operating costs of \$2.20/lb. copper payable
- Cumulative cashflow of \$1.00 billion post-tax and \$1.24 billion pre-tax on base case assumptions

### Rio Agreement

On March 12, 2024, the Company announced the commencement of the Stage 2b and Stage 3 Programs of Work to advance the flagship Yerington Copper Project through completion of a Pre-Feasibility Study (“PFS”) and progress permitting and exploration initiatives on the Bear Deposit.

### PFS Work Programs

During the quarter ending June 30, 2024, PFS progressive work included exploration drilling, environmental and geotechnical studies, metallurgical testing and engineering.

Work to upgrade the mineral resource within the MacArthur mineral resource domain as represented in the PEA included contractor engagement to author the necessary sections of the PFS report as it refers to the MacArthur resource. The information from drilling, that includes 6,165 feet of drilling in 18 drill holes, was added to the MacArthur datasets and preparation for the resource model estimation was completed.

Two additional core drill holes were completed in the Yerington resource with a combined drill footage of 1,270 feet. One core hole reached 562 feet by March 31 and an additional 708 feet was drilled in April. A second core hole was completed to 634 feet and has been converted into a water level measuring station. The purpose of additional core drilling is to increase and upgrade the mineral resource along the margin of and beneath the Yerington pit. The mineral resource estimation will include adding recent drilling and newly discovered historical Anaconda drilling to the model, and by varying search distances to determine the influence on assigned mineral resource classes. The updated resource will be included in the PFS.

Yerington core drilling provided material for geomechanical testing, oriented core measurement and geotechnical logging to assess stability of pit slope design. A pit slope stability evaluation, including geotechnical pit bench mapping was initiated during Q2. Additional drill core samples were selected and delivered for metallurgical column leach test work and hydrodynamic leach characterization of Yerington sulfide material. Drill core samples were submitted for laboratory tests to characterize the geochemistry of planned mined materials.

Additional geotechnical and exploration drilling on the Yerington Site to support the PFS are in the planning stages. The timing and scope of additional drilling is dependent on receipt of permits from NDEP, as discussed in the next section.

## Permitting and Environmental

During the quarter ending June 30, 2024, the following material permit related activities occurred:

- On May 21, 2024, SPS submitted to Nevada Division of Environmental Protection (NDEP) a revised application for a major modification to the Yerington Mine Exploration Reclamation Permit #0321. As of June 30, 2024, the revised permit had not been received by SPS.
- On May 31, 2024, SPS submitted to NDEP an application for a Temporary Discharge Permit to allow exploration drilling into the bottom of the Yerington Pit Lake from a barge platform that would be constructed and floated on the surface of the pit lake. As of June 30, 2024, the permit had not been received by SPS.
- On June 18, 2024, SPS received a Surface Air Disturbance Permit for the MacArthur Mine Exploration Project from NDEP.
- On June 18, 2024, SPS received a Surface Air Disturbance Permit for the Yerington Mine Exploration Project from NDEP.
- On June 21, 2024, SPS received a decision notice from the Bureau of Land Management (BLM) authorizing exploration drilling on public lands administered by the BLM at the Yerington Mine Project.
- On June 27, 2024, SPS received a Stormwater Construction General permit for the Yerington Mine Exploration Project from NDEP.
- On June 27, 2024, SPS received a Stormwater Construction General permit for the MacArthur Mine Exploration Project from NDEP.

All permits either applied for or received during the period are aligned to the Stage 2B and 3 work plan requirements. For those permits that SPS has applied for but not yet received, the Company continues to work cooperatively and proactively with NDEP to facilitate permit issuance in a timely manner.

## Water Rights

On July 23, 2021, the Company received notice from the State of Nevada that three water rights permits had been forfeited. Further, the application for an extension of time to prevent forfeiture of a fourth certificate was denied. On August 20, 2021, the Company filed a Petition for Judicial Review of the Forfeiture Notice and has retained legal counsel to undertake the appeal process. SPS subsequently filed and was granted a Stay of the Forfeiture Notice on September 15, 2021. SPS filed its Opening Brief on March 28, 2022. The State Engineer filed its Answering Brief on July 8, 2022. SPS filed its Reply Brief on August 25, 2022. A hearing regarding the status of the forfeiture appeal was held in the Third Judicial Court District in Lyon County on November 4, 2022. On December 6, 2022, the Judge remanded the case back to the State for further written findings based on issues raised at the hearing.

On August 30, 2023, SPS received written notice from the Nevada State Engineer in response to the Remand Order that the three water rights applications for Extensions of Time were denied and declared forfeited. The fourth certificate was not forfeited although the Extension of Time has not yet been approved.

