



**(An Exploration Stage Company)**

**Management's Discussion and Analysis (MD&A)**

**(Form 51-102F1)**

**Nine months ended September 30, 2023**

This Management's Discussion and Analysis ("MD&A") of Pacific Ridge Exploration Ltd. ("Pacific Ridge" or the "Company"), dated **November 16, 2023**, provides an update on the Company's business activities, financial condition, financial performance, and cash flows for the nine months ended September 30, 2023, and to the date of this MD&A. The Company's annual consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS"). The Company's interim period condensed consolidated financial statements are prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34").

Unless otherwise indicated, all figures are expressed in Canadian dollars. The first, second, third and fourth quarters of the Company's fiscal years are referred to as "Q1", "Q2", "Q3", and "Q4" respectively.

The following information should be read in conjunction with the Company's audited consolidated financial statements for the years ended December 31, 2022, and 2021 and the condensed consolidated interim financial statements for the three and nine months ended September 30, 2023 and 2022 (together, the "Financial Statements"), available on the SEDAR website at [www.sedar.com](http://www.sedar.com).

The Company's shares are listed on the TSX Venture Exchange under the symbol "PEX", on the Over-the-Counter Venture Markets (OTC-QB) under symbol PEXZF, and on the Frankfurt Stock Exchange (FSE) under the symbol "PQWN". Additional information related to Pacific Ridge is also available on the Company's website at [www.pacificridgeexploration.com](http://www.pacificridgeexploration.com) or on SEDAR at [www.sedar.com](http://www.sedar.com)

## **Forward Looking Statements and Risk Factors**

This MD&A contains forward-looking statements that are related to the Company's activities and future financial results. The results for the current periods are not necessarily indicative of the results for any future period. The Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance as the mineral exploration business is not without risk and most exploration projects will not become mines. The Company is subject to a number of risks and uncertainties due to the nature of its business and the early stage of its exploration projects. A detailed discussion of risks is presented in the annual MD&A for the year ended December 31, 2022; please refer to it.

Pacific Ridge's disclosure of a technical or scientific nature has been reviewed and approved by Gerald G. Carlson, Ph.D., P. Eng., Executive Chairman of the Company, and a Qualified Person under the definition of National Instrument 43-101.

## **Highlights for the first quarter of 2023**

On January 9, 2023, the Company announced the remaining results from the 2022 drill program completed at the RDP Cu-Au project, including a 59.4 m interval of 1.68% copper equivalent\* ("CuEq\*") from the Day Zone (RDP-22-003).

On January 18, 2023, the Company announced the results from the remaining six drill holes from the 2022 diamond drill program completed at Kliyul. Results included an 89.0 m interval of 1.06% CuEq\* (0.28% copper, 1.05 g/t gold, and 1.20 g/t silver) within 328.0 m of 0.674% CuEq\* (0.25% copper, 0.57 g/t gold, and 1.25 g/t silver; KLI-22-050).

On February 28, 2023, the Company received cash proceeds of \$600,000 on exercise of 4 million warrants with an exercise price of \$0.15.

On March 6, 2023, the Company announced that it had acquired an option to earn up to a 75% interest in the Chuchi South property ("Chuchi South") from American Copper Development Corporation and prospector Ronald Bilquist. The Chuchi South adjoins Pacific Ridge's Chuchi project on the south and west

and more than doubles the size of Pacific Ridge's current land position. The combined Chuchi properties total more than 16,000 ha.

On March 28, 2023, the Company received the remaining \$400,000 cash payment from BMC Minerals, relating to their option to acquire a 100% interest in the Fyre Lake property. The Company will be paid a further \$1,000,000 when BMC's Kudz Ze Kayah property has reached commercial stage for one year.

### **Highlights for the second quarter of 2023**

On May 10, 2023, the Company entered into an agreement with AuRico Metals Inc. ("AuRico"), a wholly owned subsidiary of Centerra Gold Inc. (TSX:CG NYSE: CGAU) ("Centerra"), to acquire a 100% interest in the Kliyul and Redton projects by issuing 16,996,099 common shares to AuRico. The Company also announced that it has budgeted approximately \$4.6M for a 7,000 m diamond drill program at Kliyul during the 2023 field season.

On June 14, 2023, the Company announced that crews had been mobilized to the Kliyul project and on June 22, the Company announced that drilling was underway.

