PELANGIO EXPLORATION INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS Form 51-102F1

For the Three Months Ended March 31, 2024

As of May 13, 2024

PELANGIO EXPLORATION INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE MONTHS ENDED MARCH 31, 2024

This Management's discussion and analysis ("MD&A") of the consolidated operating results and financial condition of Pelangio Exploration Inc. (the "Company", "Pelangio", "us", "we", "our" or similar terms) for the three months ended March 31, 2024, has been prepared based on information available to Pelangio as of May 13, 2024, and should be read in conjunction with the interim condensed consolidated financial statements and the related notes for the three months ended March 31, 2023, and the audited consolidated financial statements and the related notes for the year ended December 31, 2023. This MD&A is dated May 13, 2024. The Company's public filings can be viewed on the SEDAR website (www.sedar.com), and on the Company's website (www.pelangio.com).

The consolidated financial statements, including comparatives, and the related notes have been prepared in accordance and compliance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). All dollar amounts referred to in this MD&A are expressed in Canadian dollars, unless noted otherwise.

CORPORATE OVERVIEW

Pelangio is a Canadian junior gold exploration company with properties in two of the top-ranked mining jurisdictions in the world, Ghana and Canada. Pelangio focuses on the acquisition and exploration of early stage or undervalued exploration prospects located in world-class gold belts and aims to make discoveries that will significantly increase shareholder value. Pelangio is a reporting issuer in Ontario, Alberta, British Columbia, Saskatchewan and Nova Scotia, and our common shares commenced trading on the TSX Venture Exchange ("TSX-V") on September 10, 2008, under the symbol PX.

FORWARD LOOKING INFORMATION

Certain statements herein, including all statements that are not historical facts, contain forward-looking statements and forward-looking information within the meaning of applicable securities laws. Such forward-looking statements or information include but are not limited to statements or information with respect to:

- the mineral resource estimate;
- the timing of exploration programs and the filing of technical reports;
- exploration plans and results with respect to our Manfo, Obuasi and Dankran properties in Ghana (the "Ghana Properties") and our properties in Canada (the "Canadian Properties");
- our future business and strategies;
- requirements for additional capital and future financing;
- future price of gold; and
- estimated future working capital, funds available and uses of funds, and future capital expenditures, exploration expenditures and other expenses for specific operations.

Often, but not always, forward-looking statements or information can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. With respect to forward-looking statements and information contained herein, we have made numerous assumptions including among other things, the price of gold, and the state of the economy and equity markets. Although our management believes that the assumptions made, and the expectations represented by such statement or information are reasonable, there can be no assurance that a forward-looking statement or information referenced herein will prove to be accurate. Forward-looking statements and information by their nature are based on assumptions and involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statement or information. Such risks, uncertainties and other factors include, among other things, the following:

- our ability to advance the Ghana Properties and the Canadian Properties;
- gold price volatility;
- speculative and uncertain nature of gold exploration;
- inherent uncertainties in estimating mineral resources;

- discrepancies between actual and estimated mineral resources;
- subjectivity of estimating mineral resources and the reliance on available data and assumptions and judgments used in the interpretation of such data;
- volatility of global and local economic climate;
- changes in equity markets;
- exploration costs, capital requirements and the ability to obtain funding;
- regulatory restrictions;
- defective title to mineral claims or property;
- risks associated with outstanding litigation;
- political developments in Ghana and Canada;
- uncertainties and risks related to carrying on business in foreign countries, including illegal mining, possible adverse changes in laws and taxation, foreign currency exchange fluctuations and inflation;
- risks associated with environmental liability claims and insurance;
- risks associated with the volatility of the Company's common share price and volume; and
- risks associated with dilution;

as well as those factors discussed under "Risk Factors" below.

Although we have attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in the forward-looking statements or information, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. Also, many of the factors are beyond the control of Pelangio. Forward-looking statements and forward-looking information are based upon management's beliefs, estimates and opinions at the time they are made. There can be no assurance that forward-looking statements or information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements or information. Accordingly, readers should not place undue reliance on forward-looking statements or information. We undertake no obligation to reissue or update any forward-looking statements or information as a result of new information or events after the date hereof except as may be required by law. All forward-looking statements and information herein are qualified by this cautionary statement.

HIGHLIGHTS OF Q1 2024 AND SUBSEQUENT EVENTS

- Obuasi exploration - First stage field work, consisting of traverse geological mapping and prospecting over the western half of our Obuasi property recently concluded. TuNya will now compile all the recently acquired geological information with the historical data and write an interim report with conclusions and recommendations for further work to consist of local drone aeromagnetic surveys plus several specific target tests with auger drilling, pitting and trenching.
- On February 6, 2024, the Company has agreed to issue 500,000 common shares at a deemed per-share price of $0.02, as part of the Obuasi legal settlement. The Company also made the third USD$20,000 instalment payment.
- On February 28, 2024, certain directors of the Company loaned an aggregate of $60,000 to Pelangio to cover short term cash needs. The debentures mature on June 30, 2024, and carry a simple interest rate at 10.5%. On April 24, 2024, the Company repaid the loans and accrued interest in full.
- In March 2024, 6398651 Canada Inc. and François C. Desrosiers provided notice of default to Pelangio. It was unanimously agreed between all the parties that the option agreement would be terminated effective December 31, 2023.
- On March 28, 2024, the Company completed the first tranche of its non-brokered private placement financing. His tranche of 7,566,666 units at a price of $0.015 per unit for gross proceeds of $113,500 is comprised of one common share and one common share warrant.
- On April 16, 2024 the Company announced that it has closed the second and final tranche of a non-brokered private placement. This tranche of 25,766,666 units a price of $0.015 per unit for gross proceeds of gross proceeds of $386,500. Each warrant entitles the holder thereof to purchase one common share of the company at a price of $0.05 per common share until August 16, 2029. The Company paid a finder's fee of $22,500 in cash and issued 1,500,000 finders' warrants. The finders' warrants have the same terms as the unit warrants.
- On April 18, 2024, the Company made the fourth USD$20,000 settlement payment.

SELECTED ANNUAL INFORMATION

Selected Annual and Year to Date Information

Year ended	2023 $	2022 $	2021 $
Net (loss)	(1,387,793)	(1,361,847)	(2,725,945)
Net (loss) per share			
- Basic	(0.01)	(0.02)	(0.04)
- Diluted	(0.01)	(0.02)	(0.04)
Total assets	497,437	1,027,779	1,226,431
Long-Term Liabilities	-	40,000	40,000

SELECTED QUARTERLY INFORMATION
Summary of Quarterly Results

For the three-month period ended

	March 31, 2024 $	December 31, 2023 $	September 30, 2023 $	June 30, 2023 $
Net (loss)	(161,660)	(447,877)	(365,906)	(334,412)
Net (loss) per share				
- Basic	(0.00)	(0.00)	(0.00)	(0.00)
- Diluted	(0.00)	(0.00)	(0.00)	(0.00)
Total assets	348,751	497,437	587,463	676,710

For the three-month period ended

	March 31, 2023 $	December 31, 2022 $	September 30, 2022 $	June 30, 2022 $
Net (loss)	(239,598)	(318,198)	(307,021)	(327,820)
Net (loss) per share				
- Basic	(0.00)	(0.00)	(0.00)	(0.00)
- Diluted	(0.00)	(0.00)	(0.00)	(0.00)
Total assets	720,368	1,027,779	492,417	781,901

We do not own any interests in producing mineral properties or have any other significant revenue generating activities. Our only source of revenue is from interest earned on cash, mineral properties management income and option income. We spend money on evaluating, acquiring, and exploring mineral properties and on general and administrative costs associated with maintaining a public company.

RESULTS OF OPERATIONS
Three months ended March 31, 2024

The following table outlines the significant increases (decreases) experienced by the Company in the three-months ended March 31, 2024, compared with the three-months ended March 31, 2023.

	For the three months ended March 31		
	2024 **$**	**2023** **$**	**Increase (Decrease)** **$**
Consulting services	5,272	63,694	(58,422)
Foreign exchange (gain) loss	(17,172)	2,212	19,384
Office and general	8,119	22,897	(14,778)
Share-based payments	3,946	34,740	(30,794)
Unrealized loss on investment	(48,279)	(20,475)	27,804

- *Consulting services has decreased by $58,422 compared to Q1 2023. The reason for the decrease is due to having more functions of the Company transferred from consultants to current employees to reduce costs. There was no off-setting increase in salary for employees who assumed extra responsibilities.*
- *Foreign exchange (gain) loss increased by $19,384 compared to the same period in 2023. This is a result of timing of expenditures and foreign payable and accrual balances.*
- *Office and general expenditures decreased by $14,778 compared to Q1 2023. The decrease is continued cost cutting initiatives by Pelangio to conserve cash during ongoing difficult markets for junior exploration companies.*
- *Share-based payments decreased by $30,794 compared to Q1 2023. This is due to the vesting of options granted in 2022 year-end which vested in 2023 and 2024. There were no options granted in 2023 and Q1 2024.*
- *Unrealized loss on investments increased by $27,804 compared to Q1 2023. This is due to the market price fluctuation of the securities in companies held by Pelangio.*

FINANCING

On January 11, 2024, the Company made the required $30,000 repayment of the CEBA loan in order to qualify for the $10,000 debt forgiveness by the Government of Canada.

On February 28, 2024, certain directors of the Company loaned an aggregate of $60,000 to Pelangio to cover short term cash needs. The debentures mature on June 30, 2024, and carry a simple interest rate at 10.5%.

In March 2024, the Company paid the full GHS415,959 (CAD$50,000) owing to the GRA.

On March 28, 2024, the Company completed the first tranche of its non-brokered private placement financing. This tranche of 7,566,666 units at a price of $0.015 per unit for gross proceeds of $113,500 is comprised of one common share and one common share purchase warrant. Each warrant entitles the holder thereof to purchase one common share of the company at a price of $0.05 per common share until March 28, 2029. The Company paid a finder's fee of $500 in cash and issued 333,333 finders' warrants. The finders' warrants have the same terms as the unit warrants.

Certain insiders of the Company participated in the private placement for an aggregate total of $85,500.

On April 16, 2024 the Company announced that it has closed the second and final tranche of a non-brokered private placement. This tranche of 25,766,666 units a price of $0.015 per unit for gross proceeds of gross proceeds of $386,500. Each warrant entitles the holder thereof to purchase one common share of the company at a price of $0.05 per common share until August 16, 2029. The Company paid a finder's fee of $22,500 in cash and issued 1,500,000 finders' warrants. The finders' warrants have the same terms as the unit warrants.

On April 24, 2024, the Company repaid the $60,000 loan from its directors as well as all accrued interest.

LIQUIDITY

Our activities consist of the exploration and evaluation of our various properties, a process that is ongoing, and is dependent on many factors, some of which are beyond our control. We do not generate any cash flows from operations and do not currently have any income other than interest income, property option income and management fee income. We rely on equity financings to fund our working capital requirements and planned exploration, development and permitting activities. We maintain a policy of reviewing our working capital requirements on a monthly basis and are mindful of our property and administrative commitments.

EXPLORATION AND EVALUATION ACTIVITIES

Total exploration and evaluation expenditures for the three months ended March 31, 2024, was $20,111 (March 31, 2023 - $16,207). As at March 31, 2024, total exploration expenditures includes $2,140 (March 31, 2023 - $nil) of general exploration expenditures on potential properties which the Company does not have an ownership interest.

Exclusive of exploration and evaluation expenses, operating cash (total expenses less amortization, and share-based payments) costs for the three months ended March 31, 2024, totaled $86,091 (March 31, 2023 - $170,000).

WORKING CAPITAL

As at March 31, 2024, Pelangio had a working capital deficit of $677,124 compared to a working capital deficit of $632,410 at December 31, 2023.

CAPITAL RESOURCES

Management continues to closely monitor the Company's working capital position and 12-month budget outlook considering current market conditions and the financing environment. As currently budgeted, we are likely to have a working capital deficit during the next twelve months unless further capital is raised during that period. The current budget offers significant flexibility to adjust exploration and general expenditures. Management is confident that based on the Company's history and previous success in raising capital, as well as the quality of the Company's assets, such further financing will be available as required.

We expect to obtain financing in the future primarily through further equity and/or debt financing, as well as through joint venturing or optioning out the Company's properties. There can be no assurance that we will succeed in obtaining additional financing in the future. Failure to raise additional capital on a timely basis could cause us to suspend exploration and eventually to forfeit or sell interests in our mineral properties.

OFF-BALANCE SHEET ARRANGEMENTS

Pelangio has not entered into any off-balance sheet arrangements.

TRANSACTIONS BETWEEN RELATED PARTIES

The March 31, 2024, consolidated financial statements include the financial statements of the Company and its subsidiaries.

The following transactions were entered into with related parties that are not subsidiaries of the Company during the period:

	Three months ended March 31,	
	2024	**2023**
	$	$
Corporations controlled by an officer of the Company:		
Consulting, exploration and evaluation (Senior VP Exploration)	10,602	11,741
Partnership in which an officer of the Company is a partner:		
Accounting services	-	10,732
Chief Financial Officer services	-	29,692
Corporation providing services to the Company:		
Corporate Secretary	-	4,238
Total	**10,602**	**56,403**

Accounts payable and accrued liabilities as at March 31, 2024 include amounts owing to directors and officers in the amount of $227,722 (December 31, 2023 - $218,669). These amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

Of the related party accounts payable and accrued liabilities as at March 31, 2024, $112,500 (December 31, 2023 - $112,500) is accrued wages to the Company's president. This amount is unsecured, non-interest bearing and is due on demand.

