



TROILUS

TROILUS GOLD CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

April 30, 2023 and 2021

Management's Discussion and Analysis

For the three and nine months ended April 30, 2023

The following Management's Discussion and Analysis ("MD&A") relates to the financial condition and results of operations of Troilus Gold Corp. ("we", "our", "us", "Troilus", "Troilus Gold" or the "Company") for the three and nine months ended April 30, 2023 and should be read in conjunction with the Company's condensed interim consolidated financial statements for the three and nine months ended April 30, 2023 as well as the Company's audited annual consolidated financial statements and MD&A for the year ended July 31, 2022. The financial statements and related notes of Troilus have been prepared in accordance with International Financial Reporting Standards ("IFRS"). Certain Non-IFRS measures are discussed in this MD&A and are clearly disclosed as such. Additional information, including our press releases, has been filed electronically on SEDAR and is available online under the Company's profile at www.sedar.com and on our website at www.troilusgold.com.

This MD&A reports our activities through June 8, 2023 unless otherwise indicated. References to the 1st, 2nd and 3rd quarters of 2023 or Q1-, Q2- and Q3-2023, and the 1st, 2nd and 3rd quarters of 2022 or Q1-, Q2- and Q3-2022 mean the three months ended October 31, 2022, January 31, and April 30, 2023 and October 31, 2021, January 31, and April 30, 2022 respectively. Unless otherwise noted, all references to currency in this MD&A refer to Canadian dollars.

Kyle Frank, P. Geo, Manager of Exploration for Troilus, is the in-house Qualified Person under National Instrument 43-101 and has reviewed and approved the scientific and technical information in this MD&A. Mr. Frank is an employee of Troilus and is therefore not considered to be independent under National Instrument 43-101.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

Except for statements of historical fact relating to Troilus, certain information contained herein constitutes forward-looking information under Canadian securities legislation. Forward-looking information includes, without limitation, statements with respect to: possible events, the future price of gold, the estimation of mineral reserves and mineral resources, potential upgrades and/or expansion of the mineral resources, the realization of mineral reserve and mineral resource estimates, the results of the PEA, statements regarding the impact and implications of the economic statements related to the PEA, such as future projected production, costs, including without limitation, AISC, total cash costs, cash costs per ounce, capital costs and operating costs, the potential to extend mine life beyond the period contemplated in the PEA, opportunity to expand the scale of the project, the timing and amount of estimated future production, costs of production, capital expenditures, costs and timing of the development of projects and new deposits, success of exploration, development and mining activities, permitting timelines, currency fluctuations, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage, the impact of the novel coronavirus (COVID-19) and the considerable uncertainties about the geographic, social and economic impact on the Company of its global spread. The words "anticipates", "plans", "expects", "indicative", "intend", "scheduled", "timeline", "estimates", "forecasts", "guidance", "opportunity", "outlook", "potential", "projected", "schedule", "seek", "strategy", "study" (including, without limitation, as may be qualified by "feasibility" and "pre-feasibility"), "targets", "models", or "believes", or variations of or similar such words and phrases or statements that

certain actions, events or results “may”, “could”, “would”, or “should”, “might”, or “will be taken”, “occur” or “be achieved” and similar expressions identify forward-looking information. Forward-looking information is necessarily based upon a number of estimates and assumptions that, while considered reasonable by Troilus and its external professional advisors as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements.

Forward-looking information is provided for the purpose of providing information about management’s expectations and plans relating to the future. All of the forward-looking statements made in this MD&A are qualified by these cautionary statements and those made in our other filings with the securities regulators of Canada including, but not limited to, the cautionary statements made in the “Risk and Uncertainties” section of the Annual Information Form dated October 27, 2022 and the Management Information Circular dated November 1, 2022 (both filed on SEDAR) and this MD&A. These factors are not intended to represent a complete list of the factors that could affect the Company. Economic analyses (including mineral reserve and mineral resource estimates) in technical reports are based on commodity prices, costs, sales, revenue and other assumptions and projections that can change significantly over short periods of time. As a result, economic information in a technical report can quickly become outdated. Troilus disclaims any intention or obligation to update or revise any forward-looking information or to explain any material difference between subsequent events and such forward-looking information, except to the extent required by applicable law and regulations.

TROILUS GOLD PROPERTY

The Troilus Gold property is located northeast of the Val-d’Or mining district, within the Frotêt-Evans Greenstone Belt in Quebec, Canada. The Company holds a strategic land position of 435 km² and includes the former Troilus mine.

From 1997 to 2010 Inmet Mining Company (“Inmet”) operated the Troilus mine, which produced in excess of 2,000,000 ounces of gold and 70,000 tonnes of copper. Inmet commissioned the Troilus mill in 1996 and achieved commercial production in April 1997 at a rate of 10,000 tonnes per day with recoveries of 86% gold and 90% copper and a concentrate grade of 18% copper, eventually reaching a production milestone of 18,000 tonnes per day. First Quantum Minerals Ltd. (“First Quantum”) acquired the Troilus Gold property through its acquisition of Inmet in 2013.

The Troilus Gold property was acquired in various transactions. The first consisted of the acquisition from First Quantum of 81 mineral claims and one surveyed mining lease that collectively covered approximately 4,700 hectares and included the former Troilus Mine. The second transaction consisted of the acquisition from Emgold Mining Corporation (“Emgold”) of 209 mineral claims that covers approximately 11,300 hectares. The next transaction consisted of the acquisition of 3 mining claims from O3 Mining Inc. (“O3”) that fall within the boundaries of the northern block of the Troilus Gold property and cover approximately 160 hectares. The Company had also acquired 627 claims from O3 representing approximately 33,000 hectares. The Company had acquired 91 claims from Globex Mining Enterprises Inc. (“Globex”) and 21 claims from Canadian Mining House (“CMH”). In addition, the Company had staked 956 claims covering an area of approximately 52,000 hectares.

In May 2021, the Company acquired 100% of the issued and outstanding shares of UrbanGold Minerals Inc. (“UrbanGold”), which added over 35,000 hectares to the Company’s current land package. Included

in the land package acquired are claims subject to a 50-50 Joint Venture. In October 2021, the Company effected a statutory amalgamation with UrbanGold.

In November 2022, the Company completed the sale of 1,824 claims representing an area of approximately 985 square kilometres to a subsidiary of Sayona Mining Limited ("Sayona"). In March 2023, an additional 3 claims were sold to a publicly traded company. The transferred claims do not include any of the claims on which the Company has a current National Instrument 43-101 gold and copper resource estimate, nor do they include ground where the majority of recent exploration activities were undertaken by the Company.

The Company also has a local office in the city of Chibougamau, Quebec and an information center in the Cree Nation town of Mistissini. The Company's head office is in Montreal, Quebec, while the Company's registered office is in Toronto, Ontario.

ACCOMPLISHMENTS AND OUTLOOK

The Company has:

- Raised approximately \$178.4 million since the start of operations with a strong institutional shareholder base.
- Sold 1,824 claims to Sayona for consideration of 184,331,797 ordinary shares of Sayona representing an aggregate value of \$40,000,000 and retained a 2% net smelter royalty on these claims.
- Completed regional exploration field work including rock and soil sampling, trenching and an airborne survey on its claims, including those subject to the Joint Venture.
- The Company has drilled almost 48,000 metres during the nine months ended April 30, 2023. The Company expanded drilling into the Gap Zone, the new Connector Zone and the recently discovered X22 Zone.
- Filed the Initial Project Description and the Project Notice for the Troilus Project with both the federal and provincial levels of government. The filing of the Initial Project Description and the Project Notice are the first step in the Environmental and Social Impact Assessments ("ESIA").
- In December, the Company filed the Detailed Project Description with the federal government and awaits receipt of the Tailored Impact Study Guidelines which will be defined after the federal regulator consults with local communities and indigenous groups.
- Has joined the United Nations Global Compact, the world's largest global corporate sustainability initiative where companies voluntarily pledge to take actions in accordance with the UN Sustainable Development Goals.

The Company is currently:

