Austin GOLD CORP

MANAGEMENT DISCUSSION AND ANALYSIS
For the period from incorporation to December 31, 2021

INTRODUCTION

The following is the Management's Discussion and Analysis ("MD&A") for Austin Gold Corp., (together with its subsidiary Austin American Corporation, "Austin Gold," the "Company," "we," "us," or "our") and it's wholly-owned subsidiary Austin American Corporation ("Austin NV", and collectively referred to as the "Company"). The MD&A should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2021 (the "Audited Financial Statements").

Our Audited Financial Statements have been prepared by management in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and all amounts are expressed in Canadian dollars unless otherwise noted. Our accounting policies are described in note 2 of our Audited Financial Statements.

All amounts are expressed in Canadian dollars, except for certain amounts denoted in United States dollars ("US$").

On October 25, 2021, the Company completed a three-to-one stock consolidation of its Common Shares (the "Stock Consolidation"). All share capital figures disclosed in the financial statements have been restated to reflect the post-Stock Consolidation amounts.

This information is current to March 15, 2022.

The Company has filed a prospectus in Form 41-101F1 with the British Columbia Securities Commission in British Columbia (the "Prospectus"), and a registration statement in Form S-1 with the United States Securities and Exchange Commission in the United States of America (the "S-1 Statement"). Concurrently, the Company intends to apply to list its Common shares ("Common Shares") on the NYSE American LLC ("NYSE American"). In connection therewith, the Company expects to conduct an initial public offering of its Common Shares pursuant to the S-1 Statement to be led by Roth Capital Partners, LLC, a registered broker-dealer and a member of the Financial Industry Regulatory Authority, Inc. (the "U.S. Offering").
Any capitalized terms used herein but not otherwise defined shall have the meanings ascribed thereto in the Prospectus, available under the Company's profile on www.sedar.com.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this Management Discussion and Analysis are forward-looking statements or information (collectively "forward-looking statements"). Forward-looking statements may include, but are not limited to, statements with respect to the future financial or operating performance of Austin Gold and its subsidiaries and its mineral projects, the future price of metals, test work and confirming results from work performed to date, the estimation of mineral resources and mineral reserves, the realization of mineral resource and mineral reserve estimates, the timing and amount of estimated future capital, operating and exploration expenditures, costs and timing of the development of new deposits, costs and timing of future exploration, requirements for additional capital, government regulation of mining operations, environmental risks, reclamation expenses, title disputes or claims, and limitations of insurance coverage. The Company is hereby providing cautionary statements identifying important factors that could cause the actual results of the Company to differ materially from those projected in the forward-looking statements. Any statements that express, or involve discussions as to expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases *such as "may", "is expected to", "anticipates", "estimates", "intends", "plans", "projection", "could", "vision", "goals", "objective" and "outlook") are not historical facts and may be forward-looking and may involve estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements.*

By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predicted outcomes may not occur or may be delayed. The risks, uncertainties, and other factors, many of which are beyond the control of the Company, that could influence actual results include, but are not limited to:

- *approval of the NYSE American to list the Company's Common Shares;*
- *our ability to successfully execute our overall strategy and goals;*
- *our dependence on the Kelly Creek Project;*
- *execution of our exploration and development plans for our mineral projects;*
- *our ability to carry out our current planned exploration programs and development plans with our current financial resources;*
- *we have a limited operating history and negative operating cash flow;*
- *the market price for gold and other minerals may not be sufficiently high to ensure that our planned exploration expenditures will be funded;*
- *we may not be able to demonstrate that any of our mineral projects warrant commercial development;*
- *we may not be able to access sufficient capital to carry out our business plans, exploration and development plans;*
- *our exploration and development costs may be higher than anticipated;*
- *our ability to obtain and comply with all required permits, licenses and regulatory requirements in carrying out our exploration and development plans;*
- *even if we are successful in demonstrating reserves on any of our properties, our mining projects may not achieve projected rates of production, cash flows, internal rates of return, payback periods or net present values;*
- *there may be lack of adequate infrastructure to support our mineral projects;*
- *employee recruitment and retention;*
- *the risk that title to our material properties may be impugned;*
- *environmental risks, including risks associated with compliance with environmental laws and the completion of any required environmental impact assessments or reclamation obligations;*
- *economic uncertainties, including changes and volatility in global capital, currency and commodity markets which may impact our ability to raise capital to execute our business, exploration and development plans and the demand for our planned mineral projects;*
- *the COVID-19 pandemic;*
- *competition from other mineral exploration and mining businesses;*
- *we have not demonstrated that any of our mineral properties contain mineral resources and, even if demonstrated, there is no assurance that any mineral resource estimates will be accurate as to exploration potential and mineral grades;*
- *any required change in mineral resource or mineral reserve estimation methodology;*
- *changes in the assumptions underlying the mineral resource estimates, which may result in a different (smaller) mineral resource estimate and other related matters;*
- *changes in laws and regulations;*
- *we may be subject to claims or legal proceedings;*
- *the possibility of a conflict of interest arising for certain of our directors and officers;*
- *volatility in the market price of the Common Shares;*
- *future sales or issuances of equity securities could decrease the value of the Common Shares, dilute*

shareholders' voting power and reduce future potential earnings per Share;
- *we intend to retain earnings, if any, to finance the growth and development of our business and do not intend to pay cash dividends on the Common Shares in the foreseeable future;*
- *general business, economic, competitive, political and social uncertainties;*
- *the actual results of current and future exploration activities differing from projected results;*
- *the inability to meet various expected cost estimates;*
- *changes or downgrades in project parameters and/or economic assessments as plans continue to be refined;*
- *fluctuations in the future prices of metals;*
- *possible variations of mineral grade or recovery rates below those that are expected;*
- *the risk that actual costs may exceed estimated costs;*
- *failure of equipment or processes to operate as anticipated;*
- *accidents, labor disputes and other risks of the mining industry;*
- *political instability; and*
- *delays in obtaining governmental approvals or financing or in the completion of development or construction activities.*

Such forward-looking information is necessarily based upon a number of factors and assumptions that, while considered reasonable by the Company as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. The assumptions underlying the forward-looking information in this Management Discussion and Analysis, which may prove to be incorrect, include, but are not limited to, assumptions relating to:

- *future business and property integrations remaining successful;*
- *favorable and stable general macroeconomic conditions;*
- *securities markets;*
- *spot and forward prices of gold, silver, base metals and certain other commodities;*
- *currency markets (such as the $ to US$ exchange rate);*
- *no materially adverse changes in national and local government, legislation, taxation, controls, regulations and political or economic developments;*
- *that various risks and hazards associated with the business of mineral exploration, development and mining (including environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins and flooding) will not materialize;*
- *the ability to complete planned exploration programs;*
- *the ability to continue raising the necessary capital to finance operations;*
- *the ability to obtain adequate insurance to cover risks and hazards on favorable terms;*
- *that changes to laws and regulations will not impose greater or adverse restrictions on mineral exploration or mining activities;*
- *the continued stability of employee relations;*
- *relationships with local communities and indigenous populations;*
- *that costs associated with mining inputs and labor will not materially increase;*
- *that mineral exploration and development activities (including obtaining necessary licenses, permits and approvals from government authorities) will be successful;*
- *no escalation in the severity of the COVID-19 pandemic;*
- *no disruptions or delays due to a U.S. Government shutdown; and*
- *the continued validity and ownership of title to properties.*

Should one or more of the underlying assumptions prove incorrect, or should the risks and uncertainties materialize, actual results may vary materially from those described in the forward-looking statements.

Further, any forward-looking statement speaks only as of the date on which such statement is made, and, except as required by applicable law, the Company undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for management to predict all such factors and to assess in advance the impact of each such factor on the business of the Company or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement.

OUR BUSINESS

Austin Gold Corp., together with its subsidiary Austin American Corporation, is focused on the exploration of mineral property interests in the state of Nevada, United States of America. In specific, and as discussed further below, the Company was formed for the purposes of drilling the Kelly Creek Project (as described herein), a mineral exploration project located on the Battle Mountain-Eureka (Cortez) gold trend in Humboldt County, Nevada.

OVERVIEW

On April 21, 2020, Austin Gold Corp. was incorporated in British Columbia. The wholly-owned subsidiary, Austin American Corporation, was incorporated in Nevada, United States of America in June 2020.

