O3 MINING INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEARS ENDED DECEMBER 31, 2022 and 2021

This management's discussion and analysis (this "MD&A") reflects the assessment by management of the results and financial condition of O3 Mining Inc. ("O3 Mining" or the "Corporation") and should be read in conjunction with the audited consolidated financial statements of the Corporation for the years ended December 31, 2022 and 2021 and the notes thereto (the "Financial Statements"). Management is responsible for the preparation of the Financial Statements and this MD&A. The Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board (the "IASB"). This MD&A and the Financial Statements are available electronically on SEDAR (www.sedar.com) under O3 Mining's issuer profile and on O3 Mining's website (www.o3mining.com), and should be read in conjunction with the audited consolidated financial statements of the Corporation for the years ended December 31, 2021 and 2020.

This MD&A contains forward-looking statements and should be read in conjunction with the risk factors described in the *"Risks and Uncertainties"* and the *"Cautionary Note Regarding Forward-Looking Information"* sections at the end of this MD&A.

This MD&A has been prepared as of March 8, 2023. All dollar figures in this MD&A are expressed in Canadian dollars, unless stated otherwise.

DESCRIPTION OF BUSINESS

On July 5, 2019, O3 Mining was formed upon the completion of a spin-out transaction by Osisko Mining Inc. ("Osisko Mining"), which resulted in a reverse takeover of Chantrell Ventures Corp. (renamed "O3 Mining Inc.") under the policies of the TSX Venture Exchange (the "RTO"). As part of the RTO, the Corporation was continued from British Columbia to Ontario on June 28, 2019. The Corporation is focused on the exploration and development of precious metals resource properties in Canada, currently focused on Québec, and is looking for new opportunities to enhance shareholder value.

EXPLORATION STRATEGY

O3 Mining is a mineral exploration company focused on the acquisition, exploration, and development of precious metal resource properties in Canada and is currently focused in Québec. O3 Mining's flagship project is the Marban engineering project on the Marban property, which is located along the Cadillac Break in the Val-d'Or and Malartic areas (the "Marban Engineering Project"). O3 Mining also has projects on their Alpha property in the Cadillac Break area and additional projects in the Labrador and Abitibi areas of Québec.

O3 Mining's mission is to become a premier gold exploration company by creating value for our shareholders and long-term benefits to our stakeholders.

UPDATES DURING THE YEAR AND SUBSEQUENT TO THE YEAR

Corporate Developments and Acquisitions:

- On February 1, 2023, O3 Mining announced that effective February 1, 2023, Elijah Tyshynski assumed the role of Corporate Secretary, in addition to his responsibilities as Chief Financial Officer. Lili Mance stepped down from the position to focus on her primary role with Osisko Mining Inc.

- On January 3, 2023, O3 Mining announced the start of the environmental impact assessment ("EIA"), in accordance with section 31.3.1 of the *Environment Quality Act* (chapter Q-2) on the Marban Engineering Project and issued a notice of public consultation for the project filed with the Ministère de l'Environnement, de la Lutte contre les Changements climatiques, de la Faune et des Parcs ("MELCCFP").

- On December 23, 2022, O3 Mining announced that it had filed a technical report in accordance with National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("NI 43-101") for the first maiden mineral resource estimate on its 100% owned Bulldog and Kappa deposits at Alpha. The technical report entitled *"NI 43-101 Technical Report for the Alpha Property, Québec, Canada"* dated December 23, 2022 (with an effective date of November 10, 2022), has been prepared for O3 Mining by G Mining Services Inc. The technical report, which was filed on a voluntary basis, is available on SEDAR (www.sedar.com) under O3 Mining's issuer profile.

- On November 25, 2022 O3 Mining announced that, effective November 24, 2022, it granted to certain officers, directors and/or employees of the Corporation (i) an aggregate of 40,000 options to acquire common shares of the Corporation ("Options"), (ii) an aggregate of 640,000 restricted share units of the Corporation (**"RSUs"**), and (iii) an aggregate of 335,000 deferred share units of the Corporation (**"DSUs"**). The Options have an exercise price of **$1.47** per share, a five-year term from the date of grant and vest annually in equal thirds beginning on the first anniversary of the date of grant. The RSUs are subject to a three-year cliff vesting period from the date of grant. The DSUs will vest in accordance with the Corporation's DSU plan.

- On November 22, 2022, O3 Mining announced that had filed the Initial Project Description for the Marban Engineering Project with the Impact Assessment Agency of Canada (IAAC) at the federal level and the Project Notice with the Ministère de l'Environnement, de la Lutte contre les Changements Climatiques, de la Faune et des Parcs (MELCCFP) at the provincial level. The Marban Engineering Project will require approval by both levels of government through the Environmental and Social Impact Assessments ("ESIA") process stipulated by the local regulations. The ESIA will determine the environmental, social, and economic impacts of the Marban Engineering Project. As part of this process, both governments will consult with a broad range of stakeholders including host communities, indigenous communities, non-governmental organizations, and others.

- On October 7, 2022, O3 Mining filed a pre-feasibility study, in accordance with NI 43-101, for its 100% owned Marban Engineering Project (the "Marban PFS"). The Marban PFS, entitled *"Marban Engineering Project NI 43-101 Technical Report & Prefeasibility study, Val-d'Or, Québec Canada"*, and dated October 7, 2022 (with an effective date of August 24, 2022), was prepared for O3 Mining by Ausenco Engineering Canada Inc., G Mining Services Inc. and WPS Canada Inc. The Marban PFS was filed on SEDAR (www.sedar.com) under the Corporation's issued profile on October 7, 2022 and supersedes the 2022 Marban MRE (as defined below) as the current technical report on the Marban Engineering Project for purposes of NI 43-101.

- On October 4, 2022, O3 Mining announced that the TSX Venture Exchange has accepted the Corporation's notice to implement a normal course issuer bid to purchase, for cancellation, up to 4,921,389 common shares of the Corporation, representing approximately 10% of the Corporation's public float.

- On September 1, 2022, O3 Mining announced the appointment of Mr. Elijah Tyshynski as Chief Financial Officer of the Corporation.

- On April 14, 2022, O3 Mining announced, further to its news release dated March 1, 2022, the filing of a technical report in respect of its flagship Marban Engineering Project entitled *"Marban Engineering NI 43-101 Technical Report and Mineral Resource Estimate"* and dated April 13, 2022 (with an effective date of February 27, 2022), prepared for O3 Mining by Ausenco Engineering Canada Inc. and G Mining Services Inc. (the "2022 Marban MRE"). The 2022 Marban MRE, prepared in accordance with NI 43-101, is available on SEDAR (www.sedar.com) under O3 Mining's issuer profile. Since the filing of the Marban PFS on October 7, 2022, the 2022 Marban MRE is replaced and superseded by the Marban PFS.

- On April 7, 2022, O3 Mining announced, further to its news release dated February 28, 2022, the execution of a definitive share purchase agreement with Cartier Resources Inc. ("Cartier") pursuant to which O3 Mining agreed to sell to Cartier a 100% interest in its East Cadillac Project located in Val-d'Or, Québec, Canada, in exchange for 46,273,265 common shares of Cartier, representing approximately 17.5% of the *pro forma* number of common shares of Cartier upon the completion of the transaction. This transaction closed on April 21, 2022.

- On March 15, 2022, O3 Mining announced the execution of a binding letter agreement with Emgold Mining Corporation ("Emgold"), pursuant to which O3 Mining agreed to acquire 100% of the rights, title and interests in Emgold's East-West property in exchange for: (i) cash consideration of $750,000, (ii) 325,000 common shares of the Corporation ("Common Shares"); and (iii) the grant of a 1% net smelter returns royalty over the East-West property in favour of Emgold, subject to certain buy-back rights in favour of O3 Mining. This transaction closed on May 3, 2022.

- On January 13, 2022, Patriot Battery Metals Inc. ("Patriot") earned a 50% interest in certain mining claims comprising the FCI Property located in James Bay Region of Québec (the "FCI Property") upon completion of by Patriot of $2.3 million in work expenditures on the FCI Property. On February 22, 2022, the Corporation announced that it had entered into an asset purchase and sale agreement with Patriot, pursuant to which the Corporation agreed to sell to Patriot its remaining 50% interest in the FCI Property in exchange for (i) 1,800,000 common shares of Patriot, and (ii) a one-time cash payment of $3.0 million from Patriot. This transaction closed on February 23, 2022.

- On January 1, 2022, the Corporation completed a reorganization, whereby the Corporation's wholly-owned subsidiaries NioGold Mining Corporation, 9401-3513 Québec Inc., Alexandria Minerals Corporation, and Murgor Resources Inc. were amalgamated with the Corporation by way of statutory short form amalgamation to form a single entity.

Financings:

- On December 21, 2022, O3 Mining announced that it had filed an early warning report in respect of its holdings NewOrigin Gold Corp. ("NewOrigin"). After giving effect to its acquisition of common shares of NewOrigin (the "NewOrigin Shares") in 2021 and participation in the offering of units by NewOrigin, which closed on December 20, 2022, the Corporation, through its wholly-owned subsidiary O3 Markets Inc., acquired an aggregate of 6,600,000 NewOrigin Shares and 3,900,000 common share purchase warrants (the "Warrants"), representing approximately 11.6% of the issued and outstanding NewOrigin Shares on a basic basis (approximately 17.3% of the issued and outstanding NewOrigin Shares on a partially diluted basis).

- On August 24, 2022, O3 Mining completed an $18.7 million private placement in brokered and non-brokered tranches (together, the "Offering"). Pursuant to the brokered tranche of the Offering, an aggregate of (i) 3,686,430 charitable flow-through shares of the Corporation ("Charitable Flow-Through Shares") were issued at a price of $2.91 per Charitable Flow-Through Share for aggregate gross proceeds of approximately $10.7 million, including the partial exercise of the agents' option, and (ii) 1,300,000 traditional flow-through shares of the Corporation ("Traditional Flow-Through Shares") were issued at a price of $2.31 per Traditional Flow-Through Share for aggregate gross proceeds of approximately $3.0 million. The non-brokered tranche of the Offering comprised 2,164,500 Traditional Flow-Through Shares with strategic investors at an issue price of $2.31 per Traditional Flow-Through Share for aggregate gross proceeds of approximately $5.0 million.

- On July 22, 2022, O3 Mining announced that it has sold 6,492,200 common shares of Osisko Metals Incorporated to Osisko Mining Inc., a "control person" of the Corporation under applicable securities laws, for gross proceeds of $2,045,043.

Overall Performance:

During the year ended December 31, 2022, the Corporation spent approximately $30.5 million on exploration and evaluation activities, primarily on the Marban property and the Alpha property, and spent approximately $5.7 million on general and administration expenses, including salaries and benefits. For the year ended December 31, 2022, the Corporation drilled approximately 55,289 metres on the Marban property and 22,568 metres on the Alpha property.

Drilling Update

The Corporation has drilled 77,857 metres in the year ended December 31, 2022 on its Val-d'Or properties to (i) delineate and expand current resources and (ii) make new discoveries.

	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Period Total
Rigs	7	4	4	2	
Metres	30,423	21,514	22,151	3,769	77,857
Holes	88	81	72	11	252
Details	Resource expansion at Bulldog and Kappa, and target testing at Omega, Camflo extention and near surface at Marban Engineering Project	Delineation drilling at Bulldog, exploration to expand near surface resource at Akasaba	Deliver Marban PFS, drill extensions of Marban and Norlartic deposits, resource estimate at Bulldog	Completion of delineation drilling for the feasibility study and drill extensions of Marban	

Marban – Project Development

The Marban Engineering Project is in the heart of the Malartic gold mining camp, covering 9,238 hectares and located 12 kilometres from the Canadian Malartic Mine.

Marban Engineering – Progress and Key Milestone

The Corporation's key milestone with respect to the Marban Engineering Project includes completing a feasibility study (the "Marban FS") by the end of the first quarter of 2024. The work required to complete the Marban FS includes continuing the Corporation's resource expansion drilling, metallurgy test work, geotechnical drilling, test-pit campaign and optimization trade-off studies.

The Marban PFS contains recommended future work on the Marban Engineering Project to advance and assess the project with the purpose of publishing the Marban FS following such work. Set forth below is an update on the status of the recommended work in the Marban PFS.

Area	Estimated Cost	Status as of [December 31, 2022]
Drilling (Phase 1)	$6.4 million	100% of the recommended drilling was completed in 2022, with 36,000 metres drilled at an approximate cost of C$9 million. The Corporation is planning an additional 14,000 metres in 2023, which will focus on further resource expansion, with the aim of increasing the life of mine.
Drilling (Phase 2)	$3.2 million	100% of the recommended drilling was completed in 2022, with 19,250 metres drilled at an approximate cost of C$4.8 million. The Corporation is planning an additional 2,400 metres of drilling in 2023, which will further target testing within the Marban Engineering project.
Sampling/QA/QC	$0.0 million	Executed
Mining	$0.9 million	Work to be completed by an external consultant in 2023.
Open Pit Geotechnical	$0.8 million	This work is in progress and is approximately 10% complete.
Metallurgy	$0.2	This work is in progress and is approximately 90% complete.
Hydrological	$0.2	This work is to be completed by an external consultant in 2023.
Geochemistry and Water Management	Included in Environmental	See *"Environmental"* row below.
Geotechnical	$0.5	This work is in progress and is approximately 10% complete.
Tailings	$0.3	This work is to be completed by an external consultant in 2023.
Environmental	$1.8	This work is in progress and is approximately 75% complete, and primarily relates to geochemistry.
Total	$14.3	

**The table above should be read with reference to Table 26-1 in the Marban PFS.*

As of the date of this MD&A, the Corporation has filed the initial project description with the federal authorities; commenced metallurgy variability test work; consulted with First Nation communities and various stakeholders, including, citizens, host communities, and municipal, provincial and federal representatives; and completed the consultant section required for the Marban FS.

As noted in the table above, the total estimated cost of the work to inform the Marban FS is approximately $14.3 million. As of December 31, 2022, approximately $11.25 million had been spent by the Corporation in furtherance of the work required and recommended to inform the Marban FS, with approximately $3.05 million in total estimated costs remaining to be spent by the end of 2023.

In addition to the above-noted work, an additional approximate $1.8 million will be required to commission the preparation of the Marban FS through an independent consultant, taking the total expenditure to complete the Marban FS to approximately $4.85 million.

As noted in the table above, beyond the recommended work to complete the Marban FS, the Corporation is planning an additional 16,400 metres of drilling in 2023 in an effort to improve future economics and increase the life of mine for the Marban Engineering Project. This work is not required to complete the Marban FS. However, management anticipates that this work could help demonstrate further value in the project. The estimated cost for this drilling work is approximately $4.1 million.

