ITEM 6. [RESERVED]

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis should be read in conjunction with our consolidated financial statements for the two years ended December 31, 2023, and 2022, and the related notes thereto, which have been prepared in accordance with generally accepted accounting principles in the United States ("U.S. GAAP"). This discussion and analysis contains forward-looking statements that involve risks, uncertainties and assumptions. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of many factors, including, but not limited to, those set forth under the section heading "Item 1A. Risk Factors" above and elsewhere in this Annual Report on Form 10-K. See section heading "Cautionary Note Regarding Forward-Looking Statements" above.

Results of Operations

Twelve Months Ended December 31, 2023 Compared to December 31, 2022

	Twelve Months Ended	
	12/31/23	12/31/22
Operating expenses		
General and administrative	$ 4,143,352	$ 5,087,128
Lease expense	21,000	21,000
Exploration, evaluation and project expense	2,686,656	5,739,534
Accretion expense	111,548	77,941
Depreciation expense	44,057	44,057
Total operating expenses	7,006,613	10,969,660
Net operating loss	(7,006,613)	(10,969,660)
Revaluation of warrant liability	16,267,187	(7,852,349)
Interest expense	(2,550,557)	(721,924)
Foreign currency exchange gain (loss)	(52,007)	(176,279)
Net income (loss)	$ 6,658,010	$ (19,720,212)

For the twelve months ending December 31, 2023, the Company decreased general and administrative expenses by approximately $944,000. The increase was due to the following year over year variances:

Twelve months ending	12/31/2023	12/31/2022	Variance
Accounting fees	$ 593,000	$ 309,000	$ 284,000
Legal and other professional fees	1,101,000	1,397,000	(296,000)
Marketing expense	28,000	50,000	(22,000)
Payroll	642,000	677,000	(35,000)
Corporate expenses & rent	210,000	176,000	34,000
Share based compensation	1,266,000	2,164,000	(898,000)
Insurance	139,000	162,000	(23,000)
Stock exchange fees	88,000	132,000	(44,000)
Other general expenses	76,000	20,000	56,000
Total	$ 4,143,000	$ 5,087,000	$ (944,000)

- Accounting fees increase resulted from higher costs for review procedures along with additional consulting fees needed for required regulatory filings and tax compliance. Management believes these increased costs will continue in future fiscal periods.

- Legal fees and professional fees decreased due to a legal agreement that was finalized in June 2022. Legal fees and professional fees decreased due to a reduction in corporate activities in 2023

- Marketing expenses were lower as 2022 had additional amounts that were used for company and shareholder awareness projects.

- The majority of payroll and corporate expenses was from the Company's agreement to share office space, equipment, personnel, consultants and various administrative services for the Company's head office located in Vancouver, BC Canada. In addition, 2023 is the first year the Company had full time employees located at the project's site. Management expects payroll costs to fluctuate based on the personnel and consultants used during the period.

- The Company granted options to officers, directors and employees of the Company pursuant to the terms of the Company's Stock Option Plan. In September 2022 the options were repriced resulting in an increase in share-based compensation for that period. Certain stock options were canceled in 2023 after termination of an employee resulting in reversal of previous share based compensation expense.

For the twelve months ending December 31, 2023, there was a variance of $3,053,000 for the same period in 2022 in exploration and evaluation expenses. The decrease was due to the following year over year variances:

Twelve months ending	**12/31/2023**	**12/31/2023**	**Variance**
Drilling	$ 0	$ 1,572,000	$ (1,572,000)
Consultants/Contractors	952,000	2,607,000	(1,655,000)
Supplies and equipment	301,000	382,000	(81,000)
Assay	0	84,000	(84,000)
Water haulage	0	0	0
Overhead and payroll	1,179,000	778,000	401,000
Permits and fees	221,000	291,000	(70,000)
Other	34,000	26,000	8,000
Total	$ 2,687,000	$ 5,740,000	$ (3,053,000)

In the fourth quarter of 2023, the Company continued with development activities for the Reward and Bullfrog Projects. In 2023, metallurgical test work on drill core samples from the Bullfrog deposit, environmental baseline studies, compliance reporting, and preparation of a feasibility level technical report for the CR Reward project were advanced.

The revaluation of the warrant liability is based on the following warrants issued:

Issue Date	**Issue Date**	**Outstanding Warrants**	**Exercise Price**
October 2020	October 2024	18,125,001	C$ 1.80
March 2021	March 2024	3,777,784	C$ 2.80
January 2023	January 2026	3,362,573	C$ 2.30

Liquidity and Capital Resources

The Company has no revenue generating operations from which it can internally generate funds. To date, the Company's ongoing operations have been financed by the sale of its equity securities by way of public offerings, private placements and the exercise of incentive stock options and share purchase warrants. The Company believes that it will be able to secure additional private placements and public financing in the future, although it cannot predict the size or pricing of any such financing. This situation is unlikely to change until such time as the Company can develop a bankable feasibility study on one of its projects.

On January 20, 2023, the Company closed its offering (the "Offering") of 6,725,147 units ("Units") of the Company at a price of C$1.71 per Unit, including the units issued pursuant to the full exercise of the over-allotment option by the underwriters in the Offering (the "Underwriters"), for aggregate gross proceeds of approximately C$11,500,000 before deducting Offering expenses.

In connection with the closing of the Offering, the Company entered into a Warrant Indenture dated January 20, 2023 (the “Warrant Indenture”) with Endeavor Trust Corporation, as the warrant agent, pursuant to which the Company issued Warrants to purchase up to a maximum of 3,362,573 Warrant Shares. Each Warrant is exercisable at any time after January 20, 2023, and prior to January 20, 2026.