From the date of incorporation, through to December 31, 2021 and the current date, the Company appointed directors and officers, completed several private placements, and entered into mineral lease and option agreements and a joint venture. The Company is currently in the process of becoming a reporting issuer in Canada, and has filed the S-1 Statement with the Securities and Exchange Commission in the United States of America. For more information, see disclosure under the heading "*Introduction*."

For more details on the members of the management team and directors, please see the Company website at www.austin.gold.

SELECT HIGHLIGHTS FOR THE YEAR ENDED DECEMBER 31, 2021

- On February 1, 2021, pursuant to the Miller Project LOI, the Company entered into a definitive agreement with Smith and Maynard. This property was introduced to the Company by Bull Mountain Resources Inc. and is subject to the terms of the Introductory Agent Agreement. See notes 4d and 6 of the Audited Financial Statements.

- On February 2, 2021, the Company issued 5,000 Common Shares (represented on a post-Stock Consolidation basis). pursuant to the Miller Project mineral lease agreement.

- In February 2021, the Company sold 10,000 shares of Nevada Exploration Inc. for net proceeds of $1,905.

- Effective March 3, 2021, the Company signed an amendment to the Kelly Creek Joint Venture Agreement with Pediment Gold LLC, a subsidiary of Nevada Exploration Inc. Pursuant to the amendment, the minimum yearly expenditures have been adjusted as follows:

	Original	**Amended**
September 1, 2021	$1,000,000	$nil
June 1, 2022	$1,000,000	$nil
September 1, 2022	$nil	$750,000*
June 1, 2023	$1,500,000	$1,000,000
June 1, 2024	$1,500,000	$1,500,000
June 1, 2025	$nil	$1,500,000

**$400,000 of which must be spent on geophysics, geochemistry, or drilling or other mutually agreed program.*

The amendment also extended the other deadlines within the agreement by one year.

- The Company has filed the Prospectus in British Columbia and the S-1 Statement in the United States. Concurrently, the Company intends to apply to list its Common Shares on the NYSE American and in connection conduct the U.S. Offering. See disclosure under the heading "*Introduction*" for more information.

- Effective March 24, 2021, the Company signed an engagement letter with Roth Capital Partners, LLC, a registered broker-dealer and a member of the Financial Industry Regulatory Authority, Inc. ("Roth"), whereby Roth will act as exclusive sole, lead underwriter and sole bookrunner or placement agent for the U.S. Offering. Pursuant to the engagement letter, Roth will prepare an underwriting agreement between Roth and the Company covering the sale of a minimum of US$10 million and up to US$15 million (or other amount as may be mutually agreed upon between Roth and the Company) in equity and equity linked securities and containing other customary terms and conditions such as overallotment and organization of a syndicate.

  In connection with the U.S. Offering, an underwriting discount of seven percent (7%) of the total gross proceeds of the Offering shall be provided to Roth. Roth also will receive warrants to acquire a number of Common Shares equal to seven percent (7%) of the number of Common Shares issued in or issuable pursuant to the securities issued in the U.S. Offering.

  The Company shall reimburse Roth for reasonable accountable out of pocket expenses incurred by Roth in connection with this engagement, including the fees and disbursements of its outside counsel, up to the date of termination, up to US$125,000.

- On April 29, 2021 the Company signed an amendment to the Lone Mountain Agreement with NAMMCO. Pursuant to the amendment, the minimum work commitments of US$150,000 for September 1, 2021 have been deferred by one year, thus increasing the September 1, 2022 commitments from US$250,000 to US$400,000. The work commitment for September 1, 2022 is a firm commitment.

- In May 2021, the Company sold 133,000 shares of Nevada Exploration Inc. for net proceeds of $23,800.

- On July 22, 2021 the Company held an annual general meeting of shareholders (the “AGM”). Items addressed and approved at the meeting include the following:
    - Received the financial statements for the Company for the fiscal year ended December 31, 2020 and the report of the auditors thereon;
    - Fixed the number of directors at eight;
    - Re-elected to the board of directors:
        - Joseph J. Ovsenek
        - Kenneth C. McNaughton
        - Dennis L. Higgs
        - Sandra MacKay*
        - Barbara A. Filas
        - Benjamin Leboe
        - Tom Yip
        - Guillermo Lozano-Chávez;

      **Sandra MacKay resigned subsequent to the year end on February 8, 2022*
    - Approval and adoption of a Stock Option Plan for the Company; and
    - Appointment of Manning Elliott LLP as the Company’s independent registered public accounting firm

- In July 2021, the Company sold 126,000 shares of Nevada Exploration Inc. for net proceeds of $22,720.

- The Company continued to advance the exploration of its Nevada projects, collecting rock chip samples, updating the drill programs and field checking some of the proposed drill sites and access for the drill permitting process, and initiated discussion with drillers. Please see the discussion for each property under the heading “Mineral Properties”.

- On October 25, 2021, the Company completed the Stock Consolidation, being a consolidation of the Company’s issued and outstanding Common Shares on a three-to-one basis.

- On October 28, 2021, the Company signed a three-year agreement appointing American Stock Transfer & Trust Company, LLC (“AST”) as registrar and transfer agent.

SUBSEQUENT EVENTS

- Darcy Higgs became a director of Nevada Exploration in January, 2022.

MINERAL PROPERTIES

The Company is a gold exploration company focused on gold targets and making district-scale gold discoveries in the United States. In specific, the Company was formed for the purposes of drilling the Kelly Creek Project (as described herein), a mineral exploration project located on the Battle Mountain-Eureka

(Cortez) gold trend in Humboldt County, Nevada. Upon developing an understanding of the prospect of discovering deposits of precious or base metals on the property, the Company entered into the Kelly Creek letter of intent on May 29, 2020 with Nevada Exploration Inc. Thereafter, pursuant to the JV Agreement Austin Gold, through its subsidiary Austin NV, acquired an Option to Joint Venture the Kelly Creek Project with Pediment Gold LLC, a subsidiary of Nevada Exploration. As a result of the foregoing, the Kelly Creek Project became the Company's material mineral exploration project. Nonetheless, the Company continues to consider other regional opportunities to increase the opportunity for economic success, and in connection therewith the Company has acquired three other mineral exploration projects. The Company's other projects are located on the Independence-Jerritt Canyon gold trend in Elko County, Nevada (the Lone Mountain Project), on the Carlin gold trend in Elko County, Nevada (the Miller Project), and in Nye County, Nevada situated in Oligocene volcanic rocks that are roughly the same age as those that host the large Round Mountain gold deposit (the Fourmile Basin Project).

The Company engaged Robert M. Hatch (SME-Registered Member), of Volcanic Gold & Silver LLC, 80 Bitterbrush Road, Reno, Nevada, as an independent consulting geologist and "qualified person" under NI 43-101 and sub-part 1300 of Regulation S-K ("SK 1300") under the United States Securities Exchange Act of 1934, as amended, to oversee the operations and disclosure for all of the Company's mineral projects.

Kelly Creek Project, Nevada, US

On July 7, 2020, the Company entered into an Exploration and Option to Enter Joint Venture Agreement on the Kelly Creek Project through Austin NV, a wholly-owned subsidiary of the Company, with Pediment Gold LLC ("Pediment"), a subsidiary of Nevada Exploration Inc. ("NGE"), whereby Austin NV may earn up to a 70% interest in the Kelly Creek Project. The project is primarily situated on public lands administered by the United States Department of the Interior Bureau of Land Management with a portion on private lands. For more details on the terms of this transaction, please see the Audited Financial Statements. Barbara Carroll, C.P.G., as an independent consultant and "qualified person", completed the Kelly Creek Technical Report (defined below) which is available on SEDAR.

The Kelly Creek Project is located in Humboldt County, Nevada. The Kelly Creek Project comprises 333 unpatented mining claims held directly by Pediment covering approximately 23.9 km^2; 209 unpatented mining claims leased by Pediment covering approximately 15.1 km^2; and approximately 14.2 km^2 of private land leased by Pediment. The nearby towns of Winnemucca and Battle Mountain host the majority of the local workforce and have well-developed infrastructure of stores and shops for supplies, restaurants and motels. Contractor support, transportation, and general suppliers are all readily available in these communities as well as in Elko, which is located approximately 88 miles (142 km) east of the Kelly Creek Project area and serves as a major hub for mining operations in northern Nevada.

