



P2 GOLD INC.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2022 and 2021**



MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management's Discussion and Analysis ("MD&A") of P2 Gold Inc. ("P2 Gold", "we", "our", "us" or the "Company") provides information about our performance, financial condition and future prospects.

This MD&A should be read in conjunction with the condensed consolidated interim financial statements for the three and nine months ended September 30, 2022 and 2021 as publicly filed in Canada on the System for Electronic Document Analysis and Retrieval ("SEDAR") website at www.sedar.com and on our website at www.p2gold.com.

The condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standards 34, *Interim Financial Reporting* using accounting policies consistent with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS"). Our significant accounting policies applied in the condensed consolidated interim financial statements are the same as those disclosed in note 3 of our annual consolidated financial statements as at and for the years ended December 31, 2021 and 2020.

The functional currency of the parent company, P2 Gold, is the Canadian dollar ("\$" or "CAD") and the functional currency of each of the Company's subsidiaries is the United States dollar ("USD" or "US\$"). The presentation currency of the condensed consolidated interim financial statements is CAD. All dollar amounts in this MD&A are expressed in CAD, unless otherwise noted or the context otherwise provides. The following abbreviations are used in this MD&A: m (meters); km (kilometers); mi (miles); Au (gold); AuEq (gold equivalents); Cu (copper); CuEq (copper equivalents); t (tonnes); Mt (million tonnes); g/t (grams per tonne); oz (ounces); Moz (million ounces); and Mlbs (million pounds).

This MD&A is prepared as of November 9, 2022 and includes certain statements that may be deemed "forward-looking information", "forward-looking statements", and "financial outlook". We direct readers to the "Statement Regarding Forward-Looking Information" section included within this MD&A.

Additional information relating to the Company, including our Annual Information Form ("AIF"), dated March 31, 2022, is available on the SEDAR website at www.sedar.com and on our website at www.p2gold.com.

OUR BUSINESS

The Company was incorporated on November 10, 2017 under the laws of the *Canada Business Corporations Act* under the name Central Timmins Exploration Corp. Effective August 31, 2020, the Company continued under the *Business Corporations Act (British Columbia)* and changed its name to P2 Gold Inc., and in connection therewith, the Company adopted new constating documents comprising Notice of Articles and Articles of the Company, which are available under the Company's profile at www.sedar.com.

The Company's common shares are traded on the TSX Venture Exchange ("Exchange") under the symbol "PGLD" and the OTCQB Venture Market under the symbol "PGLDF". The address of the Company's corporate head office is Suite 1100 – 355 Burrard Street, Vancouver, British Columbia ("BC"), Canada, V6C 2G8.

The Company is a mineral exploration company engaged in the acquisition, exploration and development of mineral resource properties primarily in BC, Canada and the western United States of America (“USA”). Currently, the Company is focused on acquiring ownership rights to these properties and financing exploration programs to identify potential mineral reserves.

The Company owns the Gabbs Project located on the Walker-Lane Trend in the Fairplay Mining District of Nye County, Nevada. In addition, the Company holds interest in two properties located in northwest BC, the BAM Project and the Silver Reef Property, and one property located in southeast Oregon, the Lost Cabin Property.



The Company does not hold any interests in producing mineral deposits. The Company has no production or other material source of revenue. There is no operating history upon which investors may rely. Commercial development of any kind will only occur in the event that sufficient quantities of mineral resources containing economic concentrations of minerals are discovered. If, in the future, a discovery is made, substantial financial resources will be required to establish mineral resources and/or mineral reserves. Additional substantial financial resources will be required to develop mining and processing facilities for any mineral resources and/or mineral reserves that may be discovered. If the Company is unable to finance the establishment of mineral reserves or the development of mining and processing facilities, it may be required to sell all or a portion of its interest in such property to one or more parties capable of financing such development.



3rd QUARTER HIGHLIGHTS AND SIGNIFICANT EVENTS

- On March 29, 2022, April 19, 2022 and August 4, 2022, the Company reported the results from the 22 reverse circulation (“RC”) drill holes (GBR-028 to 049) of the 2022 drill program at the Gabbs Project. For further details on the 2022 drill program results, refer to the “*Gabbs Project*” section of this MD&A.
- On August 4, 2022, the Company provided an update on the status of the Preliminary Economic Assessment (“PEA”) currently underway on the Gabbs Project. For further details on the PEA, refer to the “*Gabbs Project*” section of this MD&A.
- On August 15, 2022, the Company announced the granting of share options to directors, officers, employees and consultants of the Company to purchase an aggregate of 1,440,000 common shares in the capital of the Company at an exercise price of \$0.425 per share, which expire on August 15, 2024.
- On August 22, 2022, September 13, 2022 and subsequent to quarter-end, on October 12, 2022, the Company reported results from 36 drill holes of its 2022 drill program at the BAM Project. The 2022 drill program consisted of 13,958 meters drilled in 95 holes with 59 drill holes awaiting assaying. For further details on the 2022 drill program results to date, refer to the “*BAM Project*” section of this MD&A.
- On September 13, 2022, the Company reported that the preliminary results from the natural source magneto-telluric geophysics survey (“NSMT Survey”) identified prominent features believed to be the potential feeder zone and source of the near-surface epithermal gold mineralization. For further details on the NSMT Survey, refer to the “*BAM Project*” section of this MD&A.
- Subsequent to September 30, 2022, on October 25, 2022, the Company announced a private placement of up to 4,000,000 units at a price of \$0.27 per unit for gross proceeds of approximately \$1,000,000. The proceeds of the private placement will be used to fund exploration and engineering expenditures and for general corporate purposes.

BAM PROJECT (BC, Canada)

The BAM Project consists of ten mineral tenures that cover an area of over 8,100 hectares, located approximately 150 kilometers northwest of Stewart, BC. Highway 37 and the Northwest Transmission Line are approximately 35 kilometers to the east of the BAM Project, and the Galore Creek Project access road is 1.7 kilometers to the southeast.

2022 drill program

The 2022 drill program at the BAM Project was completed in late September 2022 with 13,958 meters drilled in 95 holes. The focus of the 2022 BAM drill program was to find the limits of the epithermal surface mineralization and provide geologic information to aid in the interpretation of the airborne and ground geophysical surveys. This interpretation will be essential in discovering the source of the surface epithermal zone and any associated high grade and/or porphyry mineralization.

Drilling continued to define several structures that were active either during and/or after the mineralization event. Gold grades intercepted by the drilling generally increase towards these structures suggesting they are potentially related to a feeder system. In addition, it is anticipated that the identification of assay gradients within the mineralization may confirm that these structures are part of the feeder system for the surface mineralization. This will allow future programs to focus on the high-grade, structurally controlled mineralization.

