



(“Fosterville South” or “the Company”)

**FORM 51-102F1
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

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 year ended December 31, 2022. The MD&A takes into account information available up to and including March 17, 2023 and should be read together 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, Moormbool 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

During the year ended December 31, 2022, the Company:

- On January 18, 2022, the Company reported initial 2022 assays from drilling at the Homeward Bound and Bon Accord projects within the Beechworth Gold Project in Victoria, Australia. The results show that drilling has returned strong gold grades. Highlights included HBDH002, which intersected two separate zones with strong gold mineralization of 3.15 m of 3.38 g/t gold from 269.5 m and 4.4 m of 2.51 g/t gold from 256.6 m along with another three supporting gold mineralized zones totaling 29.7 m within an overall envelope of 56.6 m down-hole length. This drilling follows on from the earlier drillhole HBDH01 which yielded 8.6m at 5.2 g/t Au from 194.6m, including 3.6m at 10.7 g/t Au from 196.8m immediately prior to hitting a stope. Please refer to the news release for complete results.
- On March 15, 2022, the Company reported that it has commenced a diamond drilling program at the Lauriston Project, on the Comet target to confirm the structural controls of the wide zones of gold mineralization that were discovered during initial reconnaissance work in 2021 and drilling in June 2020. The drilling at Comet prospect revealed the proximity of the Comet anticline in the northernmost drillhole CDH02 but was not intersected in the central and southern drillholes CDH01 and CDH03, which are all within the same prospect area. Follow up RC drilling at Comet and New Trojan intersected a number of wide low-grade zones of gold mineralization. The Company has concurrently accelerated drilling at the Reedy Creek target within the Providence Project. Two of the three rigs at Reedy Creek are diamond rigs while the other is a reverse circulation rig. The diamond drilling was used on six (6) different prospects to gain specific structural geology information for each prospect. RC drilling at Reedy Creek followed after the completion of the program at the Lauriston project. For more information, please refer to the news release dated March 15, 2022. The results of the drilling are tabulated within this report.
- On April 27, 2022, the Company reported that the maiden percussion drilling program at Thompson Reef and Price of Wales Reef within the Reedy Creek target of the Providence Project in Victoria, Australia has returned strong gold grades. To the northwest of the high-grade discovery hole at Weineroider Ridge, also at Reedy Creek, the Prince of Wales Reef was reverse circulation drilled over a strike length of 300m in 6 holes. Drill hole PWR01 returned 6m at 2.98 g/t Gold from 53m, including 2m at 7.58 g/t Gold; drillhole PWR02 returned 1m at 19.5 g/t Gold from 22.0 prior to intersecting a 9-meter stope. Reverse circulation hole PWR04 returned 3m at 4.81 g/t Au from 12m and 6m at 1.51 g/t from 51m. The Prince of Wales pinches and swells from 1 to 10m wide and the structural controls on this are not established. For more information, please refer to the news release dated April 27, 2022.
- On August 5, 2022, the Company released gold assay results from drilling at the Comet/New Trojan prospect at the Lauriston project, the Golden Mountain project, and the Providence project. Gold assays received included 13.4m at 2.08 g/t Gold from 288.1m in diamond drill hole GMDH55 at Golden Mountain and 9m at 1.35 g/t Gold from 58m in reverse circulation hole CRC15 at the Comet prospect (Lauriston Gold Project).
- On September 22, 2022, the Company reported new diamond and reverse circulation drilling results at the Golden Mountain prospect within the Tallangalook Gold Project in Victoria, Australia. The Company received strong gold assay intercepts from its nine-hole drill program of 1519 meters, including an intercept from surface grading 77m at 1.14g/t Gold from 2m, including 35m at 1.85g/t Gold from 3m in hole 22GMRC12 at the Golden Mountain prospect located within the Tallangalook Gold Project which occurs north of the main zone of mineralization and near the granite contact. This is the best intersection to be encountered in that area. Exploration potential exists for a cross fault related structure here as well as extensions to the granite hosted gold mineralization.
- Drilling at the Beechworth project was undertaken in August – September 2022, with 9 deep RC drillholes drilled for 1583m at the Highland Chief, Homeward Bound and Bon Accord prospects. A smaller RC rig drilled 3 holes at the Taff prospect for 151m before the program was abandoned due to difficult drilling conditions. Significant drill intersections were achieved with HBRC17 at Homeward Bound of 5m at 4.12 g/t gold from 175m including 1m at 18.6 g/t gold, which occurs north of the Great Fault and opens the area north for further drilling in an offset area. At Bon Accord two significant intersections were achieved which confirm extensions to the previous intersection reported

for BHVP30 of 8m at 4.8 g/t gold. BHVP12 intersected 5m at 6.67 g/t gold from 133m and BHVP35 intersected 2m at 13.6 g/t gold from 33m. More details are presented in this report.

For the complete news releases and for additional information please refer to the Company's website or to SEDAR (www.sedar.com).

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.

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. 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.

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.

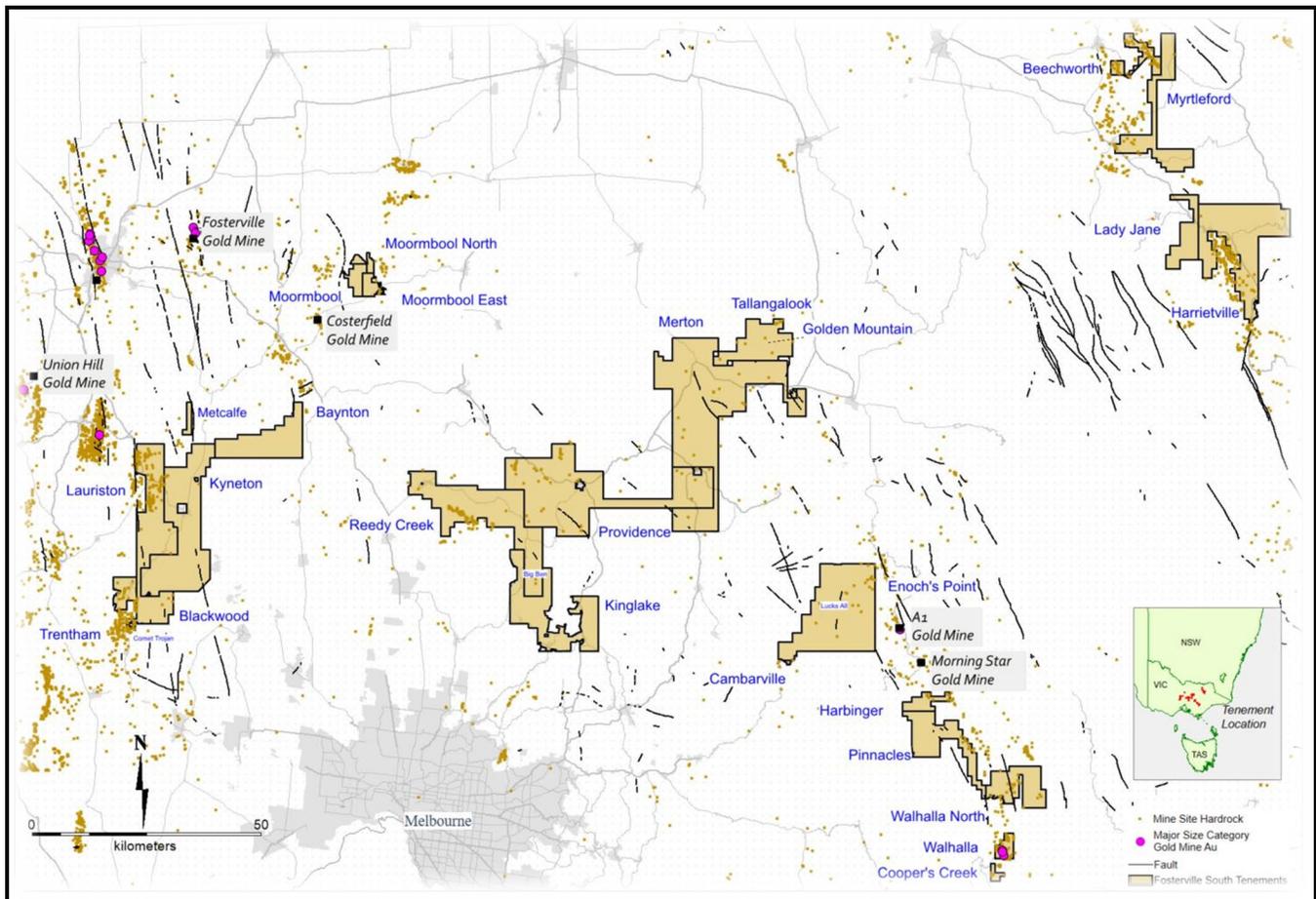
The Company will also continually assess new projects available in Victoria through the exploration tenement application process and also projects owned by other corporate entities. The Company's experience in Victoria and strong cash position puts it in a good position to expand its land holdings if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

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic and since March 2020, measures have been implanted in the countries in which the Company operates in response to the impact of the coronavirus. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. The Company's business travel has been restricted and various business operations, including permitting processes and exploration mobilization have seen delays. As at September 30, 2022, the pandemic has not had a material impact on the Company as the Company's management focuses on taking measures to mitigate the effects. While this has not had a material impact on the Company to date, it is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects 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.

At the Energetic prospect, 21 RC holes were drilled for 1805 meters and 3 diamond holes for 418 meters. The best intersection is hole EN013 with 8 m at 2.29 g/t Au including 4 m at 4.05 g/t Au from 51 m and typical supergene gold mineralization of hole EN14 with 10 meters at 1.36 g/t Au from 39 meters. A widespread supergene zone of gold mineralization occurs, which is open to the north, south and east.

At the Comet prospect 14 RC drill holes have been completed for 1248 m, with better results of CRC01 with 3 m at 5.96 g/t Au from 70 m, CRC04 with 13 m at 1.25 g/t Au from 105 m and more recently CRC15 with 9 meters at 1.35 g/t Au from 58 meters. Drilling recommenced in March 2022 at the Comet prospect with 3 diamond drill holes for 749 m followed by 10 RC drill holes completed for 813 m. Drilling targeted the Comet fault zone established from anomalous soil geochemistry and old gold workings, which is approximately 1 km in strike length. The diamond drilling was carried out in the northern part of the Comet prospect which revealed the proximity of the Comet anticline to the main Comet workings in the northernmost drillhole CDH02, but the anticline was not intersected in the central and southern drillholes CDH01 and CDH03. A cross fault is inferred between drillholes CHD01 and CDH02 displacing the anticline to the east in the northernmost block, as is typical in the Central Victorian Goldfields. The diamond drilling was carried out as west inclined holes cutting across the east dipping stratigraphy but revealed it to be sub parallel to the mineralization. Further drilling is planned in this part of the Comet prospect when drill permit applications are granted.

