Gensource
POTASH CORP

MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS

FOR THE THREE AND SIX MONTHS ENDED

JUNE 30, 2023

Introduction

The following interim Management's Discussion & Analysis ("Interim MD&A" or "MD&A") of the financial condition and results of the consolidated operations of Gensource Potash Corporation and its subsidiary, KClean Potash Corporation, (the "Company" or "Gensource") for the three and six months ended June 30, 2023 has been prepared to provide material updates to the business operations, liquidity and capital resources of the Company since its last annual management's discussion & analysis, being the Management's Discussion & Analysis ("Annual MD&A") for the fiscal year ended December 31, 2022. This Interim MD&A does not provide a general update to the Annual MD&A, or reflect any non-material events since date of the Annual MD&A.

This MD&A has been prepared in compliance with the requirements of section 2.2.1 of Form 51-102F1, in accordance with National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the Annual MD&A, the audited annual financial statements of the Company for the years ended December 31, 2022 and December 31, 2021 and the unaudited condensed interim consolidated financial statements for the three and six months ended June 30, 2023, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. In the opinion of management, all adjustments (which consist only of normal recurring adjustments) considered necessary for a fair presentation have been included. The results for the three and six months ended June 30, 2023 are not necessarily indicative of the results that may be expected for any future period. Information contained herein is presented as at August 29, 2023 unless otherwise indicated.

The unaudited condensed interim consolidated financial statements for the three and six months ended June 30, 2023, have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee. The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Standard 34, Interim Financial Reporting.

The following MD&A, particularly under the heading "Liquidity and Capital Resources", contains forward-looking information that involves numerous risks and uncertainties. The forward-looking information is not historical fact, but rather is based on the Company's current plans, objectives, goals, strategies, estimates, assumptions and projections about the industry, business and future financial results. The Company's actual results could differ materially from those discussed in such forward-looking statements.

For the purposes of preparing this MD&A, management and the Board of Directors considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company's common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Additional information relating to the Company is available free of charge on the System for Electronic Document Analysis and Retrieval (SEDAR+) website at **www.sedarplus.ca**.

Summary of Key Activities

Corporate

The Company is very pleased and fortunate to have Mr. Wayne Brownlee join the Board of Directors as of May 3, 2023. Mr. Brownlee brings a wealth of global potash experience from his 30 plus year career as a senior leader of Potash Corp. The strength of Wayne Brownlee's financial and business skillset is instrumental in advancing negotiations with multiple parties for significant project equity financing investments. The negotiations have focused on financial and joint business structures which enable all parties to benefit from the modular and scalable production opportunity being developed by Gensource. The negotiations are at advanced stages which coincide with Gensource's desire to implement development of its first selective solution mining cavern on the Tugaske project this fall.

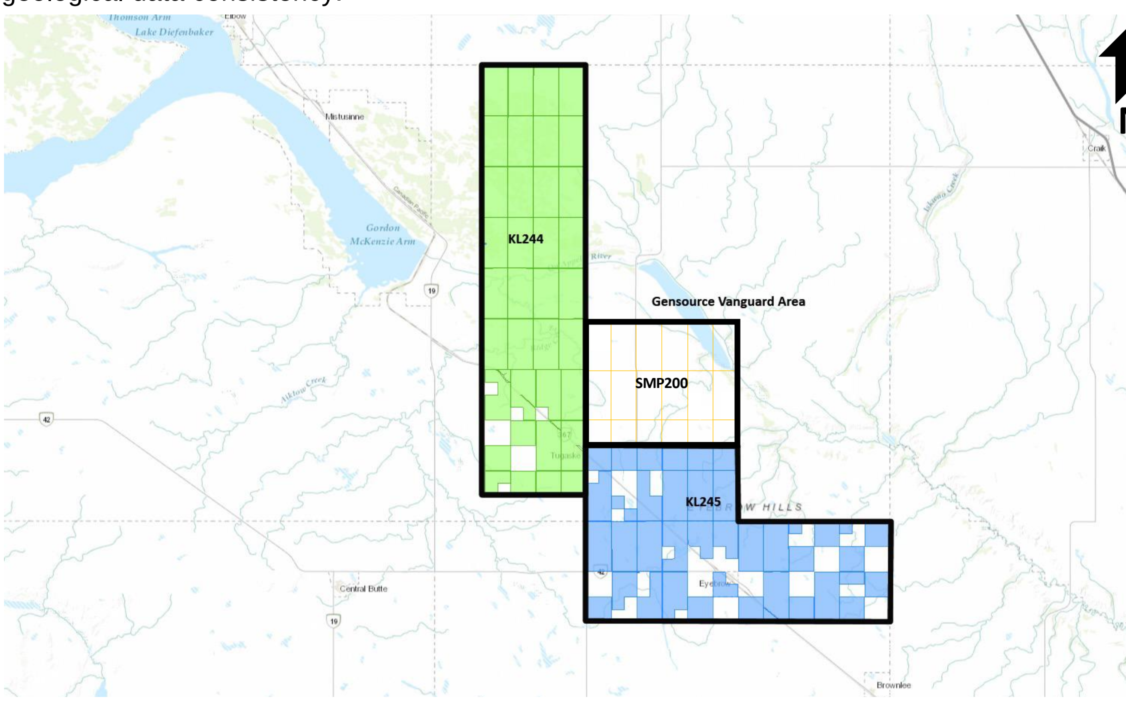
As part of the financing and business discussions, holders of the 5% convertible debentures of the Company (issued on October 19, 2021) unanimously agreed to extend the maturity date of the debentures from June 30, 2023 to June 30, 2024. All terms to the debentures remain the same.

The Company is also pleased with its advancing relationship with the Indigenous communities within Saskatchewan. Gensource had the opportunity to provide a detailed "potash 101" seminar to Chief and Counsel of a prominent First Nation and continues its success in creating close relationships with other First Nations, as disclosed in news releases earlier this year.

Tugaske Project

The Company is finalizing plans for work that will optimize two areas of its technology: underground cavern design and operation, and crystallization. Next steps are to implement the planned optimizations and result confirmation. Subject to financing, the Company plans to complete work on these optimizations this fall and then integrate them into the Tugaske Project. Expectations (to be confirmed) are for significant optimizations of capital and operating costs.