On February 28, 2024, certain directors of the Company entered into unsecured loan agreements to cover short-term working capital needs for gross proceeds of $60,000. As at March 31, 2024, the Company incurred $570 interest expense and had aggregate loan payable of $60,570. Refer to note 7 of the interim condensed consolidated financial statements for details of the loan agreements and repayments.

These transactions with related parties were in the normal course of operations and were measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.

The remuneration of directors and other members of key management personnel, not including key management paid through a corporation listed in the table above, during the three months ended March 31, 2024 and 2023 were as follows:

	Three months ended March 31,	
	2024	**2023**
	$	$
Consulting fees	18,000	-
Salary and benefits	11,250	11,250
Share-based payments	2,328	18,539
Total	**31,578**	**29,789**

As at March 31, 2024, there are 3,460,000 (December 31, 2023 – 4,205,000) options owned by related parties.

During the three months ended March 31, 2024 an officer and director of the Company subscribed for a total of 5,700,000 units (December 31, 2023 – 3,770,000) for gross proceeds of $85,500 (December 31, 2023 - $113,100). Refer to note 8 of the interim condensed consolidated financial statements for details of the private placement.

CRITICAL ACCOUNTING ESTIMATES

The presentation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reported period. Such estimates and assumptions affect the carrying value of assets, decisions as to when exploration costs should be capitalized or expensed and estimates for asset retirement obligations and reclamation costs. Other significant estimates made by the Company include factors affecting the valuations of share-based payments, warrants, and the valuation of tax accounts. Pelangio regularly reviews its estimates and assumptions. Actual results could differ from these estimates and these differences could be material.

CHANGES IN ACCOUNTING POLICIES

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

A detailed summary of the Company's significant accounting policies is included in note 3 of the Consolidated Financial Statements for years ended December 31, 2023 and 2022.

OPERATING AND FINANCIAL STRATEGIES

Pelangio Exploration is a mineral exploration company with a strategy designed to capitalize upon acquisition opportunities arising during bear markets and wealth creation occurring during bull markets. To this end, the Company holds a portfolio of strategically located projects that it categorizes as core and peripheral assets. The peripheral assets are leveraged through a project generator model, which aids the company in sustaining its operating costs. The core assets are Pelangio's principal focus and the subject of thorough geological study and exploration programs in order to make discoveries. Pelangio's core assets are located Ghana, West Africa, and secondary assets within prolific gold belts in Ontario and Saskatchewan, Canada.

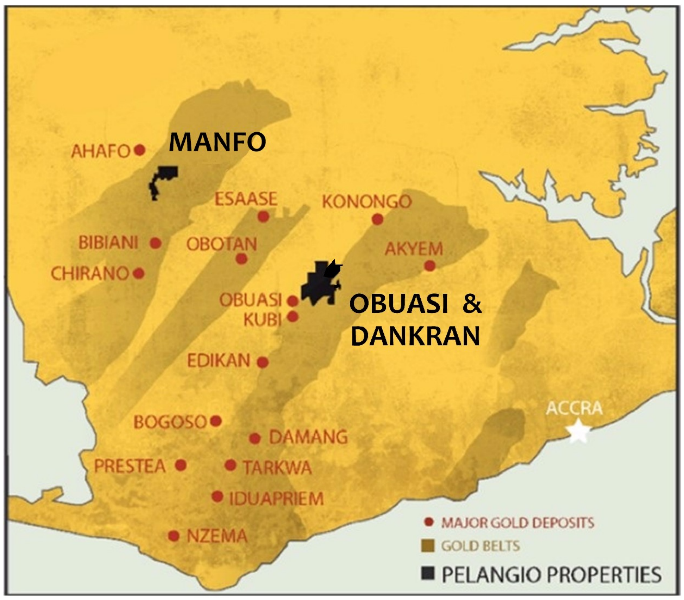
With the Company's most significant assets in Ghana, the primary focus of Pelangio is to continue its exploration programs in Ghana. In regards to the Canadian assets, Pelangio will continue exploration to the point in which it can find a partner to buy, joint venture or option into the properties.

TECHNICAL DISCLOSURE

Disclosure of a scientific or technical nature regarding the Company's properties was prepared by or under the supervision of and approved by Kevin Thomson, P. Geo., (PGO #0191), (the "Qualified Person") a qualified person within the meaning of National Instrument 43-101 - *Standards of Disclosure for Mineral Projects ("NI 43-101")* and our Senior Vice President, Exploration. The Qualified Person has verified the data disclosed. Data verification involved checking of information for past drill holes, trench surveying, logging, sampling, and assaying as well as a review of information in the exploration computer database.

The mineral resource estimation work was completed by Dorota El-Rassi, P. Eng. (APEO #100012348) and Blair Hrabi, P. Geo. (PGO #1723), under the supervision of Glen Cole, P.Geo. (PGO #1416) of SRK Consulting (Canada) Inc. ("SRK"). Ms. El-Rassi, Mr. Hrabi and Mr. Cole, are independent qualified persons as this is defined in National Instrument 43-101. Mr. Hrabi inspected the Manfo gold project from May 15 to 22, 2012.

PROPERTY DESCRIPTIONS: GHANA PROPERTIES



MANFO

In 2010, Pelangio entered into a letter of intent with a private Ghanaian company (the "Optionor") to acquire a 100% interest (subject to a 10% free carried interest held by the Government of Ghana, the Government's right to acquire a further 20% interest on mutually agreed terms, and a 5% royalty interest (the "Government Interest"), as stipulated in Clause 43, *The Minerals and Mining Act 703 of 2006* (the "Mining Act") in each of the contiguous Subriso, Sempekrom and Twabidi concessions (collectively, the "Manfo Property"). We subsequently entered into three definitive option agreements (the "Manfo Agreements") in respect of the Manfo Property, which were submitted to the Minerals Commission of Ghana and subsequently approved by the Minister of Lands and Natural Resources of the Republic of Ghana in 2011. The Manfo Property totals approximately 100 square kilometers ("km^2") and is located in the Ahafo Ano North district of the Ashanti region of Ghana, approximately 36 kilometers ("km") southwest of Tepa, 15 km south of Newmont Mining Corporation's Ahafo mine and 40 km north of Asante Gold's Chirano mine.

Pelangio completed the expenditure requirements of US $2,000,000 and the required payments of US $435,000 under the Manfo Agreements and granted the Optionor a 2.5% net smelter return ("NSR") royalty, subject to Pelangio's right to buy back 1% of such NSR for an aggregate total payment of US $4,000,000. Additionally, Pelangio (or its successor or permitted assign) will pay the Optionor a discovery bonus equal to the sum of (i) US $1,000,000 plus (ii) US $1.00 per ounce of proven and probable gold reserve set out in the first positive feasibility study published or released in respect of the Manfo Property. Pelangio now holds a 100% interest in the Manfo Property (subject to the Government Interest) and subject to the 2.5% NSR to the Optionor. The Minister of the Ministry of Lands and Natural Resources of Ghana approved the transfer of title to the Manfo Property in 2012. The Subriso concession, Sempekrom, and the Twabidi concession renewals are pending and such renewal is not assured. On January 22, 2024, the Company received a response from its application of legal search on mining concessions legally/beneficially held by Pelangio's Ghana subsidiaries from the Ghana Minerals Commission. While the letters stated that the renewal for the concessions were still pending it further stated that as of the date of the letter, the Commission was unaware of any pending or outstanding issues that would impede the extension of the term of the these concessions.

The Company is in ongoing negotiations with the Optionor regarding the buy-back of the NSR and has paid $55,303 to the Optionor. This payment is expected to be applied towards the purchase price of the buy-back of the royalty.

The Manfo Agreements are available under Pelangio's profile on www.sedar.com.

EXPLORATION HISTORY

The Manfo Project covers an area of 96 square kilometers in the north-central part of the Sefwi-Bibiani greenstone belts 15 kilometers south-southeast of Newmont's Ahafo Mine and 40 kilometers north of Asante Gold's Bibiani Mine. Manfo has been explored by Pelangio since 2010 resulting in the discovery of multiple prospects along 9 kilometers of favourable structure with three of those prospects being advanced through drilling to a mineral resource estimated in 2013 by SRK Consulting at 195,000 oz (at 1.52 g/t Au) Indicated and 298,000 oz (at 0.96 g/t Au) Inferred with the bulk of the resource contained in the two Pokukrom deposits. Gold mineralization at Manfo is associated with broad zones of pervasive to fracture-controlled quartz-sericite-carbonate-pyrite alteration overprinting an earlier phase of hematite alteration hosted predominantly in brecciated to sheared granitoid rocks and lesser mafic metavolcanic rocks. The Manfo mineral resource estimation was conducted by SRK Consulting and published in June of 2013. (Refer to the Mineral Resource Evaluation Technical Report, Manfo Gold Project, by SRK Consulting (Canada) Inc., released on June 21, 2013 and available on Pelangio's website). The resource estimation was made in accordance with National Instrument 43-101 - Standards of Disclosure for Mineral Projects at the time of the mineral resource estimation in 2013. NI 43-101 standards for disclosure have been amended multiple times since 2013 and as a result Pelangio's 2013 resource estimate is no longer NI 43-101 compliant under the current standards. Management has reviewed the new standards and determined that an update to the 2013 mineral resource estimate will only be completed when additional exploration work is performed which results in a material change to the original resource estimate.

Manfo Property - Initial 43-101 Mineral Resource Evaluation Technical Report Summary

On June 21, 2013, the Company filed on SEDAR the report entitled Mineral Resource Evaluation Technical Report, Manfo Gold Project, Ghana. (the "Manfo Initial Resource Evaluation"). Mineral resources were estimated in conformity with generally accepted Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") Estimation of Mineral Resource and Reserves Best Practices Guidelines and are reported in accordance with Canadian Securities Administrators' National Instrument 43-101 ("NI 43-101") by SRK. The mineral resource estimation work was completed by Dorota El-Rassi, P. Eng. (APEO #100012348) and Blair Hrabi, P. Geo. (PGO #1723) under the supervision of Glen Cole, P.Geo. (PGO #1416) of SRK. Ms. El-Rassi, Mr. Hrabi and Mr. Cole, are independent qualified persons as this is defined in National Instrument 43-101. Mr. Hrabi inspected the Manfo gold project from May 15 to 22, 2012. Part of the following disclosure relating to the Manfo Property has been derived from the Manfo Initial Resource Evaluation, which is available at www.sedar.com under the profile for Pelangio Exploration Inc. Readers are urged to review the Manfo Initial Resource Evaluation in its entirety for a complete description of SRK's review and conclusions.

The highlighted results of the initial gold resource indicate:

- 40% of the estimated mineral resource is in the indicated mineral resource category;
- pitable mineral resource reported at cut-off grades of 0.40 grams of gold per tonne ("g/t") for oxide material and of 0.50 grams of gold per tonne for transitional / fresh material in relation to a conceptual pit shell using a gold price of US$1,450 per ounce:
    - indicated mineral resource of 3.973 million tonnes at 1.52 g/t gold; and
    - inferred mineral resource of 9.666 million tonnes at 0.96 g/t gold; and
- gold mineralization remains open along strike and at depth, as suggested by the out-of-pit mineralization's.

On June 21, 2013, prior to publication of the 2019 Canadian Institute of Mining Metallurgy and Petroleum ("CIM") Estimation of Mineral Resources and Reserves Best Practices Guidelines, the Company filed on SEDAR its report entitled Mineral Resource Evaluation Technical Report, Manfo Gold Project, Ghana. (the "Manfo Initial Resource Evaluation"). Mineral resources were estimated in conformity with the then generally accepted CIM Estimation of Mineral Resource and Reserves Best Practices Guidelines and were reported in accordance with Canadian Securities Administrators' National Instrument 43-101("NI 43-101") by SRK. The mineral resource estimation work was completed by Dorota El-Rassi, P. Eng. (APEO#100012348) and Blair Hrabi, P. Geo. (PGO #1723) under the supervision of Glen Cole, P.Geo. (PGO#1416) of SRK. Ms. El-Rassi, Mr. Hrabi and Mr. Cole, who are independent qualified persons as this is defined in National Instrument 43-101. Mr. Hrabi inspected the Manfo gold project from May 15 to 22, 2012.

