

# **Golden Arrow Resources Corporation**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE THREE MONTHS ENDED MARCH 31, 2024 AND 2023**

### **Introduction**

This Management's Discussion and Analysis ("MD&A") should be read in conjunction with the condensed consolidated interim financial statements of Golden Arrow Resources Corporation ("the Company") for the three months ended March 31, 2024 and 2023 and related notes thereto which have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS accounting standards"). All figures are in Canadian dollars unless otherwise noted. This MD&A has been prepared as of May 27, 2024.

### **Company Overview**

Golden Arrow Resources Corporation (the "Company") was incorporated on September 22, 2015, under the Business Corporations Act in the province of British Columbia. The address of the Company's registered office is Suite 312 – 837 West Hastings Street, Vancouver, BC, Canada V6C 3N6. The Company is listed on the TSX Venture Exchange, trading under the symbol "GRG", the OTCQX, trading under the symbol "GARWF", and the Frankfurt Stock Exchange, trading under the symbol "G6A".

The Company is a natural resource company engaged in the acquisition, exploration and development of resource properties in South America. The Company is engaged in the business of acquiring, exploring and evaluating natural resource properties and either joint venturing or developing these properties further or disposing of them when the evaluation is completed.

### **Principal Assets**

Unless otherwise stated, the technical information provided below has been reviewed by Brian McEwen, P.Geol., VP Exploration and Development for the Company, and a Qualified Person as defined under National Instrument 43-101.

#### **1. Chile**

On January 12, 2024, Golden Arrow announced that its wholly-owned Chilean subsidiary New Golden Explorations Chile SpA ("NGE"), entered into an option agreement (the "Option Agreement") with Sociedad de Servicios Andinos SpA ("SSA"). Under the Option Agreement, NGE has granted SSA the option (the "Option") to subscribe for 333 shares in the capital of NGE (each, a "Share"), equivalent to approximately 25% of the issued and outstanding Shares upon exercise of the Option, subject to the terms and conditions of the Option Agreement. The Shares are not convertible or otherwise exchangeable for common shares of the Company. SSA is non-arm's length to the Company. No finders' fees are payable for this transaction.

To exercise the Option, SSA must contribute US\$5,000,000 (in the equivalent amount of Chilean pesos) to NGE, as follows:

- US\$2,000,000 in cash, through six bimonthly installments of US\$333,333 commencing on February 1, 2024, and
- perform drilling services, heavy machinery services, truck rental, as well as any other goods or necessary services for the development of field activities at the San Pietro Project (as described below) with an aggregate value of US\$3,000,000 by July 2025.

The Company has received a total of US\$666,333 in cash option payments from SSA as of the date of this report.

## 1.1 San Pietro Iron Oxide-Copper-Gold-Cobalt Project

### *1.1.1 Background*

On March 17, 2022, Golden Arrow announced that it had, through its wholly owned subsidiary New Golden Explorations Chile SPA, purchased a 100% interest in the 18,448 hectare San Pietro Iron-oxide Copper Gold (“IOCG”) Project in Chile from Sumitomo Metal Mining Chile Ltda (“Sumitomo”) for cash consideration of US\$3,350,000, with a 5% Net Profit Interest (“NPI”) retained by Teck Resources Chile Limitada from a 2021 agreement signed with Sumitomo. Following detailed due diligence, the project was deemed an excellent value proposition based on its multiple mineralized prospects, upside potential, and a strong rebound in copper, iron, gold and cobalt pricing since the last exploration work was completed in 2014 which focused mainly on copper despite indications of significant cobalt and iron at some targets.

The San Pietro Project includes exploration and exploitation concessions in the Atacama region of Chile, approximately 100 kilometres north of Copiapo in an active mining district that is home to all the major IOCG deposits in Chile. There is excellent mining infrastructure in the area, and the property is situated immediately adjacent to the west of Capstone Copper’s Santo Domingo mine development project and 10 km northeast of its Mantoverde mine. *[Proximity to other mining projects in the area does not provide any assurances with respect to the prospects at the San Pietro Project.]*

San Pietro is hosted in various andesite units as part of the Cretaceous volcano-sedimentary sequence associated with intrusive rocks such as granodiorites and diorites of similar age. The Project is located east of the Atacama Fault system, a major north-south regional structure, which was instrumental in the emplacement of the ore deposits in the area. Mineralization at San Pietro is typical of an IOCG system with copper-gold-iron-cobalt minerals in breccias, veins and mantos within a zone of K-feldspar-chlorite alteration. These structures are rich in magnetite and specularite and in some cases associated with calcite and were mainly developed along NW-SE lineaments.