Further, the Company has initiated preparation for initial resource confirmation work on its new SMP200 permit area. Resource confirmation is likely to include a detailed seismic survey. Shareholders will recall that SMP200 adjoins the Tugaske mining area, extending northward from the Company's lease KL-245 (see the figure below). The lease area covers prospective resource already identified through drilling and seismic work on KL-245 as described in the Indicated and Measured Resource categories. A historical well is located within SMP200 that correlates well with KL-245 well logs, a situation that augers well for good geological data consistency.



As of the date of this MD&A, the following significant events have occurred up to the quarter ending June 30, 2023:

- The Company announced an extension to the maturity date of each of the 5% convertible debentures of the Company (the "Debentures") issued on October 19, 2021, in the principal amount of $2,000,000, from June 30, 2023 to June 30, 2024 (the "Debenture Amendments"). All other terms remain the same.
- On June 2, 2023, the Company granted an aggregate of 15,400,000 stock options, of which 14,900,000 were granted to directors and senior officers of the Corporation, at an exercise price of $0.125 per share and are exercisable for a period of 5 years.
- On May 29, 2023, the Company completed a non-brokered private placement offering of Units at a price of $0.15 per unit. At the closing, the Company issued 6,118,583 units for aggregate gross proceeds of $917,787.45. Each Unit consists of one common share in the capital stock of the Company (a "Common Share") and one Common Share purchase warrant of the Company (a "Warrant"). Each whole Warrant is exercisable for one Common Share (a "Warrant Share") at an exercise price of $0.30 per Warrant Share for a period of 24 months following the date of issuance.
- The Company was proud to appoint Mr. Wayne Brownlee as an independent director. Mr. Brownlee's expertise and experience in the potash industry is unparalleled and management looks forward to working with him to realize the Company's strategic vision. As part of his appointment, on May 8, 2023, Wayne was granted 1,000,000 stock options at an exercise price of $0.125, exercisable for a period of 5 years.
- On April 24, 2023, the Company announced an amendment to the maturity date of the promissory note (the "Promissory Note") issued to Michael Ferguson. The maturity date was extended to July 1, 2024. All other terms remain the same.
- The Company advanced their business relationship with Nekaneet First Nation. The strategic relationship with Nekaneet First Nation was formalized through its participation in Gensource's private placement (see news release dated January 31, 2023). The relationship encompasses equity ownership in Gensource and therefore a direct interest in the development of the Gensource potash projects in Saskatchewan.
- In accordance with TSX-V, Board policy and AIM/MAR regulations in respect to the publication of scheduled material announcements, a securities trading blackout was in place restricting the exercise of 3,500,000 options that were due to expire respectively on November 13, 2022 and December 9, 2022. These options were extended as regulated by the TSX-V and Company Stock Option Policy to February 9, 2023. These options were not exercised and expired February 9, 2023.
- On February 3, 2023, the Company issued 1,000,000 options to a consultant at an exercise price of $0.14 for 5 years. 333,333 options vested on February 3, 2023, 333,333 options vested on April 15, 2023, and 333,334 options vested on June 6, 2023.
- On February 1, 2023, 2,000,000 options with an exercise price of $0.09 expired.
- On January 27, 2023, the Company closed the second and final closing of the non-brokered private placement. The Company issued 11,969,998 Units for aggregate gross proceeds of $1,795,499.70. Each Unit consists of one common share in the capital stock of the Company (a "Common Share") and one Common Share purchase warrant of the Company (a "Warrant"). Each whole Warrant is exercisable for one Common Share (a "Warrant Share") at an exercise price of $0.30 per Warrant Share for a period of 24 months following the date of issuance. Pursuant to the terms of this closing of the Offering, the Company paid commission to a certain finder consisting of a cash payment of $6,300 and issued 117,000 non-transferable warrants (the "Broker Warrants") of the Company to such finders, with each Broker Warrant exercisable, for a period of 24 months from the date hereof, into one Common Share (a "Broker Warrant Share") at an exercise price of $0.30 per Broker Warrant Share.
- Helm confirmed that it had withdrawn its proposed 33% ownership offer in KClean. Helm remains supportive of the Tugaske Project pursuant to the binding off-take agreement dated May 7, 2021.

Caution Regarding Forward-looking Statements

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement. The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

Forward-looking statements	Assumptions	Risk factors
Potential of Gensource's properties to contain potash deposits.	Financing will be available for future exploration and development of Gensource's properties; the actual results of Gensource's exploration and development activities will be favourable; operating, exploration and development costs will not exceed Gensource's expectations; the Company will be able to retain and attract skilled staff; all requisite regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to Gensource, and applicable political and economic conditions will be favourable to Gensource; the price of potash and applicable interest and exchange rates will be favourable to Gensource; no title disputes exist with respect to the Company's properties.	Potash price volatility; uncertainties involved in interpreting geological data and confirming title to acquired properties; the possibility that future exploration results will not be consistent with Gensource's expectations; availability of financing for and actual results of Gensource's exploration and development activities; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic and political conditions; the Company's ability to retain and attract skilled staff.
The Company's ability to meet its working capital needs at the current level for the twelve-month period ending June 30, 2024.	The operating and development of the Company for the twelve-month period ending June 30, 2024, and the costs associated therewith, will be consistent with Gensource's current expectations; debt and equity markets, exchange and interest rates and other applicable economic conditions will be favourable to Gensource.	Changes in debt and equity markets; timing and availability of external financing on acceptable terms; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic conditions.