Mineral Resource Statement* Manfo Gold Project, Ghana – SRK Consulting (Canada) Inc., May 7, 2013

Category	Cut-off (Au g/t)	Indicated Quantity (000' tonnes)	Indicated Grade Au (g/t)	Indicated Contained Au (000'oz)	Inferred Quantity (000' tonnes)	Inferred Grade Au (g/t)	Inferred Contained Au (000'oz)
Inside Pit							
Oxide	0.40	49	0.96	2	458	1.07	16
Transitional	0.50	382	1.96	24	876	1.13	32
Fresh	0.50	3,543	1.49	169	918	1.09	32
Total		**3,973**	**1.52**	**195**	**2,253**	**1.10**	**80**
Outside Pit							
Oxide	0.40				50	0.68	1
Transitional	0.50				217	0.72	5
Fresh	0.50				7,146	0.93	213
Total					**7,413**	**0.92**	**218**
Combined Inside and Outside Pit							
Oxide	0.40	49	0.96	2	508	1.05	17
Transitional	0.50	382	1.96	24	1,093	1.05	37
Fresh	0.50	3,543	1.49	169	8,064	0.94	245
Total		**3,973**	**1.52**	**195**	**9,666**	**0.96**	**298**

**Mineral resources are not mineral reserves and do not have a demonstrated economic viability. All figures have been rounded to reflect the relative accuracy of the estimates. The cut-off grades are based on a gold price of US$1,450 per ounce and metallurgical recovery of 94 percent for oxide, and 86 percent for fresh and transitional material. Mineral resources are reported in relation to an elevation determined from optimized pit shells. All composites have been capped where appropriate.*

Cautionary Note Regarding Mineral Resource Estimates

Investors should not assume that any of the indicated or inferred mineral resource disclosed herein will ever be upgraded to a higher category of mineral resource or to mineral reserves, and that any or all the indicated or inferred mineral resource exist or is or will be economically or legally feasible to mine. In addition, investors should not assume that any of the references herein to adjacent properties (based on public information) is necessarily indicative of the mineralization on the Manfo property or that further exploration on the Manfo property will prove to be successful.

The disclosure herein uses mineral resource classification terms that comply with reporting standards in Canada, and the disclosure of mineral resource estimates are made in accordance with National Instrument 43-101 - Standards of Disclosure for Mineral Projects at the time the mineral resource estimate was calculated in 2013. NI 43-101 is a rule developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects that are considered material to the issuer. NI 43-101 has been amended several times since 2013 and as a result Pelangio's 2013 resource estimate is no longer 43-101 compliant under the current standards. Management has reviewed the new standards and determined that an update to the 2013 mineral resource estimate will only be completed when additional exploration work is performed which results in a material change to the Resource.

All resource estimates contained herein are based on the definitions adopted by CIM and recognized under NI 43-101 at the time the resource estimate was published. These standards differ significantly from the mineral reserve disclosure requirements of the U.S. Securities and Exchange Commission set out in Industry Guide 7. Consequently, resource information contained in this MD&A is not comparable to similar information that would generally be disclosed by U.S. companies in accordance with the rules of the SEC. The SEC's Industry Guide 7 does not recognize mineral resources, and US companies are generally not permitted to disclose mineral resources in documents they file with the SEC. Investors are specifically cautioned not to assume that any part or all of the mineral resources disclosed above will ever be converted into SEC defined mineral reserves. Further, "inferred mineral resources" have a great amount of uncertainty as to their existence and as to whether they can be mined or economically. In accordance with Canadian rules, estimates of inferred mineral resources generally cannot form the basis of an economic analysis.

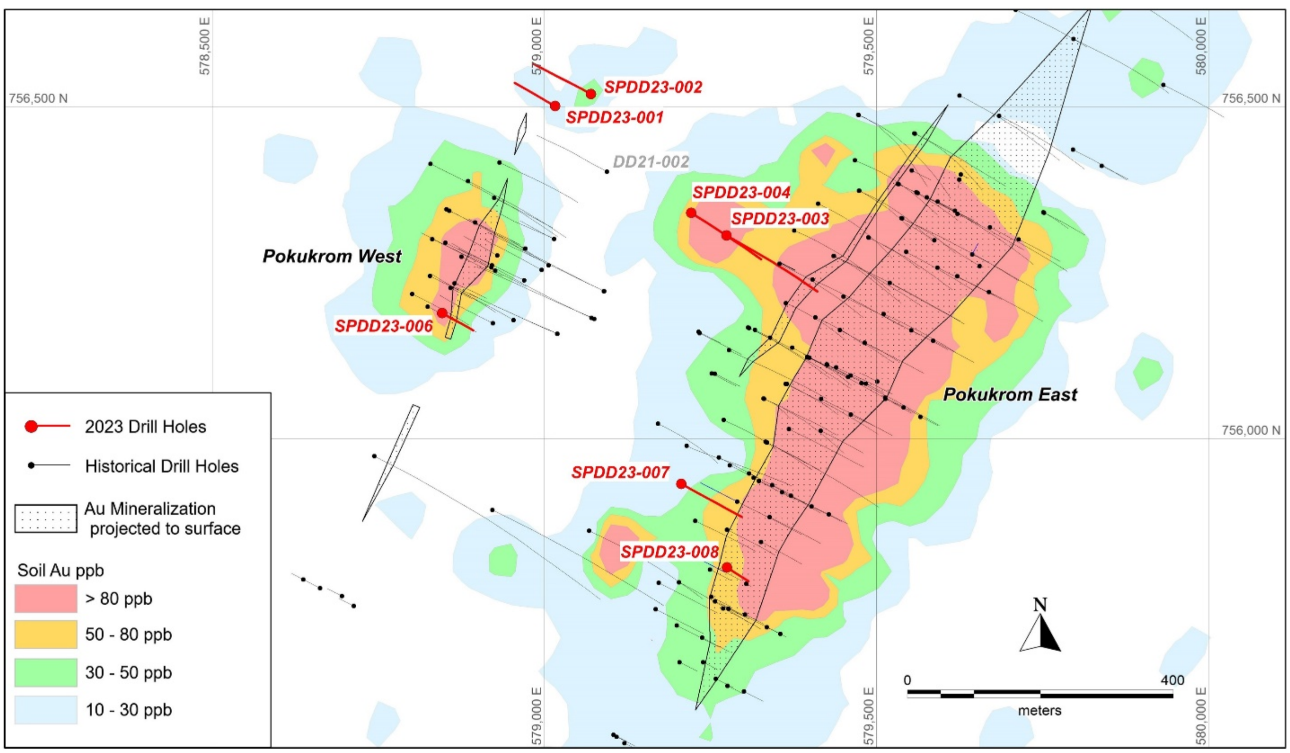
The 43-101 Mineral Resource Evaluation Technical Report is available under Pelangio's profile on www.sedar.com.

Exploration was limited on the Manfo Project between 2014 and 2021. In 2021 a data review, analysis and targeting exercise led to the development of exploration programs intended to ultimately grow the Manfo resource if successful, including the drill testing of multiple targets beyond the known mineralization for potential new discoveries, plus drilling to test for possible extensions to the known mineralization, open in multiple directions, and which could add to the resource with successful follow-up drilling. A diamond drilling program of 3,700 meters was designed to test targets at and near the Pokukrom deposits which was commenced in late 2021 with the drilling of two holes totaling 383 meters at the Pokukrom West deposit, one of which discovered a down-plunge extension to the Pokukrom West mineralization with 3.19 g/t gold over 12 meters including 6.85 g/t gold over 3 meters returned from DD21-002. Refer to Pelangio's November 16, 2021 news release. Last quarter's completed program continued the planned 3,700 meter diamond drilling program with 1,039.5 meters drilled to test additional targets in and near the Pokukrom West and East deposits with numerous targets still remaining to be drilled. A 6,750 meter exploration aircore drilling program is also planned to test numerous prospective targets for additional discoveries beyond the known resource areas.

RECENT ACTIVITY

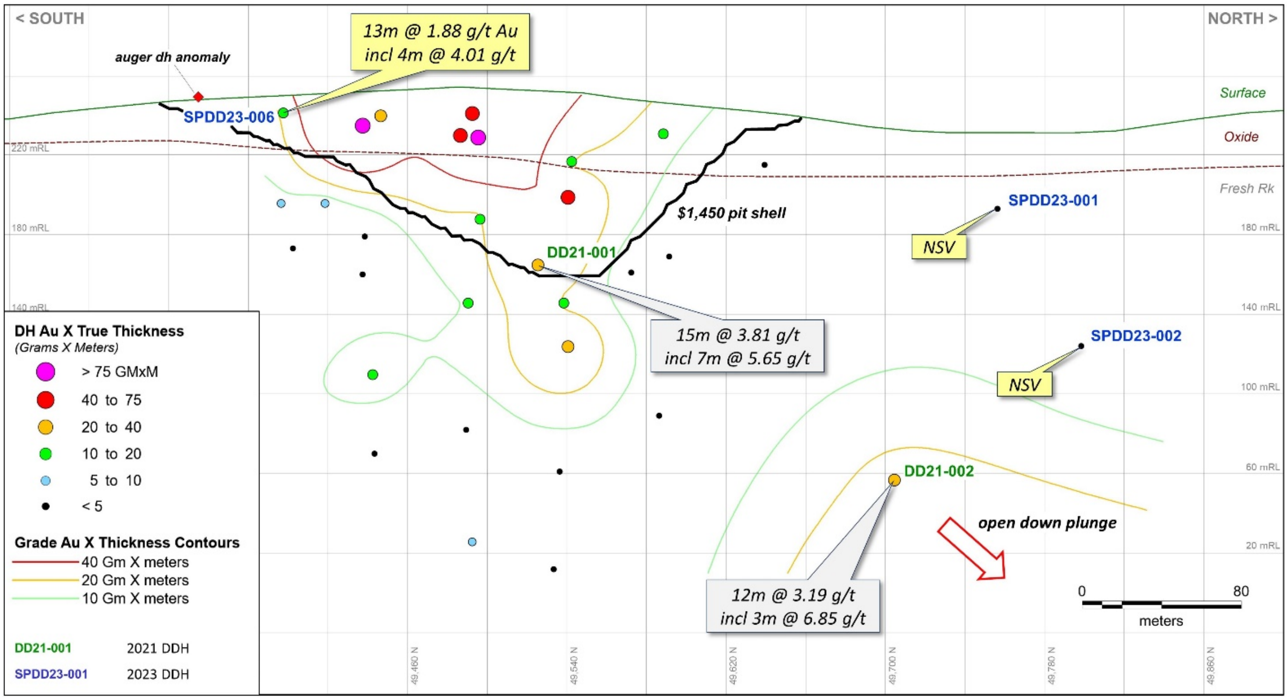
On July 24, 2023, the Company announced a diamond drilling program was conducted on the Manfo Project between March 17 and June 19, 2023 with all assays received. Seven holes were drilled for a total of 1,039.5 meters to test for extensions to the known mineralization plus exploration targets around the Pokukrom deposits with four of the holes totaling 701.7 meters at Pokukrom East and three holes totaling 337.8 meters at Pokukrom West.

Figure 1: Plan Map of Manfo Pokukrom East and West Drilling Showing 2023 Drill Hole Locations



At Pokukrom West drill holes SPDD23-001 and SPDD23-002 tested for a northern extension of the Pokukrom West mineralization above hole DD21-002 which in 2021 successfully demonstrated a down-plunge continuation of Pokukrom West returning 3.19 g/t Au over 12 meters, including 6.85 g/t Au over 3 meters. The two holes did intersect alteration corresponding to the Pokukrom West zone, however gold assays were weak. Future drilling will consider testing further down-plunge of DD21-002. Drill hole SPDD23-006 tested for an extension to the high-grade oxide mineralization of Pokukrom West which was open-ended to the south intercepting 1.88 g/t Au over 13 meters, including 4.01 g/t Au over 4 meters, which could extend the resource model incrementally to the south. The oxide mineralization remains open to the south and auger drilling anomalism south of SPDD23-006 indicates additional shallow drilling further to the south is warranted. Refer to Figure 2.

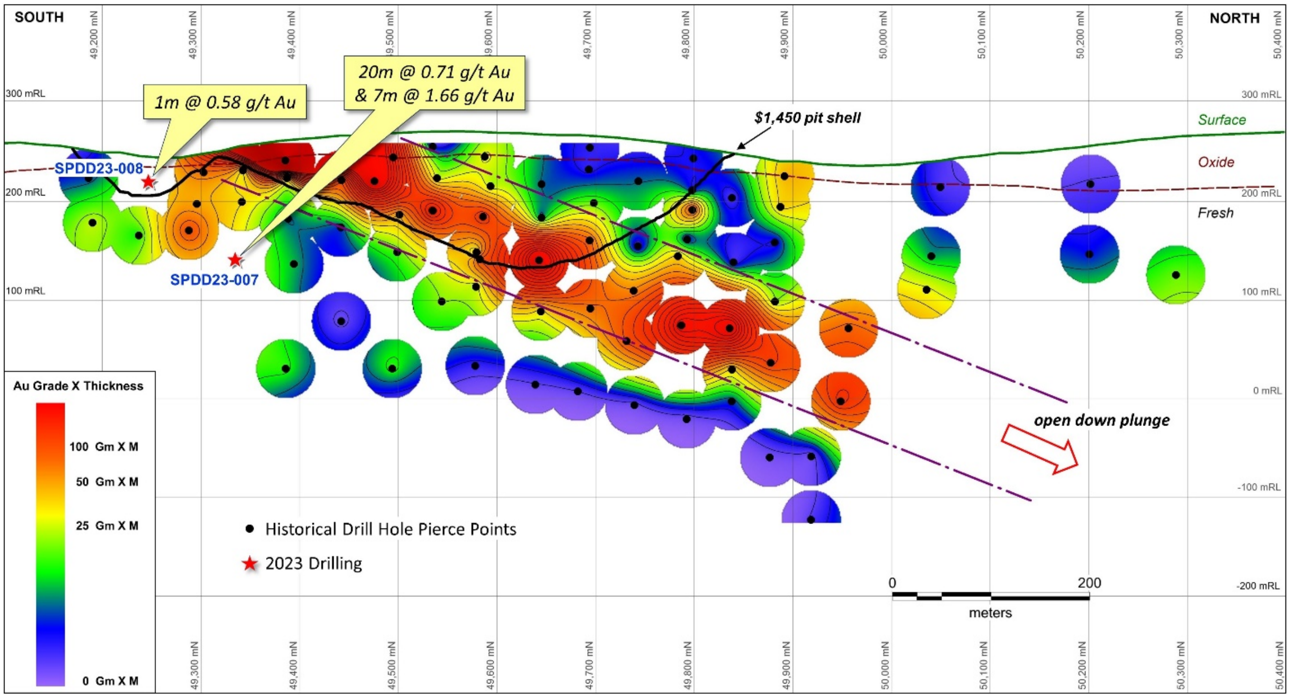
Figure 2: Pokukrom West Deposit Vertical Longitudinal Section with Recent Drilling Results



Note: the $1,450 pit shell shown is from a Whittle pit optimization exercise using a gold price of US$1,450 conducted by SRK Consulting in their mineral resource estimation for Manfo published June 21, 2013.

