



TREASURY
METALS Inc.

2022

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2022
(Expressed in Canadian dollars)



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INTRODUCTION

This management's discussion and analysis ("MD&A") reflects the assessment by management of the activities, consolidated financial condition and consolidated results of the operations of Treasury Metals Inc. ("Treasury Metals" or the "Company") for the three and nine months ended September 30, 2022. This MD&A should be read in conjunction with the Company's unaudited interim condensed consolidated financial statements for the three and nine months ended September 30, 2022 and 2021 and the notes thereto (the "Financial Statements"), which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). This MD&A should also be read in conjunction with the Company's audited annual consolidated financial statements for the years ended December 31, 2021 and 2020 and the related MD&A. All dollar figures in this MD&A are expressed in Canadian dollars, unless stated otherwise. References to CAD and US\$ are to Canadian dollars and United States ("U.S.") dollars, respectively. This MD&A is dated November 8, 2022 and information contained herein is presented as of such date, unless otherwise indicated.

Further information about the Company and its operations is available under the Company's issuer profile on SEDAR at www.sedar.com, on the OTCQX® Best Market ("OTCQX") at www.otcmarkets.com and on the Company's website at www.treasuremetals.com.

DESCRIPTION OF THE BUSINESS

Treasury Metals is a Canadian gold exploration and development company focused on its 100%-owned Goliath Gold Complex (Complex), which includes the district-scale Goliath Gold Project (Goliath), Goldlund Mine (Goldlund) and Miller Project (Miller). The Complex benefits from access to first-rate infrastructure at its location spanning from the Dryden area to Sioux Lookout, northwestern Ontario, Canada, within the Kenora Mining Division. Treasury Metals is advancing the Goliath Gold Complex projects through their respective permitting processes to advance construction and future mine production for open-pit gold mines and underground operations. In 2019, the Federal Minister of Environment released a Canadian Environmental Assessment Act (CEAA 2012) decision statement for Goliath, which concluded that the Project was unlikely to result in significant adverse effects to the environment. Key programs during 2022 include drilling and field exploration, updated engineering studies, continued environmental baseline collection and permitting processes supporting the Company's stated goals of completing a pre-feasibility study and mine permits on the Goliath Gold Complex.

The Company's issued and outstanding common shares ("Common Shares") are listed on the Toronto Stock Exchange (the "TSX") under the symbol "TML" and also trade on the OTCQX under the symbol "TSRMF". In addition, the Company has common share purchase warrants that trade on the TSX under the symbol "TML.WT" and also trade on the OTCQX under the symbol "TRYMF". The Company operates its corporate headquarters in Toronto, Ontario, and a Project Office in Wabigoon, Ontario at the Goliath site. Goldlund is operated from the Goliath office, approximately 50 kilometres by road from the Goldlund Project. Additional corporate information can be found on the Company's website at www.treasuremetals.com.

The Company requires equity capital and other financing to fund working capital and development activities, corporate overhead costs, exploration and other costs relating to the advancement of exploration and mining properties. The Company's ability to continue as an active mineral property developer and explorer is dependent upon its ability to obtain adequate financing and to reach profitable levels of operation. There is no assurance that financing efforts will be successful, sufficient or on terms acceptable to the Company, or if the Company will attain profitable levels of operation in the future.

This MD&A contains "forward-looking" information that are subject to risk factors set out in a cautionary note contained herein.

Q3 2022 Highlights

- On September 13, 2022, the Company announced the completion of a prospecting program at the Goldrock Property and the launch of an Airborne Geophysical program starting in late September which will include digital line profile data, electromagnetic and magnetic survey. Following the

geophysical survey, the Company will begin a regional geological interpretation for Goldrock which integrates the new datasets for exploration targeting. See "Other Exploration Projects: Goldrock Project" in this MD&A.

DEVELOPMENT AND EXPLORATION SUMMARY

Goliath Gold Complex

The Complex consists of the Goliath, Goldlund and Miller properties, which is collectively comprised of 503 mineral claims, 49 patents, five leases and one license of occupation. Together, the properties cover approximately 34,926 hectares. The Complex is located approximately 350 kilometres northwest of Thunder Bay, Ontario in the Northwest Region of the Ministry of Natural Resources and Forestry (MNR). The complex can be found on 1:250,000 scale Mapsheets National Topographic System (NTS) 052F (Dryden) and 052K (Lac Seul).

Goliath Gold Project

Goliath is in the Kenora Mining Division in northwestern Ontario, approximately 20 kilometres east of the City of Dryden and 325 kilometres northwest of the port city of Thunder Bay, Ontario. Goliath covers approximately 6,637 hectares and is defined by mineral rights and surface rights containing two deposits, that being the Goliath and Goliath East deposit, and covers portions of Hartman and Zealand townships. Goliath is comprised of two historic properties consisting of the larger Thunder Lake property (purchased from Teck Resources and Corona Gold Corp.) and the Goliath property (transferred to the Company from Laramide Resources Ltd.). Goliath has been expanded from its original size through staking of mining claims, land purchases and option agreements. The mineral rights are 100%-held by Treasury Metals and all mineral rights are in good standing. The property is subject to certain underlying royalties with Sprott Resource Streaming and Royalty Corp ("SRSR") and other payment obligations on specific patented land parcels, totalling approximately \$105,000 per year. The Company has staked additional claims that connect to the Goldlund property to form one contiguous land package.

The Goliath Gold Project consists of a proposed open pit and an underground mine, with 798,900 and 325,100 ounces of gold in the Measured and Indicated mineral resource category for the open pit and underground mines, respectively. Goliath also includes Inferred mineral resource of 91,500 ounces of gold in both the open pit and underground mines.

During the third quarter of 2022, approximately 3,500 metres in nine holes were drilled on the Goliath property; 1,444 metres were drilled in four holes on the South Ridge exploration target, 1,128 metres were drilled in three holes on the Fold Nose exploration target and 931 metres were drilled in two holes for a geotechnical program testing the proposed pit walls.

Goldlund Mine

On August 7, 2020, the Company acquired a 100% interest in the past operating Goldlund Mine, located adjacent to the Goliath Gold Project, through the acquisition of all the shares of Tamaka Gold Corporation. The Goldlund property covers approximately 28,289 hectares and is defined by mineral rights that are 100%-held by Treasury Metals. Goldlund includes two open pit deposits, Goldlund Mine and Miller (the "Miller Project"), which covers portions of the Echo and Pickerel townships in Ontario. The Goldlund deposit is approximately 40 kilometres southwest of Sioux Lookout and 40 kilometres northeast of Dryden. The Miller deposit is approximately 30 kilometres southwest of Sioux Lookout and 50 kilometres northeast of Dryden.

Under the provincial system for mining claims, since January 2018, the 142 legacy claims have been converted into 1,342 single-cell mining claims, six boundary-cell mining claims and one multi-cell mining claim. In 2022, many of the Goldlund claims were merged into multi-cell claims, drastically reducing the total number of claims. The property is subject to certain underlying royalties, including with SRSR and First

Mining Gold Corp. The total property area increased slightly due to the addition of newly-staked claims near the southern end of the property

At Goldlund, a proposed open pit hosts a large near-surface gold mineral resource estimated to contain 940,000 ounces of gold of Indicated mineral resource and 703,500 ounces of gold of Inferred mineral resource.

The Miller Project is a proposed open pit mine located on the Goldlund property. Miller is situated approximately 10 kilometres northeast and along strike of the Goldlund deposit, containing an Indicated mineral resource of 74,600 ounces of gold and an Inferred mineral resource of 4,500 ounces of gold.

During the third quarter of 2022, approximately 870 metres in five holes were drilled within Zone 1 at the Goldlund project to provide material for metallurgical testwork, specifically for additional comminution and leach testwork related to the Feasibility Study.

