

**LABRADOR GOLD CORP.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**THREE AND SIX MONTHS ENDED MARCH 31, 2024**

**Labrador Gold Corp.**  
**Management's Discussion and Analysis**  
**For the Three and Six Months Ended March 31, 2024**  
**Discussion dated: May 28, 2024**

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## **Introduction**

The following discussion and analysis of the results of operations and of the financial position of Labrador Gold Corp. ("Labrador Gold" or the "Company") is prepared as of May 28, 2024, and should be read in conjunction with the Company's condensed interim financial statements for the three and six months ended March 31, 2024 and the Company's audited consolidated financial statements and the notes thereto for the years ended September 30, 2023 and 2022.

The financial information presented herein is expressed in Canadian dollars, except where noted.

The Company's financial statements are reported under International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

## **Company Information**

Labrador Gold is a company involved in the acquisition and exploration of prospective gold projects in the Americas and is publicly traded on the TSX Venture Exchange ("TSX-V") under the symbol "LAB" and on the OTCQX Exchange under the symbol "NKOSF". To date, the Company has not earned significant revenues and is in the exploration stage. Its principal office is located at 82 Richmond Street East, Toronto, ON, Canada M5C 1P1.

On September 5, 2017 the Company entered into a Letter of Intent ("LOI"), subsequently amended in a December 7, 2020 option agreement, granting the Company the option to earn a 100% interest in the Hopedale property, located in Labrador.

In December 2017, the Company changed its name to Labrador Gold Corp and retained the services of Roger Moss, CEO of the Company, on a full-time basis.

In March 2020, the Company acquired an option to earn a 100% interest in the Gander Property, subsequently renamed the Kingsway Property (the "Kingsway Property"), near Gander, Newfoundland & Labrador. In July 2020, the company acquired an additional option to earn a 100% interest in a third license which was incorporated into the Kingsway Property. In May 2022, the Company exercised its option to earn 100% of the three licenses comprising the Kingsway Property.

The Company also holds a 100% interest in the Borden Lake Extension Property (the "Borden Lake Property") located near Chapeau, Ontario, and a 100% interest in the Scotch Property located near Sussex, New Brunswick.

At March 31, 2024, the Company had cash of \$6,659,899 (September 30, 2023 - \$10,081,678) and working capital of \$6,731,170 (September 30, 2023 - \$9,642,507). The Company believes it has sufficient funds to finance its planned exploration and general and administrative costs for the current fiscal year.

The Company does not anticipate generating significant revenues in the near future. As a result, the Company will be required to continue raising funds in order to finance its ongoing property evaluation program and general and administrative expenses. This will most likely be accomplished through the sale of equity.

## **Highlights**

In November 2023, the company announced that exercised its option to acquire 100% of the Hopedale Property. The company now holds a 100% interest in all four of its exploration properties.

In April 2024, the Company entered into a property purchase agreement with New Found Gold Corp. ("NFG"), whereby NFG will acquire a 100% interest in the Kingsway Property. See "Subsequent Event" section.

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**Results of Operations**

**Three Months Ended March 31, 2024**

During the three months ended March 31, 2024, the Company reported a net loss of \$146,000 (2023 – net loss of \$244,676). The change in net loss was mainly due to:

- Corporate development decreased to \$26,096 (2023 - \$67,676) due to decreased marketing.
- Share-based compensation increased to \$55,024 (2023 - \$nil). Share-based compensation varies based on the vesting of share purchase options.
- Other income increased to \$83,152 (2023 - \$36,086) due to increased interest income earned on the Company's cash balance.

**Six Months Ended March 31, 2024**

During the six months ended March 31, 2024, the Company reported a net loss of \$238,290 (2023 – net loss of \$413,980). The change in net loss was mainly due to:

- Corporate development decreased to \$80,736 (2023 - \$152,660) due to decreased marketing.
- Share-based compensation increased to \$86,786 (2023 - \$nil). Share-based compensation varies based on the vesting of share purchase options.
- Other income increased to \$180,843 (2023 - \$95,352) due to increased interest income earned on the Company's cash balance.

**Liquidity and Capital Resources**

The Company is a development-stage company that currently does not generate revenues and does not anticipate doing so in the near future.

As at March 31, 2024, the Company had cash and cash equivalents of \$6,659,899 (September 30, 2023 - \$10,081,678) and working capital of \$6,731,170 (September 30, 2023 - \$9,642,507).

The Company is not subject to debt covenants.

