TRILLIUM GOLD™

**TRILLIUM GOLD MINES INC.**

***MANAGEMENT DISCUSSION and ANALYSIS – QUARTERLY HIGHLIGHTS***
***FOR THE THREE AND NINE MONTHS ENDED***
***MARCH 31, 2023***

**DATE**: May 30, 2023

This interim Management Discussion and Analysis – Quarterly Highlights ("Interim MD&A") has been prepared as of the date mentioned above. This interim MD&A updates disclosure previously provided in our Annual MD&A, up to the date of this Interim MD&A, and should be read in conjunction with our unaudited interim condensed consolidated financial statements for the three and nine months ended March 31, 2023 and 2022 (our "Interim Condensed Consolidated Financial Statements"), our audited Consolidated Financial Statements for the years ended June 30, 2022 and 2021 (our "Audited Financial Statements") and our Annual MD&A for the year ended June 30, 2022 (our "Annual MD&A").

Our Unaudited Interim Condensed Consolidated Financial Statements have been prepared by management in accordance with International Financial Reporting Standards ("IFRS") and all amounts are expressed in Canadian dollars unless otherwise noted. Our accounting policies are described in note 3 of our Audited Financial Statements. Additional information relating to the Company is available on SEDAR at www.sedar.com.

*Caution on Forward-Looking Information*

*This Interim MD&A may include forward-looking statements and forward-looking information, such as estimates and statements that describe the Company's future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Since forward-looking statements and forward-looking information addresses future events and conditions, by their very nature, they involve inherent risks and uncertainties. Actual results in each case could differ materially from those currently anticipated in such statements.*

## DESCRIPTION OF THE BUSINESS

Trillium Gold Mines Inc. (the "Company" or "Trillium") was incorporated on November 3, 2005 under the Business Corporations Act (British Columbia) and trades on the TSX Venture Exchange ("TSX-V") under the symbol "TGM". The Company is a reporting issuer in the provinces of British Columbia and Alberta. The head office and principal address of the Company is located at Suite 2250 - 1055 West Hastings Street, Vancouver, British Columbia, V6E 2E9.

The Company is an exploration and development stage company engaged in the acquisition, exploration, and development of properties with high-grade gold deposits in the Red Lake Mining District of Ontario, Canada.

## PROPOSED TRANSACTION

On March 15, 2023, the Company entered into an arrangement agreement with Pacton Gold Inc. ("Pacton"), whereby the Company will acquire all of the outstanding common shares of Pacton (each a "Pacton Share") from each common shareholder of Pacton (each, a "Pacton Sharholder"), by way of a plan of arrangement, for 1.275 ("exchange ratio") common shares of Trillum to be issued to each Pacton Shareholder (the "Transaction").

As part of the Transaction, Trillium will issue share options to Pacton optionholders, in number and at exercise prices adjusted by the exchange ratio. All existing warrants of Pacton will become exercisable to acquire Trillium common shares, in number and at exercise prices adjusted by the exchange ratio.

Completion of the Transaction is subject to a number of conditions, including the receipt of the approval of the shareholders of each of the Company and Pacton, the approval of the Supreme Court of British Columbia, approval of the TSX-V, and the completion of customary closing deliverables.

Upon closing of the Transaction, the two companies will have merged to create the leading gold explorer and dominant strategic land holder, with over 15 projects covering 1,260 km2 in the Red Lake Mining District of Northern Ontario (the "Transaction").

Further information about the Proposed Transaction can be found in the Company's March 18, 2023 News Release.

## FINANCIAL POSITION AND LIQUIDITY

| | **2023 Q3** | **2023 Q2** | **2023 Q1** | **2022 Q4** |
|---|---|---|---|---|
| | **March 31, 2023** | **December 31, 2022** | **September 30, 2022** | **June 30, 2022** |
| | **$** | **$** | **$** | **$** |
| Loss and comprehensive loss | (1,223,813) | (1,498,536) | (1,632,727) | (3,532,411) |
| Loss per share-basic and diluted | (0.02) | (0.02) | (0.03) | (0.06) |
| | **2022 Q3** | **2022 Q2** | **2022 Q1** | **2021 Q4** |
| | **March 31, 2022** | **December 31, 2021** | **September 30, 2021** | **June 30, 2021** |
| | **$** | **$** | **$** | **$** |
| Loss and comprehensive loss | (3,913,969) | (3,152,961) | (2,442,580) | (2,691,529) |
| Loss per share-basic and diluted | (0.08) | (0.08) | (0.06) | (0.07) |

**Three months ended March 31, 2023 ("Current Quarter"), compared with three months ended March 31, 2022 ("Comparative Quarter")**

The Company recorded a net loss from operations of $1,223,813 in the Current Quarter, compared to a net loss from operations of $3,913,969 for the Comparative Quarter. Significant items making up the decrease in net loss of $3,120,338 for the Current Quarter as compared to the Comparative Quarter were as follows:

- Decrease in exploration and evaluation expenditures of $2,676,588 due to the Company decreasing its exploration activities during the Current Quarter;
- Decrease in marketing and investor relations of $206,508 due to the Company decreasing its activities on marketing, promotion, and investor relations during the Current Quarter;
- Increase in professional fees of $150,561 due to the increase in legal fees required for the proposed transaction with Pacton Gold Inc. in the Current Quarter;
- Decrease in share-based compensation of $160,422 due to fewer share options being subject to graded vesting during the Current Quarter; and
- Decrease in recognition of flow-through premium liability of $215,976 due to the Company decreasing exploration and evaluation expenditures to satisfy the flow-through premium liability during the Current Quarter.

**Nine months ended March 31, 2023 ("Current Period"), compared with nine months ended March 31, 2022 ("Comparative Period")**

The Company recorded a net loss from operations of $4,427,545 for the Current Period, compared to a net loss from operations of $9,509,510 for the Comparative Period. Significant items making up the decrease in net loss of $6,644,301 for the Current Period as compared to the Comparative Period were as follows:

- Decrease in consulting and management fees of $68,407 due to the Company using fewer consultants during the Current Period;
- Decrease in exploration and evaluation expenditures of $5,263,934 due to the Company decreasing its exploration activities during the Current Period;
- Decrease in marketing and investor relations of $492,974 due to the Company decreasing its activities on marketing, promotion, and investor relations during the Current Period;
- Increase in professional fees of $158,491 due to the increase in legal fees required for the proposed transaction with Pacton Gold Inc. in the Current Period;

- Decrease in share-based compensation of $232,267 due to fewer share options being subject to graded vesting during the Current Period; and
- Decrease in recognition of flow-through premium liability of $794,492 due to the Company decreasing exploration and evaluation expenditures to satisfy the flow-through premium liability during the Current Period.

## LIQUIDITY

### Operating Activities

Net cash used in operating activities for the Current Period was $3,306,028 compared to $9,034,705 for Comparative Period. The decrease was mainly due to the decrease in spending on exploration and evaluation expenditures and marketing and investor relations.

### Investing Activities

Net cash used in investing activities for the Current Period was $729,630 compared to $653,300 for the Comparative Period. The increase was mainly due to cash payments on acquisition of exploration and evaluation assets of $729,630 during the Current Period compared to $640,861 during the Comparative Period.

### Financing Activities

Net cash derived from financing activities for the Current Period was $3,653,611 compared $7,013,584 net cash used for the Comparative Period. The decrease was mainly due to the Company receiving gross proceeds from private placements of $4,081,510, offset by share issuance costs of $425,458, in the Current Period compared to receiving gross proceeds from private placements of $7,491,845, offset by share issuance costs of $584,081, in the Comparative Period.

### Cash Resources and Going Concerns

At March 31, 2023, the Company had a cash balance of $90,221 (June 30, 2022 - $472,268). The decrease in total cash was mainly due to the funding of operating expenses, including exploration and evaluation expenditures, partially offset by the completion of a private brokered placement of $4,081,510. The Company had a working capital deficit of $1,246,681 as at March 31, 2023 (June 30, 2022 – $222,485).

The Company has no history of profitable operations and its exploration and evaluation projects are at an early stage. Therefore, the Company is subject to many risks common to comparable junior venture resource companies, including under-capitalization, cash shortages and limitations with respect to personnel, financial and other resources as well as a lack of revenues. To continue to maintain the property in the future, the Company will have to raise additional equity, debt, or form strategic partnerships; however, there cannot be any certainty that additional financing can be raised or strategic partnerships can be found.