Gold mineralization was intersected in most RC drill holes drilled in the southern half of the prospect, especially those drill holes that were drilled in the southernmost part of the prospect where the mineralised structure is more predictable, and access is more amenable to drilling. In the southern section the Comet anticline is within 50m west of the main gold workings and the effect of the anticline upon the zone of gold mineralization is yet to be established. This structural geology setting is very similar to that at the Fosterville gold mine and usually the best mineralization lies immediately east of the anticline as is the potentially the case at Comet prospect. Further exploration drilling is required to fully understand the potential of the prospect.

An Induced Polarisation geophysical survey was carried out in August 2022, which showed weak sub-vertical anomalism associated with the main Comet fault zone.

Following on from the drilling at Comet prospect, drilling commenced at the New Trojan 2.5 km north of Comet prospect and 1.4 km further north at the North New Trojan prospects, aimed at testing soil geochemical anomalies associated with minor old gold workings where extensive anomalous Au-As-Sb mineralization has been established from grid-based soil sampling for 2.6 km strike length. A program of RC percussion drilling was carried out consisting of 15 RC drill holes for 1328 m at New Trojan and 3 RC drill holes for 269 m at North New Trojan.

The initial New Trojan prospect reverse circulation drilling yielded assay drill intersections of hole TR05 with 11m at 0.79 g/t Gold from 27m and hole TR10 with 6m at 0.94 g/t Gold from 27m and hole TR19 with 7m at 0.68 g/t gold from 70m. Similar

to the Comet prospect, a significant number of the drill holes intersected gold mineralization. Overall, this program has covered parts of a strike length of 700 meters, with the initial access restricted by the hilly terrain, drill permits and weather conditions.

At the North New Trojan Prospect, which is 1.4 kilometers to the north of the New Trojan Prospect, the drill program consisted of an initial three reverse circulation holes to test ~200 meters of strike length of anomalous soil geochemistry. Reverse circulation hole NNT03 intersected 2m at 2.04 g/t Gold from 60m. Access to the main section of the North New Trojan prospect for further drilling awaits the government drilling permit approval, which also includes the strike interval between here and New Trojan prospect to the south.

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 (or possibly tetrahedrite, another antimony mineral). An SEM study is underway.

The granting of the two new exploration licenses in the Blackwood and Trentham areas has added at least a dozen gold prospects with old workings to the project. Exploration geochemistry is underway to establish the type of mineralization present at these various old gold workings.

Hole ID	East	North	Azimuth (deg.)	Dip (deg.)	From (m)	To (m)	Downhole Interval (m)	True Width (m)	Au g/t	Cut-off grade	Hole Type
										Au g/t	
LAURISTON GOLD PROJECT											
<i>Comet Prospect</i>											
CDD01	263701	5850341	264.42	-58.5		No Significant Mineralization					Diamond
CDD02	263703	5850344	299.32	-50	168.8	170.9	2.1	ND*	1.00	0.3	Diamond
And					203.1	204.1	1	ND*	0.41	0.3	Diamond
And					249.6	250.6	1	ND*	2.32	0.3	Diamond
And					255.7	257.7	2	ND*	1.14	0.3	Diamond
And					262.2	263.3	1.1	ND*	1.69	0.3	Diamond
CDD03	263673	5850291	242.42	-60.1	7.1	9.1	2	ND*	1.69	0.3	Diamond
CRC05	263675	5850346	277.82	-54.7	60	64	3	ND*	0.60	0.3	RC
CRC06						Not Drilled					
CRC07						Not Drilled					
CRC08	263582	5850079	88.92	-57.2	21	24	3	2.7	0.75	0.3	RC
CRC09	263552	5850089	89.42	-57.8	41	52	11	9.7	0.96	0.3	RC
CRC10	263572	5850124	85.02	-58.3	34	43	9	7.9	0.59	0.3	RC
CRC11	263564	5850166	83.42	-66	47	50	3	2.4	0.71	0.3	RC
CRC12	263579	5850210	76.72	-57.3	37	39	2	1.8	1.05	0.3	RC
And					45	47	2	1.8	1.78	0.3	RC
CRC13	263538	5850169	84.42	-52.7	62	65	3	2.8	1.32	0.3	RC
CRC14	263520	5850093	83.42	-59	77	87	10	8.7	0.94	0.3	RC
CRC15	263538	5850125	84.92	-53.1	58	67	9	8.3	1.35	0.3	RC
CRC16	263543	5850225	81.82	-53.1		No Significant Mineralization					
CRC17						Assays Pending					
<i>New Trojan Prospect</i>											
TR01	264040	5852711	86.02	-52.7	41	44	3	2.8	1.64	0.3	RC
TR02	264032	5852529	86.32	-54.1	60	63	3	2.8	0.73	0.3	RC

Hole ID	East	North	Azimuth (deg.)	Dip (deg.)	From (m)	To (m)	Downhole Interval (m)	True Width (m)	Au g/t	Cut-off grade	Hole Type
									Au g/t	Au g/t	
TR03	264033	5852595	88.32	-53.8	49	52	3	2.8	0.31	0.3	RC
And					55	60	5	4.6	0.9	0.3	RC
TR04	264036	5852639	89.02	-59.5	38	43	5	4.4	0.59	0.3	RC
And					49	51	2	1.8	1.31	0.3	RC
And					64	67	3	2.6	0.61	0.3	RC
TR05	264061	5852670	85.02	-58.3	27	38	11	9.7	0.79	0.3	RC
TR06	264037	5852663	77.22	-59.1	56	58	2	1.7	2.04		RC
TR07	264169	5852777	279.02	-53		No Significant Mineralization					RC
TR08	264151	5852823	274.12	-53.8	1	4	3	ND*	0.55	0.3	RC
TR09	264080	5852669	81.02	-53.5	7	9	2	1.8	0.4	0.3	RC
TR10	264143	5853116	90.32	-53.5	27	33	6	5.5	0.94	0.3	RC
And					63	65	2	1.8	1.3	0.3	RC
TR11	264064	5853003	86.72	-53.1	74	76	2	1.8	0.4	0.3	RC
TR12, 14, 16, 17						Not Drilled					RC
TR13	264022	5852674	84.7	-59	65	69	4	3.7	0.23	0.3	RC
TR15	264016	5852597	76.6	-51	66	68	2	1.8	1.26	0.3	RC
TR18	264007	5852424	87.2	-51		No Significant Mineralization					RC
TR19	264019	5852483	80.4	-51	70	77	7	6.4	0.67	0.3	RC
NNT01	264156	5854484	87.02	-52		No Significant Mineralization					RC
NNT02	264142	5854403	85.62	-53		No Significant Mineralization					RC
NNT03	264109	5854304	85.52	-54	60	62	2	1.8	2.04	0.3	RC

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. A new drill permit has been granted for the O'Connell's Find Au-As-Sb prospect, which is 5.5km east of Trojan prospect.

The exploration budget has been designed with a large contingent of this expenditure aimed at drilling as many of the most prospective targets, especially for areas proven to contain Au-As-Sb signatures such as the Comet-Trojan and O'Connell's Find prospect areas.

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 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. 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.

Drilling at Golden Mountain has amounted to 60 drill holes for 9992 m with 81% being diamond drilling. Various intercepts have been reported since drilling began in June 2020 through to late 2021. Selected highlights are tabulated below.

Hole ID	From (m)	To (m)	Length (m)	Au g/t
GMDH30	59.0	86.6	27.6	6.66
GMDH32	54.0	115.0	60.8	2.50
GMDH35	68.0	115.0	47.0	2.67
GMDH36	138.0	166.0	28.0	10.17
GMDH37	153.7	195.0	41.3	2.36
GMDH45	210.0	266.8	55.1	3.06
GMDH50	212.0	241.0	29.0	2.46

Following the granting of the drill permit in 2022 for further drilling east of the Golden Mountain deposit, diamond drilling recommenced on the 16th of June 2022. Four diamond drill holes for 1467.4 meters and nine (9) reverse circulation percussion holes for 1519 meters have been drilled thus far this year. Recent drill results are presented in the table below.

Further exploration drilling is aimed at searching for extensions to the already established deposit of Golden Mountain. During the year diamond drilling (GMDH series) has targeted extensions at depth to the main 'N-S' 'Dig' Fault zone of mineralization. A second 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.

