

Golden Arrow Resources Corporation

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND 2022

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" or "Golden Arrow") for the three months ended March 31, 2023 and 2022 and related notes thereto which have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS"). All figures are in Canadian dollars unless otherwise noted. This MD&A has been prepared as of May 29, 2023.

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

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 San Pietro Iron-oxide Copper Gold ("IOCG") Project in Chile from Sumitomo Metal Mining Chile Ltda for cash consideration of US\$3,350,000. 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 18,448 hectares of 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 has 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, with multiple drill holes returning assays with significant copper, gold and cobalt values, including: 34 metres averaging 1.2% Cu, 0.21g/t Au, and 579ppm Co, in RADDH-002.

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 and is on-going, 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 up to 20,000 metres of drilling budgeted to advance the five main targets at the project. The initial program is testing several new interpretations prior to being expanded. On May 18, 2023, the Company announced that the initial drill program was being expanded to 3,500 metres in 10 holes.

1.2 Rosales Copper Project

1.2.1 Background

On July 20, 2020, Golden Arrow announced that it had acquired the Rosales Copper Project in Region III, Chile. The project currently includes approximately 6,300 hectares of properties.

The project is road-accessible and is situated less than 90 kilometres from the mining centre of Copiapo, where full exploration and mining services and infrastructure are readily available. Rosales has near-surface copper stockwork mineralization with a target of a larger mineralized system at depth.

1.2.2 Exploration

The initial reconnaissance program at Rosales identified two general areas of prospective mineralization: The Margarita Mine trend (MMT), and the NW Target.

The MMT is a 3.5-kilometre-long structural corridor, oriented northeast-southwest, mainly defined by a felsic dyke. Situated within the corridor, the Margarita Mine is a small operating underground copper mine. [Golden Arrow cautions that proximity to a mining operation does not indicate that mineralization will occur in sufficient quantity or grade on Golden Arrow's property that would result in an economic extraction scenario.] Plus 1% copper values are hosted in crackle breccias and veins along lithologic boundaries and fault traps, extending outwards from the structural corridor up to 200 metres. Approximately one third of the southwest part of the MMT is located within the Rosales Project, and similar mineralization has been found in this part of the trend on the Rosales property at surface. Chalcocite and chrysocolla was identified in outcrop, filling fractures and disseminated in the andesites, in an area covering 100 x 200 metres. Five rock chip samples from this area averaged 2.53% copper with a highest value of 4.37 % Cu. There are further indications of a manto-type mineralization two to four metres thick in this zone.

The NW Target is located 2.7 kilometres to the northwest of the MMT. It includes outcrop with veinlets and fractures hosting quartz-chalcocite-copper oxides within an area measuring 1,500 by 400 metres. This mineralization is hosted by porphyritic andesite and dacite, which may represent a dome complex. Eight chip samples collected from old trenches and pits throughout the target area averaged 3.19% Cu and 13.9g/t Ag with a highest value of 5.74% Cu and 37.1g/t Ag. Most of the chip samples were taken over 2 metres of width from trenches between 50 and 400 metres apart. The anomalous silver values together with the presence of low temperature opaline-silica veinlets in the dacite suggests a possible epithermal system at depth. Two samples from the east end of the target of quartz-chalcedony veins contained low metal values.

Reconnaissance sampling also detected four other showings with mineralization in old pits. Six samples returned values ranging from 1.42% to 4.66% Cu. Golden Arrow completed detailed mapping of the Margarita Trend and NW targets, as well as a soil sampling program, as announced on September 14, 2020. On April 29, 2021, the Company announced the commencement of a Transient Electromagnetic (TEM) surface geophysical survey. The goal of the program was to detect and delineate prospective electromagnetic conductor responses, consistent with near-surface copper stockwork mineralization, potentially related to Manto-type mineralized copper systems at depth.