**Unproven Mineral Right Interests**

Ownership in mineral right interests involves certain inherent risks due to the difficulties of determining and obtaining clear title to claims as well as the potential for problems arising from the ambiguous conveyance history of many mineral right interests. The Company has investigated ownership of its mineral right interests and, to the best of its knowledge, ownership of its interests are in good standing.

	<b>Hopedale Property (\$)</b>	<b>Borden Lake Property (\$)</b>	<b>Kingsway Property (\$)</b>	<b>Scotch Property (\$)</b>	<b>Total (\$)</b>
Balance, September 30, 2023	5,058,359	809,135	33,281,238	644,357	39,793,089
Deferred exploration	320,516	-	2,433,043	15,173	2,768,732
Recoveries	-	-	-	(5,050)	(5,050)
<b>Balance, March 31, 2024</b>	<b>5,378,875</b>	<b>809,135</b>	<b>35,714,281</b>	<b>654,480</b>	<b>42,556,771</b>

### **Hopedale Property**

On September 5, 2017, the Company entered into a letter of intent that granted the Company the option to earn a 100% interest in the Hopedale property, located in Labrador. During the year ended September 30, 2023, the Company exercised the option and earned a 100% interest.

The vendors of the Hopedale Property retain a 2% net smelter return ("NSR") royalty, half of which may be bought back by the Company at any time for \$2 million plus \$1 per ounce of gold in measured and indicated resources. An advance royalty of \$25,000 per annum for each property will be payable starting in 2024.

### **Borden Lake Property**

The Company has a 100% undivided interest in the Borden Lake Property located near Chapleau, Ontario.

During the year ended September 30, 2023, the Company allowed to lapse certain claims making up this property. In connection with the lapse of those claims, the Company wrote off \$16,000, being the historical capitalized maintenance fees associated with the claims that were allowed to lapse.

The original vendors of the Borden Lake Property retain a 2% NSR royalty, half of which may be bought back by the Company for \$1 million at any time.

### **Kingsway Property**

On March 3, 2020, the Company acquired an option to earn a 100% interest in the Gander North and Gander South properties, subsequently renamed as the Kingsway Property, located in Newfoundland.

During the year ended September 30, 2022, the Company exercised the option and earned a 100% interest in the properties, subject to completing additional payment of \$750,000 upon incurring an aggregate of \$30 million in expenditures on one of the licenses.

The vendor of the Kingsway Property retains a 1% NSR royalty plus \$1 per ounce of gold in the measured and indicated resources for the property. An advance royalty of \$50,000 per annum will be payable commencing on March 3, 2026.

On July 6, 2020, the Company entered into an additional option agreement to acquire a 100% interest in License 023940M (the "License") which is strategically positioned between the Gander North and South claim blocks.

During the year ended September 30, 2022, the Company completed the option and earned a 100% undivided interest in the License by making cash payments totaling \$459,000, issuing a total of 390,000 common shares, and incurring a total of \$2 million in property work expenditures.

### **Scotch Property**

In March 2021, the Company acquired a 100% undivided interest in the Scotch Property. The Scotch Property is located southwest of Moncton, New Brunswick, and consists of 21 claims.

### **Exploration Activities for the Three Months Ended March 31, 2024**

Roger Moss, Ph.D, P.Geo, a Qualified Person under National Instrument 43-101 has approved the scientific and technical disclosure in this Management's Discussion and Analysis, and has verified the data disclosed.

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During the quarter ended March 31, 2024, assay results were received from exploration programs at Kingsway and Hopedale.

**Kingsway**

During Q2, assay results were received from drilling at the Big Vein, Pristine, Peter Easton, Knobby and HM prospects. An initial, short drill hole at the HM occurrence tested for gold mineralization at depth below an auriferous quartz vein at surface. Most of hole K-23-334 was anomalous in gold grading 0.87g/t Au over 55.9 metres that included a zone with 27 grains of visible gold that graded 38.37g/t Au over 0.8 metres from 61.4 metres near the bottom of the hole. Hole-24-336 followed up the initial intersection at HM with a 25 metre step out to the northwest and intersected near surface mineralization grading 9.29g/t Au over 1.38 metres from 60.62 metres that included 25.22g/t over 0.5 metres. The HM occurrence was found by prospecting and is located approximately 570m along strike to the southwest of Big Vein and a similar distance northeast of Knobby.

