INTREPID METALS CORP.

(FORMERLY "VOLEO TRADING SYSTEMS INC.")
CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

(Expressed in Canadian Dollars)

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

Independent Auditor's Report

To the Shareholders of Intrepid Metals Corp.

Opinion

We have audited the consolidated financial statements of Intrepid Metals Corp. (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2022 and 2021, and the consolidated statements of loss and comprehensive loss, cash flows and changes in equity for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2022 and 2021, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the financial statements, which indicates that the Company had an accumulated deficit of $17,001,304 and expected to incur further losses. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters, that in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in the Material Uncertainty Related to Going Concern section, we have determined that there are no other key audit matters to communicate in our report.

Other Information

Management is responsible for the other information. The other information comprises the information included in Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is David Goertz.

DMCL.

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, BC

May 1, 2023

INTREPID METALS CORP.
(FORMERLY "VOLEO TRADING SYSTEMS INC.")
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

	AS AT DECEMBER 31, 2022	AS AT DECEMBER 31, 2021
ASSETS		
Current assets		
Cash	$ **2,151,249**	$ 884,179
Amounts receivable (note 3)	**14,589**	2,804
Prepaid expenses (notes 4 and 11)	**115,693**	112,850
Investment (note 5)	**1**	1
	2,281,532	999,834
Deposits	**5,871**	5,610
Exploration and evaluation assets (note 6)	**268,444**	-
Equipment	**-**	1,739
	$ **2,555,847**	$ 1,007,183
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (notes 7 and 9)	$ **145,235**	$ 99,459
Promissory notes payable (note 8)	**50,000**	50,000
	195,235	149,459
Long-term liabilities		
Promissory notes payable (note 8)	**44,950**	-
	240,185	149,459
Equity		
Share capital (note 10)	**16,584,982**	13,460,352
Obligation to issue shares (note 8)	**85,000**	-
Equity reserves	**2,645,528**	2,372,754
Accumulated other comprehensive income	**1,456**	774
Deficit	**(17,001,304)**	(14,976,156)
	2,315,662	857,724
	$ **2,555,847**	$ 1,007,183

Nature of operations and going concern (note 1)
Subsequent events (note 15)

Approved on May 1, 2023 on behalf of the Board of Directors:

"Mark Lotz"	Director	*"Kenneth Brophy"*	Director
Mark Lotz		Kenneth Brophy	

The accompanying notes are an integral part of these consolidated financial statements.

INTREPID METALS CORP.
(FORMERLY "VOLEO TRADING SYSTEMS INC.")
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian dollars)

	FOR THE YEAR ENDED DECEMBER 31, 2022	FOR THE YEAR ENDED DECEMBER 31, 2021
EXPENSES		
Exploration and evaluation (note 6)	**689,958**	-
General and administration (note 11)	**992,805**	514,357
Marketing and investor relations	**48,924**	217,451
Research and development	**14,460**	12,610
Share-based payments (note 10)	**328,104**	334,674
	(2,074,251)	(1,079,092)
OTHER ITEMS		
Interest expense (note 8)	**(1,629)**	-
Interest income	**52,422**	5,998
Write off of statute barred payables (note 7)	**-**	42,618
Foreign exchange loss	**(1,690)**	(778)
	49,103	47,838
LOSS	**(2,025,148)**	(1,031,254)
Cumulative translation adjustment	**682**	159
COMPREHENSIVE LOSS	$ **(2,024,466)**	$ (1,031,095)
Basic and diluted loss per common share	$ **(0.05)**	$ (0.03)
Weighted average number of common shares outstanding – basic and diluted	**41,940,585**	31,030,626

The accompanying notes are an integral part of these consolidated financial statements.

INTREPID METALS CORP.
(FORMERLY “VOLEO TRADING SYSTEMS INC.”)
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian dollars)

	FOR THE YEAR ENDED DECEMBER 31, 2022	FOR THE YEAR ENDED DECEMBER 31, 2021
OPERATING ACTIVITIES		
Loss	$ **(2,025,148)**	$ (1,031,254)
Items not affecting cash:		
Write off of statute barred payables	**-**	(42,618)
Share-based payments	**328,104**	334,674
Depreciation	**1,739**	3,290
Interest accretion	**1,629**	-
Units issued for services	**250,000**	-
Net change in non-cash working capital items:		
Amounts receivable	**(11,785)**	14,397
Prepaid expenses	**(2,843)**	31,599
Deposits	**122**	1,501
Accounts payable and accrued liabilities	**98,276**	25,370
Cash used in operating activities	**(1,359,906)**	(663,041)
INVESTING ACTIVITIES		
Acquisition of exploration and evaluation assets	**(78,323)**	-
Cash used in investing activities	**(78,323)**	-
FINANCING ACTIVITIES		
Private placement	**2,768,000**	-
Share issuance costs	**(63,000)**	-
Cash provided by financing activities	**2,705,000**	-
Net change in cash	**1,266,771**	(663,041)
Effect of foreign exchange on cash	**299**	303
Cash, beginning	**884,179**	1,546,917
Cash, ending	$ **2,151,249**	$ 884,179

Cash received for		
Interest	$ **52,422**	$ 5,998

Supplementary cash flow information		
Units issued for outstanding AP balance	$ **52,500**	$ -
Shares issued for exploration and evaluation assets	**61,800**	-
Obligation to issue shares for exploration and evaluation assets	**85,000**	-
Promissory notes issued for exploration and evaluation assets	**43,321**	-

The accompanying notes are an integral part of these consolidated financial statements.

INTREPID METALS CORP.
(FORMERLY “VOLEO TRADING SYSTEMS INC.”)
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
(Expressed in Canadian dollars)

	NUMBER OF COMMON SHARES	SHARE CAPITAL	OBLIGATION TO ISSUE SHARES	OTHER EQUITY RESERVES	DEFICIT	ACCUMULATED OTHER COMPREHENSIVE INCOME	TOTAL
Balance, December 31, 2020	**31,030,626**	$ **13,460,352**	$ **-**	$ **2,038,080**	$ **(13,944,902)**	$ **615**	$ **1,554,145**
Share-based payments	-	-	-	334,674	-	-	334,674
Loss	-	-	-	-	(1,031,254)	-	(1,031,254)
Translation adjustment	-	-	-	-	-	159	159
Balance, December 31, 2021	**31,030,626**	**13,460,352**	**-**	**2,372,754**	**(14,976,156)**	**774**	**857,724**
Private placement	15,352,500	3,070,500	-	-	-	-	3,070,500
Share issuance costs - cash	-	(63,000)	-	-	-	-	(63,000)
Share issuance costs – finders’ warrants	-	(29,670)	-	29,670	-	-	-
Warrants issued for services	-	-	-	71,231	-	-	71,231
Obligation to issue shares	-	-	85,000	-	-	-	85,000
Exploration and evaluation asset acquisitions	430,000	61,800	-	-	-	-	61,800
Exercise of restricted share units	500,000	85,000	-	(85,000)	-	-	-
Share-based payments	-	-	-	256,873	-	-	256,873
Loss	-	-	-	-	(2,025,148)	-	(2,025,148)
Translation adjustment	-	-	-	-	-	682	682
Balance, December 31, 2022	**47,313,126**	**$ 16,584,982**	**$ 85,000**	**$ 2,645,528**	**$ (17,001,304)**	**$ 1,456**	**$ 2,315,662**

The accompanying notes are an integral part of these consolidated financial statements.

1. NATURE OF OPERATIONS AND GOING CONCERN

Intrepid Metals Corp. (formerly “Voleo Trading Systems Inc.”) (the “Company” or “Intrepid”) common shares trade on the TSX Venture Exchange (“TSX-V” or the “exchange”) under the symbol “INTR” and was incorporated on 1978 under the Business Corporations Act. Following a change of business transaction on April 21, 2022, the Company is a mineral exploration company, whereby it’s engaged in the acquisition, exploration, and development of mineral properties. The Company has acquired rights to mineral properties in south-eastern Arizona, USA.

The Company’s registered and records office is #2400 – 1055 West Georgia Street, Vancouver, British Columbia, V6E 3P3. On April 11, 2022, the Company changed its name from Voleo Trading Systems Inc. to Intrepid Metals Corp.

At December 31, 2022, the Company had not yet determined whether its properties contain reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation assets and related deferred exploration costs is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain necessary financing to complete the development, and upon future profitable production from the exploration and evaluation assets or proceeds from the disposition of the exploration and evaluation asset.

These consolidated financial statements have been prepared with the going concern assumption, which assumes that the Company will continue in operation for the foreseeable future and, accordingly will be able to realize its assets and discharge its liabilities in the normal course of operations. At December 31, 2022, the Company had an accumulated deficit of $17,001,304 and expected to incur further losses, and required additional equity financing to continue developing its business and to meet its obligations. While the Company has been successful at raising additional equity financing in the past, there is no guarantee that it will continue to do so in the future, which results in a material uncertainty that casts significant doubt on the Company’s ability to continue as a going concern.

The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs. These consolidated financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying consolidated financial statements. These adjustments could be material.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PRESENTATION

Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Boards (“IASB”) and interpretations issued by the International Reporting Interpretation Committee (“IFRIC”).

Basis of presentation

The consolidated financial statements of the Company are presented in Canadian dollars unless otherwise indicated, the reporting currency of the Company. These consolidated financial statements have been prepared on a historical cost basis. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

These consolidated financial statements were authorized for issue by the Board of Directors on May 1, 2023.

