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MANAGEMENT’S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED SEPTEMBER 30, 2023

This document constitutes Management’s Discussion and Analysis (“MD&A”) of the financial and operational results of Discovery Harbour Resources Corp. (“Discovery Harbour” or the “Company”) for the year ended September 30, 2023. This MD&A supplements but does not form part of the consolidated financial statements of the Company, and should be read in conjunction with the audited consolidated financial statements for the year ended September 30, 2023 and 2022.

Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those implied by the forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks set out in this MD&A.

This MD&A has been prepared as of December 18, 2023 (“Report Date”).

Additional information relating to the Company may be found on SEDAR+ at www.sedarplus.ca.

1. CORE BUSINESS

Discovery Harbour is a junior resource company engaged in the acquisition, exploration and evaluation of mineral properties in North America with a focus on mineral exploration.

The Company was incorporated under the Business Corporations Act of British Columbia on March 11, 2009. The Company was classified as a Capital Pool Company as defined in Policy 2.4 of the TSXV and completed its Qualifying Transaction pursuant to the policies of the TSXV on November 22, 2010. The Company is listed on the TSXV as a Tier 2 Venture Issuer having the symbol DHR-V. The Company completed a reverse takeover transaction with CVC Cayman Ventures Corp. on April 2, 2013. The Company is also listed on the OTC Pink Market under the symbol “DCHRF” and the Frankfurt Stock Exchange under the symbol “4GW”.

During the year ended September 30, 2023, the Company consolidated its share capital on a 10:1 basis. This MD&A reflects the share consolidation retroactively.

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, 0845837 B.C. Ltd. and Discovery Harbour (USA) LLC. Inter-company balances and transactions are eliminated on consolidation.

Until relatively recently, the Company held an interest in the area formerly referred to as the Caldera Gold Property ("Caldera Gold Property") and the area formerly referred to as the Fortuity 89 Property through various agreements and staking activities. In 2021 the Company undertook a drill program on the Caldera Gold Property and reported the results in late 2021. In 2022 Newcrest Resources, Inc. ("Newcrest") undertook a drill program on the Fortuity 89 Property under an option agreement with the Company.

The exploration on and drill results for the Caldera and Fortuity 89 properties did not warrant the financial obligations which were due under various agreements. During the year ended September 30, 2022, Newcrest terminated its option to earn an interest in the Fortuity 89 Property and the Company terminated its option to purchase the Caldera Gold Property, which included the Fortuity 89 Property. Accordingly, the Company wrote off \$2,110,402 of exploration and evaluation assets for the Caldera Gold Property and a further \$33,692 of Fortuity 89 Property exploration and evaluation assets.

The Company continues to own a 100% interest in 46 mineral claims that are part of what was referred to as the Fortuity 89 mineral resource property located in the United States.

Current Property Interests

The Company retains 100% ownership of 46 claims in the Fortuity 89 area which are outside the area of interest under the Caldera Gold Property option agreement. The Company will consider further exploration on these claims subject to existing and future corporate priorities (including other more significant projects considered or acquired), available financing and other variables. The Company is, as at the date of this MD&A, in the process of reviewing other project opportunities with a focus on one or more future potential acquisitions.

COVID-19 Pandemic

On March 11, 2020, the World Health Organization declared the outbreak and spread of a novel coronavirus, COVID-19, a global pandemic. In response to the outbreak, governmental authorities in Canada and internationally introduced various recommendations and measures to try to limit the pandemic, including implementing travel restrictions, border closures, non-essential business closures, quarantines, self-isolation and physical distancing. The Company's exploration and operational activities in both 2022 and 2023 were conducted and completed in an orderly fashion while ensuring the safety of employees, subject to compliance with existing applicable domestic regulations and guidelines.