At Pokukrom East two holes, SPDD23-003 AND SPDD23-004, were drilled to evaluate a strong gold in soil anomaly with coincident auger drill hole anomalism sitting on the northwestern flank of the Pokukrom East deposit between Pokukrom East and West. The two drill holes intersected a wide zone of alteration similar to that which hosts the mineralization at Pokukrom, but disappointingly the assay results were weak. Refer to Figure 1. Holes SPDD23-007 and SPDD-008 were planned to test gaps in the historical drilling at the southern end of the Pokukrom deposit with the potential of adding to the resource model at shallow levels. Hole SPDD23-007 intersected 0.71 g/t Au over 20 meters including 1.32 g/t over 6 meters, followed by a second zone of 1.66 g/t Au over 7 meters including 8.43 g/t Au over 1 meter. Mineralization remains open down-dip in this area and there is potential to extend the modeled resource deeper here at a gold price higher than the USD$1,450 used in the pit optimizations in 2013. Drill hole SPDD23-008 drilled a little further to the south and at a shallower level intersected a 20-meter-wide zone of moderate alteration and anomalous gold, however there was only one assay returned above the cut-off of 0.4 g/t Au. Refer to Figure 3.

Figure 3: Pokukrom East Deposit Vertical Longitudinal Section with Recent Drilling Results



Note: the $1,450 pit shell shown is from a Whittle pit optimization exercise using a gold price of US$1,450 conducted by SRK Consulting in their mineral resource estimation for Manfo published June 21, 2013.

Results from Q2 2023 Diamond Drilling Program at Manfo

DHID	Prospect	E_UTM	N_UTM	AZIM(°)	DIP(°)	EOH(m)	FROM(m)	TO(m)	LENGTH(m)	AU(g/t)*
SPDD23-001	Poku W.	579,016	756,501	297	-45	97.1				N.S.V.
SPDD23-002	Poku W.	579,070	756,519	297	-55	166.7				N.S.V.
SPDD23-003	Poku E.	579,274	756,306	117	-50	250				N.S.V.
SPDD23-004	Poku E.	579,221	756,340	117	-55	216.7				N.S.V.
SPDD23-005		*not drilled*								
SPDD23-006	Poku W.	578,846	756,189	117	-45	74	2	15	13	1.88
						including	*11*	*15*	*4*	***4.01***
							35	37	2	0.71
SPDD23-007	Poku E.	579,206	755,932	117	-55	174	90	119	20	0.71
						including	*90*	*96*	*6*	*1.32*
							137	144	7	1.66
						including	*138*	*139*	*1*	***8.43***
SPDD23-008	Poku E.	579,275	755,806	117	-50	*61*	*29*	*30*	*1*	*0.58*

* Assay composites using a 0.4 g/t Au cut-off. Intervals of internal dilution do not exceed 2m < 0.4 g/t Au.

EXPLORATION OUTLOOK

"The positive drilling results from the southern ends of both Pokukrom East and West has extended the mineralization incrementally in those areas warranting follow up drilling which could add to the resource", commented Ingrid Hibbard, President and CEO. "The recently completed diamond drilling program at Manfo is part of a larger planned program of 3,700 meters of diamond drilling designed to test for extensions to the known mineralization at Pokukrom plus exploration targets in the vicinity. While the recent program eliminated two targets from the list (a soil plus auger anomaly on the northwestern flank of Pokukrom East and the northerly extension of Pokukrom West at shallow levels), several targets remain untested at Pokukrom to be drilled in future programs. In addition, a 6,750 meter exploration aircore drilling program is planned to assess a number of compelling targets along the 9 kilometers of favourable structure on the Manfo property for additional discoveries, including follow up at several prospects which have been lightly drill tested to date. Once the ability to raise sufficient funding improves drilling at Manfo will resume. In the meantime, the planned drill programs are under review in light of the latest results and will be reconfigured and reprioritized accordingly.

OBUASI PROPERTY

The Obuasi property consisted of the Kyereboso #2, Kyereboso #3, Meduma and Adokwae concessions. The Meduma concession, Adokwae concession, the Kyereboso #2 and Kyereboso #3 renewal applications are pending and such renewals are not assured. The Obuasi property was acquired pursuant to option agreements (the “Obuasi Agreements”), with two private Ghanaian corporations and is located contiguous with AngloGold Ashanti’s giant Obuasi gold mine within the prolific 300 km long Ashanti Gold Belt in southwest Ghana, West Africa. On January 22, 2024, the Company received a response from its application of legal search on mining concessions legally/beneficially held by Pelangio’s Ghana subsidiaries from the Ghana Minerals Commission. While the letters stated that the renewal for the Adokwae license was still pending it further stated that as of the date of the letter, the Commission was unaware of any pending or outstanding issues that would impede the extension of the term of the Adokwae license.

Pelangio now holds a 100% interest in the Obuasi Property (subject to the Government Interest as defined above, and subject to a 2% NSR to the Optionors). The Obuasi Agreements are available under Pelangio’s profile on www.sedar.com.

Ghana Litigation

The Company was named in an action involving one of the vendors of the Obuasi Property relating to such vendor’s corporate history and founding shareholders and the ownership of the lands covered by the Kyereboso #2 and Kyereboso #3 prospecting license’s.

On July 11, 2023, the Company announced that settlement agreements have been reached to resolve all outstanding litigations with respect to an action commenced in 2009 in the Ghana High Court involving the vendor of two of the four prospecting licenses comprising Pelangio’s Obuasi property. The two prospecting licenses involved in the litigation and referenced as Kyereboso 2 License and Kyereboso 3 License.

On July 21, 2023, the Ghana High Court issued a court judgement accepting of the settlement agreement. The judgement now formally resolves the long outstanding legal claim against Pelangio.

Terms of Settlement

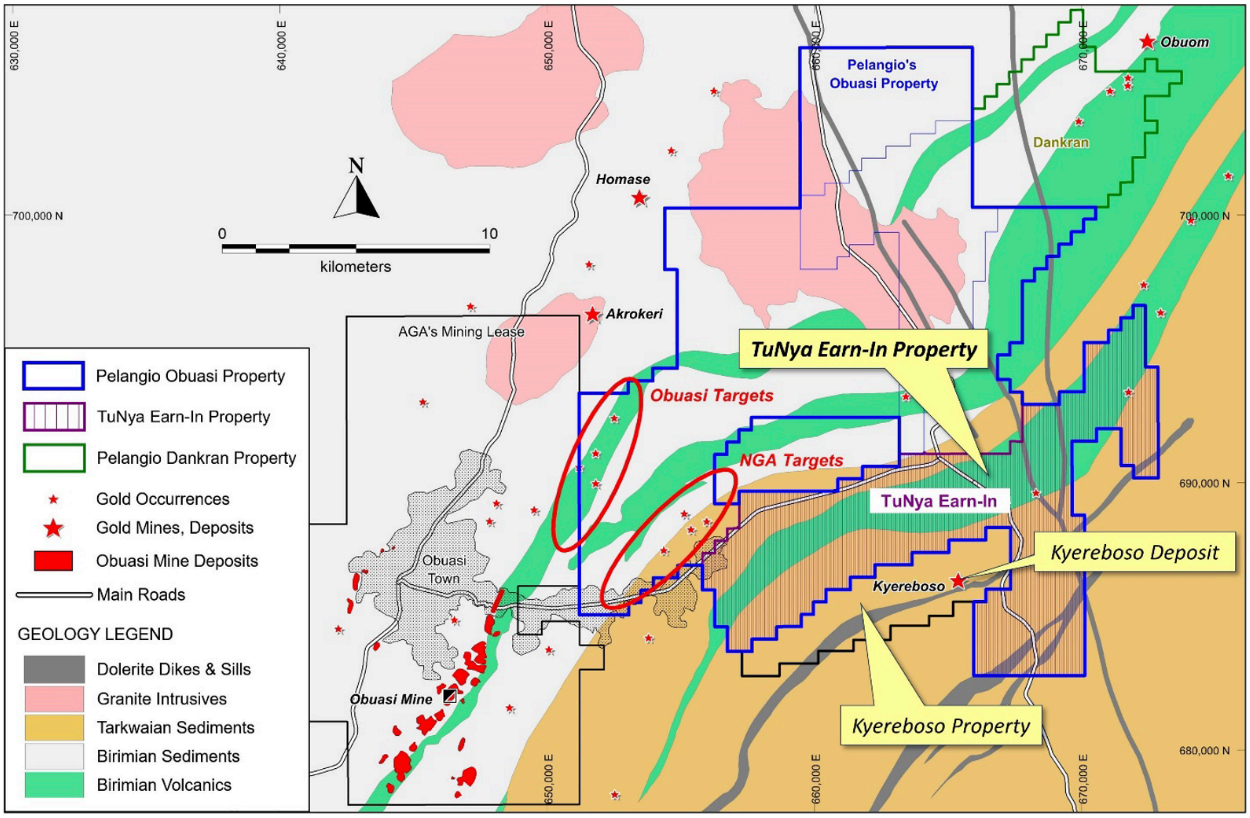
The settlement provides that upon the acceptance of the settlement terms by the Ghana High Court and entry of such settlement terms as a binding consent judgment resulting in full resolution in addition to release of all claims asserted by the Plaintiff, or such claims that could have been asserted by the Plaintiff, directly or indirectly in the litigation and permanently releasing any injunction or other restrictions on the Property resulting from the litigation, Pelangio will make five payments of US$20,000 and issue Pelangio common shares having a value of CDN$50,000 in three tranches over one year, subject to approval of the share issuances by the TSXV.

The consideration has been agreed upon as a compromise and final settlement of disputed claims and payment of the amounts set forth herein and the issuance of the Common Shares is not an admission of liability by any party and is not to be construed as an admission that any party engaged in any wrongful, tortious, or unlawful activity.

TuNya Mineral Resources Ltd. (“TuNya”) earn-in binding letter of intent

On July 31, 2023, Pelangio and TuNya announced an earn-in binding letter of intent giving TuNya the right to earn an 80% interest on the southern portion of two of the four licenses that comprise Pelangio’s Obuasi Project took effect as the Obuasi litigation had been the only pre-existing condition which Pelangio needed to resolve prior to the start of the earn-in.

Figure 1: Map of Obuasi District Showing Pelangio's Obuasi Property and TuNya Earn-In Property



Under the terms of the binding Letter of Intent, TuNya can earn an 80% interest in the TuNya Earn-In Property by undertaking a US$250,000 technical review of the Pelangio Main Property, completing 2,000 meters of drilling on the TuNya Earn-In Property, and paying Pelangio US$150,000 within 18 months of the effective date of the agreement. A joint venture corporation will be formed once TuNya has acquired its 80% interest. However, Pelangio shall retain its 20% interest and shall not have an obligation to fund work on the TuNya Earn-In Property until a mineral resource of at least 100,000 ounces of gold has been defined in the Measured or Indicated category in accordance with Canadian National Instrument 43-101 (NI 43-101).