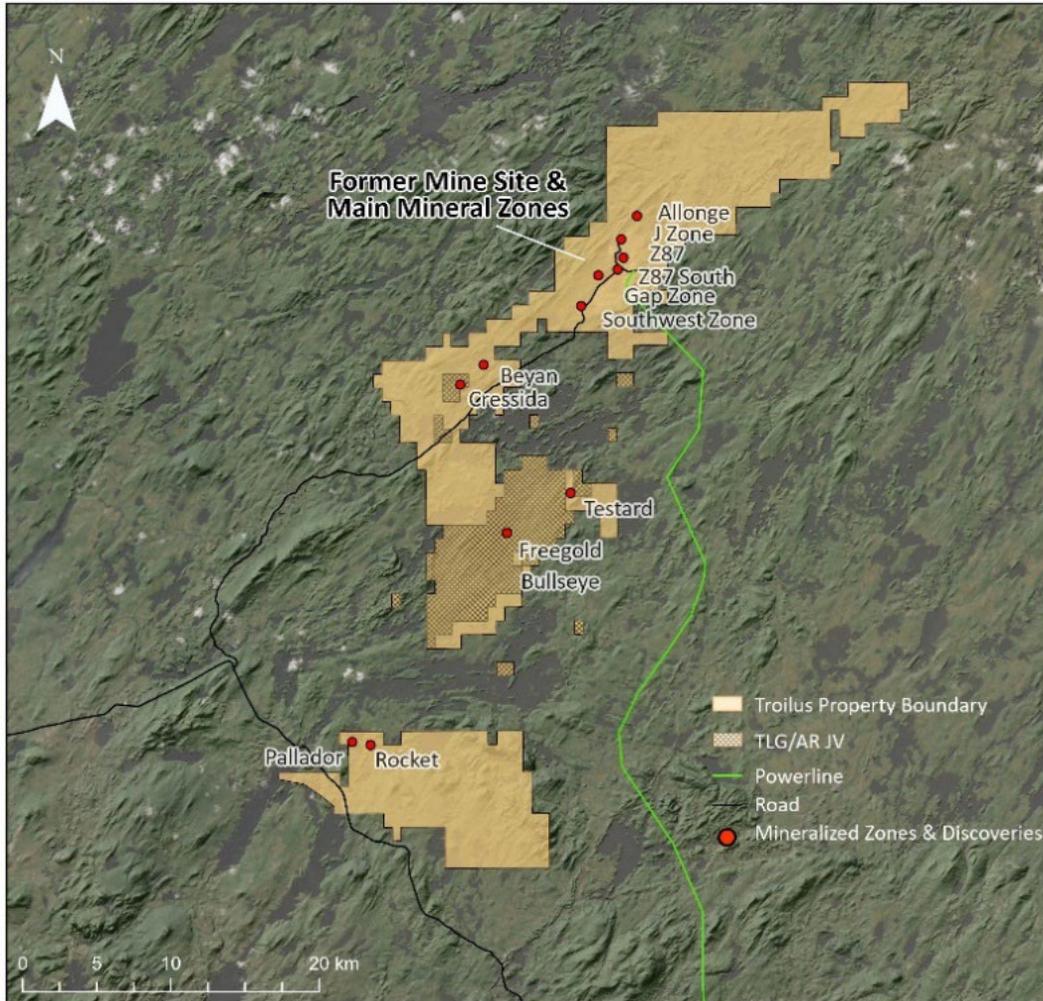
- Compiling drill results and planning future drill targets.
- Planning its summer regional field work.
- Undertaking the preparation of a full definitive feasibility study which is expected to be completed by the end of calendar 2023.

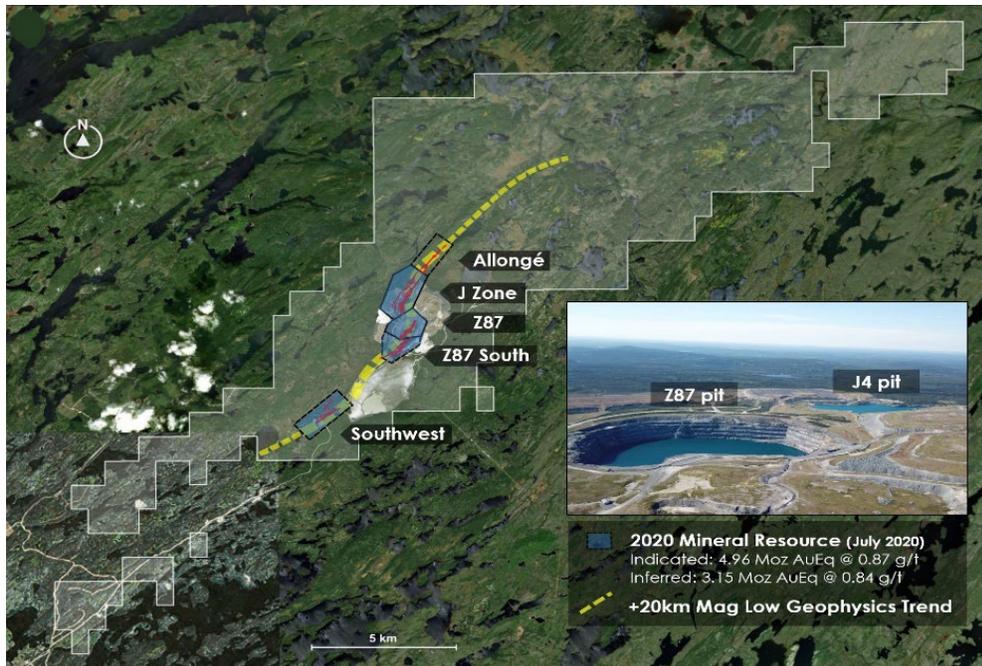
Subsequent to the end of the quarter, the Company:

- Continues to further evaluate proximal regional targets that could impact the mine life and/or scale of Troilus.

- Is continuing ongoing community engagement and consultation, particularly with the Cree Nation of Mistissini and Cree Nation Government to ensure our stakeholders voices and knowledge are included in our decision making and planning as we continue to move forward.
- Commenced variability metallurgical testwork on the three deposits (J, 87 and SW zones) in support of the Feasibility Study.

EXPLORATION ACTIVITIES





Drilling Programs

The Company released an updated mineral resource estimate in July 2020, which was effective July 20, 2020 (see Current Mineral Resource Estimate). Total indicated mineral resource was 4.96 million ounces AuEq (177 Mt with an average grade of 0.87 g/t AuEq) and total inferred mineral resource was 3.15 million ounces AuEq (116.7 Mt with an average grade of 0.84 g/t AuEq). The Southwest Zone contributed 583,000 ounces AuEq to inferred mineral resources which included 8,500 metres of drilling. Since then, approximately 100,000 metres have been drilled in the Southwest Zone, and over 220,000 metres across the property.

The Company recommenced drilling in September 2020 after initial pandemic lockdowns with the objective being to upgrade inferred mineral resources to indicated resources, and continue the expansion and exploration of mineralization across the Troilus property, especially at the Southwest Zone following its discovery in early 2020. Drilling included exploration, infill and geotechnical drilling at the Southwest Zone, J Zone and Z87 Zone.

Results from the J Zone expanded the footprint of newly discovered hanging wall mineralization by 150 metres to the northeast. The strike length of this new mineralized zone has grown to 850 metres and identifies a parallel zone in the hanging wall demonstrating mineral continuity parallel to the main ore body. Several step-out holes extended down dip mineralization below the pit shell proposed in the PEA maintaining consistent grades and thicknesses at indicated level drill spacing.

Drilling at the Z87 pit was designed to expand and identify mineralization to the north, between the formerly mined Z87 and J4 open pits, and to the south of the main ore zone at Z87. The Z87 pit was the larger of the two formerly mined open pits, and still contains the most continuous and highest-grade resources at the Troilus property. Assay results extend high-grade mineralization more than 100 metres along strike, both to the North and South of the previous defined main zone of Z87, continuing growth of both Indicated and Inferred resources. Recent assay results reported on SEDAR on October 17, 2022 are

among the thickest and most continuous high grades identified at the Project and includes the single highest-grade interval ever drilled at the Troilus Mine site. Furthermore, a new shallow and high-grade panel of mineralization has been defined at the border of the Z87 PEA pit shell, which was not modelled in the PEA nor considered as part of the pre-feasibility engineering work. This new panel west of Z87, now named Zone “X22”, remains open at depth and towards the Gap Zone and has been expanded to a strike length of over 800 metres (see Press Release dated February 16, 2023 on SEDAR). Results from X22 have continued to demonstrate high-grade mineralization near surface over significant widths along its ~1 kilometre strike length and remain open to expansion.

Results reported on SEDAR on November 8, 2022 and January 26, 2023 confirmed a high-grade zone of mineralization connecting the gap between the formerly mined Z87 and J open pits (“Connector Zone”) demonstrating high-grade mineral continuity extending on a north, north-west trend between the two formerly mined pits.

The Southwest Zone demonstrates an ongoing trend of higher-grade gold intercepts within a much broader disseminated mineralized zone. Parallel zones of mineralization continue to be discovered as drilling is extended along strike and at depth. Footwall mineralized intervals are showing how the Southwest Zone is not just extending along strike back towards the mine complex, but also adding width to previous mineral interpretations. These results confirm the team’s geological modelling suggesting mineral continuity exists well beyond the southern extent of Southwest Zone, replacing a previous “narrow hinge” model in which it was thought to taper off. Results have improved confidence in strong mineral continuity to the northeast with improved drill density and step out holes that have further expanded the Southwest Zone over 200 metres beyond the previously known boundary of mineralization, approximately 900 metres beyond the pit shell modelled in the PEA.

Assay results from the Southwest Zone showed significant extensions of gold mineralization beyond the PEA whittle pit, as well as confirmed continuity of mineralization within previously undrilled areas of the pit, suggesting the potential for continued resource growth. With each step-out hole drilled, the system extended further to the northeast, trending towards an area between the Southwest and Z87 pit we now identify as the “Gap Zone”. The Company completed an 11,000-metre drill program in the spring and summer of 2022 to improve the geological understanding of this area and test for additional mineralization.

As a result of the Company’s belief in the immediate and significant impact of these new zones adjacent to Z87 on the economics of the deposit and after careful consideration, the Company will aggressively work on defining the impact of this shallow high-grade material and as such, intends to shift its engineering focus to the delivery of a Definitive Feasibility Study (“DFS”), which will incorporate these results, rather than a Pre-Feasibility Study (“PFS”) as initially planned. The DFS is expected to be completed near the end of calendar 2023.

Regional Exploration Program

During the regional exploration program in the summer of 2020, the Company focused on identifying high priority targets within the new land package acquired and staked. An airborne survey covering 23,000 km was also completed. Initial results outlined several new zones of mineralization, the Beyan Gold Zone (“Beyan”) located 8 km southwest of the Southwest Zone, the Goldfield Boulder Zone (“Goldfield”) located approximately 28 km southwest of the Beyan zone and the Testard Zone located approximately 10 km south of the main mineral resource areas (Zones Z87, Z87 South, J Zone and Southwest).

Beyan is located along strike of the Troilus Mine, outlining the fact mineralization can be found across several kilometres of the Troilus Mine trend. Grab samples returned up to 9.7 g/t gold and 32.5 g/t silver from Beyan.