## OPERATIONS

The Company's primary focus is gold exploration in the Red Lake, Ontario mining district.

## EXPLORATION AND EVALUATION ASSETS

### Newman Todd Project

On December 29, 2020, the Company exercised its pre-emptive right to acquire from Heliostar Metals Ltd. ("Heliostar") its 16.5% interest in the Newman Todd properties (the "NT Project") which resulted in the Company holding a 100% interest in the NT Project.

Pursuant to a purchase agreement dated November 24, 2020, the Company paid $700,000 in cash and issued 650,000 common shares valued at $975,000 to Heliostar to acquire the remaining 16.5% interest in the property.

In addition, if at any point after closing there is 1,000,000 or more ounces of gold in measured and indicated reserves and resources on the NT Project, the Company has agreed to make an additional $1,000,000 cash payment to Heliostar.

The Project is subject to a 2% net smelter return ("NSR") and a 15% net carried interest. The latter interest does not receive payment until all capital expenditures have been recovered with interest.

The Company also owns an effective 50% interest in certain other claims adjacent to the Newman Todd Project, the Rivard Property.

The schedule below outlines the cumulative acquisition costs incurred on the NT Project up to March 31, 2023:

| | **June 30, 2021** | **Additions/ (Writedowns)** | **June 30, 2022** | **Additions/ (Writedowns)** | **March 31, 2023** |
|---|---|---|---|---|---|
| | **$** | **$** | **$** | **$** | **$** |
| Cash payments | 700,001 | - | 700,001 | - | 700,001 |
| Share issuance | 975,000 | - | 975,000 | - | 975,000 |
| | **1,675,001** | **-** | **1,675,001** | **-** | **1,675,001** |

The schedule below outlines the cumulative exploration costs incurred on the NT Project up to March 31, 2023:

| | **June 30, 2021** | **Expenditures during the year** | **June 30, 2022** | **Expenditures during the period** | **March 31, 2023** |
|---|---|---|---|---|---|
| | **$** | **$** | **$** | **$** | **$** |
| Assays and reports | 1,645,608 | 259,512 | 1,905,120 | 69,133 | 1,974,253 |
| Camp construction | 555,986 | 371,262 | 927,248 | 19,900 | 947,148 |
| Drilling | 7,112,066 | 2,344,110 | 9,456,176 | 7,964 | 9,464,140 |
| Environmental | 291,336 | - | 291,336 | - | 291,336 |
| Equipment installation | 182,206 | - | 182,206 | - | 182,206 |
| Equipment and supplies | 314,501 | 308,125 | 622,626 | 39,810 | 662,436 |
| Field expenses | 1,227,537 | - | 1,227,537 | - | 1,227,537 |
| General administration | 221,264 | 33,412 | 254,676 | 6,733 | 261,409 |
| Metallurgy studies | 133,482 | - | 133,482 | - | 133,482 |
| Geological consulting | 3,282,497 | 349,255 | 3,631,752 | 20,194 | 3,651,946 |
| Permitting | 5,090 | 783 | 5,873 | - | 5,873 |
| Reclamation | 10,000 | - | 10,000 | - | 10,000 |
| Resource estimation | 33,100 | - | 33,100 | - | 33,100 |
| Surveys and geophysics | 15,791 | 6,387 | 22,178 | - | 22,178 |
| Travel and accommodation | 480,250 | - | 480,250 | - | 480,250 |
| | **15,510,714** | **3,672,846** | **19,183,560** | **163,734** | **19,347,294** |

**Red Lake Gold Mining District, Ontario**

On June 28, 2019, the Company completed the acquisition of 1106877 B.C. Ltd. (the "Privco") which held certain exploration properties in the Red Lake Gold Mining District, Ontario. The Company acquired 100% of the issued and outstanding common shares of the Privco by issuing 2,250,000 common shares to the shareholders of the Privco. The Company controls two contiguous properties located in the Red Mining Lake District of Ontario.

The first property is held under an option agreement whereby the Company can acquire a 100% interest in the property, subject to a 1.5% NSR, by making cash payments totaling $100,000. The Company can purchase 1/2 of the NSR for $400,000. The second property is not subject to any cash payments or royalties. These two properties are collectively called the "Leo Property".

On November 7, 2022, the Company signed an Amendment to Option Agreement relating to the first property which amended the due date for the final cash payment.

Under the amended option agreement for the first property, the Company is required to complete the following obligations:

| Cash | Due Date |
|---|---|
| $13,000 (Paid) | Within 7 days after the effective date (November 21, 2018) |
| $12,000 (Paid) | On or before October 31, 2019 |
| $15,000 (Paid) | On or before October 31, 2020 |
| $25,000 (Paid) | On or before October 31, 2021 |
| $35,000 | Earlier of: 1) October 31, 2022 or 2) until work on the properties can commence |

The schedule below outlines the cumulative acquisition costs incurred on the Leo Property up to March 31, 2023:

| | June 30, 2021 | Additions/ (Writedowns) | June 30, 2022 | Additions/ (Writedowns) | March 31, 2023 |
|---|---|---|---|---|---|
| | $ | $ | $ | $ | $ |
| Acquisition costs | 1,142,698 | 25,000 | 1,167,698 | - | 1,167,698 |
| | **1,142,698** | **25,000** | **1,167,698** | **-** | **1,167,698** |

The schedule below outlines the cumulative exploration costs incurred on the Leo Property up to March 31, 2023:

| | June 30, 2021 | Expenditures during the year | June 30, 2022 | Expenditures during the period | March 31, 2023 |
|---|---|---|---|---|---|
| | $ | $ | $ | $ | $ |
| Drilling | - | 814 | 814 | - | 814 |
| General administration | 29,000 | 2,320 | 31,320 | - | 31,320 |
| Geological consulting | 47,661 | 4,000 | 51,661 | 50,105 | 101,766 |
| Permitting | 4,313 | - | 4,313 | - | 4,313 |
| Surveys and geophysics | 153,329 | - | 153,329 | - | 153,329 |
| | **234,303** | **7,134** | **241,437** | **50,105** | **291,542** |

**South-West Red Lake Properties and Shining Tree Property**

On May 5, 2020, the Company completed the acquisition of Canadian Shield Developments Corp. (“Canadian Shield”) which holds the South-West Red Lake Properties and the Shining Tree Property (collectively, the “CS Properties”). The Company acquired 100% of the issued and outstanding common shares of Canadian Shield by agreeing to issue an aggregate of 6,500,000 common shares to the shareholders of Canadian Shield in two tranches as follows:

- On May 5, 2020, the Company issued the aggregate sum of 3,250,000 common shares to the former shareholders of Canadian Shield (the “First Tranche”); and
- Nine months following closing and upon meeting certain conditions, the Company will issue the aggregate sum of 3,250,000 common shares to the former shareholders of Canadian Shield (the “Second Tranche”) (issued on March 12, 2021 for a fair value of $1,608,750).

Within the nine-month period following the closing date, May 5, 2020, the Company must:

- Complete exploration expenditures on the South-West Red Lake Properties and the Shining Tree Property of not less than $200,000.
- Obtain a technical report prepared in accordance with National Instrument 43-101 Standards of Disclosure for Mineral Projects for one of the CS Properties (the “Technical Report”).

In March 2021, the Company entered into an amended agreement to have the above conditions precedent to the Second Tranche be waived.

The schedule below outlines the cumulative acquisition costs incurred on the South-West Red Lake Properties and the Shining Tree Property up to March 31, 2023:

| | June 30, 2021 | Additions/ (Writedowns) | June 30, 2022 | Additions/ (Writedowns) | March 31, 2023 |
|---|---|---|---|---|---|
| | **$** | **$** | **$** | **$** | **$** |
| Acquisition costs | 3,280,303 | - | 3,280,303 | - | 3,280,303 |
| | **3,280,303** | **-** | **3,280,303** | **-** | **3,280,303** |

The schedule below outlines the cumulative exploration costs incurred on the South-West Red Lake Properties and the Shining Tree Property up to March 31, 2023:

| | June 30, 2021 | Expenditures during the year | June 30, 2022 | Expenditures during the period | March 31, 2023 |
|---|---|---|---|---|---|
| | **$** | **$** | **$** | **$** | **$** |
| Camp construction | - | 10 | 10 | - | 10 |
| Drilling | - | 5,641 | 5,641 | - | 5,641 |
| Equipment and supplies | - | 220 | 220 | 690 | 910 |
| General administration | 1,400 | 2,520 | 3,920 | 1,680 | 5,600 |
| Geological consulting | 9,530 | 5,600 | 15,130 | 945 | 16,075 |
| Surveys and geophysics | 131,664 | - | 131,664 | - | 131,664 |
| | **142,594** | **13,991** | **156,585** | **3,315** | **159,900** |

**Caribou Creek, Moose Creek and Copperlode Properties**

On October 20, 2020, the Company entered into an asset purchase agreement to acquire certain claims (the “CMC Purchased Assets”). On December 4, 2020, the Company completed the acquisition.