Forward-looking statements	Assumptions	Risk factors
The Company's ability to carry out anticipated exploration and development on its property interests.	The exploration and development activities of the Company for the twelve-month period ending June 30, 2024 and the costs associated therewith, will be consistent with Gensource's current expectations; debt and equity markets, exchange and interest rates and other applicable economic conditions will be favourable to Gensource.	Changes in debt and equity markets; timing and availability of external financing on acceptable terms; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic conditions; receipt of applicable permits.
Plans, costs, timing and capital for future exploration and development of Gensource's property interests, including the costs and potential impact of complying with existing and proposed laws and regulations.	Financing will be available for Gensource's exploration and development activities and the results thereof will be favourable; actual operating and exploration costs will be consistent with the Company's current expectations; the Company will be able to retain and attract skilled staff; all applicable regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to Gensource; the Company will not be adversely affected by market competition; debt and equity markets, exchange and interest rates and other applicable economic and political conditions will be favourable to Gensource; the price of potash will be favourable to Gensource; no title disputes exist with respect to Gensource's properties.	Potash price volatility, changes in debt and equity markets; timing and availability of external financing on acceptable terms; the uncertainties involved in interpreting geological data and confirming title to acquired properties; the possibility that future exploration results will not be consistent with Gensource's expectations; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic and political conditions; the Company's ability to retain and attract skilled staff.
Management's outlook regarding future trends.	Financing will be available for Gensource's exploration, development and operating activities; the price of potash will be favourable to Gensource.	Potash price volatility; changes in debt and equity markets; interest rate and exchange rate fluctuations; changes in economic and political conditions.
Sensitivity analysis of financial instruments.	The aggregate gross credit risk exposure related to cash at June 30, 2023, was $303,035 (December 31, 2022 – $337,831), and was entirely made up of cash held with financial institutions with an "AA High" credit rating or above and securities brokerage firms.	Changes in debt and equity markets; interest rate and exchange rate fluctuations.

Forward-looking statements	Assumptions	Risk factors
Prices and price volatility for potash.	The price of potash will be favourable; debt and equity markets, interest and exchange rates and other economic factors which may impact the price of potash will be favourable.	Changes in debt and equity markets and the spot price of potash; interest rate and exchange rate fluctuations; changes in economic and political conditions.

Inherent in forward-looking statements are risks, uncertainties, and other factors beyond Gensource's ability to predict or control. Please also make reference to those risk factors referenced in the "Risk Factors" section above. Readers are cautioned that the above chart does not contain an exhaustive list of the factors or assumptions that may affect the forward-looking statements, and that the assumptions underlying such statements may prove to be incorrect. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause Gensource's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

Description of Business

Gensource Potash is a fertilizer development company based in Saskatoon, Saskatchewan and is working towards becoming the next fertilizer production company in that province. With a modular and environmentally leading approach to potash production, Gensource believes its technical and business model will be the future of the industry. Gensource operates under a business plan that has two key components: (1) vertical integration with the market to ensure that all production capacity built is directed, and pre-sold, to a specific market, eliminating market-side risk; and (2) technical innovation which will allow for a modular and economic potash production facility, that demonstrates environmental leadership within the industry, producing no salt tailings, therefore eliminating decommissioning risk, and requiring no surface brine ponds, thereby removing the single largest negative environmental aspect of potash mining.

Its registered head office is located at Suite 1100, 201 1st Ave. S. Saskatoon, SK., S7K 1J5.

Operational Highlights

Exploration & Evaluation Assets and Development Stage Properties

The Vanguard Area is located in South-Central Saskatchewan and surrounds the Villages of Tugaske and Eyebrow in the Rural Municipality ("R.M.") of Huron No.223 and R.M. of Eyebrow No.193, respectively - comprising two Government of Saskatchewan potash mineral leases, KL244 and KL245 and exploration permit SMP200, all 100% owned by Gensource.

Current Status:

1. Tugaske Project (the "Project" or "Tugaske Project") – Development Stage Property

The Tugaske Project is the Company's most advanced project and management believes, the most advanced shovel-ready potash project globally. It has completed both a full, bankable, feasibility study and a follow-on Front End Engineering and Design study (FEED). The Project is fully permitted and ready for construction.

In October 2021, the Tugaske Project transitioned from exploration to development stage when the two senior lenders for the project (KfW-IPEX Bank and Socièté Gènèrale), completed their due diligence review and provided a commitment for a debt financing of $280 million.

Currently, the Company is completing negotiations with private investment groups to fund the equity, or potentially both the debt and equity, portion(s) of the financing required to the Project. These negotiations are on-going and clearly critical to the Project. Gensource is working to cement one of these options that will allow it to move ahead with the Project.

While the financing work identified above is progress, management is working in parallel to plan and scope what it believes to be important verification work. The verification work is with respect to both solution mining cavern design and layout alternatives and specific cooling crystallization equipment and methods, both of which the Company believes may yield significant capital and operating cost savings for the Tugaske Project and future projects. To provide context to the above two points, during 2022, the Company began to review and update designs for two high-cost and high-complexity areas of the Tugaske project: the underground caverns and the surface processing (cooling crystallization) area. The Company believes it has found substantial efficiencies in both areas which should result in material capex and opex savings. The results will be disclosed in a revised NI 43-101 Technical Report when they are complete.

The Company also continued with key project readiness activities for the Tugaske Project, with the goal to be prepared for full Project execution upon completion of financing.

Further, management kept up to date on the reclamation activities required on the remaining drilling sites which are anticipated to pass through the AOR process this year – see the General Vanguard Area below.

2. Vanguard One Project (Exploration and Evaluation Asset):

   - The Vanguard One Project still has an offtake agreement in place, but the Company's full efforts are focused on the Tugaske Project at this time.

3. General Vanguard Area (Exploration and Evaluation Asset):

   - Work continued in Q2 2023 to complete the Acknowledgement of Reclamation (AOR) process at two (2) former exploration sites. Gensource is advancing 2 sites through the AOR process in Q3 2023.

Future Plans:

1. Tugaske Project:
   - Gensource will continue with and complete project financing negotiations and will continue to undertake project related activities as appropriate to prepare the Tugaske Project for ramp-up to full execution (incl. construction) once financing is complete.

Table 1 - Summary of Expenditures

Summary of Completed Activities (Six months ended June 30, 2023)	(A) Spent Vanguard Area	(B) Spent Tugaske
Property acquisition and surface access fees	$ 166,136	$ 135,189
Geological and project management	$ Nil	$ 93,203
Engineering	$ Nil	$ 8,146
Drilling	$ Nil	$ Nil
Technical reports/feasibility study	$ Nil	$ Nil
Environmental	$ 3,176	$ Nil
Project Finance	$ Nil	$ 69,392
Total	**$ 169,312**	**$ 305,930**

- If full financing proceeds as expected, the planned expenditures for property acquisition and surface access fees are $900,000 and as much as $20M of the total capex could be committed in 2023. See Tugaske Project Capital Cost Estimate in Table 2 below for planned expenditures.