On June 28, 2023, the Company announced the results of its AGM. At the meeting, all resolutions proposed by management were passed, including approval of the Company's rolling incentive stock option plan.

### **Highlights for the third quarter of 2023**

On July 25, 2023, the Company announced that it was increasing the size of the diamond drill program at its Kliyul project from 7,000 m to 9,000 m. The extra 2,000 m is from the planned Chuchi drill program, which was cancelled due to a forest fire Area Restriction order imposed by the BC government covering the area of the Chuchi project.

On August 3, 2023, the Company announced that the RDP field exploration program was underway, to include 1,800 m of diamond drilling, a 16 line-km IP survey at the Day, Porcupine, and Bird targets, rock sampling at the Porcupine target, and soil sampling at the Bird target. Drilling commenced on August 28.

On August 23, 2023, the Company announced that the first four diamond drill holes from this year's exploration program at the Kliyul copper-gold porphyry project intersected significant copper-gold mineralization with drill hole KLI-23-054 returning 305.5 m of 0.59% CuEq\* (0.23% copper, 0.51 g/t gold, and 1.22 g/t silver) within 540.3 m of 0.44% CuEq\* (0.19% copper, 0.36 g/t gold, and 1.09 g/t silver).

On September 13, 2023, the Company announced that an induced polarization ("IP") survey was underway at the Company's Chuchi and Onjo copper-gold projects.

On September 21, 2023, the Company announced the completion of the Kliyul and RDP field programs, with 10,284 m of diamond drilling at Kliyul and 1,428 m at RDP.

On September 28, 2023, the Company closed a non-brokered private placement by issuing 3,672,667 units at a price of \$0.18 per unit for gross cash proceeds of \$661,080, described in more detail under *Financing activities*, below.

### **Highlights subsequent to September 30, 2023**

On October 10, 2023, the Company announced additional drill results from the Kliyul copper-gold porphyry project, for holes KLI-23-055 to KLI-23-058, highlighted by drill hole KLI-23-058 intersecting 103.5 m of 0.63% CuEq\* (0.18% copper, 0.66 g/t gold, and 0.93 g/t silver) within 388.5 m of 0.42% CuEq\* (0.18% copper, 0.35 g/t gold and 1.05 g/t silver).

On November 2, 2023, the Company announced its listing on the Frankfurt Stock Exchange under the symbol "PQWN".

On November 7, 2023, the Company announced results from diamond drill holes KLI-23-059 to KLI-23-062 from this year's exploration program at Kliyul. Drill hole KLI-23-062 returned 113.0 m of 0.48% CuEq\* or 0.71 g/t gold equivalent\* ("AuEq") (0.22% copper, 0.36 g/t gold, and 1.65 g/t silver) within 485.7 m of 0.27% CuEq\* or 0.40 g/t AuEq (0.15% copper, 0.17 g/t gold, and 0.89 g/t silver).

On November 14, 2023, the Company announced that it had almost doubled the size of the Kliyul copper-gold project ("Kliyul" or the "Project") from approximately 52 km<sup>2</sup> to approximately 92 km<sup>2</sup>.

\* Note: Commencing in the third quarter, the Company modified its CuEq and AuEq calculations to take into consideration the effect of metal recoveries. There has been no metallurgical testing on Kliyul mineralization. The Company estimates copper recoveries of 84%, gold recoveries of 70%, and silver recoveries) of 65% based on the average recoveries from Kemess Underground, Mount Milligan, and Red Chris. The formulae for calculating CuEq and AuEq are described immediately below the first table on the following page.

## **Mineral Properties**

### ***Kliyul and Redton, British Columbia***

In January 2020, the Company had entered into an earn-in property agreement, as amended on April 7, 2020, and on July 22, 2020, with AuRico with respect to the Kliyul and Redton properties located in British Columbia (BC). Subsequent to the end of the first quarter, the Company announced that had reached an agreement with AuRico to acquire a 100% interest in the Kliyul and Redton properties by issuing 16,996,099 common shares to AuRico.

Kliyul is a 6,000 ha advanced exploration project located 50 km southeast of the Kemess mine and 5 km from the Omineca mining road and power line, in one of the most geochemically anomalous areas for copper and gold in the Quesnel Terrane. The property contains several occurrences in the BC Minfile database, including the four major target areas of Kliyul, Parrish Hill/Bap Ridge, Ginger and M39, each representing an interpreted porphyry and alteration trend extending over a 4 km strike length.

