



(“Fosterville South” or “the Company”)

**FORM 51-102F1
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2023**

Introduction

This Management’s Discussion and Analysis (“MD&A”) of Fosterville South Exploration Ltd. including its subsidiaries, Currawong Resources Pty Ltd. (Australia), and Bendigo Gold Corp. (Canada) is the responsibility of management and covers the three-month period ended March 31, 2023. The MD&A takes into account information available up to and including May 26, 2023, and should be read together with the condensed consolidated interim financial statements for the three-month period ended March 31, 2023 and with the audited consolidated financial statements for the year ended December 31, 2022.

The Company was incorporated under the *Business Corporations Act* (British Columbia) on July 22, 2019. The Company's registered and records office is located at Suite 704 – 595 Howe Street, Vancouver, BC, V6C 2T5. The Company's head office is located at Suite 488-1190 West Georgia Street, Vancouver, BC V6E 3V7.

The Company’s shares commenced trading on the TSX Venture Exchange (“TSX-V”) on April 14, 2020, under the symbol FSX. The Company’s shares are also quoted on the OTCQX Board of the U.S. OTC Markets Platform under the symbol “FSXLF”.

Throughout this document the terms *we*, *us*, *our*, *the Company* and *Fosterville South* refer to Fosterville South Exploration Ltd. All financial information in this document is prepared in accordance with International Financial Reporting Standards (“IFRS”) and is presented in Canadian dollars unless otherwise indicated.

This document contains forward-looking statements. Please refer to “Note Regarding Forward-Looking Statements.”

Description of Business

The Company is in the business of acquiring and exploring mineral resource properties in the State of Victoria, Australia. The Company's principal properties are the 100% owned Lauriston Gold Project, Golden Mountain Project, Moornbool Project, Providence Project, Walhalla Gold Belt Project and the Beechworth Project.

Please refer to the "Exploration Projects" section below for the acquisition and project details on all the projects.

Performance Summary and Subsequent Events

There were no significant events during the three-month period ended March 31, 2023. Subsequent to the period ended March 31, 2023, the Company:

- Announced that it entered into a non-binding term sheet to acquire 100% of the issued and outstanding securities of Wild Dog Resources Inc ("WDR"), an exploration company with certain exploration licenses in Papua New Guinea ("PNG"). The Company and WDR have agreed to negotiate and settle the terms of a definitive share purchase agreement, whereby the Company will acquire all the issued and outstanding securities of WDR in consideration for the issuance of approximately 16,800,000 common shares to the shareholders of WDR, 526,835 share purchase warrants to the warrant holders of WDR and 1,553,520 options to the stock option holders of WDR. The transaction is subject to TSX Venture Exchange acceptance, entry into a definitive agreement and such conditions as are customary for similar transactions.

WDR has a 2,166 sq.km mineral exploration land package in PNG including multiple Exploration licenses ("EL") and Exploration License Applications ("ELA").

Highlights include:

- 2166 sq. km land position assembled via acquisition of a variety of EL and ELAs.
- including 614 sq. km project contiguous with and SE of K92 Mining Inc exploration tenements
- including 130 sq. km project contiguous with and NW of K92 Mining Inc. tenements, 10km from mining operations.
- PNG EL and ELAs will compliment extensive gold land package of FSX in Australia

For more information, please refer to the news release dated April 19, 2023.

Outlook

Since incorporation on July 22, 2019, the Company has acquired various projects in Victoria, Australia and has secured financing to explore and advance the various projects. Subsequent to period end the Company entered into a non-binding term sheet to acquire 100% of the issued and outstanding securities of WDR, as noted above. WDR holds certain PNG projects. The Company is currently completing due diligence and preparing a definitive agreement.

The Company is well financed to continue advancing both the Victoria, Australia projects and the WDR PNG projects.

The Company recently completed the latest phase of drilling at Golden Mountain and is evaluating the results to determine the next phase of exploration. The goal of drilling was to better understand the scope and size of the mineralization and to ultimately define potential resources and reserves. The recent reverse circulation drilling results have yielded further encouragement for the east-west striking granite contact zone especially where the North-South "Dig" fault zone intersects the granite contact zone as evidenced by the 77m gold intersection. The mineralization along the granite contact zone remains open in all directions.

The Company has completed geochemical fieldwork and scout drilling at the various key prospects within the Lauriston Gold Project. Over the coming year, the Company intends to continue evaluation and potential exploration at Lauriston on the targets established to date as well as continuing to identify and assess additional targets held within the tenement portfolio. The additional granting of two new Exploration Licences (EL007044 and EL007045) in the area has allowed further surface sampling to occur and to generate new exploration targets.

More recently the granting of the Pinnacles and Providence licences has meant that these two licences have been the focus of exploration over the past quarter. The Pinnacles prospect within the Pinnacles licence has been the subject of the greatest effort and has continued to yield very positive geochemical results.

The Company continues to assess other projects within its portfolio and works to advance these to a drill ready state. This process includes but is not limited to fieldwork, advancing permits and securing access agreements.

While the Company is active on the ground at the Golden Mountain Project, the Lauriston Project and elsewhere, the Company will also continually assess how to best maximize shareholder value from other projects within its portfolio via corporate activities. The Company believes that the large strategic land position of compelling projects it has acquired in Victoria will present multiple opportunities to identify and assess transactions that can potentially benefit shareholders going forward.

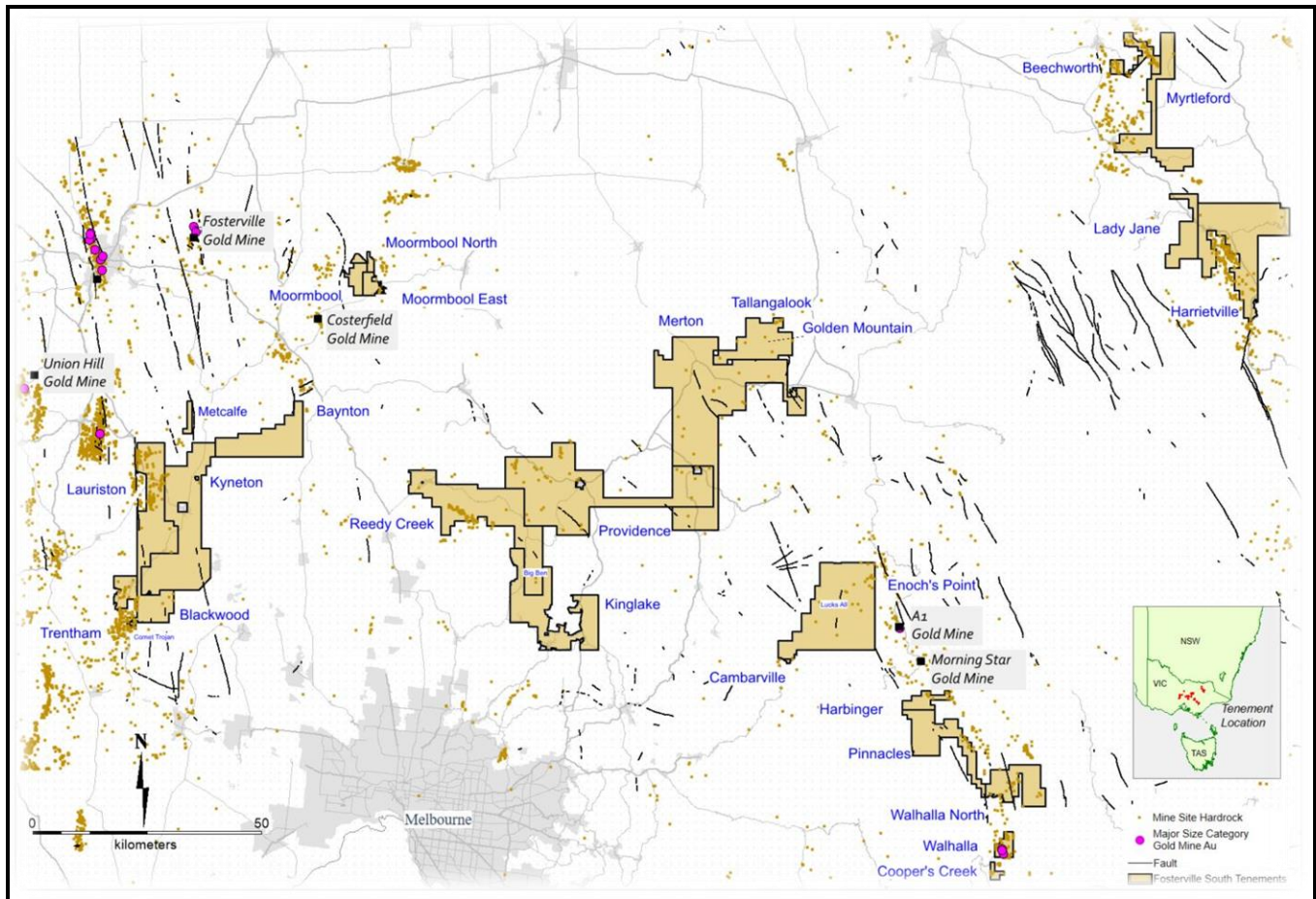
The Company will also continually assess new projects available in Victoria through the exploration tenement application process and also projects owned by other corporate entities. The Company's experience in Victoria and strong cash position puts it in a good position to expand its land holdings if the opportunity arises and therefore ongoing project identification and assessment work is occurring.