The following table shows estimated Expenditures for the Tugaske Project, taking approximately 2 years to complete construction and transition the Project to operations. This table is revised to reflect the revisions to the Project, as integrated during FEED and does not include any potential optimizations identified above.

Table 2 - Tugaske Project Capital Cost Estimate Summary

WBS Area	Area Description	Grand Total Cost ($CAD)	% of Total
100	Mining	$ 30,760,003	9%
200	Wellfield	$ 17,084,230	5%
300	Process Plant	$ 96,876,130	28%
400	Product Storage and Loadout	$ 15,783,440	4%
500	Site Infrastructure	$ 23,528,252	7%
600	Offsites	$ 7,879,549	2%
700	Non-Process Facilities	$ 29,929,031	9%
	TOTAL DIRECT COST	**$ 221,840,635**	**64%**
900	Project Indirects	$ 96,638,548	27%
	TOTAL INDIRECT COSTS	**$ 96,638,548**	**27%**
	TOTAL DIRECT + INDIRECT COSTS	**$ 318,479,183**	**91%**

980	Contingency	$ 33,597,918	9%
	TOTAL PROVISIONAL COSTS	**$ 33,597,918**	**9%**
	GRAND TOTAL COST	**$ 352,077,101**	**100%**

NOTE: The Bridge Engineering study currently underway will address cost escalation pressures, include optimizations and will detail updated capex and opex estimates for the Tugaske Project.

2. Vanguard One Project:

- No efforts planned.

3. General Vanguard Area:

- Gensource will continue with the reclamation requirements for the former exploration drilling well sites and advance 2 sites through the AOR process.

Current Status Related to Permit SMP200:

- The Company has initiated preparation for initial resource confirmation work on its new SMP200 permit area.

Future Plans Related to SMP200:

- Gensource will continue to develop strategic plans related to the exploration and development of SMP200 as discussions with prospective partners to advance a new project.

Current Efforts Related to the Lazlo Area (Exploration and Evaluation Asset):

- No engineering or geological work was completed for the Lazlo project area during the three months ended June 30, 2023.

Future Plans Related to the Lazlo Area:

- The following summarizes the Company's current exploration and development programs at the Lazlo project area, total estimated cost to complete the project development work, and total expenditures incurred to date.

Summary of Completed Activities (Six months ended June 30, 2023)	**(A) Spent**	**Plans for the Project**	**(B) Planned Expenditures**
Land acquisition and staking	$4,996	At the date of this MD&A, it is more likely, in the immediate term, for the Company to pursue an initial project in the Vanguard Area and therefore the budgeted expenditures are not included here.	$10,000
Total	**$4,996**		**$10,000**

Technical Information

Mike Ferguson, P.Eng., a qualified person pursuant to NI 43-101, has reviewed and approved the technical disclosure in this MD&A.

Trends

Gensource anticipates that it will continue to experience net losses as a result of ongoing cash outflows from investing in its potash assets and operating costs until such time as revenue-generating activity is commenced. The Company's future financial performance is dependent on many external factors. Both the price of and the market for potash are volatile, difficult to predict, and subject to changes in domestic and international political, social, and economic environments. Circumstances and events such as economic conditions and volatility in the capital markets could materially affect the future financial performance of the Company. See "Caution Regarding Forward-looking Statements" and "Risk Factors".

Geopolitical turmoil around the world is being driven by nationalism, polarization and economic instability. Due to globalization, regional events are having global impacts. In particular, the Russia and Ukraine war has resulted in, and may continue to result in, supply chain disruptions and higher prices for energy and several commodities, compounding existing energy and food supply chain bottlenecks.

Results of Operations
Selected quarterly information

	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
Net loss	(2,291,402)	(765,328)	(857,210)	(181,233)	(728,342)	(725,079)	(867,347)	(2,119,954)
Net loss per share	0.01	0.00	0.01	0.00	0.00	0.00	0.01	0.01
Total assets	25,267,289	25,356,454	24,949,663	25,074,940	24,102,703	22,406,753	19,740,841	17,486,147

Three Months Ended June 30, 2023, Compared to Three Months Ended June 30, 2022

During the three months ended June 30, 2023, the Company had a net loss of $2,291,402 (three months ended June 30, 2022 – loss of $728,342), resulting in a net loss increase of $1,563,060.

Expenses during the three months ended June 30, 2023 were $2,306,921 (three months ended June 30, 2022 - $672,839), an increase of $1,634,082, and is primarily due to share-based payments $1,507,241 during the three months ended June 30, 2023 compared to $20,033 during the three months ended June 30, 2022; general and administrative expenses of $787,258 (three months ended June 30, 2022 - $639,610), an increase of $147,648, primarily due to an increase in interest expense.

During the three months ended June 30, 2023, the Company recorded interest income of $1,307, (three months ended June 30, 2022 – $86), unrealized loss on investments of $3,630 (three months ended June 30, 2022 – unrealized gain on investments of $2,483) and accretion expense of $79,493 (three months ended June 30, 2022– $44,192).

During the three months ended June 30, 2023, overall general and administrative expenses were $147,648 higher than the comparative period in 2022. The following is a breakdown of general and administrative expenses for the three months ended June 30, 2023 and 2022:

Three Months Ended June 30,	**2023**	**2022**	**Change**
	$	**$**	**$**
Wages, benefits and incentive compensation	76,889	226,861	149,972
Marketing and Promotion	197,362	55,843	(141,519)
Professional fees	156,527	193,531	37,004
AIM listing costs	81,167	52,721	(28,446)
Office and general	275,313	110,654	(164,659)
Total general and administrative expenses	787,258	639,610	(147,648)

Six Months Ended June 30, 2023, Compared to Six Months Ended June 30, 2022

During the six months ended June 30, 2023, the Company had a net loss of $3,056,730 (six months ended June 30, 2022 – loss of $1,453,421), resulting in a net loss increase of $1,603,309.