Hole	X	Y	Azimuth	Dip	From	To	Length	Au ppm	Location	Type	Hor Width
22GMRC02	400265	5912092	105	-55	64.0	85.0	21.0	0.46	EW Zone	RC Splits	ND
22GMRC02					93.0	104.0	11.0	0.52	EW Zone	RC Splits	ND
22GMRC03	400198	5912040	90	-62	14.0	20.0	6.0	1.54	EW Zone	RC Splits	ND
22GMRC03					37.0	44.0	7.0	0.57	EW Zone	RC Splits	ND
22GMRC03					47.0	66.0	19.0	0.72	EW Zone	RC Splits	ND
22GMRC05	400198	5912018	91	-65	180.0	193.0	13.0	0.37	Central west	RC Splits	ND
22GMRC07	400220	5912076	90	-60	81.0	86.0	5.0	0.66	EW Zone	RC Splits	ND
22GMRC07					92.0	107.0	15.0	0.45	EW Zone	RC Splits	ND
22GMRC07					157.0	171.0	14.0	2.06	EW Zone	RC Splits	ND
22GMRC07					177.0	180.0	3.0	2.19	EW Zone	RC Splits	ND
22GMRC08	400184	5912047	86	-65	88.0	96.0	8.0	1.25	EW Zone	RC Splits	ND
22GMRC08					100.0	118.0	18.0	1.48	EW Zone	RC Splits	ND
22GMRC10	400225	5911980	80	-73	69.0	74.0	5.0	3.16	New area	RC Splits	ND
22GMRC10					79.0	89.0	10.0	2.18	New area	RC Splits	ND
22GMRC10					168.0	174.0	6.0	1.26	NS Zone	RC Splits	ND
22GMRC12	400269	5912049	90	-55	2.0	79.0	77.0	1.14	EW Zone	RC Splits	ND
22GMRC12					104.0	111.0	7.0	0.51	EW Zone	RC Splits	ND
GMDH52	400163	5912023	110	-75	0.5	15.0	13.5	0.61	EW Zone	Diamond	ND
GMDH52					18.0	38.0	20.0	0.62	EW Zone	Diamond	ND
GMDH52					222.6	225.9	3.3	2.12	NS Zone	Diamond	ND
GMDH52					311.0	320.5	9.5	0.59	NS Zone	Diamond	ND
GMDH52					341.8	349.0	7.2	0.55	NS Zone	Diamond	ND
GMDH52					352.3	355.3	3.0	2.14	NS Zone	Diamond	ND
GMDH53	400163	5912027	88	-75	10.7	49.4	38.7	0.79	EW Zone	Diamond	ND
GMDH53					114.0	117.0	3.0	3.42	NS Zone	Diamond	ND
GMDH53					140.0	142.0	2.0	2.77	NS Zone	Diamond	ND
GMDH53					354.8	371.0	16.3	0.64	NS Zone	Diamond	ND
GMDH53					378.0	392.9	14.9	0.72	NS Zone	Diamond	ND
GMDH53					397.0	409.0	12.0	1.32	NS Zone	Diamond	ND
GMDH55	400408	5911969	267	-60	288.1	307.0	18.9	1.65	NS Zone	Diamond	11.4
GMDH56	400408	5911968	282	-59	212.1	213.0	0.9	3.77	Cross Fault	Diamond	ND
GMDH56					221.0	234.0	13.0	1.03	Cross Fault	Diamond	8.3
GMDH56					245.0	253.2	8.2	0.41	NS Zone	Diamond	5.3
GMDH56					256.0	265.4	9.4	1.56	NS Zone	Diamond	6.1
GMDH57	400312	5911987	333	-69	179.0	203.0	24.0	0.71	NS Zone	Diamond	6.7
GMDH57					238.0	246.0	8.0	0.67	NS Zone	Diamond	2.2
GMDH58	400408	5911969	251	-65	410.0	440.0	30.0	1.32	NS Zone	Diamond	13.8

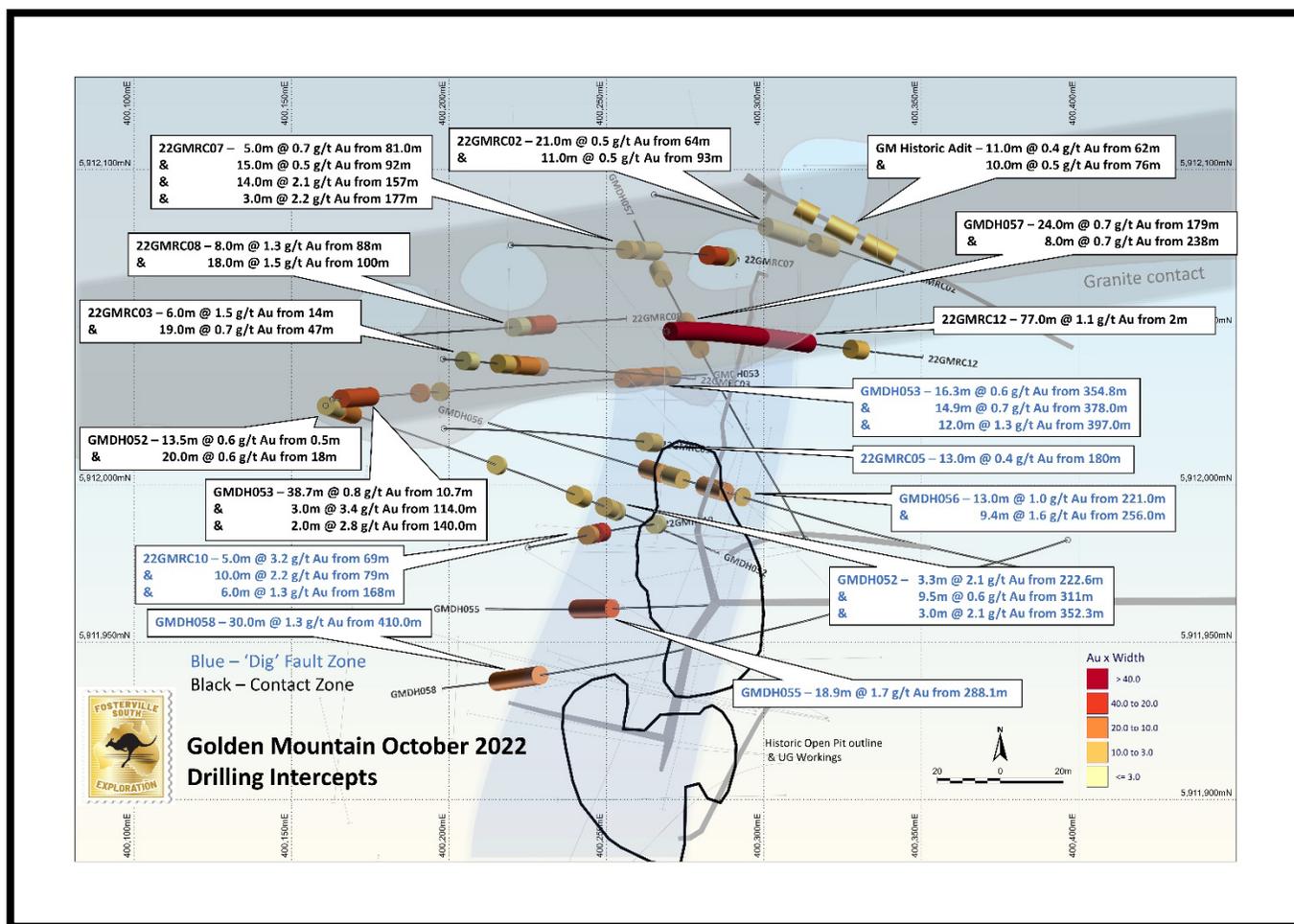
Horizontal widths were calculated for the intersections on the NS zone but not for the EW zone due to the geological complexities.

Other prospects that have been drilled have been the Star of the Glen (15 holes for 881 m), Vinegar Hill (4 holes for 335 m) and Heyfield Reef (16 holes for 1345m) with only minor results.

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, with more detailed stream sediment sampling as well as soil sampling following landowner access. In addition to the geochemistry survey, a LIDAR survey has been completed over much of the Golden Mountain area which has defined the location of all historic mining.

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 pegmatite field north of Golden Mountain is also being assessed for gold and base metal mineralization. The area is a known alluvial gold and tin field.



Moormbool Project

On April 19, 2020, the Company entered into a purchase agreement with Mercator Gold Australia Pty. Ltd. (“Mercator”), a subsidiary of Alternative Investment Market-listed ECR Minerals PLC, whereby it acquired a 100% interest in three high-grade gold projects called the Moormbool project, the Timor project, the Avoca project.

During the year ended December 31, 2020, the Company completed a spin-out of its wholly owned subsidiary Leviathan Gold Ltd (“Leviathan”). During the year ended December 31, 2021 the Timor and Avoca projects were sold to Leviathan for AUD\$764,081 (CAD\$730,079), and consequently the Company only holds the Moormbool project.

Under the terms of the purchase agreement, Fosterville South agreed to pay AUD\$500,000 to Mercator in consideration of a 100% interest in the gold projects. The Company will also pay Mercator AUD\$1 for every ounce of gold or gold equivalent of measured resource, indicated resource or inferred resource within one or more of the tenements comprising the gold projects, which payment shall not exceed a total of AUD\$1,000,000. In the event the Company carries out commercial production on the gold projects, the Company will pay Mercator AUD\$1 for every ounce of gold or gold equivalent ounces produced from the tenements comprising the gold projects, which payment shall not exceed a total of AUD\$1,000,000.

Within Central Victoria, the Lachlan Fold Belt is subdivided into various zones, based on distinct geological and mineralogical characteristics. In the central part of Victoria, from west to east they are the Stawell zone, Bendigo zone and the Melbourne zone with the basement rocks becoming gradually younger through these zones.

The Moornbool 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 rocks show evidence of contact metamorphism.

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 is ongoing.

Beechworth Gold Project:

On August 5, 2020, the Company entered into an agreement to acquire 100% of the Beechworth Gold Project from Northern Mine Ventures P/L. Pursuant to the terms of a purchase agreement the Company paid AUD \$50,000 to Northern Mine Ventures and agreed to pay an additional AUD \$250,000 on the date that the granted Exploration License is converted to a Retention License. The Company also agreed to incur AUD \$130,000 in exploration expenditures on the project within 90 days. Northern Mine Ventures retained a 2.5% NSR, which may be repurchased with a one-time payment of AUD \$2,000,000.

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.

Only a few of the prospects have had previous reconnaissance drilling, such as at the Kingston (W03: 8 m @ 8.88 g/t Au from 18 m) and Hope prospects (W06: 10 m @ 9.58 g/t Au from 34 m). In all, 21 reverse circulation percussion holes were drilled at the Kingston, Hope, Rechabite and Wallaby prospects for a total of 1316 m for an average depth of 63 m. These prospect occur in the Hurdle Flat area and form part of the Hurdle Flat Work Plan which is waiting on approval by Earth Resources and other government authorities. Drill holes were placed at various orientations and estimated true widths are not possible.

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.