The climate in the project area can be described as a semi-arid continental environment, typical of much of north-central Nevada with cold, wet winters and hot, dry summers. Most of the precipitation is received during the months of November through May, primarily in the form of snow. The months of June through October are generally dry, although thunderstorms can create wet periods.

The Kelly Creek Basin is situated along the Battle Mountain – Eureka Gold Trend, and is bounded by multi-million-ounce gold deposits to the north (Twin Creeks, Getchell, Turquoise Ridge, and Pinson) and south (Lone Tree, Marigold, Trenton Canyon, Converse, Buffalo Valley, Copper Basin, and Phoenix), together representing more than 70 million ounces of gold along the periphery of the Basin. Despite its proximity to significant mineralization, the interior of the Kelly Creek Basin has seen limited systematic exploration activity to date because its bedrock is largely covered by post-mineral volcanic units and post-mineral alluvium.

Recognizing the potential to find significant gold mineralization within the Kelly Creek Basin, dozens of major and junior explorers have spent tens of millions of dollars to follow the prospective geology seen in and proximal to the exposed bedrock in the surrounding mountain ranges beneath the post-mineral deposits covering the Basin. Within the areas controlled by NGE, this activity has included: Santa Fe Pacific completing wide-spaced bedrock mapping drilling in the 1990s; BHP completing an extensive soil auger geochemistry program through the late 1990s; and Placer Dome completing a reconnaissance-scale reverse circulation program in the early 2000s. Other companies that either now hold or have held claims in the immediate area include Newmont, Barrick, AngloGold, Hemlo, Homestake, and Kennecott. The efforts of each company have added valuable information about the geology of the Basin; however, without a cost-effective tool to conduct basin-scale exploration beneath the valley cover, the exploration programs to date in the Kelly Creek Basin have predominantly consisted of unsystematic and uncoordinated efforts focused on relatively small areas.

NGE has integrated the use of hydrogeochemistry with conventional exploration methods to evaluate the larger Kelly Creek Basin, and has identified a highly prospective area in the middle of the Basin along a portion of a structurally-controlled, covered bedrock high coincident with highly anomalous gold and associated trace-element chemistry in groundwater. NGE and its exploration partners have completed major work programs, building a comprehensive exploration dataset to understand the geology beneath the Basin. This exploration dataset includes:

- 1,000 km^2 of regional magnetic geophysical data;
- 670 km^2 of detailed air magnetic geophysical data;
- 1,000 km^2 of regional gravity geophysical data;
- 100 km^2 of detailed gravity geophysical data;
- 33 line-km of CSAMT geophysical data;
- 49 line-km of 3D reflection seismic data; and
- a drilling database containing 31 drill holes, plus 114 historical drill holes, representing more than 29,000 metres of drilling, including assay results for more than 5,000 drill intervals representing more than 10,000 metres of drill assay data.

The structural framework underlying the project area is based on projections of major zones of high-angle structures northward from exposures along the range front to the south combined with detailed gravity, Controlled Source Audio-frequency Magnetotellurics (”CSAMT”) surveys, airborne magnetics, seismic geophysics and drilling have been conducted over the gravel-covered project area. A pronounced, elongate north-northeast gravity high underlying the project area is bounded on the west by a steep gravity gradient strongly suggesting a north-north-east continuation of the mapped mineralized structural fabric underlying the Marigold district. The pronounced structural fabric can be traced from the range-front exposures through the project area for 8 miles (12 km). The eastern flank of the gravity high is bounded by a slightly shallower gravity gradient, but still suggestive of a broad underlying structural fault zone that may host mineralization. The gravel-covered fault zone can be inferred from projections of mapped exposed areas 4 miles (6 km) to the south along the entire eastern edge of the project northward for 7 miles (11 km) to connect to the interpreted structural features responsible for the Hot Pot hot springs.

The southern portion of the Kelly Creek Project area lies within and under the Humboldt River and its floodplain, much of which is part of the National Wetlands Inventory managed by the US Fish and Wildlife Service. The full impact of this Wetlands designation for this part of the Kelly Creek Project is unknown. A preliminary review of permitting issues on the southern portion of the Kelly Creek Project indicates that there may be some additional challenges to permit development near the Humboldt River and its associated floodplain.

The potential for discovery of additional mineralization in the immediate area of Kelly Creek is considered good. Previous work indicates that the components needed to host a sedimentary-hosted gold deposit are present under cover at the Kelly Creek Project.

Further evaluation of project data, especially the acquisition and interpretation of all prior geophysics resistivity survey data, is necessary prior to determining specific drill hole targets. Austin Gold is currently evaluating the large amount of geophysics data provided by Nevada Exploration, and is also searching for useful data on the property that Nevada Exploration may not have in its database. Austin Gold's consulting geophysicist has determined that CSAMT, a ground resistivity measuring technique, is the most useful tool for helping to determine depth to bedrock, bedrock lithologies, and possible structure in bedrock. Interpretations of CSAMT data, combined with existing drillhole lithology and assay data, will be used to determine specific drill targets.

The Kelly Creek Project is the Company's principal property and much of the Company's activities in the last year were related to the review of technical data, preparation of the Kelly Creek Technical Report and summaries in relation thereto and preparation of an initial exploration program, including an initial drilling program and related assaying and permitting activities.

The Company engaged Frank P. Fritz of Fritz Geophysics, 619 West Magnolia Street, Fort Collins, Colorado to review the geophysical data and make recommendations in a report on the Kelly Creek Project.

The Company engaged Mike Ressel of Mine Development Associates, a division of RESPEC, 210 S. Rock Blvd., Reno, Nevada to review the data and provide target evaluations for the Kelly Creek Project.

The Company engaged Richard F. Delong of EM Strategies, Inc, 1650 Meadow Wood Lane, Reno, Nevada to complete a review of environmental mine permit issues on the Kelly Creek Project and provide a summary report thereon.

On December 1, 2020, Barbara Carroll, C.P.G. of GeoGRAFX Consulting LLC, 1790 E. River Rd., Suite 213, Tucson, Arizona, as an independent consultant and "qualified person" under Canadian National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") completed the initial technical report under NI 43-101 on the Kelley Creek Project entitled "NI 43-101 Technical Report, Kelly Creek Property, Humbolt County, Nevada" (the "Kelly Creek Technical Report"). The Kelly Creek Technical Report, as updated on March 25, 2021, contains a detailed analysis of the project's accessibility, climate, local resources, infrastructure, physiography, geology, environmental considerations and historical exploration, including surface geochemistry, hydrogeochemistry, geophysics and drilling. The Kelly Creek Technical Report concludes with a recommended exploration program which includes drilling, assaying and geochemistry, permitting and environmental work, and reporting and geologic studies, which recommendation serves as the foundation for the Company's exploration program.

As noted in the Kelly Creek Technical Report, the Company supported preparation of the report through the compilation and review of historical data as part of drafting the Company's planned exploration program and drill target identification.

The Company's two consulting geologists and consulting geophysicist also conducted activities on behalf of the Company in support of the production of the Kelly Creek Technical Report and to advance the production of an exploration program.

Mr. Hatch has conducted the following work in support of the Kelly Creek Project:

- compiled the Kelly Creek exploration data;
- conducted geographic information system (GIS) map work and 3-D map work;
- hosted conference calls with the Company's other consultants to coordinate the review of technical data and production of the exploration program;
- worked with Barbara Carroll on GIS data and 3D modelling in relation to the Kelly Creek Technical Report;
- reviewed and commented on the Kelly Creek Technical Report;
- provided maps and data in support of Mr. Fritz's work;
- drill program planning;
- discussed and reviewed environmental & permitting issues;
- reviewed and commented on Richard DeLong's draft environmental mine permit report;
- reviewed and commented on Mike Ressel's report on target evaluations at the project; and
- initiated preliminary planning of geophysics and drilling programs.

Fourmile Basin Project, Nevada, US

On June 18, 2020, the Company entered into a mineral lease agreement with La Cuesta International, Inc. ("LCI") for exploration and mining rights and access to certain mineral claims on the Fourmile Basin Project situated in Nye County, Nevada. For more details on the terms of this transaction, please see the Audited Financial Statements.