Expenses during the six months ended June 30, 2023 were $2,948,837 (six months ended June 30, 2022 - $1,411,317), an increase of $1,537,520, and is primarily due to share-based payments of $1,571,966 during the six months ended June 30, 2023 compared to $20,033 during the six months ended June 30, 2022; general and administrative expenses of $1,351,565 (six months ended June 30, 2022 - $1,364,891), a decrease of $13,326 and is primarily due to a decrease in AIM related public relations fees, legal fees, cost saving measures in general administrative expenses offset by an increase in interest accrued on project accounts payables.

During the six months ended June 30, 2023, the Company recorded interest income of $3,409, (six months ended June 30, 2022 – $527), unrealized loss on investments of $6,209 (six months ended June 30, 2022 – $764) and accretion expense of $159,062 (six months ended June 30, 2022– $87,730).

During the six months ended June 30, 2023, overall general and administrative expenses were $13,326 lower than the comparative period in 2022. The following is a breakdown of general and administrative expenses for the six months ended June 30, 2023 and 2022:

Six Months Ended June 30,	**2023**	**2022**	**Change**
	$	**$**	**$**
Wages, benefits and incentive compensation (1)	231,802	272,041	40,239
Marketing and Promotion (2)	328,203	83,053	(245,150)
Professional fees (3)	280,147	257,314	(22,833)
AIM listing costs (4)	181,402	359,772	178,370
Office and general (5)	330,011	392,711	62,700
Total general and administrative expenses	1,351,565	1,364,891	13,326

(1) Costs were lower due to decreased salaries.
(2) Costs were higher due to increased project finance expenses.
(3) Costs were higher due to the increase in audit and accounting fees.
(4) Costs were lower due to the decrease in AIM related public relations fees and legal fees.
(5) Costs were lower due to a decrease in general administrative expenses, contract services and TSXV related costs offset by an increase in interest accrued on project accounts payables.

Assets

Assets were $25,267,289 at June 30, 2023 (December 31, 2022 - $24,949,663), an increase of approximately 1%. Exploration and evaluation assets increased by approximately 4% from December 31, 2022. The total amount of exploration and evaluation assets represents approximately 16% of the total assets (December 31, 2022 – 16%). Property, plant and equipment increased by approximately 2%. The total amount of property, plant and equipment represents approximately 72% of total assets (December 31, 2022 –71% of total assets).

Receivables decreased by $65,829 from December 31, 2022 due to a decrease in GST/HST receivable. Further, the Company had a decrease in prepaid expenses of $36,643. At June 30, 2023, the Company had cash of $303,035 (December 31, 2022 - $337,831), a decrease of $34,796. The Company had Right-of-use assets of $57,115 (December 31, 2022 - $80,423) and deferred financing cost of $2,383,919 (December 31, 2022 - $2,377,748).

Liabilities

At June 30, 2023, current liabilities were $6,128,460 (December 31, 2022 - $6,613,765). The variation is primarily due to a decrease in accounts payable to vendors.

At June 30, 2023, non-current liabilities were $3,184,863 (December 31, 2022 - $2,881,433) for the lease liability, Helm credit facility and promissory note from related party.

The Company will continue to attempt to secure additional financing to facilitate the execution of its business plan.

Shareholders' equity

At June 30, 2023, shareholders' equity increased by $499,501 which is primarily due to the increase in contributed surplus during the three months ended June 30, 2023.

As at June 30, 2023, the Company had 444,884,576 common shares issued and outstanding, 19,578,809 common share purchase warrants outstanding and 38,450,000 stock options outstanding.

Investment portfolio

The Company's investments consist primarily of resource companies whose principal business is exploration and development. During the three months ended June 30, 2023, there was no change in ownership of these investments but due to the fluctuation of the fair value of these investments, the Company reported an unrealized loss of $3,630 (three months ended June 30, 2022 – unrealized gain of $2,483). At June 30, 2023, the market value of the Company's investments was $2,007 (December 31, 2022 – $8,216).

Cash Flow

For the six months ended June 30, 2023, the Company decreased its cash position by $34,796 as a result of a reduction in accounts payable, KL244 and KL245 annual lease payments and general operating expenses.

Cash used in operations, including changes in non-cash working capital deficiency of $163,466, totaled a deficiency of $1,500,085 during the six months ended June 30, 2023. This was as a result of net loss of $3,056,730 for the six months ended June 30, 2023, adjusted for non-cash transactions including mainly depreciation $25,306, share-based payments of $1,571,966, accretion expense of $159,062, unrealized loss on FVTPL investments of $6,209, interest on credit facility of $37,192 and a loss on issuance of debt of $79,624. For the six months ended June 30, 2022, cash used in operations, including changes in non-cash working capital of $2,947,984, totaled $1,650,626. This was as a result of a net loss of $1,453,421 for the six months ended June 30, 2022, adjusted for non-cash transactions including mainly depreciation of $26,393, share-based payments of $20,033, accretion expense of $87,730, unrealized gain on FVTPL investments of $764 and interest on credit facility of $22,671.

Cash used in investing activities during the six months ended June 30, 2023 totaled $480,238, which consisted of the expenditure on property in development stage of $305,930 and the expenditure of exploration and evaluation assets of $174,308. The expenditure of exploration and evaluation assets cost was for annual mining lease payments and surface access fees of $171,132 and environmental fees of $3,176. The expenditures on property in development stage was for annual mining lease payments and surface access fees of $135,189, engineering of $8,146, geological and project management of $93,203 and project finance costs of $69,392. Cash used in investing activities during the six months ended June 30, 2022 totaled $4,314,236 which consisted of the expenditure on property in development stage of $4,052,428, the acquisition and expenditure of exploration and evaluation assets of $260,038 and the purchase of office equipment of $1,770. The expenditures on property in development stage was for engineering $2,658,769, geological and project management of $1,096,388, technical reports/feasibility study costs of $212,772, drilling of $4,620 and property acquisition and surface access fees of $79,879.