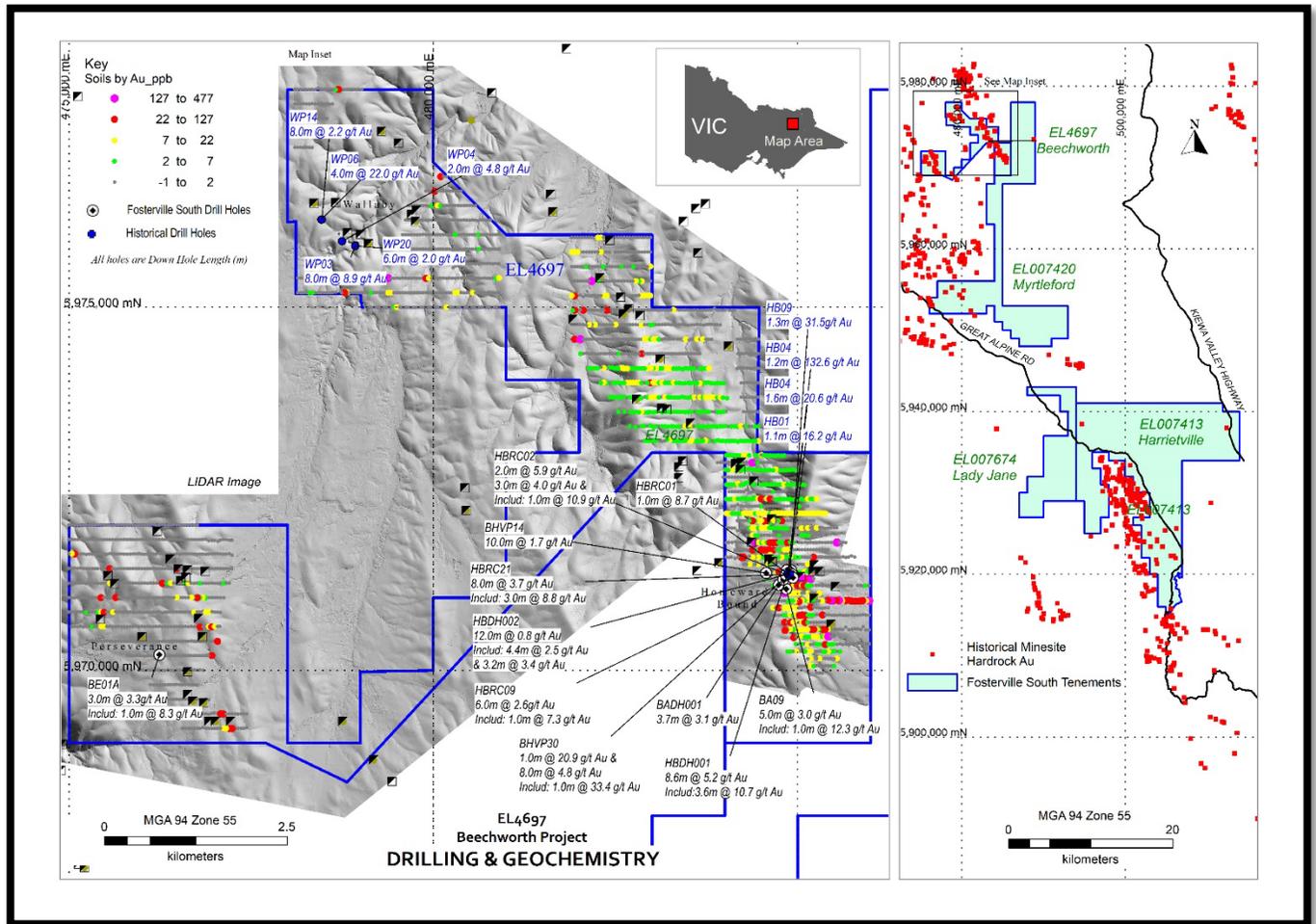
Hole ID	East	North	Azimuth (deg.)	Dip (deg.)	From (m)	To (m)	Downhole Interval (m)	Au g/t	Cut-off Au g/t	Type	Prospect
BA09	484841.03	5971122	300	-65	65	70	5.0	3.01	0.4	RC split	Bon Accord
BA09	including				67	68	1.0	12.30	1.0	RC split	Bon Accord
BADH001	484740	5971177	110	-70	148.9	152.6	3.7	3.05	0.4	Diamond	Bon Accord
BE01A	476241.2	5970216	252	-75	85	88	3.0	3.26	0.4	RC split	Perseverance SSF
BE01A	including				85	86	1.0	8.34	1.0	RC split	Perseverance SSF
BHVP14	484566	5971343	90	-60	30	40	10.0	1.68	0.4	RC split	Perseverance HB
BHVP30	484804	5971253	270	-60	59	60	1.0	20.90	0.4	RC split	Bon Accord North
BHVP30	484804	5971253	270	-60	64	72	8.0	4.84	0.4	RC split	Bon Accord North
	including				68	69	1.0	33.40	1.0	RC split	Bon Accord North
HBDH001	484851	5971313	125	-70	194.6	203.2	8.6	5.22	0.4	Diamond	Homeward Bound
HBDH001	including				196.8	200.4	3.6	10.72	1.0	Diamond	Homeward Bound
HBDH002	484836	5971320	125	-72	236.0	248	12.0	0.78	0.3	Diamond	Homeward Bound
HBDH002	and				256.62	261	4.4	2.51	0.4	Diamond	Homeward Bound
HBDH002	and				269.5	272.65	3.2	3.38	0.4	Diamond	Homeward Bound
HBRC01	484906.07	5971301.03	85	-62	105	106	1.0	8.68	0.4	RC split	Homeward Bound
HBRC02	484870.89	5971309.58	89	-60	134	136	2.0	5.91	0.4	RC split	Homeward Bound
HBRC02	and				149	152	3.0	3.99	0.4	RC split	Homeward Bound
HBRC02	including				150	151	1.0	10.95	1.0	RC split	Homeward Bound
HBRC09	484935.06	5971276.92	113	-60	46	52	6.0	2.57	0.4	RC split	Homeward Bound
HBRC09	including				50	51	1.0	7.26	1.0	RC split	Homeward Bound
HBRC21	484836.28	5971319.84	93	-63	202	210	8.0	3.66	0.4	RC split	Homeward Bound
HBRC21	including				207	210	3.0	8.83	1.0	RC split	Homeward Bound

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. Significant drill intercepts are tabulated below.

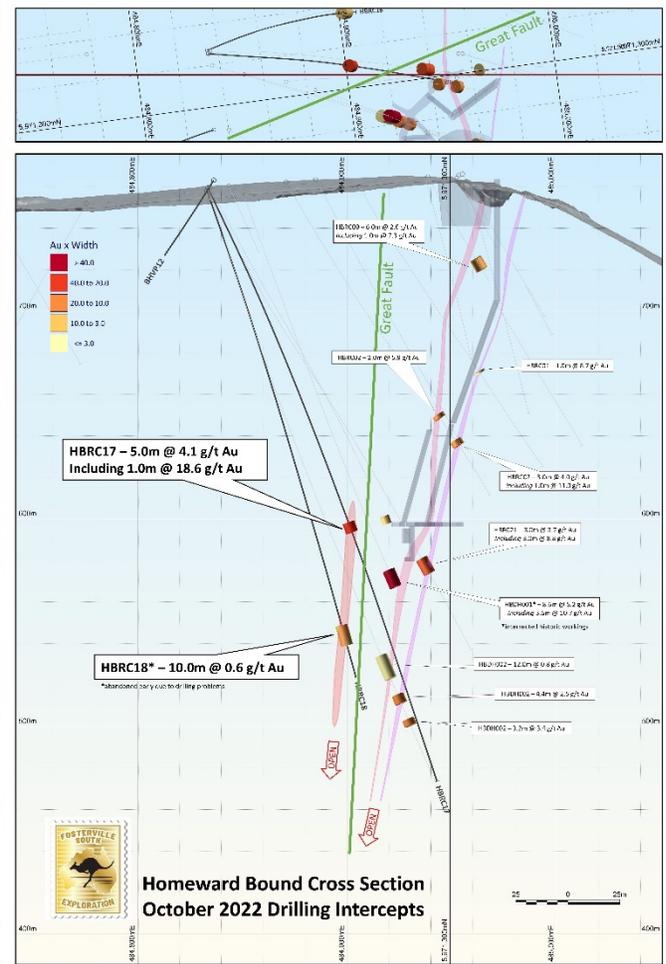
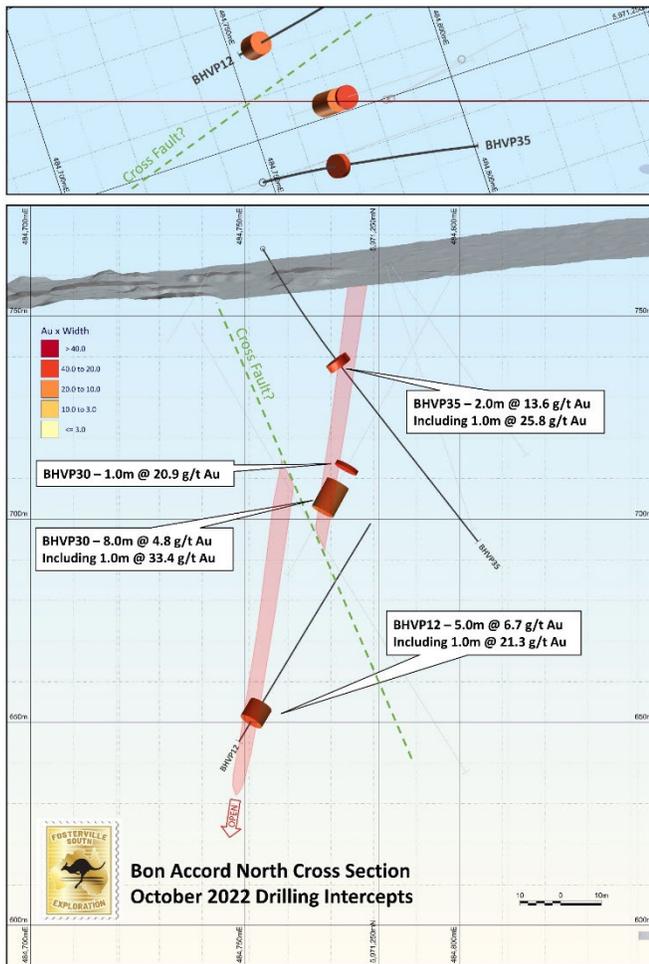
Hole ID	East	North	Azimuth (deg.)	Dip (deg.)	From (m)	To (m)	Downhole Interval (m)	Au g/t	Cut-off Au g/t	Type	Prospect
BHVP02	484924.67	5971597.25	267.6	-57.00	22	26	4.0	0.61	0.4	RC split	Highland Chief
BHVP02	<i>and</i>				54	56	2.0	1.60	0.4	RC split	Highland Chief
BHVP12	484832.92	5971289.06	258.7	-57.10	133	138	5.0	6.67	0.4	RC split	Bon Accord North
	<i>including</i>				135	136	1.0	21.30	10.0	RC split	Bon Accord North
BHVP35	484747.81	5971239.82	93	-59.40	33	35	2.0	13.59	0.4	RC split	Bon Accord North
	<i>including</i>				33	34	1.0	25.80	10.0	RC split	Bon Accord North
HBRC16	484836.22	5971326.86	76.20	-60.2	181	185	4.0	0.84	0.4	RC split	Homeward Bound
HBRC17	484835.05	5971325.71	92.00	-71.1	175	180	5.0	4.12	0.4	RC split	Homeward Bound
	<i>including</i>				176	177	1.0	18.60	10.0	RC split	Homeward Bound
HBRC18	484834.83	5971327.35	63.20	-72.4	220	230	10.0	0.56	0.3	RC split	Homeward Bound

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.