MINERAL PROPERTIES AND RELATED DEFERRED COSTS

The Company's expenditures on mineral properties and related deferred costs for the nine-month period ended September 30, 2022, were as follows:

(\$)	Balance 31-Dec-21	Additions net of recoveries	Sale of SRSR NSR royalty	Balance 30-Sep-22
Goliath Project	88,574,509	9,274,847	(7,109,600)	90,739,756
Goldlund Project	95,935,997	2,818,496	(7,109,600)	91,644,893
Weebigee Project	2,734,108	–	–	2,734,108
Lara Polymetallic Project	888,236	(888,236)	–	–
Total mineral properties and related deferred costs	188,132,850	11,205,107	(14,219,200)	185,118,757

Significant additions during the nine-month period ended September 30, 2022 are described by category in the following table:

Period ended September 30, 2022 (\$)	Goliath Project	Goldlund Project	Weebigee Project	Lara Polymetallic Project	Total
Drilling & Assaying	3,479,256	1,542,051	–	–	5,021,307
Environmental	839,496	–	–	–	839,496
Community Relations	91,908	–	–	–	91,908
Pre-Feasibility and Feasibility Study	3,681,000	1,180,234	–	–	4,861,234
Office and Administration	1,183,186	96,210	–	–	1,279,396
Sale of SRSR NSR Royalty	(7,109,600)	(7,109,600)	–	–	(14,219,200)
Write-down of Lara Polymetallic Project	–	–	–	(888,236)	(888,236)
Total additions	2,165,246	(4,291,103)	–	(888,236)	(3,014,093)

During the nine-month period ended September 30, 2022, the Company sold a 2.2% net smelter returns royalty on the properties comprising the Goliath Gold Complex to SRSR for gross proceeds of \$25,178,000 (US\$20.0 million). In connection with the Sprott Royalty (as defined herein), the Company is required to make minimum payments of US\$500,000 to SRSR, payable quarterly until the earlier of December 31, 2027 and the date that commercial production is declared. As a result, \$14,219,200 of the proceeds received were allocated to mineral properties.

During the second quarter, the Company did not renew the mining leases on the Lara Polymetallic Project. As a result, all non-recoverable costs associated with this project were written off. This was partially offset by expenditures incurred at the Goliath Project related to drilling activities totaling \$3,479,256 and \$3,681,000 for work associated with completion of the 2022 MRE and ongoing spending on the PFS.

Preliminary Economic Assessment ("PEA") for the Goliath Gold Complex (March 2021)

On February 2, 2021, the Company announced positive results of the PEA for the Goliath Gold Complex and, subsequently filed on SEDAR the technical report entitled "NI 43-101 Technical Report & Preliminary Economic Assessment of the Goliath Gold Complex", dated March 10, 2021 and with an effective date of January 28, 2021. The PEA, prepared in compliance with Canadian National Instrument 43-101 – *Standards for Disclosure for Mineral Projects* (NI 43-101), was led and prepared by Ausenco Engineering Canada Inc. with assistance from engineering consultants; AGP Mining Consultants, CGK Consulting Services and Knight-Piésold.

The PEA outlines the proposed plan for mining and development of three separate projects: Goliath, Goldlund and Miller. The report includes an update of both the Goliath and Goldlund mineral resource estimates along with a maiden mineral resource estimate for the Miller Project. The report includes details of the proposed recovery and mining methods, infrastructure, tailings storage and water management and provides both capital and operating expenses.

All three deposits of the Goliath Gold Complex would be mined by open pit methods, with the Goliath also being mined by underground methods beneath the open pit. A 5,000-tpd gold processing facility is proposed to be located at the Goliath site and includes all associated infrastructure such as mine rock stockpiles, tailings storage and water management facilities. Haulage of gold-bearing rock from the Goldlund and Miller is proposed to be over land using existing road networks.

Highlights from the PEA included:

- Long-term Gold Price of US\$1,600/oz
- Exchange rate of CAD1.00 = US\$0.75
- After-tax net present value ("NPV") (discount rate 5%) of \$328 million
- After-tax internal rate of return ("IRR") of 30.2%
- After-tax payback period 2.2 years
- Initial capital expenditures ("CAPEX") of \$233 million
- Life of mine ("LOM") of 13.5 years
- Total production of 24,000 kt of mill feed yielding 1.1 M oz Au
- Average annual gold production of 102,000 oz over first 9 years
- Average recovery rate of 93.6%
- Measured and Indicated mineral resource of 55,417 kt at a 1.10 g/t Au grade
- Cash Operating Cost of US\$699/oz, All-in Sustaining Cost ("AISC") of US\$911/oz

The PEA is preliminary in nature, includes Inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the PEA will be realized. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

Updated Mineral Resource Estimate for the Goliath Gold Complex (April 2022)

On April 14, 2022, the Company announced the 2022 MRE for the Goliath Gold Complex, with an effective date of January 17, 2022. The 2022 MRE is based on a total of 3,185 drill holes measuring 540,329 metres for the Goliath, Goldlund and Miller deposits, incorporating 176 new drill holes and 41,072 metres since the mineral resource estimate set out in the PEA. The 2022 MRE will form the basis for the Pre-Feasibility Study ("PFS") on the Goliath Gold Complex, which the Company expects to complete in Q1 2023. Highlights of the 2022 MRE included:

- Increased combined Measured and Indicated mineral resources for the entire Goliath Gold Complex by 9% to 2,138,600 Au ounces;
- Increased Inferred mineral resources for the entire Goliath Gold Complex by 48% to 782,800 Au ounces;
- Increased confidence in the Goliath Project, with an increase to the Measured mineral resources from 105,000 Au ounces to 273,600 Au ounces at an average grade of 1.33 g/t Au;
- Successfully converted the Miller deposit from a 79,000 Au ounce Inferred mineral resource to an Indicated mineral resource of 74,600 Au ounces at 1.10 g/t Au;
- Increased Goldlund Project Indicated mineral resource from 840,000 Au ounces to 940,000 Au ounces at 0.87 g/t Au;
- Increased Goldlund Project Inferred mineral resource from 311,000 Au ounces at 0.66 g/t Au to 703,500 Au ounces at 0.75 g/t Au;
- 62% of the combined Measured and Indicated mineral resource Au ounces are above 1.00 g/t cut-off grade and 40% above 2.20 g/t cut-off grade; and
- Improved geological confidence and better representation of deposits.

The following table summarizes the 2022 MRE in the Measured, Indicated and Inferred mineral resource classifications for the Goliath Gold Complex. Additional information on the 2022 MRE, including the updated mineral resource estimate for each project area, can be found in the Company news release dated April 14, 2022, available under the Company's issuer profile on SEDAR at www.sedar.com and on the Company's website at www.treasuremetals.com.

Mineral Resource Estimate Goliath Gold Complex Total (effective January 17, 2022)							
Type	Classification	Cut-off ¹¹	Tonnes	Au (g/t)	Au (Oz)	Ag (g/t) ¹⁰	Ag (Oz)
Open Pit	Measured	0.25 / 0.3	6,223,000	1.20	239,500	4.70	940,600
	Indicated	0.25 / 0.3	58,546,000	0.82	1,545,000	2.53	1,878,500
	Meas+Ind	0.25 / 0.3	64,769,000	0.86	1,784,500	2.99	2,819,100
	Inferred	0.25 / 0.3	32,301,000	0.73	754,900	0.80	85,200
Underground	Measured	2.20	170,000	6.24	34,100	22.34	122,100
	Indicated	2.20	2,772,000	3.59	320,000	7.08	580,800
	Meas+Ind	2.20	2,942,000	3.74	354,100	8.04	702,900
	Inferred	2.20	270,000	3.21	27,900	4.06	6,300
Total	Measured		6,393,000	1.33	273,600	5.17	1,062,700
	Indicated		61,318,000	0.95	1,865,000	2.98	2,459,300
	Meas+Ind		67,711,000	0.98	2,138,600	3.42	3,522,000
	Inferred		32,571,000	0.75	782,800	0.84	91,500

Notes:

1. Mineral Resources were estimated by ordinary kriging by Dr. Gilles Arseneau, associate consultant of SRK Consulting (Canada) Inc., Mineral Resources were prepared in accordance with NI 43-101 and the CIM Definition Standards for Mineral Resources and Mineral Reserves (2014) and the CIM Estimation of Mineral Resources and Mineral Reserves Best Practice Guidelines (2019). This estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues. Mineral Resources that are not mineral reserves do not have demonstrated economic viability.
2. Mineral Resource effective date January 17, 2022.
3. Goliath Open Pit Mineral Resources are reported within an optimized constraining shell at a cut-off grade of 0.25 g/t gold that is based on a gold price of US\$1,700/oz, a silver price of US\$23/oz, and a gold and silver processing recovery of $93.873 \cdot \text{Au}(\text{g/t})^{0.021}$ and 60% respectively.
4. Goldlund Open Pit Mineral Resources are reported within an optimized constraining shell at a cut-off grade of 0.3 g/t gold that is based on a gold price of US\$1,700/oz and a gold processing recovery of $90.344 \cdot \text{Au}(\text{g/t})^{0.0527}$.
5. Miller Open Pit Mineral Resources are reported within an optimized constraining shell at a cut-off grade of 0.3 g/t gold that is based on a gold price of US\$1,700/oz and a gold processing recovery of $93.873 \cdot \text{Au}(\text{g/t})^{0.021}$.