The Goldfield Boulders zone is located in the southern portion of the Troilus Property, accessible and close to the Route du Nord. Grab samples returned up to 26.2 g/t gold and 27.8 g/t silver in outcrop.

The Company's geological team identified several mineralized outcrops on the main Testard Block, assaying up to 203 g/t gold and 2,440 g/t silver. The Testard showing is characterized by quartz veining in distinct brittle east-west shear zones, cross cutting a large tonalite unit over a distance of 30 metres. The Testard area is almost entirely till covered with limited outcrop exposure, however local stripping has traced similar Testard mineralization in outcrop up to 400 metres from the main showing. Further regional exploration in summer 2021 identified a potential major north-east south-west shear zone about 400 metres west of the main surface showing. It is believed this could be a main pathway for mineralization and plumbing to the mineralized east-west mineralized quartz veins found and sampled at surface.

During the summer of 2021, the Company completed a small scout drilling program of approximately 1,200 metres at Testard. The goal of this program was to drill test the mineral continuity at depths of up to 100 metres below the surface showings. As well, it was designed to test interpreted structural intersections of east-west features with north-east south-west trending shearing identified in the field and in geophysical data up to 400m from the main surface showing. Results from this program have demonstrated that the high-grade showings discovered during the regional sampling work extend below surface, and also outline that mineralization is present in repeating structures up to 400m from the main surface showing. The Company looks to build out from this initial success to further understand the orientation and extent of mineralization in the Testard area, and the importance of these mineralized structures regionally to this area of the belt.

With the acquisition of UrbanGold, the Company acquired over 35,000 hectares of land adjacent to the Company's existing claims. These include the highly prospective Cressida block directly adjacent to Beyan and the Freegold-Bullseye project in the general vicinity of the Testard showing. The Company completed regional exploration work in some of these areas through late summer and fall 2021 which included field mapping and prospection, mechanical trenching and channeling, drone mapping, soil sampling and airborne magnetic surveys. Over 2,400 rock samples and over 6,000 soil samples were collected. The program helped to develop, test and refine a new exploration model for regions distal to the main Troilus trend. A small drill program was completed at Cressida during the summer of 2022, with drill results increasing the continuity of mineralization more than threefold to 1.3 kilometres and remains open to further expansion. The Company is planning a potential expanded drill program for the upcoming summer regional exploration program.

The Company's regional exploration program during the summer of 2022 undertook an extensive fieldwork program focusing on the southern and eastern portions of the property, south of the Kenorland/Sumitomo "Regnault" target. Work was also completed on the joint venture property. Activities included field mapping and prospecting, mechanical trenching, channeling, drone mapping and soil/till sampling.

With respect to the Company's flow-through financing in June 2021, the Company has met its exploration expenditure commitment.

Current Mineral Resource Estimates

PIT-CONSTRAINED AND UNDERGROUND MINERAL RESOURCE ESTIMATE
Troilus Gold Corp. - Troilus project
effective as of July 20, 2020

Classification	Tonnage (MT)	AuEq (g/t)	Au (g/t)	Cu (%)	Ag (g/t)	Contained			
						AuEq (Moz)	Contained Au (Moz)	Contained Copper (Mlb)	Contained Silver (Moz)
Total Pit-constrained and Underground									
Indicated	177.30	0.87	0.75	0.08	1.17	4.96	4.30	322.60	6.66
Inferred	116.70	0.84	0.73	0.07	1.04	3.15	2.76	189.72	3.91
Total Pit-constrained									
Indicated	164.20	0.80	0.68	0.08	1.20	4.21	3.62	284.69	6.32
Inferred	101.20	0.70	0.60	0.07	1.12	2.27	1.95	151.01	3.65
Total Pit-constrained Z87 Zone									
Indicated	84.60	0.92	0.79	0.09	1.39	2.50	2.15	169.54	3.77
Inferred	32.70	0.70	0.60	0.07	1.50	0.73	0.63	49.34	1.57
Total Pit-constrained J Zone (J4 & J5)									
Indicated	79.60	0.67	0.57	0.07	1.00	1.71	1.47	115.16	2.55
Inferred	45.90	0.65	0.55	0.07	0.96	0.96	0.82	65.94	1.42
Total Pit-constrained Southwest Zone									
Inferred	22.60	0.80	0.70	0.07	0.89	0.58	0.51	35.73	0.65
Total Underground									
Indicated	13.10	1.79	1.61	0.13	0.81	0.75	0.68	37.91	0.34
Inferred	15.50	1.77	1.62	0.11	0.52	0.88	0.81	38.72	0.26
Total Underground Z87 Zone									
Indicated	13.10	1.79	1.61	0.13	0.81	0.75	0.68	37.90	0.34
Inferred	13.50	1.85	1.70	0.12	0.37	0.80	0.74	34.48	0.16
Total Underground J Zone (J4 & J5)									
Indicated	0.01	1.07	1.03	0.03	0.47	0.00	0.00	0.00	0.00
Inferred	2.00	1.21	1.06	0.10	1.55	0.08	0.07	4.24	0.10

Notes:

- Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.
- Summation errors may occur due to rounding.
- Open pit mineral resources are reported within optimized constraining shells.
- Open pit cut-off grade is 0.3 gpt AuEq where the metal equivalents were calculated as follows:
Z87 Zone AuEq = Au grade + 1.2566 * Cu grade + 0.0103 * Ag grade
J4/J5 Zone AuEq = Au grade + 1.2979 * Cu grade + 0.0108 * Ag grade
SW Zone AuEq = Au grade + 1.2768 * Cu grade + 0.0106 * Ag grade
- Metal prices for the AuEq formulas are: \$US 1,600/ oz Au; \$3.25/lb Cu, and \$20.00/ oz Ag; with an exchange rate of US\$1.00: CAD\$1.30.
- Metal recoveries for the AuEq formulas are:
Z87 Zone 83% for Au recovery, 92% for Cu recovery and 76% for Ag recovery
J4J5 Zone 82% for Au recovery, 88% for Cu recovery and 76% for Ag recovery
Z87 Zone 82.5% for Au recovery, 90% for Cu recovery and 76% for Ag recovery
- The resource constraining shells were generated with:
Metal Prices: Gold \$US 1600/oz, Copper \$US 3.25/lb, Silver \$US 20/oz
Mining Costs:
 - J Zone and 87 Zone base cost \$Cdn 1.71/t moved,
 - SW Zone base cost \$Cdn 1.66/t moved
 - Incremental cost \$Cdn 0.03/t waste moved, \$Cdn 0.02/t feed movedProcess and G&A Costs: \$Cdn 8.44/t processed
Wall slopes: varied between 49.5 to 60 degrees depending on pit area and slope sector
Metal Recoveries:
 - Gold: 90% all zones except in lower grade (Au < 1.2 g/t) portions of SW zone = 88%
 - Copper: 90% all zones except in higher grade (Cu > 0.13%) portions of SW zone = 92%
 - Silver: all zones 40%
- Underground cut-off grade is 0.9 AuEq at Z87 Zone below constraining pit
Capping of grades varied between 2.00 g/t Au and 26.00 g/t Au; between 1.00 g/t Ag and 20.00 g/t Ag; and 1.00 %Cu; all on raw assay values depending on mineralized domain.
- The density varies between 2.72 g/cm³ and 2.91 g/cm³ depending on mineralized zone.

The updated mineral resource estimate was completed in accordance with the Canadian Institute of Mining Metallurgy and Petroleum "CIM" (2014) Definition Standards incorporated by reference in National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") by AGP Mining Consultants ("AGP") and has been reviewed internally by the Company.

Preliminary Economic Assessment ("PEA")

On August 31, 2020, the Company announced results of a PEA completed on its Troilus project on SEDAR (see August 31, 2020 press release entitled "Troilus' Preliminary Economic Assessment Delivers an After-tax NPV5% of US\$1,156 Million with a 38.3% IRR at a Spot Price of US\$1950/oz Gold and an NPV5% of US\$576 Million and 22.9% IRR at Base Case US\$1475/oz Gold"). A technical report supporting the PEA was filed on SEDAR on October 14, 2020. The PEA supports a combined open pit and underground mining scenario with low initial capital costs and high rate of return for a 35,000 tonne per day ("tpd") operation over a 22-year mine life, not including 12 months of pre-production stripping. The PEA is based on the estimated mineral resources reported above, which were effective July 20, 2020. The PEA was prepared in accordance with NI 43-101 of the Canadian Securities Administrators under the direction and supervision of Gordon Zurowski, P. Eng Principal Mining Engineer with AGP. For further details, please see the Company's press release and technical reports filed on SEDAR on August 31, 2020 and October 14, 2020 respectively.

The PEA is preliminary in nature, includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be

categorized as mineral reserves, and there is no certainty that the PEA will be realized. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

Definitive Feasibility Study

Considering the materially significant exploration results that have recently been obtained (see Drilling Programs), the Company has opted to proceed directly to a feasibility study from the PEA completed in August 2020, rather than bridging those engineering studies with a Pre-Feasibility Study as previously planned.

Metallurgical test work done on representative composite samples from the J Zone, 87 Zone and Southwest Zone was finalized at Eriez and Base Metallurgical Laboratories to provide inputs to the PFS. The Company received strong results from all three composites. Results from the J zone included Knelson gravity separation and column flotation tests achieved gold, copper and silver recoveries of 92.9%, 90.4% and 88.8% respectively, which exceed the recoveries used in the PEA. For the Z87 Zone, results showed gold recovery of 95.5%, copper recovery of 95.9% and silver recovery of 92.8%. And for the Southwest Zone, testing achieved 88.3% in gold recovery, 93.5% in copper recovery and 89.4% in silver recovery. The composite samples were prepared using coarse assay rejects and/or ¼ sawn core to duplicate the composition of the various PEA zones. The J Zone composite was prepared using coarse assay rejects from 1,358 intervals. Composite from the SW Zone was prepared using coarse assay rejects from 1,785 intervals and 1,425 intervals of sawn ¼ core. The Z87 Zone composite was prepared using 1,327 intervals of coarse assay rejects and 1,485 intervals of sawn ¼ core. These results will be built upon with further variability test work to support the higher level of accuracy of a feasibility study.