Marban – PFS Highlights

On October 7, 2022, O3 Mining filed the Marban PFS. All figures are expressed in Canadian dollars unless otherwise stated. A copy of the Marban PFS is available on SEDAR (www.sedar.com) under O3 Mining's issuer profile and on O3 Mining's website (www.o3mining.com). The following table is a summary of the Marban Engineering Project life of mine cashflow assumptions and results:

General[1]		
Gold Price	US$/oz	$1,700
Exchange Rate	US$:C$	$0.77
Mine Life	years	9.6
Total Waste Tonnes Mined	kt	286,144
Total Mill Feed Tonnes	kt	56,436
Strip Ratio	w:o	5.1
Production		
Mill Head Grade LOM	g/t	0.91
Mill Recovery Rate	%	94.2
Total Mill Ounces Recovered	koz	1,552
Total Annual Average Production	koz	161
Operating Costs		
Mining Cost	C$/t Mined	$2.6
Mining Cost	C$/t Milled	$15.9
Processing Cost	C$/t Milled	$7.8
G&A Cost	C$/t Milled	$1.4
Total Operating Costs	C$/t Milled	$25.1
Refining & Transport Cost	C$/oz	$2.5
Cash Costs[2]	US$/oz	$723
AISC[3]	US$/oz	$882
Capital Costs		
Initial Capital	C$M	$435
Sustaining Capital	C$M	$283
Closure Costs	C$M	$49
Salvage Value	C$M	$10
Financials - Pre Tax		
NPV (5%)	C$M	$775
IRR	%	30.2
Payback	years	2.8
Financials - Post Tax		
NPV (5%)	C$M	$463
IRR	%	23.2
Payback	years	3.5

Notes:

(1) The information provided in this table is supported by the Marban PFS.
(2) Cash costs consist of mining costs, processing costs, mine-level general & administrative expenses and refining charges and royalties.
(3) AISC includes cash costs plus sustaining capital, closure cost and salvage value.

- Robust Project Economics: Post-tax net present value ("NPV") (using a 5% discount rate) of C$463 million and post-tax unlevered internal rate of return ("IRR") of 23.2% using a long-term gold price of US$1,700 per ounce and an exchange rate of C$1.00 = US$0.77.
- Increased production profile: Annual average production increased from 115,000 ounces of gold ("oz Au") in the Marban PEA (as defined herein)* to 161,000 oz Au in the Marban PFS, supported by a 50% increase in mill throughput, a 15% increase in peak mine rate, lower cut-off grade of 0.30 g/t Au compared to 0.35 g/t Au in the Marban PEA, a lower strip ratio of 5.1 and increased mill gold recovery.

* References the Marban PEA are to the technical report entitled *"NI 43-101 Technical Report & Preliminary Economic Assessment of the Marban Project, Québec, Canada"* dated October 23, 2020 (with an effective date of September 3, 2020) prepared for O3 Mining by Ausenco Engineering Canada Inc., Golder Associates Ltd., Moose Mountain Technical Services, WSP Canada Inc. and Kenneth Williamson (the "Marban PEA"). The Marban PEA has been superseded and is no longer a current technical report on the Marban Engineering Project for purposes of NI 43-101.

- Low capital intensity: Initial capital (CAPEX) of C$435 million including mine preproduction, processing, and infrastructure (roads, power distribution, tailings facility, ancillary buildings, and water management). Capital intensity ratio (NPV/CAPEX) of 1.1x per dollar invested.
- Competitive cost profile and rapid payback: All-in-Sustaining Cost (AISC) of US$882 per ounce, a post-tax payback of 3.5 years, with C$1,971 million EBITDA and C$760 million post-tax free cash flow over the life of mine ("LOM").
- Optimization and exploration upside towards Feasibility Study in 2023: Well-funded to perform trade-off studies assessing new technologies including autonomous haulage and trolley assist mine fleet that may impact project economics and reduce environmental footprint. Additionally, O3 Mining will continue with a brownfield exploration program on Marban Engineering including the expansion of all lateral extensions of the near-surface mineralization, unlock the potential in the Hygrade Fold area (North-West of Kierens pit) as well as the downdip extension of the Marban deposit.

** Cautionary Statement: The Marban PFS Highlights are supported by the Marban PFS. The reader is advised that the results of the Marban PFS summarized in this MD&A is intended to provide only an initial, high-level review of the project potential. The Marban PFS has been prepared in accordance with the CIM Standards (Canadian Institute of Mining, Metallurgy and Petroleum, 2014) and follows Best Practices outlined by the CIM (2019).*

Marban Mineral Resource Estimate

Deposit	Indicated			Inferred		
	Tonnes (000 t)(1)	Grade (g/t)	Ounces Au (000 oz)(1)	Tonnes (000 t)(1)	Grade (g/t)	Ounces Au (000 oz)(1)
Marban – Open-Pit	52,437	1.03	1,736	1,038	0.97	32
Kierens-Norlartic – Open-Pit	14,795	1.22	582	1,068	1.42	49
Marban Underground	162	4.47	23	860	4.43	123
Kierens-Norlartic Underground	297	3.36	32	182	3.36	20
Total	**67,692**	**1.09**	**2,374**	**3,149**	**2.21**	**223**

Marban Resource Estimate Notes:

(1) The tonnages have been rounded to the nearest 1,000 tons and the metal content has been rounded to the nearest 1,000 ounces. Totals may not add up due to rounding errors.
(2) The mineral resource estimate described above has been prepared in accordance with the CIM Standards (Canadian Institute of Mining, Metallurgy and Petroleum, 2014) and follow Best Practices outlined by the CIM (2019) and is supported by the Marban PFS.
(3) The effective date of the MRE is February 27, 2022.
(4) The lower cut-off used to report Open-Pit Mineral Resources is 0.30 g/t Au. Underground mineral resources have been reported using a 3.0 g/t lower cut-off at Marban, and a 2.5 g/t lower cut-off at Kierens-Norlartic.
(5) The Marban and Kierens-Norlartic deposits have been classified as indicated and inferred mineral resources according to drilling spacing and estimation pass. No measured resource has been estimated. Underground mineral resources have been categorized manually to remove isolated areas and have been reported using 3 metres minimum thickness.
(6) Known underground workings have been incorporated into the block model, and zero density has been assigned to the blocks located within the voids.
(7) The density has been applied based on measurements taken on drill core and assigned in the block model by lithology.
(8) A minimum thickness of 3 metres was used when interpreting the mineralized bodies.
(9) The MRE is based on subblock models with a main block size of 5 metres x 5 metres x 5 metres, with subblocks of 2.5 metres x 2.5 metres x 2.5 metres,and has been reported inside claim boundaries held by O3 Mining.
(10) Tonnage has been expressed in the metric system, and gold metal content has been expressed in troy ounces.
(11) These mineral resources are not mineral reserves as they have not demonstrated economic viability. The quantity and grade of reported inferred mineral resources in this MD&A are uncertain in nature and there has been insufficient exploration to define these resources as indicated or measured mineral resources; however, it is reasonably expected that the majority of inferred mineral resources could be upgraded to indicated mineral resources with continued exploration.
(12) Mineral resources are inclusive of mineral reserves.

Marban Mineral Reserve Estimate

	Tonnes (000 t)(1)	Grade (g/t)	Ounces Au (000 oz)(1)
Proven	-	-	-
Probable	56,437	0.91	1,647
Proven and Probable	**56,437**	**0.91**	**1,647**

Marban Reserve Estimate Notes:

(1) The mineral reserve is estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), Estimation of Mineral Resources & Mineral Reserves Best Practice Guidelines (November 29, 2019) and CIM Definition Standards for Mineral Resources & Mineral Reserves, May 19th, 2014.
(2) The Qualified Person for the estimate is Mr. Carl Michaud, Eng. M.B.A., Vice President of Mining Engineering for GMS. Effective date of the estimate is August 17, 2022.
(3) Mineral reserves are estimated for a long-term gold price of US$ 1,600/oz.
(4) Mineral reserve cut-off grade is 0.3 g/t Au for all materials.
(5) A dilution skin width of 1 metre was considered resulting in an average mining dilution of 5.4%.
(6) The average strip ratio is 5.07:1.
(7) Numbers may not add due to rounding.

* *Cautionary Statement: The reader is cautioned that, while there are no other known factors or issues that materially affect the mineral resource estimate, there are risks faced by mining projects in the province in terms of environmental, permitting, taxation, socio-economic, marketing, and political factors and additional risk factors as listed in the "Cautionary Note Regarding Forward-Looking Information" section below.*

i) Drilling Highlights at Marban:

During the year ended December 31, 2022, and subsequent to the year end, O3 Mining provided several results from the ongoing drilling program. Drill highlights at Marban Engineering Project have included the following:

- 5.7 g/t Au over 7.6 metres in hole O3MA-22-341, including 30.9 g/t Au over 1.2 metres, within highly biotized ultramafic intrusion, with mineralization related to quartz veining containing visible gold, on the Hygrade Fold area, within Marban Engineering.

- 20.5 g/t Au over 2.2 metres in hole O3MA-22-351, including 73.5 g/t Au over 0.6 metres, within a sheared komatiitite, related to a felsic dike, with quartz veining and visible gold, on the Hygrade Fold area, within Marban Engineering.

- 2.3 g/t Au over 14.8 metres in hole O3MA-22-300 on Norlartic Extension, which could indicate that Norlartic Extension is a near-surface, high-potential area covering 1.8 kilometres by 300 metres and containing at least four stacked zones just north of the Marban deposit. 1.4 g/t Au over 16.4 metres in hole O3MA-22-279 on the North-North zone, 60 metres east of the 2022 Resources Pit Shell.

- 1.1 g/t Au over 94.3 metres including 13.8 g/t Au over 1.1 metres in hole O3MA-22-253-W1. 0.7 g/t Au over 116.5 metres and 26.8 g/t Au over 1.0 metre in hole O3MA-21-253. All holes and wedges returned large, mineralized intervals within the Camflo Plug.

- 35.8 g/t Au over 8.9 metres, including 440.0 g/t Au over 0.7 metres in hole O3MA-21-187 located in the Marban PFS pit. Subsidiary zones were also intersected along the same drill hole yielding 1.0 g/t Au over 37.0 metres, 3.3 g/t Au over 3.2 metres, and 1.3 g/t Au over 31.4 metres.

- 44.1 g/t Au over 2.3 metres including 192.0 g/t Au over 0.5 metre in hole O3MA-21-203 located in the Marban PEA pit.

- 5.7 g/t Au over 14.5 metres, including 61.9 g/t Au over 1.1 metres and 2.7 g/t Au over 4.5 metres, including 15.1 g/t Au over 0.6 metres in hole O3MA-21-144 located 43 metres below the Marban PEA pit for the Norlartic Zone on both sides of a historical mining stope.

- 1.9 g/t Au over 12.7 metres in hole O3MA-21-092 located at the bottom of the North Marban PEA pit.

- 11.1 g/t Au over 22.2 metres including 103.4 g/t Au over 2.0 metres in hole O3MA-21-135 located in the core of the North North Marban PEA pit, contains multiple gold grains related to quartz veining in felsic intrusion.

- 10.6 g/t Au over 2.7 metres in hole O3MA-21-107 located 48 metres East and below the North pit.

- 3.1 g/t Au over 14.8 metres in hole O3MA-21-102 located in the western part of Norlartic Marban PEA, starts within the mineralized zone, contains multiple gold grains related to quartz veining in dioritic intrusion.

- 2.4 g/t Au over 24.7 metres in hole O3MA-21-113 located in the eastern part of the Norlartic Marban PEA pit, starts within the mineralized zone.

- 1.9 g/t Au over 31.4 metres in hole O3MA-21-116 located at the eastern end of the Norlartic Marban PEA pit.

The full set of drill results are available in the Corporation's public disclosure record, which is available electronically on SEDAR (www.sedar.com) under O3 Mining's issuer profile and on O3 Mining's website (www.o3mining.com).

Alpha – Advanced Exploration

The Alpha property is located 8 kilometres east of Val-d'Or, Québec, and 3 kilometres south of the El Dorado Lamaque Mine. The property covers more than 7,754 hectares and includes 20 kilometres of the prolific Cadillac Break. The Alpha property consists of the Bulldog, Orenada, Akasaba and Simkar gold deposits. Neither of the deposits forming part of the Alpha property is considered a mineral project on a property material to the Corporation for the purpose of NI 43-101. O3 Mining has an option agreement with QMX Gold Corporation that grants O3 Mining the right to acquire 100 percent interest in the Aurbel Mill located only 10 kilometres from the Alpha property for $5.0 million by the middle of 2026.

Drilling at Alpha is at an earlier stage relative to Marban and has focused on grassroots exploration, deposit delineation, and resource expansion. In 2022, O3 Mining had up to three drill rigs testing for new discoveries, as well as focusing on deposit delineation and expansion of the current resource.

In 2023, the Corporation anticipates completing a 4,000 metre drill program on its Alpha property. The Alpha drill program will comprise of: (i) 1,800 metres to test near-surface targets in the vicinity of the Akasaba deposit; and (ii) 2,200 metres of follow-up drilling on Centremaque intrusion intercepts. The total budgeted cost of such drill programs is approximately $1.2 million.

i) Drilling Highlights at Alpha:

During the year ended December 31, 2022, and subsequent to the year end, O3 Mining provided several results from the ongoing drilling program. Drill highlights at Alpha have included the following:

- 12.4 g/t Au over 1.9 metres in hole O3AL-21-380 at a vertical depth of 53 metres in the Kappa zone.

- 12.0 g/t Au over 8.3 metres and 8.1 g/t Au over 2.0 metres and 35.9 g/t Au over 1.1 metres in hole O3AL-21-388 from a vertical depth of 625 metres to 663 metres in the Kappa zone which remains open at depth and laterally.

- 28.1 g/t Au over 0.9 metres in hole O3AL-21-391 at a vertical depth of 638 metres in the Kappa zone which remains open at depth and laterally.

- 2.8 g/t Au over 14.1 metres including 5.5 g/t Au over 6.2 metres in hole O3AL-21-343 only 65 metres below surface on the Bulldog deposit.

- 9.5 g/t Au over 4.8 metres in hole O3AL-21-354A at a vertical depth of 340 metres on the Bulldog deposit.

- 7.1 g/t Au over 5.6 metres including 26.5 g/t Au over 1.3 metres in hole O3AL-21-372D at a vertical depth of 150 metres on the Kappa zone which remains open at depth.

The full set of drill results are available in the Corporation's public disclosure record, which is available electronically on SEDAR (www.sedar.com) under O3 Mining's issuer profile and O3 Mining's website (www.o3mining.com).