Another outbreak of COVID-19 may cause disruptions to the Company's business and operational plans, which may include: (i) restriction of international travel by management; (ii) unavailability of contractors and subcontractors; (iii) interruption of supplies from third parties upon which the Company relies; (iv) restrictions imposed by governments to address the COVID-19 pandemic; (v) restrictions that the Company and its contractors and subcontractors impose to ensure the safety of employees and others; and (vi) upheaval of global financial conditions, including market reaction to COVID-19. It is not currently possible to predict an extent or duration for these potential disruptions, which may have a material adverse effect on the Company's business, financial condition and results of operations. For additional information on risks associated with COVID-19, please refer to the Financial Instruments and Risk Management section of this MD&A.

2. FINANCIAL CONDITION

The Company has not generated revenue from operations since inception. The Company has accumulated losses of \$24,316,725 since inception and expects to incur further losses in the development of its business, all of which may cast significant doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent upon its ability to raise financing and generate future profitable operations. As the Company is in the exploration stage, the recoverability of costs incurred to date on exploration properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties, future profitable production or proceeds from the disposition of the properties, the ability of the Company to acquire or invest in future suitable projects and the attainment of profitable operations. The Company will periodically have to raise funds to continue operations, and although it has been successful in doing so in the past, there is no assurance it will be able to do so in the future.

The Company had working capital of \$46,661 and cash of \$89,011 at September 30, 2023. The Company's sources and uses of cash are discussed in Section 4 "Cash Flows" below.

3. FINANCIAL PERFORMANCE

The Company's corporate and administrative head office is located in Vancouver, Canada and it is currently engaged in acquisition, exploration and evaluation activities in the State of Nevada in the United States of America. The Company is actively reviewing other project opportunities with a focus on one or more future potential acquisitions.

Because the Company is in the exploration stage, it did not earn in the period reflected in this MD&A any significant revenue and its expenses are, relate to or reflect the costs of operating a public company of its size and in its line of business. Net income (loss) and comprehensive income (loss) for the year ended September 30, 2023 was \$43,904 (2022 – \$(2,449,740)) and earnings (loss) per share was \$0.00 (2022 – - \$(0.26)).

Total expenses for the year ended September 30, 2023

Total expenses for the year ended September 30, 2023 were \$241,535 compared to total expenses of \$310,784 recorded for the 2022 comparative year.

Significant variances in expenses from the same period in the prior year are as follows:

- Share-based payments were \$Nil for the year ended September 30, 2023 compared to \$51,730 for the comparative year. In the comparative year the Company granted 162,500 stock options valued using the Black-Scholes Pricing Model.
- During the year ended September 30, 2023, the Company recorded a write-off of exploration and evaluation assets of \$10,925 (2022 – \$2,144,094).

Total expenses for the three months ended September 30, 2023

Total expenses for the three months ended September 30, 2023 were \$38,153 compared to total expenses of \$55,558 recorded for the 2022 comparative period.

Significant variances in expenses from the same period in the prior year are as follows:

- Salaries and benefits were \$22,659 for the three months ended September 30, 2023 compared to \$32,667 for the comparative period. The decrease relates to a decrease in salary rates in the current period.

4. CASH FLOWS

The Company is still in the exploration and development stage and as such does not earn any significant revenue. Total cash used in operating activities was \$247,326 for the year ended September 30, 2023 compared to cash used of \$253,313 for the 2022 comparative year.

Cash used in investing activities was \$10,925 for the year ended September 30, 2023. In comparison, cash of \$494,648 was used by investing activities during the 2022 comparative year and consisted of \$682,617 in mineral property expenditures and cost recoveries of \$187,969.