The first results of the survey were reported on June 24, 2021 with the identification of three large, near-surface conductive anomaly targets. The highest priority target, based on size, strong conductivity and correlation with high-copper values in surface rock-chip samples, was deemed to be a conductive area with a surface expression of 850 by 500 metres located on the Margarita Trend ("G1"). A second large conductive anomaly was identified approximately 500 metres to the southeast, ("G-2") with surface dimensions of 600 by 400 metres, open to the south. A third conductive target ("G3") was identified 2650 metres to the northwest of G1, near the NW Target surface anomalies. A subsequent TEM sounding survey in the MMT area provided vertical sections resolving one or more zones of moderate conductivity within 250m of surface, interpreted to correlate with the previously reported G1 and G2 anomalies (see August 4, 2021 News Release). Additionally, the TEM sounding survey detected a more prominent sub-horizontal conductor at approximately 500m depth, and with occasional sub-vertical zones of increased conductivity connecting the near-surface and deep conductive features. The deep conductor appeared to be more prominent below the G1 anomaly. The flat-lying and layered appearance of the anomalies, combined with the copper sulphide mineralization observed at surface, were interpreted as consistent with expectations for copper manto (stratabound) deposits.

In addition to the TEM surveys, Golden Arrow completed a ground-based magnetic survey covering 5,035 hectares. Preliminary interpretation of the data indicated zones of low magnetism coincident with the TEM in-loop survey conductivity anomalies. This pattern has been observed at other mantos-type copper deposits.

On September 23, 2021, the Company announced that it had started a reverse circulation drill program. Eight holes totaling 2300 metres were completed to test both the upper and lower conductors and confirm the interpretation of the G1 and G2 anomalies, as well as test the G3 target. The drilling did not confirm the geophysical interpretation. The Company has retained the properties while the concessions are valid but has no current plans to continue exploration. The Company recorded an impairment of \$74,285 related to previously capitalized acquisition costs.

2. Argentina

2.1 Espota Project, San Juan

2.1.1. Background and Agreements

The grassroots Espota project is a large under-explored land package with promising structures and mineralization, situated near other discoveries and deposits. The project consists 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. The Project is situated at an altitude of 2,700 to 3,200 m.a.s.l., which allows for exploration work most of the year. Access is from the town of Bella Vista, via 25 kilometres of provincial highway, followed by 13 kilometres of second order gravel road.

In April 2023, Golden Arrow announced that it has 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 has been made.

2.1.2 Exploration

The geology at Espota consists of an Upper Paleozoic marine sequence of sandstones and shales of the Agua Negra Formation. This sequence was intruded by Permian granites and granodiorites of the Tocota Granitoids and by later Miocene dacites, andesites and rhyodacites.

No previous systematic exploration was carried out on the project. Initial work by Golden Arrow mapped a series of NW-SE trending shear zones within the sandstones that host breccias and veins with quartz-tourmaline-hematite alteration and gold-silver mineralization over a 1km² area. The largest of these targets “Quiscudo” shows a series of quartz-tourmaline-hematite breccia bodies and quartz-tourmaline veins outcropping along more than 600 metres of strike. On April 18, 2023, Golden Arrow reported the first results from channel samples over multiple outcrops in this area with a best result of 27.7 metres averaging 1.57 g/t Au, including 9.64 g/t Au and 33.06 g/t Au in 0.80m and 0.95m long samples, respectively. These two higher-grade samples might represent the borders of the breccia body, but the system is open in both directions. Two additional structures were identified that consists of a series of quartz vein and veinlets identified over 350 metres. All three structures are mineralized with gold and silver associated with elevated arsenic and bismuth pathfinder elements.

Golden Arrow is continuing a detailed program of mapping and sampling in the area of the targets identified to date and plans to complete a ground magnetics survey in the area. A second team will continue reconnaissance exploration work over the remainder of the property.

2.2 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.

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.] After completion of the option earn-in, a joint venture company comprised of 70% Hanaq and 30% DDR will advance the Project on a pro rata basis, with provisions for dilution.

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. After completion of the option earn-in, Syndicate can complete a feasibility study to earn a further 5% interest. After that, a joint venture company will advance the Project on a pro rata basis, with provisions for dilution.

2.2.1 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 19th, 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. Results from this work will be compiled into the database for the project and used to market Yanso to potential joint-venture partners.

3. Relinquished Projects

3.1 Flecha de Oro Gold Project, Rio Negro

3.1.1 Background and Agreements

The Company held an option agreement to acquire up to 100% of the Flecha de Oro Gold Project that included Puzzle, Esperanza and Maquinchao exploration properties. During the three months ended March 31, 2023, the Company determined that it would not be exploring the Puzzle, Esperanza, and Maquinchao properties further based on the exploration work during the period and would discontinue option payments. The Company recorded an impairment of \$113,016 related to previously capitalized acquisition costs.