Bulldog Mineral Resource Estimate

	Inferred		
Deposit	**Tonnes (000 t)[1]**	**Grade (g/t)**	**Ounces Au (000 oz)[1]**
Bulldog	2,649	3.2	270
Kappa	403	3.7	48
Total	**3,052**	**3.2**	**318**

Bulldog Resource Estimate Notes:

(1) The mineral resources described above have been prepared in accordance with the CIM Standards (Canadian Institute of Mining, Metallurgy, and Petroleum, 2014) and follow Best Practices outlined by the CIM (2019)
(2) The qualified person for this mineral resource estimate is James Purchase, P. Geo of G Mining Services Inc. Mr. Purchase is a member of L'Ordre des Géologues du Québec (#2082).
(3) The effective date of the mineral resource estimate is November 10, 2022.
(4) Underground mineral resources have been reported using a 1.8 g/t lower cut-off.
(5) The Bulldog deposit has been classified as inferred mineral resources according to drilling spacing and estimation pass. Underground mineral resources have been categorized manually within a constraining volume to remove isolated areas not satisfying RPEEE, and have been reported using a 2 m minimum thickness.
(6) There are no known underground workings at the Bulldog Deposit.
(7) The density has been applied based on measurements taken on the drill core, and assigned in the block model by lithology.
(8) A minimum thickness of 2 metres was used when interpreting the mineralized bodies.
(9) The MRE is based on subblock models with a main block size of 10 m x 3 m x 5 m, with subblocks of 2.5 m x 0.75 m x 2.5 m.
(10) Tonnage has been expressed in the metric system, and gold metal content has been expressed in troy ounces.
(11) The tonnages have been rounded to the nearest 1,000 tonne and the metal content has been rounded to the nearest 1,000 ounce. Gold grades have been reported to one decimal place reflecting the uncertainty associated with Inferred Mineral Resources.

SUMMARY OF MINERAL PROPERTIES

The Corporation's various gold mineral properties in Canada are summarized below:

Continuing Exploration Properties	Location	Corporate Ownership	Status
Alpha (including Bulldog, Orenada, Akasaba and Simkar deposits)	Québec	O3 Mining (formerly Alexandria)[1]	Owned 100%
Alpha – Centremaque option	Québec	O3 Mining (formerly Alexandria)[1]	Owned 80%[2]
Sleepy	Québec	O3 Mining (formerly Alexandria)[1]	Owned 40%[3]
Gwillim	Québec	O3 Mining (formerly Alexandria)[1]	Owned 100%
Matachewan-Wydee	Ontario	O3 Mining (formerly Alexandria)[1]	Owned 100%
Harricana	Québec	O3 Mining (formerly 9401-3513 Québec Inc.)[1]	Owned 100%
Marban	Québec	O3 Mining (formerly NioGold)[1]	Owned 100%
Regcourt	Québec	O3 Mining	Owned 100%
Louvem	Québec	O3 Mining	Owned 100%
Kan– James Bay	Québec	O3 Mining	Owned 100%
Éléonore-Opinaca	Québec	O3 Mining	Owned 100%
Launay	Québec	O3 Mining	Owned 100%
Schefferville	Québec	O3 Mining	Owned 100%

Notes:

(1) Effective January 1, 2022, these properties are directly owned by O3 Mining following the completion of an amalgamation.
(2) O3 Mining has earned in 80% of the Centremaque property from Golden Valley Mines ("Golden Valley") as a result of completing the Centremaque Interest Acquisition.
(3) Probe Metals Inc. ("Probe Metals") has earned in 60% of the property. Probe Metals can earn an additional 10% interest on the Sleepy property for a total of 70%.

On January 13, 2022, Patriot earned a 50% interest in the FCI Property upon completion of $2.3 million in work expenditures on the FCI Property. On February 22, 2022, the Corporation announced that it had entered into an asset purchase and sale agreement with Patriot, pursuant to which the Corporation agreed to sell to Patriot its remaining 50% interest in the FCI Property in exchange for (i) 1,800,000 common shares of Patriot, and (ii) a one-time cash payment of $3.0 million from Patriot. This transaction closed on February 23, 2022.

On April 7, 2022, O3 Mining announced the execution of a definitive share purchase agreement with Cartier, pursuant to which O3 Mining sold to Cartier, effective April 21, 2022, a 100% interest in its East Cadillac Project located in Val-d'Or, Québec, Canada.

SUMMARY OF MINERAL RESOURCES

Current Resource (from last NI 43-101 report of each property)							
Property	**Deposit**	**Scenario**	**Cut-off**	**Category**	**Tonnes (000 t)(1)**	**Grade (g/t)**	**Ounces Au (000 oz)(1)**
Marban	Marban	Open Pit	0.3	Indicated	52,437	1.03	1,736
				Inferred	1,038	0.97	32
		Underground	3.0	Indicated	162	4.47	23
				Inferred	860	4.43	123
	Kierens-Norlartic	Open Pit	0.3	Indicated	14,795	1.22	582
				Inferred	1,068	1.42	49
		Underground	2.5	Indicated	297	3.36	32
				Inferred	182	3.36	20
Alpha	Bulldog	Underground	1.8	Inferred	2,649	3.2	270
	Kappa	Underground		Inferred	403	3.7	48
Sleepy	Sleepy	Underground	3.0	Inferred	1,855	4.7	279.8
Historical Resources (NI 43-101 Compliant)							
Property	**Deposit**	**Scenario**	**Cut-off**	**Category**	**Tonnes (000 t)(1)**	**Grade (g/t)**	**Ounces Au (000 oz)(1)**
Alpha	Akasaba	Open Pit	0.5	Indicated	3,009	1.37	132.5
				Inferred	285	1.76	16.1
		Underground	2.25	Indicated	654	5.79	121.7
				Inferred	1,538	5.51	272.4
	Simkar	Underground	3.0	Measured	34	4.71	5.1
				Indicated	208	5.66	37.9
				Inferred	98	6.36	20.1
	Orenada	Open Pit	0.4	Indicated	3,563	1.54	176.1
				Inferred	1,470	1.38	65.1
		Underground	2.0	Indicated	191	3.00	18.4
				Inferred	609	3.12	61.1

Mineral Resource Notes:

(1) Inferred mineral resources have a great amount of uncertainty as to their existence and as to whether they can be mined legally or economically. It cannot be assumed that all or any part of the inferred mineral resources will ever be upgraded to a higher category. Mineral resources are not mineral reserves and do not have demonstrated economic viability.
(2) Information relating to the Marban property is supported by the Marban PFS.
(3) Information relating to the Orenada property is supported by the Orenada Resource Estimate.
(4) Information relating to the Akasaba property is supported by the Akasaba Resource Estimate.
(5) Information relating to the Simkar property is supported by the Simkar Resource Estimate.
(6) Information relating to the Sleepy property is supported by the Sleepy Resource Estimate.

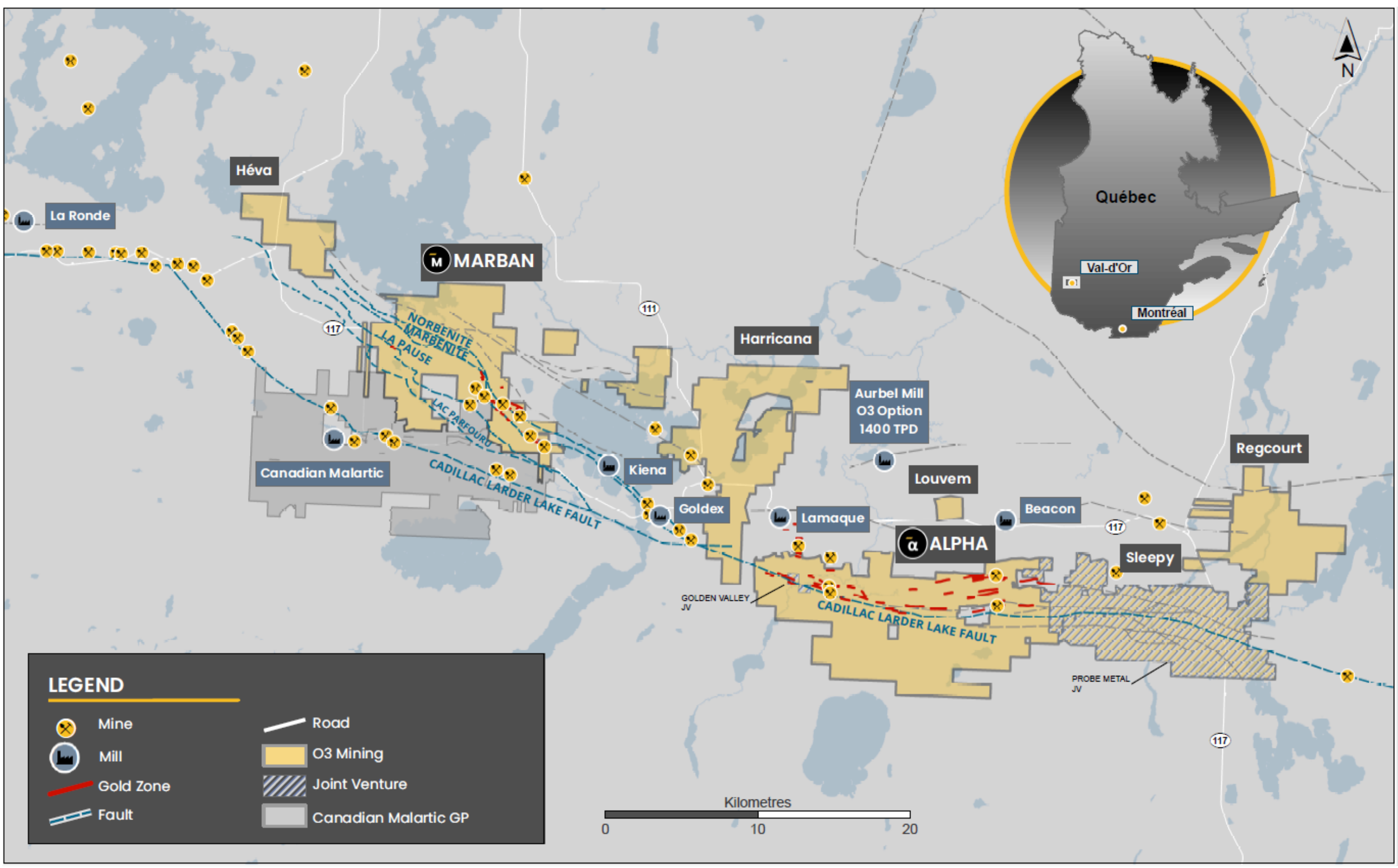
AS OF THE DATE OF THIS MD&A, THE MARBAN ENGINEERING PROJECT IS THE ONLY MINERAL PROJECT ON A PROPERTY MATERIAL TO THE CORPORATION FOR PURPOSES OF NI 43-101.

MINERAL PROPERTY ACTIVITIES

Val-d'Or Mining District Properties

O3 Mining controls a series of properties along or near the Cadillac Break, located in the southeastern Abitibi Greenstone Belt of the Archean Superior Province in the Canadian Shield. The properties are located in the Val-d'Or and Malartic municipalities of the Abitibi-Témiscamingue administrative region in the Province of Québec. The properties are easily accessed via all-season public paved roads, public gravel roads, all-terrain vehicle trails, and bush roads. The Cadillac Break is located at the boundary between the Abitibi sub province and the Pontiac sub province, which is marked by the Cadillac-Larder Lake Fault zone and stretches for over 35 kilometres along the break. The Cadillac-Larder Lake Fault zone is a regional-scale strike fault and/or shear zone and is one of the most important structural controls on the gold mineralization in the Abitibi Greenstone Belt, which has produced 100 million ounces of gold since the early 1900s. Discoveries in the region, at depths between 500 and 1,500 metres, show that the properties of the Val-d'Or mining district are highly under-explored, as most recent drilling has been in the upper 150 metres over the whole package, and only locally testing down to 300 metres in depth.

The Corporation holds a 100% interest in all these properties, subject to net smelter return ("NSR") royalties ranging between 1% to 2.5%, depending on the claim. A portion of these NSR royalties can be purchased for between $200,000 and $1.0 million.



Marban Property

The Marban property is 100% owned by O3 Mining and is the result of an amalgamation of the former Marban, First Canadian, Norlartic and Gold Hawk claims plus Camflo West, Malartic Hygrade, Malartic Hygrade-NSM and Malartic H claims. The Marban property is located about 15 kilometres west of the town of Val-d'Or in the Abitibi-Témiscamingue region of Québec, Canada and consists of 223 mining claims (9,238 hectares).

The Marban Engineering Project is located in the Malartic mining camp in the Abitibi gold district of Québec. The Marban Engineering Project contains three past-producing mines (Marban, Norlartic and Kierens), which collectively produced 585,000 ounces of gold between 1959 and 1992, and is located 15 kilometres from the Canadian Malartic Mine and lies along the same shear structure as Wesdome Gold Mines Ltd.'s Kiena Deposit.

During the year ended, December 31, 2022, the Corporation completed 202 drill holes totaling 55,289 metres of drilling on the Marban Engineering Project. The drilling was completed to test extensions of the Marban deposit at depth, Kierens and Norlartic deposits and the adjacent North Shear, North and Triple North zones. Approximately 4,000 meters were drilled to evaluate the continuity of the Camflo deposit below the deepest level of the historic mine. In the North-West part of Marban Engineering, the Malartic H zone and Malartic Fold target were drilled.

	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Period Total
Holes	57	62	72	11	202
Metres	14,484	14,885	22,151	3,769	55,289

The Marban zone drilling highlights consist of an array of veins and veinlets composed of quartz, calcite, and chlorite within a folded basaltic unit. The Norlartic zone drilling highlights consist of a stockwork of quartz veinlets with disseminated pyrite within intermediate and mafic dykes as well as a basaltic unit within the hanging wall of the Norbenite Shear. This geology is consistent with the description of the mineralized zones of the historical mines in and around the Marban project. Many drill holes published today have crossed historical mining stopes and confirmed the presence of high-grade material within the mining walls and wide envelopes on both sides of those mining openings.

The updated mineral resource announced in the 2022 Marban MRE is estimated from 507,238 metres of drilling in 2,205 holes including 39,208 metres in 209 holes drilled by O3 Mining from March to December 2021. Most of the drilling was dedicated to infill drilling to convert the inferred mineral resources contained in the prior Marban PEA to indicated mineral resource, which has been used as the resource base of the recently released Marban PFS, together with recently completed and reported metallurgical test work results.

The claims under the Camflo West Project are subject to various NSR royalties ranging from 1.5% to 3.0%, certain of which, or portions thereof, can be repurchased by the Corporation for payments ranging from $200,000 to $1.5 million. The claims under the Malartic H Project are 85% owned by the Corporation and the remaining 15% can be purchased by the Corporation for $25,000. On November 9, 2020, O3 Mining completed the acquisition of the remaining 50% interest in the Northern Star claims (also known as the Virginia claims) from 9265-991 Québec Inc. for $200,000.

Siscoe East Property

The Siscoe East property is located in the Vassan Township in the Abitibi-Témiscamingue region of Québec. The Corporation owns a 100% interest in the claims covering the Siscoe East property. Some claims are subject to a 2% NSR royalty, 50% of which may be repurchased by the Corporation for a total of $2.8 million.