As the Company has no source of revenue at this time, it will continue to deplete capital to operate potential drill programs, fieldwork, office and administrative expenses and continual investigations of new projects and opportunities.

COVID-19

There are many external factors that can adversely affect general workforces, economies and financial markets globally. Examples include, but are not limited to, the COVID-19 global pandemic and political conflict in other regions. It is not possible for the Company to predict the duration or magnitude of adverse results of such external factors and their effect on the Company's business or ability to raise funds.

EXPLORATION PROJECTS



Lauriston Gold Project, Victoria, Australia

The Lauriston property (EL006656, EL007044 and EL007045), known as the Lauriston Gold Project, is held 100% through its wholly owned subsidiary, Currawong Resources P/L. Below is a summary of the project, for additional information please refer to the the Lauriston Gold Project Technical Report, which is available under the Company's profile on the SEDAR website at www.sedar.com.

Property description and summary

The Lauriston Gold Project initially comprised of one tenement, an exploration license of 287 km², which was reduced to 215 km² on June 23, 2021, covering the same stratigraphic and structural setting trend as the Fosterville Gold Mine (owned by Agnico Eagle Mines Ltd.). Granting of the Blackwood (EL007044) and Trentham (EL007045) tenements on the 28 March 2022 has expanded the project by a further 41 km². The tenements occur along the western margin of the Selwyn Block and has an extensive history of hard rock and alluvial gold production.

Bendigo style saddle and trough reefs occur within the property as well as subvertical shear zone style gold and quartz vein mineralization which occasionally have epizonal characteristics. The Lauriston Gold Project has metallogenic indications of Fosterville Gold Mine style epizonal gold deposits but has not been explored for these types of deposits, particularly as they were not recognised as to their significance until relatively recently.

Gold mineralization is hosted by Ordovician slates and sandstones, as well as in association with igneous dykes, either with quartz veins or as sulphide disseminations of arsenopyrite – pyrite ± stibnite.

Property location:

The Lauriston Gold Project is in the central part of the State of Victoria, Australia, situated approximately 100 km northwest from the capital of Melbourne. The Lauriston Gold Project is south of and adjoining Agnico Eagle's Fosterville Gold Project which as of December 31, 2021, has reported proven and probable reserves of 5.6 million tonnes for 1.8 million ounces at 10.3 g/t Au. Mineralization at Agnico Eagle's Fosterville Gold Project is not necessarily indicative of mineralization at the Lauriston Gold Project.

Exploration plans:

The focus of the Company's exploration program is to explore within the property for gold deposits analogous in style and type to the Fosterville Gold Mine further north of Lauriston. These epizonal deposits are associated with the Tabberabberan orogeny of the Mid-Devonian and have a characteristic metallogenic signature of Au-As-Sb mineralization. The epizonal deposits of Central Victoria are distinctly different to the Early Devonian Bindian orogenic mesozonal gold mineralization of the Ballarat and Bendigo goldfields found further west and northwest. The Bendigo goldfield is also on strike to the Lauriston goldfield and the mineralization present at Lauriston has characteristics in common with both the Bendigo and Fosterville goldfield due to overprinting of the mineralization styles.

To date, there have been 11 prospects drilled, within various parts of the license, with 108 RC drill holes completed for 8620 m, as well as 7 diamond holes for 1299 m. The more successful exploration results have been from the Energetic, Comet and Trojan prospects.

Follow up RC drilling at Comet and New Trojan intersected a number of wide low-grade zones of gold mineralization associated with pyrite – arsenopyrite ± stibnite. A petrographic study of drill cuttings was completed for details of the style of gold mineralization present at the Comet and New Trojan prospects. The study confirmed sulphide mineralization is of pyrite, arsenopyrite and stibnite.

Widespread soil geochemical traverses have been completed throughout most of the tenement highlighting various potentially mineralized zones. Various drill permit applications have been made or are being made for prospects that have yielded positive soil geochemical results. The new Blackwood and Trentham licences have yielded some initial encouraging soils and rock chip results. Further field work is required. A new drill permit has been granted for the O'Connell's Find Au-As-Sb prospect. Drilling contractors are being sought.

The exploration budget has been designed with a large contingent of this expenditure aimed at drilling as many of the most prospective targets.

Tallangalook (Golden Mountain) Property, Victoria, Australia

The Tallangalook property (EL006430), also known as the Golden Mountain Property, is held 100% through its wholly owned subsidiary, Currawong Resources P/L. An additional license adjoining EL006430 has been granted and is known as the Merton license (EL007308) and covers 498 km². Below is a summary of the project, for additional information please refer to the the Golden Mountain Technical Report, which is available under the Company's profile on the SEDAR website at www.sedar.com.

Property description and summary

The Golden Mountain Property was initially comprised of one tenement, an exploration license of 136 km² which was reduced to 102 km² on May 8, 2020. This goldfield lies at the northernmost part of the highly productive Woods Point -Walhalla gold belt that was emplaced during the Tabberabberan orogeny. The Tallangalook property has a key prospect known as the Golden Mountain, which has been drilled by 227 surface and underground drill holes to a maximum intercept depth of 344m by previous explorers. The Golden Mountain deposit is located at Tallangalook, 13 km NE of Bonnie Doon. The deposit has been worked from three open cuts and two levels of underground workings prior to 1938. These workings are located only 200 m south of the Strathbogie Granite contact. The gold mineralization occurs as a series of north-south faults, diagonal fracture sets as well as hosted by east west striking fault zones all within a contact metamorphic aureole on the margin of the Strathbogie Granite. This granite is shallowly eroded or uncapped and is important in the mineralization of the Golden Mountain deposit. Petrographic and geological studies have recognised that parts of the Strathbogie Granite are also gold mineralized as well as the aplite and coarse-grained granitic dykes present throughout the Golden Mountain deposit. The granitic phases range from tonalite through granodiorite, monzogranite to syeno-granite. High grade gold intersections occur mainly as fault type structures

at various parts of the deposit including some of the deepest parts of the drilling as well as within other near surface fault structures. Other cross cutting or parallel fault type structures also remain to be fully tested. It is the aim of the Company to assess the depth potential as well as some of the various prospective zones found in and near the deposit, especially along the Strathbogie Granite contact as has been shown demonstrated in the latest drill results.

Property location:

The Golden Mountain project is located in the central part of the State of Victoria, Australia, situated about 150 km northeast of Melbourne.

Exploration plans:

The focus of the Company is to explore within the property for gold deposits as intrusion related gold deposits as well as epizonal orogenic vein deposits. These epizonal deposits are associated with the Tabberabberan orogeny of the Mid-Devonian and have a characteristic metallogenic signature of Au-As-Sb mineralization.

Further exploration drilling is aimed at searching for extensions to the already established deposit of Golden Mountain. A program of deep reverse circulation percussion drilling was designed to test the zone between the main 'N-S' zone and the granite intrusion to the north as well as other zones of potential mineralization. This deeper and broader scout drilling has highlighted further gold mineralization potential, particularly along the granite contact.

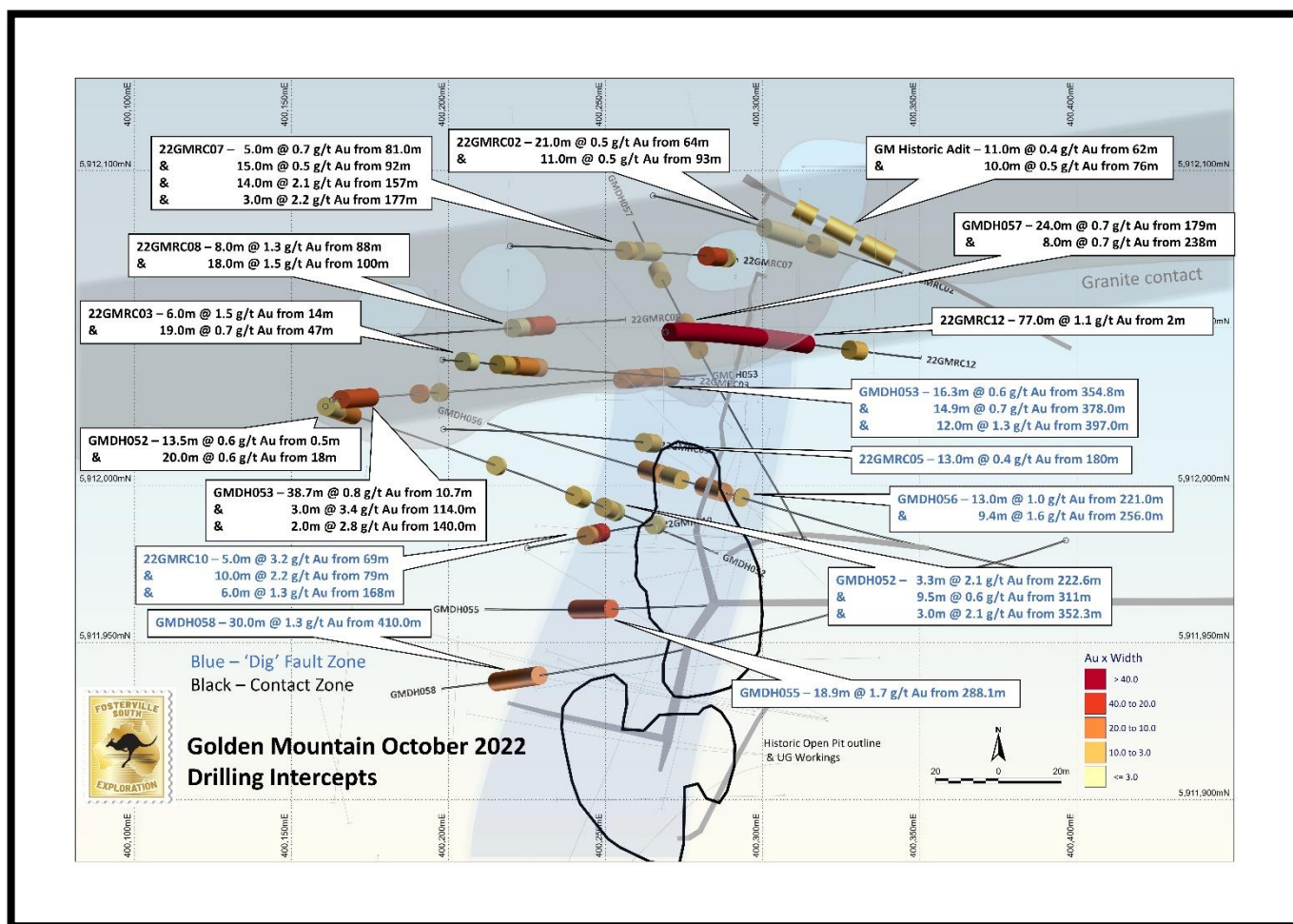
An offset in the granite contact occurs, with the east block moving north relative to the west block, and this area corresponds to the location of the positive drill results of 22GMRC12 of 77m at 1.14 g/t Au from 2 meters. The new area of mineralization found in the hanging wall of the 'N-S' zone in drill hole 22GMRC10 is being assessed for further drilling as well as that of 22GMRC12. Another cross fault in this area could account for the intercepts and would create a new drill target open in all directions.