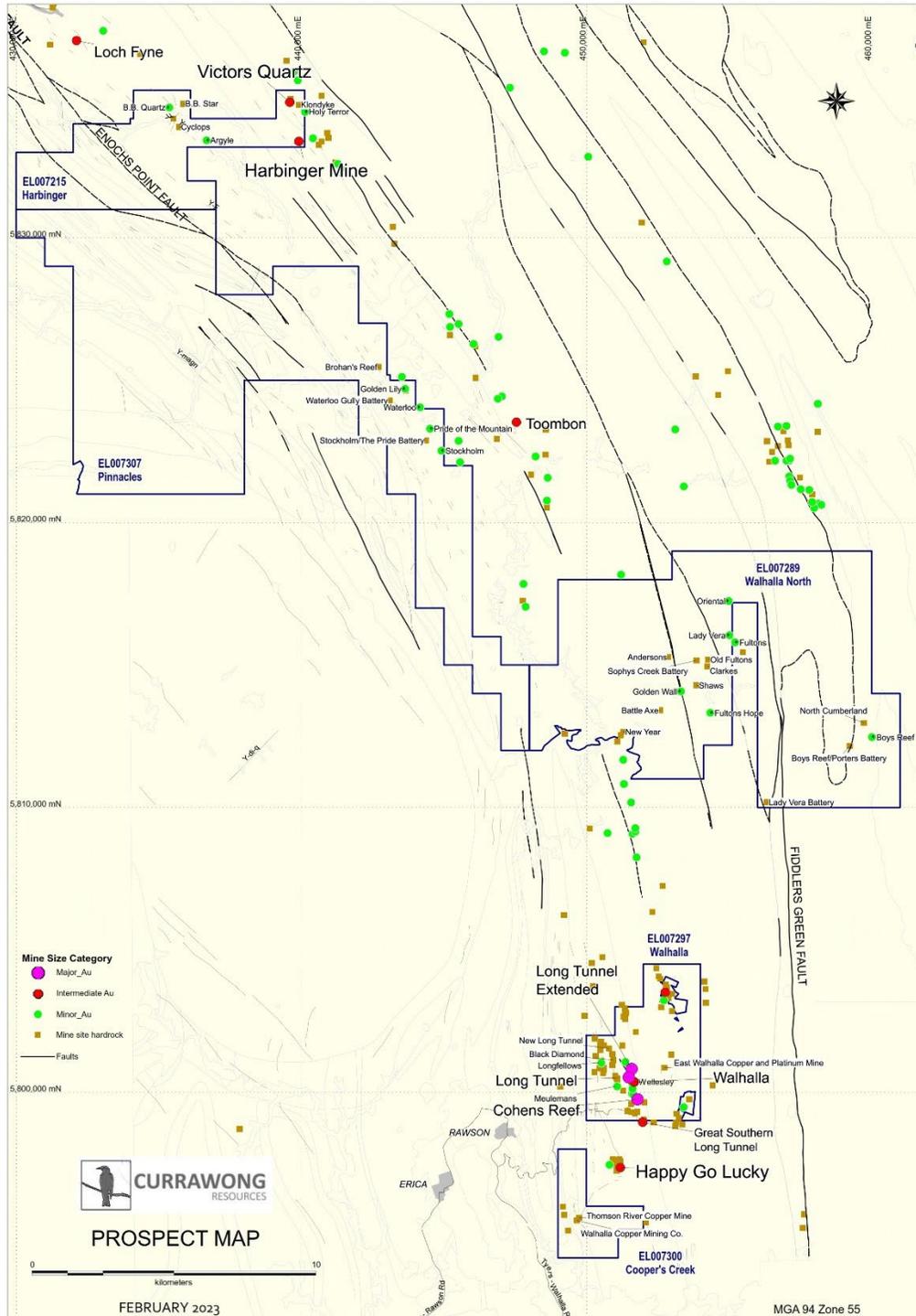


Earlier in 2022, the Myrtleford exploration license (EL007420) of 118 km² was granted which covers various historic gold workings as well as the southern strike extent of the Taff gold mineralized fault zone at Hillsborough in the Beechworth license. The Taff fault zone has indications of intrusion related 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.



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 1 granted tenement covering the Enoch's Point goldfield and 7 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. 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:

- New targets near surface and at depth have been identified that may add extensions to previously mined high-grade mineralization.
- An untested corridor along the Long Tunnel's inclined shaft and the Long Tunnel Extended's main shaft between the No. 3 and No. 6 levels.
- The Cohen's trend is interpreted to continue from the southern part of the Walhalla tenement application in a northerly direction through the tenements.

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.

Longfellow prospect, Walhalla (EL007297) in application

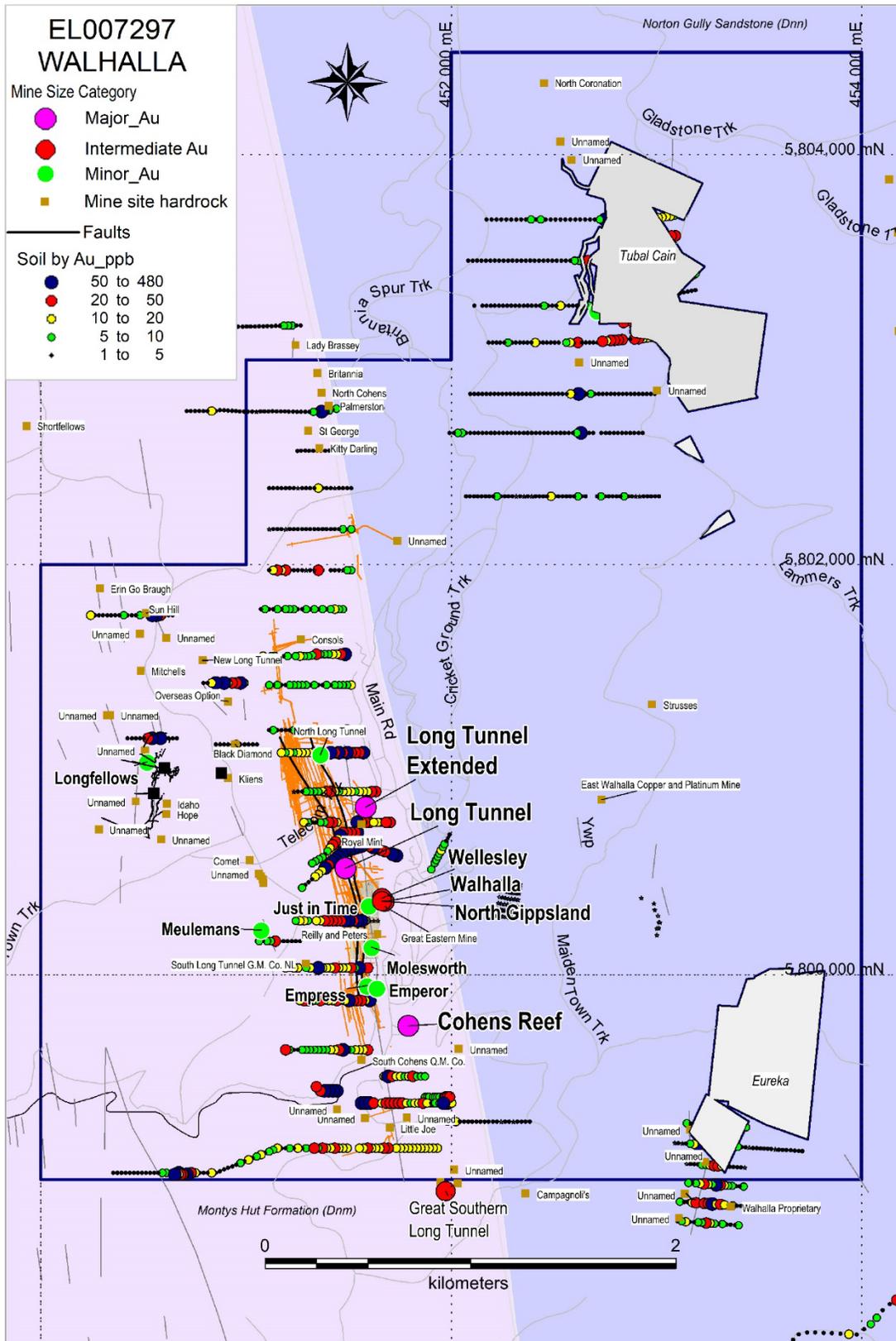
The Longfellow prospect is situated on the West 2 line of mineralization. This has been interpreted to be a parallel structure to the west of Cohen's Reef. Further, historical analysis interpreted that a major crosscutting structure is immediately to the south of Longfellow.