Héva Property

The Héva property is located 42 kilometres northwest of the town of Val-d'Or, in the Abitibi-Témiscamingue region of Québec. Some of the claims of the Héva property are subject to a 1.5% NSR royalty, 50% of which may be repurchased by the Corporation for $200,000.

Alpha Property

The Alpha property includes several prospective gold showings (Bulldog, Epsilon, Pontiac East and West, Mid Canada, Ducros, Hogg, Oramaque, Jolin, Sabourin, Goldora and Valdora) as well as the Orenada Zone 2 and Zone 4 gold deposits. The Alpha property is located 8 kilometres east of Val-d'Or and 3 kilometres south of the Eldorado South Lamaque Mine. It is also the host of the Akasaba Deposit and Simkar Gold Deposit. The Alpha property covers more than 7,754 hectares and strides 20 kilometres of the prolific Cadillac Break. The Bulldog showing discovered in late 2018 will be the focus of the upcoming drilling program. The property is subject to a 1% NSR royalty on select claims, and assigned existing royalty buy-back rights on NSR royalties between 1% to 2% on certain other claims in the Val-d'Or area for proceeds of $300,000.

On March 16, 2020, the Corporation purchased the Louvem property from Monarch Gold Corporation ("Monarch"). The Louvem property consists of 12 mining claims and is located 5 kilometres east of the town of Malartic, in the Abitibi-Témiscamingue region of Québec. In accordance with the terms of the asset purchase agreement, the Corporation: (i) acquired a 50% interest in the Louvem property in exchange for the issuance of 4,546 Common Shares, subject to a 1% NSR royalty granted to Monarch on the Louvem property with a 0.5% NSR royalty buy-back for $300,000; and (iii) will acquire the remaining 50% interest in the Louvem property for cash consideration of $10,000. In July 2021, the Corporation completed the $10,000 payment to earn the additional 50% of the property.

i) Centremaque Option

On October 1, 2021, the Corporation announced that it has, through its wholly owned subsidiary, Alexandria, acquired an 80% undivided interest in the Centremaque property, located on O3 Mining's Alpha property in Val-d'Or, Québec, Canada, from Golden Valley.

The acquisition was completed pursuant to the terms of an option agreement dated April 20, 2017, between Golden Valley and Alexandria (as amended, the "Option Agreement"), pursuant to which Golden Valley granted Alexandria an option to complete the Centremaque Interest Acquisition by, among other things, incurring $4.0 million in eligible expenditures (collectively, the "Required Expenditures") over a four-year period following the date of the Option Agreement.

On September 9, 2021, Golden Valley and Alexandria amended the terms of the Option Agreement to allow Alexandria to satisfy a shortfall of $209,000 in Required Expenditures by delivering Common Shares to Golden Valley *in lieu* thereof. In accordance with the terms of the amended Option Agreement, the Corporation has issued to Golden Valley an aggregate of 98,570 Common Shares in full satisfaction of Alexandria's obligations to incur the Required Expenditures under the Option Agreement.

In accordance with the terms of the Option Agreement, upon the closing of the Centremaque Interest Acquisition, Golden Valley and Alexandria are deemed to have formed a joint venture for the purposes of, among other things, further exploring the Centremaque property and, if deemed warranted, developing, constructing, and operating a mine on the Centremaque property (or a part of thereof). Golden Valley will retain a 20% free carried interest, and retain a 1.5% NSR royalty, of which 0.5% may be purchased by the Corporation for $1.0 million.

ii) Integra Option

In 2012, Alexandria has optioned one claim from the airport area located at the western edge of the Alpha property to Integra Gold Corp. Alexandria retains a 2% NSR royalty, of which 1% may be re-purchased for $1.0 million.

iii) Exploration Activity

During the year ended December 31, 2022, O3 Mining completed 50 drill holes totaling 22,568 metres of drilling on the Alpha property, focusing on the Bulldog deposit delineation down to -600 vertical meters, expansion of the Kappa zones located 100 meters north of Bulldog and finally exploration in the Omega sector in a geological environment similar to the adjacent Lamaque gold mine operated by Eldorado. Mineralization at the Bulldog zone is composed of three individual zones associated with sheared, carbonatized, and sericitized wackes of the Cadillac formation and porphyric dykes containing 1-3% fine disseminated pyrite. Drilling on 100 metres spacing defined mineralization over 500 metres laterally and 700 metres vertically remaining open at depth. Infill drilling was completed in the first 450 vertical meters in preparation for a first resource estimate planned for mid-2022.

	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Period Total
Holes	31	19	0	0	50
Metres	15,939	6,629	0	0	22,568

Sleepy Property

The property comprises 232 individual claims (7,408 hectares). On November 28, 2016, Alexandria entered into a binding agreement with Probe Metals, which sets forth the terms of an exploration earn-in on the property. In order to earn a 60% interest on the Sleepy property, Probe Metals must: (i) commit $5.0 million in work expenditures over a period of four years; and (ii) issue $300,000 of its common shares upon signing. Following the completion of the committed $5.0 million in work expenditures, Probe Metals exercised its option in April 2021. The Sleepy property is now held in a joint venture with 60% of the interest owned by Probe Metals and 40% of the interest maintained by O3 Mining.

Probe Metals can earn an additional 10% interest on the Sleepy property by: (i) completing a pre-feasibility study (1 million ounces); (ii) incurring an additional $2.0 million in exploration expenditures; and (iii) issuing to O3 Mining an additional 200,000 of its common shares.

Exploration Activity

During the year ended December 31, 2022, Probe Metals did not complete any additional work on the property.

Harricana Property

The Harricana property is located 9 kilometres northeast of the town of Val-d'Or, on the eastern shore of the Blouin Lake, and hosts the Aurbel Deposit. The Harricana property is 100%-owned by the Corporation and is comprised of 117 individual claims (3,878 hectares). The property was acquired by O3 Mining on August 23, 2019, as a result of its acquisition of Harricana River Mining Corporation Inc.

James Bay Kan Project

The Kan Project is located within the Labrador Trough, approximately 80 kilometres southwest of Kuujuuaq, Québec. It covers approximately 40 kilometres of favorable stratigraphy that includes silicate-carbonate iron formations, thick metal-rich black shales units, gabbros and turbidites. The Kan Project surface was reduced to 300 claims (3,980 hectares). 125 claims are subject to a 2% NSR royalty in favour of Les Ressources Tectonic Inc., 0.5% of which may be purchased for $750,000 at any time by Osisko Gold Royalties Ltd. ("Osisko GR") and an additional, 0.5% of which may be purchased for $750,000 by Altius Resources Inc. In addition, Osisko GR holds an NSR royalty over the total number of claims on the production of precious metals for a minimum of a 1.5% NSR royalty and a maximum of a 3.5% NSR royalty and a 2.0% NSR royalty on all other metals provided. However, if there is an existing royalty applicable on any portion of the claims, the royalty percentages shall, as applicable, be adjusted so that the aggregate maximum royalty percentage on such portion shall not exceed a 3.5% NSR royalty at any time.

Élénore Opinaca Property

The Élénore Opinaca property was transferred to O3 Mining on July 5, 2019, in conjunction with the completion of the RTO. The Élénore Opinaca property is 100% owned by the Corporation and is located approximately 320 kilometres north of the town of Matagami in the James Bay area, Northern Québec and is subject to an NSR of 0.5%.

Launay Property

The Launay property was transferred to O3 Mining on July 5, 2019, in conjunction with the completion of the RTO. The Launay property is located in the Abitibi Greenstone Belt, Québec, and it is subject to a 1.5% NSR royalty.

Matachewan-Wydee Property

The Matachewan-Wydee project is in the vicinity of the Young Davidson Mine complex approximately 6 kilometres west-northwest of the town of Matachewan, Ontario, and covers a total of 86 claims. The project is 100% owned by O3 Mining and was previously subject to an earn-in in favour of Prosper Gold Corp., which was terminated in February 2021.

In 2023, the Corporation has more limited explorations plans for Wydee and Matachewan, such as compiling historical work, as well as surface exploration and targeting activities in the first half of 2023.

EXPLORATION AND EVALUATION ASSETS EXPENDITURES

The Corporation's expenditures on exploration and evaluation assets for the year ended December 31, 2022, were as follows (in thousands of Canadian dollars):

	December 31, 2021	Acquisitions	Additions	Disposals	Impairment losses	December 31, 2022
Kan - James Bay	$ 249	$ -	$ 7	$ -	$ -	$ 256
FCI - Corvette Lithium	(120)	-	-	120	-	-
Éléonore Opinaca	1,014	-	12	-	-	1,026
Launay	1,011	-	2	-	-	1,013
Marban	86,082	1,486	23,624	-	-	111,192
Alpha	61,725	-	6,818	-	-	68,543
Harricana	1,649	-	18	-	-	1,667
East Cadillac	14,311	-	33	(6,451)	(7,893)	-
Total exploration and evaluation assets	**$ 165,921**	**$ 1,486**	**$ 30,514**	**$ (6,331)**	**$ (7,893)**	**$ 183,697**

Significant additions during the year ended December 31, 2022, are described by category in the following table (in thousands of Canadian dollars):

For the year ended December 31, 2022	Kan - James Bay	Éléonore Opinaca	Launay	Marban	Alpha	Harricana	East Cadillac	Total
Property costs	$ 6	$ 11	$ -	$ 62	$ 70	$ 7	$ 10	**$ 166**
Camp costs	-	1	-	114	232	-	2	**349**
Office costs	-	-	-	9	5	-	-	**14**
Project management	-	-	-	1,274	246	-	(8)	**1,512**
Drilling	-	-	2	16,391	6,041	-	7	**22,441**
Geochemical survey	-	-	-	368	-	-	-	**368**
Permitting	1	-	-	31	13	-	20	**65**
Geophysical survey	-	-	-	383	111	-	-	**494**
Geology	-	-	-	1,117	253	11	-	**1,381**
Economic assessments and feasibility studies	-	-	-	3,433	-	-	2	**3,435**
Community relations	-	-	-	255	44	-	-	**299**
Environmental	-	-	-	249	49	-	-	**298**
Health and safety	-	-	-	104	10	-	-	**114**
Québec exploration mining duties	-	-	-	(166)	(256)	-	-	**(422)**
Total additions	**$ 7**	**$ 12**	**$ 2**	**$ 23,624**	**$ 6,818**	**$ 18**	**$ 33**	**$ 30,514**

During the year ended December 31, 2022, the majority of spending was on drilling the Marban Engineering Project.

OUTLOOK

The operational outlook below and described herein reflects the Corporation's current operations.

The Corporation continues to have a strong cash position of approximately $18.7 million as at December 31, 2022. The Corporation is planning to spend approximately $1.7 million per month on exploration and feasibility study advancement activities, and $470,000 per month on general and administration expenses and salaries and benefits, excluding non-cash items, for the 2023 year.

O3 Mining has modified its previously planned 33,000 metre drilling program between October 2022 and December 2023, following the completion of 3,769 metres at the Marban property in Q4 of 2022. In 2023, 16,400 metres remain subject to the drill program on the Marban Engineering Project described in the Marban PFS (comprising the Phase 1 and Phase 2 drill programs), of which: (i) approximately 14,000 metres, forming part of Phase 1, will focus on Marban near-pit extension and resource growth in 2023, and (ii) 2,400 metres, forming part of Phase 2, which is target testing within the Marban Engineering Project. Both of these programs are beyond the recommended scope of work, however the Corporation feels there is value in undertaking it in order to show additional resource potential and extended life of mine. In addition, to the work on the Marban Engineering Project, the Corporation is looking to undertake a 8,400 metre Marban Greenfield program which will focus on testing gold and volcanogenic massive sulphide (VMS) targets in 2023. These two programs will compromise an anticipated 24,800 metres planned on Marban. In addition to the work on Marban in 2023, the Corporation anticipates a 4,000 metre drill program on the Alpha property, comprising: (i) 1,800 metres to test near-surface targets in the vicinity of the Akasaba deposit; and (ii) 2,200 metres of follow-up drilling on Centremaque intrusion intercepts.

In addition to the planned drilling noted above, the Corporation is focused on completing the recommended work in the Marban PFS, with the goal of publishing the Marban FS in the first quarter of 2024.

See *"Marban – Project Development – Marban Engineering – Progress and Key Milestones"* above.

In addition, divestment is part of the Corporation's go-forward strategy of monetizing value from its non-core projects, either through sale or partnerships with strategic buyers, who have strong management teams and are well-capitalized, as well as technically and operationally strong. This strategy will allow O3 Mining to focus on its core projects in Val-d'Or, Québec. While the current market capitalization is less than the book value of the Corporation's assets, there are no indicators of impairment on any of our properties which we continue to actively explore and evaluate.

INVESTMENTS

The Corporation's assets included a portfolio of investments in public and private companies as at December 31, 2022. The Corporation holds investments in various companies within the mining industry for investment and strategic purposes. In some cases, the Corporation may decide to take a more active role in the investee, including providing management personnel, and technical and administrative support, as well as nominating individuals to the investee's board of directors.

Marketable Securities

The following table summarizes information regarding the Corporation's marketable securities as at December 31, 2022 and December 31, 2021 (in thousands of Canadian dollars):

As at	**December 31, 2022**	**December 31, 2021**
Balance, beginning of year	**$ 11,915**	**$ 19,036**
Additions	237	3,184
Disposals	(11,836)	(6,995)
Share consideration from disposition of exploration and evaluation assets	7,612	446
Realized (loss/)gain	(1,532)	3,622
Unrealized gain/(loss)	1,434	(7,378)
Balance, end of year	**$ 7,830**	**$ 11,915**

During the year ended December 31, 2022, these shares and warrants were fair valued, and this resulted in an unrealized gain of $1.4 million (2021 – loss of $7.4 million). The Corporation sold shares during the year ended December 31, 2022, which resulted in a realized loss of $1.5 million (2021 – gain of $3.6 million).

On February 22, 2022, the Corporation announced that it had entered into an asset purchase and sale agreement with Patriot, pursuant to which the Corporation agreed to sell to Patriot its remaining 50% interest in the FCI Property in exchange for (i) 1,800,000 common shares of Patriot, and (ii) a one-time cash payment of $3.0 million from Patriot. This transaction closed on February 23, 2022. In September 2023, the Corporation disposed of its entire holdings in Patriot for gross proceeds of $7.65 million. This disposition was reflected in the interim financial statements of the Corporation for the three and nine-month periods ended September 30, 2022 and 2021 in Note 3 (see under the heading "Marketable securities" in the disposals row).