6. Goliath Underground Mineral Resources are reported inside shapes generated from Deswick Mining Stope Optimiser (DSO) at a cut-off grade of 2.2g/t gold that is based on a gold price of US\$1,700/oz, a silver price of US\$23/oz, and a gold and silver processing recovery of $93.873 \times \text{Au(g/t)}^{0.021}$ and 60% respectively.
7. Goldlund Underground Mineral Resources are reported inside DSO shapes at a cut-off grade of 2.2g/t gold that is based on a gold price of US\$1,700/oz and a gold processing recovery of $90.344 \times \text{Au(g/t)}^{0.0527}$.
8. Gold and Silver assays were capped prior to compositing based on probability plot analysis for each individual zones. Assays were composited to 1.5 m for Goliath, 2.0 m for Goldlund and 1.0 m for Miller.
9. Excludes unclassified mineralization located within mined out areas.
10. Silver grade and ounces are derived from the Goliath tonnage only.
11. Goliath Open Pit and Goldlund/Miller cut-off grades are 0.25g/t and 0.30g/t, respectively.
12. All figures are rounded to reflect the estimates' relative accuracy, and totals may not add correctly.

Exploration Update

The regional exploration field work continued during the third quarter of 2022, with the focus primarily on mapping and prospecting within the Goliath Project. The primary focus of the exploration field work was the Fold Nose target, with additional work performed at the South Ridge, South Syncline, Far East, and Gossan targets. A total of 175 samples were collected for geochemical analysis; all samples will be analyzed for gold and 4-acid near total digestion ICP, while representative (less altered and deformed) samples will undergo whole-rock geochemistry.

Pre-Feasibility Study

The Company is in the process of completing the PFS for the Goliath Gold Complex, which will include a mineral reserve estimate following the 2022 MRE. Following completion of the PEA, the Company embarked on a comprehensive metallurgical test program to improve definition and representation within the mineral resource(s). Test work included basic mineralogy, gold deportment and diagnostics as well as a series of comminution and bulk leach test work. The metallurgical test program also included leach optimization, cyanide detoxification and tailings rheology, which was completed in Q1 2022. Several trade-off studies which commenced in 2021 were completed in Q2 2022 to determine the best processing strategy for both Goliath and Goldlund material.

Following completion of the 2022 MRE, various throughputs and mine plans were also included in the trade-off studies, which also included alternative design for the tailings storage facility, project infrastructure and transport of Goldlund/Miller ore to the mill. Additional trade off studies with respect to mine plan optimization are ongoing and are expected to be completed late in Q4 2022 with the PFS expected to be completed and released in Q1 2023.

Geotechnical and hydrogeological field programs were completed at the end of Q1 2022. The geotechnical investigation included drilling boreholes, cone penetration test (CPT) soundings (including seismic cone penetration test (SCPT) soundings), in-situ testing, installation of standpipe piezometers and laboratory testing. The hydrogeological investigation included bedrock coring, packer testing and installation of standpipes at select locations.

Permitting

The Company continues to work with relevant regulatory agencies to advance baseline and technical studies for the Complex to support EA Decision Statement conditions along with respective permitting and approvals. The Goliath Gold Project is proposed to accept and process ore from Goldlund and Miller. It is anticipated that the additional ore feed will not materially change the environmental effects addressed through the federal EA process and the Minister's decision.

Environmental, Social and Governance (ESG)

The Company's commitment to responsible development of the Goliath Gold Complex is reflected in the following environmental, social and governance initiatives implemented or continued in the third quarter of 2022:

Environment

Treasury Metals has engaged several technical consultants for the continued collection of baseline environmental data for the Goliath, Goldlund and Miller Projects. The objective of the work completed, underway or planned is to characterize the existing physical, biological, and human environment at each of the three mine project locations, expanding on existing information where available. In all cases, the work applies standard field protocols and scientific methodologies and will address the anticipated information needs of regulatory agencies for the approval of Ontario mining projects.

Baseline and technical data collection for Goldlund is underway and is expected to be completed within 12 months. The Company has begun initial phases of environmental baseline data collection at the Miller Project. Environmental data collection for Miller is largely focussed on the regional area surrounding the proposed open pit such that additional mineral resource growth could be accommodated in the future if required. Baseline data for these projects will support Provincial permitting and approvals processes, including potential provincial class environmental assessment if required. In parallel with baseline data collection, the Company is evaluating and exploring its options with regards to the Goldlund being a past producing mine site.

Social

Current engagement activities with Indigenous and public communities have focused on building relationships, and delivery and dissemination of Project information. Treasury Metals has been in communication with Eagle Lake First Nation, Lac Seul First Nation, Wabigoon Lake Ojibway Nation and Wabauskang First Nation, and the Company continues to document all efforts to date. Treasury Metals, in cooperation with representatives from Eagle Lake First Nation, continues to implement Environmental Management Committee for ongoing engagement and consultation on the environmental aspects of the Project. This Committee's mandate is to provide a constructive forum for dialogue, collaborative discussion and communication between project updates and to ensure Indigenous values and traditional knowledge are acknowledge and integrated as appropriate. Treasury will be implementing a similar process with Wabigoon Lake Ojibway Nation through the Working Group, with the inaugural meeting taking place in the first half of Q4, 2022. Treasury Metals' staff is working cooperatively with all third party and community representatives to secure community input to the project, and to finalize additional agreements with regional stakeholders as part of the continued development of the Goliath, Goldlund and Miller Projects. The Company will engage certain identified Indigenous communities in comprehensive agreement discussions focusing on continued dialogue, education, training and other project aspects. The Company continues to engage and support capacity-funding opportunities to ensure open and transparent dialogue regarding the development of the project. All efforts have been documented in support of the federal EA, permitting process and supporting project-related activities.

Governance

In 2022, the Company will develop the terms of reference for, and initiate an Independent Tailings Review Board process to support, the planning and future development of a tailings facility at Goliath. In line with this process, the Company will develop policies related to the design and management of mine infrastructure to ensure long-term stability and environmental performance criteria meet all regulatory conditions.

Other Exploration Projects

Weebigee Project

On November 24, 2016, Treasury Metals completed the acquisition of all the issued and outstanding common shares of Goldeye Explorations Ltd. ("Goldeye"), a public company that held certain properties, including the Weebigee Project. The Weebigee Project is a high-grade gold project located near Sandy Lake in northwestern Ontario and is comprised of 140 claims. Certain claims are subject to a 2% net smelter return royalty ("NSR") that is held by a former director of Goldeye. The Weebigee Project was subject to an

option agreement between Sandy Lake Gold Inc. (renamed G2 Goldfields Inc. ("G2")) and Goldeye and, in 2020, the optionee fulfilled its expenditure requirement to earn a 50.1% ownership in the project. A joint venture was executed in November 2020 to reflect the 50.1% ownership by G2 and the 49.9% ownership by Goldeye. On April 9, 2021, G2 announced the spin-out of its Sandy Lake Project (which included its interest in the Weebigee Project) to S2 Minerals Inc. ("S2"). Consequently, S2 has taken the place of G2 in the Joint Venture Agreement and has become the operator of the Project.