Cash generated by financing activities during the six months ended June 30, 2023 totaled $1,945,527 due to proceeds from the issuance of shares of $2,022,787, offset by the cost of issuance of $38,522, deferred financing costs of $6,171 and the repayment of lease on right-of-use asset of $32,567.

Liquidity and Capital Resources

The activities of the Company, principally the development of resource opportunities, are financed through the completion of equity transactions such as equity offerings and the exercise of stock options and warrants. There is no assurance that future equity capital will be available to the Company in the amounts or at the times desired by the Company or on terms that are acceptable to it, if at all. See "Caution Regarding Forward-looking Statements" and "Risk Factors".

The following table summarizes the Company's working capital position:

As at	**June 30, 2023**	December 31, 2022
Working capital deficiency ($)	5,551,006	5,892,834

The Company includes cash, receivables and investments in its capital management considerations. The Company's objectives when managing capital are to safeguard its ability to continue as a going concern so that it can continue to provide returns for shareholders by maximizing investment returns through its potash assets and investment portfolio. The Company manages capital in proportion to risk and manages the investment portfolio and capital structure based on economic conditions and prevailing commodity pricing and trends.

The following table is a summary of quantitative data about what the Company manages as capital:

As at	**June 30, 2023($)**	December 31, 2022 ($)	Change ($)
Cash	303,035	337,831	34,796
Prepaids and deposits	37,914	74,557	36,643
Receivables	234,498	300,327	65,829
Investments	2,007	8,216	6,209

Transactions with Related Parties

The terms and conditions of the transactions with key management personnel and their related parties were no more favourable than those available, or which might reasonably be expected to be available, in similar transactions with non-related entities on an arm's length basis.

Related parties include management, the Board of Directors and enterprises that are controlled by these individuals. The Company entered into the following transactions with related parties:

a) During the three and six months ended June 30, 2023, compensation and salaries of $237,500 and $475,000, (three and six months ended June 30, 2022 - $237,498 and $474,996) were accrued or paid to directors and officers of the Company or related companies controlled by officers of the Company. They were included in general and administrative expenses and development expenses. Included in amounts payable and other liabilities was $196,269 (December 31, 2022 - $966) owed to related parties for deferred payment of consulting fees and expenses.

	Three months ended June 30, 2023 ($)	Three months ended June 30, 2022 ($)	Six months ended June 30, 2023 ($)	Six months ended June 30, 2022 ($)
Alton Anderson (1)	62,500	62,500	125,000	125,000
Michael Ferguson (2)	50,000	75,000	125,000	150,000
FCON Consulting (2)	25,000	Nil	25,000	Nil
Rob Theoret (3)	50,000	49,998	100,000	99,996
101188810 Saskatchewan Ltd. (4)	50,000	50,000	100,000	100,000
Amy O'Shea, Director	Nil	Nil	Nil	Nil
Calvin Redlick, Director	Nil	Nil	Nil	Nil
Mike Mueller, Director	Nil	Nil	Nil	Nil
Stephen Dyer, Director	Nil	Nil	Nil	Nil
Wayne Brownlee, Director	Nil	Nil	Nil	Nil
Total	**237,500**	**237,498**	**475,000**	**474,996**

(1) Compensation to the CFO. For the six months ended June 30, 2023, 70% is included in development expenses and 30% is included in general and administrative expenses.

(2) Compensation to the CEO. FCON Consulting (controlled by CEO). For the six months ended June 30, 2023, 90% is included in development expenses and 10% is included in general and administrative expenses.

(3) Compensation to the VP Finance and Business Development. For the six months ended June 30, 2023, 100% is included in development expenses (six months ended June 30, 2022 – 100% is included in development expenses).

(4) Compensation to the VP, Corporate Services. 101188810 Saskatchewan Ltd. (controlled by VP, Corporate Services). For the six months ended June 30, 2023, 100% is included in general and administrative expenses (six months ended June 30, 2022 – 100% is included in general and administrative expenses).

Remuneration of directors and key management personnel, other than consulting fees and salaries, of the Company was as follows:

Share based payments	Three Months Ended June 30,		Six Months Ended June 30,	
	2023 ($)	2022 ($)	2023 ($)	2022 ($)
Alton Anderson, Director and Officer	255,636	Nil	255,636	Nil
Amy O'Shea, Director	91,299	Nil	91,299	Nil
Calvin Redlick, Director	91,299	Nil	91,299	Nil
Michael Ferguson, Director and Officer	365,195	Nil	365,195	Nil
Mike Mueller, Director	Nil	Nil	Nil	Nil
Stephen Dyer, Director	91,299	Nil	91,299	Nil
Wayne Brownlee, Director	116,149	Nil	116,149	Nil
Deborah Morsky, Officer	209,987	Nil	209,987	Nil
T. Robert Theoret, Officer	209,987	Nil	209,987	Nil
Total	**1,430,851**	**Nil**	**1,430,851**	**Nil**

To the knowledge of the directors and executive officers of the Company as of June 30, 2023, the common shares of the Company were widely held, which includes various holdings which were owned by directors and officers of Gensource. These holdings can change at any time at the discretion of the owner.

The related party transactions were recorded at the exchange amount, which is the amount agreed to by the related parties.

New Accounting Standards adopted

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after January 1, 2023. Many are not applicable or do not have a significant impact to the Company and have been excluded.

IAS 1 – Presentation of Financial Statements ("IAS 1")

IAS 1 was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or non-current is based solely on a company's right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company's own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. Adoption of the amendment did not have a material impact on the Company's unaudited condensed interim consolidated financial statements.

Amendments to IAS 8 – accounting policies, changes in accounting estimates and errors

The amendments to IAS 8 is applied in selecting and applying accounting policies, accounting for changes in estimates and reflecting corrections of prior period errors. The standard requires compliance with any specific IFRS applying to a transaction, event or condition, and provides guidance on developing accounting policies for other items that result in relevant and reliable information. Changes in accounting policies and corrections of errors are generally retrospectively accounted for, whereas changes in accounting estimates are generally accounted for on a prospective basis. Adoption of the amendment did not have a material impact on the Company's unaudited condensed interim consolidated financial statements.