RESULTS OF OPERATIONS

The following table summarizes the Corporation's Statements of Loss/(Income) and Comprehensive Loss/(Income) for the three and twelve-month ended December 31, 2022 and 2021 (in thousands of Canadian dollars):

	Three months ended		Year ended	
	December 31, 2022	**December 31, 2021**	**December 31, 2022**	**December 31, 2021**
Expenses/(income)				
Compensation expenses	$ 1,656	$ 1,303	$ 4,396	$ 4,416
General and administration expenses	993	1,121	3,438	2,880
General exploration expenses	5	9	79	33
Loss on impairment of exploration and evaluation assets	-	-	7,893	-
Flow-through premium income	(1,810)	(2,618)	(9,747)	(13,976)
Gain on disposition of Northern Gold Mining Inc.	-	-	-	(25,936)
Loss from marketable securities	706	422	98	3,756
Gain on disposition of exploration and evaluation assets	-	-	(4,246)	(272)
Share of loss/(gain) of associate	307	256	(509)	445
Other income	-	(94)	-	(94)
Loss/(income) before finance income and income tax	**1,857**	**399**	**1,402**	**(28,748)**
Finance income	(226)	(75)	(391)	(336)
Finance costs	80	23	386	101
Net finance income	**(146)**	**(52)**	**(5)**	**(235)**
Loss/(income) before tax	**1,711**	**347**	**1,397**	**(28,983)**
Deferred income tax expense	604	5,380	5,611	8,574
Loss/(income) and comprehensive loss/(income)	**$ 2,315**	**$ 5,727**	**$ 7,008**	**$ (20,409)**

Three-Month Period Ended December 31, 2022 as Compared to Three-Month Period Ended December 31, 2021

Loss and comprehensive loss decreased by $3.4 million from a loss of $5.7 million for the three-month period ended December 31, 2021, to a loss of $2.3 million for the three-month period ended December 31, 2022. The decrease is mainly as a result of a decrease in the deferred income tax expense of $4.8 million (non-cash expense). This was offset by a decrease in flow-through premium income of $808,000 (non-cash income) for the three-month period ended December 31, 2022.

Compensation expenses increased by $353,000 to $1.7 million for the three-month period ended December 31, 2022, compared with $1.3 million for the same period in 2021. The increase was mostly due to an increase in stock-based compensation of $400,000 as a result of granting of stock-based compensation instruments and an increase in the share price during the period.

General and administrative expenses decreased by $128,000 to $993,000 for the three-month period ended December 31, 2022, compared with $1.1 million for the same period in 2021. The decrease relates mainly to a decrease in shareholder and regulatory expense of $113,000 and a decrease in office expense of $36,000. This was offset by an increase in travel expense of $17,000 for the three-month period ended December 31, 2022.

Flow-through premium income was $1.8 million for the three-month period ended December 31, 2022, compared to $2.6 million for the same period in 2021. This income was derived from the flow-through offerings, combined with the amount of "Canadian exploration expenditures" that were spent during the period. On the issuance of flow-through shares, a flow-through share premium liability is recognized. Upon the Corporation incurring flow-through eligible expenditures, the Corporation recognizes flow-through premium income and decreases the flow-through premium liability.

During the three-month period ended December 31, 2022, the Corporation maintained a portfolio of securities that were strategically invested in the marketable securities of exploration and development companies. The Corporation recognized an unrealized gain of $5.4 million in the period. The unrealized gain was a result of the Corporation marking to market its investments at period end. The Corporation also recognized a realized loss of $6.1 million in the period on the disposition of their marketable securities. The Corporation had a fair market value of $7.8 million in marketable securities as at December 31, 2022, compared to $11.9 million as at December 31, 2021.

Year Ended December 31, 2022 as Compared to Year Ended December 31, 2021

Income and comprehensive income decreased by $27.4 million from an income of $20.4 million for the year ended December 31, 2021 to a loss of $7.0 million for the year ended December 31, 2022. The majority of the decrease of income in the year relates to a decrease of the $25.9 million gain (non-cash income) on the sale of Northern Gold Mining Inc. during the year ended December 31, 2021, an increase in the loss on impairment of exploration assets of $7.9 million (non-cash expense) and a decrease in flow-through premium income of $4.2 million (non-cash income). This was offset by an increase in the gain on disposition of exploration and evaluation assets of $4.0 million, a decrease in the loss from marketable securities of $3.7 million, an increase in the gain of associate of $1.0 million (non-cash income) and an decrease in the deferred income tax expense of $3.0 million (non-cash expense) for the year ended December 31, 2022.

Compensation expenses decreased by $20,000 to $4.4 million for the year ended December 31, 2022, compared with $4.4 million for the same period in 2021. The decrease was due to a decrease in salaries and benefits of $122,000 offset by an increase in stock-based compensation of $102,000 as a result of granting of stock based compensation instruments and an increase in the share price during the year.

General and administrative expenses increased by $558,000 to $3.4 million for the year ended December 31, 2022, compared with $2.9 million for the same period in 2021. The increase relates mainly to an increase in travel expenses of $241,000 and an increase in professional fees of $228,000.

Flow-through premium income was $9.7 million for the year ended December 31, 2022, compared to $14.0 million for the same period in 2021. This income was derived from the flow-through offerings, combined with the amount of "Canadian exploration expenditures" that were spent during the period. On the issuance of flow-through shares, a flow-through share premium liability is recognized. Upon the Corporation incurring flow-through eligible expenditures, the Corporation recognizes flow-through premium income and decreases the flow-through premium liability.

During the year ended December 31, 2022, the Corporation maintained a portfolio of securities that were strategically invested in the marketable securities of exploration and development companies. The Corporation recognized an unrealized gain of $1.4 million in the period. The unrealized gain was a result of the Corporation marking to market its investments at period end. The Corporation also recognized a realized loss of $1.5 million in the period on the disposition of their marketable securities The Corporation had a fair market value of $7.8 million in marketable securities as at December 31, 2022, compared to $11.9 million as at December 31, 2021.

Cash Flow

The Corporation is dependent upon raising funds in order to fund future exploration programs. See *"Liquidity and Capital Resources"* and *"Risks and Uncertainties"*.

Operating Activities

Cash used in operating activities for the year ended December 31, 2022, totaled $7.3 million, compared to $6.1 million for the same period in 2021. The increase in outflows is primarily attributable to a decrease in items of working capital of $793,000 for the year ended December 31, 2022, compared to a decrease of $839,000 for the same period in 2021 as well as a cash loss of $6.5 million for the year ended December 31, 2022 compared to $5.2 million for the same period in 2021.

Financing Activities

Cash provided by financing activities was $15.3 million for the year ended December 31, 2022, compared with $32.6 million for the same period in 2021. The inflow of cash is mainly attributable to a private placement of $17.3 million net of transaction costs offset by net cash of $1.1 million used in repurchasing shares under the normal course issuer bid.

Investing Activities

Cash used in investing activities for the year ended December 31, 2022 totaled $17.0 million, compared with $33.6 million for the same period in 2021. This outflow is primarily attributable to exploration and evaluation expenditures of $30.5 million, and acquisition of property, plant and equipment of $760,000 in the year ended December 31, 2022. This was partially offset by proceeds of $11.8 million from disposition of marketable securities and proceeds of $3.0 million from disposition of exploration and evaluation assets.

In management's view, the Corporation has sufficient financial resources to fund current planned exploration programs and ongoing operating expenses. As at December 31, 2022, the Corporation had a cash balance of $18.7 million, compared to $27.2 million as at December 31, 2021. The Corporation will continue to be dependent on raising equity or other capital as required unless and until it reaches the production stage and generates cash flow from operations. See *"Risks and Uncertainties" and "Cautionary Note Regarding Forward-Looking Information"*.

SUMMARY OF QUARTERLY RESULTS

(in thousands of Canadian dollars, except per share and share amounts)

For the period ended		**December 31, 2022**		**September 30, 2022**		**June 30, 2022**		**March 31, 2022**
Financial results:								
Interest income	$	226	$	61	$	53	$	51
Loss/(income)	$	80	$	366	$	1,427	$	2,899
Loss/(earnings) per share*:								
Basic	$	0.03	$	0.01	$	0.02	$	0.04
Diluted	$	0.03	$	0.01	$	0.02	$	0.04
Financial position:								
Working capital (non-IFRS measurement)**	$	26,093	$	34,341	$	27,201	$	37,882
Exploration and evaluation assets	$	183,697	$	178,002	$	170,011	$	160,950
Total assets	$	269,535	$	273,174	$	258,276	$	258,792
Share capital	$	214,211	$	214,580	$	205,400	$	204,682
Retained earnings	$	7,542	$	9,857	$	10,224	$	11,651
Number of shares issued and outstanding		74,834,969		75,017,269		68,485,439		68,160,439

* *Basic and diluted loss per share is calculated based on the weighted-average number of Common Shares outstanding.*

** *Working capital is a non-IFRS measurement with no standardized meaning under IFRS. For further information and a detailed reconciliation, please see section "Non-IFRS Measure".*

(in thousands of Canadian dollars, except per share and share amounts)

For the period ended		December 31, 2021		September 30, 2021		June 30, 2021		March 31, 2021
Financial results:								
Interest income	$	75	$	67	$	107	$	87
Loss/(income)	$	5,727	$	1,591	$	163	$	(27,890)
Loss/(earnings) per share*:								
Basic	$	0.08	$	0.02	$	-	$	(0.44)
Diluted	$	0.08	$	0.02	$	-	$	(0.44)
Financial position:								
Working capital (non-IFRS measurement)**	$	36,752	$	46,928	$	62,615	$	74,303
Exploration and evaluation assets	$	165,921	$	158,396	$	146,380	$	136,941
Total assets	$	261,989	$	267,764	$	267,923	$	270,275
Share capital	$	204,682	$	202,256	$	202,206	$	202,221
Retained earnings/(Deficit)	$	14,550	$	20,278	$	21,869	$	22,031
Number of shares issued and outstanding		68160439		68,061,869		68,040,266		68,040,266

* *Basic and diluted loss/(earnings) per share is calculated based on the weighted-average number of Common Shares outstanding.*

** *Working capital is a non-IFRS measurement with no standardized meaning under IFRS. For further information and a detailed reconciliation, please see section "Non-IFRS Measure".*

LIQUIDITY AND CAPITAL RESOURCES

As at December 31, 2022, the Corporation had a cash balance of $18.7 million (December 31, 2021 - $27.2 million) and working capital of $26.1 million (December 31, 2021 - $36.8 million). Cash decreased from December 31, 2021, mainly due to exploration and evaluation expenditures in the year ended December 31, 2022. The majority of the Corporation's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

The Corporation has no history of revenues from its operating activities. The Corporation is not in commercial production on any of its mineral properties and accordingly does not generate cash from operations. During the year ended December 31, 2022, the Corporation had negative cash flow from operating activities, and the Corporation anticipates it will have negative cash flow from operating activities in future periods.

The Corporation has, in the past, financed its activities by raising capital through equity issuances. Until O3 Mining can generate a positive cash flow, in order to finance its exploration programs, the Corporation will remain reliant on the equity markets for raising capital, in addition to adjusting spending, disposing of assets, and obtaining other non-equity sources of financing.

The Corporation believes it has sufficient cash resources and the ability to raise funds to meet its exploration and administrative overhead expenses and maintain its planned exploration activities for the next 12 months. However, there is no guarantee that the Corporation will be able to maintain sufficient working capital in the future due to market, economic and commodity price fluctuations. See *"Risks and Uncertainties"*.

CONTRACTUAL OBLIGATIONS AND COMMITMENTS

The Corporation has the following commitments as at December 31, 2022 (in thousands of Canadian dollars):

		Total		2023		2024		2025
Equipment leases	**$**	**183**	$	137	$	38	$	8
Total	**$**	**183**	**$**	**137**	**$**	**38**	**$**	**8**

As at December 31, 2022, the Corporation has the following flow-through funds to be spent by December 31, 2023 (in thousands of Canadian dollars):

Closing date of financing	Province		Remaining flow-through funds
August 24, 2022	Québec	$	13,047
Total		**$**	**13,047**

OFF-BALANCE SHEET ARRANGEMENTS

The Corporation does not have any off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Corporation and its subsidiaries have been eliminated on consolidation and are not disclosed in this note. Details of the transactions between the Corporation and other related parties are disclosed below.

During the year ended December 31, 2022, management fees, geological services, rent and administration fees of $662,000 (2021 - $831,000) were incurred with Osisko Mining Inc. ("Osisko Mining"), a related company of the Corporation by virtue of Osisko Mining having significant influence over the Corporation. Also, Mr. John Burzynski, Chairman of the Board of Directors of O3 Mining, serves as Executive Chairman, CEO, and Director of Osisko Mining and Mr. José Vizquerra, President and CEO of O3 Mining, serves as a Director of Osisko Mining. Accounts payable and accrued liabilities to Osisko Mining as at December 31, 2022 were $57,000 (2021 - $216,000).

On July 22, 2022, O3 Mining announced that it has sold 6,492,200 common shares of Osisko Metals Incorporated to Osisko Mining for gross proceeds of $2,045,043.

The following table summarizes remuneration attributable to key management personnel for the year ended December 31, 2022 and 2021 (in thousands of Canadian dollars):

For the year ended	December 31, 2022	December 31, 2021
Salaries expense of key management	$ 1,333	$ 1,094
Directors' fees	519	520
Stock-based compensation	925	1,068
Total	**$ 2,777**	**$ 2,682**

OUTSTANDING SHARE DATA

As at March 8, 2023, the Corporation had the following securities outstanding: (i) 74,624,869 Common Shares; (ii) 5,113,686 options to purchase Common Shares at a weighted average exercise price of $2.73 per option; (iii) 1,295,000 restricted share units ("RSU"); and (iv) 881,832 deferred share units ("DSU"). On a fully diluted basis, the Corporation would have 81,915,387 Common Shares issued and outstanding, after giving effect to the exercise of the options, warrants, RSUs, and DSUs of the Corporation that are outstanding.

The following table summarizes the options outstanding and exercisable as at December 31, 2022:

	Options outstanding			Options exercisable		
Range of exercise prices per share ($)	Weighted-average remaining years of contractual life	Number of stock options outstanding	Weighted average exercise price ($)	Weighted-average remaining years of contractual life	Number of stock options exercisable	Weighted average exercise price ($)
1.47 to 2.49	3.6	1,125,000	$2.05	1.9	225,000	$2.44
2.50 to 2.79	1.9	1,378,686	$2.53	1.9	975,342	$2.55
2.80 to 3.19	1.6	1,830,000	$3.07	1.6	1,830,000	$3.07
3.20 to 3.26	3.0	780,000	$3.26	3.0	259,994	$3.26
1.98 to 3.26	**2.4**	**5,113,686**	**$2.73**	**1.8**	**3,290,336**	**$2.89**

The following table summarizes the DSUs and RSUs outstanding as at December 31, 2022:

	Number of DSUs	Number of RSUs
Outstanding at January 1, 2021	**51,440**	**490,000**
Granted	134,699	90,000
Oustanding at December 31, 2021	**186,139**	**580,000**
Granted	695,693	1,255,000
Vested	-	(350,000)
Forfeited	-	(40,000)
Oustanding at December 31, 2022	**881,832**	**1,445,000**

In August 2019, O3 Mining established an RSU plan and a DSU plan, as amended in June 2022. Under these plans, RSUs can be granted to executive officers and key employees and DSUs can be granted to non-executive directors, as part of their long-term compensation package, entitling them to receive payout in cash or Common Shares, or a combination of both. Should the payout be in cash, the cash value of the payout would be determined by multiplying the number of RSUs and DSUs vested at the payout date by the five-day volume weighted average price from the closing price of the Common Shares on the day prior to the payout date. Should the payout be in Common Shares, each RSU and DSU represents an entitlement to one Common Share.