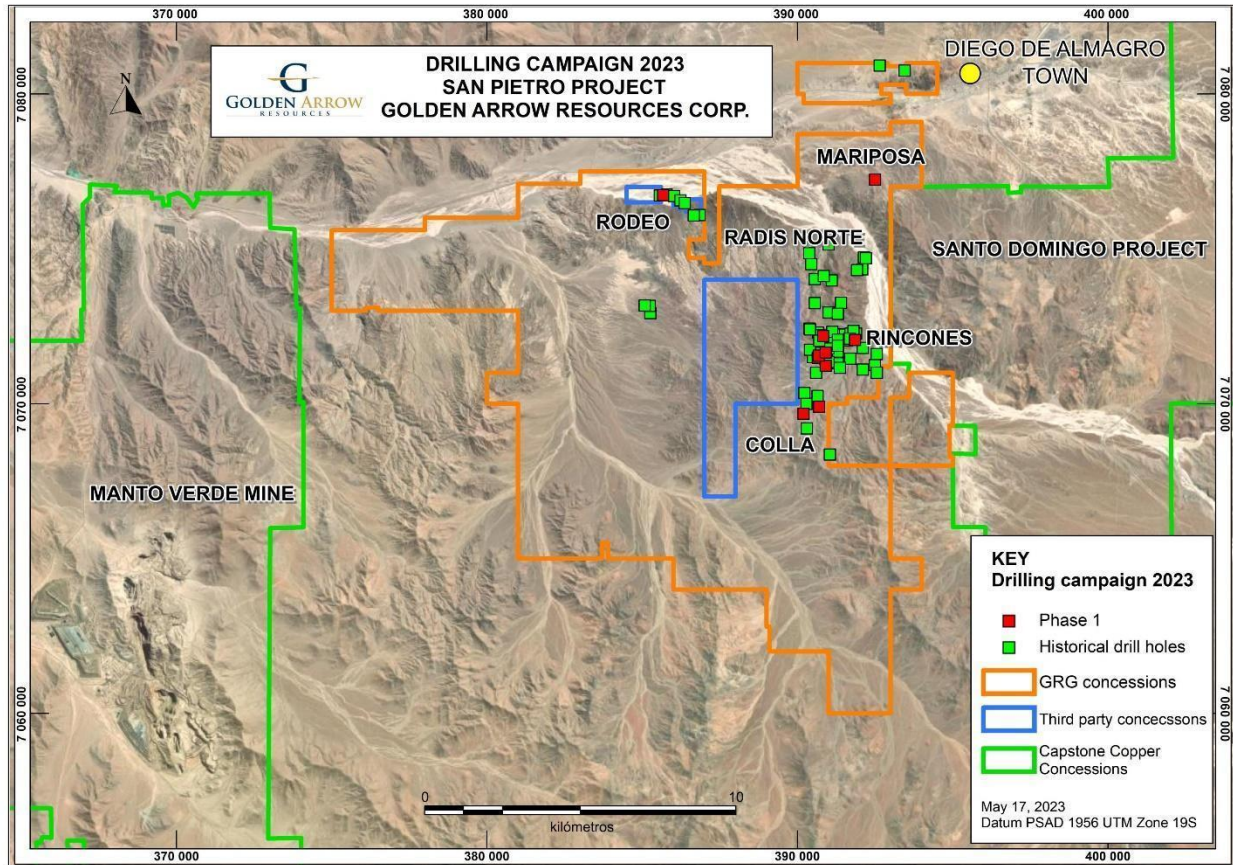
The San Pietro Project had nearly US\$15 million in exploration work by previous owners, including over 34,000 metres of drilling, over 1,000 surface samples and multiple geophysical surveys. Of the Project’s five main target areas, the Rincones target was the primary focus of the historic work, including 46 drill holes with multiple holes returning assays of significant copper, gold and cobalt values, such as 34 metres averaging 1.2% Cu, 0.21g/t Au, and 579ppm Co, in RADDH-002 (see Company news release dated March 17, 2022 for details).

### *1.1.2 Exploration*

The 2022 exploration program included validation of the historic database, relogging of key historic drill core intervals, a third-party review of historic geophysical data, and mapping and sampling throughout the large property. The team confirmed five key target areas for detailed work during the year: Rincones, Colla, Radiss Norte, Rodeo and Mariposa. A program of detailed 1:2000 scale mapping at each target was initiated, with over 10,000 hectares having been finished by the end of 2022, covering the Rincones and Colla targets. Early in 2023, a new IP-resistivity geophysical survey was completed at the Colla target, to detect chargeability anomalies that correlate with pyrite concentrations, as high cobalt is commonly found at the prospect and is known to be hosted within pyrite.

Permits for drilling were applied for in the middle of 2022 and received. On February 14, 2023, the Company announced that it had initiated a 7-hole, 2,650-metre diamond drilling program as the first stage of drilling to advance the five main targets at the project. The initial program was designed to test several new interpretations in preparation for more detailed work. On May 18, 2023, the Company announced that the drill program was being expanded. The final Phase 1 program was approximately 4,000 metres in 13 holes, including two holes in the Colla target which failed to be completed due to issues with drilling. Results from the Phase 1 program were announced in news releases dated June 13, June 27 and July 12, 2023 and are summarized below.

**Figure 1. San Pietro Project with Phase 1 and Historical Drill Hole Locations**



The main focus of the Phase 1 program was the 2.6 by 1.6 kilometres Rincones target, where six holes were completed. These holes successfully validated the new interpretation for the geological model and in all cases they encountered Cu-Co-Au-Fe mineralization. Despite the significant historic drilling in this area, the drill spacing in Rincones remains very loose, with significant room to expand mineralization in all directions. In particular, the central part of the target is very sparsely drilled. Hole SP-DDH-12 of the Phase one program tested this central area, assessing depth extent of a newly mapped copper-bearing magnetite outcrop. This hole returned the best interval of the program, with results highlighted by:

- 64.2 m @ 0.86% Cu, 0.20 g/t Au, 196 g/t Co and 25.9% Fe starting at 42.8m depth, and
- 75.0 m @ 0.23% Cu, 0.03 g/t Au and 67 g/t Co starting at 243 m depth, followed by a short high-grade Co-Fe interval of 3.3 m @ 0.22% Cu, 0.05g/t Au, 333 g/t Co and 33.37% Fe.