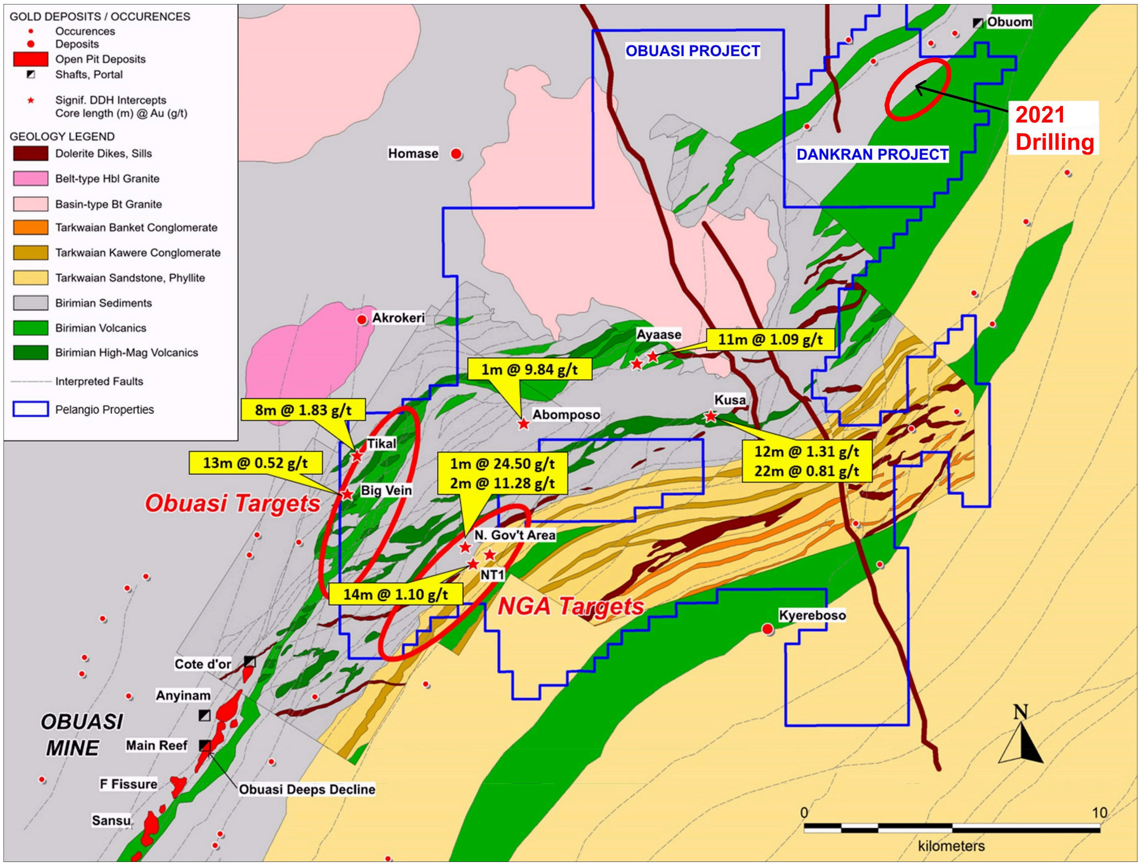
The binding Letter of Intent is subject to customary preliminary authorizations, including the valid issuance of a new Pelangio license covering only the TuNya Earn-In Property, receipt of approval of the TSX Venture Exchange and receipt of approval of the Minister of Lands and Natural Resources of the Republic of Ghana.

Outlook for the Obuasi Property

The TuNya Earn-In Property covers predominantly Tarkwaian stratigraphy, including the strike extension of TuNya's Kyereboso project located to the south. Pelangio will retain a 100% interest in the remainder of the Obuasi property ("Main Property"), including the strike extension of the Obuasi Mine stratigraphy ("Obuasi Targets") and the main Birimian-Tarkwaian contact ("NGA Targets") where Pelangio will focus its exploration efforts. Pelangio will review an exploration program for this area and look to raise capital to fund the program once it is well defined.

TuNya Mineral Resources technical review of Pelangio's Obuasi Main Property was commenced in late 2023 and is continuing, consisting thus far of a comprehensive historical data review and analysis plus a campaign of geological field mapping to confirm or update past geological interpretation principally along the Obuasi Targets Area. The first-pass field mapping program conducted by TuNya geologists was completed in mid-April 2024 resulting in some reinterpretation of the geology and TuNya's team is currently planning a program of detailed field investigation of several prospect areas highlighted by the desktop study and mapping exercise. This program will be completed in May/June and is expected to result in recommendations to test the most prospective targets with some pitting, trenching plus a small survey of high-resolution UAV aeromagnetics to help refine the geological and structural understanding and further target testing.

Obuasi Property – Obuasi and NGA targets and significant drill hole intercepts shown on simplified geology



DANKRAN PROPERTY

In November 2020, Pelangio entered into an option agreement with BNT Resources Ghana Ltd., ("BNT") to acquire a 100% interest in the Subriso-Kokotro concession ("Dankran property"). The Dankran property covers an area of 34.65 km^2 contiguous to the northeastern corner of Pelangio's Obuasi project extending over seven kilometers of strike of the world-class Ashanti Belt, one of the last remaining under-explored strike-extensive stretches of highly favourable Ashanti Belt geology. The Dankran property covers the same Birimian sedimentary and volcanic stratigraphy that hosts AngloGold Ashanti's 30-million-ounce Obuasi Mine located 25 kilometers to the southwest and is adjacent to the historical Obuom mine which in the 1930's produced 29,000 ounces at an average grade of 16 g/t Au. Recent extensive small-scale artisanal mining activity evident around the old mine extends into the Dankran property along geologically favourable horizons. Limited exploration to date on the property offers Pelangio an excellent opportunity for early discovery. The Subriso-Kokotro concession was in good standing until November 11, 2023. On January 22, 2024, the Company received a response from its application of legal search on mining concessions legally/beneficially held by Pelangio's Ghana subsidiaries from the Ghana Minerals Commission. While the letters stated that the renewal for the Subriso-Kokotro license was still pending it further stated that as of the date of the letter, the Commission was unaware of any pending or outstanding issues that would impede the extension of the term of the license.

Terms of the Option Agreement

In order to acquire 100% interest in the Dankran property, Pelangio must pay to BNT Ghana an aggregate of $300,000, and issue 1,000,000 shares in accordance with the schedule below. As at the date of the MD&A the Company has satisfied all of the cash payments and share issuances as required in the option agreement. On April 1, 2023, the Company granted a 2% NSR to BNT which has now completely satisfied the option agreement and Pelangio is the 100% owner of the Dankran property.

Pelangio's interest is subject to right of the Government of the Republic of Ghana, to a 10% free carried interest in the rights and obligations of the mineral operations of the project and a 2% NSR granted to BNT.

Dankran Historical Exploration

Following signing of the option agreement on Dankran in late 2020, a soil sampling campaign was undertaken which by April of 2021 delineated several strong Au in soil anomalies along and near to the principal Obuasi-Obuom sedimentary-volcanic contact. A maiden exploration Reverse Circulation drilling program was conducted in May and June of 2021 to test several of the anomalies with 36 shallow holes drilled for a total of 2,491 meters. The drilling program was successful in identifying possibly several zones of mineralization along approximately 2.5 kilometers of strike with drill highlights including 0.47 g/t Au over 10 meters, 6.07 g/t Au over 2 meters plus 14.17 g/t over 3 meters (uncut) including 39.20 g/t Au over 1 meter.

Outlook for the Dankran Property

The exploration drilling program conducted at Dankran was relatively cursory being wide-spaced and shallow depth. Given the encouraging results, further drilling of the principal target is warranted. Continued drill testing will include infill reverse circulation drill fences to better evaluate potential along the 2.5-kilometer-long target area plus diamond drilling to probe the stronger mineralization at depth and provide geological and structural data to assist further drill targeting. Refer to the following figure.

With Pelangio's exploration priorities in Ghana currently being the Manfo and Obuasi Projects, the Company does not intend to conduct any significant field work or drilling programs on the Dankran property over the near term.

CANADIAN PROPERTIES

All the properties in which Pelangio owns a 100% interest are in good standing or have sufficient work credits to be maintained for a minimum of one year. All leased and patented properties are in good standing through payment of taxes, and we are completing any necessary work commitments on any properties that are under option to Pelangio.

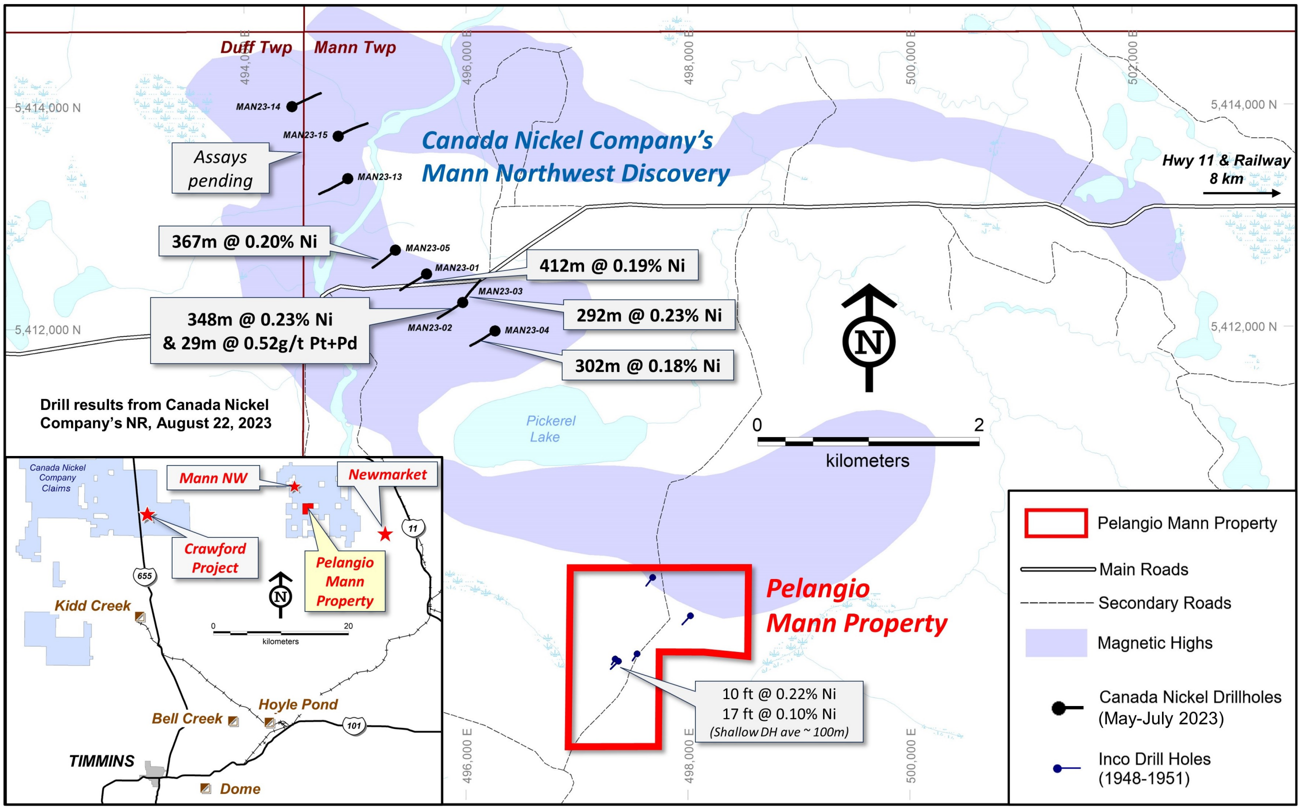
MANN PROPERTY, TIMMINS, ONTARIO

Pelangio's 100% owned Mann project has come to the forefront with recent nearby discoveries by Canada Nickel Company. Canada Nickel is advancing their 2 billion tonne Crawford nickel project and aggressively exploring multiple properties in the district. Pelangio's Mann Property is located in Mann Township 50 km northeast of the City of Timmins and covers an area of approximately $2km^2$. The twelve patented claims (mining and surface rights) cover a portion of a large ultramafic intrusive complex that is prospective for nickel, copper, cobalt, chromium and PGE's and lie between two major nickel discoveries recently made by Canada Nickel Company.

Canada Nickel drilled eight holes in May to July of 2023 on their Mann Northwest prospect testing 2.7 km of strike with each hole returning multi-hundred-meter wide intersections of "strongly serpentinized peridotite, dunite and pyroxenite with fine mineralization throughout". Canada Nickel reported assays from five of the eight holes drilled, all mineralized with significant nickel, platinum and palladium values returning up to 348.5 meters of 0.23% Ni and 0.04 g/t Pt+Pd including 33 meters of 0.31% Ni and 0.057 g/t Pt+Pd plus 28.9 meters of 0.52 g/t Pt+Pd (reported August 22, 2023). Canada Nickel's Mann Northwest drill holes are located 2.2 km from Pelangio's Mann property boundary. In March of 2024, Canada Nickel announced another major new discovery in the area with up to 373 meters of 0.24% Ni returned from their Newmarket Property with the discovery drill holes located 13 kilometers south-southeast of Pelangio's Mann property (reported March 18, 2024). Refer to the figure below.

Pelangio's Mann patents sit between two major nickel discoveries made recently by Canada Nickel. The property covers historical airborne electromagnetic anomalies that experienced limited shallow drill testing by Inco during 1948 to 1951 and returned significant nickel values over narrow widths. Given the very significant nearby discoveries by Canada Nickel, Pelangio is currently considering exploration programs to evaluate the potential of the Mann property.

Location of the Mann Patents with respect to Canada Nickel's Mann Northwest Discovery



GRENFELL PROPERTY, KIRKLAND LAKE, ONTARIO

On August 19, 2022, the Company entered into an earn-in agreement ("Earn-In") with Record Gold Corp. ("Record Gold"), a privately held mineral exploration company, on the Grenfell gold project, located in Grenfell Township, near Kirkland Lake, Ontario, approximately 10 km northwest of the Macassa Mine, one of the highest gold grade mines in the world.