The US firms representing SPS completed the briefing on the Amended Petition for Judicial Review and filed the opening brief on the Complaint for Equitable Relief. The hearing on both matters will occur in early January 2025. The firms interviewed the likely witnesses in the matter and developed the Declarations in Support of the Equitable Relief briefing. The firms await the response brief from the State of Nevada which is due on or before September 6, 2024. Thereafter the firms will determine whether expert or other witness testimony is necessary to the pursuit of the matters.

On September 28, 2023, SPS simultaneously timely filed an Amended Petition for Review and a Complaint for Equitable Relief with the Third Judicial District Court in Lyon County, Nevada seeking judicial relief from the August 30 Forfeiture Notice. On October 10, 2023, the Judge signed an order granting a Stipulated Stay of the August 30, 2023, Forfeiture Notice while the appeal process is ongoing. A hearing regarding both legal paths described above is tentatively scheduled for January 2025.

The US firms representing SPS completed the briefing on the Amended Petition for Judicial Review and filed the opening brief on the Complaint for Equitable Relief. The hearing on both matters will occur in early January 2025. The firms interviewed the likely witnesses in the matter and developed the Declarations in Support of the Equitable Relief briefing. The firms await the response brief from the State of Nevada which is due on or before September 6, 2024. Thereafter the firms will determine whether expert or other witness testimony is necessary to the pursuit of the matters.

Just as SPS did with the initial forfeiture decision that was remanded by the Court, SPS continues to diligently defend against the wrongful forfeiture of its water rights with clear evidence of the need for those water rights in mine remediation, production and reclamation.

## **FALCON COPPER CORP.**

### **Blue Copper Project, Montana**

The Blue Copper project is a Butte-style copper-gold system in Powell County and Lewis & Clark County in Montana, located 45 miles north of the world famous Butte, Montana copper mines. District-scale land consolidation almost completely encompasses a prolific placer gold system with extensive copper showings.

### **Schell Creek Project, Nevada**

The Schell Creek Project is composed of the Cabin and Muncy Properties in White Pine County, Nevada, which represent two immediately adjacent copper targets composed of approximately 15,000 acres of mineral claims.

The Cabin Property represents a potential major copper-moly porphyry discovery concealed beneath the Spring Valley pediment within a district-scale BLM land package, located immediately north of the Muncy Property.

### **Muncy Option to Joint Venture Agreement**

On November 22, 2023, Falcon Copper Corp. entered into an Option to Joint Venture Agreement with Kennecott Exploration Company ("Kennecott"), a Rio Tinto subsidiary.

Pursuant to the Agreement, Kennecott grants FCC the sole and exclusive right and option to acquire 100% interest in the Muncy Property. To exercise this option, FCC must satisfy the following:

- pay the Payment Commitment of \$95,059 to Kennecott on or before the Effective Date of November 22, 2023 (Paid);
- pay an additional payment commitment of \$5,000 by February 18, 2024 (Paid);
- pay an additional payment commitment of \$51,000 by July 1, 2024 (Paid as a subsequent event);
- incur exploration expenditures of \$1,500,000 with respect to the Muncy Property and \$1,000,000 with respect to the Cabin Property on or before November 22, 2025.

Upon FCC satisfying the exploration expenditures, Kennecott has the option to opt in for 40% of an asset-level joint venture for the Schell Creek Project; if Kennecott chooses to not opt in, FCC takes 100% ownership of the Muncy Property, along with the Cabin Property, with a Muncy Property royalty granted to Rio Tinto.

If FCC decides to terminate the option at any time, they will grant Kennecott a 2.0% net smelter royalty in the Cabin Property. After this is done, the agreement, except for specified sections, will terminate

If Kennecott elects not to form a joint venture, Kennecott must transfer all their rights in the Muncy Property to the FCC. In return, FCC will grant the optionor a 2.0% net smelter royalty (NSR) in the Properties. Before FCC decides to develop a commercial mining operation on any portion of the Properties, FCC has the right to reduce the net smelter royalty (NSR) from 2.0% to 1.0% by paying the optionor \$10,000,000 in cash

## Pioneer, Arizona

Pioneer is an approximate 1,300 acre covered target area prospective for high grade primary or enriched porphyry copper mineralization located within Arizona's prolific Copper Triangle - within 10 miles of the Resolution & Ray mines.

## Groundhog, Alaska

The Groundhog prospect lies on the Alaskan peninsula on state lands, within an established copper porphyry belt 200 miles southwest Anchorage.

## Reconnaissance

FCC incurred reconnaissance evaluation expenditures on targets in Nevada, Arizona and Montana in order to determine whether they warranted further pursuit.

## BLUE COPPER ROYALTIES, LLC

Blue Copper Royalties, LLC holds the Butte Valley Royalty and the Nieves interest.

The Butte Valley Royalty is represented by a 1.0% NSR, subject to a buy-down to a 0.5% NSR in exchange for an aggregate payment of \$15,000,000.