Austin Gold's Fourmile Basin Project is an epithermal, gold-silver exploration project located in Nye county, Nevada, about 30 miles (48 km) east-northeast of the historic mining district and town of Tonopah. The exceptionally large Round Mountain Mine is located about 35 miles (57 km) northwest of Fourmile Basin. The property has excellent access and is situated in a favorable jurisdiction for mining.

The Fourmile Basin Project consists of a total of 312 unpatented lode mining claims in four groups. These claim groups are Fourmile Basin, MM-11, CP Claims, and NS Claims. Two of the claims at Sinter Hill in the Fourmile Basin group are leased from a third party. Total area of the property is approximately 6,410 acres (2,594 ha).

Fourmile Basin is localized along the southern margin of the +12-mile (20 km) diameter Big Ten Peak Caldera, one of multiple volcanic centers within the mid-Tertiary-age Central Nevada Volcanic Field. The basin is approximately 6 miles (10 km) long by 3.7 miles (6 km) wide and is filled with a variety of alluvial deposits that range in thickness from a few feet (meters) to hundreds of feet (100s of meters). Surrounding the basin are thick sequences of generally Oligocene welded and non-welded ash flow tuffs and volcaniclastic deposits. Projecting into the northern end of the basin is Sinter Ridge, a north-south trending, 2,300 foot by 500 foot (700 m by 150 m) siliceous hot spring sinter apron with associated quartz feeder veins that extend for another 600 meters north of the sinter apron. Seemingly concentrated in a 9 km long zone on the east side (East Basin Zone), is float of strongly silicified volcanic rock, chalcedonic veining, and silicified breccia. The silicified boulders of the East Basin Zone are locally +1 m in diameter, and quartz textures and the geochemistry of samples collected from the boulders indicate that the rocks are not derived from Sinter Ridge.

At Sinter Ridge, exploration work and drilling by Marathon Gold and Cominco American in the 1980s and Kennecott Exploration in 1990 focused on near-surface gold-silver mineralization. Drilling was generally shallow and directed toward finding a low-grade resource that could be mined by open pit. Drilling by Wolfpack Gold Corp. in 2013 and 2014 to depths between 675 and 1265 feet (206 to 386 m) attempted to test the Sinter Ridge feeder veins at depth but three of the five holes appear to have missed their intended targets.

A SkyTEM electromagnetic and magnetic survey was flown in early 2019 by the prior operator of the project, with an interpretation completed by Fritz Geophysics. The operator then dropped the property to focus its exploration elsewhere.

The primary exploration concept at Fourmile Basin is to find the source of the float and boulders of the East Basin Zone. Austin and LCI geologists believe that the boulders may be sourced from veins and silicification associated with a major structural break that is now covered by alluvium and post-mineral volcanic rocks. Calcite replacement textures in the veins suggest a boiling epithermal system and the style of silicification as well as the geochemistry indicates that the rocks are derived from the upper levels of an epithermal gold-silver mineral system. These geologic features all suggest that a robust and potentially high-grade vein system may be preserved beneath the alluvium of Fourmile Basin.

Additional vein and disseminated gold-silver drill targets are being developed north of the East Basin Zone at the MM-11 Zone where LCI sampled epithermal veins in a large area of altered volcanic rocks. The CP and NS claims were recently located to cover ground with prospective hydrothermal alteration. Little work has been done on the CP claims.

Permitting for exploration work is through the United States Bureau of Land Management (“BLM”) at the southern end of the East Zone, whereas the rest of the property is on United States Forest Service lands.

In August of 2020, the Company engaged Mineral Exploration Services, Ltd. of 5655 Riggins Court, Ste. 15, Reno, Nevada to stake additional claim blocks at the Fourmile Basin Project area.

The Company engaged Frank P. Fritz of Fritz Geophysics, 619 West Magnolia Street, Fort Collins, Colorado to provide a summary of the SkyTEM report and geophysical data on the Fourmile Basin Project.

The Company, in coordination with its consultants, conducted activities to put together an initial exploration program for the Fourmile Basin Project. Mr. Hatch conducted a review of technical data, field work and permitting work and conducted the following work in support of the Fourmile Basin Project:

- compilation of digital data and reviewed old technical reports;
- undertook GIS map work;
- field review of "East Basin Zone";
- field review of "Sinter Ridge" and surrounding area;
- field review of MM-11 area;
- created property maps and summary property disclosure;
- designed drill program and field checked proposed drill sites and access for drill permitting process;
- drafted Plan of Operations, submitted to Forest Service and revised based on initial comments from Forest Service;
- reviewed Mr. Fritz's SkyTEM report and data;
- talked to archaeologist at Kautz Environmental Consultants;
- updated the drill program and again field checked proposed drill sites and access for drill permitting process;
- updated the Plan of Operations and re-submitted to Forest Service based on additional comments from Forest Service;
- continued work on the Plan of Operations with the US Forest Service to permit drilling, including staking out the proposed drill sites and access in the field and revising as necessary to limit disturbance;
- completed confirmation rock chip sampling for future use when filing a technical report becomes necessary;
- continued digitizing and digital compilation of historic legacy project maps and data;
- initiated preliminary planning of drilling program; and
- prepared and recorded payment of “Notice of Intent to Hold” mining claims with Nye County, a state-requirement for maintaining ownership of unpatented lode mining claims.

For the Sinter Ridge and MM-11 areas, Austin Gold proposes a program of additional geologic mapping, surface rock-chip sampling, and possible geophysics followed by drilling. Targets are high-grade feeder veins that apparently were not tested by prior operators. It is planned that the CP and NS claims will be mapped and sampled to determine what further work is recommended.

Lone Mountain Project, Nevada, US

On November 1, 2020, the Company entered into a mineral lease agreement (“Mineral Lease and Option Agreement”) with NAMMCO, a Wyoming General Partnership (NAMMCO) for exploration and mining rights and access to certain mineral claims on the Lone Mountain Property, Elko County, Nevada. For more details on the terms of this transaction, please see the Audited Financial Statements.

Austin Gold’s Lone Mountain Project is located approximately 25 miles (40 km) northwest of Elko, Nevada at the southern end of the Independence Mountains. The property is situated in one of the major gold mining centers of Nevada, as it is located 22 miles (35 km) northeast of the Carlin and 19 miles (30 km) south of the Jerritt Canyon deposits. The claim package covers parts of Townships 37-38N, Ranges 53-54E. Lone Mountain is accessible from the large regional mining hub of Elko by 31 miles (50 km) of highway and 3 miles (5 km) of gravel road.

The Lone Mountain property consists of a total of 454 unpatented lode mining claims and 6 patented mining claims.

The nearby town of Elko is a major hub city for exploration, development, and mining activities in Nevada. Accordingly, the project area is ideally situated to provide a local mining workforce and all infrastructure, contractor support, transportation, and suppliers that could be needed. Numerous hotels, motels, and restaurants are available for visiting workers as well.

Exploration and mining in the Merrimac District began in 1866 with small scale copper and gold mining along the crest of Lone Mountain. Production totals from that period are unknown. Major production began in 1939 at the Rip Van Winkle Mine in the north-western part of the property from hydrothermal veins, replacements and breccia deposits containing lead, zinc, silver and small quantities of gold. Operations ceased in 1949 after producing a recorded total of 538,823 oz silver (16.8 t), 4,028,512 lbs. lead (1,827 t), and 3,140,387 lbs. zinc (1,424.5 t).

Modern gold exploration began in 1965 around the time of the original Carlin discovery when Newmont drilled several shallow holes into gold-bearing jasperoids on the north flank of Lone Mountain. Beginning in the 1960s the Lone Mountain property position was assembled by Kirkwood and Huber (principals of NAMMCO) and then leased to several mining companies over the years.

Companies prior to 2006 for the most part focused exploration on small target areas and conducted surface mapping, soil and rock sampling, geophysical surveys (magnetic, gravity and IP), and drilling. Records indicate 179 exploration holes were drilled totaling 84,690 feet (2,581 m).

Teck Cominco American Inc. was the first company to complete comprehensive data compilation and district-wide geochemistry and geophysical programs during their 2006 to 2008 leasehold. Beginning in 2006, Teck began a geologic compilation effort from which they created a complete digital data base that is functional in the GIS environment. This was followed by district-scale geological, geochemical, and geophysical (magnetic survey) programs. Based on the preliminary results Teck planned 14 drill holes for the 2007 exploration year but only four of the holes were drilled due to the late start of their program. In 2008 Teck divested themselves of all gold projects worldwide, and all data and the digital database were returned to NAMMCO with no further drilling.