Goldeye's most recent 2019 exploration program by its then optionee reported significant gold results, following an earlier 2014 Goldeye work program consisting of a 2,200-metre shallow drill program. Further details can be found in Company press releases (May 13, 2019 and September 4, 2019) at www.treasuremetals.com or under the Company's issuer profile at www.sedar.com.

Three other gold exploration properties were inherited by the Company with the Goldeye acquisition (Gold Rock/Thunder Cloud, Shining Tree-Fawcett (subsequently acquired by Platinex Inc. in Q3 2020) and Van Hise/Larder Lake (subsequently dropped)), all of which reside in the Province of Ontario. All these properties are grassroots with no exploration permits in place for more advanced field work, such as diamond drilling. No work was done on these properties during the three months ended September 30, 2022.

Lara Polymetallic Project

The Lara Polymetallic Project, located in the southern region of Vancouver Island, lies about 75 kilometres north of Victoria, 15 kilometres northwest of Duncan and about 12 kilometres west of the Village of Chemainus, Victoria Mining Division, British Columbia, Canada. The Lara property consisted of 59 mineral claims.

The Company was committed to a 1.0% NSR, held by Argus Metals Corp. (formerly Bluerock Resources Ltd), on eight of the mineral claims (historically known as the Chemainus claims) located on Vancouver Island.

During the second quarter of 2022, the annual mining leases of the property were not renewed. All non-recoverable costs associated with this project were written off as the Company has elected not to continue to explore these properties and has abandoned them.

Goldrock Project

The Company's 100%-owned Goldrock project is located near Dryden, Ontario and comprises two properties: the Goldrock property (consisting of 20 legacy claims) and the Thunder Cloud property (consisting of one legacy claim); all claims at the Goldrock project are in good standing. The Goldrock Property is located in the historic Goldrock Mining Camp which is hosted in the Eagle-Wabigoon-Manitou Lakes greenstone belt. The property covers the Manitou anticline which is a large-scale regional fold adjacent to the Manitou Straits Shear Zone. Regional folds often act as excellent traps for gold mineralization. Shear zones or faults act as fluid conduits for mineralizing fluids during the formation of gold deposits. The Manitou Straits Shear Zone is interpreted to be approximately 4-5 km wide composed of anastomosing discrete shear zones that trend northeast through the Goldrock Mining Camp. Mapping had shown additional shear zones running through the Goldrock Property. Several historic mines are located proximal to the regional shear zone structures and historic test pits and shafts are located throughout the area.

The Company conducted prospecting and mapping at the Goldrock Property during the summer of 2022, sixty-two samples were collected for geochemical analysis, all samples will be analyzed for gold and 4-acid near total digestion ICP, while representative (less altered and deformed) samples will undergo whole-rock geochemistry. The geochemical alterations will be compared to the Goliath and Goldlund deposits and other greenstone hosted gold deposits to look for path finder elements and trends.

On September 13, 2022, the Company announced the completion of a prospecting program at the Goldrock Property and launched an Airborne Geophysical program in late September which includes digital line profile data, electromagnetic and magnetic survey. The new mapping coupled with the detailed airborne geophysical survey will help to define the location and intensity of the anastomosing shear zones within the property. Historic mines have been located proximal to shear zones, therefore identification of the shear zones on the property will be a key exploration vector. The airborne geophysical survey commenced in late September will be helpful for defining these shear zones across the property where outcrops are not prevalent. Following the geophysical survey, the Company will begin a regional geological interpretation for Goldrock which integrates the new datasets for exploration targeting.

RESULTS OF OPERATIONS

The following table, prepared in accordance with IFRS, sets forth selected consolidation information of the Company as of three and nine months ended September 30, 2022 and September 30, 2021, respectively. The selected consolidated financial information should be read in conjunction with the Financial Statements.

(\$)	Three months ended		Nine months ended	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Total Revenue ⁽¹⁾	-	-	-	-
Net income (loss)	(1,880,332)	(522,816)	(4,210,973)	(767,472)
Net gain (loss) per share - basic and diluted	(0.01)	0.00	(0.03)	(0.01)

⁽¹⁾ Treasury Metals is an exploration and development company that is not in commercial production

Three-month Period ended September 30, 2022 as compared to three-month Period ended September 30, 2021

The net loss for the three months ended September 30, 2022 was \$1,880,332, compared to a net loss of \$522,816 for the three months ended September 30, 2021. The net loss primarily resulted from the following:

- During the three-month period ended September 30, 2022, there was a \$63,004 unrealized gain from the change in fair value of the derivative liabilities compared to a \$673,479 unrealized gain for the same period in 2021. The reduction of the derivative liability is mainly due to the lower fair market value of the Company's share price. The derivative liability is a result of the conversion feature of the US\$-denominated Extract and Sprott Resource Lending Corp. ("Sprott Lending") convertible debt.
- Share-based payment expense was \$211,517 for the three-month period ended September 30, 2022 compared to \$104,037 for the same period in 2021, resulting from a higher balance of stock options and restricted share units ("RSUs") vested during the period.
- Salaries and benefits were \$460,818 in the third quarter of 2022 compared to \$316,875 in the third quarter of 2021, resulting from an increase in headcount.
- Deferred income tax recovery was \$352,654 in the third quarter of 2022 compared to \$Nil in the third quarter of 2021, resulting primarily from a flow-through share premium recovery on eligible flow-through exploration expenditures incurred during the quarter.

Nine-month Period ended September 30, 2022 as compared to Nine-month Period ended September 30, 2021

The net loss for the nine months ended September 30, 2022 was \$4,210,973 compared to a net loss of \$767,472 for the nine months ended September 30, 2021. The net loss primarily resulted from the following:

- Write-down of mineral properties of \$888,236 for the nine-month period ended September 30, 2022 compared to \$nil for the same period in 2021, related to the Lara Polymetallic Project, as the Company elected not to continue to explore these properties.
- During the nine-month period ended September 30, 2022, there was a \$703,329 unrealized gain from the change in fair value of the derivative liabilities compared to a \$2,929,400 unrealized gain for the same period in 2021. The reduction of the derivative liability is mainly due to the lower fair market value of the Company's share price. The derivative liability is a result of the conversion feature of the US\$-denominated Extract and Sprott Lending convertible debt.
- Share-based payment expense was \$1,152,146 for the nine-month period ended September 30, 2022 compared to \$661,765 for the same period in 2021, resulting from a higher balance of stock options and RSUs vested during the period.
- Salaries and benefits was \$1,661,819 for the nine-month period ended September 30, 2022 compared to \$1,096,280 for the same period in 2021, resulting from additional headcount from the changes made to the Company's management team.
- Deferred income tax recovery was \$1,973,629 for the nine-month period ended September 30, 2022 compared to \$Nil for the same period in 2021, resulting from a flow-through share premium recovery on eligible flow-through funds raised in 2021. These recoveries are non-cash amounts.

SUMMARY OF QUARTERLY FINANCIAL RESULTS

The following tables summarize the Company's selected financial data for the last eight quarters. The information set forth below should be read in conjunction with the Financial Statements and the related notes thereto, prepared by management in accordance with IFRS. Detailed explanations of quarterly variances are included in each quarterly MD&A filed on SEDAR.