The Company will continue to progress engineering work with its consultants for all aspects of required engineering, including an extensive water management plan for the project and for the Environmental and Social Impact Assessment (“ESIA”). The feasibility study is expected to be completed near the end of the second half of calendar 2023 upon completion of drilling. The updated sequence of engineering studies is anticipated to maintain timelines for Provincial and Federal permitting processes to align with our Feasibility Study, which were initiated in May 2022. The new sequence of technical studies will allow the latest high-grade drill results to be incorporated into the mine plan, which the Company strongly believes could be immediately impactful on the grade profile and mine sequencing of the project. The feasibility study timeline will also allow the Company to better understand and define zones of mineralization that remain open to further expansion.

Environment and Stakeholder Engagement

The Company is committed to creating value for our shareholders while operating in a safe, socially and environmentally responsible manner, contributing to the prosperity of our employees and our local communities while respecting human rights, cultures, customs and values of those impacted by our activities. In 2020, the Company adopted a Sustainability Policy which defines its commitment to People, Environment, Health & Safety and Communities.

In July 2018, Troilus signed a Pre-Development Agreement (PDA) with the Cree Nation of Mistissini, the Grand Council of the Crees (Eeyou Istchee) and the Cree Nation. The PDA establishes the framework for the on-going and mutually beneficial relationship regarding business and employment opportunities for the Cree and facilitates continued support for exploration activities and preparation of the EIA baseline studies. The PDA is a precursor to the Impacts and Benefits Agreement (IBA)

Troilus engages in regular communication with the Cree Nation of the Eeyou-Istchee James Bay Region, and in particular the Cree Nation of Mistissini, the First Nations community whose traditional land use and economic activities may be most directly impacted by the company's development. Troilus maintains a community liaison office in Mistissini and communicates regularly with impacted families, the Chief and Council in Mistissini and other community organizations such as the Cree Mineral Board, the Cree Trappers Association and the Board of Education to keep the community apprised of developments.

Troilus provides support to community building events and activities in Mistissini, Chibougamau and Chapais which have included sponsorship of hockey tournaments, youth recreation programming, seedling giveaways, fishing derbies, curling bonspiels, art exhibitions and the annual United Way golf tournament.

The Company became the first mineral exploration company to obtain the UL 2723: ECOLOGO Certification Program for Mineral Exploration Companies. The Quebec Mineral Exploration Association launched the standard in November 2019 to recognize and promote environmental, social and economic best practices: the first certification of its kind for mineral exploration companies which enables companies to communicate their commitment to the environment, human health, well-being of the community, and fair economic practices to both investors and stakeholders. The standard is administered by Underwriters Laboratories, an independent, safety testing, certification and inspection organization accredited by the Standards Council of Canada, with a trusted name in third-party testing and certification for more than 125 years.

The Company published its annual Sustainability Report, highlighting the achievements and efforts the Company has made over the last year to place the Company at the forefront of ESG initiatives among Quebec-based exploration and development companies. The 2022 Sustainability report can be found in full on the Company's website in French and English at www.troilusgold.com in the Sustainability section.

The Company engaged Quebec-based Tugliq Energy Corp. ("Tugliq") to conduct an inventory of its historical and current GHG emissions and develop a roadmap towards a future carbon neutral mining operation. While the Company's fully operational electrical substation already provides a renewable source of energy which will help minimize the Company's carbon footprint, some fossil fuel use is still anticipated, and this roadmap will help identify opportunities to reduce or eliminate the use of such fuels and take advantage of government initiatives and incentives.

In May 2022, the Company filed the Initial Project Description for the Troilus project with the Impact Assessment Agency of Canada ("IAAC") at the federal level and filed the Initial Project Notice with the Ministère de l'Environnement et de la Lutte contre les Changements Climatiques ("MELCC") at the provincial level. These filings are the first step in the Environmental and Social Impact Assessments ("ESIA"), approval of which are required under Canadian and Quebec law in order for a mining project to proceed into construction and into production. The ESIA assesses the environmental, social and economic impacts of a proposed mining project and includes extensive consultations with local stakeholders, and in particular First Nations. In December 2022, the Company filed the Detailed Project Description with the IAAC. The IAAC will conduct community consultations to gather input on the Detailed Project Description which it will incorporate into the Tailored Impact Study Guidelines for the Project.

In October 2022, the Company announced that it had joined the United Nations Global Compact ("UNGC"), the world's largest global corporate sustainability initiative where companies voluntarily pledge to take actions in accordance with the UN Sustainable Development Goals. The Company joins over

16,000 other companies globally who have committed to aligning their activities with The Ten Principles in the areas of human rights, labour, environment, and anti-corruption, and to take action to support the UN goals and issues embodied in seventeen Sustainable Development Goals (SDG's) which address issues such as climate change, gender equality, poverty, life below water and life on the land. Through annual reporting requirements, the UNGC aims to mobilize a global movement among socially responsible companies and their stakeholders to transform our world through principled business.

Exploration and evaluation expenses on the Troilus project:

	Three months ended		Nine months ended	
	April 30,		April 30,	
	2023	2022	2023	2022
	Q3-2023	Q3-2022	YTD-2023	YTD-2022
Exploration and evaluation expenses:				
Drilling, assaying and geology	\$ 5,699,534	\$ 7,047,597	\$ 14,800,435	\$ 16,875,839
Salaries, payroll costs and consultants	1,934,678	2,031,057	6,331,282	6,098,296
Site and camp costs	756,788	766,150	2,060,534	2,048,076
Support and other costs	211,323	216,516	540,867	539,267
Studies	539,853	690,366	1,785,387	1,865,912
Government and community relations	35,562	31,700	138,106	110,215
Travel	177,831	155,879	590,814	444,554
Depreciation	301,246	274,055	906,849	807,415
Property acquisition	-	0	-	(102,500)
Tax credits	(3,343,400)	(3,069,645)	(10,083,598)	(4,034,709)
	\$ 6,313,415	\$ 8,143,675	\$ 17,070,676	\$ 24,652,365

For the three months ended April 30, 2023 (Q2-2023):

Exploration and evaluation expenses for the three months ended April 30, 2023 are detailed in the table above and totaled \$6,313,415 during Q3-2023 compared to \$8,143,675 during Q3-2022, a decrease of \$1,830,260 or 22%.

Drilling, assaying and geology decreased by \$1,348,063 or 19% during Q3-2023 compared to Q3-2022. The Company drilled less metres during the current quarter however geophysics, till sampling and VTEM surveys were initiated or completed during the quarter.

Salaries, payroll costs and consultants, camp costs and support costs decreased between 1% and 5% over the comparative quarter, with costs being more fixed in nature.

Studies decreased by \$150,513 or 22% during Q3-2023 compared to Q3-2022 with some components of the work to be done on the Feasibility Study having been initiated.

Travel costs related to exploration increased by \$21,952 or 14% during Q3-2023 compared to Q3-2022 as a result of higher overall air travel costs, both commercial and charter.

Depreciation costs related to exploration and evaluation activity increased by 10% during Q3-2023 compared to Q3-2022 as a result of an increase in the asset base over the previous year.

Accruals for tax credit receivable are recorded against the exploration expenses they relate to. During Q3-2023, the Company accrued tax credits receivable, recording a credit of \$3,343,400 compared to \$3,069,645 during Q3-2022.

For the nine months ended April 30, 2023 (YTD-2023):

Exploration and evaluation expenses for the nine months ended April 30, 2023 are detailed in the table above and totaled \$17,070,676 during YTD-2023 compared to \$24,652,365 during YTD-2022, a decrease of \$7,581,689 or 31%. The change in tax credits accounts for much of this variance.

Drilling, assaying and geology decreased by \$2,075,404 or 12% during YTD-2023 compared to YTD-2022. The company drilled 36% less metres this year, however at a higher cost per metre. As well, the Company's regional exploration program this year was more extensive.

Salaries, payroll costs and consultants increased by \$232,986 or 4% during YTD-2023 as a result of overall higher wages.

Studies increased by \$80,525 or 4% during YTD-2023 compared to YTD-2022 from earlier work on engineering and environment.

Travel costs related to exploration increased by \$146,260 or 33% during YTD-2023 compared to YTD-2022 as a result of the increased staff levels outside of the Chibougamau area compared to last year, and increased use of charters to fly staff to site from Montreal, Quebec City or Toronto. Overall, air travel costs, both commercial and charter, have increased.

Depreciation costs related to exploration and evaluation activity increased by 12% during YTD-2023 compared to YTD-2022 as a result of an increase in the asset base over the previous year.

Accruals for tax credit receivable are recorded against the exploration expenses they relate to. During YTD-2023, the Company accrued and adjusted its tax credits receivable, recording a credit of \$10,083,598 compared to \$4,034,709 during YTD-2022.