5. SELECTED ANNUAL INFORMATION

The table below presents selected financial data for the Company's annual financial statements for each of the three most recently completed financial years. The financial data provided is prepared in accordance with IFRS and is presented in Canadian dollars.

| | September 30, 2023 \$ | September 30, 2022 \$ | September 30, 2021 \$ |
|--|-----------------------------|-----------------------------|-----------------------------|
| Total revenue | - | - | - |
| Net income (loss) and comprehensive income (loss) for the year | 43,904 | (2,449,740) | (351,427) |
| Income (loss) per share, basic and diluted | 0.00 | (0.30) | (0.00) |
| Total assets | 96,325 | 358,013 | 2,969,180 |
| Total long term liabilities | - | - | - |
| Cash dividends declared per share | - | - | - |

During the year ended September 30, 2023, the Company recorded a write-off of exploration and evaluation assets of \$10,925 related to its Fortuity 89 property (2022 - \$2,144,094).

During the year end September 30, 2023, the company reassessed the fair value of its investments at \$297,000 and recorded a fair valuation gain of \$296,999.

6. OPERATIONS

The Company is in the mineral exploration stage and as such has no revenues.

6.1 Caldera Gold Property

Until relatively recently, the Company held an interest in the areas formerly known, respectively, as the Caldera Gold Property and the Fortuity 89 Property through various agreements and staking from 2016 through to the present. The original agreement was for 41 mineral claims, and the number of claims were increased periodically, based on positive exploration results, to include a total of 264 contiguous mineral claims.

While the Caldera Gold Property option agreement was in good standing, the Company conducted a number of programs. These included permitting, data compilation, geological mapping, rock, stream sediment and soil sampling, and core drilling. A total of slightly over 1900 metres of drilling, testing five low sulphidation epithermal gold targets, was completed in 2021. Each hole was deeper than any previous drilling on the Caldera Gold Property and each site was selected to test the boiling zone, typically found at approximately 300+ metres below the paleo-surface, where precious metals are concentrated.

Selected core from each of the five holes was sent for analysis. Gold of particular note was intercepted in drill holes CP21-02, 04 and 05. Drill hole CP21-02 had a best result of 2.40 grams gold per tonne (g/t) and 187 ppm silver over 1.5 metres and extensive intervals of anomalous gold. Drill hole CP21-04 had a best result of 2.71 gold g/t over 1.2 metres, other intervals of over 1 gold g/t and extensive intervals of anomalous gold. Drill hole CP21-05 had a best result of 1.53 g/t over 0.9 metres and anomalous gold in several other intervals. The drillholes each intersected primarily volcanic tuffs, with zones of moderate to strong propylitic and argillic alteration and multiple fault zones.

During the year ended September 30, 2022, the Company terminated its option to purchase the Caldera Gold Property as the exploration and drill results did not warrant the financial obligations which were due under various agreements.

Quality Control/Quality Assurance

Core samples for the Caldera Gold Property 2021 drill program were collected under the supervision of a geologist at the drilling rig. Drilling was completed using primarily HQ (63.5mm) diameter core, and NQ (47.6mm) diameter core for a portion of CP21-05.

Core logging was conducted on the property followed by shipment either to a core cutting facility in Elko, Nevada or to storage in Tonopah, Nevada. Core samples selected for assay were sawed in half, sending half to the ALS Global sample preparation lab in Elko, Nevada and the remaining half is retained for future reference. ALS Global crushed and pulverized the samples to >85% passing a 75 micron screen (ALS PREP-31). Sample pulps were then shipped by ALS Global to their analytical labs in Reno, Nevada and North Vancouver, BC for fire assay for gold (Au-ICP21 package) four acid digestion with ICP-OES finish (ME-ICP61 package for trace elements, and Hg-MS42 for mercury). One sample in hole CP21-02 was run for silver via the Ag-OG62 since it was over limit for the original method.

Samples, although generally 1.52 metres (5 feet) in core length, varied from 0.61 metres to 3.05 metres based on stratigraphy, alteration, mineralization and core recovery. Standards were introduced at a rate of 1 standard per 20 samples.