Drill results for 36 drill holes from the 2022 drill program have been received. Select drill results from holes BAM-007 to 037, 039, 040, 046, 047 and 049 drilled at the BAM Project include:

- Hole **BAM-007** intersected 1.49 g/t gold and 2.71 g/t silver over 44.94 meters, including 12.00 meters grading 2.19 g/t gold and 3.92 g/t silver;
- Hole **BAM-008** intersected 1.13 g/t gold and 3.32 g/t silver over 33.25 meters, including 4.50 meters grading 2.56 g/t gold and 6.12 g/t silver;
- Hole **BAM-028** intersected 1.11 g/t gold and 2.53 g/t silver over 23.65 meters, including 3.0 meters grading 3.98 g/t gold and 3.02 g/t silver;
- Hole **BAM-029** intersected 1.09 g/t gold and 1.41 g/t silver over 25.40 meters, including 3.0 meters grading 5.41 g/t gold and 3.86 g/t silver;
- Hole **BAM-032** intersected 1.30 g/t gold over 59.05 meters, including 15.00 meters grading 3.64 g/t gold;
- Hole **BAM-034** intersected 1.59 g/t gold over 36.50 meters, including 7.00 meters grading 5.63 g/t gold; and
- Hole **BAM-037** intersected 1.38 g/t gold over 80.0 meters, including 12.20 meters grading 2.43 g/t gold.

Drill holes BAM-007 to 015, 032 to 034 and 037, 038, 039 and BAM-046, 047 and 049 were drilled along a section line (Section D) running east to west to follow up on 2021 drilling and expand the understanding of the BAM Project geology. This drilling has defined a horst, or uplifted block of the underlying dolostone surrounded by siltstones, mudstones, and conglomerates to the east and just siltstones and mudstones to the west. Selective layers within these sediments have seen multiple episodes of brecciation, silicification and intense sericite alteration. There were also several episodes of pyrite mineralization, including a late-stage breccia fill event that appears to correlate with the higher-grade mineralization.

Drill holes BAM-012 to 015 and 032 to 34 were collared in mineralized conglomerate to the east of an interpreted carbonate horst with the higher-grade gold intercepts located closer to the structure on the eastern margin of the carbonate horst. BAM-007 to 009, 037, 038, 039, 046, 047 and 049 were collared in mineralized siltstone to the west of the interpreted carbonate horst with the higher-grade gold intercepts located closer to the structure on the western margin of the carbonate horst. Drill holes BAM-010, 011, 035 and 036 were collared within the interpreted carbonate horst and did not encounter gold mineralization within the carbonate.



Drill holes BAM-016 to 026 were drilled along a section lines (Section H and I) running east to west that are interpreted to be near the southern limit of the Monarch Gold Zone. Visual inspection of the drilling confirms that the Monarch Gold Zone is at least 1,000 meters long and 1,000 meters wide.

Drill holes BAM-027 to 031 were drilled along a section line (Section C) running east to west approximately 100 meters north of Section D and encountered mineralized conglomerate ranging in grade from 0.43 g/t gold to 5.41 g/t gold.

Drilling has defined numerous structures that were active either during and/or after the mineralization event. It is anticipated that the identification of gradients within the mineralization from assay data may establish that some of these structures are part of the feeder system for the surface mineralization.

The additional 59 holes are in the lab awaiting assaying, which we expect to release as available in the fourth quarter of 2022.

For full details of the available 2022 drill program results, refer to the news releases dated August 22, 2022, September 13, 2022 and October 12, 2022 available on the SEDAR website at www.sedar.com and on our website at www.p2gold.com.

2022 geophysics

Preliminary results from the NSMT Survey have been received and have identified a prominent feature which is believed to be the feeder zone of the near-surface epithermal gold mineralization. This feature is the contact between the older granitic intrusive to the east with the sediments to the west and aligns with the structures that appear to be controlling the surface mineralization that has been intersected by drilling. This contact is potentially part of the feeder system for the near surface epithermal mineralization.

Starting at about 300 meters below surface, the NSMT Survey also defined a moderate resistivity low in the sediments underlying the Monarch Gold Zone. This resistivity low is possibly reflecting the alteration and/or mineralization related to the source porphyry.

The Z-Tipper Axis Electromagnetics (“ZTEM”) airborne geophysical survey (the “ZTEM Survey”) was completed in August 2022. The data generated from the ZTEM Survey is being compiled. The results of the NSMT Survey and ZTEM Survey will be combined with the 2021 induced polarization survey results to produce a resistivity 3D model. This along with a 3D model of the 2020 airborne magnetic data will be used to identify the geological structures underlying the BAM Project, most importantly the potential feeder zones and possible porphyry source of the near-surface epithermal gold mineralization.

GABBS PROJECT (Nevada, USA)

The Gabbs Project is located in the Fairplay Mining District, south-southwest of the town of Gabbs, Nye County, Nevada. The Gabbs Project is located on the Walker-Lane mineralization trend, on the southwest flank of the Paradise Range and is road accessible via Highway 361. The Gabbs Project consists of 543 federal unpatented lode claims and one patented lode claim which comprises an approximately 45.0 km² (17.5 mi²) contiguous claim block.



There are four separate mineralized areas found to date on the Gabbs Project: the Sullivan, Lucky Strike, and Gold Ledge zones are considered to be gold-copper porphyry deposits. The Car Body Zone is considered to be an epithermal gold deposit. Although it was thought that Car Body was similar in origin to the Paradise Peak Property, which is adjacent to the Gabbs Project to the south, Paradise Peak is a high sulphidation epithermal deposit while Car Body is situated in a low-sulphidation epithermal environment.

Gabbs Project – February 2022 Updated Mineral Resource Estimate (“2022 MRE”)

The 2022 MRE was prepared by P&E Mining Consultants Inc. (“P&E”), based on four diamond drill holes and 27 RC drill holes completed by the Company in 2021 and 494 drill holes completed by prior Gabbs Project operators between 1970 and 2011. The National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* (“NI 43-101”) technical report entitled “Technical Report and Updated Mineral Resource Estimate of the Gabbs Gold-Copper Property, Fairplay Mining District, Nye County, Nevada, USA” with an effective date of February 10, 2022 (the “Gabbs Technical Report”) was filed on March 25, 2022 and is available under the Company’s profile on the SEDAR website at www.sedar.com and on our website at www.p2gold.com.

Table 1: February 2022 Gabbs Project Pit Constrained Mineral Resource Estimate⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾

Mineral Resource classification	Tonnes (Mt)	Gold grade (g/t)	Copper grade (%)	Gold (M oz)	Copper (M lbs)	Gold equivalent grade (g/t)	Gold equivalent (M oz)
Indicated	43.4	0.47	0.28	0.65	266.7	0.81	1.12
Inferred	69.9	0.39	0.24	0.88	376.1	0.73	1.64

- (1) Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues.
- (2) The Inferred Mineral Resource in this estimate has a lower level of confidence than that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could be upgraded to an Indicated Mineral Resource with continued exploration.
- (3) The Mineral Resources were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (“CIM”), Standards on Mineral Resources and Reserves, Definitions (2014) and Best Practices (2019) prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council.
- (4) The Mineral Resource Estimate was prepared for a potential open pit scenario using a constraining pit shell (with 50-degree slopes) at respective 0.35 g/t and 0.36 g/t oxide and sulphide gold equivalent cut-off grades. The gold equivalent cut-off grades were derived from US\$1,675 per ounce gold, US\$3.80 per pound copper, US\$2.14 per tonne mining cost, and US\$13.81 and US\$17.34 per tonne respective oxide and sulphide processing costs; US\$0.68 per tonne general and administrative (“G&A”) cost, 76% and 94% respective gold oxide and sulphide process recoveries; and 48% and 87% respective copper oxide and sulphide process recoveries.