Basis of consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, Voleo, Inc., Voleo USA, Inc. (“Voleo USA”), Intrepid Metals (USA) Corp., and Cryptoleo, Inc. All intercompany transactions and balances have been eliminated on consolidation.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PRESENTATION *(continued)*

Critical accounting estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets, liabilities, shareholders' equity, and the disclosure of contingent assets and liabilities as at the date of the financial statements, and expenses for the years reported.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, which could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

(a) The recoverability of receivables, prepayments and deposits that are included in the consolidated statements of financial position.

(b) The fair value of stock options, warrants and compensation options, which requires the estimation of stock price volatility, the expected forfeiture rate and the expected term of the underlying instruments.

(c) The fair value of restricted share units which requires the estimation of the number of awards likely to vest on grant and at each reporting date up to the vesting date.

(d) The fair value of the investment for which a quoted market price in an active market is not available.

(e) The recoverability of deferred tax assets based on the assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions.

(f) The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay its ongoing operating expenditures and to meet its liabilities for the ensuing year involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

(g) The classification and allocation of expenses as exploration and evaluation expenditures or operating expenses.

Financial instruments

IFRS 9, *Financial Instruments* ("IFRS 9") provides three different measurement categories for non-derivative financial assets – subsequently measured at amortized cost, fair value through profit or loss ("FVTPL") or fair value through other comprehensive income – while all non-derivative financial liabilities are classified as subsequently measured at amortized cost. The category into which a financial asset is placed and the resultant accounting treatment is largely dependent on the nature of the business of the entity holding the financial asset. All financial instruments are initially recognized at fair value.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PRESENTATION *(continued)*

Financial instruments *(continued)*

Financial assets

The Company initially recognizes financial assets on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument. The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred. Any interest in such transferred financial assets that is created or retained by the Company is recognized as a separate asset or liability.

The Company classifies all of its financial assets as subsequently measured at amortized cost. All financial assets that do not meet the criteria to be recognized as subsequently measured at amortized cost or subsequently measured at fair value through other comprehensive income are classified as FVTPL.

Financial liabilities

The Company measures all of its financial liabilities as subsequently measured at amortized cost. Financial liabilities are recognized initially at fair value, net of transaction costs incurred, and are subsequently measured at amortized cost. Any difference between the amounts originally received, net of transaction costs, and the redemption value is recognized in profit and loss over the period to maturity using the effective interest method.

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and/or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value. Gains and losses on derecognition are generally recognized in profit or loss.

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the statements of loss and comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Foreign currency translation

The functional currency is the currency of the primary economic environment in which the entity operates and has been determined for each entity within the Company. The functional currency of the Company, Voleo, Inc., and Cryptoleo, Inc. is the Canadian dollar and the functional currency of Voleo USA and Intrepid Metals (USA) Corp. is the United States dollar.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PRESENTATION *(continued)*

Foreign currency translation *(continued)*

Accordingly, the accounts of Voleo USA and Intrepid Metals (USA) Corp. are translated into Canadian dollars as follows:

- all of the assets and liabilities are translated at the rate of exchange in effect on the date of the statement of financial position;
- income and expenses are translated at the exchange rate approximating those in effect on the date of the transactions; and
- exchange gains and losses arising from translation are included in accumulated other comprehensive income.

Transactions occurring in currencies other than the functional currency of the entity in question are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities that are denominated in foreign currencies are translated at the rate of exchange at the date of the statement of financial position while non-monetary assets and liabilities are translated at historical rates. Income and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in the statement of loss and comprehensive loss.

Share-based payments

Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The fair value of the options is determined using the Black-Scholes Option Pricing Model and recognized over the vesting period of the options granted as both share-based payments expense and other equity reserves. This includes a forfeiture estimate, which is revised for actual forfeitures in subsequent periods. The other equity reserves account is subsequently reduced if the options are exercised and the amount initially recorded is then credited to share capital.

Basic and diluted loss per share

Basic loss per share is computed by dividing the loss for the year by the weighted average number of common shares outstanding during the year. For diluted loss per share computations, assumptions are made regarding potential common shares outstanding during the year. The weighted average number of common shares is increased to include the number of additional common shares that would be outstanding if, at the beginning of the year, or at time of issuance, if later, all options and warrants are exercised. Proceeds from exercise are used to purchase the Company's common shares at their average market price during the year, thereby reducing the weighted average number of common shares outstanding. If these computations prove to be anti-dilutive, diluted loss per share is the same as basic loss per share.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PRESENTATION *(continued)*

Exploration and evaluation expenditures

Exploration and evaluation expenditures include the costs of acquiring licenses, and costs associated with exploration and evaluation activity. Costs related to the exploration and evaluation of exploration and evaluation assets are expensed as incurred. Costs to acquire exploration and evaluation assets are capitalized as incurred.

From time-to-time, the Company may acquire or dispose of a mineral property interest pursuant to the terms of an option agreement. As such options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded at the time of the agreement. Option payments are recorded as property costs when the payments are made.

Exploration and evaluation assets are tested for impairment if facts or circumstances indicate that impairment exists.

Examples of such facts and circumstances are as follows:

- the period for which the Company has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities; and
- sufficient data exist to indicate that, although development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

Recoverability of the carrying amount of any exploration and evaluation assets is depended on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

Although the Company has taken steps that it considers adequate to verify title to exploration and evaluation assets, which it has an interest in, these procedures do not guarantee the Company's title.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PRESENTATION *(continued)*

Provision for closure and reclamation

The Company recognizes liabilities for statutory, contractual or other legal obligations related to the retirement of its exploration and evaluation assets and its tangible long-lived assets when such obligations are incurred, if a reasonable estimate of fair value can be made. These obligations are measured initially at fair value and the resulting costs are capitalized to the carrying value of the related asset. In subsequent periods, the liability is adjusted for any changes in the amount or timing and for the discounting of the underlying future cash flows. The capitalized asset retirement cost is amortized to operations over the life of the asset. Management has determined that there was no provision required for closure and reclamations as at December 31, 2022.

Equipment

Equipment is carried at cost, less accumulated depreciation. The cost of an item consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use, and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Depreciation is provided for at the following rates:

Asset	**Rate**
Equipment	3 years, straight-line method

An item is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in profit or loss in the statement of loss and comprehensive loss.

The residual values, useful lives, and methods of depreciation are reviewed at each reporting period and adjusted prospectively if appropriate.

Income taxes

Income tax expense is comprised of current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive income.

(Expressed in Canadian dollars)

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PRESENTATION *(continued)*

Income taxes *(continued)*

Current taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current period and any adjustment to income taxes payable in respect of previous periods. Current taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the reporting period end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are presented separately except where there is a right to offset within a fiscal jurisdiction.

3. AMOUNTS RECEIVABLE

	DECEMBER 31, 2022	DECEMBER 31, 2021
Sales tax receivable	**$ 14,577**	$ 2,793
Other receivables	**12**	11
	$ 14,589	$ 2,804

4. PREPAID EXPENSES

	DECEMBER 31, 2022	DECEMBER 31, 2021
Marketing and investor relations	**-**	-
Insurance	**$ 6,372**	$ 9,021
Regulatory	**4,066**	1,800
Broker dealer compliance	**14**	13
Management services security deposit (note 9)	**85,000**	85,000
Other	**20,241**	17,016
	$ 115,693	$ 112,850

5. INVESTMENT

The Company holds 2,000,000 common shares of K2 Resources Inc. ("K2") with a fair value of $1. As at December 31, 2022, the carrying value of the investment continues to be assessed at $1 ($1 – December 31, 2021) based on the current market conditions and liquidity risk.

(Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSETS AND EXPENDITURES

Ownership of mineral interests involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral interests. The Company has investigated ownership of its mineral interests and, to the best of its knowledge, such ownership interests are in good standing.

Details of exploration and evaluation assets are as follows:

	Tombstone	Mesa Wells	Excelsior	Total
Acquisition costs, December 31, 2020 and 2021	$ -	$ -	$ -	$ -
Acquisition cash payment	12,741	26,233	39,349	78,323
Common shares issued (note 10)	12,800	14,000	35,000	61,800
Promissory note issued (note 8)	-	-	128,321	128,321
Acquisition costs, December 31, 2022	$ 25,541	$ 40,233	$ 202,670	$ 268,444

The Company incurred the following exploration and evaluation expenditures during the year ended December 31, 2022:

	Miscellaneous Exploration	Tombstone	Mesa Wells	Excelsior	Total
Accommodation	$ 1,670	$ 912	$ 1,258	$ 681	$ 4,521
Airfare	-	957	-	1,039	1,996
Data and mapping	-	43,035	-	-	43,035
Geologist fees	29,537	196,523	122,298	124,718	473,076
Lease and rental	-	-	10,847	89,118	99,965
Licenses, permits and reports	-	48,771	6,102	7,902	62,775
Meals	670	65	531	121	1,387
Other travel	38	30	454	341	863
Vehicle	765	67	1,344	164	2,340
	$ 32,680	$ 290,360	$ 142,834	$ 224,084	$ 689,958

Included in Miscellaneous Exploration expenses are fees and travel expenses paid to geologists related to the exploration and evaluation of other mineral interests that were abandoned or not acquired during the year.

(Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSETS AND EXPENDITURES *(continued)*

Tombstone South Property (Cochise County, Arizona, USA)

On April 20, 2021, as amended February 28, 2022, as effective April 29, 2022, the Company entered into an option agreement for the Tombstone South Property (the “Tombstone Option Agreement”). Pursuant to the terms of the Tombstone Option Agreement, the vendor has granted the Company the option to acquire a 100% direct interest in the Tombstone South Property through the direct acquisition of the Tombstone South Property by making the following cash and share payments, and incurring the following minimum work commitments (all dollar amounts are United States dollars):

Year	Cash Consideration	Share Consideration	Minimum Work Commitment
April 29, 2022 (Closing date)	US$10,000 (paid)	80,000 (issued)	-
1st Anniversary	US$30,000	100,000	US$175,000
2nd Anniversary	US$100,000	200,000	US$500,000
3rd Anniversary	US$100,000	300,000	US$1,000,000
4th Anniversary	US$100,000	300,000	US$1,500,000
5th Anniversary	US$500,000	-	-
TOTAL	**US$840,000**	**980,000**	**US$3,175,000**

The Company also granted the vendor a 1.5% Net Smelter Royalty (“NSR”) over the Tombstone South Property. One third of the NSR may be repurchased by the Company for US$500,000. The Company has a right of first refusal on the sale of the NSR by the vendor.

(Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSETS AND EXPENDITURES *(continued)*

Mesa Well Property (Laramide Prophyry Belt, Arizona, USA)

On August 24, 2022, the Company entered into an option to purchase agreement with Bronco Creek Exploration, Inc. ("Bronco"), a subsidiary of EMX Royalty Corp. for the option to acquire a 100% direct interest in the Mesa Well Project ("Mesa Property") through the direct acquisition of the Mesa Property by making the following cash and Company share payments, and incurring the following minimum work commitments (all dollar amounts are United States dollars):

Year	Cash Consideration	Share Consideration	Minimum Work Commitment
August 24, 2022	US$20,000 (paid)	100,000 (issued)	-
1st Anniversary	US$25,000	100,000	-
2nd Anniversary	US$25,000	100,000	US$250,000
3rd Anniversary	US$25,000	100,000	US$500,000
4th Anniversary	US$55,000	100,000	US$500,000
5th Anniversary	US$200,000	100,000	US$750,000
TOTAL	**US$350,000**	**600,000**	**US$2,000,000**

The Company granted Bronco a 2% NSR over the Mesa Property.

Excelsior Property (Cochise County, Arizona, USA)

On August 24, 2022, the Company entered into a purchase and sale agreement with Excelsior Mining Corp. ("EMC") for the option to acquire a 100% direct interest in the Excelsior Property through the direct acquisition of the Excelsior Property by making the following cash and Company share payments (all dollar amounts are United States dollars):

Year	Cash Consideration	Share Consideration
August 24, 2022	US$30,000 (paid)	250,000 (issued)
12 months from closing date	-	250,000
18 months from closing date	US$40,000	250,000
TOTAL	**US$70,000**	**750,000**

The US$40,000 payment and 500,000 share consideration are part of a promissory note payable. See Note 8 for further details.

(Expressed in Canadian dollars)

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

		DECEMBER 31, 2022		DECEMBER 31, 2021
Trade payables	**$**	**99,235**	$	79,459
Accrued liabilities		**46,000**		20,000
	$	**145,235**	$	99,459

During the fiscal year ended December 31, 2022, the Company recorded a recovery of $nil (2021 - $42,618) of trade payables that were determined to be statute barred.

8. PROMISSORY NOTES PAYABLE

During the fiscal year ended December 31, 2020, the Company entered into a promissory note agreement with Hybrid Financial Inc. for $50,000, which is non-interest bearing. Any unpaid principal is due October 8, 2022, the maturity date. Any payments made during the year shall be applied to the reduction of principal. As at December 31, 2022, the balance remains unpaid and the Company is in default of the note payable.

In connection with the purchase of the Excelsior Property, the Company entered into a promissory note agreement with EMC, where US$40,000 is payable on or before February 29, 2024, 250,000 shares are issuable on or before August 30, 2023 and an additional 250,000 shares are issuable on or before February 29, 2024. The US$40,000 is non-interest bearing. The US$40,000 portion of the promissory note was present valued to the date the promissory note was entered into, using an effective interest rate of 15%. For the year ended December 31, 2022, $1,629 (2021 - $nil) was recorded as interest expense.

		DECEMBER 31, 2022		DECEMBER 31, 2021
Current portion				
Hybrid Financial Inc.	**$**	**50,000**	$	50,000
Long-term portion				
Excelsior Mining Corp. – Cash	**$**	**44,950**	$	-
	$	**94,950**	$	50,000

The share consideration portion of the promissory note agreement was calculated using the share price on the date the promissory note was entered into, which was $0.17 on August 24, 2022. $85,000 was recorded as an obligation to issue shares.

(Expressed in Canadian dollars)

9. RELATED PARTY BALANCES AND TRANSACTIONS

Related parties and related party transactions impacting the consolidated financial statements are summarized below and include transactions with the following individuals or entities:

Key management personnel

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors, and corporate officers, including the Company's Chief Executive Officer and Chief Financial Officer.

Remuneration attributed to key management personnel for the years ended December 31, 2022 and 2021 can be summarized as follows:

	DECEMBER 31, 2022	DECEMBER 31, 2021
Consulting	**$ -**	$ 17,500
Professional fees	**26,726**	12,744
Salaries and benefits	**59,152**	43,153
Share-based payments (note 10)	**39,537**	225,297
	$ 125,415	$ 298,694

Other related party transactions

Transactions entered into with related parties, other than key management personnel and not otherwise disclosed, for the years ended December 31, 2022 and 2021 include the following:

	DECEMBER 31, 2022	DECEMBER 31, 2021
Accession Management & Consulting Ltd.	**$ 200,000**	$ -
King & Bay West Management Corp.	**196,991**	224,528
MJM Consulting Corp.	**120,000**	120,000
	$ 516,991	$ 344,528

Amounts paid to King & Bay West Management Corp. is included in professional fees expenses and amounts paid to Accession Management & Consulting Ltd. and MJM Consulting Corp. are included in consulting expenses.

9. RELATED PARTY BALANCES AND TRANSACTIONS *(continued)*

Other related party transactions *(continued)*

Accession Management & Consulting Ltd. ("Accession"): Accession is an entity that is controlled by Kenneth Brophy, a director and the CEO of the Company. Accession provides consulting and business development services to the Company. These services are provided to the Company on an as-needed basis and are billed based on a monthly amount to the Company. The amounts shown in the table above represent amounts paid and accrued to Accession for the recovery of overhead and third-party costs incurred by Accession on behalf of the Company.

King & Bay West Management Corp. ("King & Bay"): King & Bay is an entity that is controlled by the Chair of the Company and employs or retains officers and certain consultants of the Company. King & Bay provides administrative, regulatory, legal, finance, and corporate development services to the Company. These services are provided to the Company on an as-needed basis and are billed based on the cost or value of the services provided to the Company. The amounts shown in the table above represent amounts paid and accrued to King & Bay for the services of King & Bay personnel and for overhead and third-party costs incurred by King & Bay on behalf of the Company.

MJM Consulting Corp. ("MJM"): MJM is an entity that is controlled by the Chair of the Company. MJM provides consulting and business development services to the Company. These services are provided to the Company on an as-needed basis and are billed based on a monthly amount to the Company. The amounts shown in the table above represent amounts paid and accrued to MJM for the recovery of overhead and third-party costs incurred by MJM on behalf of the Company.

Related party balances

Prepaid expenses

As at December 31, 2022, prepaid expenses include the following paid to a related party:

- King & Bay - $85,000 (December 31, 2021 - $85,000) with respect to a prepaid as part of a management services agreement with the Company.

Accounts payable and accrued liabilities

As at December 31, 2022, accounts payable and accrued liabilities include the following amounts due to related parties:

- Ken Brophy, CEO - $5,664 (December 31, 2021 - $nil) with respect to business development expense reimbursements.
- King & Bay - $27,596 (December 31, 2021 - $12,955) with respect to the services described above.
- Mark Morabito, the Chair of the Company - $nil (December 31, 2021 - $1,519) with respect to business development expense reimbursements.

The amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

10. SHARE CAPITAL

Authorized

Unlimited number of common shares without par value.

Common share issuances

On April 21, 2022 the Company closed a private placement offering of units for gross proceeds of $3,070,500 (the “2022 Offering”). The closing of the 2022 Offering was the final material condition for the completion of the change of business. The 2022 Offering consisted of 15,352,500 units issued at $0.20 per unit (each a “2022 Unit”) for aggregate gross proceeds of $3,070,500. Each 2022 Unit consists of one common share and one half of one warrant (“2022 Warrant”). Each whole warrant entitles the holder thereof to purchase an additional share for $0.35 for a period of 24 months after closing.

Included in the 2022 Offering,

- 1,250,000 units were issued to consultants for $250,000 in geological services, recorded in exploration and evaluation expense.
- 262,500 units were issued to Accession Management & Consulting Ltd. for settlement of outstanding accounts payable.

The compensation warrants were issued with the same exercisable terms of the 2022 Warrants. The fair value of the 756,250 compensation warrants was estimated at $71,231 using the Black-Scholes Option Pricing Model with the following weighted average assumptions: expected dividend yield - 0%, share price of $0.20, expected volatility - 114% (based on historical volatility), risk-free interest rate – 2.63%, average exercise price of $0.35 and an expected life of 2 year.

Related parties, including the spouse of a director and companies controlled by officers and directors subscribed for a total of 1,262,500 units issued in the 2022 Offering.