RESULTS OF OPERATIONS

	Three months ended		Nine months ended	
	April 30,		April 30,	
	2023	2022	2023	2022
	Q3-2023	Q3-2022	YTD-2023	YTD-2022
Expenses				
Exploration and evaluation expenses	\$ 6,313,415	\$ 8,143,675	\$ 17,070,676	\$ 24,652,365
Reclamation estimate	(106,396)	(168,677)	(272,830)	(265,704)
General and administrative expenses	1,376,637	1,336,663	5,039,721	4,795,779
Share-based payments	1,476,309	1,166,319	5,808,293	4,643,818
Total expenses before other items	(9,059,965)	(10,477,980)	(27,645,860)	(33,826,258)
Other income/(expenses)				
Interest income	12,594	41,969	132,390	149,893
Interest on lease liabilities	(34,064)	(33,865)	(103,584)	(98,563)
Flow-through share premium	-	2,591,220	-	6,587,450
Accretion of reclamation provision	(24,342)	(38,920)	(74,025)	(75,774)
Sale of mineral claims	40,500	-	39,687,799	-
Other gains and (losses)	(8,246,242)	(12,478)	(4,066,179)	(146,401)
Net income/(loss) and comprehensive income/(loss) for the period	\$ (17,311,519)	\$ (7,930,054)	\$ 7,930,541	\$ (27,409,653)

For the three months ended April 30, 2023 (Q3-2023):

The Company recorded net loss of \$17,311,519 for the three months ended April 30, 2023 (three months ended April 30, 2022: a net loss of \$7,930,054).

Exploration and evaluation expenses decreased by 22% and are detailed in the Exploration Activities section of this report above.

The Company's reclamation provision is updated regularly for changes in estimate and changes in discount and inflation rates. A credit of \$106,396 was recorded as reclamation estimate to the statement of operations for Q3-2023 (Q3-2022: \$168,677). The liability decreased modestly since the previous quarter, resulting in a credit to the statement of operations. The discounting is accreted over time and \$24,342 has been recorded as accretion to the statement of operations for Q3-2023 (Q3-2022: \$38,920).

General and administrative expenses are detailed below:

	Three months ended	
	April 30,	
	2023	2022
	<u>Q3-2023</u>	<u>Q3-2022</u>
General and administrative expenses :		
Salaries, payroll costs and consultants	\$ 597,012	\$ 542,526
Professional costs	111,575	84,570
Shareholder communications	428,375	440,736
Office and general	101,401	127,366
Travel	55,595	58,345
Depreciation	82,679	83,120
	<u>\$ 1,376,637</u>	<u>\$ 1,336,663</u>

- Salaries, payroll costs and consultants increased by \$54,486 or 10% during Q3-2023 compared to Q3-2022 as a result of a higher staffing level compared to last year.
- Professional costs increased by \$27,005 or 32% during Q3-2023 as a result of legal and ESG costs.

Share-based payments expense for Q3-2023 was \$1,476,309 compared to \$1,166,319 for Q3-2022. The value recorded represents an accrual for unvested RSU's on a front-loaded basis, based on the fair market value on the date of grant. No RSU's were granted during Q3-2023 or Q3-2022.

As a result of the Company's flow-through financings, the Company records a flow-through liability on the statement of financial position representing the premium on the share issuances. As the Company incurs eligible expenditures against this liability, the Company reduces the liability and records this as a flow-through share premium recovery on the statement of operations. During Q3-2023, the Company recorded a flow-through share premium recovery of \$nil (Q3-2022: \$2,591,220).

The Company sold 3 mineral claims during Q3-2023 resulting in a gain on sale of \$40,500 (Q3-2022: \$nil).

Other gains and losses recorded for Q3-2023 include the fee charged by the insurer of the reclamation bond and bank fees related to the Letter of Credit, as well as realized and unrealized gains and losses on investments. During Q3-2023, the Company recognized an unrealized loss of \$7,383,587 on investments held compared to a gain of \$21,956 during Q3-2022. This loss results primarily from the fair-market valuation of the Company's shares in Sayona during Q3-2023. The Company sold some of its holdings in Sayona as well as another investment during the current quarter, recognizing a total realized loss on sale of \$835,988.

For the nine months ended April 30, 2023 (YTD-2023):

The Company recorded net income of \$7,930,541 for the nine months ended April 30, 2023 (nine months ended April 30, 2022: a net loss of \$27,409,653). During YTD-2023, the Company sold 1,824 mineral claims for consideration of 184,331,797 common shares of Sayona valued at \$40,000,000. Costs related to the transaction totaled \$352,701.

Exploration and evaluation expenses decreased by 31% as described in the Exploration Activities section of this report above.

The Company's reclamation provision is updated regularly for changes in estimate and changes in discount and inflation rates. A recovery of \$272,830 was recorded as reclamation estimate to the statement of operations for YTD-2023 (YTD-2022: \$265,704). The discounting is accreted over time and \$74,025 has been recorded as accretion to the statement of operations for YTD-2023 (YTD-2022: \$75,774).

General and administrative expenses are detailed below:

	Nine months ended April 30,	
	2023	2022
	<u>YTD-2023</u>	<u>YTD-2022</u>
General and administrative expenses :		
Salaries, payroll costs and consultants	\$ 2,573,933	\$ 2,314,223
Professional costs	388,743	293,533
Shareholder communications	1,235,732	1,264,549
Office and general	406,839	423,782
Travel	183,561	279,643
Depreciation	250,913	220,049
	<u>\$ 5,039,721</u>	<u>\$ 4,795,779</u>

- Salaries, payroll costs and consultants increased by \$259,710 or 11% during YTD-2023 compared to YTD-2022 due to more staff, a slight increase in bonuses and a severance payment made during the current period.
- Professional costs increased by \$95,210 or 32% primarily as a result of higher legal fees.
- Travel costs decreased by \$96,082 or 34% because of a corporate event in Quebec City during the prior year.

Share-based payments expense for YTD-2023 was \$5,808,293 compared to \$4,643,818 for YTD-2022. The value recorded represents an accrual for unvested RSU's on a front-loaded basis, based on the fair market value on the date of grant. During YTD-2023, 7,150,000 RSU's were granted. During YTD-2022, 3,708,750 RSU's were granted.

As a result of the Company's flow-through financings, the Company records a flow-through liability on the statement of financial position representing the premium on the share issuances. As the Company incurs eligible expenditures against this liability, the Company reduces the liability and records this as a flow-through share premium recovery on the statement of operations. During YTD-2023, the Company recorded a flow-through share premium recovery of \$nil (YTD-2022: \$6,587,450).

Other gains and losses recorded for YTD-2023 include the fee charged by the insurer of the reclamation bond and bank fees related to the Letter of Credit, as well as realized and unrealized gains and losses on investments. During YTD-2023, the Company recognized an unrealized loss of \$2,767,781 on investments

held compared to a loss of \$20,353 during YTD-2022. The Company sold some of its holdings in Sayona during the current year, recognizing a realized loss on sale of \$1,304,676.

SUMMARY OF QUARTERLY RESULTS

	April 30, 2023	January 31, 2023	October 31, 2022	July 31, 2022
	Q3-2023	Q2-2023	Q1-2023	Q4-2022
Interest income	\$12,594	\$41,867	\$77,929	\$53,157
Net income/(loss) and comprehensive income/(loss)	(\$17,311,519)	\$35,438,277	(\$10,196,217)	(\$8,832,763)
Basic net income/(loss) per share	(\$0.08)	\$0.16	(\$0.05)	(\$0.04)
Diluted net income/(loss) per share	(\$0.08)	\$0.15	(\$0.05)	(\$0.04)
Total assets	\$52,664,295	\$66,182,093	\$25,569,825	\$30,720,812
Non-current financial liabilities	\$447,703	\$521,920	\$580,117	\$554,219
	April 30, 2022	January 31, 2022	October 31, 2021	July 31, 2021
	Q3-2022	Q2-2022	Q1-2022	Q4-2021
Interest income	\$41,969	\$41,989	\$65,935	\$10,774
Net loss and comprehensive loss	(\$7,930,054)	(\$11,053,737)	(\$8,425,862)	(\$35,878,569)
Basic and diluted net loss per share	(\$0.04)	(\$0.06)	(\$0.04)	(\$0.22)
Total assets	\$36,574,714	\$43,679,242	\$56,504,574	\$66,149,500
Non-current financial liabilities	\$541,411	\$612,820	\$670,074	\$711,998

Total assets in general decrease due to cash expenditures on exploration properties as the Company does not capitalize these costs. During Q2-2023, the Company sold mineral claims for consideration of \$40,000,000 in securities increasing total assets for that period. Non-current financial liabilities for all periods above represent the long-term portion of lease liabilities. These balances decrease as payments are made and increase upon entering into new lease contracts.

Net income/(loss) and comprehensive income/(loss) fluctuates in response to the level of exploration carried out, which can vary period to period. Drilling has continued non-stop through these periods. However, \$24.4 million of the increase in net loss during Q4-2021 relates to the acquisition of UrbanGold. And net income during Q2-2023 results from the consideration paid to the Company for the sale of mineral claims.

LIQUIDITY AND CAPITAL RESOURCES

Given the nature of the Company's operations, the most relevant financial information relates primarily to current liquidity, solvency and planned expenditures. The Company currently has a negative operating cash flow and finances its mineral exploration through equity financings. The Company's financial success will be dependent on the economic viability of its mineral exploration and development properties and the extent to which it can establish economic mineral reserves and operations.

The Company had working capital (see Non-IFRS Measures) of \$38,637,266 as at April 30, 2023 (July 31, 2022: \$14,935,276) including cash and cash equivalents of \$467,729 (July 31, 2022: \$9,498,921).

As at April 30, 2023, the Company is carrying investments with a fair market value of \$25,352,256, including the shares received as consideration from the sale of mineral claims.