Prior to the 2022 MRE, the Gabbs Project had an Inferred Mineral Resource (“2021 MRE”) of 1.84 million ounces of gold equivalent or 1.26 million ounces of gold and 422.3 million pounds of copper (73.1 million tonnes grading 0.54 g/t gold and 0.26% copper) (refer to news release dated February 23, 2021).

Oxide Mineral Resources at Gabbs now consist of Indicated Mineral Resources of 576,000 ounces of gold equivalent (20.1 million tonnes grading 0.61 g/t gold and 0.29% copper) and Inferred Mineral Resources of 260,000 ounces of gold equivalent (9.9 million tonnes grading 0.61 g/t gold and 0.19% copper). Refer to the table below for a breakdown of the oxide and sulphide Mineral Resources.

Table 2: February 2022 Gabbs Project Pit Constrained Mineral Resource Estimate by Rock Group⁽¹⁾⁽²⁾

Rock group	Tonnes (Mt)	Gold grade (g/t)	Copper grade (%)	Gold (M oz)	Copper (M lbs)	Gold equivalent grade (g/t)	Gold equivalent (M oz)
Oxide Indicated	20.1	0.61	0.29	0.39	127.9	0.89	0.58
Oxide Inferred	9.9	0.61	0.19	0.19	42.2	0.80	0.26
Sulphide Indicated	23.3	0.34	0.27	0.26	138.8	0.73	0.55
Sulphide Inferred	60.1	0.35	0.25	0.68	333.8	0.72	1.38

⁽¹⁾ Refer to note 1 to 4 in Table 1 above.

⁽²⁾ Tables may differ and not sum due to rounding.

The majority of the increase in the 2022 MRE (from the 2021 MRE) occurred at the Sullivan Zone where the Company drilled 27 drill holes (four diamond drill holes and 23 RC drill holes) in 2021. The Inferred Mineral Resource at the Lucky Strike Zone also increased in the 2022 MRE, whereas the Inferred Mineral Resource changed nominally at Car Body and Gold Ledge. Refer to the table below for a breakdown of the Gabbs Mineral Resource by zone.

Table 3: February 2022 Gabbs Project Pit Constrained Mineral Resource Estimate by Zone⁽¹⁾⁽²⁾

Zone	Tonnes (Mt)	Gold grade (g/t)	Copper grade (%)	Gold (M oz)	Copper (M lbs)	Gold equivalent grade (g/t)	Gold equivalent (M oz)
Sullivan Indicated	43.4	0.47	0.28	0.65	266.7	0.81	1.12
Sullivan Inferred	16.3	0.43	0.26	0.22	94.3	0.78	0.41
Lucky Strike Inferred	49.1	0.34	0.25	0.54	269.5	0.69	1.10
Car Body Inferred	2.4	1.26	-	0.10	-	1.26	0.10
Gold Ledge ⁽³⁾ Inferred	2.1	0.19	0.26	0**	12.2	0.51	0**

⁽¹⁾ Refer to note 1 to 4 in Table 1 above.

⁽²⁾ Tables may differ and not sum due to rounding.

⁽³⁾ Gold Ledge Inferred Mineral Resource rounded to zero**.

Key parameters

A comparison of the key parameters of the 2022 MRE to the 2021 MRE is set out in Table 4 below. Of note, for the 2022 MRE, the oxide and sulphide cut-off grades increased to 0.35 g/t gold equivalent and 0.36 g/t gold equivalent respectively, from 0.24 g/t gold equivalent and 0.30 g/t gold equivalent for the 2021 MRE. In addition, the 2022 MRE used gold and copper prices of US\$1,675 per ounce gold and US\$3.80 per pound copper, compared to the 2021 MRE which used US\$1,600 per ounce gold and US\$3.00 per pound copper.

Table 4: Comparison of key parameters of the 2022 MRE to the 2021 MRE

Parameter	February 2022		January 2021	
Mining scenario	Open pit		Open pit	
Constrained pit shell	50-degree slopes		50-degree slopes	
Oxide cut-off grade	0.35 g/t gold equivalent		0.24 g/t gold equivalent	
Sulphide cut-off grade	0.36 g/t gold equivalent		0.30 g/t gold equivalent	
Gold price	US\$1,675 per ounce		US\$1,600 per ounce	
Copper price	US\$3.80 per pound		US\$3.00 per pound	
Gold recovery	76% Oxide	94% Sulphide	80% Oxide	80% Sulphide
Copper recovery	48% Oxide	87% Sulphide	0% Oxide	90% Sulphide
Mining costs	US\$2.14 per tonne		US\$2.00 per tonne	
Processing costs	US\$13.81 per tonne Oxide	US\$17.34 per tonne Sulphide	US\$8.00 per tonne Oxide	US\$12.00 per tonne Sulphide
G&A costs	US\$0.68 per tonne		US\$2.00 per tonne	

Metallurgical test results

The Company retained Kappes, Cassidy & Associates (“KCA”) in Reno, Nevada to carry out a metallurgical program to determine the preferred extraction process for the Gabbs mineralization.

For the 2022 MRE, KCA is proposing that the oxide material be heap leached and gold recovered as a salable doré and cyanide soluble copper produced as a salable copper sulphide concentrate. For the sulphide material, KCA is proposing flotation to recover a salable copper concentrate with the flotation tails cyanide leached to recover additional gold as a salable doré and cyanide soluble copper as a copper sulphide concentrate.

Gold and copper recoveries used for the 2022 MRE were based on historical metallurgical test work and recently completed metallurgical tests at KCA. For the oxide material, gold and copper recoveries were assumed to be 76% and 48%, respectively. For the sulphide material: (a) gold recovery to copper flotation concentrate was assumed to be 72% and gold recovery from rougher flotation tails was assumed to be 78% for a weighted gold recovery of 94%; and (b) copper recovery was assumed to be 79% to flotation concentrate and 7.6% from cyanide soluble copper precipitation for a weighted recovery of 87%.

Quality assurance

The 2022 MRE was prepared under the supervision of Eugene Puritch, P.Eng., FEC, CET of P&E of Brampton, Ontario, who is an Independent Qualified Person (“QP”), as defined by NI 43-101. Mr. Puritch has reviewed and approved the technical contents of this MD&A relating to the 2022 MRE and 2021 MRE.

Mr. Christopher L. Easton, MMSA QP, of KCA is the Independent QP responsible for metallurgical test work and has reviewed and approved the technical contents of this MD&A relating to metallurgical test work.



Ken McNaughton, M.A.Sc., P.Eng., Chief Exploration Officer (“CExO”) of P2 Gold, is the Company QP, as defined by NI 43-101, responsible for the Gabbs Project. Mr. McNaughton has reviewed, verified and approved the technical information in this MD&A.

Phase Two drill program

During the first quarter of 2022, the Company completed a 22-hole, 4,000-meter RC drill program at Gabbs. The drilling focused on extensions to the Car Body and Sullivan Zones and infill and extensions to the Lucky Strike Zone. The initial 2022 Drill Program commenced at the Car Body Zone and then moved to the Sullivan and Lucky Strike zones before returning to the Car Body Zone to finish the program.

Select drill results from holes GBR-028 to GBR-031 drilled at the Sullivan Zone include:

- Hole **GBR-030** intersected 0.94 g/t gold equivalent (0.67 g/t gold and 0.27% copper) over 112.78 meters, including 19.81 meters grading 1.70 g/t gold equivalent (1.29 g/t gold and 0.40% copper); and
- Hole **GBR-031** intersected 0.85 g/t gold equivalent (0.52 g/t gold and 0.32% copper) over 82.30 meters, including 18.29 meters grading 1.25 g/t gold equivalent (0.85 g/t gold and 0.39% copper).