10. SHARE CAPITAL *(continued)*

Common share issuances *(continued)*

A cash commission of $63,000 was paid and 315,000 non-transferable broker warrants were issued with the same exercisable terms of the 2022 Warrants. The fair value of the 315,000 broker warrants was estimated at $29,670 using the Black-Scholes Option Pricing Model with the following weighted average assumptions: expected dividend yield - 0%, share price of $0.20, expected volatility - 114% (based on historical volatility), risk-free interest rate – 2.63%, average exercise price of $0.35 and an expected life of 2 year.

On May 5, 2022, there was a share issuance of 80,000 common shares at $0.16 per share to the vendor pursuant to the terms of the Tombstone Option Agreement (note 6).

On September 8, 2022, there was a share issuance of 250,000 common shares at $0.14 per share to EMC pursuant to the purchase and sale agreement with respect to the Excelsior Property (note 6).

On September 8, 2022, there was a share issuance of 100,000 common shares at $0.14 per share to Bronco pursuant to option to purchase agreement with respect to the Mesa Property (note 6).

On November 14, 2022, 500,000 RSUs were redeemed for 500,000 common shares at $0.155 per share.

During the year ended December 31, 2021, there were no share issuances.

Stock options

The Company grants stock options to directors, officers, employees and consultants as compensation for services, pursuant to its Incentive Share Option Plan (the "Stock Option Plan"). The maximum price shall not be less than the closing price of the common shares on the last trading day preceding the date on which the grant of options is approved by the Board of Directors. Options have a maximum expiry period of ten years from the grant date. The number of options that may be issued under the Stock Option Plan is limited to no more than 10% of the Company's issued and outstanding shares immediately prior to the grant.

Pursuant to the Stock Option Plan, options granted in respect of investor relations activities are subject to vesting restrictions, such that one-quarter of the options vest three months from the grant date and in each subsequent three-month period thereafter such that the entire option will have vested twelve months after the award date. Vesting restrictions may also be applied to certain other option grants, at the discretion of the directors.

On May 5, 2022, 75,000 stock options were granted with an exercise price of $0.25 and an expiration date of May 5, 2027, which vest evenly every 6 months over 24 months.

On May 5, 2022, 960,000 stock options were granted with an exercise price of $0.20 and an expiration date of May 5, 2027, which vest evenly every 6 months over 24 months.

On November 10, 2022, 475,000 stock options were granted with an exercise price of $0.16 and an expiration date of November 10, 2027, which vest evenly every 6 months over 24 months from the date of grant.

(Expressed in Canadian dollars)

10. SHARE CAPITAL *(continued)*

Stock options *(continued)*

On January 18, 2021, 100,000 stock options were granted with an exercise price of $0.32 and an expiration date of January 18, 2026, which vest evenly every 6 months over 24 months.

On March 12, 2021, 1,425,000 stock options were granted with an exercise price of $0.25 and an expiration date of March 12, 2026, which vest evenly every 4 months over 12 months.

During the year ended December 31, 2022, 125,000 options (2021 – 50,000 options) have been forfeited.

The following table summarizes stock option activity for the years ended December 31, 2022 and 2021:

	Number of stock options	Weighted average exercise price
Outstanding, December 31, 2020	**1,140,000**	**$0.10**
Issued	1,525,000	$0.25
Forfeited	(50,000)	$0.25
Outstanding, December 31, 2021	**2,615,000**	**$0.19**
Issued	1,510,000	$0.19
Forfeited	(125,000)	$0.08
Outstanding, December 31, 2022	**4,000,000**	**$0.19**

As at December 31, 2022, the following stock options were outstanding and exercisable:

Outstanding	Exercisable	Exercise Price	Remaining life (years)	Expiry date
715,000	715,000	$0.075	2.54	July 15, 2025
100,000	100,000	$0.075	2.54	July 16, 2025
200,000	200,000	$0.20	2.84	November 3, 2025
100,000	75,000	$0.32	3.05	January 18, 2026
1,375,000	1,375,000	$0.25	3.20	March 12, 2026
75,000	18,750	$0.25	4.35	May 5, 2027
960,000	240,000	$0.20	4.35	May 5, 2027
475,000	-	$0.16	4.86	November 10, 2027
4,000,000	**2,723,750**			

The Company recognizes share-based payment expense for all stock options granted using the fair value-based method of accounting. The fair value of stock options is determined by the Black-Scholes Option Pricing Model with assumptions for risk-free interest rates, dividend yields, volatility factors of the expected market price of the Company's common shares, forfeiture rate, and expected life of the options.

(Expressed in Canadian dollars)

10. SHARE CAPITAL *(continued)*

Stock options *(continued)*

During the year ended December 31, 2022, the Company recognized share-based payment expense with respect to stock options issued during 2022 of $152,170 (2021 - $nil) and stock options issued during 2021 of $19,704 (2021 - $334,674).

The Company uses the Black-Scholes Option Pricing Model to calculate the fair value of stock options granted. The model requires management to make estimates, which are subjective and may not be representative of actual results. Changes in assumptions can materially affect estimates of fair values. The following weighted average assumptions were used to estimate the weighted average grant date fair values during the years ended December 31, 2022 and 2021:

	DECEMBER 31, 2022	DECEMBER 31, 2021
Risk-free interest rate	0.72%	0.72%
Expected life (years)	5	5
Annualized volatility	125%	125%
Dividend yield	-%	-%

The weighted average grant date fair value of the options granted during the year ended December 31, 2022 was $0.19 per option (2021 - $0.19).

Warrants

During the year ended December 31, 2022, 7,676,250 warrants were issued with an exercise price of $0.35 and expiry of April 21, 2024, as part of the 2022 Offering.

During the year ended December 31, 2022, 315,000 broker warrants were issued with an exercise price of $0.20 and expiry of April 21, 2024, as part of the 2022 Offering.

During the year ended December 31, 2021, 871,756 warrants have expired.

The following table summarizes warrant activity for the years ended December 31, 2022 and 2021:

	Number of warrants	Weighted average exercise price
Outstanding, December 31, 2020	**20,269,509**	**$0.37**
Expired	(871,756)	$4.00
Outstanding, December 31, 2021	**19,397,753**	**$0.20**
Issued	7,991,250	$0.34
Outstanding, December 31, 2022	**27,389,003**	**$0.25**

(Expressed in Canadian dollars)

10. SHARE CAPITAL *(continued)*

Warrants *(continued)*

As at December 31, 2022 the following warrants were outstanding:

Outstanding	Exercise Price	Remaining life (years)	Expiry date
84,757	$1.20	2.14	February 20, 2025
19,312,996	$0.20	0.25	March 31, 2023
7,676,250	$0.35	1.31	April 21, 2024
315,000	$0.20	1.31	April 21, 2024
27,389,003			

Subsequent to the year ended December 31, 2022, 19,312,996 warrants have expired on March 31, 2023.

Compensation options

During the year ended December 31, 2021, 129,872 compensation options have expired.

As at December 31, 2022 and 2021, there were no compensation options outstanding.

Restricted share units

The Company grants restricted share units ("RSUs") to directors, officers, employees and consultants as compensation for services, pursuant to its RSU Plan (the "RSU Plan"). One restricted share unit has the same value as a common share of the Company. The number of RSUs awarded and underlying vesting conditions are determined by the Board of Directors in its discretion. At the election of the Board of Directors, upon each vesting date, participants receive (a) the issuance of common shares from treasury equal to the number of RSUs vesting, or (b) a cash payment equal to the number of vested RSUs multiplied by the fair market value of a common share, calculated as the closing price of the common shares on the TSXV for the trading day immediately preceding such payment date; or (c) a combination of (a) and (b).

On the grant date of RSUs, the Company determines whether it has a present obligation to settle in cash. If the Company has a present obligation to settle in cash, the RSUs are accounted for as liabilities, with the fair value remeasured at the end of each reporting period and at the date of settlement, with any changes in fair value recognized in profit or loss for the period. The Company has a present obligation to settle in cash if the choice of settlement in shares has no commercial substance, or the Company has a past practice or a stated policy of setting in cash, or generally settles in cash whenever the counterparty asks for cash settlement. If no such obligation exists, RSUs are accounted for as equity settled share-based payments and are valued using the share price on grant date. Upon settlement:

(a) If the Company elects to settle in cash, the cash payment is accounted for as the repurchase of an equity interest (i.e. as a deduction from equity), except as noted in (c) below.

(Expressed in Canadian dollars)

10. SHARE CAPITAL *(continued)*

Restricted share units *(continued)*

(b) If the Company elects to settle by issuing shares, the value of RSUs initially recognized in reserves is reclassified to share capital, except as noted in (c) below.

(c) If the Company elects the settlement alternative with the higher fair value, as at the date of settlement, the Company recognizes an additional expense for the excess value given (i.e. the difference between the cash paid and the fair value of shares that would otherwise have been issued, or the difference between the fair value of the shares and the amount of cash that would otherwise have been paid, whichever is applicable).

During the year ended December 31, 2022, 500,000 RSUs were issued and redeemed for 500,000 common shares at $0.17 per share.

During the year ended December 31, 2021, there were no activities with respect to RSUs.

The following table summarizes compensation option activity for the years ended December 31, 2022 and 2021:

	Number of Restricted Share Units	Weighted average exercise price
Outstanding, December 31, 2020 and 2021	**-**	**-**
Issued	500,000	$0.17
Exercised	(500,000)	$0.17
Outstanding, December 31, 2022	**-**	**-**

11. GENERAL AND ADMINISTRATION

	DECEMBER 31, 2022	DECEMBER 31, 2021
Consulting (note 9)	**$ 512,541**	$ 137,500
Professional fees (note 9)	**286,670**	271,330
Travel	**80,268**	2,900
Regulatory and compliance	**62,304**	43,000
Salaries and benefits (note 9)	**30,144**	34,918
Office and miscellaneous	**12,302**	7,851
Computer and software	**8,385**	15,098
Clearing and execution	**-**	1,597
Depreciation	**191**	163
	$ 992,805	$ 514,357

(Expressed in Canadian dollars)

12. INCOME TAXES

The following is a reconciliation of income taxes attributable to operations computed at the statutory tax rates to income tax recovery.