Record Gold may acquire up to an 80% interest in the Grenfell project by incurring $2,000,000 in exploration expenditures and making $60,000 in cash option payments to Pelangio over a period of five years according to the following schedule:

Cash Payments	Exploration Expenditures	Year
$60,000	$250,000	On or before August 19, 2024
	$500,000	On or before August 19, 2025
	$750,000	On or before August 19, 2026
	$500,000	On or before August 19, 2027

This agreement ensures significant ongoing exploration at this project and maintains the upside potential of this project with a retained 20% interest for Pelangio shareholders post earn-in. Pelangio received approximately 3.87 million common shares of Record Gold, so Pelangio shareholders have exposure to any share appreciation and depreciation if realized. Further, Pelangio retains a 100% interest in the Grenfell project until the Earn-In option is completed. When the Earn-In is completed, Pelangio and Record Gold shall form a 20%/80% joint venture with respect to the Grenfell Project**.**

Grenfell Property Overview:

The 100% owned Grenfell property is located in Grenfell Township approximately 10km northwest of the Town of Kirkland Lake, Ontario. It is comprised of a series of contiguous mining leases and mining claims covering about 6.7km^2.

The property has been worked sporadically on and off since the early 1930's. The majority of work on the property took place in the 1930's to early 1940's when bulk sampling of some high-grade gold veins occurred in conjunction with diamond drilling, shaft sinking and substantial lateral development on two underground levels. With renewed interest in the property a series of surface exploration programs were conducted from the early 1980's to about 2013. More recent exploration work and re-evaluation of historical work has resulted in new zones of gold mineralization and recommendations for further exploration on known historical zones from the 1930-1940 era. Pelangio conducted two diamond drilling programs on the property in 2020 and 2021 with notable drilling intercepts of 1.32 g/t gold over 26.00 meters including 314 g/t gold over 1.74 meters (uncut) and 10.95 g/t gold over 3.00 meters including 23.40 g/t gold over 1.00 meters.

DOME WEST PROPERTY, TIMMINS GOLD CAMP

Pelangio optioned the prospective Dome West property in 2019 from Mr. Francois Desrosiers and 6398651 Canada Inc. The Dome West property comprises 10 mining cells covering 56 hectares and is strategically located adjacent to both Newmont’s Dome Mine property and the former Paymaster Mine property.

In March 2024, 6398651 Canada Inc. and François C. Desrosiers provided notice of default to Pelangio. It was unanimously agreed between all the parties that the option agreement would be terminated effective December 31, 2023.

GOWAN POLYMETALLIC PROPERTY, TIMMINS, ONTARIO

The Gowan Property is a 2.6 km^2 property located in Gowan Township approximately 27 kilometers northeast of the City of Timmins and approximately 20 km southeast of Glencore’s Kidd Creek Mine. The Kidd Creek Mine is a copper zinc Volcanogenic Massive Sulfide (“VMS”) deposit hosted in a felsic volcanic suite of rocks. The Gowan Property hosts a historical VMS intercept in a geological environment possibly similar to that found at the Kidd Creek Mine.

During the first quarter of 2022, Pelangio entered into an earn-in letter agreement with 11530313 Canada Inc. (“Privco”) on its Gowan Project. Pursuant to the earn-in agreement between Pelangio and Privco, Privco may earn an initial 25% interest in the Gowan Project by paying Pelangio a total of $400,000 in cash, incurring $600,000 in exploration expenditures in accordance with the following schedule:

Cash Payments	Exploration Expenditures	Year
$400,000		On the Closing Date (Received)
	$600,000	On or before July 1, 2023

Upon completion of the 25% earn-in, Privco has the right to earn a further 25% interest (for a total interest of 50%) in the Gowan Project by paying $100,000 on or before July 1, 2023 and incurring an additional $900,000 in exploration expenditures on or before July 1, 2024. As at December 31, 2023, the Company has not received the additional $100,000 option payment. The Company has not yet received confirmation that the exploration expenditure requirement was met.

Cash Payments	Exploration Expenditures	Year
$100,000		On or before July 1, 2023
	$900,000	On or before July 1, 2024

On July 1, 2023, Privco failed to make the required $100,000 option payment and as a result was in default of the earn-in agreement.

BIRCH LAKE PROPERTY, RED LAKE DISTRICT, ONTARIO

The Company owns a 100% interest in a total land package of 3,400 hectares (34 km^2) in the Keigat Lake area, approximately 120 km northeast of Red Lake, Ontario. The original 453-hectare property is subject to an underlying agreement whereby Newmont retains a 2% NSR on 28 of the historical claims. All other claims are not subject to any royalty. There are currently no obligations to Newmont other than payment of the royalty on production.

In October 2021, Pelangio entered into an earn-in agreement with a well-financed, strategic partner, First Mining Gold Corp. (“First Mining”) and Gold Canyon Resources Inc. (“Gold Canyon”), a wholly-owned subsidiary of First Mining, on Pelangio’s Birch Lake and Birch Lake West properties (together, the “Birch Lake Project”). The Birch Lake Project is adjacent to First Mining's Springpole Gold Project (see map below), which hosts the 3.8 million ounce Springpole gold deposit located 3 kilometers to the south.

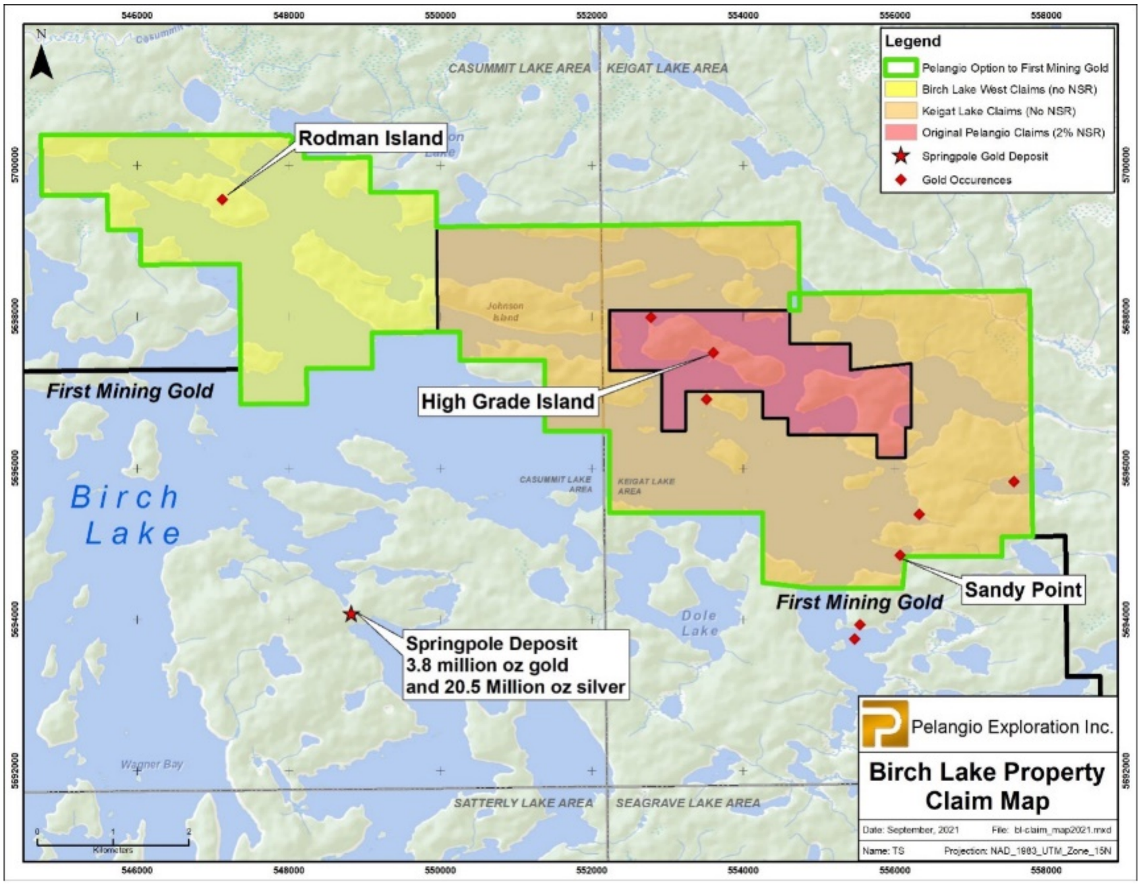
Agreement Terms:
An agreement was first signed in October 2021 with First Mining and subsidiary Gold Canyon to earn into Pelangio's Birch Lake properties whereby Gold Canyon may earn an initial 51% interest in the Birch Lake Project by paying Pelangio a total of $350,000 in cash, issuing to Pelangio 1,300,000 First Mining shares and completing $1,750,000 in exploration expenditures over a four year period. The first year obligations of the agreement were fulfilled by Gold Canyon, however prior to the second anniversary of October 4, 2023, First Mining approached Pelangio to request reasonable modifications to the agreement to accommodate for the industry-wide reductions to available exploration capital plus challenges to their drilling programs on Birch Lake due to milder winters and thin ice. Following discussions, Pelangio and First Mining mutually agreed to an updated earn-in agreement, as below, which grants Gold Canyon and First Mining additional time to earn-in to 51% of the Birch Lake Project. Compared to the original agreement, the amended agreement gives Pelangio less cash ($220,000 over 7 years vs. $350,000 over 4 years), more shares of First Mining (1,600,000 shares over 7 years vs. 1,300,000 shares over 4 years) plus a marginally smaller work commitment ($1,500,000 within 7 years vs. $1,750,000 within 4 years). Pelangio believes it is in its best interests to accommodate First Mining who have demonstrated themselves as a good partner for the advancement of the Birch Lake properties.

Cash Payments	Share Issuances	Exploration Expenditures	Year
$50,000	250,000		On October 4, 2021, the Closing Date – (Cash & Shares Received)
$50,000	250,000		On October 4, 2022 – (Cash & Shares Received) Exploration Expenditures extended to on or before the Second Anniversary of the Closing Date
$10,000	250,000		On or before October 4, 2023 – (Cash & Shares Received)
$10,000	250,000		On or before October 4, 2024
$25,000	500,000		On or before October 4, 2025
$25,000	200,000	Minimum $500,000	On or before October 4, 2026
$25,000	200,000		On or before October 4, 2027
$25,000	200,000	Minimum $1,500,000	On or before October 4, 2028

Upon completion of the 51% earn-in, Gold Canyon and First Mining have the right to earn a further 29% interest (for a total interest of 80%) in the Birch Lake Project for a period of up to two years from the date of the exercise of the 51% earn-in right (the "Second Earn-In Period"), which remains in effect as stated in the original agreement from 2021. In order to earn the additional 29%, Gold Canyon or First Mining shall complete, within the Second Earn-In Period, a further $1,750,000 in exploration expenditures and either pay Pelangio $400,000 in cash or issue to Pelangio such number of shares of First Mining equal to $400,000 divided by the market price of First Mining shares on the day immediately prior to the date of issuance. Gold Canyon and Pelangio shall form a 51%/49% joint venture with respect to the Birch Lake Project if the 51% earn-in is completed and the second earn-in is not completed. If the second earn-in is completed, Gold Canyon and Pelangio shall form an 80%/20% joint venture with respect to the Birch Lake Project.

In 2022 First Mining commenced a planned multi-year district-scale exploration program over properties in the Birch-Uchi Greenstone Belt, including over the optioned Birch Lake property. A high resolution magnetic and SkyTEM electromagnetic airborne survey has been completed and considerable soil and rock geochemical surveys were conducted across the district during the 2022 and 2023 field seasons with numerous samples obtained from the Birch Lake properties. Assays results from sampling on the Birch Lake Project were in line with historical results and filled in several gaps in the property sample coverage. Multiple priority drill targets have been developed across the district, including on the Birch Lake property, and drilling commenced in the winter of 2022-2023. First Mining successfully completed one drill hole on Birch Lake approximately 4 kilometers to the northwest of High-Grade Island for which assay results were not released publicly, however poor ice conditions prevented two additional planned holes from being drilled. First Mining has informed Pelangio that they intend to conduct additional drilling on the Birch Lake properties with the timing dependent upon rankings of other targets developed from their ongoing work across the district, plus ice conditions, permitting and availability of exploration capital.

Birch Lake Property Map



ADDITIONAL CANADIAN PROPERTIES

- *Poirier Gold Property, Timmins Gold Camp*
  Pelangio owns 100% of the Poirier Gold Property Lease (47.34 hectares) located in Bristol Township, 22km west of Timmins, contiguous with Pan American Silver Corp.'s (previously Tahoe Resources Inc.) Timmins and Thunder Creek deposits (collectively, the Timmins West Mine). The property is subject to a 1% NSR (which may be purchased for $1 million) payable to the vendors and a further 1% NSR payable to a third party. A review and evaluation of the potential of this property is planned for the future.

- *Seeley Property, Hemlo Area*
  Pelangio owns 100% of the 307.6 hectares Seeley (Lorna Lake) property and there is no underlying royalty. The Seeley property is located in the historic Hemlo area and is contiguous with Hemlo Explorers Wire Lake Property which is now under option to Barrick Gold who are currently active on the property. The Hemlo area is again becoming one of the more active exploration regions in Ontario. No activity is currently planned.