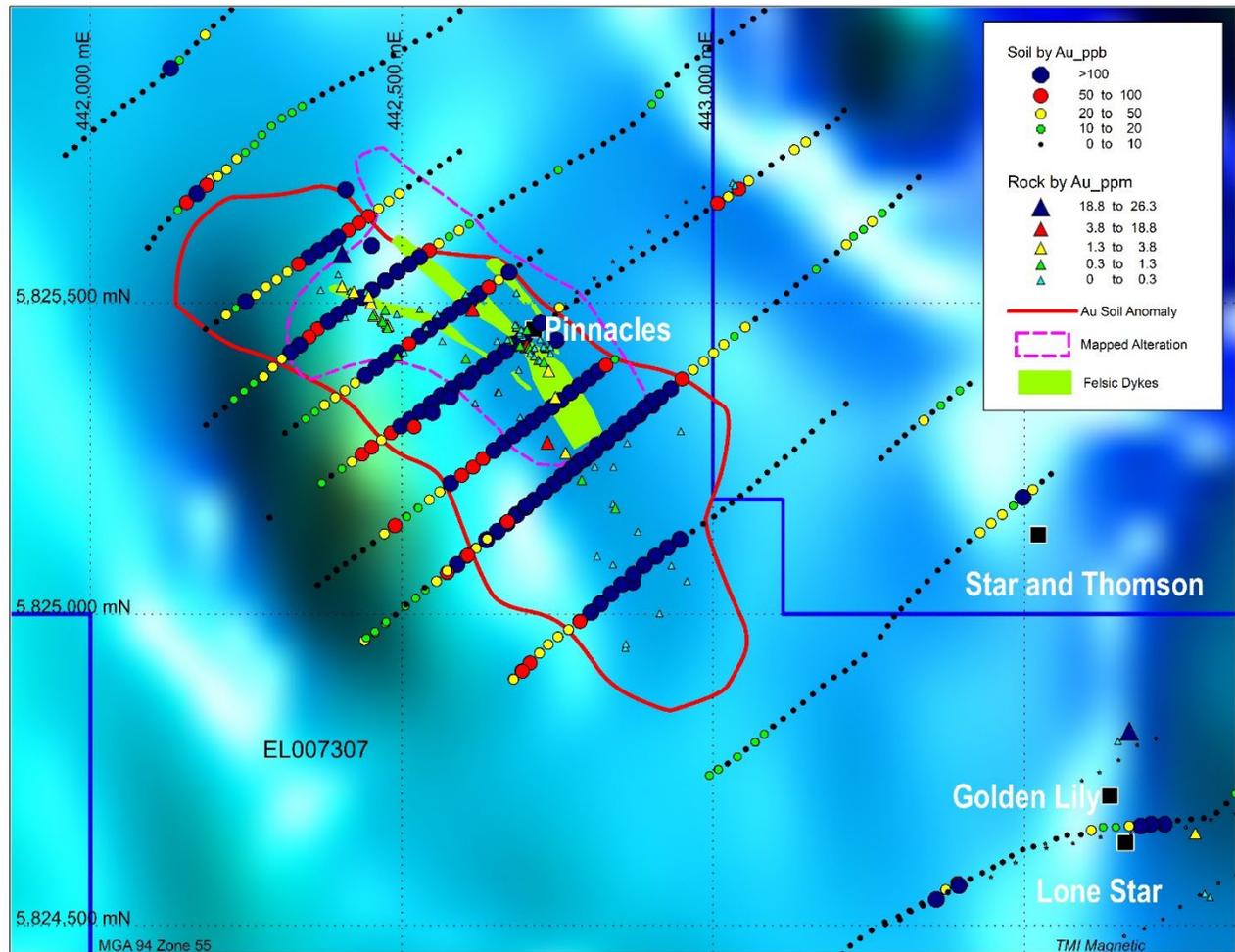
The Company intends to target the reefs under the main Longfellow's workings where several contact reefs exist on the margins of a large dyke. Previous underground grab samples taken along strike of the reef returned 200 metres at 4.95 Au g/t and 75 m at 4.1 g/t along strike.

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. Documentation is being considered and drafted by DECCA as part of the approval process for the drill permit.





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).

Harbinger License (EL007215) in application

The Harbinger license has several former gold mines that operated in the late 19th and early 20th centuries, of which the two largest producers are the Victor's Quartz prospect and the Harbinger prospect. The Victor's Quartz mine has a recorded production of 32663 gold ounces from 66334 ore tons and the Harbinger mine has a recorded production of 17356 gold ounces from 17320 ore tons (GeoVic, 2022). Both prospects have mine plans and only one drill hole has been completed at Victor's Quartz.

The Harbinger prospect is described as a quartz reef occurring along the wall of a dyke similar to Cohen's Reef, Walhalla. The Harbinger prospect is noted to contain the mineral gersdorffite (NiAsS), a nickel arsenic sulfide, which may be associated with platinum group mineralization as at Cooper's Creek.

The Victor's Quartz prospect is described as forming at the junction of two intersecting fault zones including quartz veins and dykes.

The tenement is in application.

Coopers Creek Licence, Walhalla (EL007300) in application

The Cooper's Creek prospect is a polymetallic copper, nickel, gold, silver, platinum and palladium (PGE) deposit that is an ortho-magmatic type of deposit associated with a north plunging dyke bulge or pipe. Copper and PGE mineralization occurs along a fault zone, parallel to the western margin of a hornblende diorite dyke, and also occurs disseminated within the dyke itself and the dyke is considered to be especially enriched where polymetallic sulphide mineralization has accumulated along the lower keel of the dyke. The fault zone mineralization varies from 1m to 3m in width and is reported to have contained 16% copper (Weston, 1992, Minerals of Victoria).

The deposit was mined to about 104 meters depth between 1865 and 1913, with approximately 13,200 tonnes of mined material produced. The mine was primarily a copper mine and it was later that the precious metal and PGE mineralization was recognised. The deposit was drilled in the early 1970s with 46 holes for 1815.7 meters advance and drilled to a maximum length of 147.6m, mainly from the bottom level of the mine at 104m depth. Mine plans and drilling data are available and are being compiled.

In 1988 Golden Shamrock Mines Ltd drilled three (3) diamond holes targeting the keel of the plunging dyke bulge. Hole CC003 intersected the dyke keel which yielded 36m at 1.75% Cu, 0.2% Ni, 0.78 g/t Pt, 1.08 g/t Pd, 0.39 g/t Au, 8.8 g/t Ag from 303m. Holes CC001 and CC002 overshot and undershot the target. In 2014 Orion Gold NL announced the results from a further three (3) drill holes at Cooper's Creek. Hole OCC001 was abandoned in favour of hole OCC002, with only a single set of assays taken for the upper duplicate zone. Equivalent gold grades are based on January 2023 prices.

Hole ID	Easting	Northing	Azim True	Dip	From (m)	To (m)	Length (m)	Cu %	Ni %	Au (g/t)	Ag (g/t)	Pd (g/t)	Pt (g/t)	Au (g/t) Equiv
CC003	449776	5795696	57	-80	303	339	36	1.75	0.2	0.39	8.8	1.08	0.78	4.96
OCC001	449778	5795696	75.2	-80	1.5	32.7	31.2	0.27	0.02	0.005	0.86	0.29	0.17	0.80
OCC002	449779	5795697	75.2	-80	28	41.1	11.4	0.39	0.04	0.05	1.48	0.54	0.34	1.40
OCC002	449779	5795697	75.2	-80	94.87	140	45.13	0.25	0.02	0.014	1.07	0.26	0.16	0.76
OCC003	449780	5795697	111.5	-81.5	8.4	38.5	30.1	0.41	0.03	0.02	1.63	0.61	0.36	1.44
		including	111.5		21.5	29	7.5	0.63	0.04	0.07	2.94	0.93	0.54	2.22
OCC003	449780	5795697	111.5	-81.5	128.3	147.9	19.6	0.27	0.03	0.05	0.95	0.37	0.2	0.97
OCC003	449780	5795697	111.5	-81.5	184	208	24	0.49	0.05	0.12	1.62	0.58	0.33	1.67

The success of the recent drilling confirms the exploration model targeting the keel of the dyke bulge for accumulated precious and base metals. The tenement is in application.

Regional analysis

The regional structural reinterpretation of the Cohen's trend indicates a strip of stratigraphy for over 35 km north of Walhalla through the Company's tenement applications. Mineralization along the Cohen's trend appears to be intersected by crosscutting structures. There are several key targets with historical production along this trend: Harbinger and Pinnacles, among others, that constitute drill targets when the permits are granted.

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.

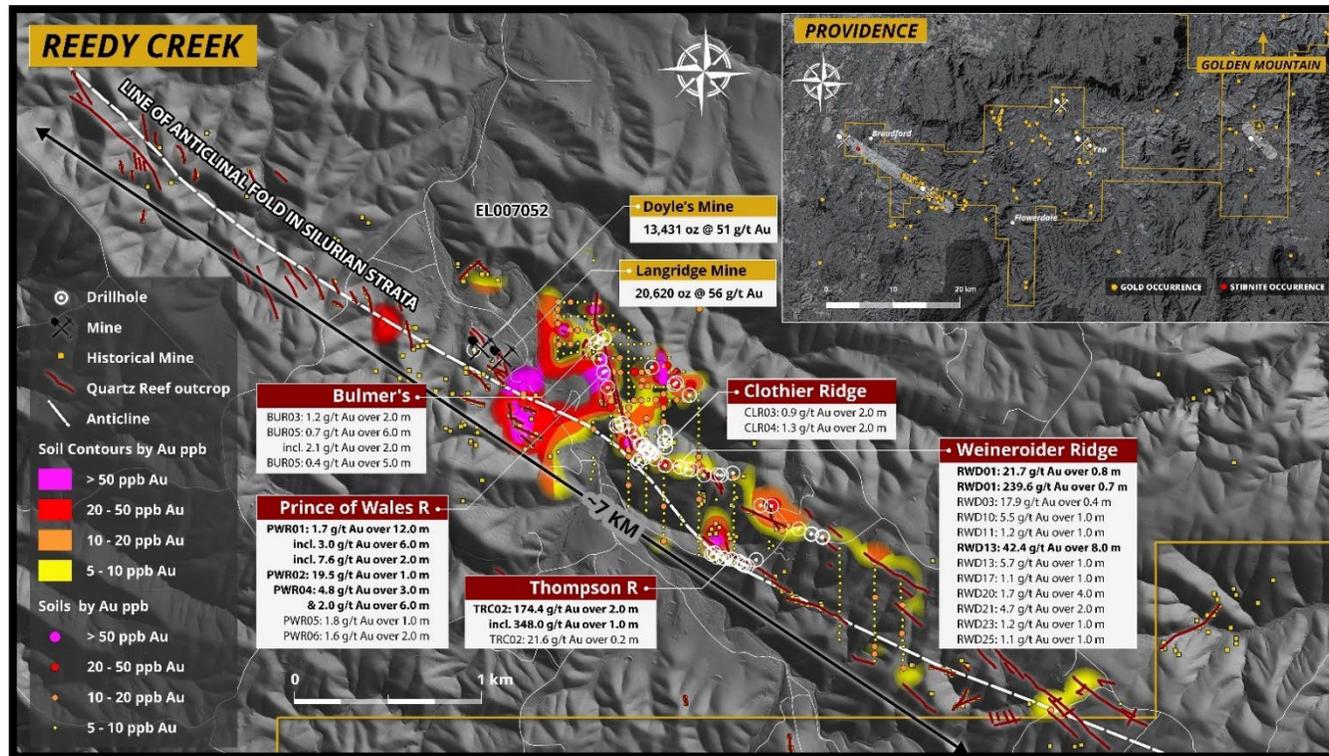
The Providence property contains several recognized goldfields, including the Reedy Creek, Yea, Ghin Ghin and Alexandra gold fields, within which there are several high-grade historical gold producers:

- 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 have begun in the Ghin Ghin, Triangles and Welcome mine areas.