Results from Hole K-23-304, drilled at Knobby intersected two quartz zones containing visible gold at 42 and 49 metres. These intersections graded 1.27g/t Au over 0.42 metres and 8.78g/t Au over 0.4 metres, respectively. Two follow up holes at Knobby intersected gold mineralization. Hole K-23-298 intersected 6.05g/t Au over 0.4 metres from 89.9 metres, and hole K-23-310 intersected 8.04g/t Au over 0.6 metres from 80.9 metres.

Ongoing drilling testing the northeast extension of Big Vein continued to intersect significant gold mineralization with Hole K-23-309 intersecting several intervals over the length of the hole including:

- 10.63 g/t Au over 5.9 metres from 139.1 metres downhole that included 46.72g/t over 1 metre in the Big Vein Zone
- 1.41g/t Au over 2 metres from 251 metres and
- 2.2g/t Au over 8.3 metres from 282 metres that included 12.07g/t Au over 0.8 metres in the HTC Zone.

The hole extended both zones by 25 metres along strike to the northeast.

Hole K-23-291 drilled at Pristine intersected near surface gold mineralization grading 1.13g/t Au over 8.32 metres from 15 metres including 2.31g/t over 3 metres. Holes drilled at Peter Easton tested structures interpreted from airborne magnetics and did not intersect gold mineralization.

In an effort to preserve cash, drilling was shut down in February until markets improve. A total of 91,745 metres of the 100,000 metre planned program were drilled.

Subsequent to the end of the quarter, the Company filed a technical report on SEDAR+. The Technical Report, completed by Tanya Tettelaar, P.Geo, M.Sc., dated April 16, 2024 and with an effective date of March 14, 2024, is titled "NI 43-101 Technical Report for the Kingsway Gold Project, Newfoundland and Labrador, Canada,"

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Hole ID	From (m)	To (m)	Interval (m)	Au (g/t)	Zone
K-24-336	60.62	62.00	1.38	9.29	HM
including	60.62	61.12	0.50	25.22	
K-23-334	8.70	64.60	55.90	0.87	HM
including	61.40	64.60	3.20	11.56	
including	61.40	62.20	0.80	38.37	
K-23-312	306.15	307.00	0.85	1.63	Big Vein
K-23-310	80.90	81.50	0.60	8.04	Knobby
K-23-309	139.10	145.00	5.90	10.63	Big Vein
including	141.00	144.00	3.00	20.26	
including	143.00	144.00	1.00	46.72	
	251.00	253.00	2.00	1.41	
	282.00	290.30	8.30	2.20	HTC
including	283.20	284.00	0.80	12.07	
K-23-304	42.78	43.20	0.42	1.27	Knobby
	48.80	52.40	3.60	1.07	
including	48.80	49.20	0.40	8.78	
K-23-301	9.00	21.00	12.00	0.49	Big Vein
including	19.00	20.00	1.00	1.68	
	71.00	72.00	1.00	2.18	
K-23-299	50.20	51.45	1.25	5.25	Big Vein
K-23-298	89.90	90.30	0.40	6.05	Knobby
K-23-291	15.00	23.32	8.32	1.13	Pristine
including	15.00	18.00	3.00	2.31	
	48.70	49.25	0.55	1.51	
K-23-290	52.36	54.12	1.76	1.06	Pristine
K-23-288	318.00	320.00	2.00	1.64	Big Vein
K-23-285	100.00	101.80	1.80	1.33	Pristine
	183.32	224.00	40.68	0.18	

Table 1. Highlights of drill results received during Q2. All intersections are downhole length as there is insufficient Information to calculate true width.

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Hole ID	Easting	Northing	Elevation (m)	Azimuth	Dip	Depth (m)
K-24-336	660,876	5,434,262	37	75	45	91
K-23-334	660889	5434242	32	75	45	73
K-23-312	661,589	5,435,389	47	145	65	353
K-23-310	660,548	5,433,757	43	245	45	154
K-23-309	661,589	5,435,388	47	145	45	303
K-23-304	660576	5433754	42	187	45	157
K-23-301	661,656	5,435,546	58	145	45	166
K-23-299	661,621	5,435,169	39	0	45	110.5
K-23-298	660,594	5,433,792	42	187	45	193
K-23-291	661909	5436148	54	0	90	176
K-23-290	661848	5436193	58	190	60	159.5
K-23-288	661860	5435469	36	130	65	401
K-23-285	661898	5436043	51	315	65	224

Table 2. Drill collar details.