- *Thunder Gold, Timmins Gold Camp*
  Pelangio owns a 100% interest in the Thunder Gold property located 20 kilometers west of Timmins, Ontario. It consists of one lease (48.5 hectares), which was converted from three claims in 2010 and is subject to an underlying royalty of 2% and $1,000 per year advance royalty to the vendors.

- *Black Township, Timmins Gold Camp*
  Pelangio owns a 100% interest in the Black Township property located 100km east of Timmins, Ontario. The property consists of two mineral leases acquired in 2010. The property has no underlying royalty. The leases cover a historical gold occurrence.

- *Hailstone Property, La Ronge, Saskatchewan*
  In 2019, Pelangio entered in an option agreement to acquire the Hailstone Gold Property in the La Ronge area of Saskatchewan from First Geolas Consulting. In 2021, Pelangio completed the option agreement and now holds a 90% interest in the project subject with First Geolas holding a 10% interest and a 1.5% Net Smelter Royalty. The property is comprised of certain mineral claims located approximately 100 kilometers northeast of La Ronge, Saskatchewan, and is flanked by several small but high-grade historical gold mines in geological environments similar to that found at the Hailstone Property.

- *Kenogaming Property, Timmins, Ontario*
  During the second quarter of 2022 Pelangio purchased a 100% interest in the highly prospective, 178 hectare gold, silver, zinc polymetallic property in Kenogaming Township, located approximately 63 km (see Figure 1) southwest of the City of Timmins, Ontario. The property covers 800 meters of strike of an up to 300 meters wide strongly pyritized corridor of highly altered felsic rocks that are geochemically enriched in gold and zinc. Drilling by previous explorers from the 1950's to the 1990's returned significant gold and base metal mineralization with diamond drilling highlights including 35.65 g/t gold over 1.21 meters, 18.5 g/t gold over 1.0 meters and 0.59 g/t gold, 1.8 g/t silver and 1.10% zinc over 10 meters with little drilling below 150 meters and roughly half of the strike of the target zone untested by drilling.

  Agreement Terms:
  Pelangio purchased a 100% interest in the Kenogaming Project by granting DSB Capital Corp. ("DSB") a 1% net smelter return royalty and issuing to DSB 350,000 common shares in the capital of Pelangio. The Kenogaming Project is subject to an underlying 3% net smelter return royalty. Pelangio will have the right to buy-out 1% of the 3% NSR for $1,000,000. A wholly-owned subsidiary of Pelangio holds 70% of the underlying royalty.

Risks Related to the Corporation's Business
The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The following risks and uncertainties may have a material adverse effect on the Corporation's operations.

Exploration for Minerals is Speculative in Nature
Exploration for minerals is speculative in nature, involves many risks, and is frequently unsuccessful. All of the properties in which we have an interest, or to which we have a right are in the exploration stage only and are without mineral reserves and mineral resources except the Manfo Property, which was the subject of the Manfo Initial Resource Evaluation filed on SEDAR June 21, 2013. There can be no assurance that our current, proposed, or future exploration and development programs or properties in which we have an interest or may in future have an interest will result in the discovery of mineralization or a profitable commercial mining operation. Furthermore, once mineralization is discovered, it may take several years in the initial phases of drilling until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish proven and probable reserves through drilling, to determine the optimal metallurgical process to extract the metals from the ore and, in the case of new properties, to construct mining and processing facilities. The commercial viability of a mineral resource is dependent on a number of factors including the price of minerals, exchange rates, the particular attributes of the deposit, such as its size, grade and proximity to infrastructure, as well as other factors including financing costs, taxation, royalties, land tenure, land use, water use, power use, importing and exporting minerals and environmental protection. As a result of these uncertainties, no assurance can be given that our exploration programs will result in the establishment of mineral resources or mineral reserves.

As part of our business strategy, we have sought and will continue to seek new opportunities in the mining industry. In pursuit of such opportunities, we may fail to select appropriate acquisition targets or negotiate acceptable arrangements, including arrangements to finance acquisitions or integrate the acquired property into our operations. Acquisition transactions involve inherent risks, which risks could cause us not to realize the benefits anticipated to result from the acquisition of properties and could have a material adverse effect on our ability to grow and on our financial condition.

We cannot assure that we can complete any acquisition or business arrangement that we pursue, or are pursuing, on favourable terms, or that any acquisitions or business arrangements completed will ultimately benefit our business.

Foreign Operations
Nearly all mining projects require government approval regardless of the country. There can be no certainty that these approvals will be granted to us in a timely manner, or at all.

The laws in foreign countries tend to differ significantly from North America and are subject to change. Mining operations, development and exploration activities are generally subject to extensive laws and regulations governing prospecting, development, production, exports, taxes, labour standards, occupational health, waste disposal, environmental protection and remediation, protection of endangered and protected species, mine safety, toxic substances and other matters. Mining is also subject to potential risks and liabilities associated with pollution of the environment and the disposal of waste products occurring as a result of mineral exploration and production. The costs of discovering, evaluating, planning, designing, developing, constructing, operating and closing mines and other facilities in compliance with such laws and regulations are significant.

Acquisitions of properties in foreign countries are subject to the risks normally associated with conducting business in foreign countries. Some of these risks are more prevalent in countries which are less developed or have emerging economies, including uncertain political and economic environments, as well as risks of war, civil disturbances, terrorism or other risks which may limit or disrupt a project, restrict the movement of funds or result in the deprivation of contract rights or the taking of property by nationalization or appropriation without fair compensation, risk of adverse changes in laws or policies of particular countries, increases in foreign taxation, delays in obtaining or the inability to obtain necessary governmental permits, limitations on ownership and repatriation of earnings and foreign exchange controls and currency devaluations. In addition, we may face import and export regulations, including restrictions on the export of minerals, disadvantages of competing against companies from countries that are not subject to Canadian and U.S. laws, including foreign corrupt practices legislation, restrictions on the ability to pay dividends offshore, and risk of loss due to disease and other potential endemic health issues. Although we are not currently experiencing any significant or extraordinary problems arising from such risks in the foreign country in which we have properties, there can be no assurance that such problems will not arise in the future.

Litigation
A number of years ago, Pelangio was named as a co-defendant in an action commenced in the Ghana High Court involving the vendor of two of the three concessions comprising the Obuasi Property and relating to such vendor's corporate history and founding shareholders. No monetary consideration was claimed from Pelangio. The action is the subject of a pre-trial motion and has not yet proceeded to full trial. An interlocutory injunction has been granted preventing all parties from selling any interest in the property pending final determination of the matter. Pelangio has appealed against this ruling and such appeal is yet to be determined. Pelangio filed a complaint in the U.S.A against the Plaintiff in the above case for Abuse of Process which was dismissed and Pelangio has appealed.

The litigation was settled on July 11, 2023 with the Ghana High Court issuing a judgement approving the settlement on July 21, 2023. Refer to the Obuasi property section of this MD&A for more details.

In addition, we are involved in litigation regarding the termination of an option agreement in respect of the New Edubiase concession, which we consider to be without merit, based on our reasoned assessment of all available information including legal advice received regarding the basis in law for the counterparty's claim. The plaintiff has since died and the Company is in the process of making an application to have the litigation dismissed.

Notwithstanding the foregoing, it can be time consuming and expensive to obtain a favourable resolution of such disputes in foreign jurisdictions and accordingly, disputes can have a materially adverse effect on our ability to advance our projects. Notwithstanding our assessment of the likely outcome and potential effect of current disputes, the outcome is not certain. Some such disputes are governed by the laws of jurisdictions where substantive and procedural laws may differ materially from those of Canada, and which favour a claimant. These and other factors make the litigation and dispute resolution process inherently unpredictable. Furthermore, defense and settlement costs can be substantial, even with respect to claims that have no merit. The outcome or resolution of legal proceedings and disputes, individually or in the aggregate, could be other than as expected and could have a material adverse effect on our financial position and results of operations.

Additional Capital
The exploration and development of our properties may require substantial additional financing. The source of future funds available to us is through the sale of additional equity capital or borrowing of funds. There is no assurance that such funding will be available to us. Furthermore, even if such financing is successfully completed, there can be no assurance that it will be obtained on terms favourable to us or will provide us with sufficient funds to meet our objectives, which may adversely affect our business and financial position. In addition, any future equity financings by us may result in substantial dilution for purchasers of our shares. Failure to obtain sufficient financing may result in delaying or indefinite postponement of exploration, development or production on any or all of our properties or even a loss of property interest. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favourable to us. Additional funds will be required for future exploration and development.

Shareholders' Interest in The Corporation May be Diluted in The Future
We may from time to time undertake offerings of Common Shares or of securities convertible into Common Shares including stock options and similar incentive plans in the future. The increase in the number of Common Shares issued and outstanding and the possibility of the issuance of Common Shares on conversion of convertible securities may have a depressive effect on the price of Common Shares. In addition, because of such additional Common Shares, the voting power of our existing shareholders will be diluted.

Limited Operating History
We have a limited operating history on which to base an evaluation of our business and prospects. Except for the Manfo Property, which was the subject of the Manfo Initial Resource Evaluation, our properties do not contain any mineral resources or mineral reserves and we have never had any revenues from our operations. In addition, our operating history has been restricted to the acquisition and exploration of our mineral properties. We anticipate that we will continue to incur operating costs without realizing any revenues during the period when we are exploring our properties. We expect to continue to incur significant losses into the foreseeable future. We recognize that if we are unable to generate significant revenues from mining operations and any dispositions of our properties, we will not be able to earn profits or continue operations. At this early stage of our operation, we also expect to face the risks, uncertainties, expenses, and difficulties frequently encountered by companies at the start-up stage of their business development. We cannot be sure that we will be successful in addressing these risks and uncertainties and our failure to do so could have a materially adverse effect on our financial condition. There is no history upon which to base any assumption as to the likelihood that we will prove successful and we can provide investors with no assurance that we will generate any operating revenues or ever achieve profitable operations.

Competition
We operate in a competitive industry and compete with other more well-established companies which have greater financial resources than we do. We face strong competition from other mining companies in connection with exploration and the acquisition of properties producing, or capable of producing, base and precious metals. Many of these companies have greater financial resources, operational experience and technical capabilities than us. As a result of this competition, we may be unable to maintain or acquire attractive mining properties on terms we consider acceptable or at all. Consequently, our revenues, operations and financial condition could be materially adversely affected.

Title to Mineral Properties
Title to our resource properties may be challenged by third parties, or the licences that permit us to explore our properties may expire if we fail to timely renew them and pay the required fees. We cannot guarantee that the rights to explore our properties will not be revoked or altered to its detriment. The ownership and validity of mining claims and concessions are often uncertain and may be contested.

Except as described herein, we are not aware of challenges to the location or area of any of the mining concessions and mining claims in any of the jurisdictions in which we operate. There is no guarantee that title to the claims and concessions will not be challenged or impugned in the future. If we fail to pay the appropriate annual fees or fail to timely apply for renewal, then these licences may expire or be forfeit.

Key Employees and Consultants
Shareholders will be relying on the good faith, experience and judgment of our management and advisors in supervising and providing for the effective management of our business and the operations and in selecting and developing new investment and expansion opportunities. We may need to recruit additional qualified personnel to supplement existing management. We will be dependent on a relatively small number of key personnel, the loss of any one of whom could have an adverse effect on us.

The development of our business is and will continue to be dependent on its ability to attract and retain highly qualified management and mineral exploration personnel. The Corporation will face competition for personnel from other employers. The Corporation does not maintain key management insurance on any of its management personnel.

Conflict of Interest
Certain directors of the Corporation also serve as directors of other companies involved in natural resource exploration, development and production. Consequently, there exists the possibility that such directors will be in a position of conflict of interest. Any decision made by such directors involving such other companies are required to be made in accordance with the duties and obligations to act honestly and in good faith with the Corporation and such other companies. In addition, such directors are required to declare, and refrain from voting on, any matter in which such directors may have a material conflict of interest.

Permits
Other than as disclosed above, we currently have all required permits for operations as currently conducted, there is no assurance that delays will not occur in obtaining all necessary renewals of such permits for the existing operations or additional permits for our planned operations or any possible future changes to operations. Prior to any development on any of our properties, we must receive permits from appropriate governmental authorities. There can be no assurance that we will receive or continue to hold all permits necessary to develop or to commence or to continue operating at any particular property.

Currency Risk
By virtue of the location of our operations and exploration activities, we incur costs and expenses in a number of currencies other than the Canadian dollar. The exchange rates covering such currencies have varied substantially in the last three years. We raise capital through equity financings principally in Canadian dollars while much of our operating and capital costs are incurred in United States Dollars (USD) and Ghanaian Cedis (GH₵), giving rise to potential significant foreign currency translation and transaction exposure, which could have a material and adverse effect on the Corporation's results of operations and financial condition.

Price and Volume Fluctuations
In recent years, the securities markets have experienced an elevated level of price and volume volatility, and the market price of securities of many companies has experienced wide fluctuations which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that such fluctuations will not affect the price of our securities.