Approximately 300 metres southwest of SP-DDH-12 in the southern Rincones area, holes SP-DDH-05 and SP-DDH-11 were collared 80 metres apart. Both holes hit significant mineralized intervals for which preliminary modeling demonstrated continuity of the magnetite-replaced mantos and mineralization between the holes. Highlights of results include 79.8m @ 0.29% Cu, 0.05g/t Au and 179g/t Co, including 15.3m @ 0.64% Cu, 0.10 g/t Au and 388g/t Co at 272.1m depth in SP-DDH-05.

Hole SP-DDH-07 filled in a 250-metre gap between historic holes in the northern part of the target. This hole had a best interval of 87.7m @ 0.34% Cu, 0.08 g/t Au and 238 g/t Co, starting at 38.2 m depth, with 4 higher grade internal intervals, such as 10.55 m @ 0.83% Cu, 0.12 g/t Au and 183 g/t Co.

The final hole of the program, SP-DDH-13, was collared 110 metres east of the known mineralization in the northeast part of the Rincones target. This hole confirmed the continuity of magnetite replaced bodies and returned several significant intervals including 8.83m @ 0.55% Cu, 0.16 g/t Au, 383 g/t Co and 35.77% Fe from 70.43 m depth.

The Rincones target is open in all directions, and with the information collected from this program, a new 3D geological model is being constructed at Rincones which will help to define priority targets for the next drilling phase.

Three exploration targets were also tested by the Phase 1 program: Colla, Mariposa and Rodeo. The Colla target is located approximately two kilometres southwest from Rincones and was of interest for its high cobalt and iron identified by the 4 holes completed in historic drill programs. Holes SP-DDH-02 was drilled nearly 500 metres from previous drilling, testing a high chargeability anomaly suspected to coincide with pyrite concentrations, as cobalt is commonly found within pyrite at the prospect. The hole intersected several packages of magnetite replacement bodies as well as specularite veinlets and breccias with pyrite (cobalt) and chalcopyrite at depth. The best interval was 34m averaging 0.41% Cu, 0.07 g/t Au, 466 g/t Co and 18.0% Fe at 257m depth including 11m averaging 0.98% Cu, 896 g/t Co and 30.9% Fe. Additionally, the hole returned a high-grade gold interval of 2.90 m averaging 7.39 Au g/t at 355 m depth in a hydrothermal crackle breccia with magnetite in the matrix. Hole SP-DDH-09 drilled the main specularite breccia identified in historic drilling and was collared more than 250 m from the nearest historic hole. Results demonstrated the continuity of the specularite breccias and the extension of magnetite mantos delineated at surface by the new detailed mapping.

The Mariposa target includes several occurrences of specularite veins with visible copper oxide mineralization as well as historic small mine workings in the northeast corner of the property package. Phase 1 drill hole SP-DDH-08 tested one such previously undrilled occurrence located approximately six kilometres from Rincones. SP-DDH-08 successfully confirmed mineralization at depth, in a structure believed to be the main feeder for mineralization in the immediate area. Several shallow well-mineralized intervals were intersected, highlighted by 19.86m averaging 0.49% Cu, 0.19g/t Au, 575g/t Co and 17.26% Fe at 64.14m depth including 6m averaging 1.47% Cu, 0.34g/t Au, 517g/t Co and 15.42% Fe.

The Rodeo target is in the northern part of the project, located 7.5 km northwest of Rincones. This target has one historic hole, RO12DH-005, which intersected 34 metres averaging 1.03% Cu, 334ppm Co starting at 120 m downhole (see Company news release dated March 17, 2022 for details). Phase 1 drill hole SP-DDH-10 successfully confirmed the lateral continuity of the Cu-Co mineralization from the historic hole, cutting a long shallow mineralized interval of 24m averaging 0.34% Cu, 0.04g/t Au, 234 g/t Co and 13.14% Fe. The current and historic holes at Rodeo appear to have intersected the same northwest-trending structure that is currently being mined by small-scale local miners on adjacent tenements. *[Proximity to other mining projects in the area does not provide any assurances with respect to the prospects at the San Pietro Project.]*

Work continued through the end of 2023 and beginning of 2024 to refine the geological modeling and design the drill program required to support a NI 43-101 mineral resource estimate at San Pietro, which the Company is aiming to complete before the end of 2024. The new diamond drilling campaign commenced in April, with approximately 10,000 metres of drilling planned. This will be mainly focused on grid and infill drilling at Rincones, with up to 3,000 metres planned to test other targets.

## **2. Argentina**

### **2.1 Portfolio**

Golden Arrow has built a portfolio of over 181,000 hectares of exploration properties in four provinces of Argentina. These properties are prospective for a variety of precious and base metal deposit types and have had varying degrees of work completed in the past. The Company seeks option/joint venture partners to explore the portfolio projects as they are often in remote locations requiring significant work and time commitments to fully evaluate them. This strategy allows Golden Arrow to focus on lower-risk projects that can be quickly and efficiently advanced, while continuing to review and acquire additional new opportunities. A summary of the geology and exploration programs for the most prospective portfolio projects can be found on the Company's website, and additional details are available in the original news releases filed on SEDAR+.

### 2.1.1 Caballos

In keeping with its strategy for portfolio projects, on March 9, 2021, Golden Arrow announced that, through its wholly-owned subsidiary, Desarrollo de Recursos S.A. (“DDR”) it had optioned its Caballos Copper-Gold project to Hanaq Argentina S.A. (“Hanaq”). In order to earn a 70% interest in the Project, Hanaq has guaranteed a minimum US\$0.5 million in expenditures on exploration within two years, followed by US\$3.5 million in exploration expenditures within six years of the agreement date. [Note: The payment schedule comes into effect following the receipt of exploration permits, which are in progress.] After completion of the option earn-in, the parties have agreed to form a joint venture company comprised of 70% Hanaq and 30% DDR to advance the Project on a pro rata basis, with provisions for dilution.