### Hopedale

Results from the 2023 exploration program at Hopedale showed significant gold and silver in rock grab samples in the Rusty Ridge area with a high of 106g/t Au and 20.4 g/t Ag, 3.7g/t Au and 4.9g/t Ag and 2.9g/t Au and 4.7g/t Ag. This newly discovered mineralization named the Fire Ant occurrence, is hosted in gossanous felsic volcanic rocks close to the contact with ultramafic volcanic rocks and has been traced over a strike length of approximately 200 metres.

One of the goals of the 2023 exploration program was to follow up and extend nickel anomalies associated with ultramafic rocks at Rusty Ridge. A total of 14 grab samples of rock assayed over 0.1% Ni and included values up to 0.28% Ni, while nickel values in soil up to 2,271ppm (0.23%) show a significant northeast-southwest trend extending the anomalous area over 550m. Approximately 1.2km south of Rusty Ridge, anomalous nickel in soil samples was outlined over a 1.6km strike length and is coincident with a significant magnetic high. Six of the samples assayed over 1,000ppm (0.1%) Ni with a high of 2,271ppm (0.23%) Ni. Limited rock sampling showed assays of 0.28%, 0.17% and 0.16% Ni in grab samples in this area named Last Resort.

The highest copper value in soil (3,493ppm) on the property to date was recorded at Thurber Boundary, where it forms a northeast-southwest trend over approximately 500 metres. The location of the soil anomaly is in a similar stratigraphic location, close to the contact of mafic and ultramafic volcanic rocks, as the high grade (3.31% Cu over 0.76m and 1.55% Cu over 1m in channel samples) Kaapak copper occurrence approximately 3 kilometres to the south.

In addition to the copper, nickel and gold found during the exploration program, anomalous zinc was found in soil samples (up to 0.22%) and rock (up to 0.97%) in the Jasmine area. The anomalous zone extends over approximately 400 metres and is coincident with a contact highlighted by a change from magnetic high to magnetic low. The Jasmine area is also known to have high copper and gold values indicating potential for volcanogenic massive sulphide deposits.

Eight occurrences identified on the Hopedale project to date reflecting multiple mineralization styles including orogenic gold, magmatic Ni sulphide, copper-silver vein and Zn-rich volcanogenic massive sulphide (Figure 1).