Horizontal widths were calculated for the intersections on the NS zone but not for the EW zone due to the geological complexities.

The Company has completed a regional multielement stream sediment exploration program, following the completion of a geochemistry review of the previous completed sampling. Further follow up is required on various stream sediment anomalous areas is continuing, with more detailed stream sediment sampling as well as soil sampling on various prospects, some will occur following landowner access agreements.

Private property access negotiations continue for rock and soil sampling as well as historic gold prospect assessment following the review of the LIDAR data covering the Merton license which has defined the location of all the gold prospects held within the license. Rock chip sampling at the Main Reef in Maindample yielded encouraging results where 83 samples were taken from outcrops and old workings and 16 samples were assayed at greater than 1 g/t Au ranging up to 34.4 g/t Au.

The Crystal King pegmatite field north of Golden Mountain was soil sampled without finding any anomalous tin mineralization and only low-level arsenic anomalism. The area is a known alluvial gold and tin field, that has produced large quartz crystals to 30cm in diameter.



Moormbool Project

The Moormbool project area consists of three granted licenses (EL006280, EL006913, & EL007193) and occurs east of Fosterville within the Melbourne zone and is underlain by Siluro-Devonian rocks. It covers an area between the Redcastle and Graytown goldfields, within which occurs a southeast-striking large regional fault. Due to pervasive shallow alluvial cover, the project area is largely unexplored. Near this regional structure and included within the project area is a magnetic anomaly interpreted to be a small granitic intrusion plug or cupola that may have intrusion related gold mineralization.

Soil geochemistry exploration indicates that both the southeast-striking postulated fault zone and the circular magnetic anomaly are arsenic and gold mineralized. The magnetic anomaly could be an intrusion related gold system similar to Mount Piper, near Broadford with a similar magnetic signature and geological setting. Farther northwest, within the Redcastle goldfield extensive alluvial and hardrock gold mineralization was mined historically along this south easterly Staffordshire Flat fault zone.

Initial drilling has targeted the extension of the southeast striking fault zone and associated linear magnetic anomalies. In total 29 reverse circulation percussion drill holes have been completed for 1434 m in three north-south traverses. Drill assays have shown that widespread shallow (<10 m depth) alluvial gold mineralization occurs at the base of the lateritised Quaternary sedimentary cover sequence. Further drilling is proposed in this area to explore for the source of the widespread alluvial gold mineralization as well as to assess the potential of the circular magnetic anomaly considered to be underlain by a potentially mineralized granitic intrusion. Low order gold in soil anomalism is associated with the circular magnetic anomaly and the outcropping sedimentary rocks show evidence of contact metamorphism supporting the view of an underlying cupola type intrusion.

More recent exploration has focused on the Graytown Anticline where soil geochemistry has shown consistent Au-As-Sb mineralization associated with this geological structure. Access negotiations with the private property landowners are ongoing.

Beechworth Gold Project:

The Beechworth Gold Project provides a high-grade gold project northeast of the Company's Tallangalook Project, in north-eastern Victoria. The Beechworth Project consists of one granted Exploration License and one Retention License application covering almost the same area and totaling 36 km². The property contains numerous old gold workings or prospects which were mined in the mid to late 19th and early 20th centuries.

The Beechworth project lies within the Tabberabbera Zone of the Lachlan Fold Belt in Victoria and is immediately west of the regional scale Kancoona Fault Zone, which divides it from the Omeo Zone. The Tabberabbera Zone is immediately east of the Melbourne Zone and is in north-eastern Victoria. The mesozonal mineralization is typical of Ordovician hosted orogenic gold deposits. They are characteristically associated with deformed (compressed, folded and faulted) and metamorphosed mid-crustal blocks, particularly in proximity to major crustal structures such as major faults or basement shear zones.

The historical mines are fault related with a few large scale regional primary fault structures generating these sub-order fault systems. The gold mineralization is potentially enhanced by the intrusion of nearby granites. The Hurdle Flat, Hillsborough, and Stanley goldfields have all developed along the flanks of the various intrusive granitic rocks. Gold mineralized granitic dykes occur within the project, such as at the Taff prospect and further northeast. Some historic mines include high-grade open cuts ('glory holes') such as at the Taff, Homeward Bound, Wallaby, Kingston, Bon Accord and Bangor Reefs. These larger scale prospects offer significant scope for high grade gold mines as mineralized shoots on pipe like bodies tens of meters wide. The Wallaby mine has broad zones of mineralization surrounding the existing open pit with channel sampling and minimal drilling by Freeport and Intrepid Resources, respectively.

Drilling of various prospects at Hillsborough (HB) and within the Stanley State Forest (SSF), within the Beechworth project, has resulted in 86 holes drilled for 8757.7 m including 3 diamond holes at Bon Accord (1) and Homeward Bound (2) prospects for 792 m. A summary of the various significant drill intercepts is tabulated below.

Follow up drilling began in August at Hillsborough, with three different types of percussion drill rigs depending upon access. Deeper reverse circulation drilling was conducted at Homeward Bound, Highland Chief and Bon Accord prospects, with 9 holes drilled for 1583 meters. A smaller reverse circulation drill rig was used at the Taff prospect with 3 holes drilled for 151 meters prior to abandoning this program due to difficult drilling conditions. A small rotary percussion rig was used to drill through scree within the Taff area for geochemical purposes, which drilled 12 holes for 136 meters.

The drilling at Homeward Bound (HBRC17 and HBRC18) has discovered significant gold mineralization north of the Great Fault where previous mining from the south was halted by the fault zone. Hole HBRC17 intersected 5m at 4.12 g/t Au from 175m hole depth including 1m at 18.60 g/t Au. Hole HBRC18 was abandoned prior to reaching target depth south of the Great Fault due to difficult drilling conditions yet managed to intersect gold mineralization north of the Great Fault.