6.2 Fortuity 89 Property

On March 9, 2021 the Company entered into an option and earn-in agreement with Newcrest Resources, Inc., a wholly-owned subsidiary of Newcrest Mining Limited in the area formerly referred to as the Fortuity 89 property in Nevada. The Fortuity 89 property, located approximately four kilometres west of the Caldera Property, was formerly included in the Caldera Gold Property. Discovery Harbour expanded the Fortuity 89 property by staking an additional 405 mineral claims early in 2021.

Newcrest completed a successful initial exploration program in the spring 2021 targeting a low sulphidation epithermal gold deposit. The Newcrest work included a geophysical program encompassing a 675 line kilometre drone airborne magnetic survey, a 250 station ground gravity survey and a 45 line kilometre audio band magnetotellurics (AMT) resistivity survey as well as geological and alteration mapping and sampling with a soil geochemical program (see news release July 14, 2021). In January 2022 Newcrest commenced a drill program on Fortuity 89 to test a series of low sulphidation epithermal gold targets (see news release dated January 24, 2022). Five reverse circulation drill holes were completed for 1,663 metres targets (see news release dated April 28, 2022). The drill holes intersected low level anomalous gold.

During the year ended September 30, 2022, Newcrest terminated its option to earn an interest in the Fortuity 89 Property, and the Company terminated its option on the Caldera Gold Property, which included Fortuity 89.

The Company retains 100% ownership of 46 claims in the area formerly known as the Fortuity 89 property which were beyond the area of interest of the option agreement. The Company will consider further exploration on these claims subject to new priorities (including the development of new projects), financing and other considerations.

Alan Morris, CPG is the Qualified Person for Discovery Harbour as defined in NI 43-101 and has reviewed and approved the technical contents of this MD&A.

7. SUMMARY OF QUARTERLY RESULTS

The table below presents selected financial data for the Company's eight most recently completed fiscal quarters.

| | Q4 | Q3 | Q2 | Q1 |
|--|----------------|----------------|----------------|----------------|
| | Sep 30, | Jun 30, | Mar 31, | Dec 31, |
| | 2023 | 2023 | 2023 | 2022 |
| | \$ | \$ | \$ | \$ |
| Total revenue | - | - | - | - |
| Income (loss) and comprehensive income (loss) for the period | 247,343 | (77,456) | (70,386) | (55,597) |
| Income (loss) per share, basic and diluted | 0.00 | (0.01) | (0.01) | (0.01) |

| | Q4 Sep 30, 2022 \$ | Q3 Jun 30, 2022 \$ | Q2 Mar 31, 2022 \$ | Q1 Dec 31, 2021 \$ |
|--|---|---|---|---|
| Total revenue | - | - | - | - |
| Income (loss) and comprehensive income (loss) for the period | (81,582) | (2,359,872) | (135,199) | 126,913 |
| Income (loss) per share, basic and diluted | (0.01) | (0.25) | (0.01) | 0.01 |

During the three-month period ended June 30, 2022, the Company recorded a write-off of exploration and evaluation assets of \$2,303,290 related to its Caldera Gold and Fortuity 89 properties.

During the three-month period ended September 30, 2023, the company reassessed the fair value of its investments at \$297,000 and recorded a fair valuation gain of \$296,999.

During the three-month period ended December 31, 2021, the Company recorded a recovery of exploration and evaluation assets of \$183,933 related to its Fortuity 89 property.

8. LIQUIDITY

The Company's consolidated financial statements have been prepared on a going concern basis, which contemplates that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. The Company's ability to continue as a going concern is dependent on the ability of the Company to raise equity financing, acquire suitable projects and the attainment of profitable operations. The Company may need to conclude an equity or debt financing within the next 12 months to continue as a going concern, continue operations in the normal course and to fund any further project acquisition or acquisitions.

Cash at September 30, 2023 was \$89,011 compared to cash of \$347,262 at September 30, 2022. Factors that could impact on the Company's liquidity are monitored regularly and include market changes, gold price changes, and economic downturns that affect the market price of the Company's trading securities for the purposes of raising financing. The current state of equity markets has improved marginally but still presents a challenge to financing raises. Management believes that this condition may continue over the next twelve months.