The Nieves Interest is represented by a 5% net profits interest associated with the Nieves Silver property in Mexico.

## Operating and Other Expenses

For the six months ended June 30, 2024, the Company incurred operating expenses of \$1.908 million compared to \$1.437 million in the prior period. The increase of \$0.471 million is primarily due to professional fees in the current period related to convertible debenture and water rights dispute.

During the six months ended June 30, 2024, the Company recognized a \$1.75 million loss on debenture conversion and repayment. The Company also recorded \$0.66 million share-based payments expense versus a \$0.136 million recovery in the same prior period resulting from the RSU cancellation.

## LIQUIDITY AND CAPITAL RESOURCES

The Company is an exploration stage company that has not earned any production revenue. Its operations have been dependent mainly on the Rio-Tinto agreement and private placements in the last few years without diluting shareholders' value. The Company may have capital requirements in excess of its currently available resources and may be required to seek additional financing. There can be no assurance that the Company will have sufficient financing to meet its future capital requirements or that additional financing will be available on terms acceptable to the Company in the future.

The following table summarizes the Company's cash flows for the six months ended June 30, 2024, and 2023:

<b>(In thousands)</b>		<b>2024</b>		<b>2023</b>
Cash provided by operating activities	\$	4,490	\$	2,605
Cash used in investing activities		(155)		(259)
Cash provided by financing activities		1,673		3,406
Increase in cash and cash equivalents		6,008		5,752
Cash and cash equivalents, beginning of period		2,310		1,365
<b>Cash and cash equivalents, end of period</b>	<b>\$</b>	<b>8,318</b>	<b>\$</b>	<b>7,117</b>

As of June 30, 2024, the Company had cash and cash equivalents of \$8.318 million (December 31, 2023 - \$ 2.31 million) and working capital deficit of \$0.589 million (December 31, 2023 – \$2.854 million). The decrease in the working capital deficit of \$2.265 million is primarily due to the increase in cash and cash equivalents of \$6.008 million which was offset by an increase in the Rio Tinto deposit of \$4.901 million.

As of June 30, 2024, the Company had convertible debentures with a face value of \$1.011 million and a carrying value of \$0.932 million.

On February 16, 2024, the Company issued new convertible debentures totaling \$0.941 million to replace the existing debentures. The new debentures will have, a maturity date of 12 months; bear interest at a rate of 20% per annum, non-compounding, and accrued interest or may be converted into common shares of the Company at a conversion price equal to \$0.06 (C\$0.08) per share, or at the holder’s option into common shares the Company owns of Falcon Butte at \$0.25 (C\$0.32) per share; and one Warrant will be issued for every \$0.06 of principal new debentures issued. New debentures holders also received 15,696,883 share purchase warrants, exercisable at \$0.06 (C\$0.08) per share which expire on February 16, 2025.

On March 8, 2024, the Company issued 4,107,998 units and 41,707,215 common shares to settle \$1.924 million of existing debenture debt. The existing debenture holders converted their principal and interest into units of the Company at \$0.045 (C\$0.06) per Unit. Each Unit is comprised of one common share and one share purchase warrant. Each warrant is exercisable into one additional common share at a price of \$0.06 (C\$0.08) per share for a period of 5 years from the date of issuance.

Certain directors and individuals did not receive warrants with their convertible debenture settlement and will receive these warrants upon the Company’s listing on the CSE (“Contingent Warrants”). The Company expects to list in the near future, therefore management concluded that the issuance of the 41,707,215 Contingent Warrants is probable. As such, the fair value of the warrants as of March 8, 2024, of \$0.648 million was recognized as a derivative liability at issuance

Additionally, on March 8, 2024, the Company repaid convertible debentures of a total of \$0.831 million in cash.

The Company has no operating revenues and therefore must utilize its cashflows from financing transactions to maintain its capacity to meet ongoing operating activities.

## TRANSACTIONS WITH RELATED PARTIES

The Company's related parties include its directors and officers whose remuneration was as follows, subject to change of control provisions for officers:

<b>(In thousands)</b>	<b>Six months ended June 30, 2024</b>	<b>Six months ended June 30, 2023</b>
Salaries <sup>(1)</sup>	\$ 212	\$ 230
Director’s fees <sup>(2)</sup>	-	21
Share-based payments <sup>(3)</sup>	281	(162)
Interest on convertible debenture <sup>(4)</sup>	126	104
	<b>\$ 619</b>	<b>\$ 193</b>

(1) Charles Travis Naugle, Former CEO, Director - \$104 (2023 - \$125); Stephen Goodman, Former CFO, Director - \$83 (2023 - \$105); Steven Dischler, CEO - \$17 (2023 - \$-); Lei Wang, CFO \$8 (2023 - \$-).