Redton is a porphyry Cu-Au property that adjoins Northwest Copper Corporation's Kwanika property along its eastern and northern boundary. Redton is road accessible in this proven porphyry belt, underlain by the important Hogem Batholith within the prolific Quesnel Terrane.

In 2020, the Company completed a surface geophysical survey at Kliyul designed to probe the depth-extent of the chargeability and resistivity response related to the Kliyul mineralization, and to evaluate possible vectors to mineralization for a drill test of priority Cu-Au targets planned for 2021. At Redton, the Company completed a one-hole, 434 m drill program, which tested the Redton North target, a 550 m by 250 m magnetic and Induced Polarization (IP) chargeability anomaly with coincident 500 m x 100 m Cu-Mo soil anomaly, located 2.5 km north of Northwest Copper's Kwanika Central Zone deposit. No significant copper or gold assays were encountered in the hole.

During August and September of 2021, Pacific Ridge completed 1,544 m of diamond drilling in three holes at Kliyul. All three holes encountered porphyry-style mineralization consisting of pyrite, chalcopyrite and lesser bornite in veins and as disseminations. Logging of the drill core has a veining sequence characterized by early magnetite-chlorite alteration and veining which is cross-cut by later-stage banded quartz-magnetite veins as well as later generations of quartz+magnetite+chalcopyrite veining. The later stage veining brings in Cu-bearing chalcopyrite+bornite with quartz as well as epidote and/or anhydrite+magnetite. Early magnetite and quartz-magnetite veins are interpreted to represent the higher

temperature part of the porphyry system at Kliyul Main Zone (KMZ). The presence of bornite is also an indication of proximity to the higher temperature core of a porphyry system and may be a positive vector towards the core of KMZ. All are characteristics associated with classic porphyry copper occurrences.

Pacific Ridge's 2021 drill program produced the longest and highest-grade intervals ever returned from Kliyul. A summary of assay results from the three holes is shown in the table below:

Hole	From(m)	To(m)	Width(m)	Cu(%)	Au(g/t)	CuEq(%)*	AuEq(g/t)**
<b>KLI-21-036</b>	12.0	449.0†	437.0	0.22	0.60	0.64	0.95
including	12.0	33.0	21.0	0.34	1.30	1.24	1.83
including	<b>294.0</b>	<b>435.0</b>	<b>141.0</b>	<b>0.36</b>	<b>1.11</b>	<b>1.13</b>	<b>1.67</b>
<b>KLI-21-037</b>	12.3	579.0†	566.7	0.20	0.44	0.51	0.75
including	<b>12.3</b>	<b>329.0</b>	<b>316.7</b>	<b>0.30</b>	<b>0.70</b>	<b>0.79</b>	<b>1.17</b>
including	243.9	268.0	24.1	1.09	2.21	2.64	3.92
<b>KLI-21-038</b>	9.0	516.0†	507.0	0.15	0.39	0.43	0.63
including	<b>9.0</b>	<b>351.0</b>	<b>342.0</b>	<b>0.17</b>	<b>0.50</b>	<b>0.53</b>	<b>0.78</b>

\* CuEq = ((Cu%) x \$Cu x 22.0462) + (Au(g/t) x AuR/CuR x \$Au x 0.032151) + (Ag(g/t) x AgR/CuR x \$Ag x 0.032151) / (\$Cu x 22.0462).

\*\* AuEq = ((Au(g/t) x \$Au x 0.032151) + ((Cu%) x CuR/AuR x \$Cu x 22.0462) + (Ag(g/t) x AgR/CuR x \$Ag x 0.032151)) / (\$Au x 0.032151).

Commodity prices: \$Cu = US\$3.25/lb, \$Au = US\$1,800/oz., and Ag = US\$20.00/oz.

There has been no metallurgical testing on Kliyul mineralization. The Company estimates copper recoveries (CuR) of 84%, gold recoveries (AuR) of 70%, and silver recoveries (AgR) of 65% based on the average recoveries from Kemess Underground, Mount Milligan, and Red Chris.)

Factors: 22.0462 = Cu% to lbs per tonne, 0.032151 = Au g/t to troy oz per tonne, and 0.032151 = Ag g/t to troy oz per tonne.

† End of hole

Between late June and late September 2022, the company completed a 12-hole, 7014.7 m drill program at the KMZ and adjacent targets. Highlights of the drilling are shown in the table below.