In consideration for the CMC Purchased Assets, the Company paid an aggregate cash amount of $180,000; issued an aggregate of 200,000 common shares valued at $304,000 in the Company; and issued an aggregate of 200,000 common share purchase warrants entitling the holder thereof to purchase one common share per warrant at a price of $5.00 per common share within two years from the closing date of the transaction.

The schedule below outlines the cumulative acquisition costs incurred on the Caribou Creek, Moose Creek and Copperlode Properties up to March 31, 2023:

| | June 30, 2021 | Additions/ (Writedowns) | June 30, 2022 | Additions/ (Writedowns) | March 31, 2023 |
|---|---|---|---|---|---|
| | **$** | **$** | **$** | **$** | **$** |
| Cash payments | 180,000 | - | 180,000 | - | 180,000 |
| Share issuance | 304,000 | - | 304,000 | - | 304,000 |
| Warrant issuance | 149,660 | - | 149,660 | - | 149,660 |
| | **633,660** | **-** | **633,660** | **-** | **633,660** |

The schedule below outlines the cumulative exploration costs incurred on the Caribou Creek, Moose Creek and Copperlode Properties up to March 31, 2023:

| | June 30, 2021 | Expenditures during the year | June 30, 2022 | Expenditures during the period | March 31, 2023 |
|---|---|---|---|---|---|
| | **$** | **$** | **$** | **$** | **$** |
| Camp construction | - | 891 | 891 | - | 891 |
| General administration | 1,013 | 5,492 | 6,505 | - | 6,505 |
| Geological consulting | 7,350 | 6,600 | 13,950 | - | 13,950 |
| Surveys and geophysics | - | 37,755 | 37,755 | - | 37,755 |
| | **8,363** | **50,738** | **59,101** | **-** | **59,101** |

**Confederation Lake and Birch-Uchi Greenstone Belts**

On December 22, 2020, the Company signed an amended and restated purchased option agreement (the "Option Agreement") to acquire an undivided 100% interest in properties in the Confederation Lake and Birch-Uchi greenstone belts in the Red Lake District as well as properties in Larder Lake, Ontario and in the Matagami and Chibougamou areas of Quebec, subject to a 1.5% NSR over each property. Each such NSR will be subject to a buy-back option, at the election of the Company, for 50% of such royalty (being 0.75%) for cash consideration of $500,000.

On March 17, 2022, the Company decided to focus its exploration efforts in the Red Lake area exclusively and dropped its claims in the SW Fenlon, Jamesie, and Opawica River properties (the "Quebec properties"). All the Quebec properties have the requisite one year in good standing. As a result, the Company wrote off the claims in the Quebec properties and recognized a write-down of exploration and evaluation assets of $255,500 during the year ended June 30, 2022.

As at March 31, 2023, the Company has the following future requirements to fulfill its obligation under the Option Agreement.

| Asset | Cash | Shares |
|---|---|---|
| Larder Lake (Ontario) | $12,000 – Paid on December 23, 2020<br>$15,000 – Paid on December 23, 2021<br>$20,000 – Paid on December 19, 2022<br>$40,000 – Third Anniversary | 35,000 Common Shares – Issued on February 9, 2021 for a value of $55,300<br>25,000 Common Shares – Issued on January 5, 2022 for a value of $18,000 |
| Karas Lake (Ontario) | $8,000 – Paid on December 23, 2020<br>$10,000 – Paid on December 29, 2021<br>$15,000 – Paid on December 30, 2022<br>$25,000 – Third Anniversary | 25,000 Common Shares – Issued on February 9, 2021 for a value of $39,500<br>25,000 Common Shares – Issued on January 5, 2022 for a value of $18,000 |
| Birch/Uchi – Swain Lake (Ontario) | $9,000 – Paid on December 23, 2020<br>$2,200 – Paid on January 14, 2021<br>$15,000 – Paid on December 23, 2021<br>$20,000 – Paid on December 19, 2022<br>$30,000 – Third Anniversary | 25,000 Common Shares – Issued on February 9, 2021 for a value of $39,500<br>25,000 Common Shares – Issued on January 5, 2022 for a value of $18,000 |
| Birch/Uchi – Satterly (Ontario) | $15,000 – Paid on December 23, 2020<br>$20,000 – Paid on December 23, 2021<br>$25,000 – Paid on December 19, 2022<br>$40,000 – Third Anniversary | 25,000 Common Shares – Issued on February 9, 2021 for a value of $39,500<br>25,000 Common Shares – Issued on January 5, 2022 for a value of $18,000 |
| Gerry Lake (Ontario) | $5,000 – Paid on December 23, 2020<br>$10,000 – Paid on December 23, 2021<br>$14,000 – Paid on December 19, 2022<br>$24,000 – Third Anniversary | 25,000 Common Shares – Issued on February 9, 2021 for a value of $39,500<br>25,000 Common Shares – Issued on January 5, 2022 for a value of $18,000 |

On April 20, 2022, the Company closed the purchase option agreements in respect of the Uchi Gold Project (the "Uchi Gold Agreement) and the Satterly Gold Project (the "Satterly Gold Agreement") to acquire a 100% undivided interest in the respective areas within the Confederation greenstone belt, subject to a 2% NSR royalty over each property under the Uchi Gold Agreement and a 1.5% NSR royalty over each property under the Satterly Gold Agreement. Each such NSR under the Uchi Gold Agreement will be subject to a buy-back option, at the election of the Company, for 50% of such royalty (being 1%) for cash consideration of $1,000,000. Each such NSR under the Satterly Gold Agreement will be subject to a buy-back option, at the election of the Company, for 1/3 of such royalty (being 0.5%) for cash consideration of $500,000.

Under the Uchi Gold Agreement and Satterly Gold Agreement, the Company is required to complete the following obligations:

| Cash | Common Shares | Due Date |
|---|---|---|
| $27,500 (Paid) | 200,000<br>- Issued on April 25, 2022 for a value of $80,000 | On the closing date |
| $37,000 (Paid) | Nil | On or before April 20, 2023 |
| $46,000 | Nil | On or before April 20, 2024 |
| $68,000 | 200,000 | On or before April 20, 2025 |

On June 15, 2022, the Company closed the Wenasaga Property Option Agreement (the "Wenasaga Agreement") to acquire a 100% undivided interest in the Wenasaga Gold Property held by Bounty Gold Corp., subject to a 2% NSR royalty on the claims comprising the Wenasaga Gold Property. The Company has the right to repurchase 50% of the royalty (being 1%) for cash or common share consideration of $1,000,000.

Under the Wenasaga Agreement, the Company is required to complete the following obligations:

| Cash | Common Shares | Due Date |
|---|---|---|
| $8,500 (Paid) | 21,500<br>- Issued on July 11, 2022 for a value of $5,160 | Upon the later of TSXV approval and an extension on the claims due date granted by the Ontario Mining Recorder |
| $8,500 | 21,500 | On or before June 15, 2023 |
| $8,500 | 21,500 | On or before June 15, 2024 |

On June 6, 2022, the Company closed an amended Definitive Agreement to acquire the majority of Imagine Lithium Inc.'s ("Imagine Lithium") Eastern Vision property holdings in the Confederation Lake assemblage within the Birch-Uchi greenstone belt in the Red Lake Mining District of Ontario. These property holdings include properties that the Company has acquired directly and others for which the Company has assumed option agreements as optionee.

Upon closing of the Definitive Agreement, the Company issued 2,800,000 common shares of the Company with a fair value of $784,000 and a cash payment of $175,000 to Imagine Lithium. In addition, the Company assumed Imagine Lithium's cash payment commitments under Imagine Lithium's existing option agreements, while Imagine Lithium retains its original share issuance obligations.