Drill holes GBR-028 through 031 were designed to test for the downdip extension along the southern flank of the Sullivan Zone. All four holes intersected gold-copper mineralization extending the Sullivan Zone to the south.

Select drill results from holes GBR-032 to GBR-035 drilled at the Car Body Zone include:

- Hole **GBR-033** intersected 2.96 g/t gold over 22.86 meters, including 12.19 meters grading 5.00 g/t gold; and
- Hole **GBR-035** intersected 1.13 g/t gold over 39.62 meters, including 13.72 meters grading 2.73 g/t gold, and 0.51 g/t gold over 28.96 meters.

Drill holes GBR-032 to 035 were designed to test for structural controls on the mineralization at the Car Body Zone, which is the smallest tonnage, but highest-grading gold zone on the property. The gold at Car Body is interpreted to be low-sulphidation epithermal mineralization and is open in all directions.

These initial four holes have confirmed the results from the historical drilling at Car Body and have locally expanded the mineral intersections. The ore controls appear to be related to a set of steeply dipping, east-west quartz stock work typical of the Walker Lane Trend. Two north – south oriented holes were completed at the end of the program to test for this stockwork. Higher density drilling is expected to intersect more mineralization with the net effect of expanding the bulk tonnage resources.

Select drill results from holes GBR-036 to 049 drilled at the Lucky Strike and Car Body zones include:

- Hole **GBR-045** intersected 0.81 g/t gold equivalent (0.62 g/t gold and 0.18% copper) over 112.77 meters, including 24.39 meters grading 1.57 g/t gold equivalent (1.33 g/t gold and 0.24% copper); and
- Hole **GBR-046** intersected 0.80 g/t gold equivalent (0.57 g/t gold and 0.23% copper) over 57.91 meters, including 15.24 meters grading 1.48 g/t gold equivalent (1.11 g/t gold and 0.36% copper).

Drill holes GBR-036 through 047 were designed to infill and test extensions of the Lucky Strike Zone. Drill holes GBR-037 and 042 failed to reach the mineralization envelope due to ground conditions. Drill holes GBR-044 and 045 ended in mineralization for the same reason. These holes will be redrilled in the future with a diamond core drill or heavier RC drill. Near surface mineralization in the Lucky Strike Zone was thicker and oxidized deeper than projected from the historical drilling. In addition, mineralization at Lucky Strike is hosted in both structural and lithological zones. Future drilling will target both styles of mineralization.

At Car Body, drill holes GBR-048 and 049 were drilled to test the host geology of the zone.

For full details of the Phase Two drill program, refer to the news releases dated March 29, 2022, April 19, 2022 and August 4, 2022 available on the SEDAR website at www.sedar.com and on our website at www.p2gold.com.

Phase Two metallurgy program

The Company retained KCA to carry out the Phase Two metallurgical program to determine the preferred extraction process for the Gabbs mineralization. Based on the results of the program, KCA is proposing that the oxide material be heap leached and gold recovered as a salable doré and cyanide soluble copper produced as a salable copper sulphide concentrate. Column test leach results ranged up to 89% for gold and 62% for copper. The average extraction for the three column tests was 82% for gold and 50% for copper.

Refer to the detailed results of the metallurgical program in the table below:

Description	Crush type	Target p80 crush size (mm)	Calculated gold head grade (g/t)	Calculated copper head grade (%)	Leach time (days)	Total extracted gold (%)	Total extracted copper (%)
High grade composite	HPGR	6.4	1.32	0.43	150	89%	62%
Medium grade composite	HPGR	5.7	0.62	0.28	141	74%	56%
Low grade composite	HPGR	5.7	0.24	0.26	126	84%	33%
Average recoveries						82%	50%



For the Gabbs Phase Two metallurgical program, the Company submitted high-grade, medium-grade and low-grade composites to KCA selected from ½ split core from the September 2021 Gabbs diamond drill program. In addition to the column test work, these samples were also used for High Pressure Grinding Roll (“HPGR”) crush tests, cement agglomeration, compaction tests and a series of bottle roll optimization tests.

The results of the program will be used as the basis for a PEA.

Geophysical surveys

In the field, a 48.3-line kilometer NSMT Survey has been completed over the project covering all four known zones of mineralization and the prospective locations of the potential gold-copper porphyry source at depth. An interpretation of the NSMT Survey indicates an anomaly that may be the potential source of the Gabbs porphyry mineralization, midway between the Sullivan and Lucky Strike zones at a depth of approximately 400 meters.

PEA

The Company has retained KCA and P&E to prepare a PEA on the Gabbs Project. The PEA is now well underway incorporating the results of the Phase Two metallurgical program and the results of drilling to date. The PEA will evaluate both a heap leach only option and a combination heap leach and milling option and was targeted for completion in the fourth quarter of 2022. The continued high inflation in the USA has made it difficult to assess the cost of constructing and operating a mine at the Gabbs Project. As a result, the PEA will not be finalized until capital and operating costs have stabilized.

Permits

Approval from the Bureau of Land Management (“BLM”) is required before exploration work can be carried out. The BLM oversees and approves how much of the surface can be disturbed for exploration purposes and manages reclamation bonding.

In 2021, the Company filed its Notices to Conduct Exploration Activities on the Sullivan, Car Body and Lucky Strike Zones of the Gabbs Project which were determined to be complete by the BLM. All reclamation bond requirements have been posted and remain in good standing.

Acquisition terms

On February 22, 2021, the Company and Borealis, an indirect, wholly owned subsidiary of Waterton Precious Metals Fund II Cayman, LP (“Waterton”) entered into an asset purchase agreement (“Asset Purchase Agreement”) under which the Company agreed to acquire all the assets that comprise the Gabbs Project.

On May 4, 2021, the Company and Borealis agreed to amend the terms of the Asset Purchase Agreement (“Amended Agreement”). Under the Amended Agreement, the Company agreed to pay \$1,216,600 (US\$1,000,000) and issue 15,000,000 common shares (\$7,500,000 in fair value) in its capital to Waterton at closing of the transaction. In addition, the Company was required to pay Splitter (a) US\$4,000,000 on the twelve-month anniversary of closing and (b) US\$5,000,000 on the earlier of the announcement of results of a PEA and the 24-month anniversary of closing.



On closing, Borealis has reserved for itself a 2% net smelter returns royalty on production from the Gabbs Project, of which one percent may be repurchased at any time by the Company for US\$1,500,000 and the remaining one percent of which may be repurchased for US\$5,000,000.

On April 28, 2022, the Company and Splitter agreed to amend the terms of the milestone payments under the Amended Agreement for the purchase of the Gabbs Project.

Under the amended terms, the Company would pay Splitter (a) US\$500,000 on May 31, 2022; (b) US\$500,000 on December 31, 2022, if the Company completes an equity financing in the second half of 2022; and (c) US\$8,000,000 or US\$8,500,000 on May 14, 2023 (depending on whether US\$500,000 is paid on December 31, 2022), provided that if the Company announces the results of a PEA prior to May 14, 2023, all outstanding payments will be due on the earlier of 60 days following the announcement of such results and May 14, 2023, and if the Company sells an interest in the Gabbs Project at any time, including without limitation, a royalty or stream, the proceeds of such sale shall be paid to Splitter up to the amount remaining outstanding. The other terms in respect of the acquisition of the Gabbs Project remain unchanged.