	DECEMBER 31, 2022	DECEMBER 31, 2021
Loss for the year	$ 2,025,148	$ 1,031,254
Income tax recovery at statutory rates	$ (547,000)	$ (278,000)
Permanent differences	91,000	91,000
Share issue costs	(25,000)	-
Adjustments to prior year provisions versus statutory tax returns	2,000	77,000
Changes in unrecognized deductible temporary differences	479,000	110,000
Total income tax recovery	$ -	$ -

The significant deductible temporary differences, unused tax losses and expiry dates are as follows:

	December 31, 2022	Expiry Date Range	December 31, 2021
Non-capital losses available for future period – Canada	$ 9,952,000	2033 – 2042	$ 9,955,000
Non-capital losses available for future period – United States	$ 798,000	No expiry	$ 747,000
Share issue costs	$ 316,000	No expiry	$ 358,000

Tax attributes are subject to review and potential adjustment by tax authorities.

13. CAPITAL MANAGEMENT

The Company defines capital as all components of shareholders’ equity. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company. 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.

In the past, the Company has raised funds through the issuance of common shares. However, it is uncertain whether the Company will continue to be successful in raising funds through the issuance of common shares in the future. Management reviews its capital management approach on an ongoing basis and believes this approach, given the relative size of the Company, is reasonable.

There were no changes to the Company’s approach to capital management during the year ended December 31, 2022.

14. FINANCIAL INSTRUMENTS

The Company's financial instruments are subject to certain risks.

Credit risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash, amounts receivable and deposits. The risk arises from the non-performance by counterparties of contractual financial obligations. To minimize credit risk, the Company places cash and deposits with high credit quality financial institutions and brokerage firms. The Company's amounts receivable consists mainly of input tax credits due from the Government of Canada and as such are exposed to insignificant credit risk.

The maximum exposure to credit risk is the carrying amount of the Company's financial instruments.

Liquidity risk

The Company's approach to managing liquidity risk is to have sufficient funds to meet liabilities when they become due.

Market risk

Market risks consist of interest rate risk, foreign currency risk and other price risk.

Interest rate risk

As at December 31, 2022, the Company is not exposed to interest rate risk.

Foreign currency risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company has minimal financial risk arising from fluctuations in foreign exchange rates as the Company does not own foreign currency denominated financial assets or liabilities.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk.

The Company is exposed to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company's ability to raise capital to fund operations is subject to risks associated with equity prices.

(Expressed in Canadian dollars)

15. SUBSEQUENT EVENTS

- On January 9, 2023, 1,000,000 RSUs were granted to a director and officer of the Company. 100% of the RSUs vest on January 9, 2024.

- On February 14, 2023, the Company entered into a definitive agreement (the "CCCI Agreement") with Cave Creek Copper Inc. ("CCCI") and its shareholders to acquire all of the issued and outstanding shares of CCCI. CCCI holds certain exploration properties located in the Courtland-Gleeson area of Cochise County, Arizona (the "CCCI Properties"). The terms of the CCCI Agreement give Intrepid the option to acquire all of the issued and outstanding shares of CCCI in return for certain cash and common share) payments and exploration expenditure commitments. The consideration is as follows and all dollar values are Canadian dollars:

Time Period	Cash Consideration	Share Consideration	Minimum Work Commitment
February 22, 2023	$50,000 (paid)	1,500,000 (issued)	-
6 months	$50,000	-	-
1st Anniversary	$25,000	1,000,000	$100,000
2nd Anniversary	$395,000	1,000,000	$150,000
3rd Anniversary	$150,000	3,500,000	$150,000
TOTAL	**$670,000**	**7,000,000**	**$400,000**

  The Company will take over as operator of the CCCI Properties and will be responsible for future exploration work and maintaining the CCCI Properties in good standing.

- On April 24, 2023, the Company entered into a Property Purchase Agreement ("PP Agreement") with Clive Bailey to acquire additional mining claims. Clive Bailey holds certain exploration properties located in the Courtland-Gleeson area of Cochise County, Arizona. In consideration for the acquisition of the additional mining claims, the Company will pay US$10,000 and shall issue 100,000 common shares to Clive Bailey upon closing, which is five business days after TSX-V approval of the transaction.

GENERAL

The following management's discussion and analysis ("MD&A") is intended to supplement and complement the consolidated financial statements and accompanying notes of Intrepid Metals Corp. (formerly "Voleo Trading Systems Inc.") (the "Company" or "Intrepid") for the year ended December 31, 2022.

All dollar figures presented are expressed in Canadian dollars unless otherwise noted. Financial statements and summary information derived therefrom are prepared in accordance with International Financial Reporting Standards ("IFRS").

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls and to ensure that information used internally or disclosed externally, including the consolidated financial statements and MD&A, is complete and reliable. The Company's Board of Directors follows recommended corporate governance guidelines to ensure transparency and accountability to shareholders. The Board of Directors' audit committee meets with management quarterly to review the consolidated financial statements and the MD&A and to discuss other financial, operating and internal control matters.

The reader is encouraged to review the Company's statutory filings on www.sedar.com.

FORWARD LOOKING STATEMENTS

Information set forth in this MD&A may involve forward-looking information under applicable securities laws. Forward-looking information is information that relates to future, not past, events. In this context, forward-looking information often addresses expected future business and financial performance, and often contains words such as "anticipate", "believe", "plan", "estimate", "expect", and "intend", statements that an action or event "may", "might", "could", "should", or "will" be taken or occur, or other similar expressions. All statements, other than statements of historical fact, included herein including, without limitation, statements about anticipated future revenues and expenses, the sufficiency of the Company's working capital, the Company's business objectives and plans, the completion of future financings, and the use of financing proceeds, details of planned exploration activities, the expected results of exploration activities, expectations and anticipated impact of the COVID-19 outbreak, commodity prices, the timing and amount of future exploration and development expenditures, the availability of labour and materials, receipt of and compliance with necessary regulatory approvals and permits, the estimation of insurance coverage, and assumptions with respect to currency fluctuations, environmental risks, title disputes or claims, and other similar matters, contain forward-looking information. By its nature, forward-looking information involves known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. Such factors include, among others, the following risks: the need for additional financing; risks relating to changes in commodity prices; risks related to current global financial conditions; operational risks inherent in the conduct of exploration and development activities, including the risk of accidents, labour disputes and cave-ins; the impact of COVID-19 on the Company's business; reliance on key personnel; the potential for conflicts of interest among certain officers, directors or promoters with certain other entities; the absence of dividends; competition; dilution; regulatory risks including the risk that permits may not be obtained in a timely fashion or at all; the impact of government regulations in Canada and the United States; the impact of general economic conditions; changing domestic and international industry conditions; the ability of management to implement its operational strategy; the ability to attract qualified management and staff; regulatory risks; financing, capitalization and liquidity risks, including the risk that the financing necessary to fund operations may not be obtained; risks related to disputes concerning property titles and interests; environmental risks; and the additional risks identified in the "Risk Factors" section of this MD&A.

In addition, forward-looking information is based on various assumptions including, without limitation, the expectations and beliefs of management, including that the Company can access financing; the timely receipt of governmental approvals, including the receipt of approval from regulators in jurisdictions where the Company may operate; the timely commencement of operations and the success of such operations; and the ability of the

Company to implement its business plan as intended. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking information. Forward-looking information is based on management's beliefs, estimates and opinions on the date that statements are made and the Company undertakes no obligation to update forward-looking information if these beliefs, estimates and opinions or other circumstances should change, except as required by applicable securities laws. Investors are cautioned against attributing undue certainty to forward-looking information.

DESCRIPTION OF BUSINESS

Prior to announcing the Change of Business ("COB") Transaction on April 11, 2022, the Company was a mobile-focused fintech company which developed mobile applications and software platforms to meet the investment expectations of investors, including social trading applications for stocks. The Company subsequently completed COB Transaction to become a mining issuer, existing under the *Business Corporations Act* (British Columbia) and its common shares listed on the TSX Venture Exchange. In connection with the COB Transaction, the Company changed its name from Voleo Trading Systems Inc. to Intrepid Metals Corp.

RECENT DEVELOPMENTS

On April 21, 2022 the Company closed a private placement offering of units for gross process of $3,070,500 (the "2022 Offering"). The closing of the 2022 Offering was the final material condition for the completion of the COB Transaction. The 2022 Offering consisted of 15,352,500 units issued at $0.20 per unit (each a "2022 Unit") for aggregate gross proceeds of $3,070,500. Each 2022 Unit consists of one common share (each a "Share") and one half of one warrant (each whole warrant, a "2022 Warrant"). Each Warrant entitles the holder thereof to purchase an additional Share for $0.35 for a period of 24 months after closing.

On April 28, 2022 the Company announced that it has completed the COB. The Shares resumed trading on the Exchange at the opening on May 2, 2022 under the ticker symbol "INTR".