The Company has accrued \$18,580,025 in tax credit receivable at April 30, 2023. Of this amount, over \$9,000,000 is related to the tax year ended July 31, 2022 for which the Company is anticipating an imminent refund. The balance of the receivable will be claimed when the Company files its next tax return.

The Company's existing leases include office leases, vehicle leases and equipment leases, with terms between 1 months and 3.4 years. Total lease liabilities as at April 30, 2023 are \$1,132,771, where \$685,068 is current and \$447,703 is long-term (July 31, 2022: total lease liabilities of \$1,256,810, \$702,591 current and \$554,219 long-term). The Company entered into lease agreements for a value of \$597,165 during the nine months ended April 30, 2023 (January 31, 2022: \$377,893).

The Company's lease commitments include:

Liability	Total	Payments due by period			
		< 1 year	1 - 3 years	4 - 5 years	> 5 years
Lease liabilities	\$ 1,132,771	\$ 685,068	\$ 414,074	\$ 33,629	\$ -

The Company has reclamation and water treatment obligations at the Troilus Gold property from historical mining activities. The Company has recorded a total obligation of \$3,051,125 as at April 30, 2023, of which \$168,464 has been recognized as current (July 31, 2022: \$3,334,442, \$144,862 being current). This estimate assumes that future mining operations will not resume and as management continues its exploration program and works towards a future mining scenario, the reclamation provision will be adjusted accordingly.

During 2019, the Company withdrew its security deposit with the Government of Quebec in exchange for an underwritten bond from an insurance company for an annual fee. During 2020, the Company entered into a bonding facility with a new insurance company pursuant to which the Company further reduced its cash deposit to 20% of the reclamation deposit, or \$794,595, incurring the same annual fee. The Company deposited \$794,595 into a Guaranteed Investment Certificate ("GIC") secured by a Letter of Credit. The Company also paid an additional \$50,000 deposit as security against current and future estimated reclamation obligations on the landfill site on the Troilus Gold property.

CASH FLOWS

Cash used in operating activities during the nine months ended April 30, 2023 was \$29,334,604 compared to \$32,262,397 for the nine months ended April 30, 2022. During the nine months ended April 30, 2023, the Company used \$21,444,336 in cash before non-cash working capital items, the majority of which was spent on exploration and evaluation expenses and administrative expenses as described earlier in this report (nine months ended April 30, 2022: \$28,675,116). Non-cash working capital used \$7,890,268 during the nine months ended April 30, 2023 (nine months ended April 30, 2022: \$3,587,281). The net change in non-cash working capital reported on the cash flow statement identifies the changes in current assets and current liabilities that occurred during the period. An increase in a liability (or a decrease in an

asset) is a source of funds, while a decrease in a liability (or an increase in an asset) account is a use of funds.

Cash provided by financing activities during the nine months ended April 30, 2023 was \$9,574,438 compared to a use of \$262,834 during the nine months ended April 30, 2022. The Company received \$10,000,000 from a private placement financing, paying \$102,211 in legal costs associated with this financing. As well, the Company received \$304,000 from the exercise of warrants. During the comparative period, the Company paid \$111,500 in cost of issue related to its financing from July 2021 and received \$274,742 from the exercise of warrants. The Company also paid \$627,351 in lease payments during the nine months ended April 30, 2023 (nine months ended April 30, 2022: \$426,076).

Cash provided by investing activities during the nine months ended April 30, 2023 was \$10,728,974 (nine months ended April 30, 2022: the use of \$653,454). The Company paid \$375,106 in equipment during the nine months ended April 30, 2023 compared to \$653,454 during the nine months ended April 30, 2022. The Company acquired securities in publicly traded companies for \$375,106 during the current year to date. As well, the Company sold securities during the current period receiving \$11,655,492 in proceeds, net of commissions.

SIGNIFICANT ACCOUNTING POLICIES

The Company's significant accounting policies can be found in Note 3 of its audited annual consolidated financial statements for the year ended July 31, 2022.

NON-IFRS MEASURES

Working Capital

The Company has referred to working capital throughout this document. Working capital is a Non-IFRS performance measure. In the gold mining industry, it is a common Non-IFRS performance measure but does not have a standardized meaning. The Company believes that, in addition to conventional measures prepared in accordance with IFRS, we and certain investors use this information to evaluate the Company's performance and ability to generate cash, profits and meet financial commitments. This Non-IFRS measure is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The following tables provide a reconciliation of working capital to the financial statements as at April 30, 2023 and July 31, 2022.

	April 30, 2023	July 31, 2022
Current assets:		
Cash and cash equivalents	\$ 467,729	\$ 9,498,921
Tax credit receivable	18,580,025	12,363,000
Amounts receivable	932,756	780,176
Investments	25,352,256	488,292
Prepaid expenses	768,165	852,287
	\$ 46,100,931	\$ 23,982,676
Current liabilities:		
Accounts payable and accrued liabilities	6,610,163	8,199,947
Current portion of lease liabilities	685,068	702,591
Current portion of reclamation provision	168,434	144,862
	\$ 7,463,665	\$ 9,047,400
Working capital/(deficiency), current assets less current liabilities	\$ 38,637,266	\$ 14,935,276

CAPITAL RISK MANAGEMENT

The Company manages and adjusts its capital structure based on available funds in order to support the exploration and development of mineral properties. The capital of the Company consists of share capital, share purchase warrants, RSU's and stock options. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The Company's properties are in the exploration stage and, accordingly, the Company is dependent upon external financings to fund activities. In order to carry out planned drilling and engineering work, and pay for administrative costs, the Company will spend working capital and expects to raise the additional funds from time to time as required.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company's capital management objectives, policies and processes have remained unchanged during the nine months ended April 30, 2023.

COMMITMENT AND CONTINGENCIES

The Company is party to certain management contracts. These contracts contain minimum commitments of approximately \$2,084,000 and additional contingent payments of approximately \$5,000,000 upon the occurrence of a change of control. As well, as of the date of this report, there are 14,523,728 RSU's outstanding to directors, officers and employees of the Company that vest in tranches over the next two years. Upon a change of control, any unvested RSU's would vest immediately. As a triggering event for a change of control has not taken place, the contingent payments have not been reflected in the Company's financial statements.

The Company's lease commitments are outlined above (see Liquidity and Capital Resources).

The Troilus project is subject to a variable Net Smelter Royalty ("NSR") held by Sandstorm Gold Royalties of 1.0% on 81 claims and on surveyed mining lease (BM 829). The 209 claims acquired from Emgold during the previous year are subject to 1% royalties to Emgold that the Company has a right to purchase for \$1,000,000. The three claims acquired from O3 during Q4-2020 are subject to royalties of 2% NSR to O3, half of which can be purchased for \$1,000,000 and 2% NSR to an individual, half of which can be purchased for \$1,000,000. The remaining 135 claims acquired from O3 during Q4-2020 are subject to a 2% NSR to O3 which can be purchased for \$1,000,000, subject to the terms of the Buy Back agreement entered into between the Company and Sayona, and seven of these claims are subject to an underlying royalty of 2%. The remaining 15 claims acquired from Globex are subject to a 2% Gross Metal Sales royalty ("GMR") to Globex, of which half can be repurchased at any time for \$1,000,000, subject to the terms of the Buy Back agreement between the Company and Sayona. The now 19 claims acquired from CMH are subject to a 1% NSR, of which half can be repurchased for \$500,000 and half can be repurchased for \$1,500,000, subject to the terms of the Buy Back agreement between the Company and Sayona.

As well, as a result of the acquisition of UrbanGold, the Company is subject to royalties on certain of the claims acquired, including a 2% NSR to O3 on 13 Bullseye claims, of which half can be purchased at any time for \$500,000; a 1% NSR to Soquem on the remaining 71 Pallador claims, of which half can be purchased at any time for \$500,000, subject to the terms of the Buy Back agreement entered into between the Company and Sayona; and a 1% NSR to Geotest Corporation and Wayne Holmstead (0.5% each) on 55 Pallador claims.

The Company has met all of its exploration expenditure commitments with respect to past flow-through financings. In connection with the flow-through financings, the Company indemnifies the subscribers against certain tax related amounts that may become payable by the subscribers should the Company not meet its flow-through expenditure commitments.

The Company's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

RELATED PARTY DISCLOSURES

The Company entered into the following transactions in the ordinary course of business with related parties that are not subsidiaries of the Company.

Related party balances and transactions

During the three and nine months ended April 30, 2023, the Company paid \$20,940 and \$62,056 respectively (three and nine months ended April 30, 2022: \$19,793 and \$59,378) to a private company from which it rents its office space in Chibougamau. A VP of the Company, Mr. Daniel Bergeron, owns 50% of this private company.

During the three and nine months ended April 30, 2023, the Company received \$7,500 and \$17,500 respectively in fees related to shared office space from Lithium Ionic Corp. The Company's President, Mr.

Blake Hylands, is an officer and director of Lithium Ionic Corp. One of the Company's directors, Mr. Tom Olesinski, is an officer of Lithium Ionic Corp.

Compensation of key management personnel of the Company

The remuneration of directors and other members of key management personnel were as follows:

	Three months ended April 30,		Nine months ended April 30,	
	2023	2022	2023	2022
Management salaries and fees	\$ 509,395	\$ 589,093	\$ 2,218,281	\$ 2,639,442
Directors fees	89,866	82,889	269,597	263,722
Share-based payments	1,306,446	1,053,995	5,177,489	3,875,283
	<u>\$ 1,905,707</u>	<u>\$ 1,725,977</u>	<u>\$ 7,665,367</u>	<u>\$ 6,778,447</u>

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company. The remuneration of directors and key executives is determined by the Board of Directors of the Company having regard to the performance of individuals and market trends.