Hole	From(m)	To(m)	Width(m)	Cu(%)	Au(g/t)	Ag(g/t)	CuEQ(%)	AuEQ(g/t)
<b>KLI-22-039</b>	9.3	252.0	242.7	0.15	0.17	1.05	0.28	0.41
	22.0	43.4	21.4	0.38	0.48	3.96	0.73	1.08
	192.0	229.0	37.0	0.20	0.27	0.67	0.39	0.58
<b>KLI-22-040</b>	23.0	550.8	527.8	0.19	0.30	1.35	0.40	0.60
	170.0	268.0	98.0	0.33	0.90	3.42	0.96	1.42
	210.0	253.0	43.0	0.50	1.11	2.72	1.27	1.88
<b>KLI-22-041</b>	12.0	600.0	588.0	0.12	0.39	0.90	0.39	0.58
	280.0	323.0	43.0	0.09	1.59	1.34	1.17	1.74
	337.0	398.0	61.0	0.25	1.15	1.12	1.03	1.53
<b>KLI-22-042</b>	9.0	702.0	693.0	0.11	0.20	0.81	0.25	0.37
	438.0	474.4	36.4	0.14	0.62	0.99	0.56	0.83
<b>KLI-22-043</b>	9.0	516.0	507.0	0.17	0.19	0.82	0.31	0.46
	165.0	229.0	64.0	0.31	0.47	1.82	0.64	0.95
<b>KLI-22-044</b>	11.6	651.0	639.4	0.11	0.23	0.84	0.27	0.40
	409.0	432.2	23.2	0.24	0.94	1.40	0.89	1.32
<b>KLI-22-045</b>	112.0	184.0	72.0	0.21	0.59	1.96	0.62	0.93
<b>KLI-22-046</b>	273.0	442.0	169.0	0.20	0.46	1.65	0.52	0.77
	371.0	430.0	59.0	0.24	0.87	2.29	0.84	1.24
<b>KLI-22-047</b>	No significant values							
<b>KLI-22-048a</b>	No significant values							
<b>KLI-22-049</b>	144.0	484.0	340.0	0.15	0.20	0.80	0.29	0.42
<b>KLI-22-050</b>	58.0	584.0	526.0	0.20	0.43	1.03	0.49	0.73
	254.0	308.0	54.0	0.40	1.03	2.42	1.11	1.64
	354.0	443.0	89.0	0.28	1.05	1.20	1.00	1.48

In addition to the drill program, Pacific Ridge advanced geological work on several other interpreted porphyry centres that occur along the 4 km long northwest-trending corridor of porphyries and quartz-sericite-pyrite alteration. The Company completed a 27 line-km IP survey across the Ginger zone, Parish Hill/Bap Ridge zone, and M-39 zone, as well as a mapping and rock geochemical sampling program over the same areas, a high-resolution aeromagnetic survey over the central portion of the Property and a LiDAR survey over the entire Property. The Company plans an expanded drill program for 2023.

At Kliyul, the Company has budgeted approximately \$4.6M for a 7,000 m diamond drill program for the 2023 field season. The Company's prime contractor at Kliyul, Equity Exploration, began the mobilization to Kliyul on June 14, 2023, and drilling commenced on June 22. In late July, the size of the drill program was increased from 7,000 m to 9,000 m. The extra 2,000 m is from the planned Chuchi drill program, which was cancelled due to a forest fire Area Restriction order imposed by the BC government covering the area of the Chuchi project.

On August 23, 2023, the Company announced that the first four diamond drill holes from this year's exploration program at the Kliyul copper-gold porphyry project intersected significant copper-gold mineralization. Highlights of the announcement included:

- KLI-23-054 returned 305.5 m of 0.59% CuEq (0.23% copper, 0.51 g/t gold, and 1.22 g/t silver) within 540.3 m of 0.44% CuEq (0.19% copper, 0.36 g/t gold, and 1.09 g/t silver) (see Table 1, Figure 2, and Figure 3).
- KLI-23-052, a 130 m step out southeast from KLI-06-30, returned 137.0 m of 0.40% CuEq (0.22% copper, 0.26 g/t gold, and 1.41 g/t silver) from 63.0 m. KLI-23-052 also returned 27.8 m at 0.64% CuEq (0.29% Cu, 0.51 g/t Au and 2.05 g/t silver) from 161.2 m, and 63.2 m at 0.39% CuEq (0.23% copper, 0.21 g/t gold, and 1.53 g/t silver) from 403.8 m.
- KLI-23-051, a 110 m south-southeast step out from KLI-22-043, intersected 36.0 m of 0.42% CuEq (0.22% copper, 0.28 g/t gold, and 1.37 g/t silver) from 70.0 m. The drill hole ended early at 138 m due to technical difficulties in a cross-fault structure.
- KLI-23-053, a steeply drilled 130 m south-southeast step out from KLI-22-043, returned 31.5 m of 0.43% CuEq (0.27% copper, 0.24 g/t gold, and 0.93 g/t silver) from 102.5 m.
- The first four drill holes have expanded the known extents of the Kliyul Main Zone (KMZ) mineralized body to 600 m east-west, up to 450 m north-south (previously 350 m north-south), and up to 600 m vertical depth.
- A combination of IP chargeability high (>20 mV/V), DC resistivity high (>2000 ohm-m) and moderate-to-high MVI Induced 3D model values continues to be a reliable geophysical targeting signature for mineralization at Kliyul.

On October 10, 2023, the Company announced additional drill results from the Kliyul copper-gold porphyry project for holes KLI-23-055 to KLI-23-058: Highlights from the release include:

- KLI-23-058 returned 103.5 m of 0.63% CuEq (0.18% copper, 0.66 g/t gold, and 0.93 g/t silver) within 388.5 m of 0.42% CuEq (0.18% copper, 0.35 g/t gold and 1.05 g/t silver) from the Kliyul North zone (see Table 1). This interval represents a 130 m northern step-out from copper-gold mineralization in KLI-21-036 which returned 291.7 m of 0.79% CuEq (0.28% copper, 0.74 g/t gold and 2.04 g/t silver) within 437 m of 0.64% CuEq (0.22% copper, 0.60 g/t gold and 1.62 g/t Ag).

- KLI-23-058 returned the best result from the Kliyul North zone to date and further proves that Kliyul Main Zone ("KMZ") mineralization extends into adjacent fault blocks (see Figure 2 and 3). KLI-23-058 is one of three steep drill holes (also KLI-23-060 and KLI-23-069) spaced 100 m apart that were drilled as an east-west fence across the Kliyul North zone. Results of the other two drill holes are pending.
- Known extents of the Kliyul porphyry copper-gold complex now measure 600 m east-west, up to 600 m north-south (previously 450 m north-south), and up to 600 m vertical depth.
- KLI-23-057, drilled on the eastern side of the KMZ, returned 89.3 m of 0.38% CuEq (0.21% copper, 0.25 g/t gold and 0.91 g/t silver) from 290 m and 80.0 m of 0.37% CuEq (0.10% copper, 0.39 g/t gold and 0.85 g/t silver) from 433 m, extending KMZ mineralization 200 m east of KLI-22-045 and 135 m west of KLI-22-049, increasing confidence in the continuity of mineralization over a 600 m east-west distance from the western extent of KMZ to KLI-22-049 in East Wedge.
- KLI-23-056, drilled in Kliyul North as a 100 m step out to the west and north of KLI-22-046, returned 37.2 m of 0.27% CuEq (0.14% copper, 0.19 g/t gold and 1.07 g/t silver) from 513 m. While this is a narrow, low-grade interval, it is the second mineralized interval to intersect the western margin of a 400 x 200 m magnetic anomaly (MVI and TDR) in an underexplored part of the Kliyul porphyry copper-gold complex, called Kliyul NE. From this same anomaly, KLI-22-046 returned 59.0 m of 0.84% CuEq (0.24% copper, 0.87 g/t gold, and 2.29 g/t silver) within 169 m of 0.52% CuEq (0.20% copper, 0.46 g/t gold, and 1.65 g/t silver). The main body of the anomaly remains open and undrilled 400 m northeast of the center of KMZ.
- KLI-23-055, was the first drill hole to test the Ginger target (see Figure 4), an interpreted standalone porphyry target area 1.3 km northwest of the center of KMZ and at an elevation 200 m above KMZ. Drilling intersected a broad zone of chlorite-sericite and sericitic alteration with late-stage veins. Massive white quartz veins, interpreted as D-veins or late Lode veins, have low-grade gold returning 19.1 m of 0.36 g/t gold equivalent ("AuEq") (0.01% copper, 0.34 g/t gold and 0.65 g/t silver). The veins are also anomalous in copper, molybdenum (up to 0.12% over 1.25 m), tungsten, tellurium, and bismuth.
- A combination of IP chargeability high (>20 mV/V), DC resistivity high (>2000 ohm-m) and moderate-to-high Magnetic Vector Inversion ("MVI") Induced 3D model values continues to be a reliable geophysical targeting signature for mineralization at Kliyul. In addition, a Tilt Derivative ("TDR") standard filtering of the 2022 aeromagnetic data is now being used to enhance and refine the Kliyul porphyry copper-gold complex footprint.