The terms of the Puzzle and Esperanza option agreement included staged payments over seven years totaling US\$2,090,000 for a 100% interest in both properties with the vendor retaining a 1% net smelter royalty, which could be reduced to 0.25% for an additional US\$1,000,000. The Company had paid US\$40,000 of the US\$2,090,000 commitment when it determined to terminate the option agreement.

The terms of the Maquinchao option agreement included staged payments over four years totaling US\$630,000 for a 100% in the property with the vendor retaining a 1% net smelter royalty. The Company had paid US\$30,000 of the US\$630,000 commitment when it determined to terminate the option agreement.

3.2 Libanesa

3.2.1 Background and Agreement

On June 1, 2021, Golden Arrow announced that it had entered into a binding letter of intent (“LOI”) with Mirasol Resources Ltd. (TSX-V: MRZ) (“Mirasol”) for an option to acquire a 75% undivided interest in Mirasol’s Libanesa silver-gold project (“Libanesa”) in the province of Santa Cruz, Argentina. Libanesa is a 14,500 ha Ag-Au (Pb) project, discovered and staked by Mirasol. It is located at the northeastern margin of the Deseado Massif Au-Ag metallogenic province, approximately 70 km west from the port of Puerto Deseado, 40 km northwest of the Cerro Moro Mine operated by Yamana Gold and 100 km northeast of the Don Nicolas mine operated by Cerrado Gold.

Cerro Rotundo was the principal target, characterized by a mineralized Au/Ag hydrothermal breccia that is exposed at surface, and both chargeability and resistivity geophysical anomalies at depth. The hydrothermal breccia is approximately 50 metres in diameter and is hosted in lapilli and crystal tuffs and pyroclastic breccias. Mineralization is mainly hosted in the matrix of the breccia with chip samples from the previous operator of up to 2.55 g/t Au and 2802 g/t Ag and channel samples of 11 metres @ 1.21 g/t Au and 13 g/t Ag.

Approximately 5.5 kilometres north of Cerro Redondo, the Lagunita target includes typical low sulfidation type epithermal veins and breccias. Intermittent vein occurrences, outcropping/subcropping through post mineral cover, were mapped by previous operators over a strike length of at least 2.3 kilometres.

Under the terms of the binding agreement signed and announced in October 2021, Golden Arrow could earn a 75% interest in Libanesa over six years (the “Option Period”) by meeting the following commitments:

Option Payment US\$	Exploration Expenditure Commitments US\$	Year
-	500,000	2022
100,000	500,000	2023
100,000	750,000	2024
100,000	750,000	2025
250,000	750,000	2026
450,000	750,000	2027
1,000,000	4,000,000	

On July 21, 2022 Golden Arrow announced that it had met its initial commitments for the option agreement but that based on the results of its first exploration programs it had elected to relinquish the option.

3.3 Tierra Dorada Gold Project, Paraguay

3.3.1 Background and Agreement

On August 14, 2019, Golden Arrow announced that it had entered into an option agreement to acquire a 100% interest in the highly prospective Tierra Dorada Project, a district-scale high-grade gold project covering an area of 640 km² (63,854 ha) in two blocks in southeastern Paraguay (“Tierra Dorada”). The city of Villa Florida is in the centre of the project at 80 metres above sea level. The topography is relatively flat, with scarce outcrop. Powerlines cross both property blocks. Tierra Dorada is located in an under-explored area underlain by Precambrian crustal rocks that exhibits geological characteristics and styles of mineralization similar to those associated with many significant Orogenic-type gold deposits in similar geologic terranes in Brazil, Canada and West Africa. The southern property block has been the focus of most of the limited historical exploration work to date in the area, with four main target areas delineated.

The terms of the definitive option agreement included staged escalating payments over six years totaling US\$2,000,000, with an additional payment of US\$2,000,000 due thirty working days following the date of commencement of any commercial production on Tierra Dorada.

On May 20, 2022, Golden Arrow announced that, following a review of the compiled results from all completed programs, management decided to terminate the Company’s option agreement for Tierra Dorada and wrote-off \$449,881 in acquisition costs. The Company had paid US\$211,000 of the US\$4,000,000 total commitment when it determined to terminate the option agreement.