FINANCIAL INSTRUMENTS

Financial assets and financial liabilities were classified as follows:

	Assets at amortized cost	Assets at fair value through profit or loss	Liabilities at amortized cost	Total
As at April 30, 2023				
Cash and cash equivalents	\$ 387,729	\$ 80,000	\$ -	\$ 467,729
Amounts receivable	10,137	-	-	10,137
Investments	-	25,352,256	-	25,352,256
Reclamation deposit	50,000	794,595	-	844,595
Accounts payable and accrued liabilities	-	-	6,610,163	6,610,163
Lease liabilities	-	-	1,132,771	1,132,771

The carrying value of cash and cash equivalents, amounts receivable, and accounts payable and accrued liabilities approximate fair value due to the short-term nature of the financial instruments. The carrying value of investments is recorded at an estimated fair value based on a valuation technique using observable or unobservable inputs. The carrying value of reclamation deposit approximates fair value as it is represented by a cash deposit. Management believes the carrying value of lease liabilities approximates fair value.

A fair value hierarchy prioritizes the methods and assumptions used to develop fair value measurements for those financial assets where fair value is recognized on the statement of financial position. These have been prioritized into three levels.

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 – Inputs for the asset or liability that are not based on observable market data.

The following table sets forth the Company's financial assets and liabilities measured at fair value by level within the fair value hierarchy as at April 30, 2023:

	Level 1	Level 2	Level 3	TOTAL
As at April 30, 2023				
Cash equivalents	\$ 80,000	-	\$ -	\$ 80,000
Investments	24,533,414	-	818,842	25,352,256
Reclamation deposit	794,595	-	-	794,595

Fair value amounts represent point-in-time estimates and may not reflect fair value in the future. The measurements are subjective in nature, involve uncertainties and are a matter of significant judgment.

The investments in Level 3 include the investment in a privately held company that is not quoted on an exchange. The key assumption used in the valuation of this investment is the value at which a recent financing was completed by the investee. As well, Level 3 includes the value of warrants acquired from the purchase of units, which were estimated using the Black-Scholes option pricing model.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below. There have been no significant changes in the risks, objectives, policies and procedures for managing risk during the nine months ended April 30, 2023.

Credit risk

The Company's credit risk is primarily attributable to cash and cash equivalents. The Company has no significant concentration of credit risk arising from operations. Cash and cash equivalents consist of guaranteed investment certificates, which have been invested with reputable financial institutions, from which management believes the risk of loss to be remote. Amounts receivable primarily represent input tax credit refunds from government bodies. Management believes that the credit risk concentration with respect to these financial instruments is remote.

Liquidity risk

The Company manages liquidity risk by maintaining adequate cash and cash equivalent balances. The Company continuously monitors and reviews both actual and forecasted cash flows, and also matches the maturity profile of financial assets and liabilities.

As at April 30, 2023, the Company had current assets of \$59,691,203 (July 31, 2022: \$23,982,676) to settle current liabilities of \$5,315,160 (July 31, 2022: \$9,047,400). Approximately \$3,800,000 of the Company's financial liabilities as at April 30, 2023 have contractual maturities of less than 30 days and are subject to normal trade terms.

Liability	Total	Payments due by period			
		< 1 year	1 - 3 years	4 - 5 years	> 5 years
Accounts payable and accrued liabilities	\$ 6,610,163	\$ 6,610,163	\$ -	\$ -	\$ -
Lease liabilities	1,132,771	685,068	414,074	33,629	-
Reclamation provision	3,051,125	168,434	413,042	422,743	2,046,906

Market risk - Price risk and currency risk

A large portion of the Company's current assets consist of shares acquired from the sale of mineral claims, which the Company intends to sell to fund operations. The Company is exposed to price risk as unfavourable market conditions could result in disposition of investments at less than favourable prices. As well, the shares are denominated in Australian dollars, which subjects the Company to foreign currency risk.

Based on the investments held at April 30, 2023, a change in the fair value of investments by 5%, all other factors held constant, could result in a corresponding change in net income of approximately \$6,400,000. A 2% change in the foreign exchange rate between the Australian and Canadian dollars could result in a corresponding change in net income of approximately \$500,000.

OUTSTANDING SHARE DATA

Number of:	As at April 30, 2023	As at June 8, 2023
Common Shares	227,094,385	227,102,195
RSU's	14,523,728	14,523,728
Warrants	24,501,916	22,780,925

RISKS AND UNCERTAINTIES

Nature of Mining, Mineral Exploration and Development Projects

Mineral exploration is highly speculative in nature. There is no assurance that exploration efforts will be successful. Even when mineralization is discovered, it may take several years until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish proven and probable mineral reserves through drilling. Because of these uncertainties, no assurance can be given that exploration programs will result in the establishment or expansion of mineral resources or mineral reserves. There is no certainty that the expenditures made by the Company towards the search and evaluation of mineral deposits will result in discoveries or development of commercial quantities of ore.

Mining operations generally involve a high degree of risk. The Company's operations are subject to the hazards and risks normally encountered in mineral exploration and development, including environmental hazards, explosions, and unusual or unexpected geological formations or pressures. Such risks could result in damage to, or destruction of, mineral properties, personal injury, environmental damage, delays in mining, monetary losses and possible legal liability.

Liquidity Concerns and Future Financings

The Company will require capital and operating expenditures in connection with the exploration and development of its properties and for working capital purposes. There can be no assurance that the Company will be successful in obtaining the required financing as and when needed. The only sources of future funds presently available to Troilus are the sale of equity capital, the sale of assets (which may be illiquid), or offering an interest in its properties. There is no assurance that any funds will be available for operations. Failure to obtain additional financing on a timely basis could cause the Company to reduce, delay or terminate its proposed operations, with the possible loss of such operations and assets.

Volatile markets may make it difficult or impossible for the Company to obtain debt financing or equity financing on acceptable terms, if at all. Failure to obtain additional financing on a timely basis may cause the Company to postpone or slow down its development plans, forfeit rights in some or all of its properties or reduce or terminate some or all of its activities.

Calculation of Mineral Resources

There is a degree of uncertainty attributable to the calculation and estimates of resources and the corresponding metal grades to be mined and recovered. Until resources are actually mined and processed, the quantities of mineralization and metal grades must be considered as estimates only. Any material change in the quantity of mineral resources, grades and recoveries may affect the economic viability of the Company's operations.

No Mineral Reserves have been estimated at the Troilus project

The Troilus Gold property is in the exploration stage and sufficient work has not been done to define a mineral reserve. There is no assurance given by the Company that continuing work on the property will lead to defining the mineralization with enough confidence and in sufficient quantities to report it as a mineral reserve.

Environmental, Health and Safety Risks

The Company's activities are subject to extensive laws and regulations governing environmental protection and employee health and safety. Environmental legislation is evolving in a manner that is creating stricter standards, while enforcement, fines and penalties for non-compliance are more stringent. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations. Furthermore, any failure to comply fully with all applicable laws and regulations could have significant adverse effects on the Company, including the suspension or cessation of operations.

Exploration and mining operations involve risks of releases to soil, surface water and groundwater of metals, chemicals, fuels, liquids having acidic properties and other contaminants. Significant risk of environmental contamination from present and past exploration or mining activities still exists for mining companies. The Troilus mine is a past producing mine subject to continuing reclamation liabilities and obligations. Troilus may be liable for environmental contamination and natural resource damages relating to properties that they currently own or operate or at which environmental contamination occurred while or before they owned or operated the properties. No assurance can be given that potential liabilities for such contamination or damages caused by past activities at the Troilus mine do not exist or that the Company will not be alleged to be responsible for historical liabilities at the Troilus mine.

Pandemic or other health crises

The Company's business and operations could be adversely affected by the outbreak of an epidemic or a pandemic or other health crises, including the recent outbreak of COVID-19. Global government actions, including lockdowns, stay-at-home orders and travel restrictions, along with market uncertainty have already impacted global economic conditions, which may in turn impact the Company's ability to operate, the operations of its suppliers, contractors and service providers, the ability to obtain future financing and maintain necessary liquidity, and the ability to explore the Company's mineral properties. While these effects are expected to be temporary, the duration of the business disruptions internationally and related financial impact cannot be reasonably estimated at this time.

Cycles

There are significant uncertainties regarding the prices of gold and other precious metals and in the availability of equity financing for the purposes of mineral exploration. For instance, the price of gold has fluctuated widely in recent years and it is expected that fluctuations will continue. Management of the Corporation is not aware of any trend, commitment, event or uncertainty either presently known or reasonably expected by the Corporation to have a material adverse effect on the Corporation's business, financial condition or results of operations other than the normal speculative nature of the natural resource industry and other risks disclosed herein. The current and future operations of the Corporation, including exploration and development activities, are subject to extensive laws and regulations governing environmental protection, employee health and safety, exploration, development, tenure, production.

Decommissioning and Reclamation

Environmental regulators are increasingly requiring financial assurances to ensure that the cost of decommissioning and reclaiming sites is borne by the parties involved, and not by government. It is not possible to predict what level of decommissioning and reclamation (and financial assurances relating thereto) may be required in the future by regulators.

Insurance

The Company's business is capital intensive and subject to a number of risks and hazards, including environmental pollution, accidents or spills, industrial and transportation accidents, labour disputes, changes in the regulatory environment, natural phenomena (such as inclement weather conditions, earthquakes, pit wall failures and cave-ins) and encountering unusual or unexpected geological conditions. Many of the foregoing risks and hazards could result in damage to, or destruction of: the Company's mineral properties or future processing facilities, personal injury or death, environmental damage, delays in or interruption of or cessation of their exploration or development activities, delay in or inability to receive regulatory approvals to transport their products, or costs, monetary losses and potential legal liability and adverse governmental action. Troilus may be subject to liability or sustain loss for certain risks and hazards against which they do not or cannot insure or which it may reasonably elect not to insure. This lack of insurance coverage could result in material economic harm to Troilus.