Concurrent with the closing of the Definitive Agreement, the Company issued 100,000 common shares of the Company with a fair value of $28,000 and a cash payment of $20,000 to Pegasus Resources Inc. ("Pegasus") to earn into certain option agreements that the Company is assuming as optionee from Imagine Lithium under the Definitive Agreement. The cash consideration represents the remaining option payments under said option agreements, while the equity consideration purchases Pegasus' carried interest in the relevant properties such that the Company will be transferred 100% of those properties upon closing of the Definitive Agreement.

Pursuant to the remaining option agreements that Trillium Gold is assuming as optionee under the Definitive Agreement, the Company must pay a total of $186,000 in option payments over approximately two years in order to earn in to and exercise the options.

Under the Definitive Agreement, the Company is required to complete the following obligations:

| Cash | Due Date |
|---|---|
| $61,000 (Paid) | On the closing date |
| $80,000 | On or before December 10, 2022 |
| $15,000 | On or before December 30, 2022 |
| $30,000 | On or before December 30, 2023 |

The Company also entered into a Royalty Purchase Agreement under which it will, concurrently with the closing of the Definitive Agreement, purchase a 2% NSR royalty on the Fredart property from a prospector in consideration for the issuance of 60,000 common shares of the Company with a fair value of $16,800 and cash payment of $50,000.

On July 13, 2022, the Company closed the purchase and sale agreement (the "Purchase Agreement") to acquire all of the rights and title to the Panama Lake Property (the "Property") held by St. Anthony Gold Corp. ("St. Anthony Gold"). Pursuant to the assignment and assumption agreement entered into following the closing of the Purchase Agreement (the "Assignment Agreement" together with the original option agreement, the "Option Agreement"), among the Company and St. Anthony Gold, St. Anthony Gold has assigned all of its right and obligations under the original option agreement to the Company. In addition, pursuant to the Assignment Agreement, Benton Resources Inc. ("Benton Resources") has agreed to register 100% of the Property's title to the Company while retaining its 50% ownership interest in the Property until such time as the Company fulfills its option to earn the 100% interest.

Pursuant to the closing of the Purchase Agreement, the Company paid St. Anthony Gold $500,000 in cash and issued 1,000,000 common shares of the Company (issued on July 14, 2022 for a value of $240,000). In the event that the Company acquires 100% interest in the Property, St. Anthony Gold may cause the Company to exercise its Buy-Back Right under the Option Agreement to repurchase from Benton Resources one-half of the 2% NSR on the Property and convey such repurchased 1% NSR to St. Anthony Gold in exchange for a cash payment by St. Anthony Gold to the Company of $1,000,000.

Pursuant to the terms of the Option Agreement, in order for the Company to earn a 70% interest in the Property, it will pay to Benton Resources $100,000 in cash by October 24, 2022 (settled through the issuance of 473,934 shares on October 28, 2022), and complete $250,000 in exploration expenditures on the Project by April 24, 2023. The Company has the option to earn a 100% ownership of the Property by paying Benton Resources a further $300,000 in cash and complete $300,000 in exploration expenditures on the Project in each case by October 24, 2023. Benton Resources has the right to retain a 2% NSR on the Project, subject to the option of the Company to buy back one-half of such NSR (being 1%) for $1,000,000. In the event that the Company will pay Benton Resources a cash payment, that is determined based on the number of ounces of gold in the NI 43- 101 report multiplied by $0.50.

On January 23, 2023, the Company signed a Purchase Option Agreement to acquire additional Uchi Claims, immediately adjacent to, and encompassed by, the Company’s Confederation Lake and Birch-Uchi Green Belts Properties. Upon completion of the transaction, the Company will acquire a 100% interest in the property, subject to a 1.5% NSR. The Company has the right to repurchase 0.5% of the NSR for consideration of $500,000. Pursuant to the terms of the agreement, the Company is required to issue 200,000 common shares (issued subsequently) upon closing of the agreement and make cash payments totaling $80,800 as follows:

| Cash | Due Date |
|---|---|
| $16,800 (Paid subsequently) | On closing date |
| $16,000 | First anniversary of closing date |
| $20,000 | Second anniversary of closing date |
| $28,000 | Third anniversary of closing date |

The schedule below outlines the cumulative acquisition costs incurred on the Confederation Lake and Birch-Uchi Greenstone Belts Properties up to March 31, 2023:

| | **June 30, 2021** | **Additions/ (Writedowns)** | **June 30, 2022** | **Additions/ (Writedowns)** | **March 31, 2023** |
|---|---|---|---|---|---|
| | **$** | **$** | **$** | **$** | **$** |
| Cash payments | 87,200 | 450,500 | 537,700 | 776,130 | 1,313,830 |
| Share issuance | 331,800 | 1,052,800 | 1,384,600 | 245,160 | 1,629,760 |
| Write-down | - | (255,500) | (255,500) | - | (255,500) |
| | **419,000** | **1,247,800** | **1,666,800** | **1,021,290** | **2,688,090** |

The schedule below outlines the cumulative exploration costs incurred on the Confederation Lake and Birch-Uchi Greenstone Belts Properties up to March 31, 2023:

| | June 30, 2021 | Expenditures during the year | June 30, 2022 | Expenditures during the period | March 31, 2023 |
|---|---|---|---|---|---|
| | **$** | **$** | **$** | **$** | **$** |
| Assays and reports | - | - | - | 67,489 | 6,7489 |
| Camp construction | - | - | - | 171 | 171 |
| Drilling | - | 104 | 104 | 2,700 | 2,804 |
| Equipment and supplies | - | 334 | 334 | 5,619 | 5,953 |
| Field expenses | - | - | - | 220,558 | 220,558 |
| General administration | - | 3,430 | 3,430 | - | 3,430 |
| Geological consulting | 12,713 | 92,945 | 105,658 | 2,625 | 108,283 |
| Permitting | - | - | - | 255,775 | 255,775 |
| Surveys and geophysics | - | 47,409 | 47,409 | 42,352 | 89,761 |
| | **12,713** | **144,222** | **156,935** | **597,289** | **754,224** |

**Pistol Bay (Confederation Belt)**

On November 22, 2020, the Company signed an asset purchase agreement to acquire a 100% interest in the Confederation Lake Properties (“Confederation Belt” or “Purchased Assets”) from Pistol Bay Mining Inc. (“Pistol Bay”).

The purchase price of the Purchased Assets, other than the certain properties which are excluded (the “Exclusion Order Properties”), as defined below, shall be a cash amount of $500,000. A working deposit of $100,000 in cash was paid on November 23, 2020. On February 10, 2021, the remaining balance of $400,000 was paid.

The Exclusion Order Properties include those Purchased Assets for which Pistol Bay has applied for an extension order or an exclusion order (“Exclusion Order”) from the Ministry of Energy, Northern Development and Mines, extending the expiry date to complete and file assessment work, and/or to extend the expiry date of an unpatented claim, for a 12-month period beyond the current expiry date for such unpatented claim.

In January 2021 and April 2021, the Company signed an Acknowledgement, Assignment and Assumption Agreement, and an Amending Agreement respectively. The Company would assume all of Pistol Bay’s cash payment commitments under its existing option agreements while Pistol Bay would retain its share issuance obligations.

On January 10, 2022, the Company issued an aggregate of 816,993 common shares of the Company at a value of $555,556 in connection with the acquisition of all the Exclusion Order Properties from Pegasus Resources Inc. (formerly Pistol Bay).