On April 30, 2020, the Company received a loan from the Canadian government's Canada Emergency Business Account ("CEBA") Program in the amount of \$40,000. The CEBA is a government guaranteed loan of up to \$40,000 that is interest-free until December 31, 2023. The loan is available to help businesses with operating costs during COVID-19. Twenty-five percent of the loan amount (\$10,000) is eligible for forgiveness as long as the business pays back \$30,000 on or before December 31, 2023. If the business cannot pay back the loan by December 31, 2023, it can be converted into a 3-year term loan at an interest rate of 5%.

The Company's funds are sufficient for the current fiscal year but the Company will need to raise additional equity or loan financing in order to meet its financial obligations as they become payable in future years.

9. CAPITAL RESOURCES

The Company has no commitments for capital expenditures.

The Company does not have any capital resources in the form of debt, equity and any other financing arrangements, except for the CEBA loan disclosed under Section 8 on Liquidity.

10. OFF-BALANCE SHEET ARRANGEMENTS

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

11. TRANSACTIONS BETWEEN RELATED PARTIES

All related party transactions are recorded at the exchange amount which is the amount agreed to by the Company and the related party.

Key Management Compensation

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include directors, the chief executive officer and chief financial officer of the Company.

During the year ended September 30, 2023, the Company recorded the following to key management personnel:

- \$Nil (2022: \$30,000) in management fees to a company controlled by the Chief Executive Officer and \$89,031 (2022: \$78,087) in salaries and benefits to the Chief Executive Officer. As at September 30, 2023, the Company owed \$Nil to this Chief Executive Officer (2022 - \$5,489).
- \$35,499 (2022: \$40,632) in salaries and benefits to a Director and Officer of the Company. As at September 30, 2023, the Company owed \$Nil to this Director (2022 - \$2,481).

12. PROPOSED TRANSACTIONS

The Company is engaged in the search for potential mineral property acquisitions and financings to carry out its business activities. However, as at the date of this MD&A, there are currently no proposed asset or business acquisitions or dispositions and, other than disclosed in this Management's Discussion and Analysis, the Company does not have any proposed transactions.

13. CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

Please refer to note 3 in the September 30, 2023 consolidated financial statements on www.sedarplus.ca.

14. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Please refer to note 3 in the September 30, 2023 consolidated financial statements on www.sedarplus.ca.

Exploration and Development

Exploration for mineral commodities is a speculative venture involving substantial risk. There are no guarantees that the Company's efforts in exploration will be successful in defining economically feasible deposits. Only a limited number of exploration programs run by mineral exploration companies

(including the Company) are and are expected to be successful. The long-term profitability of the Company will in part be directly related to the costs and success of its exploration projects or identifying new projects for acquisition, which may be affected by a number of variables that are beyond the control of the Company.

Financing

None of the Company's projects or property interests are in production and as such, do not produce revenue. The Company's ability to conduct its exploration is based on its working capital and on its ability to raise financing necessary to support its activities through equity issuances and through proceeds from future dispositions of its mineral properties, or development and production from its properties. There can be no assurance that the Company will be successful in securing the funding required to support its activities, now or in the future. Failure to raise sufficient funding could cause the Company to suspend exploration activities and eventually may force it to sell or forfeit its interest in its properties. A sale or forfeiture could ultimately result in the dissolution of the Company. Numerous factors affect the Company's abilities to raise the necessary capital. Investor attitude, general market conditions, and fluctuations in various financial variables such as interest rates and commodity prices are three main variables over which the Company has no control or prior warning.

Cash Flow and Ongoing Business

The Company has not generated any cash flow or earnings to support its activities and there can be no assurance that the Company will generate any earnings or cash flow in the future. Without such cash flow or earnings, future additional external funding including equity financing will eventually be required to fund the Company's activities. This future funding may not be available or, if available, may not be on terms acceptable to the Company and could result in the Company ceasing to exist.