### 2.1.2 Mogote

In May 2022, the Company announced another property option agreement, this time for the Mogote Copper-Gold project in San Juan province. Golden Arrow, through its wholly-owned Argentinean subsidiary, executed a definitive agreement with Australian-based Syndicate Minerals Pty (“Syndicate”) and in April 2023 amended the agreement. The agreement gives Syndicate the option to earn an 85% interest in Mogote. An initial 80% interest can be earned by spending \$5 million on exploration at the Project over five years and making payments of \$1.9 million over five years in cash or listed shares, including a payment on signing of \$150,000. On April 14, 2023, the Company amended its agreement with Syndicate to accept 4,000,000 common shares with a fair value of \$0.30 per share in Mogotes Metals Inc. in lieu of staged cash payments of \$1,200,000. Under the terms of the agreement, in the event that Mogotes Metals Inc. completed a going public transaction or issued its common shares at a lower share price, the Company was to receive additional shares such that the number received in April 2023 would still be the equivalent value of \$1,200,000. On February 13, 2024, the Company received another 4,000,000 common shares in Mogotes Metals Inc. to prevent dilution and maintain its \$1,200,000 investment value as per the terms of the agreement between the companies. After completion of the option earn-in, Syndicate can complete a feasibility study to earn a further 5% interest. After that, the parties have agreed to form a joint venture company to advance the Project on a pro rata basis, with provisions for dilution.

Option Payment US\$	Exploration Expenditure Commitments	Year
	US\$	
150,000 (received)	300,000	2023
250,000 (received)	500,000	2024
350,000 (received)	1,000,000	2025
450,000 (received)	1,500,000	2026
550,000	1,700,000	2027
1,750,000	5,000,000	

### 2.1.3 Yanso

The Yanso Gold Project includes 12,480 hectares in five non-contiguous concessions in San Juan province, Argentina. The properties were formerly considered part of the Company’s Pescado project. Yanso is a gold-copper intrusive-related target with a 300 metre by 90 metre zone of strong alteration coincident with gold and other geochemical anomalies, which is open along strike and untested at depth.

Detailed airborne magnetics identified an intrusive body, and strong silica-illite-pyrite alteration is exposed at the contact with the intrusive. The alteration is exposed between two major drainages and at the intersection of two structural trends. Golden Arrow has conducted limited surface sampling programs over the target in the past that identified geochemical anomalies, with gold assay highlights from rock chips noted above as disclosed in the February 19<sup>th</sup>, 2008 news release. Potential strike extensions of the mineralized zone are buried by alluvial cover.

On July 23, 2021, Golden Arrow announced that it was starting a new exploration program at Yanso, to include geophysical surveying, surface mapping and rock sampling. In 2022, a 642 hectare ground magnetic survey was completed by Golden Arrow and data processed by a third-party consultant. Detailed geological mapping continued, covering over 70% of two target areas. Throughout the year a total of 141 rock chip and 222 channel samples were collected and submitted for assay. Finally, 17 of the rock samples were submitted for alteration testing. Field work including mapping and sampling continued during the exploration season in 2023, and the database now includes results from over 1,800 rock chip and channel samples, from surface and trenches. Results to date support additional work at the property to delineate and test targets, and Golden Arrow continues to seek a joint venture partner in order to fully advance the project.

### **3. Relinquished Projects**

#### **3.1 Espota Project, San Juan**

The grassroots Espota project consisted of 2 exploration concessions that cover 2,887.3 hectares in the Eastern border of the Andean Cordillera Frontal (Front Range) of San Juan Province. In April 2023, Golden Arrow announced that it had entered into an option agreement to earn 100% of the Espota project by making payments that total US\$360,000 over 2 years to the local owners. An initial US\$25,000 payment was made.

The Company completed approximately six months of exploration work. In October 2023, the Company opted to not make the next payment and relinquished the project option.

### **Results of Operations – For the three months ended March 31, 2024 compared to the three months ended March 31, 2023**

#### **Loss from operating activities**

During the three months ended March 31, 2024, loss from operating activities decreased by \$1,486,982 to \$639,631 compared to \$2,126,613 for the three months ended March 31, 2023. The decrease in loss from operating activities is largely due to:

- A decrease of \$1,037,496 in exploration expenses. Exploration expense was \$305,452 for the three months ended March 31, 2024 compared to \$1,342,948 for the three months ended March 31, 2023. The Company undertook fewer exploration work during the three months ended March 31, 2024, compared to the exploration work including the drilling program at San Pietro project during the three months ended March 31, 2023.
- A decrease of \$94,499 in salaries and employee benefits. Salaries and employee benefits were \$187,161 for the three months ended March 31, 2024 compared to \$281,660 for the three months ended March 31, 2023. The decrease was due to no retroactive inflation adjustments to employee salaries for the three months ended March 31, 2024 compared to retroactive inflation adjustments for the three months ended March 31, 2023.

#### **Other items**

During the three months ended March 31, 2024, income from other items increased by \$110,382 to \$41,573 compared to other loss of \$68,809 for the three months ended March 31, 2023. The change in other items is largely due to:

- An increase of \$108,114 in foreign exchange gain. Foreign exchange gain was \$32,892 for the three months ended March 31, 2024, compared to foreign exchange loss of \$75,222 for the three months ended March 31, 2023. The increase is due to fluctuation in foreign exchange rates, including increased transfers of funds to Argentina, which experienced significant volatility in foreign exchange in the three months ended March 31, 2024 compared to the three months ended March 31, 2023.