During the third quarter of 2022, the Company made a payment of US\$100,000 to Splitter with the remaining US\$400,000 of the May 31, 2022 payment, still outstanding, as of September 30, 2022. As a result of challenging market conditions, the Company and Splitter have been in negotiations to address potential options to restructure the asset purchase agreement.

SILVER REEF PROPERTY (BC, Canada)

The Silver Reef Property covers an area of over 23,000 hectares approximately 85 kilometers north of Hazelton, BC and to the east of the Golden Triangle.

Technical report

For additional information about the Silver Reef Project, refer to the NI 43-101 technical report entitled “NI 43-101 Technical Report on the Silver Reef Property, Omineca Mining Division, British Columbia, Canada” with an effective date of December 31, 2021. The full technical report was filed on January 11, 2022 under the Company’s profile on the SEDAR website at www.sedar.com and on our website at www.p2gold.com.

The technical report was prepared by Ken McNaughton, M.A.Sc., P.Eng., CExO of P2 Gold, a QP as defined by NI 43-101.

Acquisition terms

On June 20, 2022, the Company entered into an agreement amending the terms of the option agreement by which the Company can acquire up to a 100% interest in the Silver Reef Property.

Under the terms of the amended option agreement, in place of paying the vendor \$500,000 and 800,000 common shares on the second anniversary (June 10, 2022) of the option agreement, the Company will now pay the vendor:



- \$175,000 (in cash or common shares valued at \$0.50 per share) and 300,000 common shares following the approval of the amended option agreement by the Exchange;
- \$175,000 (in cash or common shares valued at the greater of the closing price of the common shares on the Exchange on June 9, 2023, and the discounted market price, as defined in Exchange policy 1.1) and 300,000 common shares on June 12, 2023; and
- \$200,000 (in cash or common shares valued at the greater of the closing price of the common shares on the Exchange on June 7, 2024, and the discounted market price) and 200,000 common shares on June 10, 2024.

In addition, the Company has until September 30, 2024 to incur any remaining exploration expenditures at the property. The other terms in respect of the option agreement for the Silver Reef Property remain unchanged.

On July 8, 2022, the Exchange approved the amended option agreement with the discounted market price set at \$0.33 per common share. On July 11, 2022, the Company issued 650,000 common shares (\$295,000 in fair value) to meet the requirements under the amended option agreement.

LOST CABIN PROPERTY (Oregon, USA)

The Lost Cabin Property consists of 106 unpatented lode mining claims that cover an area of over 2,190 acres, located in Lake County, Oregon. The property is located along a major-northwest-trending structural lineament and hydrothermal alteration associated with silicic volcanism, with limited exploration activities carried out to date. The Company has completed airborne and ground geophysical surveys at Lost Cabin and is reviewing the geophysical data.

Acquisition terms

On July 7, 2022, the Company entered into an agreement amending the terms of the option agreement for the Lost Cabin Property. Under the terms of the amended option agreement, the Company has until September 2023 to complete a minimum of 2,000 meters of drilling on the property. The other terms in respect of the option agreement for the Lost Cabin Property remain unchanged.

QUALITY ASSURANCE

Ken McNaughton, M.A.Sc., P. Eng., CExO of P2 Gold, is the QP, as defined by NI 43-101, responsible for the Gabbs Project, the BAM Project, the Silver Reef Property, and the Lost Cabin Property and has reviewed, verified and approved the scientific and technical information contained in this MD&A relating to such project and properties.



BUSINESS CYCLE AND SEASONALITY

The Company's business is not cyclical or seasonal, however construction of and access to its properties can be delayed and exploration activities may be curtailed during heavy spring rains, snow, cold temperatures and other extreme weather phenomena. Demand for and the price of commodities is volatile and can be affected by seasonal weather variations.

The Company is impacted by the global supply and demand outlook for gold and copper, which in turn is influenced by diverse factors, US currency valuations, derivatives market activity, interest rate and inflation forecasts and other factors.

FINANCIAL POSITION

Total assets

As at September 30, 2022, total assets were \$2,763,433, a decrease of \$5,688,680 compared to December 31, 2021. The decrease was predominantly due to lower cash and cash equivalents in the amount of \$6,083,143 resulting from an increase in spending on exploration and evaluation ("E&E") expenditures for its mineral projects and corporate administrative expenses partially offset by an increase in receivables and other related to prepaid deposits for the 2022 BAM exploration program.

Under our accounting policy for E&E expenditures, all acquisition costs incurred related to the Gabbs Project and payments under option agreements were expensed to the statement of loss and not capitalized to the statement of financial position.

Total liabilities

As at September 30, 2022, total liabilities were \$13,149,543, an increase of \$250,262 compared to December 31, 2021. Total liabilities primarily relate to the acquisition liabilities associated with the Gabbs Project in the amount of \$11,545,133 (December 31, 2021 – \$10,803,662). The increase in liabilities was predominantly due to higher trade payables due to the timing of E&E activities on the BAM Project, higher acquisition liabilities associated with the Gabbs Project due to the translation of the liability from USD to CAD partially offset by a decrease in the flow-through share ("FTS") premium liability.

Total shareholders' equity

Total shareholders' equity was a deficit of \$10,386,110, a decrease in total shareholders' equity of \$5,938,942 compared to December 31, 2021. Lower shareholders' equity was due to an increased net loss driven by E&E expenditures completed on the BAM and Gabbs projects and corporate administrative costs. This was partially offset by an increase in share capital for the completed private placements and an increase in other reserves for share-based compensation expense related to share options.

FINANCIAL RESULTS OF OPERATIONS

E&E expenditures

For the three and nine months ended September 30, 2022, E&E expenditures were \$6,489,914 and \$10,303,541, respectively, compared to \$2,610,338 and \$23,490,075, respectively, in the comparable period of 2021.

E&E expenditures of the Company, by property, for the three and nine months ended September 30, 2022 and 2021 were as follows:

	For the three months ended		For the nine months ended	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
BAM Project	\$ 5,906,635	\$ 1,028,439	\$ 7,910,635	\$ 1,784,182
Gabbs Project	323,122	1,121,949	2,107,530	20,403,086
Silver Reef Property	297,250	238,916	302,833	763,742
Lost Cabin Property	43,119	48,467	61,155	105,864
Prospective exploration properties	30,099	(32,685)	30,099	15,000
Natlan Property	-	166,611	1,200	166,611
Todd Creek Property	-	312,085	400	424,992
Stockade Property	-	128,344	-	190,918
Timmins Property	-	-	-	37,468
British Columbia Mineral Exploration Tax Credit ("BCMETS") recovery	(110,311)	(401,788)	(110,311)	(401,788)
	\$ 6,489,914	\$ 2,610,338	\$ 10,303,541	\$ 23,490,075

For the three months ended September 30, 2022, the increase in E&E expenditures of \$3,879,576 was primarily related to the 2022 drill program on the BAM Project which included drilling of 13,958 meters (2021 – 835.9 meters) in 95 holes (2021 – 6 holes), helicopter costs, operational costs associated with the camp and assaying costs.