Under the Amending Agreement, the Company was required to complete the following obligations:

| Cash | Due Date |
|---|---|
| $10,000 (Paid) | Due on September 25, 2021 |
| $30,000 (Paid) | Due on January 30, 2022 |
| $20,000 (Paid) | Due on September 25, 2022 |

The schedule below outlines the cumulative acquisition costs incurred on the Pistol Bay Property up to March 31, 2023:

| | June 30, 2021 | Additions/ (Writedowns) | June 30, 2022 | Additions/ (Writedowns) | March 31, 2023 |
|---|---|---|---|---|---|
| | **$** | **$** | **$** | **$** | **$** |
| Cash payments | 500,000 | 40,000 | 540,000 | 20,000 | 560,000 |
| Share issuance | - | 555,556 | 555,556 | - | 555,556 |
| | **500,000** | **595,556** | **1,095,556** | **20,000** | **1,115,556** |

The schedule below outlines the cumulative exploration costs incurred on the Pistol Bay Property up to March 31, 2023:

| | June 30, 2021 | Expenditures during the year | June 30, 2022 | Expenditures during the period | March 31, 2023 |
|---|---|---|---|---|---|
| | **$** | **$** | **$** | **$** | **$** |
| Assays and reports | 61 | 152,114 | 152,175 | 167,591 | 319,766 |
| Camp construction | - | 3,606 | 3,606 | 5,050 | 8,656 |
| Drilling | 0 | 2,226 | 2,226 | 232,943 | 235,169 |
| Equipment and supplies | 4,728 | 27,628 | 32,356 | 38,665 | 71,021 |
| Field expenses | - | - | - | 523,428 | 523,428 |
| General administration | 317 | 29,103 | 29,420 | - | 29,420 |
| Geological consulting | 91,127 | 221,201 | 312,328 | 57 | 312,385 |
| Surveys and geophysics | 62,943 | 405,640 | 468,583 | 117,032 | 585,615 |
| | **159,176** | **841,518** | **1,000,694** | **1,084,766** | **2,085,460** |

**Rivard Property**

On July 31, 2020, the Company signed an asset purchase agreement to acquire the Rivard Property, contiguous to its NT Project, in the Red Lake Mining District, Ontario. The Rivard Property consists of one lease of six contiguous minerals claims. Upon completion of the transaction, Trillium will acquire a 100% interest in the property, subject to a 1.5% NSR, by completing cash payments totaling $400,000 and issuing 400,000 common shares of the Company over 3.5 years. The Company has the right to repurchase ½ of the NSR (0.75%) for consideration of $1,200,000, payable in cash or shares. In addition, the Company has a right of first refusal should the holders of the NSR sell the NSR in the future.

On May 25, 2021, the Company signed an amendment that on the closing date, and every six months thereafter until the aggregate cash amount of $400,000 has been paid and the aggregate of 400,000 common shares have been issued, the Company shall:

- Pay $199,000 and issue 100,000 common shares on the closing date to the vendors in full and final satisfaction of the total Purchase Price payable to them; and
- Pay an aggregate of $33,500 payment to the vendors in such proportions as indicated on the amendment; and
- Issue and deliver share certificates representing an aggregate of 50,000 common shares to the vendors in such proportions as indicated on the amendment.

This property will be explored as an integral part of the NT Project.

Under the asset purchase agreement, the Company was required to complete the following obligations:

| Cash | Common Shares | Due Date |
|---|---|---|
| $199,000 (Paid) | 100,000<br>- Issued on July 7, 2021 for a value of $95,000 | On the closing date |
| $33,500 (Paid) | 50,000<br>- Issued on November 26, 2021 for a value of $44,500 | November 26, 2021 |
| $33,500 (Paid) | 50,000<br>- (Issued on May 26, 2022 for a value of $15,500 | May 26, 2022 |
| $33,500 (Paid) | 50,000<br>- (Issued on November 25, 2022 for a value of $12,500 | November 26, 2022 |
| $33,500 (Paid subsequently) | 50,000 (Issued subsequently) | May 26, 2023 |
| $33,500 | 50,000 | November 26, 2023 |
| $33,500 | 50,000 | May 26, 2024 |

The schedule below outlines the cumulative acquisition costs incurred on the Rivard Property up to March 31, 2023:

| | **June 30, 2021** | **Additions/ (Writedowns)** | **June 30, 2022** | **Additions/ (Writedowns)** | **March 31, 2023** |
|---|---|---|---|---|---|
| | **$** | **$** | **$** | **$** | **$** |
| Cash payments | 199,000 | 67,000 | 266,000 | 33,500 | 299,500 |
| Share issuance | - | 155,000 | 155,000 | 12,500 | 167,500 |
| | **199,000** | **222,000** | **421,000** | **46,000** | **467,000** |

The schedule below outlines the cumulative exploration costs incurred on the Rivard Property up to March 31, 2023:

| | **June 30, 2021** | **Expenditures during the year** | **June 30, 2022** | **Expenditures during the period** | **March 31, 2023** |
|---|---|---|---|---|---|
| | **$** | **$** | **$** | **$** | **$** |
| Assays and reports | 93,282 | 188,052 | 281,334 | 30,484 | 311,818 |
| Camp construction | 128,471 | 234,417 | 362,888 | 10,638 | 373,526 |
| Drilling | 695,485 | 878,057 | 1,573,542 | 7,513 | 1,581,055 |
| Equipment and supplies | 102,296 | 263,460 | 365,756 | 22,746 | 388,502 |
| Field expenses | 113 | - | 113 | - | 113 |
| General administration | 16,632 | 18,614 | 35,246 | 1,699 | 36,945 |
| Geological consulting | 96,274 | 222,196 | 318,470 | 7,945 | 326,415 |
| Permitting | 3,125 | - | 3,125 | - | 3,125 |
| Surveys and geophysics | 723 | 2,737 | 3,460 | - | 3,460 |
| | **1,136,401** | **1,807,533** | **2,943,934** | **81,025** | **3,024,959** |

**Gold Centre Property**

On August 31, 2020, Trillium Gold Ontario Inc. ("Trillium Ontario"), a wholly owned subsidiary of the Company, signed a carried interest joint venture agreement ("Joint Venture Agreement") with Rupert Resources Ltd. ("Rupert"). Pursuant to the Joint Venture Agreement, Trillium Ontario will obtain an 80% participating interest in the Gold Centre property and Rupert will have a 20% carried participating interest. The Gold Centre property consists of one lease containing seventeen mineral claims in the Red Lake Mining District, Ontario and Rupert has granted a 1.5% NSR on the property to a third party. In order to maintain its 80% participating interest in the property, the Company is required to:

- Upon receiving drill permits, spend $2,000,000 each year for five years on the property and spend $500,000 per year thereafter; and
- Issue four tranches of 500,000 common shares of the Company to Rupert, for a total of 2,000,000 common shares over the course of three years following the closing date (issued 500,000 on February 23, 2021 for a value of $740,000; issued 500,000 on February 23, 2022 for a value of $245,000).

The drill permits were received February 3, 2021.

The schedule below outlines the cumulative acquisition costs incurred on the Gold Centre Property up to March 31, 2023:

| | June 30, 2021 | Additions/ (Writedowns) | June 30, 2022 | Additions/ (Writedowns) | March 31, 2023 |
|---|---|---|---|---|---|
| | $ | $ | $ | $ | $ |
| Share issuance | 740,000 | 245,000 | 985,000 | - | 985,000 |
| | **740,000** | **245,000** | **985,000** | **-** | **985,000** |

The schedule below outlines the cumulative exploration costs incurred on the Gold Centre Property up to March 31, 2023:

| | June 30, 2021 | Expenditures during the year | June 30, 2022 | Expenditures during the period | March 31, 2023 |
|---|---|---|---|---|---|
| | $ | $ | $ | $ | $ |
| Assays and reports | - | 123,643 | 123,643 | 23,855 | 147,498 |
| Camp construction | 5,492 | 3,369 | 8,861 | - | 8,861 |
| Drilling | 208,883 | 3,377,325 | 3,586,208 | 2,100 | 3,588,308 |
| Equipment and supplies | 21,825 | 29,351 | 51,176 | 4,798 | 55,974 |
| General administration | 37,997 | 21,149 | 59,146 | 1,310 | 60,456 |
| Geological consulting | 82,654 | 253,377 | 336,031 | 7,238 | 343,269 |
| Permitting | 4,813 | - | 4,813 | - | 4,813 |
| | **361,664** | **3,808,214** | **4,169,878** | **39,301** | **4,209,179** |

**Willis Property**

On August 30, 2021, the Company entered into an agreement to acquire thirteen contiguous patented mineral claims, collectively known as the "Willis Property", situated southwest of and contiguous to the Company's NT Project. Upon completion of the transaction, the Company acquired 100% interest in the Willis Property, subject to a 2% NSR, by completing a cash payment of $425,359, and issuing 400,000 common shares to the vendor with a fair value of $248,000. The Company has the right to repurchase one-half of the NSR (1%) for consideration of $1,200,000, payable in cash or shares. In addition, the Company has a right of first refusal should the holders of the NSR choose to sell the NSR in the future. The transaction was completed on October 7, 2021.