Risks Related to the Mining Industry Generally Mineral Prices
The ability to obtain equity financing, secure joint venture financing, or debt financing for the further exploration or development of any of the mining projects, and the profitability of any mineral mining operations in which we may acquire an interest, will be significantly affected by changes in the market price of minerals. Mineral prices fluctuate daily and are affected by numerous factors beyond our control. The level of interest rates, the rate of inflation, central bank sales, world supply and demand for minerals, stability of exchange rates, and global or regional political or economic events, among other factors, can cause significant fluctuations in mineral prices. Such external factors are in turn influenced by changes in international investment patterns and monetary systems and political developments. The price of minerals has historically fluctuated widely.

If mineral prices were to decline significantly or for an extended period, we may not be able to continue our operations, develop our properties, or fulfill our obligations under our agreements with our partners or under our permits and licences.

Commodity Prices
Our operations are or will be dependent on various commodities (such as heavy fuel oil, diesel fuel, electricity, steel, concrete and cyanide) and equipment to conduct operations. The shortage of such commodities, equipment and parts, or significant increase of their cost could have a material adverse effect on our ability to carry out our operations. Market prices of commodities can be subject to volatile price movements, which can be material, occur over short periods of time, and are affected by factors that are beyond our control. An increase in the cost, or decrease in the availability, of input commodities equipment or parts may affect the timely conduct and cost of our operations. If the costs of certain commodities consumed or otherwise used in connection with our operations and development projects were to increase significantly, and remain at such levels for a substantial period, we may determine that it is not economically feasible to proceed with development of

some or all our current projects, which could have an adverse impact on our future cash flows, earnings, results of operations and financial condition.

Mining

As of the date hereof, our properties, other than the Manfo Property, do not have any estimates of mineral resources or mineral reserves, and there are no assurances that they ever will.

The recoverability of amounts for mineral properties and related deferred exploration costs is dependent upon a discovery of economically recoverable reserves, confirmation of interest in the underlying claims, the ability to obtain necessary financing to complete development and future profitable production or, alternatively, upon disposition of such properties at a profit. Changes in future conditions could require material write-downs of the carrying values of mineral properties and deferred exploration costs.

There are numerous uncertainties inherent in estimating measured, indicated, and inferred mineral resources. The estimation of mineral reserves and mineral resources is a subjective process, and the accuracy of any such estimates are a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation, which may prove to be unreliable. Mineral resources are estimates only and no assurance can be given that any level of recovery of minerals from a mineral resource estimate will in fact be realized or that an identified mineral deposit will ever qualify as a commercially mineable (or viable) ore body, which can be economically exploited. Mineral resources, which are not mineral reserves, do not have demonstrated economic viability. Any material changes in the quantity of mineralization, grade or stripping ratio, or the mineral price may affect the economic viability of a mineral property. In addition, there can be no assurance that mineral recoveries or other metal recoveries in small-scale laboratory tests will be duplicated in larger scale tests under on-site conditions or during production. Until mineral resources are mined and processed, the quantity of mineral and resource grades must be considered as estimates only. There can be no assurance that these estimates will be accurate, that mineral reserves and mineral resource figures will be accurate, or that mineral reserves or mineral resources can be mined or processed profitably.

Infrastructure

Mining, processing, development, and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply 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 adversely affect our operations, financial condition, and results of operations.

Government Regulation

Mineral exploration and development activities will be subject to various laws governing prospecting, mining, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use and other matters. 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 or development.

Government approvals and permits are required in connection with mining exploration and development and in operating a mine. To the extent such approvals are required and not obtained, mining operation or planned exploration or development of mineral properties may be curtailed or prohibited from continuing.

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

Amendments to current laws, regulations and permits governing operations and activities of mining and exploration companies, or more stringent implementation thereof, could have a material adverse impact on a mining project and cause increases in exploration expenses, capital expenditures or require abandonment or delays in development of new mining properties.

Community Action

All industries, including the mining industry, are subject to community actions. In recent years, communities and non-governmental organizations have become more vocal and active with respect to mining activities at or near their communities. These parties may take actions such as road blockades, applications for injunctions seeking work stoppage, and lawsuits for damages. These actions can relate not only to current activities, but also may be in respect of decades' old mining activities by prior owners of subject mining properties and could have a material adverse effect on our operations.

Environmental and Safety Risks
Environmental laws and regulations may affect the operations of a mining company. These laws and regulations set various standards regulating certain aspects of health and environmental quality. They provide for penalties and other liabilities for the violation of such standards and establish, in certain circumstances, obligations to rehabilitate current and former facilities and locations where operations are or were conducted. Furthermore, the permission to operate could be withdrawn temporarily where there is evidence of serious breaches of health and safety, or even permanently in the case of extreme breaches. Significant liabilities could be imposed on a mining company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of acquired properties or non-compliance with environmental laws or regulations.

Environmental legislation is evolving in a manner that may mean stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects, and a heightened degree of responsibility for companies and their officers, directors, and employees. Permits from a variety of regulatory authorities are required for many aspects of mine development, operation, and reclamation. Future legislation and regulations could cause additional expense, capital expenditures, restrictions, liabilities, and delays in the development of the properties, the extent of which cannot be predicted. In the context of environmental permits, including the approval of reclamation plans, mining companies must comply with standards and laws and regulations which may entail costs and delays depending on the nature of the activity to be permitted and how stringently the regulations are implemented by the permitting authority.

Insurance Risks
The Corporation maintains insurance to protect it against certain risks related to its current operations in amounts that it believes are reasonable depending upon the circumstances surrounding each identified risk. The Corporation may elect not to insure against certain risks due to high premiums or for various other reasons. These risks include, in the course of exploration, development and production of mineral properties, unexpected or unusual geological operating conditions including, environmental damage, employee injuries and deaths, rock bursts, cave-ins, fire, flooding and earthquakes. Although the Corporation maintains insurance to cover some of these risks and hazards in amounts it believes to be reasonable, such insurance may not provide adequate coverage in all circumstances. No assurance can be given that such insurance will continue to be available at economically feasible premiums or that it will provide sufficient coverage for losses related to these or other risks and hazards. Should liabilities arise as a result of insufficient or non-existent insurance, any future profitability could be reduced or eliminated.

Corporate Structure
Our foreign operations are conducted through foreign subsidiaries and substantially all of our assets are held in such entities. To our knowledge, there are no limitations on the transfer of cash or other assets between the parent corporation and such entities or among such entities; however, if such limitations are put in place in the future, it could restrict our ability to fund our operations efficiently.

COMMITMENTS AND CONTINGENCIES

Employment agreements
The Company is party to employment agreements with its employees. These contracts contain clauses requiring additional payments to be made upon the occurrence of certain events such as change of control. The additional commitments total approximately $153,000. As a triggering event has not taken place, the contingent payments have not been reflected in these consolidated financial statements.

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

The Company is, from time to time, involved in various claims, legal proceedings and complaints arising in the ordinary course of business.

Refer to the Obuasi property section of this MD&A for details of the Obuasi litigation settlement.

Ghana Revenue Agency ("GRA") audit
In August 2023, the Company's Ghana subsidiaries underwent a compliance audited by the GRA. As a result of the audit, a total of GHS$584,571 (CAD$68,804) including penalties and interest was assessed as owing to the Ghana government (GHS$415,959) and Ghana accounting firm (GHS$168,612) for mediation costs.

In March 2024, the Company paid the full GHS415,959 owing to the GRA.

New Edubiase claims
In addition, the Company is involved in litigation regarding the termination of an option agreement in respect of the New Edubiase concession, which the Company considers to be without merit, based on a reasoned assessment by management of all available information including legal advice received regarding the basis in law for the counterparty's claim. The Plaintiff has since died and the Company is in the process of making an application to have the litigation dismissed.
Flow through share issuance

The Company indemnifies subscribers to flow-through shares for tax-related amounts that may become due as a result of the Company not meeting its obligations under the flow through subscription agreements.

FINANCIAL RISK FACTORS

The Company's risk exposures and the impact on the Company's financial instruments relate to liquidity risk. Management does not consider credit risk, interest rate risk and price risk to have significant impact on the Company operations currently. There have been no significant changes in the risks, objectives, policies, and procedures from the previous period.

Liquidity risk
The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2024, the Company had a cash balance of $220,643 (December 31, 2023 - $234,350) to settle current liabilities of $1,015,875 (December 31, 2023 - $1,129,847). The Company's accounts payable and accrued liabilities generally have contractual maturities of less than 30 days and are subject to normal trade terms.

Of the accounts payable and accrued liabilities as at March 31, 2024, $112,500 (December 31, 2023 - $112,500) is an amount of accrued wages to the Company president. This amount is unsecured, non-interest bearing and is due on demand.

Interest rate risk
The Company has cash balances in bank accounts. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. The Company is sensitive to changes in the interest rates through interest income earned on its cash balance.

The Company has $60,000 (December 31, 2023 - $nil) of interest-bearing debt at 10.5% annual interest.

FAIR VALUE OF FINANCIAL INSTRUMENTS

IFRS requires that the Company disclose information about the fair value of its financial assets and liabilities. Fair value estimates are made at the balance sheet date based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties in significant matters of judgment; and therefore, cannot be determined with precision. Changes in assumptions could significantly affect these estimates.

As at March 31, 2024, and December 31, 2023, the carrying and fair value amounts of the Company's financial instruments, other than the shares of public companies, are approximately the same because of the short-term nature of these instruments.

Fair value measurements are classified using a fair value hierarchy that reflects the significance of the input used in making the measurements. The fair value hierarchy shall have the following levels: (a) quoted market prices (unadjusted) in active markets for identical assets or liabilities (Level 1); (b) inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices) (Level 2); and (c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

The Company has determined the carrying values of its financial instruments as follows:

i. The carrying values of cash, amounts receivable, accounts payable and accrued liabilities approximate their fair values due to the short-term nature of these instruments.

ii. Public and private investments are carried at amounts in accordance with the Company's accounting policies as set out in Note 3 to the financial statements.

The following table illustrates the classification and hierarchy of the Company's financial instruments, measured at fair value in the statements of financial position as at March 31, 2024, and December 31, 2023.

Investments, fair value	**Level 1** (Quoted Market price)	**Level 2** (Valuation technique – observable market inputs)	**Level 3** (Valuation technique – non-observable market inputs)	**Total**
Publicly traded investments	97,721	-	-	97,721
Private investments	-	7,233	-	7,233
March 31, 2024	97,721	7,233	-	104,954

Investments, fair value	**Level 1** (Quoted Market price)	**Level 2** (Valuation technique – observable market inputs)	**Level 3** (Valuation technique – non-observable market inputs)	**Total**
Publicly traded investments	123,447	-	-	123,447
Private investments	-	116,096	-	116,096
December 31, 2023	123,447	116,096	-	239,543

Within Level 3, the Company included private company investments that are not quoted on an exchange. The key assumptions previously used in the valuation of these instruments include (but are not limited to) the value at which a recent financing was done by the investee, company-specific information, trends in general market conditions and the share performance of comparable publicly-traded companies. As at March 31, 2024 and December 31, 2023, the Company no longer had any Level 3 financial instruments.

Record Resources

On September 2, 2020, the Company entered into an option agreement with Jubilee Minerals Inc. on its Birch Lake property. Consideration received for this option was 4,667,940 common shares of Record Gold Corp. During the year 2022, 798,044 shares of Record Gold Corp. were exchanged for 798,044 shares of Record Resources (formerly "Silk Road Energy Inc.").

On March 12, 2024, the TSXV provided Record Resources and Record Gold approval for the second share exchange. The Company received 3,508,277 shares of Record Resources in exchange for the same number of shares the Company held in Record Gold.

The valuation of the remaining 361,619 shares of Record Gold Corp. after the March 12, 2024, TSXV share exchange approval is no longer based on a non-observable input, having been the most recent financing of Record Gold. With the shareholder, management, and TSXV approved 1:1 transfer of shares to publicly traded Record Resources shares management has determined that the valuation of the Record Gold shares can now be linked directly to the observable market input of the daily trading price of the Record Resources shares until such time as the TSX Venture approves the final share exchange.

OUTSTANDING SHARE DATA (*As at May 13, 2024)*

- Authorized share capital of an unlimited number of common shares of which a total of 155,160,219 common shares are issued and outstanding;
- Stock options outstanding totaling 6,272,500 exercisable for common shares at prices ranging from $0.05 per share to $0.23 per share; and
- Warrants outstanding totaling 104,211,571 exercisable for common shares at prices ranging from $0.05 per share to $0.20 per share.

SUBSEQUENT EVENTS

Private placement

On April 16, 2024 the Company announced that it has closed the second and final tranche of a non-brokered private placement. This tranche of 25,766,666 units a price of $0.015 per unit for gross proceeds of gross proceeds of $386,500. Each warrant entitles the holder thereof to purchase one common share of the company at a price of $0.05 per common share until August 16, 2029. The Company paid a finder's fee of $22,500 in cash and issued 1,500,000 finders' warrants. The finders' warrants have the same terms as the unit warrants.

Obuasi settlement

On April 18, 2024, the Company made the fourth USD$20,000 settlement payment.

Director's loans

On April 24, 2024, the Company repaid the $60,000 principal as well as interest of $996, which represents all accrued interest on the loans up to the date of settlement.

ADDITIONAL INFORMATION

Additional information about the Company and the technical report referred to herein, are available on the Company's website at www.pelangio.com or on SEDAR at www.sedar.com under the name Pelangio Exploration Inc.