Recent Accounting Pronouncements

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after January 1, 2024. Many are not applicable or do not have a significant impact to the Company and have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

IFRS 16 - Leases ("IFRS 16")

IFRS 16 specifies how to recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, unless the lease term is 12 months or less or the underlying asset has a low value. Lessor accounting, however, remains largely unchanged from IAS 17 and the distinction between operating and finance leases is retained. The amendment are effective for annual periods beginning on January 1, 2024. The Company will adopt these amendments as of their effective date and is currently assessing the impacts on adoption.

Critical judgments and accounting estimates

The preparation of the consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and judgments are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual outcomes can differ from these estimates. The key sources of judgment and estimation uncertainty that have a significant risk of causing material adjustment to the amounts recognized in the consolidated financial statements are:

Exploration and evaluation assets

The application of the Company's accounting policy for exploration and evaluation assets requires judgment in determining whether it is likely that future economic benefits will flow to the Company, based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after an expenditure is capitalized, information becomes available suggesting that the recovery of such expenditure is unlikely, the amount capitalized is written off in the statements of operations and comprehensive loss in the period the new information becomes available. No indications of impairment were present at June 30, 2023.

Discount rate on initial recognition

The convertible debt and all the components of the lease liability are required to be discounted to reflect the present value of the payments. The discount rate to use is the rate implicit in the lease, unless this cannot readily be determined, in which case the Company's incremental borrowing rate is used instead. The definition of the lessee's incremental borrowing rate states that the rate should represent what the Company would have to pay to borrow over a similar term and with similar security, the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment. Significant judgment is required to estimate an incremental borrowing rate in the context of a convertible debt and/or right-of-use asset.

Impairment of mining interests

The Company's management reviews the carrying values of its mining interests on transfer from an exploration property to a development property and on a regular basis to determine whether any write-downs are necessary. Property, plant and equipment is also reviewed on a regular basis to determine whether any write-downs are necessary. The recovery of amounts recorded for mining interests and property, plant and equipment depends on the Company's interpretation of its interest in the underlying mineral claims based on existing regulations, the ability of the Company to obtain the necessary financing to complete the development, and future profitable production or proceeds from the disposition thereof. Management relies on the life-of-mine plans in its assessments of economic recoverability and probability of future economic benefit. Life-of-mine plans provide an economic model to support the economic extraction of reserves and resources. The life-of-mine plan requires the use of estimates and assumptions such as long-term commodity prices (considering current and historical prices, price trends and related factors), discount rates, operating costs, future capital requirements, closure and rehabilitation costs, mineral reserves, and operating performance (which includes production and sales volume). The company performed an impairment test on the Tugaske Project as it entered development staged during fiscal year 2021. No impairment was identified.

Risk Factors

Gensource's financial condition, results of operations and business are subject to certain risks which may negatively affect the Company. Certain of these risks are described below. Additional risks not currently known to the Company, or that the Company currently believes to be immaterial, may also affect and have a negative impact on the business.

Commodity Price Fluctuations
The Company does not have any potash mining operations. The profitability of any such operations in which the Company has, or may have an interest, will be significantly affected by changes in the market prices of potash. Prices for potash fluctuate and have historically been subject to wide fluctuations and are affected by numerous factors beyond the control of the Company such as the level of interest rates, the rate of inflation, central bank transactions, world supply of potash, foreign currency exchange rates, international investments, monetary systems and political developments. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving adequate returns on invested capital or the investments retaining their respective values.

Operating Hazards and Risks
Mining operations generally involve a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Hazards such as unusual or unexpected formations and other conditions can occur. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production, any of which could result in work stoppages, damage to or destruction of mines and other producing facilities, damage to life and property, environmental damage and possible legal liability for any or all damages. The Company may become subject to liability for pollution, cave-ins or hazards against which it

cannot insure or against which it may elect not to insure. Any compensation for such liabilities may have a material, adverse effect on the Company's financial position.

Exploration and Development

Development of the Company's properties will only follow upon obtaining continuing satisfactory exploration results and being able to obtain sufficient financing to continue the development and eventual commercial production of potash. Mineral exploration and development are speculative in nature and involve a high degree of risk and few properties which are explored are ultimately developed into producing mines. There is no assurance that the Company's mineral exploration and development activities will result in any additional discoveries of reserves of potash or that the current reserves or resources will be developed to production or be commercially viable. The long-term profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors.

Substantial expenditures are required to establish resources and reserves through drilling and development and for mining and processing facilities and infrastructure. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis.

The marketability of any minerals acquired or discovered may be affected by numerous factors which are beyond the Company's control and which cannot be accurately foreseen or predicted, such as market fluctuations, the global marketing conditions for minerals, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting minerals and environmental protection.

Calculation of Reserves and Resources and Potash Recoveries

There is a degree of uncertainty attributable to the calculation of reserves and resources and the corresponding grades to be mined and recovered. Until reserves or resources are actually mined and processed, the quantities of mineralization and grades must be considered as estimates only.

Reclamation

There is a risk that monies allotted for land reclamation may not be sufficient to cover all risks, due to changes in the nature of the waste rock or tailings and/or revisions to government regulations. Therefore, additional funds, reclamation bonds or other forms of financial assurance may be required over the tenure of the project to cover potential risks. These additional costs may have a material adverse impact on the financial condition and results of the Company.

Government Regulation

Operations, development and exploration on the Company's properties are affected to varying degrees by government regulations relating to such matters as environmental protection, health, safety and labour, mining law reform, restrictions on production, price controls, tax increases, maintenance of claims, tenure, limitations on assignability or corporate ownership of mineral properties, and expropriation of property. There is no assurance that future changes in such regulation, if any, will not adversely affect the Company's operations.

The activities of the Company require licenses and permits from various governmental authorities. While the Company currently has been granted the requisite licenses and permits to enable it to carry on its existing business and operations, there can be no assurance that the Company will be able to obtain all the necessary licenses and permits which may be required to carry out exploration, development and mining operations for its projects or to sell its projects or the Company itself.