Mining and Exploration Operations

Mining or exploration operations involve a high degree of risk and danger. Natural and/or man-made hazards or accidents could cause the Company to be liable for physical or environmental damages and such liabilities could produce adverse financial effects on the Company and its financial position, as well as result in the possible forfeiture of its assets.

Economics of Developing Mineral Properties

Substantial costs are attached to the establishment of economic resources of mineral commodities. Exploration and development expenditure, including drilling costs, are required to determine the viability of any deposit prior to the extraction of the ore minerals. Although substantial financial benefits are attached to the production of commodities from an economic deposit, there is no assurance that every deposit discovered will contain sufficient quantities or grades to support the required development costs attached to mine and infrastructure construction. Therefore, announcements of apparent ore-grade mineralization from exploration activities are only the first steps in a long and costly process of bringing a discovery to a production status.

Marketability of Commodities

The marketability of precious and base metals that may be discovered by the Company will be affected by numerous factors beyond the control of the Company. These factors include market fluctuations, government regulations and permitting issues, commodity pricing, acts of God or events of (or similar to) force majeure such as disease or natural disasters, taxation or changes in taxation, royalties, land tenure, land use, import and export issues, and environmental permitting. The exact effect of these factors cannot be predicted and any combination of these factors may result in not being able to exploit a resource.

Pricing of Commodities

The future value of the Company will, to some degree, be dependent on the pricing of mineral commodities in the marketplace. Fluctuations in the pertinent commodity prices continuously change and these fluctuations are beyond the control of the Company. Furthermore, although the Company continuously attempts to perceive the direction of commodity pricing and subsequent sales probabilities, the future pricing of mineral commodities remains uncertain and contributes to the high risk of investment in mineral exploration.

Environmental Requirements

Until relatively recently, the Company conducted its exploration activities only in the State of Nevada. All phases of its operations are subject to the environmental regulations in any jurisdiction in which the Company has operated or may operate in the future. All laws and regulations relating to the environment are and must be strictly adhered to in order to avoid penalties and time delays in permit issuances. Environmental legislation and regulation is evolving and, in the future, may result in the enactment of laws and regulations that could negatively impact exploration and development or entirely preclude the development of mines. This would also have a negative material and financial effect on the Company.

Competition

The mining industry (including exploration and development) is intensely competitive in all of its phases. The Company competes with numerous other companies possessing greater financial resources and technical facilities. There is no guarantee in the future that the Company may not lose or forfeit a mineral property because of a relative lack of funding, personnel or expertise.

Title

While the Company has, to the best of its knowledge, registered all its claims and licenses with the appropriate mining authorities and has filed all required documentation needed to keep the claims in good standing, these should not be considered absolute guarantees of irrevocable title to those properties. The Company's properties may also be subject to prior unregistered agreements or transfers and the Company's ownership of these properties may be affected by these or other undetected defects. The Company's properties may include recorded third party claims which have not been surveyed rendering uncertainty as to their exact location. The Company may also lose entitlement to claims if certain payments are not made.

Mining and Exploration Regulation

Mining and exploration operations are subject to extensive regulation in the jurisdictions in which its projects are located. Future changes made by such authorities could adversely affect the Company's holdings and its ability to mine, as well as mining as a whole. The Company has no control over these possible changes. The Company has not filed for any permit to mine its properties with any governmental unit.

Dilution

Shareholders will suffer dilution with respect to future private and/or public offerings of the Company's common shares (or securities convertible into common shares).

Key Management

The Company has not purchased any “key man” insurance with respect to any of its directors, officers or key personnel to the date hereof. The loss of the Company’s President and Chief Executive Officer and any other current senior officer or director could have an adverse affect on the Company and its business, financial position and prospects.