Net loss for the three months ended March 31, 2024 was \$598,058 or \$0.00 per basic and diluted loss per share compared to net loss after tax of \$2,195,422 or \$0.02 per basic and diluted loss per share for the three months ended March 31, 2023.

## **Cash Flows**

### **Operating Activities**

Cash used in operating activities was \$902,021 for the three months ended March 31, 2024 compared to \$1,906,107 for the three months ended March 31, 2023. The decrease in cash outflow results primarily from fewer exploration expenditures, corporate and administrative cash costs, and changes in non-cash working capital balances due to timing of receipt and payment of cash compared to the prior period.

### **Investing Activities**

Cash received from investing activities was \$441,514 for the three months ended March 31, 2024 compared to \$1,779,771 received for the three months ended March 31, 2023. Expenditures on mineral property interests were \$3,912 during the three months ended March 31, 2024 compared to \$Nil during the three months ended March 31, 2023. The Company received \$445,426 in option income from SSA during the three months ended March 31, 2024 compared to \$Nil during the three months ended March 31, 2023. Dividend income from SSR Mining Inc. ("SSRM") was \$Nil during the three months ended March 31, 2024, compared to \$17,209 during the three months ended March 31, 2023. Disposal of marketable securities generated \$Nil during the three months ended March 31, 2024 compared to \$1,762,562 during the three months ended March 31, 2023.

### **Financing Activities**

Cash received from financing activities was \$852,399 for the three months ended March 31, 2024 compared to a \$36,537 outflow for the three months ended March 31, 2023. Proceeds from the issuance of common shares net of share issue costs were \$870,560 for the three months ended March 31, 2024, compared to \$Nil for the three months ended March 31, 2023. Lease payments were \$18,161 for the three months ended March 31, 2024 compared to \$36,537 for the three months ended March 31, 2023.

## **Statement of Financial Position**

At March 31, 2024, the Company had total assets of \$7,077,319 compared with \$6,505,157 in total assets at December 31, 2023. The increase primarily results from an increase in cash of \$391,892, amounts receivable of \$115,121, and prepaid expenses of \$74,981. Refer to Cash Flows section for details of cash spent.

## **Selected Quarterly Financial Information**

	2024	2023				2022		
	Mar. 31	Dec. 31	Sep. 30	Jun. 30	Mar. 31	Dec. 31	Sep. 30	Jun. 30
	\$	\$	\$	\$	\$	\$	\$	\$
Net (Loss) income	(598,058) <sup>(1)</sup>	(1,062,861) <sup>(2)</sup>	(275,839) <sup>(3)</sup>	(2,283,915) <sup>(4)</sup>	(2,195,422) <sup>(5)</sup>	(1,363,119) <sup>(6)</sup>	(1,051,247) <sup>(7)</sup>	(2,238,520) <sup>(8)</sup>
Net (Loss) income per Common Share Basic and Diluted	(0.00)	(0.01)	(0.00)	(0.01)	(0.02)	(0.01)	(0.01)	(0.02)

- (1) Variance from prior quarter primarily driven by decrease in exploration expenditures of \$175,721, professional fees of \$91,173, salaries and employee benefits of \$63,413, and interest income of \$125,705, partially offset by increase in foreign exchange gain of \$166,560.
- (2) Variance from prior quarter primarily driven by decrease in option income of \$1,200,000, share-based compensation of \$284,276, partially offset by increase in foreign exchange gain of \$165,860.
- (3) Variance from prior quarter primarily driven by decrease in exploration expenditures of \$1,183,950, and foreign exchange gain of \$135,274, partially offset by increase in option income of \$1,200,000 and share-based compensation of \$284,276.
- (4) Variance from prior quarter primarily driven by increase in foreign exchange loss of \$340,582, partially offset by decrease in exploration expenditures of \$140,459, corporate development and investor relations of \$66,736.
- (5) Variance from prior quarter primarily driven by increase in exploration expenditures of \$1,223,556, and corporate development and investor relations of \$103,956, partially offset by foreign exchange gain of 390,978.
- (6) Variance from prior quarter primarily driven by decrease in foreign exchange gain of \$600,241, and exploration expenditures of \$419,571.
- (7) Variance from prior quarter primarily driven by decrease in exploration expenditures of \$1,137,679, impairment of exploration and evaluation assets of \$414,629, and foreign exchange gain of \$267,020.
- (8) Variance from prior quarter primarily driven by increase in exploration expenditures of \$512,647, impairment of exploration and evaluation assets of \$372,117, option income of \$150,000, and corporate development and investor relations of \$87,355.

## **Liquidity and Capital Resources**

The Company has experienced recurring operating losses and has a deficit of \$60,769,555, working capital of \$808,675 and shareholders' equity of \$5,842,022 at March 31, 2024. In addition, the Company has negative cash flow from operating activities of \$902,021. The Company's financial position indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. The Company's continued operations are dependent upon its ability to raise additional funding to meet its obligations as they fall due. Management's plan in this regard is to raise equity financing as required. There are no assurances that the Company will be successful in achieving these goals.

## **Capital Stock**

### *Authorized Share Capital*

At March 31, 2024, the authorized share capital comprised an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

As at March 31, 2024, there were 144,766,596 shares issued and outstanding.

As at the date of this report, there are 144,766,596 shares issued and outstanding.