Drilling in 2021 at Reedy Creek initially focused on two ridges, known as Weineroider Ridge and Clothier Ridge, with associated gold in soil anomalism and various old gold workings. The Weineroider Ridge area extends east to the Red Rover

and United prospects from the southern part of the Prince of Wales Reef in the west. Percussion drilling in these areas amounts to 37 drill holes for 3168 m completed in the quarter. At the Weineroider Ridge, scout drilling of hole RWR13 drilled at 220-degree azimuth discovered 11 m at 31.34 g/t gold including 4 m at 80.05 g/t gold from 68 m [News Release August 9, 2021]. This mineralization is composed of a quartz vein-fault zone-quartz vein package. A follow up diamond drill hole RWD01 drilled at a 180-degree azimuth and collared west of RWR13, intersected 0.7 m at 238.1 g/t gold from 68.70m with visible gold in a quartz vein and 0.80 m at 22.5 g/t gold from 40.80 m. The deeper mineralization is of similar character to the upper part of the mineralization found in discovery hole RWR13 albeit with narrower widths. Five diamond holes have been completed in the vicinity of hole RWR13 for a total of 381.2 m, which reveal a complex set of quartz vein and fault orientations. Further structural geology work has been completed including downhole imaging surveys to establish controls on the mineralization and to aid further drill hole planning.

Drilling at Reedy Creek and Big Ben goldfields continued during 2022, with 10 diamond drill holes for 1189 m and 78 RC percussion holes for 5858 m drilled since the year began. The drill holes targeted 12 separate prospects usually on different mineralized quartz reef - fault structures. These prospects included the Prince of Wales Reef, Thompson's Reef and Big Ben mine and more recently the Doyle's Reef and Langridge Reef. At Thompson's Reef 13 RC holes were drilled for 837 meters advance. At Big Ben Mine prospect 11 RC holes were drilled for 957m advance. At Doyle's Reef and Langridge Reef 16 RC percussion holes have been drilled for 1265 m and 1 diamond drill hole for 213 m depth.

Drilling at the Prince of Wales Reef intersected a brecciated weakly quartz veined meta-sediments that dips west at about 60 degrees. Holes PWR01, 02 and 04 intersected significant gold mineralization. Hole PWR02 intersected 1m at 19.5 g/t Au prior to entering a 6m wide stope. Hole PWR01 intersected 12m at 1.66 g/t Au from 47m and PWR04 intersected 6m at 1.98 g/t Au from 51m. Gold mineralization is open at depth and to the north.

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.

Drilling at Big Ben Mine prospect intersected brecciated weakly quartz veined meta-sediments, similar to the Prince of Wales prospect that host the gold mineralization. The mineralization dips west at about 65 degrees. This mineralization remains open at depth and to the north, with the northernmost hole BBM11 intersecting 19m at 0.67 g/t Au from 57 meters downhole depth. There is either post mineral cross faulting or the mineralization occurs as a series of en-echelon lenses, due to the shifting of the mineralization across strike.

A summary of the significant and more recent drilling at Reedy Creek project is presented in the table below.

Prospect	Hole ID	East	North	Azimuth (deg.)	Dip (deg.)	From (m)	To (m)	Downhole Interval (m)	True Width	Au g/t	Cut-off Au g/t	Hole Type
Big Ben South	BB06	350642	5858596	82.9	-52.2	50.0	51.0	1.0	ND	2.82	0.3	RC percussion
Big Ben Mine	BBM03A	350882	5858805	87.8	-53.8	17.0	21.0	4.0	3.5	1.01	0.3	RC percussion
Big Ben Mine	BBM04	350916	5858830	261.7	-54.1	23.0	44.0	21.0	7.0	0.82	0.3	RC percussion
Big Ben Mine	BBM05	350932	5858860	254.9	-52.0	54.0	69.0	15.0	5.0	0.73	0.3	RC percussion
and	BBM05					72.0	75.0	3.0	1.5	1.39	0.3	RC percussion
Big Ben Mine	BBM06	350879	5858810	0	-90.0	40.0	47.0	7.0	ND	1.54	0.3	RC percussion
Big Ben Mine	BBM07	350871	5858847	90	-80.0	56.0	61.0	5.0	ND	0.36	0.3	RC percussion
Big Ben Mine	BBM09	350885	5858893	89	-52.6	28.0	32.0	4.0	ND	0.38	0.3	RC percussion
Big Ben Mine	BBM10	350867	5858763	12	-90.0	36.0	37.0	1.0	ND	0.52	0.3	RC percussion
Big Ben Mine	BBM11	350951	5858921	278	-52.4	57.0	76.0	19.0	ND	0.67	0.3	RC percussion
Bulmer's	BUR03	335204	5873576	0.0	-90.0	8.0	10.0	2.0	ND	1.21	0.5	RC percussion
Bulmer's	BUR05	335210	5873543	71.5	-67.0	34.0	40.0	6.0	ND	0.73	0.3	RC percussion
Bulmer's	BUR09	335038	5873620	130.6	-58.0	55.0	60.0	5.0	ND	0.44	0.3	RC percussion
Clothier Ridge	CLR04	335259	5873900	39.0	-52.3	5.0	7.0	2.0	ND	1.30	0.5	RC percussion
Prince of Wales Reef	PWR01	334812	5874137	90.0	-70.0	47.0	59.0	12.0	8.4	1.66	0.3	RC percussion

Prospect	Hole ID	East	North	Azimuth (deg.)	Dip (deg.)	From (m)	To (m)	Downhole Interval (m)	True Width	Au g/t	Cut-off Au g/t	Hole Type
including	PWR01					53.0	59.0	6.0	4.2	2.98	0.5	RC percussion
including	PWR01					53.0	55.0	2.0	1.4	7.58	1.0	RC percussion
Prince of Wales Reef	PWR02	334838	5874041	90.0	-70.0	22.0	23.0	1.0	0.7	19.50	0.5	RC percussion
Prince of Wales Reef	PWR04	334838	5874041	90.0	-90.0	12.0	15.0	3.0	1.3	4.81	0.3	RC percussion
and	PWR04					51.0	57.0	6.0	2.5	1.98	0.3	RC percussion
Prince of Wales Reef	PWR06	334820	5874132	87.2	-52.8	33.0	35.0	2.0	1.6	1.56	0.3	RC percussion
Weineroider Ridge	RWD01	335094	5873541	180.2	-48.1	40.8	41.6	0.8	ND	21.70	0.5	Diamond
Weineroider Ridge	RWD01	335094	5873541	180.2	-48.1	68.7	69.4	0.7	ND	239.64	0.5	Diamond
Weineroider Ridge	RWD03	335123	5873516	221.5	-51.4	65.8	66.2	0.4	ND	17.90	0.5	Diamond
Weineroider Ridge	RWR10	335121	5873513	195.2	-43.3	45.0	46.0	1.0	ND	5.52	0.5	RC percussion
Weineroider Ridge	RWR13	335124	5873517	220.0	-54.0	68.0	76.0	8.0	ND	42.35	0.5	RC percussion
Weineroider Ridge	RWR13	335124	5873517	220.0	-54.0	78.0	79.0	1.0	ND	5.72	0.5	RC percussion
Weineroider Ridge	RWR20	335100	5873533	143.4	-52.0	13.0	17.0	4.0	ND	1.69	0.5	RC percussion
Weineroider Ridge	RWR21	335069	5873557	114.9	-58.2	34.0	36.0	2.0	ND	4.68	0.5	RC percussion
Thompson's Reef	TRC02	335642	5872883	25.0	-60.0	23.0	25.0	2.0	ND	174.42	0.5	RC percussion
including	TRC02					24.0	25.0	1.0	ND	348.00	1.0	RC percussion
Thompson's Reef	TRD02	335485	5872942	55.1	-75.7	100.3	100.5	0.2	ND	21.60	0.5	Diamond
Thompson's Reef	TRC04	335622.09	5872895.53	20.66	-57.7	20.0	21.0	1.0	<1	0.35	0.3	RC percussion
Thompson's Reef	TRC06	335655.3	5872874.6	27.3	-73.2	29.0	30.0	1.0	<1	2.27	0.3	RC percussion
Thompson's Reef	TRC09	335622.5	5872895.2	23.4	-77.4	31.0	32.0	1.0	<1	1.04	0.3	RC percussion
Thompson's Reef	TRC10	335545.84	5872910.286	26.96	-69.3	66.0	67.0	1.0	<1	0.50	0.3	RC percussion
Thompson's Reef	TRC14	335642.751	5872881.705	0	-90	45.0	46.0	1.0	<1	0.78	0.3	RC percussion
Langridge's Reef	DLRC01					Not drilled					1.3	RC percussion
Langridge's Reef	DLRC02	334207	5873974	44.06	-53.8	45	52	7.0		0.45	2.3	RC percussion
Langridge's Reef	DLRC03	334245	5874035	58.76	-53.9	60	61	1.0	stoped		3.3	RC percussion
Langridge's Reef	DLRC04	334209	5874065	31.46	-54	51	52	1.0	stoped		4.3	RC percussion
and	DLRC04					65	66	1.0	stoped		5.3	RC percussion
Langridge's Reef	DLRC05	334240	5874060	62.86	-54.6	39	40	1.0	stoped		6.3	RC percussion
Langridge's Reef	DLRC05					44	48	3.0	part stoped	0.31	7.3	RC percussion
Langridge's Reef	DLRC06	334210	5874063	60.06	-53.9	57	58	1.0	stoped		8.3	RC percussion
Doyle's Reef	DLRC07	334189	5874103	44.06	-59.9	57	60	1.0	3m stope		9.3	RC percussion
Doyle's Reef	DLRC08	334151	5874117	43.36	-52.8	61	62	1.0	stoped		10.3	RC percussion
Doyle's Reef	DLRC09	334132	5874123	9.36	-54.4	85	86	1.0	stoped		11.3	RC percussion
Doyle's Reef	DLRC10	334147	5874176	39.76	-52.4	No significant intersection					12.3	RC percussion
Doyle's Reef	DLRC11	334132	5874164	34.56	-52.4	No significant intersection					13.3	RC percussion
Doyle's Reef	DLRC12	334122	5874092	43.66	-54.2	No significant intersection					14.3	RC percussion
Saddle Reef	DLRC13	334098	5873968	0	-90	72	76	4.0		0.3	15.3	RC percussion
Saddle Reef	DLRC14	334141	5873925	340.86	-67.5	15	16	1.0		3.61	16.3	RC percussion
Saddle Reef	DLRC15	334140	5873922	28.46	-67.7	No significant intersection					17.3	RC percussion
	DLRC16					Not drilled					18.3	RC percussion
Langridge's Reef	DLRC17	334190	5873955	53.06	-57.8	66	67	1.0		0.44	19.3	RC percussion
and	DLRC17					80	84	4.0		1.78	20.3	RC percussion
	DLRC18					Not drilled					21.3	RC percussion

Prospect	Hole ID	East	North	Azimuth (deg.)	Dip (deg.)	From (m)	To (m)	Downhole Interval (m)	True Width	Au g/t	Cut-off Au g/t	Hole Type
Langridge's Reef	DLRC19	334208	5874042	57.46	-57.4	19	20	1.0		1.29	22.3	RC percussion
	DLRC20					Not drilled					23.3	RC percussion
Saddle Reef	DLRC21	334093	5873979	38.86	-51.2	37	38	1.0		1.32	24.3	RC percussion
	DLRC22	334223	5873999	32.56	-69.3	No significant intersection					25.3	RC percussion

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 East licence of 3km² EL008035 and the Metcalfe licence EL008054 of 8km², both within the Fosterville Sub Domain corridor.