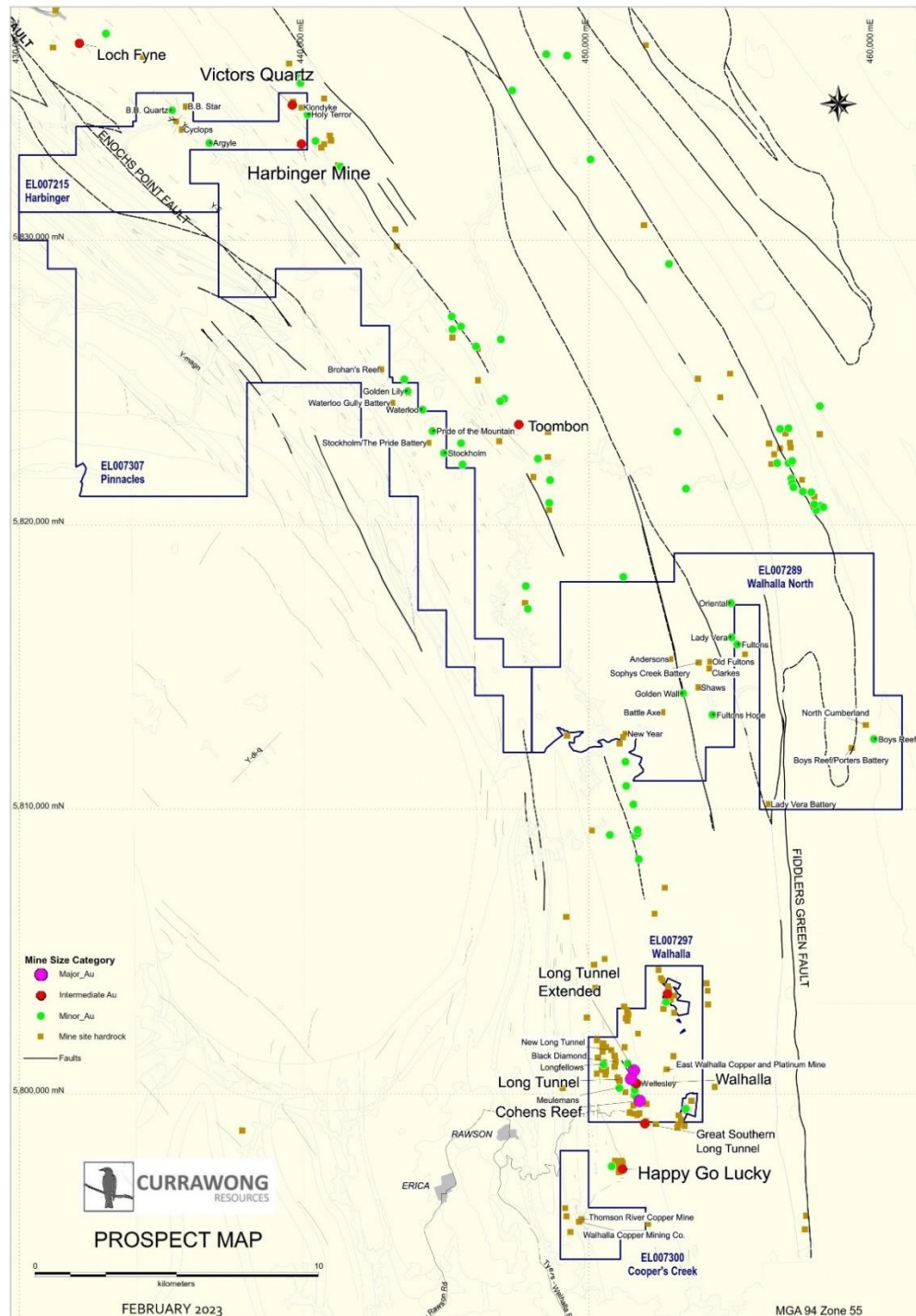
The drilling at Bon Accord North confirmed the earlier tenor of hole BHVP30 with 8m at 4.8 g/t Au from 64m. The new holes of BHVP12 intersected 5m at 6.7 g/t Au from 133m including 1m at 21.30 g/t Au and BHVP35 intersected 2m @ 13.6 g/t Au from 33m. The deepest drill intercept of BHVP12 is 64m above the main adit level and 75m from the end of the main drive. There remains scope for establishing and expanding underground high-grade gold resources at Bon Accord, Homeward Bound and Perseverance prospects, which could all be operated from the former Homeward Bound mine infrastructure. The Perseverance adit and main shaft could also be linked to the Homeward Bound workings. A follow up drill program is proposed on this exploration model basis.

Earlier in 2022, the Myrtleford exploration license (EL007420) of 118 km² was granted which covers various historic gold workings as well as the southern strike extent of the Taff gold mineralized fault zone at Hillsborough in the Beechworth license. The Taff fault zone has indications of intrusion related gold mineralization that requires further exploration with the Taff South prospect having a single trench set of samples yielding 6m at 2.72 g/t Au in greisen type granite. Reconnaissance sampling by FSX confirms that the greisen is gold mineralized. The Taff South prospect is held within the Retention Licence application and not within the Exploration Licence under which we currently operate.

Follow up soil sampling to the south of the Taff South prospect found further gold in soil mineralization along the Taff fault.

The Walhalla Gold Belt Project:

The Walhalla Gold Belt Project has now been consolidated by the Company via staking into a major land holding, with 2 granted tenements covering the Enoch's Point goldfield and the Pinnacles goldfield, with 6 tenement applications composed of 755 km² and containing 91 hard-rock prospects with 31 of them having production figures from the late 19th and early 20th centuries. It is expected that the remaining tenements will be granted in the forthcoming quarter. The total recorded gold production from these 31 prospects (located within 7 tenement applications) amounts to 1,510,309 ounces at a recovered grade of 33.59 g/t Au (GeoVic,2020).



Cohen's Reef deposit, Walhalla (EL007297) in application

The Cohen's Reef deposit, which is located on the Walhalla license application, produced 1,479,851 ounces from 1,429,298 tonnes at an average grade of 32.2 grams per tonne gold (GeoVic, 2020). Fosterville South anticipates there is significant opportunity for the discovery of new mineralized shoots at Cohen's Reef and the surrounding area. In 2011, the previous operator identified a number of targets including:

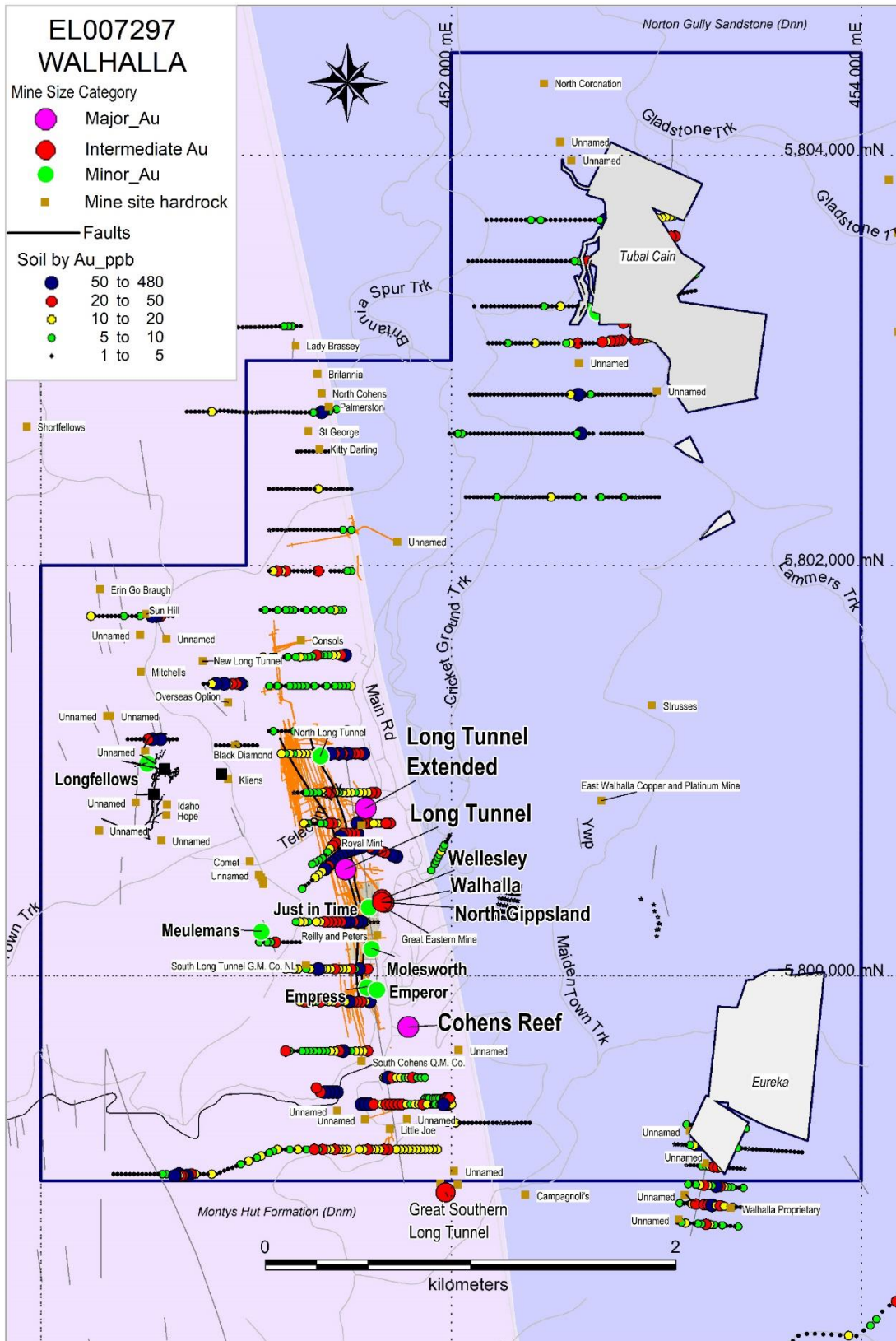
The Company and consultants will review the partially developed 3-D interpretation as well as relog and resample available core from previous drilling to further develop its modelling and generate its exploration diamond drilling targets. The tenement is in application.