Conflicts of Interest

Certain of the Company’s directors and officers currently, and may in the future, serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties as a director or officer of the Company and their duties as a director or officer of other companies. The directors and officers of the Company are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and requiring disclosure by directors and officers of conflicts of interest and the Company will rely upon such laws in respect of any director or officer’s conflict of interest or in respect of any breaches of duty by any of its directors or officers.

Market Volatility

In the past, there have been instances where the Company’s common shares did not trade or where trading was limited. Additionally, the trading price of common shares may be subject to wide fluctuations in response to operating results, results of exploration, market conditions and other events and factors outside the control of the Company such as acts of God or events of (or similar to events of) force majeure and even political events and environment. In addition, the stock market has experienced extreme price and volume fluctuations which have affected the market price of junior exploration companies. There can be no assurance that significant price fluctuations will not occur in the future, or of how major global events such as the COVID-19 outbreak will impact capital markets beyond the near-term.

Risk of Infectious Diseases

Emerging infectious diseases or the threat of outbreaks of viruses or other contagions or epidemic diseases, including the COVID-19 outbreak, could have a material adverse effect on the Company by causing operational and supply chain delays and disruptions (including as a result of government regulation and prevention measures), labour shortages and shutdowns, social unrest, breach of material contracts, government or regulatory actions or inactions, changes in tax laws, payment deferrals, increased insurance premiums, declines in the price of precious metals, delays in permitting or approvals, governmental disruptions, capital markets volatility, or other unknown but potentially significant impacts. In addition, governments may impose strict emergency measures in response to the threat or existence of an infectious disease. Although it is management’s understanding that many of the emergency measures imposed in the recent past have been lifted, the full extent and impact of the COVID-19 pandemic remains unknown and, previously, included extreme volatility in financial markets, a slowdown in economic activity, extreme volatility in commodity prices (including precious metals) and has raised the prospect of a global recession. The international response to COVID-19 led to significant restrictions on travel, temporary business closures, quarantines, global stock market volatility and a general reduction in global consumer activity from which the economy has not yet fully received. At this time, the Company remains unable to accurately predict what effects these conditions may have on mining operations or financial results, including effects due to uncertainties relating to the ultimate geographic spread of the virus, the severity of the disease, the duration of the outbreak, and the length of the travel restrictions and business closures that have been or may be imposed by the governments of impacted countries. In addition, a significant outbreak of any contagious disease in the human population, such as COVID-19, could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries, resulting in a future economic downturn that could result in a material adverse effect

on commodity prices, demand for metals, investor confidence, and general financial market liquidity, all of which may adversely affect the Company's business and the market price of the Company's common shares. Accordingly, any outbreak or threat of an outbreak of an epidemic disease or similar public health emergency, present or future, including COVID-19, could have a material adverse effect on the Company's business, financial condition and results of operations. As at the date hereof, the duration of any future business disruptions and related financial impact of an epidemic disease or similar public health emergency cannot be reasonably estimated. It is unknown whether and how the Company may be affected if a pandemic or similar public health emergency, such as the COVID-19 outbreak, persists for an extended period of time.

15. DISCLOSURE OF OUTSTANDING SHARE DATA

The Company is authorized to issue an unlimited number of common shares. The holders of common shares are entitled to receive dividends and are entitled to one vote per share at meetings of the Company. All shares are ranked equally with regards to the Company's residual assets.

As at the date of this report, the Company has 9,450,929 common shares issued and outstanding and no warrants outstanding.

As at the date of this report, the Company has outstanding options as follows:

| Number | Exercise Price per Share (\$) | Expiry Date |
|---------------|--|--------------------|
| 85,000 | 0.75 | October 4, 2024 |
| 60,000 | 0.90 | October 22, 2024 |
| 270,000 | 1.20 | August 24, 2025 |
| 30,000 | 0.65 | March 17, 2026 |
| 162,500 | 0.50 | January 31, 2027 |
| 607,500 | | |

16. COMMITMENTS, EXPECTED OR UNEXPECTED EVENTS, OR UNCERTAINTIES

The Company is party to various consulting and employment agreements.