Results of Operations – For the three months ended March 31, 2023 compared to the three months ended March 31, 2022

Loss from operating activities

During the three months ended March 31, 2023, loss from operating activities increased by \$373,479 to \$2,126,613 compared to \$1,753,134 for the three months ended March 31, 2022. The increase in loss from operating activities is largely due to:

- An increase of \$178,952 in exploration expenses. Exploration expense was \$1,342,948 for the three months ended March 31, 2023 compared to \$1,163,996 for the three months ended March 31, 2022. The Company undertook more exploration work during the three months ended March 31, 2023, compared to less exploration work during the three months ended March 31, 2022.
- An increase of \$115,246 in corporate development and investor relations. Corporate development and investor relations was \$213,638 for the three months ended March 31, 2023 compared to \$98,392 for the three months ended March 31, 2022. The increase is due to greater activities related to promotion of the Company’s projects during the three months ended March 31, 2023, compared to fewer activities related to promotion of the Company’s projects during the three months ended March 31, 2022.

Other items

During the three months ended March 31, 2023, (loss) income from other items decreased by \$428,202 to a loss of \$68,809 compared to income of \$359,393 for the three months ended March 31, 2022. The change in other items is largely due to:

- A decrease of \$519,734 in foreign exchange gain. Foreign exchange loss was \$75,222 for the three months ended March 31, 2023, compared to foreign exchange gain of \$444,512 for the three months ended March 31, 2022. The increase is due to fluctuation in foreign exchange rates and differing amounts of foreign currencies held during the three months ended March 31, 2023 compared to the three months ended March 31, 2022.

Net loss for the three months ended March 31, 2023 was \$2,195,422 or \$0.02 per basic and diluted loss per share compared to net loss of \$1,393,741 or \$0.01 per basic and diluted loss per share for the three months ended March 31, 2022.

Cash Flows

Operating Activities

Cash used in operating activities was \$1,906,107 for the three months ended March 31, 2023 compared to \$1,398,585 for the three months ended March 31, 2022. The decrease in cash outflow results primarily from lower corporate and administrative cash costs, exploration expenditures 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 \$1,779,771 for the three months ended March 31, 2023 compared to \$4,071,477 used for the three months ended March 31, 2022. Expenditures on mineral property interests were \$Nil during the three months ended March 31, 2023 compared to \$4,244,539 during the three months ended March 31, 2022. Dividend income from the Company's investment in SSR Mining Inc. ("SSRM") was \$17,209 during the three months ended March 31, 2023, compared to \$Nil during the three months ended March 31, 2022. Disposal of marketable securities generated \$1,762,562 during the three months ended March 31, 2023 compared to \$8,316,016 during the three months ended March 31, 2022, from the sales of SSRM shares.

Financing Activities

Cash outflow from financing activities was \$36,537 for the three months ended March 31, 2023 compared to \$37,540 for the three months ended March 31, 2022. Lease payments were \$36,537 for the three months ended March 31, 2023 compared to \$37,540 for the three months ended March 31, 2022.

Balance Sheet

At March 31, 2023, the Company had total assets of \$9,417,820 compared with \$11,438,626 in total assets at December 31, 2022. The decrease primarily results from a decrease in marketable securities of \$1,896,997, and cash of \$162,873, partially offset by an increase in amounts receivable of \$75,856.

Selected Quarterly Financial Information

	2023	2022				2021		
	Mar. 31 \$	Dec. 31 \$	Sep. 30 \$	Jun. 30 \$	Mar. 31 \$	Dec. 31 \$	Sep. 30 \$	Jun. 30 \$
Net (Loss) income	(2,195,422) ⁽¹⁾	(1,363,119) ⁽²⁾	(1,051,247) ⁽³⁾	(2,238,520) ⁽⁴⁾	(1,393,741) ⁽⁵⁾	(1,949,203) ⁽⁶⁾	(1,575,527) ⁽⁷⁾	(1,130,888) ⁽⁸⁾
Net (Loss) income per Common Share Basic and Diluted	(0.02)	(0.01)	(0.01)	(0.02)	(0.01)	(0.02)	(0.01)	(0.01)

(1) Variance from prior quarter primarily driven by decrease in exploration expenditures of \$1,223,556, foreign exchange gain of 390,978, and corporate development and investor relations of \$103,956.