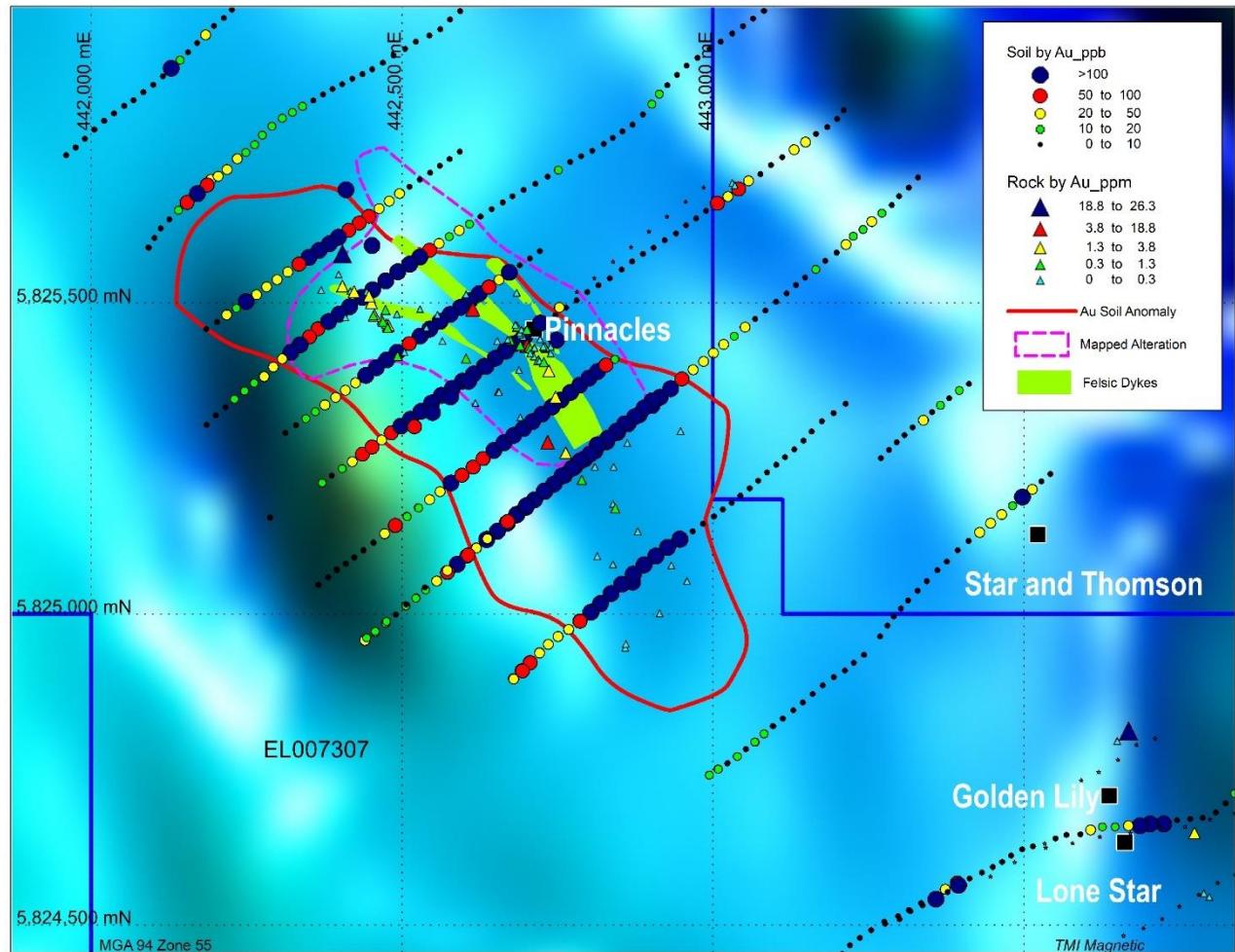
An exploration summary is presented in the map below.

Pinnacles prospect (EL007307) granted.

The Pinnacles licence was granted on 21 October 2022 and covers 103km², with the main target being the Pinnacles prospect including the Brohan's Reef workings. Former soil sampling by a previous explorer Intrepid Mining Corporation NL outlined an Au-As-Sb soil anomaly of 1100m by 450m in area with twelve samples assaying more than 1 g/t Au. The prospect was described as a group of northwest striking felsic dykes with surrounding quartz stockwork veining within the Silurian host rock. Follow up sampling by FSX was carried out in late 2022 which confirmed and closely matched the previous Au-As-Sb results. Two traverses were conducted by FSX and the anomalous As-Sb samples were assayed for gold with 31 soil samples assayed and averaging 315 ppb Au with a maximum value of 1140 ppb Au. Rock chip sampling was then conducted by FSX which yielded assays to 26.3 g/t Au and averaged 0.95 g/t Au with 61 of the 84 samples assaying greater than 0.1 g/t Au in dyke or sediment hosted quartz stockwork type mineralization, with quartz veining content being usually less than 5%. The peak assay sample of 26.3 g/t Au is a silicified felsic dyke without quartz veining. The prospect is either an intrusion related system or epizonal gold mineralized system. A map of the geochemistry is presented below underlain by the Total Magnetic Intensity geophysical image.

Site inspection with the Forests Department (DECCA) for access to drill the area as part of the Low Impact Exploration Permit has been conducted. DECCA requested a flora survey as part of the approval process for the drill permit. The flora survey has been completed with no impediments to DECCA granting the drill permit. An access man portable track will be required. Drilling contractors are being sought.





Londonderry prospect, Enoch's Point (EL007219) granted.

The Londonderry prospect at Enoch's Point has been demonstrated to have historical workings for a length of 1.6 km from LIDAR mapping. Soil and rock chip sampling has confirmed the gold mineralization with rock chip samples up to 179 g/t Au. The mineralization is hosted by a strike faulted quartz veined dyke within the Devonian Norton Gully Sandstone unit. Historic production is recorded as 19972 tons for 3910 ounces Au at 6.0 g/t Au. The prospect has not been previously drilled and a drill permit application has been made which requires a site inspection and clearance by the State Forests Department (DECCA). The logistics of accessing the site have not yet been established.

Providence Project

Fosterville South holds two granted licences and has applied for an additional exploration license, which combined cover 844 km², that it calls the Providence Project. Initially license (EL007052) was granted in October 2020, which covers the Reedy Creek goldfield and the Big Ben prospect area. On 15 November 2022, the Yea-Alexandra license (EL007046) was granted. In early 2022, an additional Kinglake tenement (EL007843) was applied for covering 198 km² to the south of the Reedy Creek and Big Ben area and is known to contain three gold mineralized dykes with old gold workings. At least two of these three dykes have been located. The Kinglake licence will also cover the southern extension of the very prospective Reedy Creek Anticline.

Primary epizonal gold deposits are found throughout the Providence Project. Gold mineralization is hosted by Siluro-Devonian sediments as well as in association with dioritic and felsic dykes, either with quartz veins or with disseminated arsenopyrite – pyrite ± stibnite.

These primary gold deposits are structurally related to the Selwyn Block, within the Costerfield Domain and are associated with the Mid-Devonian Tabberabberan orogeny. A key feature of these deposits is that they have a characteristic metallogenic signature of Au-As-Sb mineralization, which act as a vector for finding the bonanza grade found at Fosterville gold mine.

The Providence property contains several recognized goldfields, including the Reedy Creek, Yea, Ghin Ghin and Alexandra gold fields, within which there are several high-grade historical gold producers:

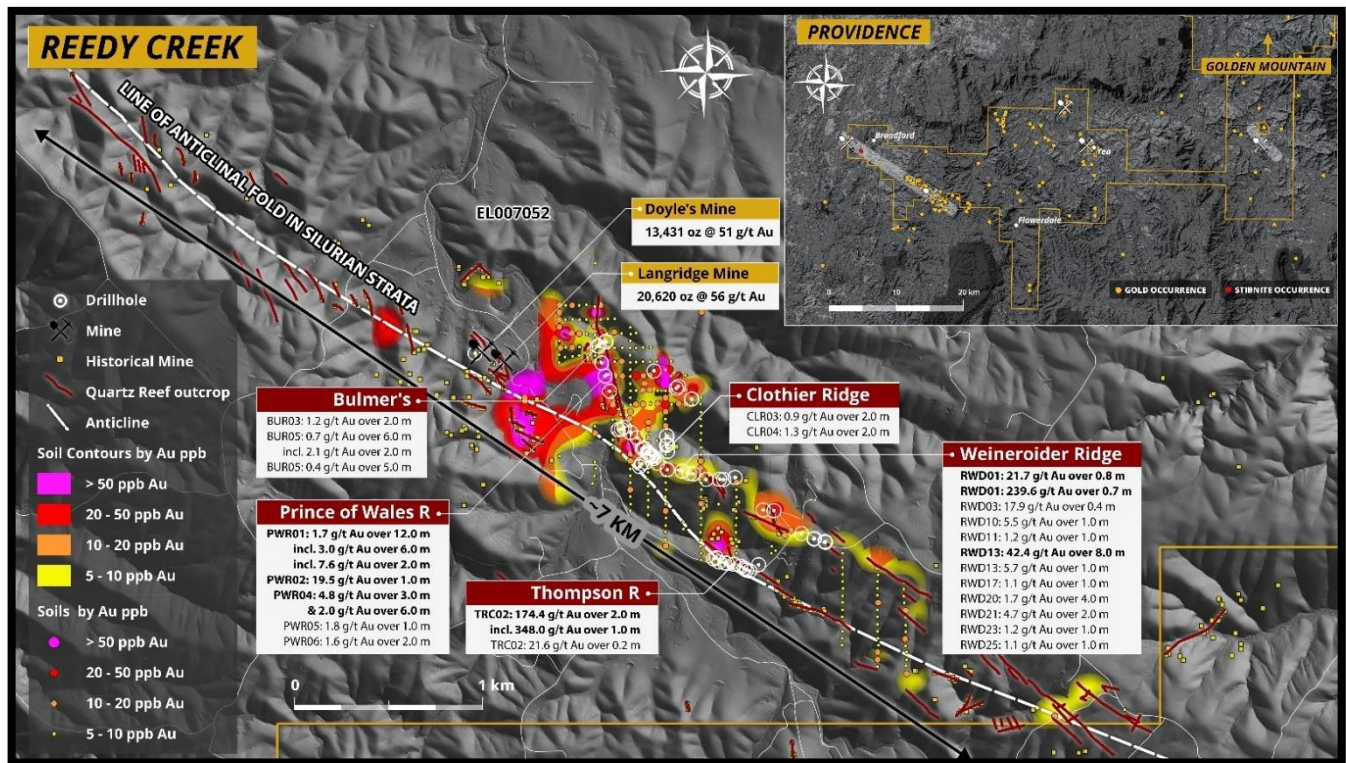
- Luckie Reefs at Alexandra with 36,000 oz at 39g/t Au to 122 m depth
- Langridge’s mine at Reedy Creek with 20,620 oz at 56 g/t Au
- Doyle’s mine at Reedy Creek with 13,431 oz at 51 g/t Au
- Providence Reefs at Yea with 8,585 oz at 33.6 g/t Au

The production noted above was obtained from State of Victoria Mining Surveyors and Registrar’s quarterly reports from 1864 to 1891 and annual reports issued thereafter. All of the production occurred within the Providence Property.