For the nine months ended September 30, 2022, the decrease in E&E expenditures of \$13,186,534 was primarily related to the expensed acquisition costs associated with the Gabbs Project in 2021. Excluding acquisition costs, E&E expenditures increased by \$6,231,203 compared to the comparable period in 2021. This was primarily related to:

- The 2022 drill program on the BAM Project, as described above;
- The NSMT Survey and ZTEM Survey on the BAM Project;
- The 2022 drill program on the Gabbs Project which included drilling and assaying costs; and
- The costs associated with the 2022 MRE and PEA for the Gabbs Project.



E&E expenditures of the Company, by nature of expense, for the three and nine months ended September 30, 2022 and 2021 were as follows:

	For the three months ended		For the nine months ended	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Drilling	\$ 2,178,493	\$ 653,877	\$ 2,942,495	\$ 852,789
Helicopters	1,611,207	329,640	2,153,834	663,045
Camp costs and access road	764,161	255,302	1,199,325	433,383
Assays	433,943	169,316	786,761	226,885
Acquisition costs	316,848	500,435	636,130	20,053,867
Technical and assessment reports	160,788	28,615	638,217	84,635
Salaries and benefits	347,078	253,300	617,149	253,300
Equipment rentals	293,947	96,008	395,853	132,044
Geophysical and other surveys	93,105	164,574	362,778	302,334
Consulting	142,798	263,617	308,136	519,023
Government payments	167,398	149,996	213,937	159,083
Travel expenses	75,693	108,486	122,134	127,479
Other E&E expenditures	14,766	38,960	37,103	83,996
BCMETC recovery	(110,311)	(401,788)	(110,311)	(401,788)
	\$ 6,489,914	\$ 2,610,338	\$ 10,303,541	\$ 23,490,075

Administrative expenses

For the three and nine months ended September 30, 2022, total administrative costs were \$822,868 and \$2,501,413, respectively, an increase of \$152,797 and \$636,334, respectively, compared to the comparable period in 2021.

Share-based compensation

For the three and nine months ended September 30, 2022, share-based compensation expense was \$394,336 and \$1,116,369, respectively, an increase of \$108,482 and \$261,262, respectively compared to the comparable period in 2021. The movement in share-based compensation expense is the result of the timing and number of share options granted during the periods and the vesting conditions and fair value attributed to those options.

General and administrative

For the three months ended September 30, 2022, general and administrative costs were \$227,990, a decrease of \$35,130 compared to the comparable period in 2021. The decrease was primarily due to lower information technology support costs.

For the nine months ended September 30, 2022, general and administrative costs were \$718,777, an increase of \$161,783 compared to the comparable period in 2021. The increase was primarily due to corporate employee salaries which commenced in July 2021. Refer to the “*Related Party Transactions*” section of this MD&A.



Investor relations and travel

For the three and nine months ended September 30, 2022, investor relations and travel costs were \$51,867 and \$303,293, respectively, an increase of \$16,590 and \$209,258, respectively, compared to the comparable period in 2021. The increase is due to increased promotion and marketing of the Company and attendance at investor conferences.

Professional fees

For the three months ended September 30, 2022, professional fees were \$68,493, an increase of \$52,703 compared to the comparable period in 2021. The increase was mainly due to consultants who assisted the Company with its OTCQB Venture Exchange application.

For the nine months ended September 30, 2022, professional fees were \$147,166, a decrease of \$37,971 compared to the comparable period in 2021. The decrease was mainly due to lower consulting fees for former executives partially offset by higher audit fees for the interim reviews and services related to the base shelf prospectus.

Interest and finance expense

For the three and nine months ended September 30, 2022, interest and finance expense was \$261,204 and \$753,510, respectively, an increase of \$65,203 and \$452,757, respectively, compared to the comparable period in 2021. The increase is due to the accretion of acquisition liabilities related to the Gabbs Project.

Gain on modification of acquisition liabilities

For the nine months ended September 30, 2022, the Company reported a gain on modification of acquisition liabilities in the amount of \$729,012. Under the amended terms for the purchase of the Gabbs Project, the financial liability associated with the acquisition of the Gabbs Project was remeasured and recognized at a fair value of US\$8,148,511, using a discount rate of 10.0%. This resulted in a gain on modification of acquisition liabilities of US\$573,348 (C\$729,012).

Net loss and comprehensive loss

For the three months ended September 30, 2022, net loss was \$6,192,472, an increase of \$2,942,612 compared to the comparable period in 2021. The increase was primarily driven by higher E&E expenditures due to the 2022 drill program at the BAM Project partially offset by an increase in the FTS premium recovery.

For the nine months ended September 30, 2022, net loss was \$10,947,225, a decrease of \$14,417,672 compared to the comparable period in 2021. The decrease is primarily driven by lower E&E expenditures due to the acquisition costs associated with the Gabbs Project, the FTS premium recovery and a gain on modification of acquisition liabilities. This is partially offset by continued exploration work at the Gabbs and BAM projects, higher administrative expenses and higher interest and finance expense.



Net comprehensive loss is impacted by the same reasons noted above for net loss and the currency translation adjustment for translation of the Company's subsidiaries financial results into the presentation currency. The translation adjustment was impacted during the three and nine months ended September 30, 2022 due to the weakening of the CAD compared to the USD.

LIQUIDITY, CAPITAL RESOURCES AND GOING CONCERN

Cash flow

For the three and nine months ended September 30, 2022, cash flows used in operating activities were \$6,322,862 and \$10,887,535, respectively, an increase of \$2,836,735 and \$4,279,433, respectively compared to the comparable period in 2021. Operating cash outflows increased due to the 2022 exploration program at the Gabbs and BAM projects and higher corporate administrative expenses.

For the three and nine months ended September 30, 2022, cash flows generated by investing activities were \$81,427 and \$70,061, respectively, an increase of \$101,298 and \$284,645, respectively compared to the comparable period in 2021. The Company incurred cash inflows as it replaced its restricted cash (i.e. reclamation security deposits) with surety bonds in favour of the BC Ministry of Energy, Mines and Low Carbon Innovation which was partially offset by the purchase of exploration equipment including an XRF instrument and diesel generator set.

For the three and nine months ended September 30, 2022, cash flows generated by financing activities were \$3,694 and \$4,724,692, respectively, a decrease of \$959,122 and \$3,663,906, respectively, compared to the comparable period in 2021. Financing cash inflows decreased primarily due to proceeds from private placements in the amount of \$1,441,900 (2021 – \$5,949,030) partially offset by proceeds from FTS private placements in the amount of \$3,157,000 (2021 – \$2,760,302) and proceeds from the exercise of options and warrants in the amount of \$447,400 (2021 – \$6,250).

Liquidity, capital resources and going concern

As at September 30, 2022, the Company had cash and cash equivalents of \$1,713,093 (December 31, 2021 - \$7,796,236), current liabilities of \$13,114,926 (December 31, 2021 - \$6,847,268) and a working capital (current assets less current liabilities) deficit of \$10,644,017 (December 31, 2021 – positive working capital of \$1,151,749). The Company is committed to spend \$1,675,165 prior to December 31, 2023 on qualifying exploration expenditures in accordance with the terms of its FTS financings. Significant funds will be required to complete the acquisition of the Gabbs Project, refer to the “Commitments” section of this MD&A.