The schedule below outlines the cumulative acquisition costs incurred on the Willis Property up to March 31, 2023:

| | June 30, 2021 | Additions/ (Writedowns) | June 30, 2022 | Additions/ (Writedowns) | March 31, 2023 |
|---|---|---|---|---|---|
| | $ | $ | $ | $ | $ |
| Cash payments | - | 425,359 | 425,359 | - | 425,359 |
| Share issuance | - | 248,000 | 248,000 | - | 248,000 |
| | **-** | **673,359** | **673,359** | **-** | **673,359** |

The schedule below outlines the cumulative exploration costs incurred on the Willis Property up to March 31, 2023:

| | June 30, 2021 | Expenditures during the year | June 30, 2022 | Expenditures during the period | March 31, 2023 |
|---|---|---|---|---|---|
| | $ | $ | $ | $ | $ |
| Equipment and supplies | - | - | - | (79) | (79) |
| General administration | - | 1,126 | 1,126 | 89 | 1,215 |
| Geological consulting | - | - | - | 630 | 630 |
| | **-** | **1,126** | **1,126** | **640** | **1,766** |

**EXPLORATION SUMMARY Q3 2023**

For further information on the Company's active projects please see the Company's news releases all of which are available on www.sedar.com, and on the Company's website at www.trilliumgold.com.

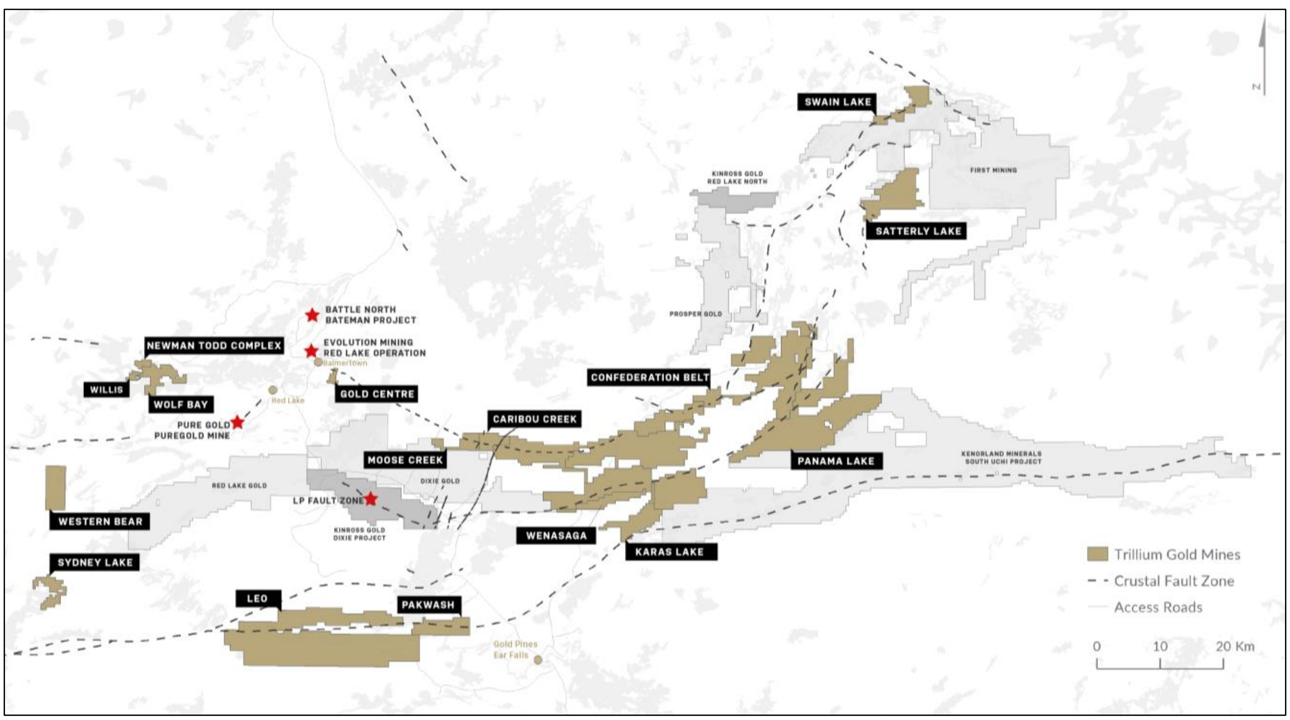

*Figure 1: Regional map showing Trillium Gold projects (beige) in the Red Lake District.*

**Confederation Belt Project**

Over the course of 2021-2022, the Confederation Project expanded considerably with the acquisition of the Eastern Vision, Uchi Gold, Wenasaga and Panama Lake project areas. The Confederation Project is now a contiguous land package spanning approximately 70 kilometres in length covering 56,706 hectares over a significant portion of the Confederation greenstone belt between the Cochenour-Gullrock Fault (Red Lake Mine Fault) in the north and the eastern extension of the LP Fault in the south.

In Q3 2023 all outstanding assays from the previous quarter have been received and the company began a comprehensive Confederation belt-wide drill hole target ranking program. The company ranked over 150 proposed drill hole locations for gold targets/prospectivity. These were ranked based on historical assessment reports and 2021-2022 exploration data that was incorporated into Trillium's extensive database, and on deposit model criteria for the LP Fault mineralization and Red Lake Mine Fault. As well, systematic lithogeochemical sampling was completed as part of drilling, prospecting, and from the retrieval, logging and sampling of historical core.

A total of 7 assessment files were submitted by Trillium staff for prospecting, drilling, soil, and geophysical work completed in the 2022. On the Panama property, channel sampling, prospecting, soil survey, and two high-resolution aeromagnetic survey was submitted for assessment work. All 7 assessment files are pending approval as of March 31, 2023.

**Larder Lake Property**

The company received the approval for an early exploration plan for a follow-up induced polarization survey. Line cutting and 3D distributed induced polarization was completed during February and March of 2023 over the theoretical strike extent of the Misema Lake-Mist Lake Fault within the Larder Lake property.

In this quarter, a total of 5 assessment files were submitted for Larder Lake and pending approval as of March 31, 2023.

**Newman Todd Complex (including the Rivard and Willis properties)**

No work was carried out at the Newman Todd Complex during the quarter.

**Gold Centre Project**

No work was undertaken on the Gold Centre project in Q3 2023.

**Leo Project**

No work was performed on this project in Q3 2023. The claims are now under an indefinite hold pending the decision for an exclusion of time for Aboriginal consultation.

**Southwest Red Lake Properties**

No work was performed on these projects in Q3 2023. Both properties are now under an indefinite hold pending the decision for an exclusion of time for Aboriginal consultation.

**Satterly Lake and Swain Lake**

No work was performed on these projects in Q3 2023.

**Shining Tree Property**

No work was completed on this property in Q3 2023.

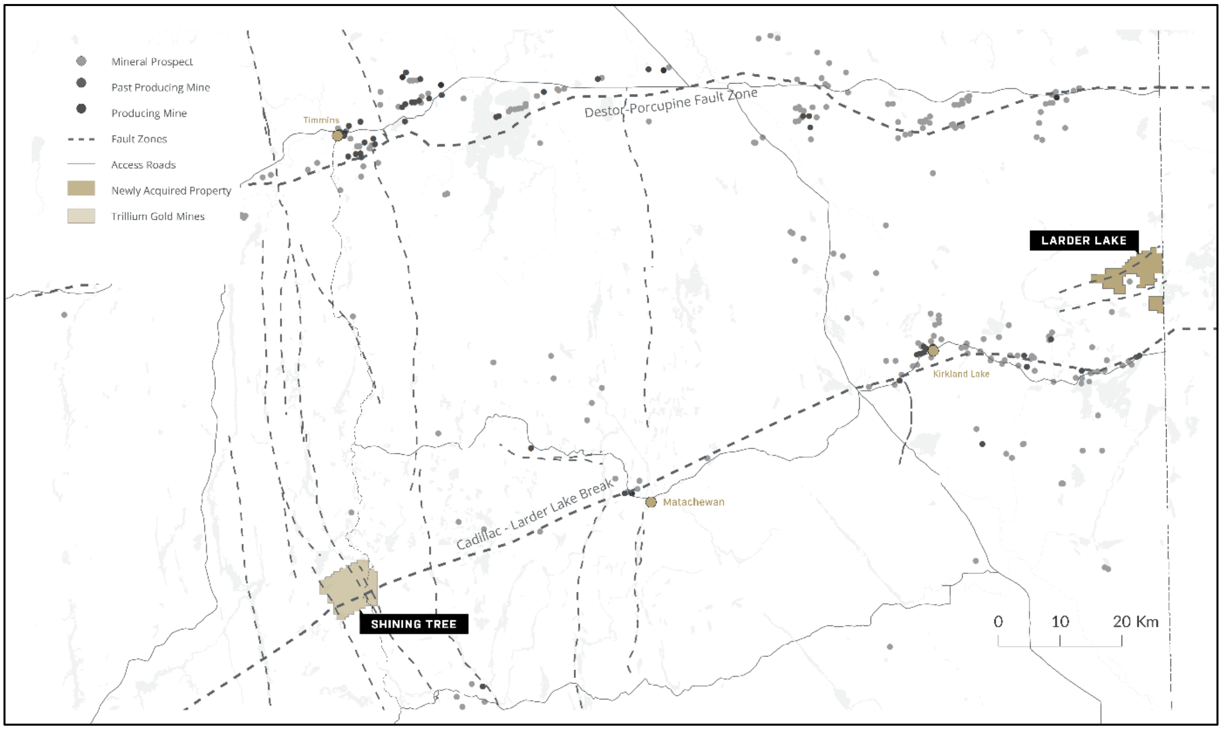

*Figure 2: Regional map showing Trillium Gold controlled projects in the Kirkland Lake District.*

## COMMITMENTS AND CONTINGENCIES

The Company has no material or significant commitments or contingencies, not disclosed elsewhere, as at March 31, 2023 or the date of this report.