Within the Providence district, the Reedy Creek goldfield produced 63,558 t for 48,944 oz Au at a grade of 23.6 g/t Au which is 68% of the gold produced from the whole Kilmore Mining Division. Most of this goldfield lies within the Providence project. Other goldfields such as Strath Creek, Yea and Ghin Ghin also contributed to the Division’s production which are held within the Providence exploration licence application (EL007046).

The Luckie Reefs at Alexandra is the largest producing prospect within the eastern part of the project, also held within EL007046. About 5km of strike of the Luckie Reefs corridor occurs within the project, including the main producing mines. With the granting of the Yea-Alexandra licence sampling has begun at the Luckie Reefs area, which is on Crown Land and landowner negotiations are continuing in the Ghin Ghin, Triangles and Welcome mining areas. The drill program for the Luckie Reefs area has been approved. Historical research has been conducted to understand the areas of high-grade mineralization. Local government and community engagement will be required also.

Sampling has begun at the Welcome mine with both soil and rock chip sampling having been completed. An anomalous arsenic corridor striking northwest from the Welcome mine is being investigated further. Gold assays are pending.



At Doyle's and Langridge's prospect the area has been markedly landscaped post mining and there was no reliable information as to where the gold mineralized quartz veins and previous mining occurred. All the old mine plans have been lost through time. Drilling encountered several stopes (voids) which have been used to predict where the deeper mineralization is likely to occur. A program of deep RC drilling is planned following further landowner engagement.

Other Exploration Projects

The Company has submitted additional applications to acquire additional exploration licenses in Victoria, Australia.

Two other Exploration Licences have been applied for during the quarter. The Blackwood West licence of 3km² EL008035 and the Metcalfe licence EL008054 of 8km², both within the Fosterville Sub Domain corridor.

The Metcalfe licence occurs between the Fosterville gold mine and our Lauriston project in a structural setting conducive to Fosterville type gold mineralization. Stream sediment sampling was conducted at the Metcalfe licence with 3 contiguous gold anomalous stream sediment samples being established in a metamorphic hornfels terrain. A soil sample traverse was conducted, and the assays are pending.

Mr. Neil (Rex) Motton, (B.App.Sc (Geol) Hons., MAusIMM(CP), MSEG) a Qualified Person under the meaning of Canadian National Instrument 43-101 and an officer and director of Fosterville South, is responsible for the technical content of this Management's Discussion and Analysis.

Acquisition Costs

Below is a summary of the changes in the exploration and evaluation assets for the periods ended March 31, 2023 and December 31, 2022:

	March 31, 2023	December 31, 2022
Balance, beginning of period	\$ 774,953	\$ 833,627
Foreign exchange	(2,176)	(58,674)
Balance, end of period	\$ 772,777	\$ 774,953

Exploration Expenditures:

During the period ended March 31, 2023, the Company incurred exploration costs as follows:

<i>Exploration Expenditures</i>	Golden Mountain Project	Lauriston Project	Beechworth Project	Providence Project	Walhalla	Other Projects and General Explorations	Total
Assay	\$ -	\$ 6,383	\$ 633	\$ -	\$ 903	\$ -	\$ 7,919
Data compilation	712	406	-	306	200	12,822	14,446
Equipment rental	-	13,864	555	55	86	-	14,560
Field expenditures	5,760	11,366	456	7,804	4,789	2,513	32,688
Geological consulting	9,847	29,071	9,797	34,845	17,099	41,444	142,103
Geophysics and Surveying	-	-	-	-	2,727	-	2,727
Project administration	555	4,188	840	2,938	865	1,928	11,314
Salaries and wages	14,897	42,937	3,557	34,661	56,284	48,840	201,176
Tenement administration & fees	7,324	7,424	5,827	853	542	9,996	31,966
Travel	3,206	13,176	459	1,716	5,130	12,663	36,350
	\$ 42,301	\$ 128,815	\$ 22,124	\$ 83,178	\$ 88,625	\$ 130,206	\$ 495,249

The estimated minimum exploration expenditures due by license and by year to December 31, 2026, are summarized in the table below (AUD\$):

	2023 AUD\$	2024 AUD\$	2025 AUD\$	2026 AUD\$	Total AUD\$
Tallanglook:					
Golden Mountain	28,770	28,770	28,770	28,770	115,080
Merton	114,600	89,700	89,700	82,230	376,230
Lauriston:					
Lauriston	47,250	44,025	44,025	44,025	179,325
Kyneton*	-	57,000	71,000	57,000	185,000
Blackwood	15,750	16,000	15,750	15,750	63,250
Trentham	19,800	21,400	21,400	21,400	84,000
Baynton	95,800	75,600	75,600	69,540	316,540
Metcalfe*	-	16,200	16,600	16,600	49,400
Blackwood West*	-	17,000	17,000	17,000	51,000
Reedy Creek / Providence:					
Yea – Alexandra	73,950	93,600	73,950	73,950	315,450
Reedy Creek	53,550	53,550	49,695	49,695	206,490
Kinglake*	-	44,700	54,600	44,700	144,000
Walhalla:					
Walhalla*	-	17,850	18,800	17,850	54,500
Walhalla North*	-	28,800	33,400	28,800	91,000
Harbinger*	-	18,750	20,000	18,750	57,500
Enoch's Point	58,500	58,500	54,150	54,150	225,300
Coopers Creek*	-	16,200	16,600	16,200	49,000
Pinnacles	30,450	35,600	30,450	30,450	126,950
Cambarville*	-	15,300	15,400	15,300	46,000
Moormbool:					
Moormbool	18,105	18,105	18,105	18,105	72,420
Moormbool East	18,000	18,000	17,700	17,700	71,400
Moormbool North	17,250	17,025	17,025	17,025	68,325
Beechworth					
Beechworth**	25,800	25,800	25,800	25,800	103,200
Myrtleford	32,700	38,600	38,600	38,600	148,500
Harrietville*	-	52,050	64,400	52,050	168,500
Lady Jane*	-	23,700	26,600	23,700	74,000
Total	\$ 650,275	\$ 941,825	\$955,120	\$895,140	\$ 3,442,360

* The Company has submitted tenement applications, which are in process. The Company expects the licenses to be issued during the next 12 months. The annual minimum expenditures commence from the date of grant, the Company estimates the annual minimum exploration expenditures to fall due during the indicated year, based on the anticipated timing of pending licenses being granted.

** Application filed for retention license, which upon approval would require annual exploration expenditures of AUD\$25,800.

Under Victorian mining laws, the Company is required to incur AUD\$15,000 plus AUD \$150 per km² in first year, AUD \$200 per km² for each of second, third and fourth year and AUD \$300 per km² for each year thereafter. The expenditure commitment per km² increases over time but is offset by forced tenement area reductions on the second and fourth anniversary of 25% and 40% respectively.

Results of Operations

The condensed consolidated interim financial statements reflect the financial condition of the Company's business for the period ended March 31, 2023. The significant events during the period which impacted the financial results of the Company, some of which are discussed above in the performance summary section are:

During the period ended March 31, 2023, the Company incurred a loss of \$861,706 (2022 - \$1,764,593). Significant expenditures included:

- Exploration expenditures incurred totaled \$495,249 (2022 - \$1,283,247) for the period ended March 31, 2023. During the period, the Company continued to actively explore various targets in its property portfolio, as described in the performance summary and exploration project sections above. Please refer to the Exploration Project section for a breakdown of the exploration expenditures incurred for the period ended March 31, 2023.
- Management fees of \$81,000 (2022 - \$83,700) during the period ended March 31, 2023. Management fees include fees paid to the CEO.
- Professional fees of \$136,654 (2022 - \$114,711) during the period ended March 31, 2023. This relates to legal and accounting activity related to general corporate matters, due diligence on potential project acquisitions, and listing and compliance requirements.
- Office expenses of \$25,129 (2022 - \$38,944) for the three-month period ended March 31, 2023. Office expenses include insurance, rent, and general office expenses. Office expenses decreased due to a general decrease in exploration activity.
- Shareholder communications and marketing of \$103,914 (2022 - \$123,612) for the period ended March 31, 2023. The Company continued to raise awareness of its projects and the exploration completed to date.
- Share-based payments of \$nil (2022 - \$21,428) during the period ended March 31, 2023. Share-based payments related to stock options granted and the timing of vesting during the periods. During the period ended March 31, 2023, the Company did not grant any stock options.

During the period ended March 31, 2023, the Company incurred a comprehensive loss for the period of \$892,038 (2022 - \$1,766,931). Included in the comprehensive loss was loss on foreign exchange differences arising on translation of the Currawong operation of \$30,332 (2022 – loss of \$2,338) for the period ended March 31, 2023.