The Company continues to incur losses, has limited financial resources and has no current source of revenue or cash flow generated from operating activities as its mineral properties are in the early exploration stage. The exploration and development of the Company's properties depends on the ability of the Company to obtain financing. To address its financing requirements, the Company plans to seek financing through, but not limited to, debt financing, equity financing and strategic alliances. However, there is no assurance that such financing will be available. If adequate financing is not available or cannot be obtained on a timely basis, the Company may be required to delay, reduce the scope of or eliminate one or more of its exploration programs or relinquish some or all of its rights under its existing option and acquisition agreements. The above factors give rise to material uncertainties that may cast significant doubt on the Company's ability to continue as a going concern.



If the Company's exploration programs are successful, additional funds will be required to continue exploring and developing its properties until commercial production is achieved. The ability of the Company to arrange financing or the sale of a property or a project interest in the future will depend in part upon the prevailing market conditions as well as the business performance of the Company. If additional financing is raised through the issuance of shares, control of the Company may change and shareholders may experience dilution.

During the nine months ended September 30, 2022, the Company has successfully completed the following private placements:

- On June 2, 2022, the Company completed a private placement for 2,658,800 units at a price of \$0.50 per unit for gross proceeds of \$1,329,400.
- On June 30, 2022, the Company completed a private placement for 5,261,667 flow-through units at a price of \$0.60 per unit for gross proceeds of \$3,157,000.
- On June 30, 2022, the Company completed a private placement for 225,000 non-flow-through units at a price of \$0.50 per unit for gross proceeds of \$112,500.

Subsequent to September 30, 2022, the Company has announced the following private placement:

- On October 25, 2022, the Company announced a private placement of up to 4,000,000 units at a price of \$0.27 per unit for gross proceeds of approximately \$1,000,000. Each unit will consist of one common share in the capital of the Company and one-half of one common share purchase warrant. Each whole warrant entitles the holder to purchase one additional common share in the capital of the Company at an exercise price of \$0.50 per common share for a period of two years from the date of issue. If after four months from the date of issue, the closing price of the common shares of the Company on the Exchange is equal to or greater than \$1.00 for a period of 10 consecutive trading days at any time prior to the expiry date, the Company will have the right to accelerate the expiry date of the warrants.

Use of proceeds

On September 29, 2021, the Company completed a FTS private placement for gross proceeds of \$1,260,000. Under the terms of the FTS private placement, the funds must be used to pay for qualifying exploration expenditures, as defined under the Canadian Income Tax Act ("ITA"). As at September 30, 2022, all of the proceeds from this FTS private placement have been utilized on qualifying exploration expenditures.

On December 23, 2021, the Company completed two FTS private placements for gross proceeds of \$4,274,385. Under the terms of the FTS private placements, the funds must be used to pay for qualifying exploration expenditures, as defined under the Canadian ITA. As at September 30, 2022, all of the proceeds from this FTS share private placement have been utilized on qualifying exploration expenditures.

On June 30, 2022, the Company completed a FTS private placement for gross proceeds of \$3,157,000. Under the terms of the FTS private placement, the funds must be used to pay for qualifying exploration expenditures, as defined under the Canadian ITA. As at September 30, 2022, \$1,675,165 of the Company's cash balance is required for this purpose.



COMMITMENTS

The following table provides our contractual obligations as of September 30, 2022:

	1 year		2 -3 years		More than 3 years		Total
Acquisition liabilities -							
Gabbs Project	\$	12,199,230	\$	-	\$	-	\$ 12,199,230
Lease obligations		139,946		35,196		-	175,142
	\$	12,339,176	\$	35,196	\$	-	\$ 12,374,372

OFF-BALANCE SHEET ARRANGEMENTS

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

OUTSTANDING SHARE DATA

As at November 9, 2022, the Company had the following number of securities outstanding:

	Number of securities	Exercise price (\$)	Weighted average remaining life (years)
Common shares	80,433,349	-	-
Share options	6,639,166	\$0.30 - \$0.71	1.19
Warrants	35,223,399	\$0.60 - \$0.95	0.87
	122,295,914		

SUMMARY OF QUARTERLY RESULTS

The following table contains selected quarterly financial information derived from our unaudited quarterly condensed consolidated interim financial statements, which are reported under IFRS applicable to interim financial reporting.

	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
E&E expenditures	6,489,914	2,346,991	1,466,636	1,179,098	2,610,338	20,632,000	247,737	599,822
Net loss	(6,192,472)	(2,335,419)	(2,419,334)	(2,022,439)	(3,249,860)	(21,484,199)	(630,838)	(1,014,365)
Net comprehensive loss	(6,863,844)	(2,666,076)	(2,259,749)	(1,921,139)	(3,410,802)	(21,270,127)	(630,838)	(1,014,365)
Loss per share -								
basic and diluted	(0.08)	(0.03)	(0.03)	(0.03)	(0.05)	(0.49)	(0.02)	(0.04)
Cash and								
cash equivalents	1,713,093	7,942,937	5,629,253	7,796,236	3,204,372	5,748,316	1,198,821	1,634,964
Total assets	2,763,433	8,903,692	6,411,323	8,452,113	4,707,321	6,338,661	1,712,726	1,860,366
Total liabilities	13,149,543	13,319,094	12,715,033	12,899,281	11,615,981	11,142,654	469,889	118,007
Cash dividends	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

The increase in net loss and net comprehensive loss in the second quarter of 2021 is due to the acquisition of the Gabbs Project. The increase in net loss and net comprehensive loss in the third quarter of 2022 and 2021 is due to summer exploration programs on the BC properties.



ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure concerning the Company's E&E expenditures and administrative expenses is provided in the Company's statement of loss and comprehensive loss contained in its annual consolidated financial statements and condensed consolidated interim financial statements, which are all available under the Company's profile on the SEDAR website at www.sedar.com or on our website at www.p2gold.com.

EVENTS AFTER THE REPORTING DATE

Other than disclosed elsewhere in this MD&A, the Company does not have any material events after the reporting date to disclose.

RELATED PARTY TRANSACTIONS

Key management includes the Company's directors and officers including its President and Chief Executive Officer, CExO, Executive Vice President and Chief Financial Officer. It also includes the Company's former directors and officers.

Directors and key management compensation:

	For the three months ended		For the nine months ended	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Share-based compensation	\$ 306,905	\$ 203,673	\$ 856,083	\$ 726,602
Salaries and benefits	121,843	133,667	404,911	142,305
Management and consulting fees	10,280	-	10,280	76,995
	\$ 439,028	\$ 337,340	\$ 1,271,274	\$ 945,902

As at September 30, 2022, accounts payable and accrued liabilities include \$32,874 (December 31, 2021 – \$16,850) owed to three officers (December 31, 2021 – four officers) of the Company for reimbursement of transactions incurred in the normal course of business.

A total of 480,000 units were purchased in the FTS private placement completed on June 30, 2022 by two officers and directors of the Company. A total of 200,000 units were purchased in the non-FTS private placement completed on June 30, 2022 by one officer of the Company.

A total of 1,600,000 units were purchased in the private placement completed on June 2, 2022 by three officers of the Company.

NEW ACCOUNTING POLICIES

Our significant accounting policies are presented in note 3 to the audited consolidated financial statements for the years ended December 31, 2021 and 2020. There were no new accounting policies adopted during the nine months ended September 30, 2022.