The Company completed a ground-based geophysical survey on the Tombstone South Property during the second quarter of 2022. An induced polarization ("IP") geophysical survey was completed by Zonge International, Inc. who previously conducted a Natural Source Audio-Frequency Magnetotelluric survey (NSAMT) on the property in 2007. The IP geophysical survey consisted of one line using standard 7-electrode dipole-dipole arrays with dipole lengths of 450 meters, which may provide over 1000-meter depth penetration in order to target polymetallic carbonate replacement deposits ("CRD's") in the Cretaceous rocks of the Bisbee Group and skarns at the Cretaceous – Paleozoic contact, the two exploration targets that exist at the Tombstone South Property.

During the third quarter of 2022 the Company entered into a definitive agreement with Bronco Creek Exploration ("BCE"), a wholly-owned subsidiary of EMX Royalty Corp, to acquire a 100% interest in the Mesa Well Copper Property (the "Mesa Property") located in south-central Arizona's copper porphyry belt. The Mesa Property is located approximately 100 kilometers ("km") northeast of the city of Tucson, Arizona, USA and is road accessible year-round. The Property covers approximately 2,440 acres of state lands, which are easier to permit. The Mesa Property is interpreted to contain a structurally dismembered, extended Laramide age Cu-Molybdenum ("Mo") porphyry center that may have been rotated approximately 90 degrees from its original position. The roots of the system are exposed in the footwall of the Eagle Pass Fault, which suggest there is potential for a Cu-Mo rich portion of the system concealed beneath the upper plate of the Eagle Pass Fault. Alteration and mineralization observed at surface is consistent with this target concept.

During the third quarter of 2022 the Company also completed a purchase and sale agreement with Excelsior Mining Corp. ("Excelsior") in relation to its non-core exploration property located approximately 40km south of its material properties in Cochise County, Arizona. The Excelsior property is located 40km from Intrepid's Tombstone South Property and included 255 unpatented federal mining claims and 9 Arizona State Prospecting Permits.

See below under "Commitments" for additional details regarding the acquisition terms for the Mesa Property and the Excelsior property.

During the fourth quarter of 2022, the Company completed a phase one exploration program on the Mesa Property that consisted of additional rock sampling to enhance the Company's understanding of the historical Copper prospects and workings, a detailed mapping program to determine location of the Eagle Pass Fault within the Mesa Property, and a reconnaissance mapping program on the tertiary volcanics and sedimentary rocks. In addition, both historical core and new rock samples were examined using a portable Sample Core IP Tester manufactured by Instrumentation GDD Inc. to assess the rationality of the initially proposed large dipole-dipole induced polarization geophysical survey.

On February 14, 2023, the Company entered into a definitive agreement with Cave Creek Copper Inc. ("CCCI") and its shareholders to acquire all of the issued and outstanding shares of CCCI. CCCI holds certain exploration properties located in the Courtland-Gleeson area of Cochise County, Arizona (the "CCCI Properties"). Please refer to "Subsequent Events" for further details.

The Company subsequently announced the Corral Copper Project that combines the Excelsior property and the CCCI Properties. The Corral Copper Project area is located approximately 20 miles from the Company's Tombstone South property and has over 50,000 metres ("m") of drilling, with shallow mineralization of copper, silver, zinc, and gold. The Company intends to combine modern exploration techniques with historical data and with a clear focus on responsible development. The Company anticipates the Corral Copper Project can quickly become an advanced exploration stage project and move towards feasibility level studies.

OUTLOOK

With the completion of the COB Transaction, the Company intends to divest its technology applications and focus on the exploration and development of the Tombstone South Property and its other Arizona based exploration properties

The Company is planning a drill program at the Tombstone South Property, with the objective of the initial drill program to confirm historic drilling to National Instrument 43-101 standards and to test new target areas identified by the aforementioned IP geophysical survey.

For additional information on the Tombstone South Property please refer to the National Instrument 43-101 Technical Report dated effective May 10, 2021 entitled "Technical Report on the Tombstone South Property, Cochise County, Arizona, USA" filed on SEDAR at www.sedar.com.

The Company is also evaluating exploration plans for the Mesa Property and Corral Copper Project. In particular, drilling on the Corral Copper Project is expected to take place later in 2023 after the historical data has been compiled into a new database.

Dr. Chris Osterman, P. Geo, a consultant of the Company, is a Qualified Person ("QP") as defined by National Instrument 43-101. Dr. Osterman has reviewed and is responsible for the technical information disclosed in this MD&A as it relates to the Company's mineral properties.

SELECTED ANNUAL INFORMATION

The following financial data are selected information for the Company for the three most recently completed financial years:

		December 31, 2022		December 31, 2021		December 31, 2020
Revenue	$	-	$	-	$	19,595
Loss for the year	$	(2,025,148)	$	(1,031,254)	$	(1,563,185)
Loss per share (basic and diluted)	$	(0.05)	$	(0.03)	$	(0.11)
Total assets	$	2,555,847	$	1,007,183	$	1,720,852

After Intrepid wound down its prior mobile focused investment application operations during the year ended December 31, 2021, there were no further revenues generated. Included in revenue for the year ended December 31, 2020 is $9,524 related to a one-time software development project for a customer, which was completed and delivered during the year. After the year ended December 31, 2020, revenues from previous operational activities have discontinued, as expected.

The loss for the year ended December 31, 2022 significantly increased compared to 2020 and 2021 due to the increase in operational activities related to the completion of the COB Transaction, acquisition of mineral properties and exploration and evaluation of mineral properties. For further detail, refer to "Review of Financial Results".

For the year ended December 31, 2022, assets have increased significantly due to additional funding received for exploration and evaluation of mining sites.

REVIEW OF FINANCIAL RESULTS

Results of Operations

Expenses

During the year ended December 31, 2022, the Company incurred expenses of $2,074,251 (2021 – $1,079,092), representing an increase of $995,159. The details of the increased expenses as compared to the prior year are discussed below.

During the year ended December 31, 2022, the Company incurred exploration and evaluation expenses of $689,958 (2021 - $nil). This is due to the increase in operational activity related to exploration and evaluation of mineral properties.

During the year ended December 31, 2022, the Company incurred personnel costs, including consulting and salaries and benefits, of $542,685 (2021 - $311,879), representing an increase of $230,806. The increase in personnel costs is due to the increase in operational activity related to exploration and evaluation of mineral properties, which resulted in an increase in the number of consultants hired.

Marketing and public relations expenses for the year ended December 31, 2022 totalled $48,924 (2021 - $217,451), representing a decrease of $168,527. The decrease in marketing and public relations is due to the implementation of cost saving strategies during 2022 while the Company worked to complete the COB Transaction.

Share-based payments relate to the fair value of equity instruments over the respective vesting periods. During the year ended December 31, 2022, the Company recorded share-based payments expenses of $328,104 (2021 - $334,674), as a result of stock options, warrants and RSUs granted.

The Company incurred professional fees during the year ended December 31, 2022 of $286,670 (2021 - $271,330), which relate to accounting, audit, tax and legal fees with respect to the Company's strategic objectives. Fees have stayed consistent over the prior year due to continuing legal advisory work required related to acquisition of mineral properties.

Regulatory and compliance include costs associated with maintaining a public company. During the year ended December 31, 2022, the Company incurred regulatory and compliance costs of $62,304 (2021 - $43,000). The increase of $19,304 is due to increased operational activity during the year.

During the year ended December 31, 2022, the Company incurred office and miscellaneous expenses of $12,302 (2021 - $7,851). The increase of $4,451 is due to increased operational activity during the year.

During the year ended December 31, 2022, the Company incurred computer and software expenses of $8,385 (2021 - $15,098). The decrease of $6,713 is due to the winding down of Voleo USA's broker-dealer operations.

During the year ended December 31, 2022, the Company incurred travel costs of $80,268 (2021 - $2,900). The increase of $77,368 is due to the increase in business development travel related expenses for the new mining ventures.

Other items

Interest income for the year ended December 31, 2022 of $52,422 (2021 - $6,154) relates to interest income earned on excess cash on hand and is a function of average cash and cash equivalent balances during the year.

SUMMARY OF QUARTERLY RESULTS

Description	**Q4 December 31 2022 ($)**	**Q3 September 30, 2022 ($)**	**Q2 June 30, 2022 ($)**	**Q1 March 31, 2022 ($)**
Revenue	-	-	-	-
Loss for the period	(551,511)	(473,443)	(771,699)	(228,495)
Loss per share (basic and diluted)	(0.01)	(0.01)	(0.01)	(0.01)
Description	**Q4 December 31, 2021 ($)**	**Q3 September 30, 2021 ($)**	**Q2 June 30, 2021 ($)**	**Q1 March 31, 2021 ($)**
Revenue	-	-	-	-
Loss for the period	(188,508)	(227,040)	(394,428)	(221,100)
Loss per share (basic and diluted)	(0.01)	(0.01)	(0.02)	(0.01)

Historical quarterly results of operations and loss per share data do not necessarily reflect any recurring expenditure patterns or predictable trends. As the Company has completed the COB Transaction, the source of future revenues would be from the commercialization of a mineral property. The Company's losses increased during the quarter ended June 30, 2022 as a result of the expenses associated with the closing of the COB Transaction. With the completion of the COB Transaction, it is expected that the Company's losses will remain at elevated levels as it undertakes exploration expenditures to advance its mineral properties. Refer to "Results of Operations" and "Outlook" for additional discussion.