Summary of Quarterly Results

	March 31, 2023	December 31, 2022	September 30, 2022	June 30, 2022
Working capital	\$ 14,671,511	\$ 15,531,623	\$ 16,426,819	\$ 17,942,869
Exploration expenditures	495,249	523,312	1,237,205	1,480,856
Share-based compensation	-	-	-	3,534
Net loss	(861,706)	(899,127)	(1,511,342)	(1,896,260)
Comprehensive loss	(892,038)	(952,750)	(1,514,702)	(1,939,390)
Net loss per share - basic	(0.01)	(0.01)	(0.02)	(0.03)
	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021
Working capital	\$ 19,708,049	\$ 21,443,487	\$ 23,479,043	\$ 25,602,630
Exploration expenditures	1,283,247	1,754,981	1,526,062	1,275,076
Share-based compensation	21,428	112,654	86,609	3,685,788
Net loss	(1,764,593)	(2,286,322)	(2,131,852)	(5,706,871)
Comprehensive loss	(1,766,931)	(2,271,170)	(2,139,233)	(5,781,366)
Net loss per share - basic	(0.03)	(0.03)	(0.03)	(0.09)

Discussion of Quarterly Results

Since incorporation and listing the Company has been focused on project investigation, project acquisition and the exploration of acquired projects in Victoria, Australia. The Company has been successful in financing these activities and continues to actively explore the various projects, including drilling. Significant items impacting the Company's net loss are primarily from the changing levels of financing available, project investigation and exploration activities, share-based compensation, and office and administrative expenses. Changing levels in exploration program and general and administrative costs fluctuate independently according to field activities at our properties or general corporate activities.

Liquidity

The Company's mineral exploration and development activities do not provide a source of income. Given the nature of our business, the results of operations as reflected in the net losses and losses per share do not provide a complete interpretation of our valuation.

The Company's working capital as at March 31, 2023, was \$14,671,511. This balance includes cash of \$14,759,359 to settle current liabilities of \$230,204. The Company is in a strong working capital position with sufficient funds to finance the next phase of exploration and to fund general administrative costs during this period.

While the Company currently has sufficient funds to complete the next phase of the exploration programs, the Company does not have a source of income available to maintain liquidity indefinitely into the future. The Company continues to investigate additional project and financing opportunities and would consider raising capital via share issuances, debt facilities, joint venture arrangements, or a combination of these options. The Company has financed its operations to date primarily through the issuance of common shares.

Operating Activities: The Company does not generate cash from operating activities. Net cash used in the Company for operating activities, which includes exploration activities, for the period ended March 31, 2023, was \$856,505.

Investing Activities: During the period ended March 31, 2023, the Company incurred net investing activities of \$1,024.

Financing Activities: During the period ended March 31, 2023, the Company did not complete any material financing activities.

The condensed consolidated interim financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company's continuing operations rely on the ability of the Company to continue to raise capital.

Related Party Transactions

The condensed consolidated interim financial statements include the financial statements of the Company and its 100% owned subsidiaries, Currawong Resources Pty Ltd. (Australia), and Bendigo Gold Corp. (Canada):

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, including the Company's Chief Executive Officer, Chief Operating Officer and Chief Financial Officer.

During the period ended March 31, 2023, the Company entered into the following transactions with related parties, not disclosed elsewhere in this MD&A:

- a) Management fees of \$81,000 (2022 - \$81,000) to a company controlled by Bryan Slusarchuk, an officer and director of the Company.
- b) Geological consulting fees of \$74,867 (2022 – \$74,329) to a company controlled by Rex Motton, an officer and director of the Company.
- c) Geological consulting fees of \$36,971 (2022 – \$34,570) to a company controlled by Liza Gazis, a director of the Company

- d) Directors' fees of \$9,000 (2022 - \$9,000) to a company which Robert McMorran, a director of the Company, is associated with.
- e) Directors' fees of \$9,000 (2022 - \$9,000) to a company controlled by John Lewins, a director of the Company.
- f) Professional fees of \$6,297 (2022 - \$5,714) to O'Neill Law LLP, a firm which Charles Hethey, a director of the Company is associated with.
- g) Professional fees of \$45,000 (2022 - \$45,000) to Red Fern Consulting Ltd, a company which Jonathan Richards, an officer of the Company, is associated with.
- h) Rent, included in office expense of \$15,000 (2022 - \$13,765) to Motton & Gazis Property Investment LP, a Company controlled by Rex Motton and Liza Gazis, directors of the Company, which is included in exploration expenditures.

As at March 31, 2023, \$63,915 (December 31, 2022 - \$99,812) was included in accounts payable and accrued liabilities owing to directors, officers, and companies controlled or affiliated with directors and officers of the Company in relation to fees and reimbursement of expenses.

Outstanding Share Data

Common Shares:

As at the date of this report the Company had 68,239,383 common shares issued and outstanding.

Escrow:

As at the date of this report the Company had no shares held in escrow.

Stock Options and Warrants:

As at the date of this report the Company had no share purchase warrants outstanding. The balance of stock options outstanding was as follows:

<u>Expiry Date</u>	<u>Number</u>	<u>Exercise Price</u>
Stock options		
April 14, 2025	2,154,000	\$ 0.40
April 19, 2026	3,600,000	1.57

Contractual Obligations

Except as described herein or in the Company's condensed consolidated interim financial statements as at March 31, 2023, the Company had no material contractual obligations.

Off-Balance Sheet Arrangements

As at March 31, 2023, the Company had no material off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Company.

Proposed Transactions

Please refer to the Performance Summary and Subsequent Event section for a discussion on the WDR acquisition. There are no other proposed transactions under consideration.

Capital Resources

Except as elsewhere disclosed in this document, the Company has no commitments for capital expenditures at the date of this report. Refer to the Exploration Projects section for a description of expenditures required to maintain exploration licenses in good standing.

The Company will continue to seek capital. In the past the Company has raised capital through the issuance of common shares pursuant to private placement. The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital and is not subject to externally imposed capital requirements.

Financial Instruments and Risk Management

a) Fair value of financial instruments

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

As at March 31, 2023, the Company believes that the carrying values of receivables, accounts payable and accrued liabilities approximate their fair values because of their nature and relatively short maturity dates or durations. The carrying value of deferred acquisition payments approximates fair value because the factors considered in assessing the fair value of this item have not changed from the issuance date to March 31, 2023. The fair value of cash and cash equivalents is based on level 1 inputs of the fair value hierarchy.

b) Management of risks arising from financial instruments

Discussions of key risks associated with financial assets and liabilities are detailed below:

Credit risk

Credit risk arises from cash and cash equivalents held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The Company's cash and cash equivalents are held with reputable Canadian and Australian banks. The credit risk related to cash and cash equivalents is considered minimal.

Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize such a loss is limited because the Company has no interest-bearing financial instruments.

Liquidity risk

The Company manages liquidity risk by maintaining sufficient cash and cash equivalents to enable settlement of transactions as they come due. Management monitors the Company's contractual obligations and other expenses to ensure adequate liquidity is maintained. Contractual cash flow requirements as at March 31, 2023 were as follows:

	< 1 year	1 – 2 years	3 – 5 years	Total
Accounts payable and accrued liabilities	\$ 230,204	\$ -	\$ -	\$ 230,204
Total	\$ 230,204	\$ -	\$ -	\$ 230,204

Currency risk

The international nature of the Company's operations results in foreign exchange risk. The Company's operating costs are primarily in Canadian dollars, Australian dollars and US dollars. Any fluctuations of the Canadian dollar in relation to these currencies may affect the profitability of the Company and the value of the Company's assets and liabilities. Management believes the foreign exchange risk derived from currency conversions is not significant and therefore does not hedge its foreign exchange risk.

Risk Factors

Companies in the exploration stage face a variety of risks and, while unable to eliminate all of them, the Company aims at managing and reducing such risks as much as possible. The Company faces a variety of risk factors such as project feasibility and practically, risks related to determining the validity of mineral property title claims, commodities prices, changes in laws and environmental laws and regulations. Management monitors its activities and those factors that could impact them in order to manage risk and make timely decisions. Risks and uncertainties the Company considers material in assessing its financial statements are described below.

Fosterville South will require additional funding.

As at March 31, 2023, the Company had working capital of \$14,671,511, which included cash and cash equivalents of \$14,759,359 and accounts payable and accrued liabilities of \$230,204. While the Company is well financed, the Company does not have any source of revenue and will require additional funding. The Company has relied upon equity subscriptions to satisfy its capital requirements and will likely continue to depend upon these sources to finance its activities. There can be no assurances that the Company will be successful in raising the desired level of financing on acceptable terms.

Exploration, Mining and Operational Risks

The business of exploring for and mining minerals involves a high degree of risk. Few properties that are explored are ultimately developed into mines. At present, the Central Victoria Properties do not have any known mineral resources or reserves and the proposed exploration and drilling programs are an exploratory search for such mineral resources or reserves.

The Company's operations are subject to all the hazards and risks normally associated with the exploration, development and mining of minerals, any of which could result in risk to life, to property, or to the environment. The Company's operations may be subject to disruptions caused by unusual or unexpected formations, formation pressures, fires (including forest fires), power failures and labour disputes, flooding, explosions, cave-ins, landslides, the inability to obtain suitable or adequate equipment, machinery, labour or adverse weather conditions. The availability of insurance for such hazards and risks is extremely limited or uneconomical at this time.