Global Geoscience leased the property in 2012 and farmed it out to Osisko Mining who conducted geological mapping, surface geochemical sampling, ground magnetic surveys, gravity surveys, drilling and claim staking. Osisko completed 13 holes for a total of approximately 14,975 ft (4,565 m) of RC drilling.

At the South Jasperoid prospect four holes targeted Carlin-style mineralization around structures and alteration defined by a detailed gravity survey. Three holes were completed at the Lone Mountain skarn and six holes were drilled in total at the Rip Van Winkle and Monarch prospects where breccia-hosted mineralization lies adjacent to and within bodies of quartz feldspar porphyry. No further work was conducted on the property and it was released back to NAMMCO.

Lone Mountain is comprised of a broadly folded sequence of Paleozoic lithologies that are intruded by a Tertiary age (36-42 Ma) multi-phase intrusive complex. Silurian to Devonian shelf carbonates form the lower plate and Ordovician off-shelf siliciclastic rocks form the upper plate of the low angle Roberts Mountains thrust fault.

Erosion plus basin and range block faulting has created the "Lone Mountain window", which is now a broad, west-plunging antiform with an east-west trending axis. This window is similar to other gold mineralized windows in Nevada such as the Carlin Window - *Gold Quarry Mine*; Lynn Window – *Carlin Mine*; Bootstrap Window – *Gold Strike Deposit*; and Cortez Window – *Cortez Hills*. It is the lower plate carbonate rocks exposed in the windows that host significant "Carlin-Type" mineralization in these districts.

The oldest structures on the property are thrust faults associated with emplacement of the Roberts Mountains allochthon during the mid-Paleozoic Antler Orogeny. Ordovician Vinini upper plate overlies the younger Devonian to Silurian lower plate assemblage lithologies. On a district scale the strata dip north on the north side of the intrusion, south on the south side, and moderately to steeply to the west on the west side. High angle structures are numerous, and several large district-scale faults are present:

- North-south-trending fault along the west side of Lone Mountain. This fault places Tertiary volcanic rocks and Ordovician Vinini Formation in contact with lower plate rocks. The fault has a moderate to steep dip to the west based on its intersection with topography;
- NE-to ENE-trending fault through the northern, south-central, and southern parts of the property; and
- NNW-trending fault zone in the southwestern part of the property juxtaposes the Coal Canyon unit and the Nevada Group. Numerous NNW faults are found throughout the project.

Alteration is widespread and includes:

- Jasperoid; occurring as both bedded-type (passive replacement) and structural-type emplacement. The two normally occur together to some extent, with structures providing a conduit for fluids that replace bedding in areas marginal to the structures;
- Clay alteration, manifested by bleaching, is noted along structures in fine grained clastic units of the Vinini Formation;
- Decalcification;
- Calcsilicate or hornfels developed primarily in the siltstone unit of the Roberts Mountains Formation within a few hundred meters of the Nannies Peak intrusion; and
- Marble developed in relatively clean carbonate rocks, primarily interior to the Nannies Peak "crescent". Marble is typically medium gray to rarely white, medium to rarely coarse grained and banded.

The most intense and potentially most economically significant alteration occurs as jasperoid. Skarn and gossan are also widespread. When viewed on a district scale the skarn-type alteration occurs close to the intrusive, typically with gold as well as silver and base metals in rocks and soils. The widespread jasperoid development is outboard from the intrusive and commonly is associated with gold and elements typical of Carlin-type sediment-hosted gold deposits (Sb, As, Zn) in the rocks and soils. This district-scale alteration zonation is typical of the Carlin-type districts in Nevada.

Compilation and evaluation of previous exploration data indicates five target areas with anomalous to significant gold in rock, soil, and drill hole samples. These target zones have distinct target concepts. Prior workers on the property have suggested that the South Jasperoid and Rip Van Winkle targets have the highest potential. A few of the target areas identified by consultant Mike Ressel and prior workers include:

- South Jasperoid — Carlin-Type Sediment Hosted Target
- Rip Van Winkle Mine — Distal Pb-Zn-Ag and skarn/distal disseminated Au Target
- North Jasperoid Zone — Distal disseminated Au Target
- Pen Jasperoid Zone — Carlin-Type Sediment Hosted Target
- Gold-Copper Skarn Zone — Skarn-Type Target

The data collected by the companies over the years suggest potential for significant resources and provide guidelines for future exploration. The Company, in coordination with its consultants, conducted activities to design an initial exploration program for the Lone Mountain Project. The Company engaged Mike Ressel of Mine Development Associates, a division of RESPEC, 210 S. Rock Blvd., Reno, Nevada to review the digital exploration data for the Lone Mountain Project and provide a technical report summary. Mr. Hatch reviewed reports, compiled data and maps and visited the project. Mr. Hatch conducted the following work in support of the Lone Mountain Project:

- reviewed historical technical reports;
- compiled and reviewed exploration data;
- sorted out land map issues and drafted property maps;
- drafted summary property disclosure;
- worked with NAMMCO on the GIS data;
- reviewed and commented on Mr. Ressel's report;
- undertook GIS map work;
- prepared and recorded payment of “Notice of Intent to Hold” mining claims with Elko County;
- continued limited data review; and
- initiated significant strategic planning and project activity pending listing.

<u>Miller Project, Nevada, US</u>

On February 1, 2021, the company entered into a mineral lease agreement ("Mineral Lease and Option Agreement") with Shea Clark Smith (trustee) and Gregory B. Maynard (trustee) for exploration and mining rights and access to certain mineral claims on the Miller Project situated in Elko County, Nevada. For more details on the terms of this transaction, please see the Audited Financial Statements.

Austin Gold's Miller Project is located approximately 30 miles (50 km) south-southwest of Elko, Nevada on the eastern flank of the Pinion Range. The property is situated at the southern end of the Carlin Trend. Contact Gold's Pony Creek deposit is immediately to the northwest, and Gold Standard Ventures' Railroad

District is further to the northwest. The claim package lies within Townships 28 and 29 north, Ranges 54 and 55E (Mt Diablo Meridian). The Miller project is accessible from the large (2020 population: 20,467) regional mining hub of Elko by approximately 30 miles (50 km) of paved road (State Route 228), followed by approximately 8 miles (13 km) of gravel road.

The Miller Project consists of 117 claims in the original lease agreement, and an additional 164 claims which were staked in January of 2021 for a total of 281 unpatented lode mining claims covering approximately 23.5 km^2 on land administered by the BLM. Although the Company has filed the required documentation with the BLM and county as required, there is currently a dispute on the ownership of 134 of the newly staked claims and on 36 of the original claims. While there is no certainty on the outcome of the dispute, the Company believes it will be resolved in its favor. The Company has engaged legal counsel to assist in resolving this dispute.

Elko's economy is based primarily on mining, with ranching, tourism, and casino industries in descending order of importance. Interstate 80 and major railroads extend east and west from Elko, and numerous hotels/motels, restaurants, stores, and fuel stops are open 24 hours year-round. Mining contractors and service businesses have major offices and warehouses in Elko to supply the many mines currently in operation. The Elko airport supports scheduled flights, as well as private aviation and fixed wing/helicopter contractors.

The Miller Project is at the greenfields stage of exploration. Historical information received from the property vendors indicates that up to seven historical drill holes were drilled in the western-most part of the property in 1997 and 1998. Austin Gold is in the process of trying to find information on these drill holes, however these holes are not in the area of the biogeochemical anomalies. Despite the Miller Project lying on the interpreted southern extension of the Carlin Trend, only the current claimants have compiled all available biogeochemical, geophysical, and geological data in an area of pediment (no outcrop) that supports the potential for a district-scale gold discovery.

Although most of the property is covered by post-mineral rock, the project geology may be inferred from regional mapping, and from recent vertical electric soundings that may be able to constrain rock types by their diagnostic resistivity. Pennsylvanian age conglomerates and siltstones with minor limestones of the Moleen Formation host gold mineralization on the adjacent Contact Gold property where they are in close proximity to rhyolitic subvolcanic intrusive rocks, and early Mississippian siltstones and sandstones of the Webb Formation host gold mineralization where in close proximity to rhyolitic subvolcanic rocks. Devonian and Silurian gold host-permissive carbonate rocks can be projected onto the Miller property from Cedar Ridge immediately to the NNE. It is interpreted that both Penn/Perm and Paleozoic rocks have been resistivity-detected by vertical electric soundings on the Miller property beneath alluvium.