### *Details of Issues of Common Shares in 2024*

On March 15, 2024, the Company completed the second and final tranche of a non-brokered private placement announced on January 19, 2024, and subsequently increased on February 6, 2024. The Company issued 1,000,000 units in this tranche at a price of \$0.05 per unit for gross proceeds of \$50,000. Each unit consisted of one common share and one transferable common share purchase warrant. Each warrant entitles the holder thereof to purchase one additional common share in the capital of the Company at \$0.10 per share for three years from the date of issue. Fair value of the warrants was calculated using the Black-Scholes pricing model and the following variables: risk-free interest rate – 4.21%; expected stock price volatility – 68.56%; dividend yield – 0%; and expected warrant life – 2.25 years.

On February 6, 2024, the Company completed the first tranche of a non-brokered private placement announced on January 19, 2024, and subsequently increased on February 6, 2024. The Company issued 16,890,000 units in this tranche at a price of \$0.05 per unit for gross proceeds of \$844,500. Each unit consisted of one common share and one transferable common share purchase warrant. Each warrant entitles the holder thereof to purchase one additional common share in the capital of the Company at \$0.10 per share for three years from the date of issue. Finder's fees paid were \$23,940 cash and 478,800 non-transferable warrants exercisable into common shares at \$0.10 for three years from the date of issue with a fair value of \$7,794. Fair value of the warrants was calculated using the Black-Scholes pricing model and the following variables: risk-free interest rate – 4.21%; expected stock price volatility – 68.56%; dividend yield – 0%; and expected warrant life – 2.25 years.

### *Details of Issues of Common Shares in 2023*

On September 26, 2023, the Company completed the first and only tranche of the non-brokered private placement announced on September 13, 2023 and subsequently closed on October 27, 2023. The Company issued 11,709,357 units in this tranche at a price of \$0.07 per unit for gross proceeds of \$819,655. Each unit consisted of one common share and one transferable common share purchase warrant. Each warrant entitles the holder thereof to purchase one additional common share in the capital of the Company at \$0.15 per share for three years from the date of issue. Finder's fees paid were \$23,878 cash and 341,110 non-transferable warrants exercisable into common shares at \$0.15 for three years from the date of issue with a fair value of \$4,182. Fair value of the warrants was calculated using the Black-Scholes pricing model and the following variables: risk-free interest rate – 4.88%; expected stock price volatility – 61.32%; dividend yield – 0%; and expected warrant life – 2.32 years.



### *Share Purchase Option Compensation Plan*

The Company has a share purchase option plan (the “Plan”) approved by the Company’s shareholders that allows it to grant share purchase options, subject to regulatory terms and approval, to its officers, directors, employees and service providers. The Plan is based on a fixed number of eligible shares equaling 20% of the Company’s outstanding common shares calculated at June 25, 2013, amended January 9, 2018, totaling a maximum of 9,740,920 share purchase options.

The exercise price of each share purchase option is set by the Board of Directors at the time of grant but cannot be less than the market price less allowable discounts in accordance with the policies of the TSX Venture Exchange. Share purchase options granted generally vest immediately, are subject to a four-month hold period and are generally exercisable for a period of five years.

The Company had the following warrants outstanding as at the date of this report:

<b>Number of Warrants</b>		<b>Exercise Price</b>	<b>Expiry Date</b>
<b>Outstanding</b>			
4,062,500		\$0.30	June 19, 2024
1,950,000		\$0.30	June 20, 2024
12,050,467		\$0.15	September 26, 2026
17,368,800		\$0.10	February 6, 2027
1,000,000		\$0.10	March 15, 2027
36,431,767			

The following summarizes information about the Company’s share options outstanding and exercisable as at the date of this report:

<b>Number of Share Options</b>		<b>Exercise Price</b>	<b>Expiry Date</b>
<b>Outstanding</b>	<b>Exercisable</b>		
4,305,000	4,305,000	\$0.25	January 19, 2026
6,950,000	6,950,000	\$0.10	July 13, 2028
11,255,000	11,255,000		

### **Off-Balance Sheet Arrangements**

The Company does not utilize off-balance sheet arrangements.

### **Related Party Balances and Transactions**

On June 1, 2017, the Company entered into a Management Services Agreement with Grosso Group to provide services and facilities to the Company. Grosso Group is a private company that is owned by an officer and director of the Company and also has another director in common with the Company. Grosso Group provides its member companies with administrative and management services. The member companies pay monthly fees to Grosso Group on a cost recovery basis. The fee is based upon a pro-rating of Grosso Group’s costs including its staff and overhead costs among the member companies. The current monthly fee is \$31,000 per month. This fee is reviewed and adjusted quarterly based on the level of services required.

The Management Services Agreement contains termination and early termination fees in the event the services are terminated by the Company. The termination fee includes three months of compensation and any contractual obligations that Grosso Group undertook for the Company, up to a maximum of \$750,000. The early termination fees are the aggregate of the termination fee in addition to the lesser of the monthly fees calculated to the end of the term and the monthly fees calculated for eighteen months, up to a maximum of \$1,000,000. The agreement expires on December 31, 2025 and is automatically renewed for additional terms of two years unless otherwise terminated pursuant to the terms of the agreement. The Company’s commitment under this agreement is as follows:

	Year 1	Year 2	Year 3
	\$	\$	\$
Management Services Agreement	106,200	141,600	-

Transactions	Three months ended March 31,	
	2024	2023
	\$	\$
Services rendered:		
Grosso Group Management Ltd.		
Administration and management services	30,000	84,300
Office & sundry	5,400	14,100
Total for services rendered	35,400	98,400

### Key management personnel compensation

Key management personnel of the company are members of the Board of Directors, as well as the Executive Chairman, President and CEO, CFO and Corporate Secretary and Vice President of Corporate Development.