In the event the Company is fortunate enough to discover a mineral deposit, the economics of commercial production depend on many factors, including the cost of operations, the size and quality of the mineral deposit, proximity to infrastructure, financing costs and Government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting minerals and environmental protection. The effects of these factors cannot be accurately predicted, but any combination of these factors could adversely affect the economics of commencement or continuation of commercial mineral production.

Fosterville South is subject to government regulation.

The Company's mineral exploration is, and any development activities will be, subject to various laws governing exploration, development, production, taxes, labor standards and occupational health, mine safety, environmental protection, toxic substances, land use, water use and other matters. Failure to comply with applicable laws and regulations may result in civil or

criminal fines or penalties or enforcement actions, including orders issued by regulatory authorities curtailing the Company's operations or requiring corrective measures, any of which could result in the Company incurring substantial expenditures. No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration or development.

Exploration, development, and mining activities can be hazardous and involve a high degree of risk.

The Company's operations are subject to all the hazards and risks normally encountered in the exploration, development and production of base or precious metals, including, without limitation, unusual and unexpected geologic formations, seismic activity, rock bursts, pit-wall failures, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and legal liability. Milling operations, if any, are subject to various hazards, including, without limitation, equipment failure and failure of retaining dams around tailings disposal areas, which may result in environmental pollution and legal liability.

Fosterville South may be adversely affected by fluctuations in metal prices.

The value and price of the Company's common shares, the Company's financial results, and exploration, development and mining activities of the Company, if any, may be significantly adversely affected by declines in the price of metals. Mineral prices fluctuate widely and are affected by numerous factors beyond the Company's control such as interest rates, exchange rates, inflation or deflation, global and regional supply and demand, and the political and economic conditions of mineral producing countries throughout the world.

Infrastructure

Exploration, development and ultimately mining and processing activities depend, to one degree or another, on the availability of adequate infrastructure. Reliable air service, roads, bridges, power sources and water supply are significant contributors in the determination of capital and operating costs. Inadequate infrastructure could significantly delay or prevent the Company exploring and developing its projects and could result in higher costs.

Fosterville South does not and likely will not insure against all risks.

The Company's insurance will not cover all the potential risks associated with a mining company's operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. The Company might also become subject to environmental liability or other hazards which may not be insured against or which we may elect not to insure against because of premium costs or other reasons. Losses from these events may cause Fosterville South to incur significant costs that could have a material adverse effect upon its financial condition and results of operations.

Fosterville South may be subject to disputes.

The Company may be involved in disputes with other parties in the future, which may result in litigation or arbitration. The results of litigation or arbitration cannot be predicted with certainty. If the Company is unable to resolve these disputes favorably, it may have a material adverse impact on the Company.

All industries, including the mining industry, are subject to legal claims that are with and without merit. Due to the inherent uncertainty of the litigation process and dealings with regulatory bodies, there is no assurance that any legal or regulatory proceeding will be resolved in a manner that will not have a material and adverse effect on the Company.

Fosterville South is dependent on key personnel.

The Company's success depends in part on its ability to recruit and retain qualified personnel. Due to its relatively small size, the loss of the services of one or more of such key management personnel could have a material adverse effect on the Company. In addition, despite its efforts to recruit and retain qualified personnel, even when those efforts are successful, people are fallible and human error could result in a significant uninsured loss to the Company.

Fosterville South's officers and directors may have potential conflicts of interest.

Fosterville South's directors and officers may serve as directors and/or officers of other public and private companies and devote a portion of their time to manage other business interests. This may result in certain conflicts of interest. To the extent that such other companies may participate in ventures in which the Company is also participating, such directors and officers may have a conflict of interest in negotiating and reaching an agreement with respect to the extent of each company's participation. However, applicable law requires the directors and officers to act honestly, in good faith, and in the best interests of the Company and its shareholders and in the case of directors, to refrain from participating in the relevant decision in certain circumstances.

Permits, licenses and approvals

The Company's prospecting activities are dependent upon the grant and renewal of appropriate mineral tenures. Although the Company believes that it will obtain and renew the necessary prospecting licenses and permits, including but not limited to drill permits, there can be no assurance that they will be granted or as to the terms of any such grant. Furthermore, the Company is required to expend required minimum expenditure amounts on the exploration licenses of the Central Victoria Properties in order to maintain them in good standing. If the Company is unable to expend these amounts, the Company may lose its title thereto.

All mining projects require a wide range of permits, licenses and government approvals and consents. It is not certain that we will be granted these at all, or in a timely manner. If we do not receive them for our mineral projects or are unable to maintain them, it could have a material and adverse effect on the Company.

Land Claims

Native title rights may be claimed on crown land or other types of tenure with respect to which mining rights have been conferred. In Australia, the *Native Title Act 1993* (Australia) (the "NTA") provides that any acts that may affect native title rights, such as the grant of a mineral tenement, after December 23, 1996 must comply with certain requirements to be valid under the NTA. These requirements typically require either: the right to negotiate, an Indigenous land use agreement ("ILUA") or an expedited procedure to negotiate. As all of the Company's granted mineral tenements are within the external boundaries of native title claims, native title determinations and ILUAs, the Company will need to comply with these native title requirements. The failure to comply with these requirements could adversely effect the Company's mineral tenements and its exploration and mining activities thereon.

Title to our mineral properties

We have investigated title to all of our mineral properties and, to the best of our knowledge we have or are entitled to title to all of our properties subject to the items described in the MD&A and in our condensed consolidated interim financial statements for the period ended March 31, 2023. Challenges may be made to the title to any of our properties and, if successful, they could impair development and/or operations at our mines or projects. There is no assurance that title to any of our properties will not be challenged.

New laws and regulations, or amendments to laws and regulations relating to mineral tenure and land title and usage, including expropriations and deprivations of contractual rights, if proposed and enacted, may affect our rights to our mineral properties. There is no assurance that we will be able to operate our properties as currently permitted or that we will be able to enforce our rights with respect to our properties.

Corruption and bribery

Our operations are governed by, and involve interactions with, many levels of government in foreign countries. We may not be able to complete some business transactions if we are subject to corruption or demands for bribes. Like most companies, we are required to comply with anti-corruption and anti-bribery laws, including the Canadian Corruption of Foreign Public Officials Act, as well as similar laws in the countries in which we conduct our business. In recent years, there has been a general increase in both the severity of penalties and frequency of enforcement under such laws, resulting in greater punishment and scrutiny to companies convicted of violating anti-bribery laws. Furthermore, a company may be found liable for violations by not only its employees, but also any third-party agents. If we find ourselves subject to an enforcement action or are found to be in violation of such laws, this may result in significant penalties, fines and/or sanctions being imposed on us resulting in a material adverse effect on the Company.

Reputational risk

Damage to our reputation can be the result of the actual or perceived occurrence of any number of events, and could include any negative publicity, whether true or not. Although we believe that we operate in a manner that is respectful to all stakeholders and take care in protecting our image and reputation, we do not have control over how we are perceived by others. Any reputation loss could result in decreased investor confidence and increased challenges in developing and maintaining community relations which may have adverse effects on the Company and the price of the Company's securities.

Critical Accounting Policies and Estimates

Fosterville South's accounting policies and estimates and judgments are described in Notes 2 and 3 of its audited consolidated financial statements for the year ended December 31, 2022.

Note Regarding Forward-Looking Statements

Except for historical information, this MD&A may contain forward-looking statements. These statements involve known and unknown risks, uncertainties, and other factors that may cause the Company's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievement expressed or implied by these forward-looking statements.

The factors that could cause actual results to differ materially include, but are not limited to, the following: Fosterville South has no assurance that the licenses will be issued nor if issued, that they will be issued in a timely manner, general economic conditions; changes in financial markets; the impact of exchange rates; political conditions and developments in countries in which the Company operates; changes in the supply, demand and pricing of the metal commodities which the Company hopes to find and successfully mine; changes in regulatory requirements impacting the Company's operations; the sufficiency of current working capital and the estimated cost and availability of funding for the continued exploration and development of the Company's exploration properties.

This list is not exhaustive and these and other factors should be considered carefully, and readers should not place undue reliance on the Company's forward-looking statements. As a result of the foregoing and other factors, no assurance can be given as to any such future results, levels of activity or achievements and neither the Company nor any other person assumes responsibility for the accuracy and completeness of these forward-looking statements.

This MD&A contains certain forward-looking statements. Although forward-looking statements and information contained in this MD&A are based on the beliefs of Fosterville South's management, which we consider to be reasonable, as well as assumptions made by and information currently available to Fosterville South's management, there is no assurance that the forward-looking statement or information will prove to be accurate. The forward-looking statements and information contained in this MD&A are subject to current risks, uncertainties and assumptions related to certain factors including, without limitations, obtaining all necessary approvals, feasibility of mine and plant development, exploration and development risks, expenditure and financing requirements, title matters, operating hazards, metal prices, political and economic factors, competitive factors, general economic conditions, relationships with vendors and strategic partners, governmental regulation and supervision, seasonality, technological change, industry practices, and one-time events as well as risks, uncertainties and other factors discussed in our quarterly and annual and interim management's discussion and analysis. Should any one or more of these risks or uncertainties materialize or change, or should any underlying assumptions prove incorrect, actual results and forward-looking statements and information may vary materially from those described herein. Accordingly, readers should not place undue reliance on forward-looking statements and information contained in this MD&A. We undertake no obligation to update forward-looking statements or information except as required by law.