Property-scale gold mineralization indicators include large, multiple, strong and zoned biogeochemical anomalies, that lie coincident with a detailed gravity-indicated N-S oriented horst. A horst is a fault-upthrown bedrock block due to dilatent structural conditions. Blue sky potential exists for gold mineralization in the N-S directions as evidenced by the extent of normal faulting from the north and the detailed gravity-indicated horst extensions.

In relation to the Company's Miller Project, the Company, in coordination with Mr. Hatch, conducted activities to put together an initial exploration program for the Miller Project. Mr. Hatch conducted the following work in support of the Miller Project:

- compiled existing exploration data;
- undertook GIS map work;
- conducted a claim status review;
- visited the project;
- reviewed and digitized biogeochemical, geological and drill hole compilations;
- continued digitizing and digital compilation of historic legacy project maps and data;
- engaged geophysics consultant for data review and future program planning; and
- prepared and recorded payment of "Notice of Intent to Hold" mining claims with Elko County.

SELECTED ANNUAL FINANCIAL INFORMATION

A summary of the Company's operating results for the period from incorporation on April 21, 2020 to December 31, 2021 are as follows:

	01/01/2021 – 12/31/2021	**04/21/2020 – 12/31/2020**
Total revenue	Nil	Nil
Loss for the period	$(502,779)	$(2,070,249)
Loss per share - basic & diluted	$(0.05) (1)	$(0.24)(1)
Cash	$1,387,670	$2,421,796
Total assets	$3,287,709	$3,730,298
Total non-current liabilities	Nil	Nil
Dividends	Nil	Nil

Notes:

(1) Presented on a post-Stock Consolidation basis.

The foregoing financial data is derived from the Company's financial statements for the year ended December 31, 2021, and the period of incorporation on April 21, 2020 to December 31, 2020, which were prepared in accordance with IFRS.

Results of Operations

Year ended December 31, 2021

The following is an analysis of the Company's operations for the year ended December 31, 2021 compared to the period from incorporation on April 21, 2020 to December 31, 2020. Significant items contributing to the loss incurred during such period were as follows:

- Management and consulting fees totalling $23,001 (incorporation on April 21, 2020 to December 31, 2020 - $22,169). Management fees of $6,000 were paid to the CFO of the Company, and consulting fees of $17,001 were incurred relating to technical support, and diligence for the preparation of the mineral property disclosure in the Company's S-1 and Prospectus. The comparative period consisted primarily of consulting fees of $20,169 for financial advisory.
- Professional fees totalling $296,013 (incorporation on April 21, 2020 to December 31, 2020 - $82,950) primarily consisting of:
    - Legal fees totalling $215,163 (incorporation on April 21, 2020 to December 31, 2020 - $52,950): $33,743 relating to general Company filing requirements, and $181,420 for the preparation and filing of the S-1 Statement and Prospectus of the Company; and
    - Audit and accounting fees of $80,850 (incorporation on April 21, 2020 to December 31, 2020 - $30,000) consisting of auditor fees of $71,550 that were incurred for the audit of the December 31, 2020 financial statements, review of the interim quarterly financial statements, tax preparation, and revision of items relating to the Prospectus and accounting fees of $9,300 related to the preparation of the financial statements.

  The comparative period consisted of $52,950 in legal fees relating to the incorporation, set-up activities, and general corporate requirements of the Company and accounting fees of $30,000 relating to the July 31, 2020 stub audit, and an accrual for the audit of the December 31, 2020 financial statements.
- Foreign exchange loss of $12,060 (incorporation on April 21 to December 31, 2020 - $66,665) due to the fluctuation of foreign exchange rates on US currency cash balances. The Company is subject to fluctuating foreign exchange rates as a result of its US dollar transactions.
- Unrealized loss on marketable securities of $136,197 (incorporation on April 21 to December 31, 2020 - $73,891) due to a decrease in the market value of the shares and warrants held by the Company compared to the preceding period. The market price of the Company's marketable securities decreased, resulting in the unrealized loss when recalculating the fair value of the shares and warrants held at the end of the period (see note 3 of the Audited Financial Statements).
- Realized gain on marketable securities of $8,075 (incorporation on April 21 to December 31, 2020 - $nil) resulting from the sale of the investment shares.

The Company's cash balance as at December 31, 2021 ($1,387,670) decreased by $1,034,126 compared to the balance at December 31, 2020 ($2,421,796). This is due to spending on the mineral properties and a new mineral property agreement (see note 4d and 7 of the Audited Financial Statements for details). The Company also incurred legal fees due to the preparation and filing of the S-1 Statement and the Prospectus of the Company.

SELECTED QUARTERLY FINANCIAL INFORMATION

A summary of the Company's operating results for the seven most recent quarters are as follows:

	10/01/2021 – 12/31/2021	**07/01/2021 – 09/30/2021**	**04/01/2021 – 06/30/2021**	**01/01/2021 – 03/31/2021**
Total revenue	Nil	Nil	Nil	Nil
Income (loss) for the period	$(122,788)	$(162,123)	$(243,693)	$25,825

Loss per share - basic & diluted	\$(0.01) [(1)]	\$(0.02) [(1)]	\$(0.03) [(1)]	\$0.00[(1)]
Cash	\$1,387,670	\$1,674,403	\$2,096,051	\$2,200,906
Total assets	\$3,287,709	\$3,473,334	\$3,560,130	\$3,801,366
Total non-current liabilities	Nil	Nil	Nil	Nil
Dividends	Nil	Nil	Nil	Nil

Notes:

(1) Presented on a post-Stock Consolidation basis.

	10/01/2020 – 12/31/2020	**07/01/2020 – 09/30/2020**	**04/21/2020 – 06/30/2020**
Total revenue	Nil	Nil	Nil
Income (loss) for the period	\$(1,904,848)	\$(157,774)	\$(7,627)
Loss per share - basic & diluted	\$(0.20)[(1)]	\$(0.02) [(1)]	\$(0.00)[(1)]
Cash	\$2,421,796	\$2,819,094	\$1,548,771
Total assets	\$3,730,298	\$3,612,552	\$1,608,554
Total non-current liabilities	Nil	Nil	Nil
Dividends	Nil	Nil	Nil

Notes:

(1) Presented on a post-Stock Consolidation basis.

Quarterly Variations

Significant items contributing to the loss incurred during the three-month period from July 1, 2021 to September 30, 2021 (\$162,123) in comparison to the loss incurred during the three month period from April 1, 2021 to June 30, 2021 (\$243,693) were as follows:

- Management and consulting fees totalling \$4,163 were incurred during the period. Management fees of \$1,500 were paid to the CFO of the Company. Consulting fees of \$2,663 were incurred for technical support and consultation on the mineral property disclosures for the S-1 Statement and Prospectus.
- Professional fees primarily consisting of:
  - Legal fees of \$56,680 relating to the continuing preparation of the S-1 Statement and Prospectus, and \$6,040 for general Company matters; and
  - Audit and accounting fees of \$8,650 for additional audit work, preparation and review of the September 30, 2021 Q3 financial statements and tax preparation.
- Foreign exchange gain of \$5,350 resulting from the favourable fluctuation of foreign exchange rates on US currency cash balances. The Company is subject to fluctuating foreign exchange rates as a result of its US dollar transactions.

- Unrealized loss on marketable securities of $93,654 due to the decrease in fair market value of the shares and warrants held by the Company, and the decreased volatility used to calculate the fair value of the warrants at the end of the period.
- Realized gain on marketable securities of $7,265 resulting from the sale of shares held by the Company.

Significant items contributing to the loss incurred during the three-month period from October 1, 2021 to December 31, 2021 ($122,788) in comparison to the loss incurred during the three month period from July 1, 2021 to September 30, 2021 ($162,123) were as follows:

- Management and consulting fees totalling $5,091 were incurred during the current period. Management fees of $1,500 were paid to the CFO of the Company. Consulting fees of $3,591 were incurred for technical support and consultation on the mineral property disclosures for the S-1 and prospectus.
- Professional fees primarily consisting of:
    - Legal fees of $62,782 relating to the continuing preparation of the S-1 Statement and Prospectus, and $662 for general Company matters; and
    - Audit and accounting fees of $35,500 for additional audit work, preparation and audit of the December 31, 2021 financial statements and tax preparation.
- Foreign exchange gain of $2,505 resulting from the favourable fluctuation of foreign exchange rates on US currency cash balances. The Company is subject to fluctuating foreign exchange rates as a result of its US dollar transactions.
- Unrealized gain on marketable securities of $10,082 due to the increase in fair market value of the shares and warrants held by the Company, and the increased volatility used to calculate the fair value of the warrants at the end of the period.