(\$)	Q3 Sep-22	Q2 Jun-22	Q1 Mar-22	Q4 Dec-21
Expenses	2,295,990	1,887,297	1,816,409	1,000,848
Write-down of mineral properties	–	888,236	–	–
Fair value change of derivative liability – loss (gain)	(63,004)	(361,635)	(278,690)	(250,961)
Income tax (expense) recovery	352,654	670,653	950,322	(2,233,000)
Net income (loss)	(1,880,332)	(1,743,245)	(587,397)	(2,982,887)
Net income (loss) per share	(0.01)	(0.01)	(0.00)	(0.03)
Other comprehensive income (loss)	(164,383)	(100,720)	74,696	267,403
Total comprehensive income (loss)	(2,044,175)	(1,843,965)	(512,701)	(2,715,484)
Mineral properties and deferred costs	185,118,757	181,585,756	193,136,362	188,132,850
Total current liabilities	9,382,406	8,866,626	3,556,736	3,995,213
Total assets	209,499,956	210,750,898	203,064,205	202,600,612

(\$)	Q3 Sep-21	Q2 Jun-21	Q1 Mar-21	Q4 Dec-20
Expenses	1,196,295	1,077,355	1,376,125	1,651,915
Loss (gain) on debt extinguishment / modification	–	183,895	(136,798)	–
Fair value change of derivative liability – loss (gain)	(673,479)	(221,378)	(2,034,543)	(794,798)
Income tax (expense) recovery	–	–	–	3,165,685
Net income (loss)	(522,816)	(1,039,872)	795,216	2,308,568
Net income (loss) per share	–	(0.01)	0.01	0.05
Other comprehensive income (loss)	(506,696)	(373,133)	(153,564)	204,714
Total comprehensive income (loss)	(1,029,512)	(1,413,005)	641,652	2,513,282
Mineral properties and deferred costs	183,954,446	179,154,386	176,007,807	173,724,630
Total current liabilities	5,218,354	4,454,993	3,756,615	4,877,485
Total assets	198,433,824	197,785,128	199,068,704	182,889,615

The most significant expense variances quarter to quarter was due to vesting costs of various stock options and RSU issuances. The strengthening of the U.S. dollar also contributed to foreign exchange losses. Quarterly gains or losses were due to fair value variances of derivative liability and foreign exchange resulting from U.S. dollar exchange rate variations in addition to the accretion and amortization of the convertible debt.

The quarterly variations in other comprehensive income (loss) result from quarter-end adjustments to the market value of short-term investments. The fluctuation in total assets from one quarter to the next is primarily a function of cash increases through various financing transactions, issuance of shares, the exercise of warrants and stock options, the valuation at fair market value of the investments and the use of cash for operating expenses. In Q2 2022, total assets increased mainly as a result of the sale of royalty on mining properties. In Q1 2021, there was a \$16.5 million net cash inflow from a private placement and, in Q3 2020, the acquisition of the Goldlund Project closed, resulting in a \$91 million increase in mineral properties and deferred costs assets partially offset by the \$1.2 million decrease for the sale of the Shining Tree property.

FINANCINGS

Sale of Royalty to SRSR

On April 11, 2022, the Company sold a 2.2% net smelter returns royalty on the properties that comprise the Goliath Gold Complex to SRSR for gross proceeds of \$25,178,000 (US\$20.0 million) (the "Spratt Royalty"). The Spratt Royalty applies to sales of precious and base metals from all of the claims which comprise the Goliath Gold Complex.

Upon the achievement of 1.5 million ounces of gold production, the Spratt Royalty will automatically reduce by 50% for no additional consideration by the Company. Proceeds will be used to complete ongoing work to deliver a feasibility study for the Goliath Gold Complex and for general corporate and working capital purposes.

The Company has a one-time option (the "Buy-Down Option") to buy back 50% of the Spratt Royalty, reducing the applicable NSR percentage by 50% and 50% of any remaining minimum payments by exercising the option and paying the applicable amount below:

- On or before December 31, 2024 – US\$14.0 million
- From January 1, 2025 until December 31, 2025 – US\$16.0 million
- From January 1, 2026 until December 31, 2026 – US\$17.0 million
- From January 1, 2027 until December 31, 2027 – US\$18.25 million
- From January 1, 2028 until December 31, 2028 – US\$19.5 million.

The Buy-Down Option is treated as a financial instrument measured at fair value taking into account the likelihood of the Company exercising the option. As of September 30, 2022, in the absence of environmental approvals and financing to build the mine, it is unlikely management will exercise the Buy-Down Option, and as such, management has ascribed a \$nil value to it.

The sale of the Sprott Royalty has been divided into two parts for accounting purposes:

- sale of a portion of the Goliath Gold Complex as control over a portion of future gold production is transferred to SRSR for the Sprott Royalty; and
- financial liability, in accordance with IFRS 9 – Financial Instruments, for the contractual obligation to pay SRSR the minimum payment of US\$500,000 payable quarterly in cash or in common shares until the earlier of December 31, 2027 and the date that commercial production is declared.

FINANCIAL INSTRUMENTS

All financial instruments are required to be measured at fair value on initial recognition. The fair value is based on quoted market prices, unless the financial instruments are not traded in an active market. In this case, the fair value is determined by using valuation techniques like the Black-Scholes option pricing model or other valuation techniques. Measurement in subsequent periods depends on the classification of the financial instrument. A description of financial instruments and their fair value is included in the audited consolidated financial statements for the year ended December 31, 2021, filed under the Company's issuer profile on SEDAR at www.sedar.com and on the Company's website at www.treasuremetals.com.

LIQUIDITY AND CAPITAL RESOURCES

The Financial Statements were prepared on a going concern basis. The going concern basis assumes that the Company will continue its operations for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

The Company has no operating cash flow from a producing mine and therefore must utilize its current cash reserves, income from short-term investments, funds obtained from the exercise of convertible securities and other financing transactions to maintain its capacity to meet working capital requirements and planned expenditures, or to fund any further development activities. It is not possible to predict whether future financing efforts will be available on reasonable terms, or at all (see "*Risks and Uncertainties*" in this MD&A).

These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern and to realize its assets and discharge its liabilities in the normal course of business and, accordingly, the appropriateness of the use of accounting principles applicable to a going concern. The Company's cash and cash equivalents at September 30, 2022 was \$20,101,604 compared to \$10,090,415 at December 31, 2021. On April 14, 2022, the Company sold the Sprott Royalty. Proceeds of the financing will be used to complete ongoing work to deliver a feasibility study for the Goliath Gold Complex, as well as for general and corporate purposes. This additional \$25.2 million (US\$20.0 million) of funding from the Sprott Royalty significantly improves the Company's liquidity position.

The Company must utilize its current cash reserves, funds obtained from the exercise of warrants and stock options, if any, and other financing transactions to maintain the Company's capacity to meet working capital requirements, ongoing discretionary and committed exploration programs and to fund any further development activities. The Company relies on external financing to generate sufficient operating capital. Notwithstanding success to date in acquiring equity financing on acceptable terms, there is no guarantee of obtaining future equity financings or on what terms any such equity capital may be available to the Company and as such, alternative funding programs are also being pursued by the Company. The Company's management believes it will be able to raise any required funds in the short term. Management will monitor the current market situation and make prudent business decisions, as they are required. See "*Risks and Uncertainties*" in this MD&A.

The Company does not have any other unused and undisclosed sources of financing.

As of September 30, 2022, the Company had net working capital of \$12,196,308 (December 31, 2021 – \$10,187,429) (excluding flow-through share premium liability and derivative liability). The change in working capital during the nine-months ended September 30, 2022 was \$2,008,879.

As of September 30, 2022:

- Accounts receivable and prepaid expenses of \$930,079 is mainly comprised of sales tax receivables from the Government of Canada.
- Investments in marketable securities, as of September 30, 2022, consist of 147,778 shares of Millrock Resources Inc. and 16,500,000 shares of Platinex Inc., all of which collectively have a fair value of \$503,419.
- The Company's current portion of debt of \$8,391,874 is mainly comprised of the convertible debt and SRSR payment obligation.
- Accounts payable and accrued liabilities are short-term and non-interest bearing.

The Company is committed to spend \$6,539,025 by December 31, 2022 on Canadian exploration expenses ("CEE") as part of the flow-through financing dated November 5, 2021. At September 30, 2022, the Company has spent \$6,155,441, leaving a remaining commitment of \$383,584. All flow-through spending commitments from previous flow-through financings have been fulfilled.

The Company received \$nil from the exercise of stock options and warrants as of September 30, 2022.

As of September 30, 2022, the Company paid \$1.7 million of administration and salary costs and \$11.2 million of additions to mineral properties and related deferred costs.

The Company's liquidity risk with financial instruments is minimal as excess cash is invested in interest-bearing accounts with three major Canadian banks. In addition, amounts receivable are comprised mainly of sales tax receivable and advances to suppliers, which are expected to be received and paid within one year, and interest receivable on cash and cash equivalents.