(2) Variance from prior quarter primarily driven by decrease in foreign exchange gain of \$600,241, and exploration expenditures of \$419,571.

- (3) 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.
- (4) 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.
- (5) Decrease from prior quarter primarily driven by decrease in corporate development and investor relations of \$298,039, partially offset by increase in exploration expenditures of \$209,857, foreign exchange gain of \$187,513, and impairment of exploration and evaluation assets of \$77,764.
- (6) Variance from prior quarter primarily driven by increase in exploration expenditures of \$528,474, and partially offset by decrease in corporate development and investor relations of \$286,276, and foreign exchange gain of \$100,828.
- (7) Increase from prior quarter primarily driven by increase in exploration expenditures of \$382,172, corporate development and investor relations of \$285,612, and foreign exchange gain of \$243,525.
- (8) Decrease from prior quarter primarily driven by decrease in share-based compensation of \$349,092, foreign exchange gain of \$150,636, and exploration expenditures of \$53,969.

Liquidity and Capital Resources

As of March 31, 2023, the Company had a working capital of \$3,754,453 (December 31, 2022 - \$6,083,103). Working capital is defined as current assets less current liabilities and provides a measure of the Company's ability to settle liabilities that are due within one year with assets that are also expected to be converted into cash within one year. The Company believes it has adequate working capital to maintain operations for the next 12 months.

The Company does not know of any trends, demand, commitments, events or uncertainties that will result in, or that are reasonably likely to result in, its liquidity either materially increasing or decreasing at present or in the foreseeable future. Material increases or decreases in liquidity are substantially determined by the success or failure of the exploration programs.

Capital Stock

Authorized Share Capital

At March 31, 2023, 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, 2023, there were 115,167,239 shares issued and outstanding.

As at the date of this report, there are 115,167,239 shares issued and outstanding.

There were no share issuances during the three months ended March 31, 2023 and 2022.

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:

Number of Warrants Outstanding	Exercise Price	Expiry Date
11,051,611	\$0.40	February 25, 2024
1,290,367	\$0.40	March 5, 2024
3,462,034	\$0.40	March 21, 2024
4,062,500	\$0.30	June 19, 2024
1,950,000	\$0.30	June 20, 2024
21,816,512		

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

Number of Share Options			
Outstanding	Exercisable	Exercise Price	Expiry Date
4,305,000	4,305,000	\$0.25	January 19, 2026
4,305,000	4,305,000		

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, 2023 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	252,900	-	-

Transactions	Three months ended March 31,	
	2023	2022
	\$	\$
Services rendered:		
Grosso Group Management Ltd.		
Administration and management services	84,300	84,300
Office & sundry	14,100	14,100
Total for services rendered	98,400	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	Position	Three months ended March 31,	
		2023	2022
		\$	\$
Consulting, salaries, and professional fees:			
Joseph Grosso	Chairman/President/CEO	94,686	68,750
Darren Urquhart	CFO	20,659	15,000
Nikolaos Cacos	Director/VP – Corp. Development	37,705	31,170
Brian McEwen	VP Exploration	65,420	47,500
Connie Norman	Corporate Secretary	24,791	18,000
David Terry	Director	22,000	22,000
John Gammon	Director	4,000	4,000
Alfred Hills	Director	3,000	3,000
Louis Salley	Former Director	-	3,000
Total for services rendered		272,261	212,420

As at March 31, 2023, there was \$421,824 (2022 – \$128,326) of costs owed from related corporations for shared services paid by the Company. At March 31, 2023, there was \$4,279 (2022 - \$2,521) in accounts payable and accrued liabilities that was due to related corporations.

Events After the Reporting Period

Sale of marketable securities

The Company sold 112,100 common shares of SSRM at an average price of US\$15.82 per share for net proceeds of US\$1,755,791.

Mogote Project, Argentina

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.

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, 2023, the Company has \$919,573 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 \$342,224.

(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, 2023 is summarized as follows:

- A 10% change in the Chilean peso exchange rate relative to the Canadian dollar would change the Company's net loss by \$40,000.

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, 2023 and 2022. 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.

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, 2023.

Additional Information

Additional information relating to the Company, including news releases, financial statements and prior MD&A filings, is available on SEDAR at www.sedar.com. 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) on a continuous basis.