The Swanpool exploration license application (EL007421) of 404 km² was relinquished following a tenement and mineralization review.

Acquisition Costs

Below is a summary of the changes in the exploration and evaluation assets for the year ended December 31, 2022 and the period ended December 31, 2021:

	December 31, 2022	December 31, 2021
Balance, beginning of period	\$ 833,627	\$ 847,710
Foreign exchange	(58,674)	(14,083)
Balance, end of period	\$ 774,953	\$ 833,627

Exploration Expenditures:

During the year ended December 31, 2022, 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	\$ 42,229	\$ 55,943	\$ 26,579	\$ 45,895	\$ 8,842	\$ 906	\$ 180,394
Data compilation	555	8,463	19	1,566	892	38,545	50,040
Drilling	481,339	220,215	139,434	793,623	151,283	57,842	1,843,736
Equipment rental	103	60,013	2,674	9,289	14,378	951	87,408
Field expenditures	38,551	42,406	19,784	63,880	20,195	14,470	199,286
Geological consulting	95,257	193,457	30,011	83,656	71,082	13,009	486,472
Geophysics	-	63,729	9,893	23,843	36,353	-	133,818
Project administration	10,608	22,958	2,552	21,970	9,705	4,457	72,250
Salaries and wages	180,951	226,548	129,727	274,859	60,748	223,825	1,096,658
Sampling	-	27,957	10,402	-	8,687	2,971	50,017
Tenement administration & fees	24,170	66,753	24,472	38,637	33,677	26,054	213,763
Travel	25,266	14,207	16,757	28,807	3,327	22,414	110,778
	\$ 899,029	\$ 1,002,649	\$ 412,304	\$ 1,386,025	\$ 419,169	\$ 405,444	\$ 4,524,620

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.

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.

Results of Operations

The condensed consolidated interim financial statements reflect the financial condition of the Company's business for the year ended December 31, 2022. 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:

- The ongoing strategic acquisitions and staking by the Company in the State of Victoria, Australia;
- The ongoing exploration activity totaling \$4,001,308 during the period, including drilling of \$1,846,429;

During the year ended December 31, 2022, the Company incurred a loss of \$6,071,322 (2021 - \$12,102,820) and during the three-month period ended December 31, 2022, the Company incurred a loss of \$899,127 (2021 - \$2,286,322). Significant expenditures included:

- Share-based payments of \$24,962 (2021 - \$3,885,051) during the year ended December 31, 2022, and \$nil (2021 - \$112,654) during the three-month period ended December 31, 2022. Share-based payments related to stock options granted and the timing of vesting during the periods. During the period ended December 31, 2022, the Company granted nil (2021 - 3,600,000) stock options.
- Exploration expenditures incurred totaled \$4,524,620 (2021 - \$5,872,002) for the year ended December 31, 2022 and \$523,312 (2021 - \$1,754,981) for the three-month period ended December 31, 2022. During the period, the Company continued to actively explore and drill 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 December 31, 2022.
- Management fees of \$324,000 (2021 - \$482,000) during the year ended December 31, 2022 and \$78,300 (2021 - \$131,000) during the three-month period ended December 31, 2022. Management fees includes fees paid to the CEO. During the comparative period, management fees included fees paid to the CEO and the former Chairman.
- Professional fees of \$300,736 (2021 - \$324,273) during the year ended December 31, 2022 and \$59,245 (2021 - \$78,787) during the three-month period ended December 31, 2022. This relates to legal and accounting activity related to the general corporate matters, due diligence on potential project acquisitions, and listing and compliance requirements.
- Investor relations of \$84,000 (2021 - \$567,679) for the year ended December 31, 2022 and \$21,000 (2021 - \$21,000) for the three-month period ended December 31, 2022. These expenses decreased due to general junior capital market conditions and a focus for the Company on exploration activities.
- Office expenses of \$166,448 (2021 - \$154,673) and \$58,147 (2021 - \$33,361) for the three-month period ended December 31, 2022. Office expenses include insurance, rent, and general office expenses.
- Shareholder communications and marketing of \$453,682 (2021 - \$532,060) for the year ended December 31, 2022 and \$107,684 (2021 - \$94,226) for the three-month period ended December 31, 2022. The Company has continued to raise awareness of its projects and the exploration completed to date.

During the year ended December 31, 2022, the Company incurred a comprehensive loss for the period of \$6,173,773 (2021 - \$12,198,319) and \$952,750 (2021 - \$2,271,170) during the three-month period ended December 31, 2022. Included in comprehensive loss was loss on foreign exchange differences arising on translation of the Currawong operation of \$102,451 (2021 - loss of \$95,499) for the year ended December 31, 2022 and a loss of \$53,623 (2021 - gain of \$15,152) for the three-month period ended December 31, 2022.

Selected Annual Information

The following table provides a brief summary of the Company's financial operations. For more detailed information, refer to the Financial Statements.

	December 31, 2022	December 31, 2021	December 31, 2020
Total income	\$ 268,069	\$ 68,545	\$ 78,801
Exploration Activities	4,524,620	5,872,002	3,530,351
Net loss before income taxes	6,071,322	12,102,820	9,369,738
Net loss	6,071,322	12,102,820	9,369,738
Basic and diluted loss per share	0.09	0.18	0.17
Total assets	16,851,154	23,029,231	31,832,880
Working capital	15,531,623	21,443,487	29,106,745
Total long-term liabilities	-	-	91,339
Cash dividends	-	-	-

* For the period from incorporation on July 22, 2019 to December 31, 2019

Summary of Quarterly Results

	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022
Working capital	\$ 15,531,623	\$ 16,426,819	\$ 17,942,869	\$ 19,708,049
Exploration expenditures	523,312	1,237,205	1,480,856	1,283,247
Share-based compensation	-	-	3,534	21,428
Net loss	(899,127)	(1,511,342)	(1,896,260)	(1,764,593)
Comprehensive loss	(952,750)	(1,514,702)	(1,939,390)	(1,766,931)
Net loss per share - basic	(0.01)	(0.02)	(0.03)	(0.03)
	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021
Working capital	\$ 21,443,487	\$ 23,479,043	\$ 25,602,630	\$ 27,686,834
Exploration expenditures	1,754,981	1,526,062	1,275,076	1,315,883
Share-based compensation	112,654	86,609	3,685,788	-
Net loss	(2,286,322)	(2,131,852)	(5,706,871)	(1,977,775)
Comprehensive loss	(2,271,170)	(2,139,233)	(5,781,366)	(2,006,550)
Net loss per share - basic	(0.03)	(0.03)	(0.09)	(0.03)

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 December 31, 2022, was \$15,531,623. This balance includes cash of \$15,639,950 to settle current liabilities of \$235,030. 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 on the Lauriston and Golden Mountain projects, 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 December 31, 2022, was \$5,966,828.

Investing Activities: During the period ended December 31, 2022, the Company incurred net investing activities of \$126,914, which included the purchase of equipment for exploration activities of \$50,496 and the final acquisition payment of \$67,281 for Currawong.

Financing Activities: During the year ended December 31, 2022, the Company received proceeds of \$128,400 from the exercise of 321,000 stock options.

The consolidated 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 year ended December 31, 2022, the Company entered into the following transactions with related parties, not disclosed elsewhere in this MD&A:

- a) Management fees of \$324,000 (2021 - \$374,000) to a company controlled by Bryan Slusarchuk, an officer and director of the Company.
- b) Management fees of \$nil (2021 - \$108,000) to a company controlled by James Hutton, the former Chairman of the Company, who resigned in April 2021.
- c) Geological consulting fees of \$292,702 (2021 - \$375,797) to a company controlled by Rex Motton, an officer and director of the Company.
- d) Geological consulting fees of \$144,280 (2021 - \$165,213) to a company controlled by Liza Gazis, a director of the Company.
- e) Directors' fees of \$36,000 (2021 - \$36,000) to a company which Robert McMorran, a director of the Company, is associated with.
- f) Directors' fees of \$36,000 (2021 - \$36,000) to a company controlled by John Lewins, a director of the Company.
- g) Professional fees of \$30,062 (2021 - \$65,864) to O'Neill Law LLP, a firm which Charles Hethey, a director of the Company is associated with.

- h) Professional fees of \$180,000 (2021 - \$205,000) to Red Fern Consulting Ltd, a company which Jonathan Richards, an officer of the Company, is associated with.
- i) Rent, included in office expense of \$54,198 (2021 - \$47,092) 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 December 31, 2022, \$99,812 (December 31, 2021 - \$181,739) 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 2,925,000 shares subject to certain escrow release provisions. All of the escrow shares will be released on April 14, 2023.

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 December 31, 2022, the Company had no material contractual obligations.

Off-Balance Sheet Arrangements

As at December 31, 2022, 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

Except as elsewhere disclosed in this document, 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 December 31, 2022, 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 December 31, 2022. 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 December 31, 2022 were as follows:

	< 1 year	1 – 2 years	3 – 5 years	Total
Accounts payable and accrued liabilities	\$ 235,030	\$ -	\$ -	\$ 235,030
Deferred acquisition payments	-	-	-	-
Total	\$ 235,030	\$ -	\$ -	\$ 235,030

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 December 31, 2022, the Company had working capital of \$15,531,623, which included cash and cash equivalents of \$15,639,950 and accounts payable and accrued liabilities of \$235,030. While the Company is well financed to complete the first two phases of the exploration programs on the 100% owned Lauriston Gold Project and the Golden Mountain Projects as recommended in the 43-101's, 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 consolidated financial statements for the period ended December 31, 2022. 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.