The Company's success depends on the successful development of the Goliath Gold Complex and the corresponding permitting and feasibility study. Based upon its current operating and financial plans, management of the Company believes that it will have sufficient access to financial resources (debt and equity) to fund the Company's planned operations and development of the projects.

SHARE CAPITAL

The following table sets forth information concerning the outstanding securities of the Company as at September 30, 2022.

Fully Diluted Shares

As at	September 30 2022	December 31 2021
Common Shares issued	138,148,775	137,879,334
Warrants outstanding ⁽¹⁾	18,433,000	24,592,635
Stock options outstanding ⁽¹⁾	7,943,001	5,585,325
RSUs outstanding ⁽¹⁾	1,277,476	-
Total	165,802,252	168,057,294

⁽¹⁾ Each stock option, RSU and warrant is exercisable for one Common Share

As of September 30, 2022, the exercise in full of outstanding warrants and stock options would raise a total of approximately \$11.8 million; there are nil in-the-money stock options or warrants. Management does not

know when, or how much will be collected from the exercise of such securities, as this is dependent on the determination of the holder and the market price of the Common Shares.

As of November 8, 2022, there were 138,148,775 Common Shares outstanding.

Warrants

Please refer to Notes 13 and 14 to the Financial Statements for detailed information on the Company's Warrants.

As of November 8, 2022, there were 18,433,000 warrants outstanding with an average exercise price of \$1.48, of which there are 11,666,666 Warrants at an exercise price of \$1.50 with an expiry date of August 7, 2023 that exercise on a cashless basis. The exercise in full of the remaining outstanding warrants would raise a total of approximately \$6.8 million. Management does not know when and how much will be collected from the exercise of such securities as this is dependent on the determination of the warrant holders and the market price of the Common Shares.

Share-Based Payments

On June 29, 2021, shareholders of the Company approved the Omnibus Equity Incentive Plan (the "Equity Incentive Plan"), replacing the previous stock option plan of the Company (the "Legacy Plan"). The Legacy Plan continues to be authorized for the sole purpose of facilitating the vesting and exercise of existing awards previously granted under the Legacy Plan. Once the existing awards granted under the Legacy Plan are exercised or terminated, the Legacy Plan will terminate and be of no further force or effect.

The maximum number of Common Shares issuable under the Equity Incentive Plan shall not exceed 9.9% of the issued and outstanding Common Shares from time to time. The Equity Incentive Plan is a rolling plan as the number of shares reserved for issuance pursuant to the grant of stock options and RSUs will increase as the Company's issued and outstanding share capital increases. Under the Equity Incentive Plan, directors, officers, employees, and consultants may be granted stock options and/or RSUs to purchase Common Shares. RSUs may be awarded to an employee or consultant as a discretionary payment in consideration of past or futures services to the Company. Upon vesting, RSUs are converted into Common Shares. Limits have also been set in respect of the maximum number of stock options or RSUs that may be issued to insiders at any time as well as within any one-year period.

During the third quarter of 2022, the Company granted 150,000 stock options and 50,891 RSUs. As of September 30, 2022, 1,277,476 RSUs were outstanding (December 31, 2021 – nil RSUs).

As of September 30, 2022, 7,943,001 stock options were outstanding at an average exercise price of \$0.95 (December 31, 2021 – 5,585,325 stock options at an average exercise price of \$1.16), of which 4,938,826 stock options were exercisable (December 31, 2021 – 3,814,992 stock options). The exercise in full of the outstanding stock options would raise a total of approximately \$5.1 million. Management does not know when and how much will be collected from the exercise of such securities as this is dependent on the determination of the option holders and the market price of the Common Shares.

As of November 8, 2022, there were 7,919,667 stock options and 1,277,476 RSUs outstanding.

FINANCIAL INSTRUMENTS AND RELATED RISKS

Management of Capital

The Company manages its capital structure and makes appropriate adjustments, based on the funds available to the Company, to support the acquisition, exploration, and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company considers capital from two perspectives: its working capital position and its capital stock, warrant, and stock option components of its shareholders' equity.

To effectively manage the Company's capital requirements, management has put in place a rigorous planning, budgeting and forecasting process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives. The Company ensures that there are sufficient committed loan facilities and planned future capital raises to meet its short-term business requirements, considering its anticipated cash flow from operations and its holding of cash and cash equivalents and marketable securities.

At September 30, 2022, the Company expects its capital resources and projected future cash flows from financing to support its normal operating requirements on an ongoing basis, and planned development and exploration of its mineral properties and other expansionary plans.

The properties in which the Company currently has an interest are in the exploration stage and as such the Company is dependent on external financing to fund its activities. To carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the period ended September 30, 2022.

Risk Disclosures

Exposure to credit, interest rate and currency risks arises in the normal course of the Company's business.

Credit Risk

The Company has cash and cash equivalents balance of \$20,101,604 (December 31, 2021 – \$10,090,415). The Company's current policy is to invest excess cash in investment grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. There is no significant credit risk with respect of receivables.

Interest Rate Risk

The Company has exposure to interest rate risk since its short-term debt has an interest rate based on 12-month LIBOR, subject to an interest floor.

Market Price Risk

The Company has convertible debt and minimum payment obligations denominated in U.S. dollars. The convertible feature of the convertible debt has been classified as a derivative liability. Among other variables, the fair value of the derivative liability is affected by changes in the market price of the Company shares.

Foreign Currency Risk

The Company is exposed to foreign currency risk on financial assets and liabilities that are denominated in a currency other than the Canadian dollar. The currency giving rise to this risk is primarily the U.S. dollar. The balance of net monetary liabilities in such currency as of September 30, 2022 is \$16,370,170 (December 31, 2021 – \$5,424,084).

Liquidity Risk

The Company is exposed to liquidity risk primarily because of its trade accounts payable and its debt. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at September 30, 2022, the Company had a cash and cash equivalents balance of \$20,101,604 (December 31, 2021 – \$10,090,415) to settle current liabilities of \$9,338,794 (December 31, 2021 – \$1,723,673), excluding the flow-through share premium liability and derivative liability. All the Company's trade accounts payable have contractual maturities of less than 30 days and are subject to normal trade terms. The Company relies on external financing to generate sufficient operating capital and the management believes it will be able to raise any required funds in the short-term.

Sensitivity Analysis

As at September 30, 2022 and December 31, 2021, the carrying and fair value amounts of the Company's financial instruments are approximately equivalent.

Based on management's knowledge and experience of the financial markets, the Company believes the following movement is "reasonably possible" over a 12-month period.

- The Company is exposed to interest rate risk on LIBOR fluctuations for its convertible debt. A variance of 1% in the 12-month LIBOR will affect the annual Company's net comprehensive loss by approximately \$68,447 (2021 – \$59,098).
- The Company is exposed to foreign currency risk on fluctuations of balances that are denominated in U.S. currency related to cash and cash equivalents, accounts receivable and accounts payable and accrued liabilities. Sensitivity to a plus or minus 10% change in the foreign exchange rate would affect the net comprehensive loss by \$1,637,017 (2021 – \$542,408).
- The Company is exposed to market risk as it relates to its investments held in marketable securities. If market prices had varied by 10% from their September 30, 2022 fair market value positions, the comprehensive loss would have varied by \$50,342 (2021 – \$69,383).

Fair Value Hierarchy

The Company has designated its investments as FVTOCI (fair value through other comprehensive income), which are measured at fair value. The non-cash derivative liability is classified as FVTPL (fair value through profit or loss) and is measured at fair value with unrealized gains or losses reported in the consolidated statement of operations.

Accounts payable and accrued liabilities, convertible debt and SRSR payment obligations are considered as other financial liabilities, which are measured at amortized cost which also approximates fair value. The fair value of the debt approximates their carrying amount due to the effective interest rate being close to the market rate.

The following summarizes the methods and assumptions used in estimating the fair value of the Company's financial instruments where fair value measurement is required. Fair value amounts represent point in time estimates and may not reflect fair value in the future. The measurements are subjective in nature, involve uncertainties and are a matter of significant judgement. The methods and assumptions used to develop fair value measurements, for those financial instruments where fair value is recognized in the balance sheet, have been prioritized into three levels as per the fair value hierarchy. Level one includes quoted prices (unadjusted) in active markets for identical assets or liabilities. Level two includes inputs that are observable other than quoted prices included in level one. Level three includes inputs that are not based on observable market data. The carrying value of cash and cash equivalents and investments approximate their fair value.