## OFF BALANCE SHEET TRANSACTIONS

The Company has no off-balance-sheet transactions as at March 31, 2023 or the date of this report.

## RELATED PARTY TRANSACTIONS

Key management personnel are the persons responsible for the planning, directing, and controlling of the activities of the Company and include both executives and non-executive directors, and entities controlled by such persons. The Company considers all directors and officers of the Company to be key management personnel.

As at March 31, 2023, the board of directors consists of David Velisek, Robert Kang, Russell Starr, Krisztian Toth, and Luke Norman. Russell Starr is the Chief Executive Officer & President, Jefferey O’Neill is the Chief Financial Officer, Donna Yoshimatsu is the Vice President of Corporate Development, and William Paterson is the Vice President of Exploration. On August 22, 2022, Luke Norman was appointed Executive Chairman of the Company’s board of directors and Russell Starr stepped down from his position as Interim Chairman. On February 1, 2023, Jeffrey O’Neill was appointed the Chief Financial Officer, replacing Ian MacNeily.

The aggregate value of transactions recorded in consulting and management fees relating to key management personnel and entities which they have control or significant influence over were as follows:

| | For the nine months ended March 31, 2023 | 2022 |
|---|---|---|
| | **$** | **$** |
| Altair Management Ltd. (1) | - | 31,500 |
| Baron Global Financial Canada Ltd. (2) | - | 126,000 |
| David Velisek (3) | 22,500 | 22,500 |
| Donna Yoshimatsu (4) | 148,167 | 112,500 |
| Ian MacNeily (5) | 60,000 | 100,000 |
| Jeffery O'Neill (6) | 5,000 | - |
| Luke Norman (7) | 45,000 | - |
| Ridgeside Canada Inc. (8) | 187,650 | 202,500 |
| William Paterson (9) | 120,000 | 120,000 |
| | 380,742 | 475,000 |

(1) Altair Management Ltd. is fully owned by an affiliate of the former CFO and provided advisory services to the Company. The consulting agreement was terminated in March 2022.

(2) Pursuant to a management and advisory agreement with Baron Global Financial Canada Ltd. ("Baron"), a company controlled by David Velisek, Baron agreed to act as corporate advisor of the Company in return for a monthly fee. The agreement was terminated in March 2022.

(3) David Velisek, Director of the Company who provided business development consulting services.

(4) Donna Yoshimatsu, VP Corporate Development and Investor Relations of the Company who provides business development and investor relations consulting services.

(5) Ian MacNeily, former Chief Financial Officer of the Company who provided CFO consulting services.

(6) Jeffery O'Neill, Chief Financial Officer of the Company who provided CFO consulting services.

(7) Luke Norman, Executive Chairman and Director of the Company who provided management consulting services.

(8) Ridgeside Canada Inc. is fully owned by Russell Starr, who is the President, CEO and Director of the Company providing management services.

(9) William Paterson, Vice President of Exploration of the Company who manages the mineral exploration programs and technical and exploration team, and assisted the development of the mineral asset portfolio for the Company.

As at March 31, 2023, the Company owed $123,410 (June 30, 2022 - $nil) to various directors and officers of the Company for unpaid management fees and expenses.

During the nine months ended March 31, 2023, share-based compensation expense to key management personnel of $475,192 (nine months ended March 31, 2022 - $569,443) was incurred.

## RISKS AND UNCERTAINTIES

The business and operations of the Company are subject to numerous risks, many of which are beyond the Company's control. The Company considers the risks set out below to be some of the most significant to potential investors in the Company, but not all of the risks are associated with an investment in securities of the Company. If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which the Company is currently unaware or which it considers to be material in relation to the Company's business actually occur, the Company's assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects, are likely to be materially and adversely affected. In such circumstances, the price of the Company's securities could decline and investors may lose all or part of their investment.

The Company is engaged in the acquisition, exploration and development of mineral properties. Given the nature of the resource business, the limited extent of the Company's assets, and the present stage of exploration, the following risks factors, among others, should be considered.

**Exploration, Development and Operating Risks**

The Company is in the process of exploration and development of its projects and has not yet generated any revenues from production. The recovery of expenditures on mineral properties and the related exploration and evaluation expenditures are dependent on the existence of economically recoverable mineralization, the ability of the Company to obtain financing necessary to complete the exploration and development of its projects, and upon future profitable production, or alternatively, on the sufficiency of proceeds from disposition. Resource exploration is highly speculative in nature, involves many risks and frequently is non-productive. There is no assurance that the Company's efforts will be successful and will result in commercial production or profitability.

**Fluctuating Resource Prices**

The economics of resource exploration and development are affected by many factors beyond the Company's control, including commodity prices, the cost of operations, variations in the quantity and quality of resources and fluctuations in the market price of those resources. Depending on the price of resources, the Company may determine that it is impractical to continue a resource exploration operation or to develop one. Resource prices are prone to fluctuations and the marketability of resources are affected by government regulation relating to price, royalties, allowable production and the importing and exporting of resources, the effect of which cannot be accurately predicted.

**Financing Risks and Dilution to Shareholders**

The Company has limited financial resources and no revenues. The Company will require additional funds to continue with its current business. Additionally, if the Company's programs on its projects are successful, additional funds will be required for the purposes of further exploration and development. There can be no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be available on favourable terms or at all. It is likely such additional capital will be raised through the issuance of additional equity, which will result in dilution to the Company's shareholders.

**Title to Properties**

Acquisition of title to mineral properties can be a very detailed and time-consuming process. Title to, and the area of, properties could be disputed. The Company cannot give a certain assurance that title to its properties will not be challenged or impugned. A successful claim that the Company does not have title to its properties could cause the Company to lose any rights to explore, develop and mine any resources or minerals on its properties without compensation for its prior expenditures relating to its projects.

**Regulatory, Permit and License Requirements**

The current or future operations of the Company require permits from various governmental authorities, and such operations are and will be governed by laws and regulations concerning exploration, development, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, site safety and other matters. Companies engaged in the exploration and development of mineral properties generally experience increased costs and delays in development and other schedules as a result of the need to comply with applicable laws, regulations and permits. There can be no assurance that all permits which the Company may require for facilities and the conduct of exploration and development operations on the properties will be obtainable on reasonable terms, or that such laws and regulations will not have an adverse effect on any exploration or development project which the Company might undertake.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in exploration and development operations may be required to compensate those suffering loss or damage by reason of the exploration and development activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations. Amendments to current laws, regulations and permits governing operations and activities of resource companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or exploration and development costs, or require abandonment or delays in the development of new or existing properties.

**Competition**

The resource exploration and development industry is highly competitive. The Company will have to compete with other companies, many of which have greater financial, technical and other resources than the Company, for, among other things, the acquisition of minerals claims and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel. Failure to compete successfully against other mining companies could have a material adverse effect on the Company and its prospects.

**Reliance on Management and Dependence on Key Personnel**

The success of the Company will be largely dependent upon the performance of its directors and officers and the ability to attract and retain key personnel. The loss of the services of these persons may have a material adverse effect on the Company's business and prospects. The Company will compete with numerous other companies for the recruitment and retention of qualified employees and contractors. There is no assurance that the Company can maintain the service of its directors and officers or other qualified personnel required to operate its business. Failure to do so could have a material adverse effect on the Company and its prospects.