Indigenous Peoples
Various international and national laws, codes, resolutions, conventions, guidelines, and other materials relate to the rights of Indigenous peoples. The Company operates in some areas presently or previously inhabited or used by Indigenous peoples. Many of these materials impose obligations on government to respect the rights of Indigenous people. Some mandate that government consult with Indigenous people regarding government actions which may affect Indigenous people, including actions to approve or grant mining rights or permits. The obligations of government and private parties under the various international and national materials pertaining to Indigenous people continue to evolve and be defined. The Company's current and future operations are subject to a risk that one or more groups of Indigenous people may oppose continued operation, further development, or new development of the Company's projects or operations. Such opposition may be directed through legal or administrative proceedings or expressed in manifestations such as protests, roadblocks or other forms of public expression against the Company's activities. Opposition by Indigenous people to the Company's operations may require modification of or preclude operation or development of the Company's projects or may require the Company to enter into agreements with Indigenous people with respect to the Company's projects.

Environmental Factors
All phases of the Company's operations are subject to environmental regulation in the various jurisdictions in which it operates. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will adversely affect the Company's operations. Environmental hazards may exist on the Company's properties which are unknown to the Company at present which have been caused by previous or existing owners or operators of the properties.

Title to Assets
Although the Company has or will receive title opinions for any properties in which it has a material interest, there is no guarantee that title to such properties will not be challenged or impugned. The Company has not conducted surveys of the leases or claims in which it holds direct or indirect interests. The precise area and location of such leases or claims may be in doubt. The Company's leases or claims may be subject to prior unregistered agreements or transfers or native or indigenous land claims and title may be affected by unidentified or unknown defects.

Uncertainty of Funding
The Company's current operations do not generate any positive cash flow and it is not anticipated that any positive cash flows will be generated in the near future. The Company has limited financial resources, and the mineral claims in which the Company has an interest, or an option to acquire an interest, require significant financial expenditures to be made by the Company. There can be no assurance that adequate funding will be available to the Company to maintain these interests or, as applicable, to exercise its option to acquire those interests once those options have been exercised.

Further exploration work and development of the properties in which the Company has an interest or option to acquire depend upon the Company's ability to obtain financing through joint venturing of projects, debt financing, or equity financing or other means. Failure to obtain financing on a timely basis could cause the Company to forfeit all or parts of its interests in mineral properties or reduce or terminate its operations.

Competition and Agreements with Other Parties

The mining industry is intensely competitive in all of its phases, and the Company competes with many companies possessing greater financial resources and technical facilities than itself. Competition in the mining business could adversely affect the Company's ability to acquire suitable producing properties or prospects for mineral exploration in the future.

The Company may, in the future, be unable to meet its share of costs incurred under agreements to which it is a party and the Company may have its interest in the properties subject to such agreements reduced as a result. Furthermore, if other parties to such agreements do not meet their share of such costs, the Company may be unable to finance the cost required to complete recommended programs.

Potential Conflicts of Interest
Certain directors and officers of the Company also serve as directors and officers of other public and private companies, such as Gensource. Consequently, there exists the possibility that such directors will be in a position of conflict of interest. Any decision made by such directors involving these other companies will be made in accordance with applicable laws and the duties and obligations to deal fairly and in good faith with the Company and these other companies. In addition, such directors must declare, and refrain from voting on, any matter in which such directors may have a material conflict of interest.

The Company has not entered into non-competition with certain consultants, other geologists and technical expertise and has no current plans to do so. The Company may hire consultants, other geologists and technical expertise but there is no guarantee that the Company will be able to retain personnel with sufficient technical expertise to carry out future development of its properties.

Share Prices of Investments
Gensource's investments in securities of public companies are subject to volatility in the share prices of the companies. There can be no assurance that an active trading market for any of the shares is sustainable. The trading prices of the shares could be subject to wide fluctuations in response to various factors beyond the control of Gensource, including quarterly variations in the investee companies' results of operations; changes in earnings, if any; estimates or commentaries provided by research analysts; conditions in the emerging resource exploration mining sector; and general market or economic conditions. In recent years, equity markets have experienced extreme price and trading volume fluctuations. These fluctuations have had a substantial effect on market prices, sometimes unrelated to the operating performance of the specific companies. Such market fluctuations could adversely affect the market price of the Company's investments, which would have a significant negative impact on the Company's operating results.

Concentration of Investments
Gensource's investments are concentrated in the emerging resource mineral mining sector. The Company expects to focus on a smaller number of larger sized transactions and therefore performance may be disproportionately subject to adverse developments in the resource sector. There are currently no restrictions on the proportion or the amount of Gensource's funds that may be allocated to any particular investment. Accordingly, the Company's investment activities may be highly concentrated in a limited number of investments, or a particular segment within the mineral resource sector. The consequence of this type of concentration is that the Company's financial results may be substantially adversely affected by the unfavourable performance of any one of the limited number of investments or the particular segment within the mineral mining sector.

Thinly Traded Securities
Gensource has in the past invested in common shares of publicly traded companies and holds common shares in public companies that are characterized by thin, and sometimes uneven, trading volumes and are potentially subject to highly volatile price movements. One of the factors used when determining the valuation of common shares held in the Company's investment portfolio is price volatility; therefore, the

theoretical valuation of common shares for thinly traded companies may be understated or overstated as a result.

Disclosure Controls

Management has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence to ensure that (i) the financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the financial statements; and (ii) the financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Company uses the Venture Issuer Basic Certificate filed by the Company, which does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing such certificate are not making any representations relating to the establishment and maintenance of:

i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP (IFRS).

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in such certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Outlook

For the immediate future, the Company intends to raise additional financing for the following purposes:

- complete the financing of the Tugaske Project,
- working capital purposes, and
- to begin to develop a second project.

The Company continues to monitor its spending and will amend its plans based on business opportunities that may arise in the future.

Subsequent Events

- Subsequent to June 30, 2023, 1,000,000 stock options with an exercise price of $0.145 expired.
- On July 26, 2023, the Company granted 1,000,000 stock options to a consultant, at an exercise price of $0.12, exercisable for a period of 2 years. These options vested 100,000 immediately and the remaining 900,000 vest 100,000 monthly thereafter.