TRENDS AND RISKS THAT HAVE AFFECTED THE COMPANY'S FINANCIAL CONDITION

See the "Risks and Uncertainties" section of this MD&A for information regarding known trends, demands, commitments, events, or uncertainties that are reasonably likely to influence the Company's business and industry and economic factors affecting the Company's performance.

OFF-BALANCE SHEET TRANSACTIONS

As of the date of this MD&A, the Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company, including, without limitation, such considerations as liquidity and capital resources. The Company has not entered into any specialized financial agreements to minimize its investment risk, currency risk or commodity risk.

CONTINGENCIES AND COMMITMENTS

The Company has made the following commitments as of the date of this MD&A:

- Certain underlying royalties and payment obligations of \$105,000 per year remain on 13 of the 25 patented land parcels.
- The Company is committed to spend \$6,539,025 by December 31, 2022 on CEE as part of the flow-through financing dated November 5, 2021. At September 30, 2022, the Company has spent \$6,155,441, leaving a remaining commitment of \$383,584. All flow-through spending commitments from previous flow-through financings have been fulfilled.
- An audit was initiated by Canada Revenue Agency (the "CRA") in December 2016 of the flow-through expenditures incurred by the Company pursuant to the flow-through share financings completed on December 6, 2011, September 21, 2012, May 1, 2013 and December 20, 2013. On March 7, 2018, the Company was advised by the CRA that, out of the total of \$12.5 million the Company raised through the flow-through share financings and renounced to subscribers, the CRA had reclassified approximately \$1.8 million of CEE to operating expenses and a further approximately \$2.2 million of CEE to Canadian Development Expenses. In addition, pursuant to the audit, the CRA has notified the Company that it is liable for Part XII.6 tax in the amount of \$477,726 in connection with the shortfall from the disallowed CEE. On July 2, 2021, the CRA sent a Notice of Reassessment that reduced the amount of the unpaid Part XII.6 tax to \$430,689. On September 30, 2021, the Company filed a Notice of Appeal where it strongly disputed the CRA's proposed re-characterization of expenses from CEE to either CDE or operating expense. Due to the uncertainty of the outcome and tax amount, no liability has been recorded in the consolidated financial statements.

Contractual Obligations (\$)	Payments Due by Period				
	Total	Less than 1 year	1 - 3 years	4 - 5 years	After 5 Years
Long Term Debt ⁽¹⁾	15,077,700	2,741,400	5,482,800	5,482,800	1,370,700
Other Short-Term Debt ⁽²⁾	6,579,122	6,579,122	–	–	–
Capital Lease Obligations	–	–	–	–	–
Operating Leases ⁽³⁾	490,236	211,556	224,235	54,445	–
Purchase Obligations	–	–	–	–	–
Other Long-term Obligations	–	–	–	–	–
Total Contractual Obligations	22,147,058	9,532,078	5,707,035	5,537,245	1,370,700

⁽¹⁾ Represents a US\$11.0 million minimum payment obligation with a maturity date December 31, 2027.

⁽²⁾ Represents a US\$5.0 million Debt Facility with a maturity date extended up to June 30, 2023.

⁽³⁾ Represents a sub-lease agreement of the administrative offices in Toronto until June 2023 and October 2025, respectively. Also represents vehicle leases until January 2026.

RELATED PARTY TRANSACTIONS

Until March 31, 2021, certain corporate entities related to the Company's officers and directors provided services to the Company. Laramide Resources Ltd. ("Laramide") had a director and an officer in common with Treasury Metals and shared office facilities with the Company. After March 31, 2021, Laramide ceased to be a related party to the Company. There was \$nil accounts payable to Laramide as of September 30, 2022 (September 30, 2021 – \$nil).

Cypherpunk Holdings Inc. had an officer and director in common with the Company. After March 31, 2021, Cypherpunk ceased to be a related party to the Company. There was \$nil accounts receivable from Cypherpunk as of September 30, 2022 (September 30, 2021 – \$nil).

Transactions with related parties were conducted in the normal course of business and are measured at the exchange amounts.

Compensation of Key Management Personnel

The following table summarizes remuneration attributable to key management personnel for the three and nine months ended September 30, 2022 and 2021:

(\$)	Three months ended		Nine months ended	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Salaries	151,224	249,500	716,711	518,875
Directors fees	62,500	60,250	184,500	180,750
Other cash compensation	–	–	–	300,000
Stock-based compensation, at fair value	–	(89,313)	180,896	311,454
Total	213,724	220,437	1,082,107	1,311,079

DIVIDENDS

The Company has neither declared nor paid any dividends on its Common Shares. The Company intends to retain its earnings, if any, to finance growth and expand its operations and does not anticipate paying any dividends on its Common Shares in the foreseeable future.

FINANCIAL INSTRUMENTS

The current bank accounts, accounts receivable and accounts payable are non-interest bearing.

The principal financial instruments affecting the Company's financial condition and results of operations is currently its cash, which it receives from interest and royalty payments, its investment portfolio and any financing transactions entered by the Company. These sources of revenue are subject to various risks, including production risks with respect to the royalty payments and market risks with respect to the investment portfolio. The investment portfolio is managed by the Company.

ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Financial Statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the Financial Statements and the reported amounts of income and expenses for the reporting period. The Company also makes estimates and assumptions concerning the future. The determination of estimates and associated assumptions are based on various assumptions including historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. See the Financial Statements for information on the Company's significant judgements in applying accounting policies as well as significant accounting estimates and assumptions.

ADOPTION OF NEW ACCOUNTING STANDARDS

During the quarter ended September 30, 2022, no new accounting standards were adopted. Certain pronouncements were issued by the IASB or the International Financial Reporting Interpretations Committee that are mandatory for accounting years beginning on or after January 1, 2023. See the Financial Statements for information on future accounting pronouncements as well as new accounting standards issued and effective.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL INFORMATION

The Financial Statements are the responsibility of the Company's management and have been approved by the Board. The Financial Statements were prepared in accordance with IFRS and include certain amounts based on the use of estimates and assumptions. Management has established these amounts in a reasonable manner, to ensure that the Financial Statements are presented fairly in all material respects.

CORPORATE GOVERNANCE

Management and the Board recognizes the value of good corporate governance and the need to adopt best practices. The Company is committed to continuing to improve its corporate governance practices in light of its stage of development and evolving best practices and regulatory guidance. The Board has adopted a board mandate outlining its responsibilities and defining its duties. The Board has three committees: the Audit Committee, the Compensation Committee and the Corporate Governance and Nominating Committee. Each Committee has a committee charter, which outlines the committee's mandate, procedures for calling a meeting, and provides access to outside resources. The Board has also adopted a Code of Conduct and Ethics, which governs the ethical behavior of all employees, management, and directors. Separate trading blackout and disclosure policies are also in place. For more details on the Company's corporate governance practices, please refer to the Company's website (www.treasuremetals.com) and the Statement of Corporate Governance contained in the Company's most recent Management Information Circular. The Company's directors have expertise in exploration, metallurgy, mining, accounting, legal, banking, financing and the securities industry. The Board meets at least four times per year and each Committee meets as required.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

Disclosure Controls and Procedures

Management has designed and evaluated the effectiveness of our disclosure controls and procedures and the internal controls on financial reporting and have concluded that, based on our evaluation, they are sufficiently effective as of September 30, 2022, to provide reasonable assurance that material information relating to the Company is made known to management and disclosed in accordance with applicable securities regulations.

Internal Controls over Financial Reporting

The Company's internal controls over financial reporting is intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with applicable IFRS. Internal Control over Financial Reporting should include those policies and procedures that establish the following:

- maintenance of records in reasonable detail, that accurately and fairly reflect the transactions and dispositions of our assets;
- reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with applicable IFRS;
- receipts and expenditures are only being made in accordance with authorizations of management and the Board; and
- reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. In addition, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management, including the Chief Executive Officer and the Chief Financial Officer, has evaluated the effectiveness of the design and operation of the Company's internal controls over financial reporting as of September 30, 2022. The Company has designed appropriate internal controls over financial reporting for the nature and size of the Company's business, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS except as noted herein.