The following tables summarize the warrants issued and outstanding as at December 31, 2022:

	Number of warrants		Weighted-average exercise price
Outstanding at January 1, 2021	**12,071,049**	**$**	**3.78**
Expired	(238,602)		3.88
Outstanding at December 31, 2021	**11,832,447**	**$**	**3.77**
Expired	(11,832,447)		3.77
Outstanding at December 31, 2022	**-**	**$**	**-**

CRITICAL ACCOUNTING ESTIMATES

The preparation of the Financial Statements in conformity with IFRS requires management to make judgments, 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 consolidated financial statements and the reported amounts of income and expenses for the reporting period. The Corporation 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 judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Please refer to the Financial Statements for information on the Corporation's significant judgements in applying accounting policies as well as significant accounting estimates and assumptions.

CHANGES IN IFRS ACCOUNTING POLICIES AND FUTURE ACCOUNTING PRONOUNCEMENTS

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. Please refer to the Financial Statements for information on future accounting pronouncements as well as new accounting standards issued and effective.

CORPORATE GOVERNANCE

Management and the Board recognize the value of good corporate governance and the need to adopt best practices. The Corporation 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 four committees: the Audit Committee, the Compensation Committee, the Corporate Governance and Nominating Committee, and the Sustainable Development 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 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 Corporation's corporate governance practices, please refer to O3 Mining's website (www.o3mining.com) and the statement of Corporate Governance contained in the Corporation's management information circular dated May 30, 2022.

The Corporation's directors have expertise in exploration, metallurgy, mining, accounting, legal, banking, financing, communication and community engagement and the securities industry. The Board and each committee are scheduled to meet at least four times per year.

INTERNAL CONTROL OVER FINANCIAL REPORTING

Disclosure controls and procedures

Disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed by the Corporation in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in the securities legislation and include controls and procedures designed to ensure that information required to be disclosed by the Corporation in its annual filings, interim filings or other reports filed or submitted under securities legislation is accumulated and communicated to the Corporation's management, including its Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Internal controls over financial reporting

Internal controls over financial reporting are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS. Management is also responsible for the design of the Corporation's internal control over financial reporting in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Corporation's internal controls over financial reporting include policies and procedures that: pertain to the maintenance of records that, in reasonable detail accurately and fairly reflect the transactions and disposition of assets; provide reasonable assurance that transactions are recorded as necessary to permit preparation of the financial statements in accordance with IFRS and that receipts and expenditures are being made only in accordance with authorization of management and directors of the Corporation; and provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of assets that could have a material effect on the financial statements.

NON-IFRS MEASURES

The Corporation has included a non-IFRS measure for "working capital" in this MD&A to supplement its financial statements, which are presented in accordance with IFRS. The Corporation believes that this measure provides investors with an improved ability to evaluate the performance of the Corporation. 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 Corporation determines working capital as follows (in thousands of Canadian dollars):

Reconciliation for the period ended	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022
Current assets	$ 30,614	$ 39,558	$ 32,442	$ 43,049
Less current liabilities	4,521	5,217	5,241	5,167
Working capital	**$ 26,093**	**$ 34,341**	**$ 27,201**	**$ 37,882**

Reconciliation for the period ended	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021
Current assets	$ 41,729	$ 55,180	$ 67,210	$ 79,442
Less current liabilities	4,977	8,252	4,595	5,139
Working capital	**$ 36,752**	**$ 46,928**	**$ 62,615**	**$ 74,303**

RISKS AND UNCERTAINTIES

The Corporation's business, being the acquisition, exploration, and development of mineral properties in Canada, is speculative and involves a high degree of risk. Certain factors, including but not limited to the ones below, could materially affect the Corporation's financial condition and/or future operating results, and could cause actual events to differ materially from those described in forward-looking statements made by or relating to the Corporation. See *"Cautionary Note Regarding Forward-Looking Information"*. The reader should carefully consider these risks as well as the information disclosed in the Corporation's financial statements, the Corporation's annual information form dated March 8, for the year ended December 31, 2022, and other publicly filed documents of the Corporation, which are available electronically on SEDAR (www.sedar.com) under the Corporation's issuer profile.

Nature of Mineral Exploration and Mining

The Corporation's future is dependent on its exploration and development programs. The exploration and development of mineral deposits involves significant financial risks over a prolonged period of time, which may not be eliminated even through a combination of careful evaluation, experience and knowledge. Few properties that are explored are ultimately developed into economically viable operating mines. Major expenditures on the Corporation's exploration properties may be required to construct mining and processing facilities at a site, and it is possible that even preliminary due diligence will show adverse results, leading to the abandonment of projects. It is impossible to ensure that preliminary or full feasibility studies on the Corporation's projects, or the current or proposed exploration programs on any of the properties in which the Corporation has exploration rights, will result in any profitable commercial mining operations. The Corporation cannot give any assurance that its current and future exploration activities will result in a discovery of mineral deposits containing mineral reserves.

Estimates of mineral resources and any potential determination as to whether a mineral deposit will be commercially viable can also be affected by such factors as: the particular attributes of the deposit, such as its size and grade; unusual or unexpected geological formations and metallurgy; proximity to infrastructure; financing costs; gold prices, which are highly volatile; and governmental regulations, including those relating to prices, taxes, royalties, infrastructure, land use, importing and exporting of metal concentrates, exchange controls and environmental protection. The effect of these factors cannot be accurately predicted, but the combination of any or all of these factors may result in the Corporation not receiving an adequate return on its invested capital or suffering material adverse effects to its business and financial condition. Exploration and development projects also face significant operational risks including but not limited to an inability to obtain access rights to properties, accidents, equipment breakdowns, labour disputes (including work stoppages and strikes), and other unanticipated interruptions.

Exploration, Development and Operations

The long-term profitability of the Corporation'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, including the Corporation's ability to extend the permitted term of exploration granted by the underlying concession contracts. Substantial expenditures are required to establish reserves through drilling, to develop processes to extract the resources and, in the case of new properties, to develop the extraction and processing facilities and infrastructure at any site chosen for extraction. Although substantial benefits may be derived from the discovery of a major deposit, no assurance can be given that any such deposit will be commercially viable or that the funds required for development can be obtained on a timely basis.

Liquidity and Additional Financing

The Corporation's ability to continue its business operations is dependent on management's ability to secure additional financing. The Corporation's only source of liquidity is its cash and cash equivalent balances. Liquidity requirements are managed based upon forecasted cash flows to ensure that there is sufficient working capital to meet the Corporation's obligations.

The advancement, exploration and development of the Corporation's properties, including continuing exploration and development projects, and, if warranted, construction of mining facilities and the commencement of mining operations, will require substantial additional financing. As a result, the Corporation may be required to seek additional sources of equity financing in the near future. While the Corporation has been successful in raising such financing in the past, its ability to raise additional equity financing may be affected by numerous factors beyond its control including, but not limited to, adverse market conditions, commodity price changes and economic downturns. There can be no assurance that the Corporation will be successful in obtaining any additional financing required to continue its business operations and/or to maintain its property interests, or that such financing will be sufficient to meet the Corporation's objectives or obtained on terms favourable to the Corporation. Failure to obtain sufficient financing as and when required may result in the delay or indefinite postponement of exploration and/or development on any or all of the Corporation's properties, or even a loss of property interest, which would have a material adverse effect on the Corporation's business, financial condition and results of operations.

Estimates of Capital Costs and Operating Costs

As a result of the substantial expenditures involved in the development of a mineral project, the need to project years into the future, the need to make assumptions and use models that may not adequately approximate reality, and the fluctuation of costs over time, a development project is prone to material cost overruns.

Capital costs, operating costs, production and economic returns, and other estimates may differ significantly from those anticipated by the Marban PFS, and there can be no assurance that the Corporation's actual capital or operating costs will not be higher than currently anticipated or that returns will not be lower than anticipated. The current inflationary trends in the global economy and supply chain issues may negatively impact study inputs. The Corporation's actual costs may vary from estimates for a variety of reasons, including: limitations inherent in modelling; changes to assumed third party costs; short term operating factors; revisions to mine plans; risks and hazards associated with development and mining described elsewhere in this AIF and the Marban PFS; natural phenomena, such as inclement weather conditions, water availability, floods, and earthquakes; and unexpected labour shortages or strikes. Operating costs may also be affected by a variety of factors, including: mining methods, changing waste-to ore ratios, mineralized material grade metallurgy, labour costs, cost of commodities, general inflationary pressures and currency exchange rates. Many of these factors are beyond the Corporation's control. Failure to achieve estimates or a material increase in costs could have a material adverse effect on the Corporation's business, financial condition, results of operations, cash flows and prospects.

No Earnings and History of Losses

The business of developing and exploring resource properties involves a high degree of risk and, therefore, there is no assurance that current exploration programs will result in profitable operations. The Corporation has not determined whether any of its properties contains economically recoverable reserves of mineralized material and currently has not earned any revenue from its projects; therefore, the Corporation does not generate cash flow from its operations. There can be no assurance that significant additional losses will not occur in the future. The Corporation's operating expenses and capital expenditures may increase in future years with advancing exploration, development and/or production from the Corporation's properties. The Corporation does not expect to receive revenues from operations in the foreseeable future and expects to incur losses until such time as one or more of its properties enters into commercial production and generates sufficient revenue to fund continuing operations. There is no assurance that any of the Corporation's properties will eventually enter commercial operation. There is also no assurance that new capital will become available, and if it is not, the Corporation may be forced to substantially curtail or cease operations.

Osisko Mining Being a Significant Shareholder

Osisko Mining is a significant shareholder of O3 Mining and will have the ability to significantly influence certain corporate actions of O3 Mining. As of March 10, 2022, Osisko Mining holds 15,861,298 Common Shares, representing approximately 23.3% of the issued and outstanding Common Shares on a basic basis. This level of share ownership allows Osisko Mining to exercise significant influence over all matters requiring approval of the shareholders of O3 Mining, including the election of directors, determination of significant corporate actions, amendments to O3 Mining's articles and by-laws, and the approval of any business combinations, mergers or takeover attempts, in a manner that could conflict with the interests of other shareholders of O3 Mining. In addition to having significant influence over all matters requiring approval of the shareholders of O3 Mining, Osisko Mining may have investment objectives which are different than other shareholders of O3 Mining, and may dispose of Common Shares from time-to-time through the facilities of the TSX Venture Exchange, which could put downward pressure on the price of Common Shares.

Market Liquidity of Investment Portfolio

The Corporation holds a portfolio of investments in public and private companies. These investments are speculative and involve a high-degree of risk. There is no guarantee that these investments will earn any positive return in the short-term or long-term, and it may not be possible for the Corporation to readily liquidate the portfolio of investments. The portfolio of investments includes companies subject to trading liquidity risk, and the Corporation may not be able to sell such investments within a reasonable amount of time at a fair price, and any such sale may put downward pressure on the share price of such companies. As such, there can be no assurances that the Corporation can convert the portfolio of investments into cash quickly or at all.

Market Price of the Common Shares

The Common Shares trade on the TSX Venture Exchange under the symbol "OIII" and on the OTCQX® Best Market under the symbol "OIIIF". The market price of securities of many companies, particularly exploration and development stage mining companies, experience wide fluctuations that are not necessarily related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that an active market for the Common Shares will be sustained, or that fluctuations in the price of the Common Shares will not occur. The market price of the Common Shares at any given point in time may not accurately reflect the Corporation's long-term value. Securities class action litigation has often been brought against companies following periods of volatility in the market price of their securities. The Corporation may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

Volatility of Commodity Prices

The development of the Corporation's properties is dependent on the future prices of minerals and metals. In addition, should any of the Corporation's properties eventually enter commercial production, the Corporation's profitability will be significantly affected by changes in the market prices of minerals and metals.

Precious metals prices are subject to volatile price movements, which can be material and occur over short periods of time and which are affected by numerous factors, all of which are beyond the Corporation's control. Such factors include, but are not limited to, interest and exchange rates, inflation or deflation, fluctuations in the value of the U.S. dollar and foreign currencies, global and regional supply and demand, speculative trading, the costs of and levels of precious metals production, and political and economic conditions. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems, the strength of and confidence in the U.S. dollar (the currency in which the prices of precious metals are generally quoted), and political developments.

The effect of these factors on the prices of precious metals, and therefore the economic viability of any of the Corporation's exploration projects, cannot be accurately determined. The prices of commodities have historically fluctuated widely, and future price declines could cause the development of (and any future commercial production from) the Corporation's properties to be impracticable or uneconomical. As such, the Corporation may determine that it is not economically feasible to commence commercial production at some or all of its properties, which could have a material adverse impact on the Corporation's financial performance and results of operations. In such a circumstance, the Corporation may also curtail or suspend some or all of its exploration activities.

Acquiring Title

The acquisition of title to mineral properties is a very detailed and time-consuming process. The Corporation may not be the registered holder of some or all of the claims and concessions comprising the Marban Engineering Project or any of the other mineral projects of the Corporation. These claims or concessions may currently be registered in the names of other individuals or entities, which may make it difficult for the Corporation to enforce its rights with respect to such claims or concessions. There can be no assurance that proposed or pending transfers will be effected as contemplated. Failure to acquire title to any of the claims or concessions at one or more of the Corporation's projects may have a material adverse impact on the financial condition and results of operation of the Corporation.

Title Matters

Once acquired, title to, and the area of, mineral properties may be disputed. There is no guarantee that title to one or more claims or concessions at the Corporation's projects will not be challenged or impugned. There may be challenges to any of the Corporation's titles which, if successful, could result in the loss or reduction of the Corporation's interest in such titles. The Corporation's properties may be subject to prior unregistered liens, agreements, transfers or claims, and title may be affected by, among other things, undetected defects. In addition, the Corporation may be unable to operate its properties as permitted or to enforce its rights with respect to its properties. The failure to comply with all applicable laws and regulations, including a failure to pay taxes or to carry out and file assessment work, can lead to the unilateral termination of concessions by mining authorities or other governmental entities.

Uncertainty and Inherent Sample Variability

Although the Corporation believes that the estimated mineral resources and mineral reserves at the Marban Engineering Project and its other mineral properties have been delineated with appropriately spaced drilling, there exists inherent variability between duplicate samples taken adjacent to each other and between sampling points that cannot be reasonably eliminated. There also may be unknown geological details that have not been identified or correctly appreciated at the current level of delineation. This results in uncertainties that cannot be reasonably eliminated from the estimation process. Some of the resulting variances can have a positive effect and others can have a negative effect on mining and processing operations.