FOURTH QUARTER

Expenses

During the three month period ended December 31, 2022, the Company incurred expenses of $570,137 (2021 - $232,186), representing an increase of $337,951 compared to the same period of the prior year. The increase in total expenses is comprised of increases in general and administrative expenses of $103,893, exploration and evaluation expenses of $142,695 and share-based compensation of $132,878. These increases were due to the increase in exploration and evaluation operations, which resulted in a significant increase in expenditures for the current period. To offset this, there were decreases in marketing and investor relations expenses ($40,568) and research and development ($832).

Other items

Interest income for the three month period ended December 31, 2022 of $23,240 relates to interest income earned on excess cash on hand and is a function of average cash and cash equivalent balances during the period. When compared to the three month period ended December 31, 2021 interest income of $1,357, the increase is due to the increase of cash balances and interest rates over the year.

LIQUIDITY AND CAPITAL RESOURCES

As at December 31, 2022, the Company had cash of $2,151,249 (December 31, 2021 - $884,179) and working capital of $2,086,297 (December 31, 2021 - $850,374). The increase in working capital of $1,235,923 is a result of the Company obtaining additional financing during the year

With the recently completed restructuring, implementation of cost saving initiatives, the completion of the 2022 Offering and the COB Transaction, the Company believes that its cash and working capital position is sufficient to sustain operations for the next 12 months. This assessment is based on the Company’s review of the $1,359,906 of cash used in operating activities and its forecasted additional exploration expenditures for the next twelve-month period. If the Company elects to accelerate its exploration plans, it will need to raise additional capital within the next 12 months. At present, the Company has no material operating income or cash flows. The Company intends to finance its future requirements through equity issuances or the sale of assets. There is no assurance that the Company will be able to obtain such financings or obtain them on favorable terms. See “Risk Factors”.

The Company’s cash flows for the years ended December 31, 2022 and 2021 are summarized below.

	December 31, 2022	December 31, 2021
Cash used in operating activities	$ (1,359,906)	$ (663,041)
Cash used in investing activities	(78,323)	-
Cash used in financing activities	2,705,000	-
Change in cash during the year	1,266,771	(663,041)
Effect of foreign exchange on cash	299	303
Cash, beginning of the year	884,179	1,546,917
Cash, end of the year	**$ 2,151,249**	**$ 884,179**

Operating Activities

Cash used in operating activities adjusts loss for the year for non-cash items including, but not limited to, share-based payments and depreciation. Cash used in operating activities also reflects changes in working capital items, such as amounts receivable, prepaid expenses, and accounts payable and accrued liabilities, which fluctuate in a manner that does not necessarily reflect predictable patterns for the overall use of cash, the generation of which depends almost entirely on sources of external financing to fund operations.

Investing Activities

During the year ended December 31, 2022, the Company spent $78,323 related to acquisition fees related to the acquisition of various mineral properties.

During the year ended December 31, 2021, there were no investing activities.

Financing Activities

During the year ended December 31, 2022, the Company received $2,768,000 for common shares issued upon closing of a private placement. $63,000 in share issuance costs were incurred upon issuance of the common shares.

During the year ended December 31, 2021, there were no financing activities.

STATEMENT OF FINANCIAL POSITION INFORMATION

	As at December 31, 2022	As at December 31, 2021
Cash	$ 2,151,249	$ 884,179
Amounts receivable	14,589	2,804
Prepaid expenses	115,693	112,850
Investment	1	1
Deposits	5,871	5,610
Exploration and evaluation assets	268,444	-
Equipment	-	1,739
Total Assets	**$ 2,555,847**	**$ 1,007,183**
Accounts payable and accrued liabilities	$ 145,235	$ 99,459
Promissory note payable – Short-term	50,000	50,000
Promissory note payable – Long-term	44,950	-
Share capital	16,584,982	13,460,352
Obligation to issue shares	85,000	-
Other equity reserves	2,645,528	2,372,754
Accumulated other comprehensive income	1,456	774
Deficit	(17,001,304)	(14,976,156)
Total Liabilities and Shareholders' Equity	**$ 2,555,847**	**$ 1,007,183**

Assets

Cash increased by $1,266,771 during the year ended December 31, 2022, as described in detail in "Liquidity and Capital Resources".

The balance of amounts receivable increased by $11,785 as at December 31, 2022 compared to as at December 31, 2021, which is explained by the increase in expenses and GST recorded.

During the year ended December 31, 2022, prepaid expenses increased by $2,843 due to the reclassification of a security deposit held to trade payables.

As at December 31, 2022, the balance of the investment includes 2,000,000 common shares held of K2 Resources Inc. with a carrying value of $1. The carrying value of the investment continues to be assessed at $1 based on the current market conditions and liquidity risk.

As at December 31, 2022, the balance of deposits includes a minimum deposit account (the "Deposit Account") of $5,871 (2021 - $5,610) pursuant to a fully disclosed clearing agreement (the "Clearing Agreement") between Apex Clearing Corporation ("Apex") and Voleo USA.

During the year ended December 31, 2022, the Company acquired exploration and evaluation assets of $268,444 (2021 - $nil), which consist of mineral claims and properties.

As at December 31, 2022, the Company's equipment had a net book value of $nil (2021 - $1,739). The decrease of $1,739 is due to net of depreciation recorded of $1,739 during the year.

Liabilities

Accounts payable and accrued liabilities increased by $45,776 during the year ended December 31, 2022 due to the timing of payments to and settlement with third parties.

During the fiscal year ended December 31, 2020, the Company entered into a promissory note agreement with Hybrid Financial Inc. for $50,000, which is non-interest bearing. Any unpaid principal is due October 8, 2022, the maturity date. Any payments made during the year shall be applied to the reduction of principal. As at December 31, 2022, the balance remains unpaid.

During the fiscal year ended December 31, 2022, the Company entered into a promissory note agreement with Excelsior Mining Corp. where US$40,000 is payable on or before February 29, 2024 in exchange for the acquisition of the Excelsior Property. This promissory note is non-interest bearing.

Shareholders' Equity

Share capital balance increased by $3,124,630 during the year ended December 31, 2022, due to the closing of the private placement during the year.

Obligation to issue shares balance increased by $85,000 during the year ended December 31, 2022. This is related to 500,000 shares issuable to Excelsior Mining Corp. as part of the promissory note agreement in exchange for the acquisition of the Excelsior Property.

Other equity reserves increased by $272,774 during the year ended December 31, 2022, which is attributable to share-based payment expense and valuation of warrants issued during the year.

Deficit increased by the loss for the year ended in the amount of $2,025,148.

During the year ended December 31, 2022, other comprehensive income increased by $682 as a result of foreign currency translation adjustments with respect to Voleo USA.

SHARE CAPITAL

The Company's authorized capital consists of an unlimited number of common shares without par value.

The Company has securities outstanding as follows:

Security Description	December 31, 2022	Date of report
Common shares	47,313,126	48,813,126
Warrants	27,389,003	8,076,007
Stock options	4,000,000	4,000,000
Restricted share units	-	1,000,000
Fully diluted shares	**78,702,129**	**61,889,133**

On April 21, 2022 the Company closed the 2022 Offering for gross process of $3,070,500. The closing of the 2022 Offering was the final material condition for the completion of the COB Transaction. The 2022 Offering consisted of 15,352,500 2022 Units issued at $0.20 per unit for aggregate gross proceeds of $3,070,500. Each 2022 Unit consists of one Share and one half of one 2022 Warrant. Each 2022 Warrant entitles the holder thereof to purchase an additional Share for $0.35 for a period of 24 months after closing.

On May 5, 2022, there was a share issuance of 80,000 common shares at $0.16 per share to the vendor pursuant to the terms of the Tombstone Option Agreement.

On September 8, 2022, there was a share issuance of 250,000 common shares at $0.14 per share to Excelsior pursuant to the purchase and sale agreement with respect to the Excelsior Property.

On September 8, 2022, there was a share issuance of 100,000 common shares at $0.14 per share to Bronco pursuant to option to purchase agreement with respect to the Mesa Property.

On November 14, 2022, 500,000 RSUs were redeemed for 500,000 common shares.

On May 5, 2022, 75,000 stock options were granted with an exercise price of $0.25 and an expiration date of May 5, 2027, which vest evenly every 6 months over 24 months.

On May 5, 2022, 960,000 stock options were granted with an exercise price of $0.20 and an expiration date of May 5, 2027, which vest evenly every 6 months over 24 months.

On November 10, 2022, 475,000 stock options were granted with an exercise price of $0.16 and an expiration date of November 10, 2027, which vest evenly every 6 months over 24 months from the date of grant.

On January 18, 2021, 100,000 stock options were granted with an exercise price of $0.32 and an expiration date of January 18, 2026, which vest evenly every 6 months over 24 months.

On March 12, 2021, 1,425,000 stock options were granted with an exercise price of $0.25 and an expiration date of March 12, 2026, which vest evenly every 4 months over 12 months.

During the year ended December 31, 2022, 125,000 options (2021 – 50,000 options) have been forfeited.

RELATED PARTY TRANSACTIONS

Related parties and related party transactions impacting the accompanying consolidated financial statements are summarized below and include transactions with the following individuals or entities:

Key management personnel

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors, and corporate officers, including the Company's Chief Executive Officer and Chief Financial Officer.