Cash decreased from $2,200,906 as at March 31, 2021, to $2,096,051 as at June 30, 2021 primarily due to the legal fees associated with the preparation of the Company's S-1 Statement and Prospectus, payment of the fees relating to the audit of the December 31, 2021 financial statements and review of the March 31, 2021 Q1 financial statements.

Cash decreased from $2,096,051 as at June 30, 2021, to $1,674,403 as at September 30, 2021 primarily due to the legal fees associated with the preparation of the S-1 Statement and Prospectus and payment of the annual claim fees for the Fourmile Basin, Lone Mountain, and Miller properties.

Cash decreased from $1,674,403 as at September 30, 2021, to $1,387,670 as at December 31, 2021 primarily due to the legal fees associated with the preparation of the Company's S-1 Statement and Prospectus, payment of fees relating to the review of the September 30, 2021 financial statements, payment of the Kelly Creek annual claim fees, and payments pursuant to the Lone Mountain property agreement and Fourmile Basin property agreements .

Covid-19 Update

Throughout the period from incorporation on April 21, 2020 to December 31 2020, the Company's operations were impacted by COVID-19 due to social distancing requirements, lock-downs and travel restrictions. While circumstances appeared to improve in Q1 2021, throughout Q3 2021 and Q4 2021, Canada was in the fourth wave of the pandemic with a significant increase in cases. However, case counts were declining by the end of the quarter as vaccination rates continued to increase. As a result, the restrictions on the Company's operations during the three months ended December 31, 2021 had begun to fade in comparison to the circumstances at December 31, 2020. Nonetheless, the pace of economic recovery once COVID-19 is under control cannot accurately be predicted and may be slow. Additionally, it is possible for restrictions to be re-imposed in the event case counts begin to rise again. The full impact of the COVID-19 pandemic continues to evolve at the date of this report. The length and continued impact of COVID-19 across the globe and on the future performance and operations of the Company is unknown.

FINANCIAL POSITION AND LIQUIDITY

A summary and discussion of our cash inflows and outflows for the year ended December 31, 2021 are as follows:

Operating Activities

The Company spent $343,635 in operating activities and overhead during the period. This mostly consisted of legal fees relating to the preparation and filing of the S-1 Statement and Prospectus, and audit and accounting fees for preparation and review of the financial statements.

Investing Activities

The Company spent $690,491 in investing activities. Pursuant to a Letter of Intent signed with Shea Clark Smith and Gregory B. Maynard for the Miller Project, the Company paid acquisition fees of US$50,000 (see note 4d of the Audited Financial Statements), and additional claim staking fees of US$65,170 for the Miller Project. In August, September and October, the Company paid the annual claim fees due to the United States' Department of Interior's Bureau of Land Management and the local counties on the Kelly Creek, Fourmile Basin, Lone Mountain, and Miller properties. Payments pursuant to the Fourmile Basin and Lone Mountain property agreements were made in November and December. Other primary expenditures for mineral property activities relate to:

- geological consulting for the Fourmile Basin project on the Plan of Operations, organization of GIS files, organization of digital data for field work, collected samples, planning for the drilling program;
- geological consulting for the Lone Mountain project on a review of the maps and existing data for summary report writing; and
- geological consulting for the Miller project on the organization of GIS spreadsheets, digitized maps, review and digitization of biogeochemical, geological and drill hole compilations.

Offsetting these expenditures were net proceeds of $48,425 from the sale of marketable securities. For more information, see the description under the heading "Mineral Properties" in this Management Discussion and Analysis.

Financing activities

The Company did not participate in any financing activities during the period.

Cash Resources and Going Concern

At December 31, 2021, the Company had working capital of $1,326,771 and an accumulated loss of $2,573,028 since inception. The continuing operations of the Company are dependent upon obtaining necessary financing to meet the Company's commitments as they come due and to finance future exploration and development of mineral interests, secure and maintain title to properties and upon future profitable production.

ADDITIONAL DISCLOSURE

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to investors.

Commitments

The Company is required to make pre-production payments and exploration expenditures on each of its projects to keep its lease/option agreements or joint venture agreement in good standing. The Company has firm commitments on the exploration expenditures on certain of its projects as follows:

- The Company must spend $750,000 on the Kelly Creek Project by September 1, 2022, of which $400,000 must be spent on geophysics, geochemistry, or drilling, or some other mutually agreed program.
- The Company has a firm commitment to expend US$400,000 by September 1, 2022, on the Lone Mountain Project.
- The Company has a firm commitment to drill 2,000 metres on the Miller Project within 18 months of the date the Company's shares are listed on a stock exchange in either Canada or the United States.

Additionally, the Company has signed an introductory agent agreement (the "**BMR Agreement**") with Bull Mountain Resources, LLC ("**BMR**"). Under the BMR Agreement, should a mineral property recommended by BMR be acquired by the Company, then the Company shall pay an introductory agent fee as follows:

Within 15 days of signing the formal agreement	US$5,000
6 months after acquisition	US$5,000
12 months after acquisition	US$5,000
18 months after acquisition	US$5,000
24 months after acquisition	US$7,500
30 months after acquisition	US$7,500
36 months after acquisition	US$10,000
42 months after acquisition	US$10,000
48 months after acquisition	US$15,000
Every 6 months thereafter	US$15,000

If commercial production is achieved on one or more mineral properties recommended by BMR and acquired or partially acquired by the Company, then the Company shall pay BMR a 0.5% net smelter returns royalty on all mineral interests acquired within the area of influence of the mineral property. For each recommended mineral property acquired by the Company under the terms of the BMR Agreement, introductory agent fees and net smelter return royalty payments totaling US$1,000,000 paid by the Company to BMR shall reduce the net smelter return royalty by 50% to a 0.25% net smelter return royalty. The Miller project was introduced to the Company by BMR and so the Miller project is subject to the BMR Agreement.

Other Commitments

The Company also has payment obligations relating to the Kelly Creek Project, Fourmile Basin Project, Lone Mountain Project and the Miller Project. See notes 4a, 4b, 4c and 4d of the Audited Financial Statements.

Source of Funds

The net proceeds of the U.S. Offering, together with the Company's working capital balance represent the expected source of funds to meet these capital expenditure commitments.

Related Party Transactions

The Company's related parties include key management personnel and directors. Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of members of the Board and corporate officers.

Compensation	**2021**	2020
	$	$
Management fees (i)	6,000	2,000
Accounting fees (ii)	9,300	-
Share-based payments (iii)	-	1,807,450
	15,300	1,809,450

(i) Management fees are compensation paid to an officer of the Company.
(ii) Accounting fees are fees paid to the CFO for preparation of the financial statements.
(iii) Share-based payment is the fair value of options granted and vested.

During the period ending December 31, 2021, the President of the Company incurred $8,652 (2020: $8,909) for administration expenses on behalf of the Company. As at December 31, 2021, $nil (2020: $4,929) was payable to the President. The amount due is non-interest bearing, unsecured and due on demand.

During the period ending December 31, 2021, the Corporate Secretary of the Company incurred $5,470 (2020: $1,519) for administration expenses on behalf of the Company. As at December 31, 2021, $nil (2020: $nil) was payable to the Corporate Secretary.

During the period ending December 31, 2020, the Company entered into a private placement and letter of intent with Nevada Exploration Inc., a company of which the President of the Company also serves as a director and non-executive chairman. The Company also entered into an Option to Joint Venture on a project owned by a subsidiary of Nevada Exploration Inc. See notes 3 and 4a of the Audited Financial Statements. Subsequent to year-end, Darcy Higgs, the Company's Corporate Secretary, also became a director of Nevada Exploration Inc.