Metal Prices

Precious metal prices fluctuate widely and are affected by numerous factors beyond the control of the Company. The level of interest rates, the rate of inflation, the world supply of mineral commodities and the stability of exchange rates can all cause significant fluctuations in prices. Such external economic factors are in turn influenced by changes in international investment patterns, national fiscal policies, monetary systems and political developments. The price of gold and silver has fluctuated widely in recent years. Future price declines could cause commercial production to be impracticable, thereby having a material adverse effect on the Company's business, financial condition and result of operations.

Moreover, the ability of the Company to fund its activities and the valuation of investor companies will depend significantly upon the market price of precious metals.

Competition

The Company competes with many other mining companies that have substantially greater resources than the Company. Such competition may result in the Company being unable to acquire desired properties, recruit or retain qualified employees or obtain the capital necessary to fund the Company's operations and develop its properties. The Company's inability to compete with other mining companies for these resources would have a material adverse effect on the Company's results of operations and business.

Properties May be Subject to Defects in Title

The Company has investigated its rights to exploit the Troilus Gold property and, to the best of its knowledge, its rights are in good standing. However, no assurance can be given that such rights will not be revoked, or significantly altered, to its detriment. There can also be no assurance that the Company's rights will not be challenged or impugned by third parties, including aboriginal communities.

Some of the Company's mineral claims may overlap with other mineral claims owned by third parties which may be considered senior in title to the Company mineral claims. The junior claim is only invalid in the areas where it overlaps a senior claim. The Company has not determined which, if any, of the Company mineral claims is junior to a mineral claim held by a third party.

Although the Company is not aware of any existing title uncertainties with respect to the Troilus Gold property, there is no assurance that such uncertainties will not result in future losses or additional expenditures, which could have an adverse impact on the Company's future cash flows, earnings, results of operations and financial condition.

Limited Property Portfolio

At this time, the Company holds an interest in the Troilus Gold property. As a result, unless the Company acquires additional property interests, any adverse developments affecting this property could have a material adverse effect upon the Company and would materially and adversely affect the potential future mineral resource production, profitability, financial performance and results of operations of the Company.

Property Commitments

The Company's mining properties may be subject to various land payments, royalties and/or work commitments. Failure by the Company to meet its payment obligations or otherwise fulfill its commitments under these agreements could result in the loss of related property interests.

Licences and Permits, Laws and Regulations

The Company's exploration and development activities (and those of investee companies) require permits and approvals from various government authorities, and are subject to extensive federal, provincial and local laws and regulations governing prospecting, exploration, development, production, transportation, exports, taxes, labour standards, occupational health and safety, mine safety and other matters. Such laws and regulations are subject to change, can become more stringent and compliance can therefore become more time-consuming and costly. In addition, the Company may be required to compensate those suffering loss or damage by reason of its activities. The Company will be required to obtain additional licences and permits from various governmental authorities to continue and expand its

exploration and development activities. There can be no guarantee that the Company will be able to maintain or obtain all necessary licences, permits and approvals that may be required to explore and develop its properties (or that its investee companies would also succeed).

Community Relations and License to Operate

The Company's relationship with the local communities and First Nations where it operates is critical to ensure the future success of its existing activities and the potential development and operation of its Troilus Gold property. Failure by the Company to maintain good relations with local communities and First Nations can result in adverse claims and difficulties for the Company. There is also an increasing level of public concern relating to the perceived effect of mining activities on the environment and on communities impacted by such activities. NGOs and civil society groups, some of which oppose resource development, are often vocal critics of the mining industry and its practices, including the use of hazardous substances and the handling, transportation and storage of various waste, including hazardous waste. Adverse publicity generated by such NGOs and civil society groups or others related to the extractive industries generally, or the Company's operations specifically, could have a material adverse impact on the Company and its reputation. Reputation loss may result in decreased investor confidence, increased challenges in developing and maintaining community relations and an impediment to the Company's overall ability to advance its projects, which could have a material adverse impact on the Company's business, results of operations and financial condition.

Key Personnel

The senior officers of the Company will be critical to its success. Recruiting qualified personnel as the Company grows is critical to its success. The number of persons skilled in the acquisition, exploration and development of mining properties is limited and competition, particularly in Quebec, for such persons is intense. As the Company's business activity grows, it will require additional key financial, administrative, regulatory and mining personnel as well as additional operations staff. If the Company is not successful in attracting and training qualified personnel, the efficiency of its operations could be affected, which could have an adverse impact on future cash flows, earnings, results of operations and the financial condition of the Company.

Dependence on Outside Parties

The Company has relied upon consultants, geologists, engineers and others and intends to rely on these parties for exploration and development expertise. Substantial expenditures are required to construct mines, to establish mineral resources and reserves through drilling, to carry out environmental and social impact assessments, to develop metallurgical processes to extract metal from ore and, in the case of new properties, to develop the exploration and plant infrastructure at any particular site. If such parties' work is deficient or negligent or is not completed in a timely manner, it could have a material adverse effect on the Company.

Share Price Fluctuations

The market price of securities of many companies, particularly junior stage mining companies, experience wide fluctuations in price that are not necessarily related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that fluctuations in the Company's share price will not occur.

Conflicts of Interest

Directors and officers of the Company are or may become directors or officers of other reporting companies or have significant shareholdings in other mineral resource companies and, to the extent that

such other companies may participate in ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. The Company and its directors and officers will attempt to minimize such conflicts. In the event that such a conflict of interest arises at a meeting of the directors of the Company, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. In appropriate cases the Company will establish a special committee of independent directors to review a matter in which one or more directors, or officers, may have a conflict. In determining whether or not the Company will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the potential benefits to the Company, the degree of risk to which the Company may be exposed and its financial position at that time. Other than as indicated, the Company has no other procedures or mechanisms to deal with conflicts of interest.

Current Global Financial Condition

The Company will be required to raise additional funds in the future for the development of its projects and other activities through the issuance of additional equity or debt. Current financial and economic conditions globally have been subject to increased uncertainties. Access to financing has been negatively affected by these economic uncertainties. These factors may affect the ability of the Company to obtain equity and/or debt financing in the future and, if obtained, influence the terms available to the Company. If these increased levels of volatility and market turmoil continue, the Company may not be able to secure appropriate debt or equity financing. If additional capital is raised by the issuance of shares from the treasury of the Company, shareholders may suffer dilution. Future borrowings by the Company or its subsidiaries may increase the level of financial and interest rate risk to the Company as the Company will be required to service future indebtedness.

No Revenues

To date, the Company has not recorded any revenues from operations nor has the Company commenced production on any property. There can be no assurance that the Company will always have sufficient capital resources to continue as a going concern, or that significant losses will not occur in the near future or that the Company will be profitable in the future. The Company's expenses and capital expenditures will increase as consultants, personnel and equipment associated with the exploration and possible development of its properties are advanced. The Company expects to continue to incur losses unless and until such time as it enters into commercial production and generates sufficient revenues to fund its continuing operations. The development of the Company's properties will continue to require the commitment of substantial resources. There can be no assurance that the Company will continue as a going concern, generate any revenues or achieve profitability.

Public Company and other Regulatory Obligations

The Company is subject to evolving corporate governance and public disclosure regulations that have increased both the Company's compliance costs and the risk of non-compliance, which could adversely affect the Company's share price.

The Company is subject to changing rules and regulations promulgated by a number of governmental and self-regulated organizations, including the Canadian Securities Administrators, applicable stock exchange(s), and the International Accounting Standards Board. These rules and regulations continue to evolve in scope and complexity creating many new requirements. For example, the Canadian government proclaimed into force the *Extractive Sector Transparency Measures Act* on June 1, 2015, which mandates the public disclosure of payments made by mining companies to all levels of domestic and foreign governments. The Company's efforts to comply with increasing regulatory burden could result in

increased general and administration expenses and a diversion of management time and attention from revenue-generating activities to compliance activities.

Management of Growth

The Company may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of the Company to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base. The inability of the Company to deal with this growth may have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROL OVER FINANCIAL REPORTING

Management is responsible for establishing and maintaining adequate disclosure controls and internal control over the Company's financial reporting. The internal control system was designed to provide reasonable assurance to the Company's management regarding the preparation and presentation of the financial statements.

Troilus's management, including the Chief Executive Officer and the Chief Financial Officer, does not expect that its internal controls over financial reporting and disclosure controls and procedures will prevent or detect all errors and frauds. A cost-effective system of internal controls, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the internal controls over financial reporting are achieved.

The Company's management, with the participation of its Chief Executive Officer and Chief Financial Officer, have certified that disclosure controls and internal controls over financial reporting have been designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. There was no change in the Company's internal controls over financial reporting that occurred during the nine months ended April 30, 2023 that has materially affected, or is reasonably likely to materially affect, the Company's internal controls over financial reporting. The audit committee of the Company has reviewed this MD&A and the condensed interim consolidated financial statements for the three and nine months ended April 30, 2023, and the Company's board of directors approved these documents before their release.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the Company's Financial Statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the Financial Statements and reported amounts of revenues and expenses during the reported period. Such estimates and assumptions affect the carrying value of assets, impact decisions as to when exploration and development costs should be capitalized or expensed, and impact estimates for asset retirement obligations and reclamation costs. Other significant estimates made by the Company include factors affecting valuations of stock-based compensation and the valuation of income tax accounts. The Company regularly reviews its estimates and assumptions; however, actual results could differ from these estimates and these differences could be material.

June 8, 2023