Transactions	Three months ended March 31,	
	2024	2023
	\$	\$
Consulting, salaries, and professional fees:		
Chairman/President/CEO	80,944	94,686
CFO	8,322	20,659
Director/VP – Corp. Development	28,550	37,705
VP Exploration	18,642	65,420
Corporate Secretary	9,987	24,791
Directors	25,000	29,000
Total for services rendered	171,445	272,261

As at March 31, 2024, there was \$597,025 (2023 – \$421,824) of costs owed from related corporations Argentina Lithium and Energy Corp., and Blue Sky Uranium Corp. for shared services paid by the Company. At March 31, 2024, there was \$113,316 (2023 - \$4,279) in accounts payable and accrued liabilities that was due to a related corporation Grosso Group Management Ltd.

### Events After the Reporting Period

#### *San Pietro Project*

- The Company has received a total of US\$333,333 in cash option payments from SSA.

### Financial Instruments

The Company thoroughly examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks. These risks may include credit risk, liquidity risk, currency risk, and interest rate risk. Where material, these risks are reviewed and monitored by the Board of Directors.

#### *Credit risk*

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to credit risk consist of cash, amounts receivable and exploration funding receivable. The majority of the Company's receivables result from exploration funding for expenses incurred and are with a reputable mining company in good standing.

Overall the Company's credit risk has not changed significantly from the prior period. The Company places its cash and cash equivalents and short-term investments with financial institutions with high credit ratings, the credit risk is minimal.

***Liquidity risk (See also Liquidity and Capital Resources)***

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has in place a planning and budgeting process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives. The Company has historically relied on issuance of shares and warrants to fund exploration programs and may require doing so again in the future.

As at March 31, 2024, the Company has \$611,538 in accounts payable and accrued liabilities that are due within one year of the date of the statement of financial position.

***Market risk***

***(i) Security Prices***

Security price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in the market prices. Investments in marketable securities measured at fair value are exposed to changes in share prices that would result in gains or losses recognized in the Company's other comprehensive income. A 10% change in prices would change the Company's other comprehensive loss by \$120,000.

***(ii) Currency risk***

Financial instruments that impact the Company's net earnings or other comprehensive income due to currency fluctuations include cash accounts, amounts receivable and accounts payable in: US dollars, Argentine Pesos, Chilean Pesos and Paraguayan Guarani. The sensitivity of the Company's net earnings and other comprehensive income to changes in the exchange rate between the Canadian dollar and the United States dollar, Argentine Peso, and Chilean Peso at March 31, 2024 is summarized as follows:

- A 10% change in the US dollar exchange rate relative to the Canadian dollar would change the Company's net loss by \$4,700.
- A 10% change in the Argentinean peso exchange rate relative to the Canadian dollar would change the Company's net loss by \$5,000.
- A 10% change in the Chilean peso exchange rate relative to the Canadian dollar would change the Company's net loss by \$6,000.

The Company may acquire and transfer marketable securities from time to time, to facilitate intragroup funding transfers between the Canadian parent and its Argentine operating subsidiaries. The Company does not acquire marketable securities and engage in these transactions for speculative purposes. In this regard, under this strategy, the Company generally uses marketable securities of large and well-established companies with high trading volumes and low volatility. Nonetheless, as the process to acquire, transfer and ultimately sell the marketable securities occurs over several days, some fluctuations are unavoidable. As the marketable securities are acquired with the intention of a near term sale, they are considered financial instruments that are held for trading, all changes in the fair value of the instruments between acquisition and disposition are recognized through profit or loss.

***(iii) Interest rate risk***

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Cash bears no interest and short-term investments are redeemable at any time without penalty, with interest paid from the date of purchase. The fair value of cash and short-term investments approximate their carrying values due to the immediate or short-term maturity of these financial instruments. Other current financial assets and liabilities are not exposed to interest rate risk because they are non-interest bearing or have prescribed interest rates.

## **Risk Factors and Uncertainties**

The Company's operations and results are subject to a number of different risks at any given time. These factors include, but are not limited to, disclosure regarding exploration, additional financing, project delay, titles to properties, price fluctuations and share price volatility, operating hazards, insurable risks and limitations of insurance, management, foreign country and regulatory requirements, currency fluctuations and environmental regulations risks. Exploration for mineral resources involves a high degree of risk. The cost of conducting programs may be substantial and the likelihood of success is difficult to assess. A number of the risks and uncertainties are discussed below.

*History of losses:* The Company has historically incurred losses as evidenced by its condensed consolidated interim financial statements for the three months ended March 31, 2024 and 2023. The Company has financed its operations principally through the sale of its equity securities and through debt. The Company does not anticipate that it will earn any revenue from its operations until its properties are placed into production, if ever. If the Company is unable to place its properties into production, the Company may never realize revenues from operations, will continue to incur losses and you may lose the value of your investment.

*Unexpected delays:* The Company's minerals business will be subject to the risk of unanticipated delays including permitting its contemplated projects. Such delays may be caused by fluctuations in commodity prices, mining risks, difficulty in arranging needed financing, unanticipated permitting requirements or legal obstruction in the permitting process by project opponents. In addition to adding to project capital costs (and possibly operating costs), such delays, if protracted, could result in a write-off of all or a portion of the carrying value of the delayed project.

*Potential conflicts of interest:* Several of the Company's directors are also directors, officers or shareholders of other companies. Such associations may give rise to conflicts of interest from time to time. Such a conflict poses the risk that the Company may enter into a transaction on terms which could place the Company in a worse position than if no conflict existed. The directors of the Company are required by law to act honestly and in good faith with a view to the best interest of the Company and to disclose any interest which they may have in any project or opportunity of the Company. However, each director has a similar obligation to other companies for which such director serves as an officer or director. The Company has no specific internal policy governing conflicts of interest.