As of September 30, 2022, the Chief Executive Officer and Chief Financial Officer have each concluded that the Company's internal controls over financial reporting, as defined in National Instrument 52-109 – *Certification of Disclosure in Issuer's Annual and Interim Filings*, are effective to achieve the purpose for which they have been designed. There have been no changes in internal control over financial reporting during the quarter ended September 30, 2022, that have materially affected or are reasonably likely to materially affect the Company's internal control over financial reporting. The control framework used to evaluate the effectiveness of the design and operation of the Company's internal controls over financial reporting is the 2013 Internal Control-Integrated Framework published by the Committee of Sponsoring Organizations of the Treadway Commission.

NON-IFRS MEASURES

Working Capital

The Company has referred to working capital throughout this MD&A to supplement its financial statements, which are presented in accordance with IFRS. Working capital is a non-IFRS performance measure. The Company believes that this measure provides investors with an improved ability to evaluate the performance of the Company. Non-IFRS measures do not have any standardized meaning prescribed under IFRS. Therefore, such measures may not be comparable to similar measures employed by other companies. The data is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

The following table provides a reconciliation of working capital to the financial statements as at September 30, 2022 and December 31, 2021:

As at	September 30 2022	December 31 2021
Current assets	21,535,102	11,911,102
Less current liabilities ⁽¹⁾	9,338,794	1,723,673
Working capital	12,196,308	10,187,429

(1) Excluding flow-through share premium liability and derivative liability

Other

In the discussion relating to the PEA, the Company referred to estimated Cash Operating Costs and All-in Sustaining Costs ("AISC"), both non-IFRS performance measures with no standardized meaning, but common in the gold mining industry. Cash Operating Costs reported in the PEA include mining costs, processing and water treatment costs, general and administrative costs of the mine, off-site costs, refining costs, transportation cost and royalties. This measure excludes non-cash costs including, but not limited to, depreciation. Cash Operating Costs per ounce is calculated as the total cash operating costs divided by the payable gold equivalent ounces. AISC is reflective of the expenditures that are required to produce an ounce of gold from operations. AISC reported in the PEA includes total cash costs, sustaining capital, capital required to expand operations and closure costs, but excludes corporate general and administrative costs and salvage. AISC per ounce is calculated as AISC divided by gold equivalent ounces payable.

RISKS AND UNCERTAINTIES

The business of the Company is subject to a variety of risks and uncertainties. Investment in Common Shares should be considered highly speculative and involves a high degree of risk due to the nature of the Company's business and the present stage of development, production and exploration and the location of its properties in Colombia. Readers should carefully consider the risks disclosed in this MD&A, the Company's annual information form ("AIF") for the year ended December 31, 2021, audited annual consolidated financial statements and related management's discussion and analysis for the year ended December 31, 2021 and other publicly-filed documentation regarding the Company available under the Company's issuer profile on SEDAR at www.sedar.com. In addition, the AIF is available upon request from the Company. These risk factors are not a definitive list of all risk factors associated with an investment in the Company or relating to the Company's operations and any of these risk elements could have a material adverse effect on the business of the Company.

ADDITIONAL INFORMATION

Additional information regarding the Company can be found in the AIF dated March 24, 2022 for the financial year ended December 31, 2021, which is available electronically on SEDAR (www.sedar.com) under the Company's issuer profile.

For additional information on the Goliath Gold Complex, please refer to the PEA, available on the Company's website at www.treasuremetals.com and under the Company's issuer profile on SEDAR at www.sedar.com.

QUALIFIED PERSON

Maura Kolb, the Company's Director, Exploration, is a Qualified Person as defined by NI 43-101, and is responsible for the preparation of, and has reviewed and approved, the technical disclosure in this Management's Discussion and Analysis, unless otherwise indicated.

CAUTIONARY STATEMENTS

Cautionary Statement Regarding Forward-Looking Information

This MD&A may contain forward-looking information within the meaning of applicable Canadian securities legislation, including, but not limited to, statements relating to the future financial or operating performance of the Company, the Company's mineral projects, the future price of metals, the estimation of mineral resources, the realization of mineral resource estimates, the timing and amount of estimated future production (if any), capital, operating and exploration expenditures, the impact of COVID-19 on the Company's business or prospects, costs and timing of the development of new deposits, costs and timing of future exploration, use of proceeds from financings, proposed extensions regarding the flow-through funds spend period, the ability of the Company to obtain any outstanding permits or approvals required for its operations on the timing described herein (if at all), requirements for additional capital, government regulation of mining operations and mineral exploration activities, environmental risks, reclamation expenses, title disputes or claims, limitations of insurance coverage, development of the Goliath Gold Complex, timing to complete a pre-feasibility study on the Goliath Gold Complex (if at all), and advancement of exploration activities. Often, but not always, forward-looking information can be identified by the use of words and phrases such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or state that certain actions, events, or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking information reflects the Company's beliefs and assumptions based on information available at the time such statements were made. Actual results or events may differ from those predicted in forward-looking information. All of the Company's forward-looking information is qualified by (i) the assumptions that are stated or inherent in such forward-looking information, including the assumptions listed below, and (ii) the risks described in the section entitled "Risks and Uncertainties" in this MD&A, the financial statements of the Company, and the sections entitled "Risk Factors" and "Forward-Looking Statements" in the AIF, which are available electronically on SEDAR (www.sedar.com) under the Company's issuer profile.

Although the Company believes that the assumptions underlying the forward-looking information contained in this MD&A are reasonable, this list is not exhaustive of the factors that may affect any forward-looking information. The key assumptions that have been made in connection with forward-looking information include the following: the significance of drill results and ongoing exploration activities; timing to obtain assay results from labs; ability of exploration activities (including drill results) to accurately predict mineralization; the predictability of geological modelling; the accuracy of the Company's records of its property interests; the global economic climate; the impact of COVID-19 on the Company's business and prospects; metal prices; environmental risks; community and non-governmental actions; that permits required for the Company's operations will be obtained on a timely basis in order to permit the Company to proceed on schedule with its planned drilling programs; that skilled personnel and contractors will be available as the Company's operations continue to grow; that the price of gold will exceed levels that will render the project of the Company economical; the relevance of the assumptions, estimates and projections in technical reports; the timing and results of a pre-feasibility study on the Goliath Gold Complex; and that the Company will be able to continue raising the necessary capital to finance its operations and realize on its mineral resource estimates.

Forward-looking information involves known and unknown risks, future events, conditions, uncertainties, and other factors which may cause the actual results, performance, or achievements to be materially different from any future results, performance or achievements expressed or implied by forward-looking information. Such factors include, among others, general business, economic, competitive, political and social uncertainties; public health crises; the actual results of current exploration activities; errors in geological modelling; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of metals; possible variations of grade or recovery rates; failure of plant and equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; political instability; and delays in obtaining governmental approvals or financing or in the completion of development or construction activities.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking information contained herein is given as of the date of this MD&A and the Company disclaims any obligation to update any forward-looking information, whether as a result of new information, future events, or results, except as may be required by applicable securities laws. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information.

Cautionary Statement regarding Mineral Resource Estimates

This MD&A uses the terms measured, indicated and inferred mineral resources as a relative measure of the level of confidence in the resource estimate. Readers are cautioned that mineral resources are not mineral reserves and that the economic viability of resources that are not mineral reserves has not been demonstrated. The mineral resource estimate disclosed in this MD&A may be materially affected by geology, environmental, permitting, legal, title, socio-political, marketing or other relevant issues. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to an indicated or measured mineral resource category, however, it is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration. The mineral resource estimate is classified in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum's "*CIM Definition Standards on Mineral Resources and Mineral Reserves*" incorporated by reference into NI 43-101. Under NI 43-101, estimates of inferred mineral resources may not form the basis of feasibility or pre-feasibility studies or economic studies except for preliminary economic assessments. Readers are cautioned not to assume that further work on the stated resources will lead to mineral reserves that can be mined economically.