Reliability of Mineral Resources Estimates and Mineral Reserves Estimates

Mineral resources and mineral reserves are estimates only, and no assurance can be given that the anticipated tonnages and grades will be achieved or that the indicated level of recovery will be realized, or that mineral reserves could be mined or processed profitably. Actual mineral reserves may not conform to geological, metallurgical or other expectations, and the volume and grade of ore recovered may be below the estimated levels. Mineral resources and mineral reserves may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing and other relevant issues. There are numerous uncertainties inherent in estimating mineral resources and mineral reserves, including many factors beyond the Corporation's control. Such estimation is a subjective process, and the accuracy of any mineral resources and mineral reserves estimates are a function of the quantity and quality of available data, the nature of the mineralized body and of the assumptions made and judgments used in engineering and geological interpretation. These estimates may require adjustments or downward revisions based upon further exploration or development work or actual production experience.

Fluctuations in gold or silver prices, results of drilling, metallurgical testing and production, the evaluation of mine plans after the date of any estimate, permitting requirements or unforeseen technical or operational difficulties, may require revision of mineral resources or mineral reserves estimates. Should reductions in mineral resources occur, the Corporation may be required to take a material write-down of its investment in mining properties, reduce the carrying value of one or more of its assets or delay or discontinue production or the development of new projects, resulting in increased net losses and reduced cash flow. Mineral resources and mineral reserves should not be interpreted as assurances of mine life or of the profitability of current or future operations. Any material reductions in estimates of mineral resources or mineral reserves could have a material adverse effect on the Corporation's results of operations and financial condition.

Mineral resources are not mineral reserves and have a greater degree of uncertainty as to their existence and feasibility. There is no assurance that mineral resources will be upgraded to proven or probable mineral reserves.

Uncertainty Relating to Inferred Mineral Resources

Inferred mineral resources are not mineral reserves and do not have demonstrated economic viability. Due to the uncertainty which may attach to inferred mineral resources, there is no assurance that inferred mineral resources will be upgraded to proven and probable mineral reserves as a result of continued exploration.

Term and Extension of Concession Contracts

Non-compliance with concession contracts may lead to their early termination by the relevant mining authorities or other governmental entities. A company whose concession contracts were subject to termination could be prevented from being issued new concessions or from keeping the concessions that it already held. The Corporation is not aware of any cause for termination or any investigation or procedure aimed at the termination of any of its concession contracts.

Governmental Regulation

The mineral exploration and development activities of the Corporation are subject to various laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local people and other matters in local areas of operation. Although the Corporation's exploration and development activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration, development or production. Amendments to current laws and regulations governing the Corporation's operations, or more stringent implementation thereof, could have an adverse impact on the Corporation's business and financial condition.

The Corporation's operations may be subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner that means standards are stricter, and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and their directors, officers and employees. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of the Corporation's future operations.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities that could cause operations to cease or be curtailed. Other enforcement actions may include corrective measures requiring capital expenditures, the installation of additional equipment or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of such mining activities and may have civil or criminal fines or penalties imposed upon them for violations of applicable laws or regulations.

Permitting

The operations of the Corporation require licenses and permits from various governmental authorities. The Corporation will use its best efforts to obtain all necessary licenses and permits to carry on the activities which it intends to conduct, and it intends to comply in all material respects with the terms of such licenses and permits. However, there can be no guarantee that the Corporation will be able to obtain and maintain, at all times, all necessary licenses and permits required to undertake its proposed exploration and development, or to place its properties into commercial production and to operate mining facilities thereon. In the event of commercial production, the cost of compliance with changes in governmental regulations has the potential to reduce imposition of fines or penalties as well as criminal charges against the Corporation for violations of applicable laws or regulations.

With respect to environmental permitting, the development, construction, exploitation and operation of mines at the Corporation's projects may require the granting of environmental licenses and other environmental permits or concessions by the competent environmental authorities. Required environmental permits, licenses or concessions may take time and/or be difficult to obtain, and may not be issued on the terms required by the Corporation. Operating without the required environmental permits may result in the imposition of fines or penalties as well as criminal charges against the Corporation for violations of applicable laws or regulations.

Surface Rights

The Corporation does not own all of the surface rights at its properties and there is no assurance that surface rights owned by the government or third parties will be granted, nor that they will be on reasonable terms if granted. Failure to acquire surface rights may impact the Corporation's ability to access its properties, as well as its ability to commence and/or complete construction or production, any of which would have a material adverse effect on the profitability of the Corporation's future operations.

Dependence on Key Personnel

The Corporation's future growth and its ability to develop depend, to a significant extent, on its ability to attract and retain highly qualified personnel. The Corporation relies on a limited number of key employees, consultants and members of senior management, and there is no assurance that the Corporation will be able to retain such personnel. The loss of one or more key employees, consultants or members of senior management, if such persons are not replaced, could have a material adverse effect on the Corporation's business, financial condition and prospects.

To operate successfully and manage its potential future growth, the Corporation must attract and retain highly qualified engineering, managerial and financial personnel. The Corporation faces intense competition for qualified personnel in these areas, and there can be no certainty that the Corporation will be able to attract and retain qualified personnel. If the Corporation is unable to hire and retain additional qualified personnel in the future to develop its properties, its business, financial condition and operating results could be adversely affected.

Uninsurable Risks

Mining operations generally involve a high degree of risk. Exploration, development and production operations on mineral properties involve numerous risks, including but not limited to unexpected or unusual geological operating conditions, seismic activity, rock bursts, cave-ins, fires, floods, landslides, earthquakes and other environmental occurrences, risks relating to the shipment of precious metal concentrates or ore bars, and political and social instability, any of which could result in damage to, or destruction of, the mine and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although the Corporation believes that appropriate precautions to mitigate these risks are being taken, operations are subject to hazards such as equipment failure or failure of structures, which may result in environmental pollution and consequent liability. It is not always possible to obtain insurance against all such risks and the Corporation may decide not to insure against certain risks because of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate the Corporation's future profitability and result in increasing costs and a decline in the value of the Common Shares. The Corporation does not maintain insurance against title, political or environmental risks.

While the Corporation may obtain insurance against certain risks in such amounts as it considers adequate, the nature of these risks is such that liabilities could exceed policy limits or be excluded from coverage. The potential costs that could be associated with any liabilities not covered by insurance or in excess of insurance coverage may cause substantial delays and require significant capital outlays, thereby adversely affecting the Corporation's business and financial condition.

Global Financial Conditions

Current global financial conditions have been subject to increased volatility and uncertainties, marked by increased levels of inflation, higher interest rates, capital markets uncertainties, economic uncertainties as a consequence of the war in the Ukraine and other global geopolitical tensions, supply chain issues, fluctuation in energy and commodity prices, and labour shortages. As such, access to public financing, particularly for junior resource companies, has been negatively impacted. These factors may impact the ability of the Corporation to obtain equity or debt financing in the future and, if obtained, such financing may not be on terms favourable to the Corporation. If increased levels of volatility and market turmoil continue, the Corporation's operations could be adversely impacted and the value and price of the Common Shares could be adversely affected.

Information Systems Security Threats

The Corporation's operations depend upon information technology systems which may be subject to disruption, damage or failure from different sources, including, without limitation, installation of malicious software, computer viruses, security breaches, cyber-attacks and defects in design.

Although to date the Corporation has not experienced any material losses relating to cyber attacks or other information security breaches, there can be no assurance that the Corporation will not incur such losses in the future. The Corporation's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attach, damage or unauthorized access remain a priority. As cyber threats continue to evolve, the Corporation may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

Competition

The mineral exploration and mining business is competitive in all of its phases. In the search for and acquisition of attractive mineral properties, the Corporation competes with numerous other companies and individuals, including competitors with greater financial, technical and other resources. The Corporation's ability to acquire properties in the future will depend on its ability to select and acquire suitable producing properties or prospects for mineral exploration. There is no assurance that the Corporation will continue to be able to compete successfully with its competitors in acquiring such properties or prospects, nor that it will be able to develop any market for the raw materials that may be produced from its properties. Any such inability could have a material adverse effect on the Corporation's business and financial condition.

Option and Joint Venture Agreements

The Corporation has and may continue to enter into option agreements and/or joint ventures as a means of gaining property interests and raising funds. Any failure of any partner to meet its obligations to the Corporation or other third parties, or any disputes with respect to third parties' respective rights and obligations, could have a negative impact on the Corporation. Pursuant to the terms of certain of the Corporation's existing option agreements, the Corporation is required to comply with exploration and community relations obligations, among others, any of which may adversely affect the Corporation's business, financial results and condition.

Under the terms of such option agreements the Corporation may be required to comply with applicable laws, which may require the payment of maintenance fees and corresponding royalties in the event of exploitation/production. The costs of complying with option agreements are difficult to predict with any degree of certainty; however, were the Corporation forced to suspend operations on any of its concessions or pay any material fees, royalties or taxes, it could result in a material adverse effect to the Corporation's business, financial results and condition.

The Corporation may be unable to exert direct influence over strategic decisions made in respect of properties that are subject to the terms of these agreements, and the result may be a materially adverse impact on the strategic value of the underlying concessions.

Mergers and Amalgamations

The ability to realize the benefits of any merger or amalgamation completed by the Corporation will depend in part on successfully consolidating functions and integrating operations, procedures, and personnel in a timely and efficient manner. This integration will require the dedication of substantial management effort, time and resources which may divert management's focus and resources from other strategic opportunities of the Corporation following completion of any such arrangement, and from operational matters during such a process.

Future Acquisitions

The Corporation may seek to expand through future acquisitions; however, there can be no assurance that the Corporation will locate attractive acquisition candidates, or that the Corporation will be able to acquire such candidates on economically acceptable terms, if at all, or that the Corporation will not be restricted from completing acquisitions pursuant to the terms and conditions from time to time of arrangements with third parties, such as the Corporation's creditors. Future acquisitions may require the Corporation to expend significant amounts of cash, resulting in the Corporation's inability to use these funds for other business or may involve significant issuances of equity. Future acquisitions may also require substantial management time commitments, and the negotiation of potential acquisitions and the integration of acquired operations could disrupt the Corporation's business by diverting management and employees' attention away from day-to-day operations. The difficulties of integration may be increased by the necessity of coordinating geographically diverse organizations, integrating personnel with disparate backgrounds and combining different corporate cultures.

Any future acquisition involves potential risks, including, among other things: (i) mistaken assumptions and incorrect expectations about mineral properties, MRE and costs; (ii) an inability to successfully integrate any operation the Corporation acquires; (iii) an inability to recruit, hire, train or retain qualified personnel to manage and operate the operations acquired; (iv) the assumption of unknown liabilities; (v) limitations on rights to indemnity from the seller; (vi) mistaken assumptions about the overall cost of equity or debt; (vii) unforeseen difficulties operating acquired projects, which may be in geographic areas new to the Corporation; and (viii) the loss of key employees and/or key relationships at the acquired project.

At times, future acquisition candidates may have liabilities or adverse operating issues that the Corporation fails to discover through due diligence prior to the acquisition. If the Corporation consummates any future acquisitions with unanticipated liabilities or that fails to meet expectations, the Corporation's business, results of operations, cash flows or financial condition may be materially adversely affected. The potential impairment or complete write-off of goodwill and other intangible assets related to any such acquisition may reduce the Corporation's overall earnings and could negatively affect the Corporation's balance sheet.

Community Relationships

The Corporation's relationships with the communities in which it operates are critical to ensure the future success of its existing operations and the construction and development of its projects.

Early information and consultation meetings have been held with local communities, First Nations Communities, local, provincial, and federal governmental authorities to initiate collaborative work to obtain social acceptability of the project. The Corporation is advocating for open dialogue with concerned parties to enable the inclusion of comments and suggestions in the development of the Marban Engineering Project. The Corporation's commitments include keeping stakeholders informed on project advancement, transparency and respect for the voicing of opinions; and listening and being receptive to questions and concerns from interested parties.

Land tenure is a mix of public, private, and municipal properties. No federal land is located within the Marban Engineering Project area. No federal land will be used for to carry out the Marban Engineering Project. Since the Marban Engineering Project will require lands on which permanent residences, businesses, public roads are located within the proposed layout, agreements will have to be settled with respective owners. The Corporation has initiated discussion with some residents and business owners on the footprint of the Marban Engineering Project, but no agreements have been signed.

The Marban Engineering Project site is located on the ancestral territory of the Algonquin Anishinabeg Nation (Anicinabek). No land in a reserve is located within the proposed layout. The Marban Engineering Project area is, however, located on land that is subject to a comprehensive land claims agreement or a self-government agreement. The impact of any such claim on the Corporation's interest in the land cannot be predicted with any degree of certainty and no assurance can be given that a broad recognition of First Nations rights in the areas in which the Corporation's land is located, by way of negotiated settlements or judicial pronouncements, would not have an adverse effect on Corporation's activities.
While the Corporation is committed to operating in a socially responsible manner and working towards entering into agreements in satisfaction of such requirements, there is no guarantee that its efforts will be successful, in which case interventions by third parties could have a material adverse effect on the Corporation's business, financial position and operations.

Conflicts of Interest

Certain of the directors and officers of the Corporation also serve as directors and/or officers of other companies involved in natural resource exploration, development and mining operations. Consequently, there exists the possibility for such directors and officers to be in a position of conflict. The directors of the Corporation are required by law to act honestly and in good faith with a view to the best interests of the Corporation, and to disclose any interest they may have in any project or opportunity of the Corporation. In addition, each of the directors is required by law to declare his or her interest in and refrain from voting on any matter in which he or she may have a conflict of interest, in accordance with applicable laws.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supplies, as well as the location of population centres and pools of labour, are important determinants which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could impact the Corporation's ability to explore its properties, thereby adversely affecting its business and financial condition.

Construction and Start-up of New Mines

The success of construction projects and the start-up of new mines by the Corporation is subject to a number of factors including: the availability of financing and the terms of such financing, the availability and performance of engineering and construction contractors, mining contractors, suppliers and consultants; the receipt of required governmental approvals and permits in connection with the construction of mining facilities and the conduct of mining operations; changing terms for and availability of supplies; the impact of inflation upon inputs to construction and start-up; and milling, processing and mining equipment and other operational elements that have to be factored in. Any delay in financing and refinancing, the performance of any one or more of the contractors, suppliers, consultants or other persons on which the Corporation is dependent in connection with its construction activities, a delay in or failure to receive the required governmental approvals and permits in a timely manner or on reasonable terms, or a delay in or failure in connection with the completion and successful operation of the operational elements in connection with new mines could delay or prevent the construction and start-up of new mines as planned. There can be no assurance that current or future construction and start-up plans implemented by the Corporation will be successful; that the Corporation will be able to obtain sufficient funds to finance construction and start-up activities; that personnel and equipment will be available in a timely manner or on reasonable terms to successfully complete construction projects; that the Corporation will be able to obtain all necessary governmental approvals and permits; and that the completion of the construction, the start-up costs and the ongoing operating costs associated with the development of new mines will not be significantly higher than anticipated by the Corporation.