NEW ACCOUNTING STANDARDS AND RECENT PRONOUNCEMENTS

There are no other IFRS standards or International Financial Reporting Interpretations Committee interpretations that are not yet effective or early adopted that are expected to have any impact on the Company.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires the use of accounting estimates. It also requires management to exercise judgment in the process of applying its accounting policies. Estimates and policy judgments are regularly evaluated and are based on management's experience and other factors, including expectations about future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

There are no significant accounting policy judgments aside from the ability to continue as a going concern (refer to the "*Liquidity, Capital Resources and Going Concern*" section of this MD&A) and there are no sources of material estimation uncertainty which could result in material changes within the next twelve months in the carrying amounts of assets and liabilities.

FINANCIAL INSTRUMENTS

Classification of financial assets

The Company has the following financial assets: cash and cash equivalents and receivables and other.

Cash and cash equivalents comprise cash holdings in business and savings accounts held at major financial institutions with an original maturity date of three months or less. Cash and cash equivalents are classified at amortized cost. Interest income is recognized by applying the effective interest rate method.

Classification of financial liabilities

The Company has the following financial liabilities: accounts payable and accrued liabilities, lease obligations and acquisition liabilities for the Gabbs Project.

Accounts payable and accrued liabilities and the acquisition liabilities related to the Gabbs Project are recognized initially at fair value, net of any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are held at amortized cost using the effective interest method.



Financial risk management

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's cash flows or value of its financial instruments.

(i) Currency risk

The Company is subject to currency risk on financial instruments that are denominated in currencies that are not the same as the functional currency of the entity that holds them. Exchange gains and losses would impact the statement of loss.

The Company is exposed to currency risk through cash and cash equivalents and accounts payable and accrued liabilities held in the parent entity which are denominated in USD.

(ii) Interest rate risk

The Company is subject to interest rate risk with respect to its investments in cash and cash equivalents. The Company's current policy is to invest cash at floating rates of interest with cash reserves to be maintained in cash and cash equivalents in order to maintain liquidity. Fluctuations in interest rates when cash and cash equivalents mature impact interest and finance income earned.

Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company limits its exposure to credit risk on financial assets through investing its cash and cash equivalents with high-credit quality financial institutions. Management believes there is a nominal expected credit loss associated with its financial assets.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk by monitoring actual and projected cash flows and matching the maturity profile of financial assets and liabilities. Cash flow forecasting is performed regularly to try to ensure that there is sufficient liquidity in order to meet short-term business requirements.

Refer to note 1b of the condensed consolidated interim financial statements and the "*Liquidity, Capital Resources and Going Concern*" section of this MD&A for further discussion regarding the Company's ability to continue as a going concern.

The Company has issued surety bonds to support future decommissioning and restoration provisions.



Fair value estimation

The Company's financial assets and liabilities are initially measured and recognized according to a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities and the lowest priority to unobservable inputs.

The three levels of fair value hierarchy are as follows:

- Level 1: Quoted prices in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data.

The carrying values of cash and cash equivalents, receivables and other and accounts payable and accrued liabilities approximate their fair values due to the short-term maturity of these financial instruments.

The acquisition liabilities for the Gabbs Project were initially recognized at fair value and subsequently measured at amortized cost.

RISKS AND UNCERTAINTIES

Mineral resource acquisition, exploration and development involves a number of risks and uncertainties, many of which are beyond our control. These risks and uncertainties include, without limitation, the risks discussed elsewhere in this MD&A and those identified in our AIF dated March 31, 2022 as filed in Canada on SEDAR at www.sedar.com. You should carefully consider such risks and uncertainties prior to deciding to invest in our securities.

Novel coronavirus ("COVID-19") pandemic

Management continues to actively monitor the potential effects of COVID-19. Any future impacts of COVID-19 remain uncertain, however, to date, the impact of COVID-19 on the Company has been minimal.

STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This MD&A contains "forward-looking information" (within the meaning of applicable Canadian securities law, and also referred to herein as "forward-looking statements") concerning the Company's plans at its mineral properties and other matters. These statements relate to analyses and other information that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management. Actual results could differ materially from the conclusions, forecasts and projections contained in such forward-looking information.

Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as “expects”, “is expected”, “anticipates”, “plans”, “projects”, “estimates”, “assumes”, “intends”, “strategy”, “goals”, “objectives”, “potential” or variations thereof or stating that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved, or the negative of any of these terms and similar expressions) are not statements of historical fact and may be forward-looking statements. Forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to materially differ from those reflected in the forward-looking statements, and are developed based on assumptions about such risks, uncertainties and other factors set out herein including, without limitation:

- uncertainties regarding title relating to ownership and validity of mining claims;
- governmental regulations, including environmental regulations;
- the effects of the ongoing COVID-19 pandemic;
- the effects of commodity price fluctuations as a result of the Russian-Ukraine conflict;
- the exploration, development and operation of a mine or mine property, including the potential for undisclosed liabilities on our mineral projects;
- the fact that we are a relatively new company with no mineral properties in development or production and no history of revenue generation;
- risks associated with the Company’s historical negative cash flow from operations;
- our ability to obtain adequate financing for our planned exploration and development activities and to complete further exploration programs;
- the Company’s need to attract and retain qualified personnel;
- uncertainties related to the competitiveness of the mining industry;
- risks associated with changes to the legal and regulatory environment that effect exploration and development of precious metals mining properties where the Company holds its mineral projects;
- uncertainties related to actual capital costs, operating costs and expenditures, production schedules and economic returns from the Company’s mineral projects;
- increased costs and restrictions on operations due to compliance with environmental laws and regulations;
- uncertainties related to the availability of future financing;
- uncertainties inherent in the estimation of Mineral Resources and metal recoveries;
- uncertainties relating to the interpretation of drill results and the geology, grade and continuity of our mineral deposits;
- risks associated with having adequate surface rights for operations;
- risks associated with security and human rights;
- environmental risks;
- risks associated with the Company being subject to government regulation in foreign jurisdictions;
- market events and general economic conditions;
- risks associated with potential legal proceedings;
- risks that the Company’s title to its property could be challenged;
- risks related to the integration of businesses and assets acquired by the Company;
- delay in obtaining or failure to obtain required permits, or non-compliance with permits that are obtained;



- uncertainty regarding unsettled First Nations rights and title in BC and the potential for similar adverse claims in the other jurisdictions in which the Company hold its mineral projects;
- risks associated with potential conflicts of interest;
- commodity price fluctuations, including gold, silver and copper price volatility;
- risks associated with operating hazards at the Company's mining projects;
- uncertainties related to current global economic conditions;
- uncertainties associated with development activities;
- risks related to obtaining appropriate permits and licenses to explore, develop, operate and produce at the Company's projects;
- potential difficulties with joint venture partners;
- risk associated with theft;
- risk of water shortages and availability and risks associated with competition for water;
- uninsured risks and inadequate insurance coverage;
- foreign currency risks;
- risks associated with community relations;
- outside contractor risks;
- risks related to archaeological sites; and
- risks related to the need for reclamation activities on the Company's properties.

This list is not exhaustive of the factors that may affect the Company's forward-looking information. These and other factors should be considered carefully, and readers should not place undue reliance on such forward-looking information.