Remuneration attributed to key management personnel for the years ended December 31, 2022 and 2021 can be summarized as follows:

		DECEMBER 31, 2022		DECEMBER 31, 2021
Consulting	**$**	**-**	$	17,500
Professional fees		**26,726**		12,744
Salaries and benefits		**59,152**		43,153
Share-based payments		**39,537**		225,297
	$	**125,415**	$	298,694

Other related party transactions

Transactions entered into with related parties, other than key management personnel and not otherwise disclosed, for the years ended December 31, 2022 and 2021 include the following:

		DECEMBER 31, 2022		DECEMBER 31, 2021
Accession Management & Consulting Ltd.	**$**	**200,000**	$	-
King & Bay West Management Corp.		**196,991**		224,528
MJM Consulting Corp.		**120,000**		120,000
	$	**516,991**	$	344,528

Amounts paid to King & Bay West Management Corp. is included in professional fees expenses and amounts paid to Accession Management & Consulting Ltd. and MJM Consulting Corp. are included in consulting expenses.

Accession Management & Consulting Ltd. ("Accession"): Accession is an entity that is controlled by Kenneth Brophy, a director and the CEO of the Company. Accession provides consulting and business development services to the Company. These services are provided to the Company on an as-needed basis and are billed based on a monthly amount to the Company. The amounts shown in the table above represent amounts paid and accrued to Accession for the recovery of overhead and third-party costs incurred by Accession on behalf of the Company.

King & Bay West Management Corp. ("King & Bay"): King & Bay is an entity that is controlled by the Chair of the Company and employs or retains officers and certain consultants of the Company. King & Bay provides administrative, regulatory, legal, finance, and corporate development services to the Company. These services are provided to the Company on an as-needed basis and are billed based on the cost or value of the services provided to the Company. The amounts shown in the table above represent amounts paid and accrued to King &

Bay for the services of King & Bay personnel and for overhead and third-party costs incurred by King & Bay on behalf of the Company.

MJM Consulting Corp. ("MJM"): MJM is an entity that is controlled by the Chair of the Company. MJM provides consulting and business development services to the Company. These services are provided to the Company on an as-needed basis and are billed based on a monthly amount to the Company. The amounts shown in the table above represent amounts paid and accrued to MJM for the recovery of overhead and third-party costs incurred by MJM on behalf of the Company.

Related party balances

Prepaid expenses

As at December 31, 2022, prepaid expenses include the following paid to a related party:

- King & Bay - $85,000 (December 31, 2021 - $85,000) with respect to a prepaid as part of a management services agreement with the Company.

Accounts payable and accrued liabilities

As at December 31, 2022, accounts payable and accrued liabilities include the following amounts due to related parties:

- Ken Brophy, CEO - $5,664 (December 31, 2021 - $nil) with respect to business development expense reimbursements.
- King & Bay - $27,596 (December 31, 2021 - $12,955) with respect to the services described above.
- Mark Morabito, the Chairman of the Company - $nil (December 31, 2021 - $1,519) with respect to business development expense reimbursements.

The amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets, liabilities, shareholders' equity, and the disclosure of contingent assets and liabilities as at the date of the financial statements, and expenses for the periods reported.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, which could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

(a) The recoverability of receivables, prepayments and deposits that are included in the consolidated statements of financial position.

(b) The fair value of stock options, warrants and compensation options which requires the estimation of stock price volatility, the expected forfeiture rate and the expected term of the underlying instruments.

(c) The fair value of restricted share units which requires the estimation of the number of awards likely to vest on grant and at each reporting date up to the vesting date.

(d) The fair value of the investment for which a quoted market price in an active market is not available.

(e) The recoverability of deferred tax assets based on the assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions.

(f) The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay its ongoing operating expenditures and to meet its liabilities for the ensuing year involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

(g) The classification and allocation of expenses as exploration and evaluation expenditures or operating expenses.

ACCOUNTING POLICIES

The accounting policies followed by the Company are set out in Note 2 to the accompanying consolidated financial statements for the year ended December 31, 2022.

FINANCIAL INSTRUMENTS

The Company's financial instruments are subject to certain risks.

Credit risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash, amounts receivable and deposits. The risk arises from the non-performance by counterparties of contractual financial obligations. To minimize credit risk, the Company places cash and deposits with high credit quality financial institutions and brokerage firms. The Company's amounts receivable consists mainly of input tax credits due from the Government of Canada and as such are exposed to insignificant credit risk.

The maximum exposure to credit risk is the carrying amount of the Company's financial instruments.

Liquidity risk

The Company's approach to managing liquidity risk is to have sufficient funds to meet liabilities when they become due.

At present, the Company has no material operating income or cash flows. The Company intends to finance its future requirements through equity issuances. There is no assurance that the Company will be able to obtain additional financing or obtain it on favorable terms. These material uncertainties may cast significant doubt on the Company's ability to continue as a going concern.

Market risk

Market risks consist of interest rate risk, foreign currency risk and other price risk.

<u>Interest rate risk</u>

As at December 31, 2022, the Company is not exposed to interest rate risk.

<u>Foreign currency risk</u>

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company has minimal financial risk arising from fluctuations in foreign exchange rates as the Company does not own foreign currency denominated financial assets or liabilities.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk.

The Company is exposed to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company's ability to raise capital to fund operations is subject to risks associated with equity prices.

RISK FACTORS

Readers are cautioned that the risk factors discussed above in this MD&A are not exhaustive. Readers should also carefully consider the matters discussed under the heading, "Forward Looking Information", in this MD&A and under the heading, "Risk Factors", in the Company's Filing Statement dated September 30, 2021 and filed on SEDAR at www.sedar.com.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

COMMITMENTS

On April 20, 2021, as amended February 28, 2022, as effective April 29, 2022, the Company entered into the Option Agreement for the Tombstone South Property (the "Tombstone Option Agreement"). Pursuant to the terms of the Tombstone Option Agreement, the vendor has granted the Company the option to acquire a 100% direct interest in the Tombstone South Property through the direct acquisition of the Tombstone South Property by making the following cash and Share payments, and incurring the following minimum work commitments (all dollar amounts are United States dollars):

Year	Cash Consideration	Share Consideration	Minimum Work Commitment
April 29, 2022 (Closing date)	US$10,000 (paid)	80,000 (issued)	-
1st Anniversary	US$30,000	100,000	US$175,000
2nd Anniversary	US$100,000	200,000	US$500,000
3rd Anniversary	US$100,000	300,000	US$1,000,000
4th Anniversary	US$100,000	300,000	US$1,500,000
5th Anniversary	US$500,000	-	-
TOTAL	**US$840,000**	**980,000**	**US$3,175,000**

The Company shall also grant the vendor a 1.5% Net Smelter Royalty ("NSR") over the Tombstone South Property. One third of the NSR may be repurchased by the Company for a cash payment of $500,000. The Company shall have a right of first refusal on the sale of the NSR by the vendor.

Mesa Well Property (Laramide Prophyry Belt, Arizona, USA)

The Company entered into an option to purchase agreement with Bronco for the option to acquire a 100% direct interest in the Mesa Property through the direct acquisition of the Mesa Property by making the following cash and Company share payments, and incurring the following minimum work commitments (all dollar amounts are United States dollars):

Year	Cash Consideration	Share Consideration	Minimum Work Commitment
August 24, 2022	US$20,000 (paid)	100,000 (issued)	-
1st Anniversary	US$25,000	100,000	-
2nd Anniversary	US$25,000	100,000	US$250,000
3rd Anniversary	US$25,000	100,000	US$500,000
4th Anniversary	US$55,000	100,000	US$500,000
5th Anniversary	US$200,000	100,000	US$750,000
TOTAL	**US$350,000**	**600,000**	**US$2,000,000**

The Company granted Bronco a 2% NSR over the Mesa Property.

Excelsior Property (Cochise County, Arizona, USA)

The Company entered into a purchase and sale agreement with Excelsior for the option to acquire a 100% direct interest in the Excelsior Property through the direct acquisition of the Excelsior Property by making the following cash and Company share payments (all dollar amounts are United States dollars):

Year	Cash Consideration	Share Consideration
August 24, 2022	US$30,000 (paid)	250,000 (issued)
12 months from closing date	-	250,000
18 months from closing date	US$40,000	250,000
TOTAL	**US$70,000**	**750,000**

SUBSEQUENT EVENTS

The following reportable events occurred subsequent to the year ended December 31, 2022:

- On January 9, 2023, 1,000,000 RSUs were granted to a director and officer of the Company. 100% of the RSUs vest on January 9, 2024.
- On February 14, 2023, the Company entered into a definitive agreement (the "CCCI Agreement") with CCCI and its shareholders to acquire all of the issued and outstanding shares of CCCI. The terms of the Agreement give Intrepid the option to acquire all of the issued and outstanding shares of CCCI in return for certain cash and common share payments and exploration expenditure commitments. The consideration is as follows and all dollar values are Canadian dollars:

Time Period	Cash Consideration	Share Consideration	Minimum Work Commitment
February 22, 2023	$50,000 (paid)	1,500,000 (issued)	-
6 months	$50,000	-	-
1st Anniversary	$25,000	1,000,000	$100,000
2nd Anniversary	$395,000	1,000,000	$150,000
3rd Anniversary	$150,000	3,500,000	$150,000
TOTAL	**$670,000**	**7,000,000**	**$400,000**

The Company will take over as operator of the CCCI Properties and will be responsible for future exploration work and maintaining the CCCI Properties in good standing.

- On April 24, 2023, the Company entered into a Property Purchase Agreement ("PP Agreement") with Clive Bailey to acquire additional mining claims. Clive Bailey holds certain exploration properties located in the Courtland-Gleeson area of Cochise County, Arizona. In consideration for the acquisition of the additional mining claims, the Company will pay US$10,000 and shall issue 100,000 common shares to Clive Bailey upon closing, which is five business days after TSX-V approval of the transaction.

APPROVAL

The Board of Directors of the Company has approved the disclosure contained in this MD&A.