*Competition with larger, better capitalized competitors:* The mining industry is competitive in all of its phases. The Company faces strong competition from other mining companies in connection with 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 the Company. As a result of this competition, the Company may be unable to maintain or acquire attractive mining properties on terms it considers acceptable or at all. Consequently, the Company's revenues, operations and financial condition could be materially adversely affected.

*Title risk:* Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

*Price risk:* The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company's property has exposure to predominantly gold. The prices of these metals, especially gold, greatly affect the value of the Company and the potential value of its property and investments.

*Financial Markets:* The Company is dependent on the equity markets as its sole source of operating working capital and the Company's capital resources are largely determined by the strength of the junior resource markets and by the status of the Company's projects in relation to these markets, and its ability to compete for the investor support of its projects.

*Political risk:* Exploration is presently carried out in Argentina and Chile and is currently being reviewed worldwide. This exposes the Company to risks that may not otherwise be experienced if all operations were domestic. Political risks may adversely affect the Company's potential projects and operations. Real and perceived political risk in some countries may also affect the Company's ability to finance exploration programs and attract joint venture partners, and future mine development opportunities.

*Credit risk:* Credit risk is the risk of an unexpected loss if a third party to a financial instrument fails to meet its contractual obligations. The Company is subject to credit risk on cash, short-term investments, share purchase warrants and amounts receivable. The Company limits its exposure to credit loss by placing its cash and short-term investments with major financial institutions.

*Liquidity risk:* Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they are due. The Company ensures that there is sufficient capital in order to meet short-term business requirements, after taking into account the Company's holdings of cash. The Company raises capital through equity issues and debt and its ability to do so is dependent on a number of factors including market acceptance, stock price and exploration results. The Company's cash is invested in bank accounts.

*Interest risk:* The Company's bank accounts do not earn interest income. Cash bears no interest. The fair value of cash and short-term investments approximates their carrying values due to the immediate or short-term maturity of these financial instruments.

*Currency risk:* Business is transacted by the Company in a number of currencies. Fluctuations in exchange rates may have a significant effect on the cash flows of the Company. Future changes in exchange rates could materially affect the Company's results in either a positive or negative direction.

*Community risk:* The Company has negotiated with the local communities on its mineral property concessions for access to facilitate the completion of geological studies and exploration work programs. The Company's operations could be significantly disrupted or suspended by activities such as protests or blockades that may be undertaken by such certain groups or individuals within the community.

*Environmental risk:* The Company seeks to operate within environmental protection standards that meet or exceed existing requirements in the countries in which the Company operates. Present or future laws and regulations, however, may affect the Company's operations. Future environmental costs may increase due to changing requirements or costs associated with exploration and the developing, operating and closing of mines. Programs may also be delayed or prohibited in some areas. Although minimal at this time, site restoration costs are a component of exploration expenses.

*Global risk:* The Company's business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, and national and international circumstances. Recent geopolitical events, including, the outbreaks of the coronavirus (COVID-19) pandemic, relations between NATO and Russian Federation regarding the situation in Ukraine, and potential economic global challenges such as the risk of the higher inflation and energy crises, may create further uncertainty and risk with respect to the prospects of the Company's business.

*Joint ventures and other partnerships:* The Company may seek joint venture partners to provide funding for further work on any or all of its other properties. Joint ventures may involve significant risks and the Company may lose any investment it makes in a joint venture. Any investments, strategic alliances or related efforts are accompanied by risks such as:

1. the difficulty of identifying appropriate joint venture partners or opportunities;
2. the time the Company's senior management must spend negotiating agreements, and monitoring joint venture activities;
3. the possibility that the Company may not be able to reach agreement on definitive agreements, with potential joint venture partners;
4. potential regulatory issues applicable to the mineral exploration business;
5. the investment of the Company's capital or properties and the loss of control over the return of the Company's capital or assets;
6. the inability of management to capitalize on the growth opportunities presented by joint ventures; and
7. the insolvency of any joint venture partner.

There are no assurances that the Company would be successful in overcoming these risks or any other problems encountered with joint ventures, strategic alliances or related efforts.

### **Forward Looking Statements**

*Forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors which could cause actual events or results to differ from those expressed or implied by the forward-looking statements, including, but not limited to, the risks associated with the Arrangement as well as the risks described in this MD&A under the heading “Risk Factors and Uncertainties”. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in the forward-looking statements. These forward-looking statements are made as of the date of this MD&A and we do not intend, and do not assume any obligation, to update these forward-looking statements, except as required by applicable securities laws. Investors are cautioned that forward-looking statements are not guarantees of future performance and are inherently uncertain. Accordingly, investors are cautioned not to put undue reliance on forward-looking statements.*

### **Disclosure Controls and Procedures and Internal Control over Financial Reporting**

On November 23, 2007, the British Columbia Securities Commission exempted Venture Issuers from the requirement to certify disclosure controls and procedures, as well as, Internal Controls over Financial Reporting as of December 31, 2007, and thereafter. The Company is a Venture Issuer; therefore, it files the venture issuer basic certificates. The Company makes no assessment relating to establishment and maintenance of disclosure controls and procedures as defined under National Instrument 52-109 and Internal Controls over Financial Reporting as at March 31, 2024.

### **Additional Information**

Additional information relating to the Company, including news releases, financial statements and prior MD&A filings, is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). The Company provides information packages to investors. These packages include materials filed with regulatory authorities. Additionally, the Company attends investment/trade conferences and updates its website ([www.goldenarrowresources.com](http://www.goldenarrowresources.com)) on a continuous basis.