As compensation in connection to the Offering, the Company paid the Underwriters cash compensation equal to 5.0% of the aggregate gross proceeds of the Offering and issued to the Underwriters 336,257 common stock purchase warrants (the “Compensation Warrants”). Each Compensation Warrant is exercisable for one share of common stock (each, a “Compensation Warrant Share”) for a period of 12 months following the closing of the Offering at a price of C$1.71 per Compensation Warrant Share.

Liquidity

As of December 31, 2023, the Company had total liquidity of $301,000 in cash and cash equivalents. The Company had negative working capital of $27,245,000 and an accumulated deficit of $33,236,000. For the twelve months ended December 31, 2023, the Company had negative operating cash flows before changes in working capital of $8,188,000 and a net income of $6,658,000.

As of December 31, 2022, the Company had total liquidity of $333,000 in cash and cash equivalents. The Company had negative working capital of $26,141,000 and an accumulated deficit of $39,894,000. For the twelve months ended December 31, 2022, the Company had negative operating cash flows before changes in working capital of $9,582,000 and a net loss of $19,720,000.

The Company expects that it will operate at a loss for the foreseeable future and believes the current cash and cash equivalents and working capital will be sufficient for it to maintain its currently held properties, fund its planned exploration, and fund its currently anticipated general and administrative costs for at least the next 12 months from the date of this report. However, the Company does expect that it will be required to raise additional funds through public or private equity financings in the future in order to continue in business in the future past the immediate 12-month period. Should such financing not be available in that time-frame, the Company will be required to reduce its activities and will not be able to carry out all of its presently planned exploration and, if warranted, development activities on its currently anticipated scheduling.

Capital Management

The Company’s objectives when managing capital are to safeguard the Company’s ability to continue as a going concern in order to pursue the development and exploration of its mineral properties and to maintain a flexible capital structure, which optimizes the costs of capital to an acceptable risk.

As of December 31, 2023, the capital structure of the Company consists of 85,929,753 shares of common stock, par value $0.0001. The Company manages the capital structure and adjusts it in response to changes in economic conditions, its expected funding requirements, and risk characteristics of the underlying assets. The Company’s funding requirements are based on cash forecasts. In order to maintain or adjust the capital structure, the Company may issue new debt, new shares and/or consider strategic alliances. Management reviews its capital management approach on a regular basis. The Company is not subject to any externally imposed capital requirements.

Contractual obligations and commitments

The Company’s contractual obligations and commitments as of December 31, 2023, and their approximate timing of payment are as follows:

	<1 year	**1 - 3 years**	**4 - 5 years**	**>5 years**	**Total**
Leases	$ 95,557	$ 150,594	$ 50,000	$ 650,000	$ 946,151

Off Balance Sheet Arrangements

We do not engage in any activities involving variable interest entities or off-balance sheet arrangements.

Critical Accounting Policies and Use of Estimates

Stock based compensation is measured at grant date, based on the fair value of the award, and is recognized as an expense over the employee's requisite service period. We estimate the fair value of each stock option as of the date of grant using the Black-Scholes pricing model. The Company determines the expected life based on historical experience with similar awards, giving consideration to the contractual terms, vesting schedules and post-vesting forfeitures. The Company uses the risk-free interest rate on the implied yield currently available on U.S. Treasury issues with an equivalent remaining term approximately equal to the expected life of the award. The Company has never paid any cash dividends on its common stock and does not anticipate paying any cash dividends in the foreseeable future.

Mineral property exploration costs are expensed as incurred until such time as economic reserves are quantified. To date, the Company has not established any proven or probable reserves on its mineral properties. Costs of lease, exploration, carrying and retaining unproven mineral lease properties are expensed as incurred. The Company has chosen to expense all mineral exploration costs as incurred given that it is still in the exploration stage. Once the Company has identified proven and probable reserves in its investigation of its properties and upon development of a plan for operating a mine, it would enter the development stage and capitalize future costs until production is established. When a property reaches the production stage, the related capitalized costs will be amortized over the estimated life of the probable-proven reserves. When the Company has capitalized mineral properties, these properties will be periodically assessed for impairment of value and any diminution in value. To date, the Company has not established the commercial feasibility of any exploration prospects; therefore, all exploration costs are being expensed. Costs of property acquisitions are being capitalized, and a required payment of $20,000 was made in 2018 to Mojave Gold Mining Corporation ("Mojave") as part of the Option to Purchase Agreement ("Option").

ITEM 7A. QUANTITIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not applicable.

ITEM 8. FINANCIAL STATEMENTS

Our financial statements appear beginning at page F-1.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

We conducted an evaluation of the effectiveness of our "disclosure controls and procedures" ("Disclosure Controls"), as defined by Rules 13a-15(e) and 15d-15 (e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as of December 31, 2023, the end of the period covered by this Annual Report on Form 10-K. The Disclosure Controls evaluation was done under the supervision and with the participation of management, including our Chief Executive Officer and Chief Financial Officer.

Disclosure controls and procedures refer to controls and other procedures designed to ensure that information required to be disclosed in the reports we file or submit under the Exchange Act is (i) recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC and (ii) that such information is accumulated and communicated to our management, including our chief executive officer and chief financial officer, or persons performing similar functions, as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating our disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management is required to apply its judgment in evaluating and implementing possible controls and procedures.