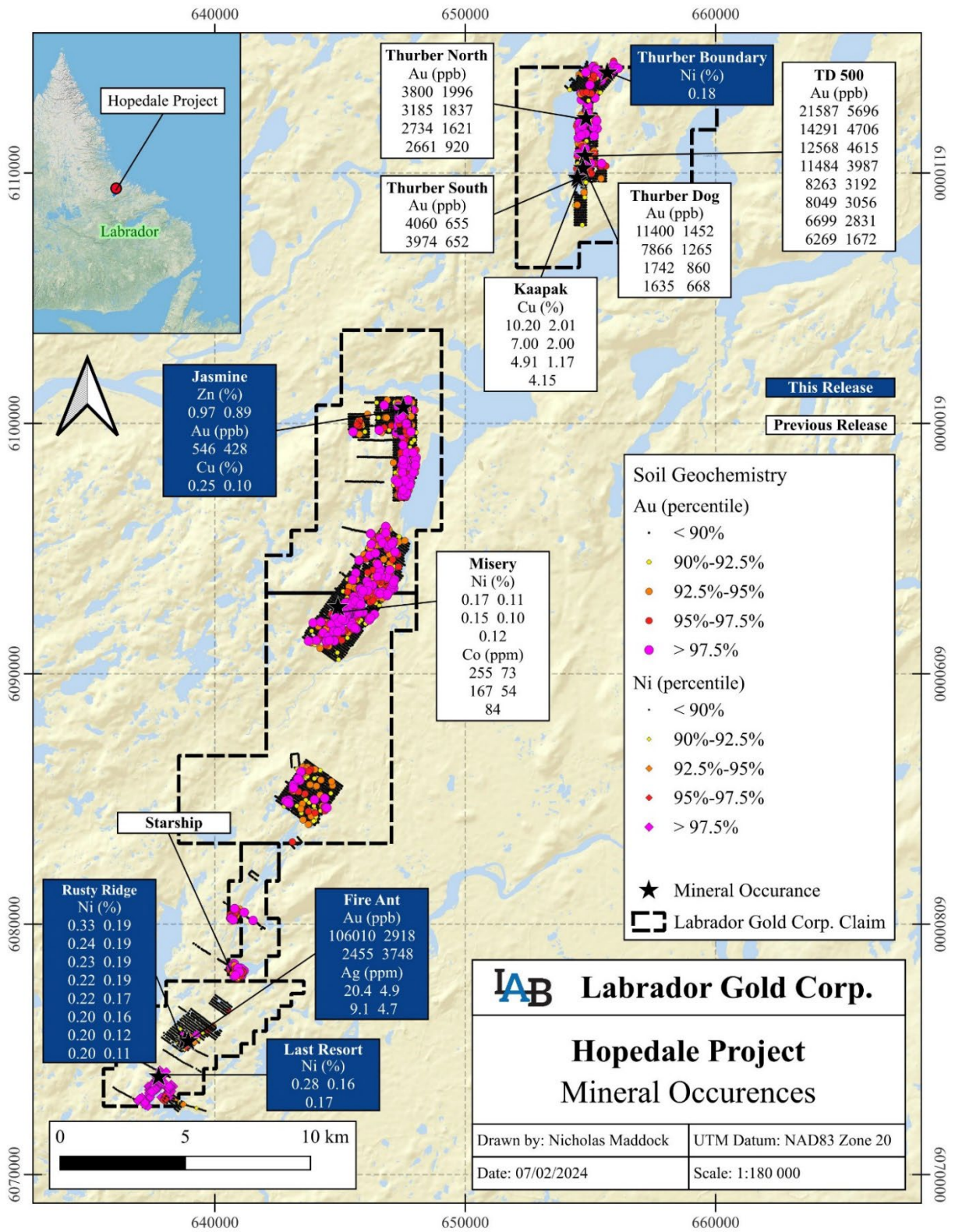


Figure 1. Mineral occurrences of the Hopedale Project with assay highlights.



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**Related Party Transactions**

Key management personnel include the members of the Board of Directors, the Chief Executive Officer ("CEO"), and the Chief Financial Officer ("CFO") of the Company. Compensation of key management personnel was as follows for the periods ended March 31, 2024 and 2023.

	<b>Three Months Ended March 31, 2024 (\$)</b>	<b>Three Months Ended March 31, 2023 (\$)</b>	<b>Six Months Ended March 31, 2024 (\$)</b>	<b>Six Months Ended March 31, 2023 (\$)</b>
Management fees (i)	33,662	18,240	65,162	48,600
Geological consulting fees (i)	4,800	23,760	18,300	35,400
Directors' fees (ii)	13,500	13,500	27,000	27,000
Professional fees (iii)	16,229	14,994	26,803	32,702
Share-based payments	30,729	-	62,730	-
	<b>98,920</b>	<b>70,494</b>	<b>199,995</b>	<b>143,072</b>

(i) During the three and six months ended March 31, 2024, the Company incurred management fees of \$33,662 and \$65,162, respectively (2023 - \$18,240 and \$48,600, respectively) and geological consulting fees of \$4,800 and \$18,300, respectively (2023 - \$23,760 and \$35,400, respectively) for services provided by a company controlled by the Company's CEO. As at March 31, 2024, \$19,429 (September 30, 2023 - \$21,724) was due to the CEO, and is included in accounts payable and accrued liabilities with respect to the fees and other expense reimbursements. These amounts are unsecured, non-interest bearing, with no fixed terms of repayment.

Management fees were paid pursuant to a consulting agreement under which Moss Exploration Services Ltd. would receive a monthly fee of \$15,000 effective October 1, 2022. The Company can terminate the agreement with three months' notice, or payment of the fees during the termination period in lieu of notice.

(ii) During three and six months ended March 31, 2024, the Company incurred directors' fees of \$13,500 and \$27,000, respectively (2023 - \$13,500 and \$27,000, respectively) to its independent directors.

(iii) For the three and six months ended March 31, 2024, the Company incurred \$16,229 and \$26,803, respectively, in professional fees (2023 - \$14,994 and \$32,072, respectively) to Marrelli Support Services Inc. ("Marrelli") for an employee of Marrelli to act as the CFO of the Company. As at March 31, 2024, \$2,601 (September 30, 2023 - \$2,635) was due to Marrelli, and is included in accounts payable and accrued liabilities with respect to the fees. These amounts are unsecured, non-interest bearing, with no fixed terms of repayment.