**Environmental Risks**

The Company's exploration and development programs will, in general, be subject to approval by regulatory bodies. Additionally, all phases of the resource business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of international conventions and state and municipal laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with mining operations. The legislation also requires that wells and facility sites be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs.

**Local Resident Concerns**

Apart from ordinary environmental issues, the exploration and development the Company's projects could be subject to resistance from local residents that could either prevent or delay exploration and development of its properties.

**Conflicts of Interest**

Certain of the directors and officers of the Company will be engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies (including mineral resource companies) and, as a result of these and other activities, such directors and officers may become subject to conflicts of interest. The BCBCA provides that in the event that a director has a material interest in a contract or proposed contract or agreement that is material to an issuer, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement, subject to and in accordance with the BCBCA. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the BCBCA and applicable internal corporate governance or board policies where and when applicable.

**Political Risks**

The Company's operations may be adversely affected by changes in governmental policies or other economic developments which are not within the control of the Company including a change in taxation policies, economic sanctions, and currency control. The Company is subject to various laws governing exploration, development, production, export of products, taxes, labour standards and occupational health, toxic substances, land use, water use, land claims of local people and other matters. No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner, which could increase the cost of operations.

**Uninsurable Risks**

Exploration, development and production operations on resource properties involve numerous risks, including unexpected or unusual geological and/or operating conditions, fires, floods, earthquakes and other environmental occurrences, any of which could result in damage to, or destruction of, producing facilities, damage to life or property, environmental damage and possible legal liability. Although precautions to minimize risk will be taken, operations are subject to hazards that may result in environmental pollution and consequent liability that could have a material adverse impact on the business, operations and financial performance of the Company. It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks as a result of high premiums or other reasons. Should such liabilities arise, they could have an adverse impact on the Company's results of operations and financial condition and could cause a decline in the value of the Company's shares.

**Litigation**

The Company and/or its directors may be subject to a variety of civil or other legal proceedings, with or without merit.

## FINANCIAL INSTRUMENTS AND FINANCIAL RISK

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

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

Cash is measured at fair value using level 1. The carrying value of sales taxes receivable, amounts payable, and loans payable approximates their fair value due to the current nature of those financial instruments.

The Company is exposed to risks of varying degrees of significance from its use of financial instruments which could affect its ability to achieve its strategic objectives for growth and stakeholder returns. The principal risks to which the Company is exposed, and the actions taken to manage them, are described below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

**a) Interest Rate Risk**

The Company's interest rate risk mainly arises from changes in the interest rates on cash. Cash generates interest based on market interest rates while the loans payable is subject to fixed interest rates. At March 31, 2023, the Company was not subject to significant interest rate risk.

**b) Foreign Exchange Rate Risk**

The Company is not subject to significant foreign exchange risk as all of the Company's operations are located in Canada.

The Company manages its credit risk by investing only in high quality financial institutions. Sales taxes receivable are due from a government agency.

**c) Credit Risk**

Credit risk arises from the non-performance by counterparties of contractual financial obligations. The Company's credit risk arises primarily with respect to cash held on deposit and receivables.

**d) Liquidity Risk**

The Company manages liquidity risk by maintaining adequate cash balances. If necessary, the Company may raise funds through the issuance of debt, equity or sale of non-core assets. The Company ensures that there is sufficient capital to meet its obligations by continuously monitoring and reviewing actual and forecasted cash flows, and match the maturity profile of financial assets to development, capital and operating needs. As at March 31, 2023, the Company had a cash balance of $90,221 to settle current liabilities of $1,494,547.

## CRITICAL ACCOUNTING ESTIMATES

The preparation of condensed interim consolidated financial statements in accordance with IFRS requires the Company to use judgment in applying its accounting policies and make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the unaudited condensed interim consolidated financial statements and in the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in profit or loss in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in these consolidated financial statements are discussed below:

Acquisition of Assets
The determination of whether a set of assets acquired and liabilities assumed constitute a business may require the Company to make certain judgments, taking into account all facts and circumstances. A business is presumed to be an integrated set of activities and assets capable of being conducted and managed for the purpose of providing a return in the form of dividends, lower costs or economic benefits.

Impairment of Exploration and Evaluation Assets
The carrying values of capitalized exploration and evaluation assets are reviewed annually, or when indicators of impairment are present. In the case of undeveloped properties, there may be only inferred resources to allow management to form a basis for the impairment review. The review is based on the Company's intentions for the development of such a property. If a mineral property does not prove viable, all unrecoverable costs associated with the property are charged to profit or loss at the time the impairment determination is made.

Share-based Payment Transactions
The Company uses the Black-Scholes Option Pricing Model for valuation of share-based compensation and other equity based payments. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate, and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

## ACCOUNTING PRONOUNCEMENTS NOT YET ADOPTED

The Company has performed an assessment of new standards issued by the IASB that are not yet effective and has determined that any standards that have been issued would have no or very minimal impact on the Company's financial statements.

## DISCLOSURE OF DATA FOR OUTSTANDING COMMON SHARES, OPTIONS, AND WARRANTS

### Common Shares

The Company has one class of common shares. Below is a summary of the common shares, share options, and warrants issued and outstanding as at March 31, 2023 and the date of this report.

| | As at March 31, 2023 | As at the date of this report |
|---|---|---|
| Common shares | 79,586,665 | 79,786,665 |
| Share options | 7,170,000 | 8,670,000 |
| Warrants | 23,204,001 | 23,812,699 |

### Share Options

The Company has issued incentive options to certain directors, officers, employees, and consultants of the Company. As of the date of this report, the following share options were outstanding.

| Expiry Date | Number of Options Outstanding | Options Exercisable | Exercise Price |
|---|---|---|---|
| | | | **$** |
| April 18, 2024 | 1,500,000 | 1,500,000 | 0.14 |
| June 15, 2025 | 1,225,000 | 1,225,000 | 0.60 |
| October 20, 2025 | 1,150,000 | 1,150,000 | 1.70 |
| January 19, 2026 | 100,000 | 100,000 | 1.83 |
| April 12, 2026 | 100,000 | 100,000 | 1.15 |
| May 3, 2026 | 200,000 | 200,000 | 1.00 |
| November 4, 2026 | 410,000 | 307,500 | 0.85 |
| March 7, 2027 | 1,250,000 | 937,500 | 0.64 |
| September 27, 2027 | 2,595,000 | 1,297,500 | 0.20 |
| October 4, 2027 | 90,000 | 22,500 | 0.22 |
| November 1, 2027 | 50,000 | 25,000 | 0.25 |
| | **8,670,000** | **6,565,000** | **0.59** |

### Warrants

As of the date of this report, the following warrants were outstanding.

| Expiry Date | Number of Warrants Outstanding | Exercise Price |
|---|---|---|
| | | **$** |
| June 28, 2023 | 2,500,000 | 1.50 |
| June 28, 2023 | 230,725 | 1.00 |
| March 2, 2024 | 714,497 | 0.53 |
| March 2, 2024 | 5,954,148 | 0.80 |
| April 24, 2024 | 608,698 | 0.115 |
| September 22, 2024 | 9,607,697 | 0.30 |
| September 22, 2024 | 909,434 | 0.20 |
| February 5, 2025 | 3,287,500 | 0.36 |
| | **23,812,699** | **0.56** |

## ADDITIONAL DISCLOSURE

### Subsequent Events

a) On April 6, 2023, the Company issued an aggregate of 200,000 common shares of the Company in connection with the acquisition of the additional Uchi Claims.

b) On April 18, 2023, the Company entered into a Bridge Loan Agreement whereby the Company borrowed $300,000. The loan bears interest at 10% per annum, compounding monthly, and matures at the earlier of October 18, 2023 and the date the Company closes a financing of any kind resulting in gross proceeds equal to or greater than $300,000. In connection with the loan, the Company granted 1,500,000 share options to the lendor with an exercise price of $0.14 per option and an expiry date of April 18, 2024.

c) On April 24, 2024, the Company issued 608,698 warrants in connection with the outstanding loan payable.

d) On May 26, 2023, the Company issued 50,000 common shares in connection with the Rivard Property.

### Additional Information

Additional information relating to the Company may be found on or in:

- SEDAR at www.sedar.com;
- the Company's unaudited condensed interim consolidated financial statements for the three and nine months ended March 31, 2023 and 2022; and
- the Company's audited consolidated financial statements for the years ended June 30, 2022 and 2021.

This MD&A was approved by the Board of Directors of Trillium Gold Mines Inc. effective May 30, 2023.