(2) Thomas Pressello, Former Director - \$Nil (2023 - \$ 21).

(3) Charles Travis Naugle, Former CEO, Director – \$Nil (2023 - (\$81)); Stephen Goodman, Former CFO Director – \$66 (2023 - (\$81)); Tony Alford, Director - \$215 (2023 - \$Nil).

(4) Charles Travis Naugle, Former CEO, Director - \$40 (2023 - \$16); Tony Alford, Director - \$79 (2023 - \$84); Ekaterina Naugle, spouse of a director - \$5 (2023 - \$2); Stephen Goodman, Former CFO, Director \$2 (2023 – \$1); Thomas Pressello, Director - \$Nil (2023 - \$1)

These transactions have occurred in the normal course of the business and are measured at the equivalent amount of the services rendered.



## Other transactions for the six months ended June 30, 2024

- a) On February 16, 2024, the former CEO, former CFO and directors of the company restructured \$407,000 of their existing convertible debentures into the New Debentures. The debentures bear interest at a rate of 20% per annum and mature on November 16, 2025, and are convertible into shares of the Company at \$0.06 (C\$0.08) per share. Additionally, certain directors converted \$259 of their existing convertible into 3,500,000 common shares at a price of \$0.074.
- b) On March 8, 2024, the former CFO and directors converted \$1,541,000 of their outstanding convertible debentures into 36,675,478 common shares at a price of US\$0.042.
- c) On March 8, 2024, the Company recognized 36,675,478 Contingent Warrants for former CEO, former CFO, directors, and other related parties who converted their existing debentures into units. The value of the contingent warrants upon recognition was \$570,000. The related parties will receive these warrants upon the Company's listing on the CSE.
- d) On March 8, 2024, the former CFO and directors subscribed for 12,202,380 common shares for a total proceeds of \$513,000 in relation of a private placement. Additionally, the directors received 12,202,380 warrants with a value of \$177,000.
- e) As at June 30, 2024, the Company had \$30,000 (December 31, 2023 - \$290,000) in interest accrued relating to outstanding convertible debentures with directors and officers of the Company.
- f) As at June 30, 2024, there was \$Nil (December 31, 2023 - \$11,000) in prepaid expenses to the former CEO of the Company relating to wages paid during the year for services subsequent to period end.
- g) As at June 30, 2024, there was \$12,000 (December 31, 2023 - \$Nil) in accounts payable for CEO, and CFO of the company relating to wages.

## OUTSTANDING SHARE INFORMATION

As of August 14, 2024, the Company has:

- 385,855,710 common shares
- 58,021,020 stock options
- 130,970,408 warrants

## OFF - BALANCE SHEET ARRANGEMENTS

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

## PROPOSED TRANSACTIONS

The Company has no proposed transactions other than as disclosed in this MD&A.

## FORWARD-LOOKING STATEMENTS

This Management's Discussion and Analysis contains "forward-looking information" and "forward-looking statements" within the meaning of Section 27A of the U.S. Securities Act of 1933, as amended, Section 21E of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act"), and other applicable securities laws.

Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, identified by words or phrases such as

“expects”, “is expected”, “anticipates”, “believes”, “plans”, “projects”, “estimates”, “assumes”, “intends”, “strategy”, “goals”, “objectives”, “potential”, “possible” or variations thereof or stating that certain actions, events, conditions or results “may”, “could”, “would”, “should”, “might” or “will” be taken, occur or be achieved, or the negative of any of these terms and similar expressions) are not statements of historical fact and may be forward-looking statements.

The Forward-Looking Statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance, or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the Forward-Looking Statements. Such factors include, but are not limited to, general business and economic uncertainties; exploration and resource extraction risks; uncertainties relating to surface rights; the actual results of current exploration activities; the outcome of negotiations; conclusions of economic evaluations and studies; future prices of natural resource based commodities; increased competition in the natural resource industry for properties, equipment and qualified personnel; risks associated with environmental compliance and permitting, including those created by changes in environmental legislation and regulation; the risk of arbitrary changes in law; title risks; and the risk of loss of key personnel.

The foregoing lists of factors and assumptions are not exhaustive. The reader should also consider carefully the matters discussed under the heading "Risks Factors and Uncertainties" elsewhere in this MD&A. Forward-Looking Statements contained herein are made as of the date hereof (or as of the date of a document incorporated herein by reference, as applicable). No obligation is undertaken to update publicly or otherwise revise any Forward-Looking Statements or the foregoing lists of factors and assumptions, whether as a result of new information, future events or results or otherwise, except as required by law. Because Forward-Looking Statements are inherently uncertain, readers should not place undue reliance on them. The Forward-Looking Statements contained herein are expressly qualified in their entirety by this cautionary statement.