**Subsequent Events**

On April 21, 2024, the Company entered into a property purchase agreement with NFG, whereby NFG will acquire a 100% interest in the Kingsway Project, including all property and mining rights associated with the property (the "Transaction"), in exchange for \$20,000,000 (the "Purchase Price") payable and satisfied by the delivery to the Company of such number of NFG common shares determined by dividing Purchase Price by the closing price of the NFG common shares on the TSX Venture Exchange on the last trading day prior to the closing of the Transaction.

The Transaction is expected to close in July 2024 and is subject to customary conditions, including receipt of necessary regulatory and stock exchange approvals and approval from a 66 2/3% majority of the votes cast by the Company's shareholders at the next annual general and special meeting of the Company scheduled for June 27, 2024.

On May 15, 2024, 1,300,000 stock options expired unexercised.

### **Critical Accounting Estimates**

The most significant estimates are related to the physical and economic lives of unproven mineral right interests and their recoverability.

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

As of the date of this filing, the Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company including, without limitation, such considerations as liquidity and capital resources that have not previously been discussed.

### **Cautionary Statement on Forward Looking Information**

This MD&A contains certain forward-looking information and statements as defined in applicable securities laws (collectively referred to as "forward-looking statements"). These statements relate to future events or our future performance. All statements other than statements of historical fact are forward-looking statements. The use of any of the words "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "should", "believe" and similar expressions is intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. These statements speak only as of the date of this MD&A. These forward-looking statements include but are not limited to, statements concerning:

- our strategies and objectives;
- prices and price volatility for commodities and of materials we use in our operations;
- the demand for and supply of commodities and materials that we use and plan to produce and sell;
- our financial resources;
- interest and other expenses;
- domestic laws affecting our operations;
- our tax position and the tax rates applicable to us;
- decisions regarding the timing and costs of construction and production with respect to, and the issuance of, the necessary permits and other authorizations required for any proposed projects;
- our planned future production levels;
- potential impact of production and transportation disruptions;
- our planned capital expenditures and estimates of costs related to environmental protection;
- our future capital and production costs, including the costs and potential impact of complying with existing and proposed environmental laws and regulations in the operation and closure of our operations;
- our financial and operating objectives;
- our environmental, health and safety initiatives;
- the outcome of legal proceedings and other disputes in which we may be or become involved; and
- general business and economic conditions.

Inherent in forward-looking statements are risks and uncertainties beyond our ability to predict or control, including risks that may affect our operating or capital plans; risks generally encountered in the permitting and development of mineral projects such as unusual or unexpected geological formations, unanticipated metallurgical difficulties, delays associated with permit appeals, ground control problems, adverse weather conditions, process upsets and equipment malfunctions; risks associated with labour disturbances and availability of skilled labour and management; fluctuations in the market prices of our principal commodities, which are cyclical and subject to substantial price fluctuations; risks created through competition for mining projects and properties; risks associated with lack of access to markets; risks associated with mine plan estimates; risks posed by fluctuations in exchange rates and interest rates, as well as general economic conditions; risks associated with environmental compliance and changes in environmental legislation and regulation; risks associated with our dependence on third parties for the provision of critical services; risks associated with non-performance by

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contractual counterparties; title risks; social and political risks associated with our operations; risks of changes in laws affecting our operations or their interpretation; and risks associated with tax reassessments and legal proceedings.

Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A. Such statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about:

- general business and economic conditions;
- interest rates;
- changes in commodity prices;
- acts of government and the outcome of legal proceedings;
- the supply and demand for, deliveries of, and the level and volatility of commodities and products used in our operations;
- the timing of the receipt of permits and other regulatory and governmental approvals;
- changes in credit market conditions and conditions in financial markets generally;
- the availability of funding on reasonable terms;
- our ability to procure equipment and operating supplies in sufficient quantities and on a timely basis;
- the availability of qualified employees and contractors for our operations;
- our ability to attract and retain skilled staff;
- engineering and construction timetables and capital costs for our projects;
- costs of closure of various operations;
- market competition;
- the accuracy of our mine plan estimates (including, with respect to size, grade and recoverability) and the geological, operational and price assumptions on which these are based;
- tax benefits and tax rates;
- the resolution of environmental and other proceedings or disputes; and
- our ability to obtain, comply with and renew permits in a timely manner.

We caution you that the foregoing list of important factors and assumptions is not exhaustive. Other events or circumstances could cause our actual results to differ materially from those estimated or projected and expressed in, or implied by, our forward-looking statements. Except as required by law, we undertake no obligation to update publicly or otherwise revise any forward-looking statements or the foregoing list of factors, whether as a result of new information or future events or otherwise.