Other than as disclosed in this Management's Discussion and Analysis, the Company does not have any commitments, expected or unexpected events, or uncertainties.

17. BOARD OF DIRECTORS AND OFFICERS

In November 2023, the Company announced that Clayton Fisher was appointed as the Chief Financial Officer and Corporate Secretary of the Company and has joined the board of directors. In light of Mr. Fisher's appointment, Rodney Stevens resigned as the Interim Chief Financial Officer, Vice President and Corporate Secretary of the Company but remains a director of the Company. The Company also announced that Andrew Hancharyk has resigned as a director of the Company.

The directors of the Company are Mark Fields (President and Chief Executive Officer), Richard Gilliam, Rodney Stevens, and Clayton Fisher (Chief Financial Officer and Corporate Secretary).

18. CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

Forward-looking statements in this MD&A are subject to known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those implied by the forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks as set forth below.

The forward-looking statements, within the meaning of applicable Canadian Securities legislation, involve a number of risks and uncertainties. Forward-looking statements include, but are not limited to, statements with respect to the future price of gold, copper or other metals, the estimation of mineral reserves and resources, the realization of mineral estimates, the timing and amount of estimated future production, costs of production, capital expenditures, costs and timing of the development of new deposits, success of exploration activities, permitting time lines, currency exchange rate fluctuations, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims, limitations on insurance coverage and timing and possible outcome of pending litigation. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “expects”, or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “does not anticipate”, or “believes”, or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, or “might” be taken, occur or be achieved. Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made, and they involve known and unknown risks, uncertainties and other factors which may cause the actual results, level of activity, performance or achievements of the Company to be materially different from any other future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others: risks relating to the integration of acquisitions, risk relating to international operations, the actual results of current exploration activities; actual results of current reclamation activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of gold or other minerals; possible variations in ore reserves, grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; fluctuations in metal prices; as well as those risk factors discussed or referred to in the Company’s Management’s Discussion and Analysis filed with the securities regulatory authorities in Canada and available at www.sedarplus.ca. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The Company undertakes no obligation to update forward-looking statements if circumstances or management’s estimates or opinions should change. Accordingly, readers are cautioned not to place undue reliance on forward-looking statements.

19. MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements of the Company and all the information in this Management's Discussion and Analysis are the responsibility of management and have been approved by the Board of Directors.

All financial information in this MD&A has been prepared in accordance with International Financial Reporting Standards and all dollar amounts are quoted in Canadian dollars, the reporting and functional currency of the Company, unless specifically noted.

When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. Financial statements are not precise since they include certain amounts based on estimates and judgments. Management has determined such amounts on a reasonable basis in order to ensure that the financial statements are presented fairly, in all material respects. Management has prepared the financial information presented elsewhere in the Management's Discussion and Analysis and has ensured that it is consistent with that in the financial statements.

The Company maintains systems of internal accounting and administrative controls in order to provide, on a reasonable basis, assurance that the financial information is relevant, reliable and accurate and that the Company's assets are appropriately accounted for and adequately safeguarded.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board carries out this responsibility principally through its Audit Committee.

The Audit Committee is appointed by the Board, and a majority of its members are independent directors. The Committee meets at least once a year with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy itself that each party is properly discharging its responsibilities, and to review the financial statements and the external auditors' report. The Committee reports its findings to the Board for consideration when approving the financial statements for issuance to the shareholders. The Committee also considers, for review by the Board and approval by the shareholders, the engagement or reappointment of the external auditors. The Company's auditors have full and free access to the Audit Committee.

On behalf of the Board,

DISCOVERY HARBOUR RESOURCES CORP.

Mark Fields

President and Chief Executive Officer