Outstanding Share Data

The authorized capital consists of an unlimited number of Common Shares without par value. On October 25th, 2021, the Company completed the Stock Consolidation, being a three-to-one share consolidation of its Common Shares. The Common Shares and other equity instruments disclosed in the financial statements are on a post-Stock Consolidated basis. As of the current date, the Company has 9,517,000 Common Shares outstanding (represented on a post- Consolidation basis).

Additional Disclosure for Venture Issuers without Significant Revenue

Additional disclosure concerning the Corporation's general and administrative expenses and mineral property costs is provided in the Financial Statements and related notes.

CAPITAL DISCLOSURES

The Company's mineral properties are currently in the exploration stage and do not provide operating cash flow. The Company is therefore reliant on its ability to obtain financing to maintain and develop its mineral properties. To date, the Company has relied upon the issuance of new share capital. The Company expects to raise additional capital in connection with the U.S. Offering. See disclosure under the heading "*Introduction*" for more information on the U.S. Offering. Thereafter, to the extent that further capital is required, the Company may conduct debt or equity financings depending on market conditions.

The Company has agreements that detail payment and working expenditures that are required to maintain its mineral property assets (see note 4 of the Audited Financial Statements). Management regularly reviews the current Company capital structure, and updates its expenditure budgets as necessary, to determine whether or not new financing will need to be obtained, and what type of financing is appropriate given the changing market conditions.

The Company has filed the S-1 Statement with the United States Securities and Exchange Commission in the United States and the Company proposes to complete the U.S. Offering, as amended, for its next financing round. See disclosure under the heading "*Introduction*" for more information on the U.S. Offering.

FINANCIAL INSTRUMENT RISK

The Company's financial instruments consist of cash, GST receivables, marketable securities, accounts payable and accrued liabilities. The fair values of these financial instruments approximate their carrying values, other than cash and marketable securities which are carried at fair value. Marketable securities is a Level 1 financial instrument.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following summarizes fair value hierarchy under which the Company's financial instruments are valued:

- Level 1 – fair values based on unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – fair values based on inputs that are observable for the asset or liability, either directly or indirectly; and
- Level 3 – fair values based on inputs for the asset or liability that are not based on observable market data.

The Company examines the various financial instrument risks to which it is exposed and assesses any impact and likelihood of those risks. The Company's risk exposures and their corresponding impact on the Company's consolidated financial instruments as at December 31, 2021 are summarized below.

	Fair Value Measurements Using			
	Level 1	Level 2	Level 3	**Balance as at December 31, 2021**
	$	$	$	**$**
Assets				
Cash	1,387,670	-	-	**1,387,670**
Marketable securities	245,210	-	4,352	**249,562**
Total assets measured at fair value	**1,632,880**	**-**	**4,352**	**1,637,232**

The fair values of other financial instruments, which include accounts payable, approximate their carrying values due to the relatively short-term maturity of these instruments.

Credit Risk

The Company's primary exposure to credit risk is the risk of cash, amounting to $1,387,670 at December 31, 2021. As the Company's policy is to limit cash holdings to instruments issued by major Canadian banks, the credit risk is considered by management to be negligible. As at December 31, 2021, the Company had a receivable balance of $11,430, which primarily relates to GST receivable from the Federal Government of Canada, and $4,719 in prepaid expenses which consists predominately of prepayments to vendors.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to pay financial instrument liabilities as they come due. The Company's only liquidity risk from financial instruments is its need to meet operating accounts payable requirements. The Company has maintained sufficient current asset balances to meet these needs at December 31, 2021.

	Carrying Amount	Contractual Cash Flows	Within 1 year	Within 2 years	Within 3 years
	$	$	$	$	$
Accounts payable and accrued liabilities	77,048	(77,048)	(77,048)	-	-
Total as at December 31, 2021	**77,048**	**(77,048)**	**(77,048)**	**-**	**-**

Foreign Exchange Risk

Foreign exchange risk is the risk arising from changes in foreign currency fluctuations. The Company does not use any derivative instruments to reduce its exposure to fluctuations in foreign currency rates. The Company operates projects in the United States. As a result, a portion of the Company's cash is denominated in US dollars and is therefore subject to fluctuation in exchange rates. As at December 31, 2021, a 10% change in the exchange rate between the Canadian and US dollar would increase (decrease) loss and comprehensive loss by $2,535.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses for the reporting period. Actual results could differ from management's best estimates as additional information becomes available.

Significant areas requiring the use of management estimates and judgments include:

i) The determination of the fair value of the shares of the Company for the calculation of the share-based compensation.

ii) The determination of the fair values of warrants held as marketable securities by the Company.

iii) The assessment of the Company's ability to continue as a going concern involves judgment regarding future funding available to identify new business opportunities and working capital requirements, the outcome of which is uncertain.

iv) The determination that exploration, evaluation, and related costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including: geologic and other technical information, a history of conversion of mineral deposits with similar characteristics to its own properties to proven and probable mineral reserves, the quality and capacity of existing infrastructure facilities, evaluation of permitting and environmental issues and local support for the project.

RISK FACTORS

In addition to the risks described herein, reference is made to the risks and uncertainties set forth under the section entitled "Risk Factors" in the company's Prospectus filed on www.sedar.com under the Company's profile, which risks and uncertainties are incorporated herein by reference. The risks described therein and herein are not the only risks faced by the Company and security holders of the Company. Additional risks and uncertainties not currently known to the Company, or that the Company currently deems immaterial, may also materially and adversely affect its business. The business and financial condition of the Company could be materially adversely affected by any of the risks set forth in this MD&A, in the Prospectus, or such other risks. The trading price of the Common Shares of the Company could decline due to any of these risks and investors could lose all or part of their investment. This MD&A contains forward-looking statements that involve risks and uncertainties. The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks faced by the Company described in this MD&A. No inference should be drawn, nor should an investor place undue importance on, the risk factors that are included in this MD&A as compared to those included in the Prospectus, as all risk factors are important and should be carefully considered by a potential investor.

Risks Related to COVID-19

A pandemic, epidemic or outbreak of an infectious disease in the markets in which we operate or that otherwise impacts our operations, properties, facilities or employees could adversely impact our business.

If a pandemic, epidemic, or outbreak of an infectious disease including the outbreak of respiratory illness caused by a novel coronavirus (COVID-19) first identified in Wuhan, Hubei Province, China, or other public health crisis were to affect our markets or facilities or those of our suppliers, our business could be adversely affected. Consequences of the coronavirus outbreak are resulting in disruptions in or restrictions on our and others' ability to travel. Special arrangements may be necessary to ensure that employees and others are able to commute to work or meet without violating the distancing standards. In addition, effects of the virus may cause delays in the availability of equipment and personnel.

If such an infectious disease broke out at our office, facilities, or work sites, our operations may be affected significantly, our productivity may be affected, our ability to complete projects in accordance with our contractual obligations may be affected, and we may incur increased labor and materials costs. If any subcontractors with whom we may work were affected by an outbreak of infectious disease, our labor supply may be affected, and we may incur increased labor costs. In addition, we may experience difficulties with certain suppliers or with vendors in their supply chains, and our business could be affected if we become unable to procure essential chemicals, equipment, supplies or services in adequate quantities and at acceptable prices.

Further, infectious outbreak may cause disruption to the U.S. economy, or the local or foreign economies of the markets in which we operate, cause shortages of materials, increase costs associated with obtaining materials, affect job growth and consumer confidence, adversely affect the value of the gold or other minerals, or cause economic changes that we cannot anticipate. Overall, the potential impact of a pandemic, epidemic or outbreak of an infectious disease with respect to our market or our facilities is difficult to predict and could adversely impact our business.

In response to the COVID-19 situation, federal, state and local governments (or other governments or bodies) are considering placing, or have placed, restrictions on travel and conducting or operating business activities. At this time those restrictions are very fluid and evolving. We have been and will continue to be impacted by those restrictions. Given that the type, degree and length of such restrictions are not known at this time, we cannot predict the overall impact of such restrictions on us, our customers, our subcontractors and supply chain, others that we work with or the overall economic or governmental environment. As such, the impact these restrictions may have on our financial position, operating results and liquidity cannot be reasonably estimated at this time, but the impact likely would be material. In addition, due to the speed with which the COVID-19 situation is developing and evolving, there is uncertainty around its ultimate impact on public health, business operations and the overall economy. Therefore, the negative impact on our financial position, operating results and liquidity cannot be reasonably estimated at this time, but the impact may be material.