It is not unusual in new mining operations to experience unexpected problems and delays during the construction and development of a mine. In addition, delays in the commencement or expansion of mineral production often occur and, once commenced or expanded, the production of a mine may not meet expectations or estimates set forth in feasibility or other studies. Any of the foregoing factors could adversely impact the operations and financial condition of the Corporation.

Geological, Hydrological and Climatic Events

All mining operations face geotechnical, hydrological and climate challenges. Unanticipated adverse geotechnical and hydrological conditions, such as landslides, subsidence and uplift, embankment failures and rock fragility may occur in the future and such events may not be detected in advance. Geotechnical instabilities and adverse climatic conditions can be difficult to predict and are often affected by risks and hazards outside of the Corporation's control, such as severe weather and seismic activity. Geotechnical failures could result in limited or restricted access to mines, suspension of operations, environmental damage, government investigations, increased monitoring costs, remediation costs, loss of mineralized material and other impacts, which could result in loss of revenue or increased costs and could result in a material adverse effect on the Corporation's business, financial condition, results of operations, cash flows or prospects.

Pre-existing Environmental Liabilities

Pre-existing environmental liabilities may exist on the properties in which the Corporation hold an interest or on properties that may be subsequently acquired by the Corporation which are unknown, and which have been caused by previous or existing owners or operators of the properties. In such event, the Corporation may be required to remediate these properties and the costs of remediation could be substantial. Further, in such circumstances, the Corporation may not be able to claim indemnification or contribution from other parties. In the event the Corporation were required to undertake and fund significant remediation work, such event could have a material adverse effect upon the Corporation and the value of its securities.

Climate Change

Global climate change could exacerbate certain of the threats facing the Corporation's business, including the frequency and severity of weather-related events, resource shortages, changes in rainfall and storm patterns and intensities, water shortages, rising water levels and changing temperatures which can disrupt the Corporation's operations, damage its infrastructure or properties, create financial risk to the business of the Corporation or otherwise have a material adverse effect on our results of operations, financial position or liquidity. These may result in substantial costs to respond during the event, to recover from the event and possibly to modify existing or future infrastructure requirements to prevent recurrence. Climate changes could also disrupt the operations of The Corporation by impacting the availability and cost of materials needed for exploration and development activities and could increase insurance and other operating costs.

Global climate change also results in regulatory risks. There continues to be a lack of consistent climate legislation, which creates economic and regulatory uncertainty. Increased public awareness and concern regarding global climate change may result in more legislative and/or regulatory requirements to reduce or mitigate the effects of greenhouse gas emissions.

Litigation Risk

The Corporation may be subject to litigation and legal proceedings arising in the normal course of business and may be involved in disputes with other parties in the future which may result in litigation. The causes of potential future litigation cannot be known and may arise from, among other things, business activities and environmental laws. The results of litigation cannot be predicted with certainty. If the Corporation is unable to resolve these disputes favourably, they may result in a material adverse impact on the Corporation's financial condition, cash flows and results of operations.

Inflation

Consumer price inflation has risen significantly in 2022 and if it continues will mean much higher costs for the Corporation's expenditure programs. The Corporation's program cost estimates could rapidly become out-of-date. If this happens, the Corporation will need to either raise additional funds causing equity dilution or reduce its expenditures and reducing progress. Increases in inflation usually result in central bank interest rate hikes which can trigger negative capital market conditions making financing difficult. While inflation increases have often led to higher precious metals prices, there can be no assurance of that and the Corporation's operations and its share price could well be adversely affected by increased inflation.

Public Company Obligations

As a publicly listed corporate entity, the Corporation is subject to evolving rules and regulations promulgated by a number of governmental and self-regulated organizations, including the Canadian Securities Administrators (CSA), the TSX Venture Exchange, and the International Accounting Standards Board, which govern corporate governance and public disclosure regulations. These rules and regulations continue to evolve in scope and complexity creating many new requirements, which increase compliance costs and the risk of non-compliance. The Corporation's efforts to comply with these rules and obligations could result in increased general and administration expenses and a diversion of management time and attention from financing, development, operations and, eventually, revenue-generating activities.

Publication of Inaccurate or Unfavourable Research by Securities Analysts or Other Third Parties

The trading market for Common Shares may rely in part on the research and reports that securities analysts and other third parties choose to publish about the Corporation. The Corporation does not control these analysts or other third parties. The price of the Common Shares could decline if one or more securities analysts downgrade the Common Shares or if one or more securities analysts or other third parties publish inaccurate or unfavourable research about the Corporation or cease publishing reports about the Corporation.

Additionally, there is an increasing level of public concern relating to the effect of mining production on our surroundings, communities and environment. Non-governmental organizations ("NGOs"), some of which oppose resource development, are often vocal critics of the mining industry. While the Corporation seeks to operate in a socially responsible manner, adverse publicity generated by such NGOs related to extractive industries, or our operations specifically, could have an adverse effect on our reputation and financial condition or our relationship with the communities in which we operate.

The Outstanding Common Shares Could be Subject to Dilution

In order to finance future operations and development efforts, the Corporation may raise funds through the issue of additional securities of the Corporation. The constituting documents of the Corporation allow it to issue, among other things, securities of the Corporation for such consideration and on such terms and conditions as may be established by the directors of the Corporation, in many cases, without the approval of shareholders. The size of future issues of securities of the Corporation or the effect, if any, that future issues and sales of such securities will have on the price of the Corporation's securities cannot be predicted at this time. Any transaction involving the issue of previously authorized but unissued securities of the Corporation would result in dilution, possibly substantial, to present and prospective shareholders of the Corporation.

No Dividends Policy

The Corporation has not declared a dividend since incorporation and does not anticipate doing so in the foreseeable future. Any future determination as to the payment of dividends will be at the discretion of the board and will depend on the availability of profit, operating results, the financial position of the Corporation, future capital requirements and general business and other factors considered relevant by the directors of the Corporation. No assurances in relation to the payment of dividends can be given.

TECHNICAL INFORMATION

Scientific and technical information in this MD&A relating to the **Bulldog and Kappa Project** is supported by the technical report entitled "*NI 43-101 Technical Report Alpha Property Québec, Canada"* and dated December 23, 2022 (effective date of November 10, 2022), which has been prepared for the Corporation by G Mining Services Inc. (the "Bulldog Kappa Resource Estimate"). The Bulldog Kappa Resource Estimate was prepared by James Purchase, P. Geo., a "qualified person" within the meaning of NI 43-101 and considered to be "independent" of the Corporation for purposes of Section 1.5 of NI 43-101. G Mining is considered to be "independent" of the Corporation for purposes of Section 1.5 of NI 43-101. Reference should be made to the full text of the Bulldog Kappa Resource Estimate, which was prepared in accordance with NI 43-101 and is available electronically on SEDAR (www.sedar.com) under O3 Mining's issuer profile.

Scientific and technical information in this MD&A relating to the **Marban Engineering Project** is supported by the Marban PFS entitled *"Marban Engineering Project NI 43-101 Technical Report & Prefeasibility, Val-d'Or, Québec, Canada"* dated October 7, 2022 (effective date of August 24, 2022). The Marban PFS was prepared for the Corporation by Ausenco Engineering Canada Inc. and G Mining Services Inc., by the following qualified persons Renee Barrette, ing., James Purchase P. Geo., Carl Michaud, P.Eng., Ali Hooshiar, P.Eng., Davood Hasanloo, P.Eng., and Andréanne Hamel, ing., each of whom is a "qualified person" within the meaning of NI 43-101 and considered to be "independent" of the Corporation for purposes of Section 1.5 of NI 43-101. Reference should be made to the full text of the 2022 Marban PFS, which was prepared in accordance with NI 43-101 and is available electronically on SEDAR (www.sedar.com) under O3 Mining's issuer profile. The Marban PFS replaces the 2022 Marban MRE as the current technical report on the Marban Engineering Project for purposes of NI 43-101.

Scientific and technical information in this MD&A relating to the **Orenada Project** is supported by the technical report entitled *"A Mineral Updated Mineral Resource Estimate for the Orenada Zones 2 and 4 Project, Alpha Group Properties, Latitude 48° 03' North and Longitude 77° 42' West, Province of Québec, Canada"* and dated July 20, 2018 (effective date of July 6, 2018), which has been prepared for the Corporation by InnovExplo Inc. (the "Orenada Resource Estimate"). The Orenada Resource Estimate was prepared by Claude Savard, B.Sc., P.Geo, Alain Carrier, M.Sc., P.Geo, and Gustavo Durieux, M.A.Sc., P.Geo, each of whom is a "qualified person" within the meaning of NI 43-101 and considered to be "independent" of the Corporation for purposes of Section 1.5 of NI 43-101. InnovExplo is considered to be "independent" of the Corporation for purposes of Section 1.5 of NI 43-101 and is responsible for Whittle pit optimizations reported in the Orenada Resource Estimate. Reference should be made to the full text of the Orenada Resource Estimate, which was prepared in accordance with NI 43-101 and is available electronically on SEDAR (www.sedar.com) under Alexandria's issuer profile.

Scientific and technical information in this MD&A relating to the **Akasaba Project** is supported by the technical report entitled *"NI 43-101 Technical Report on the Akasaba Project, Province of Québec, Canada"* and dated March 1, 2013 (effective date of January 20, 2013), which has been prepared for the Corporation by Christian D'Amours, B.Sc. P.Geo (OGQ #226) of Geopointcom, from Val-d'Or, Québec, and has been reviewed and audited by Geologica Inc. from Val-d'Or, Québec (the "Akasaba Resource Estimate"). The Akasaba Resource Estimate was prepared under the direction of Alain-Jean Beauregard, P.Geo (OGQ # 227) and Daniel Gaudreault (OIQ # 39834), each of whom is a "qualified person" within the meaning of NI 43-101 and considered to be "independent" of the Corporation for purposes of Section 1.5 of NI 43-101. Reference should be made to the full text of the Akasaba Resource Estimate, which was prepared in accordance with NI 43-101 and is available electronically on SEDAR (www.sedar.com) under Alexandria's issuer profile.

Scientific and technical information in this MD&A relating to the **Sleepy Project** is supported by the technical report entitled *"2014 NI 43-101 Technical Report on the Sleepy Lake Property, Province of Québec, Canada"* and dated November 25, 2014 (effective date of September 15, 2014), which has been prepared for the Corporation by Christian D'Amours, B.Sc. P.Geo (OGQ #226) of Geopointcom, from Val-d'Or, Québec, and has been reviewed and audited by Geologica Inc. from Val-d'Or, Québec (the "Sleepy Resource Estimate"). The Sleepy Resource Estimate was prepared under the direction of Alain-Jean Beauregard, P.Geo (OGQ # 227) and Daniel Gaudreault (OIQ # 39834), each of whom is a "qualified person" within the meaning of NI 43-101 and considered to be "independent" of the Corporation for purposes of Section 1.5 of NI 43-101. Reference should be made to the full text of the Sleepy Resource Estimate, which was prepared in accordance with NI 43-101 and is available electronically on SEDAR (www.sedar.com) under Alexandria's issuer profile.

Scientific and technical information in this MD&A relating to the **Simkar Gold Property** is supported by the technical report entitled *"NI 43-101 Technical Report Simkar Gold Property, Louvicourt Township, Québec Canada"* and dated May 12, 2015 (effective date of January 21, 2015), which has been prepared for the Corporation by MRB & Associates, from Val-d'Or, Québec (the "Simkar Resource Estimate"). The Simkar Resource Estimate was prepared under the direction of Mr Abderrazak Ladidi, M.Eng., P.Geo. (MRB & Associates), whom is a "qualified person" within the meaning of NI 43-101 and considered to be "independent" of the Corporation for purposes of Section 1.5 of NI 43-101. MRB & Associates is also considered to be "independent" of the Corporation for purposes of Section 1.5 of NI 43-101. Reference should be made to the full text of the Simkar Resource Estimate, which was prepared in accordance with NI 43-101 and is available electronically on SEDAR (www.sedar.com) under Monarch Gold Corporation's issuer profile.

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 economic mineral reserves and that the economic viability of mineral resources that are not mineral reserves has not been demonstrated. The estimate of mineral resources 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. 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 Canadian rules, estimates of inferred mineral resources may not form the basis of feasibility or pre-feasibility studies or economic studies except for a preliminary economic assessment as defined under NI 43-101. Readers are cautioned not to assume that further work on the stated resources will lead to mineral reserves that can be mined economically.

Mr. Louis Gariepy, P.Geo. B.Sc., Vice President of Exploration of O3 Mining, is a "qualified person" within the meaning of NI 43-101, and has reviewed and approved the scientific and technical information in this MD&A, including the James Bay properties, the Marban property, the Alpha property and East Cadillac property.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This MD&A may contain forward-looking statements and forward-looking information within the meaning of applicable Canadian securities legislation (collectively, "forward-looking information"), including, but not limited to, statements relating to the future financial or operating performance of the Corporation, the Corporation'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), the timing and ability of O3 Mining to advance its properties, make production decisions, and prepare future technical reports, capital, operating and exploration expenditures, exploration activities, costs and timing of the development of new deposits, costs and timing of future exploration, international conflict, the timing and ability of the Corporation to publish further technical reports, including the timing and ability to publish the Marban FS (if at all), use of proceeds from financings, 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, and transactions. 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 Corporation'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 Corporation'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, (ii) the risks described in the section entitled *"Risks and Uncertainties"* in this MD&A and the sections entitled *"Risk Factors"* and *"Cautionary Statement Regarding Forward-Looking Information"* in the annual information form of the Corporation dated March 8, 2023, for the financial year ended December 31, 2022, and (iii) the financial statements of the Corporation, and (iv) other public disclosure of the Corporation, which are available on SEDAR (www.sedar.com) under the O3 Mining's issuer profile.

Although the Corporation 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; the ability of exploration activities (including drill results) to accurately predict mineralization; the predictability of geological modelling; the accuracy of the Corporation's records of its property interests; the global economic climate; metal prices; environmental risks; community and non-governmental actions; that permits required for the Corporation's operations will be obtained on a timely basis in order to permit the Corporation to proceed on schedule with its planned drilling programs; that skilled personnel and contractors will be available as the Corporation's operations continue to grow; that the price of gold will exceed levels that will render the project of the Corporation economical; the relevance of the assumptions, estimates and projections; that the Corporation will be able to operate as expected during the COVID-19 pandemic; the impact of international conflict, or the escalation thereof, on the markets, generally, and on the business and prospects of the Corporation; and that the Corporation 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 Corporation 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 Corporation 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.

ADDITIONAL INFORMATION

Additional information regarding the Corporation can be found in the annual information form of the Corporation dated March 8, 2023, for the financial year ended December 31, 2022, which is available electronically on SEDAR (www.sedar.com) under O3 Mining's issuer profile.