On November 7, 2023, the Company announced results from diamond drill holes KLI-23-059 to KLI-23-062 from this year's exploration program at Kliyul. Highlights from the release include:

- Drill hole KLI-23-062 returned 113.0 m of 0.48% CuEq or 0.71 g/t AuEq (0.22% copper, 0.36 g/t gold, and 1.65 g/t silver) within 485.7 m of 0.27% CuEq or 0.40 g/t AuEq (0.15% copper, 0.17 g/t gold, and 0.89 g/t silver).
- Drill hole KLI-23-062 is the westernmost drill hole to be completed entirely within the Kliyul Main Zone ("KMZ"). It was drilled vertically to test a gap between KMZ and KMZ West near the intersection of the northwest trending Lui Fault and east-northeast trending Valley Fault and extended porphyry copper-gold mineralization 100 m to the northwest and southwest of the

nearest drill holes (see Figures 2 and 3).

- Drill hole KLI-23-060 returned 61 m of 0.40% CuEq or 0.60 g/t AuEq (0.18% copper, 0.32 g/t gold, and 1.67 g/t silver) within 100.0 m of 0.35% CuEq or 0.51 g/t AuEq (0.16% copper, 0.26 g/t gold, and 1.38 g/t silver).
- Drill hole KLI-23-060 was one of three holes, and the westernmost hole, drilled in an east-west fence in KMZ North. KLI-23-060 tested an undrilled area more than 100 m away from any previous drilling and extended porphyry copper-gold mineralization approximately 130 m west of KLI-23-058, which returned 103.5 m of 0.63% CuEq or 0.94 g/t AuEq (0.18% copper, 0.66 g/t gold, and 0.93 g/t silver) within 388.5 m of 0.42% CuEq or 0.62 g/t AuEq (0.18% copper, 0.35 g/t gold and 1.05 g/t silver) (see Pacific Ridge news release dated October 10, 2023).
- Drill hole KLI-23-060 provides further evidence that KMZ mineralization extends across the Valley Fault. KLI-23-060 is 125 m north of the previous northernmost KMZ drill hole KLI-21-036, which returned 291.7 m of 0.79% CuEq or 1.18 g/t AuEq (0.28% copper, 0.74 g/t gold and 2.04 g/t silver) within 437 m of 0.64% CuEq or 0.95 g/t AuEq (0.22% copper, 0.60 g/t gold and 1.62 g/t Ag) (see news release dated December 1, 2021).
- Drilling to date has expanded the known extents of KMZ mineralization to 630 m east-west, up to 600 m north-south, and up to 600 m vertical depth. KMZ remains open in every direction.

On November 14, 2023, the Company announced that it had almost doubled the size of the Kliyul copper-gold project ("Kliyul" or the "Project") from approximately 52 km<sup>2</sup> to approximately 92 km<sup>2</sup>. The new mineral claims ("Claims") are contiguous and adjoin the western and southern side of Kliyul.

At the Redton project, the Company completed a program of mapping, soil and rock sampling. No work is planned for Redton in 2023.

### ***RDP, British Columbia***

In May 2021, the Company acquired an option on the RDP Cu-Au porphyry project in central British Columbia, approximately 40 km west of its flagship Kliyul Cu-Au project. Pacific Ridge has the option to earn a 100% interest in RDP by making payments of \$125,000, issuing 1,200,000 shares and completing \$860,000 in exploration in stages by December 15, 2023. In addition, the Company will issue 300,000 shares to the vendor on completion of 5,000 m of drilling and an additional 500,000 shares upon defining a 1,000,000 ounces of gold equivalent resource in the inferred or greater category. The property is also subject to a 2% NSR payable to the vendor, half of which can be purchased at any time for \$1.5 million.

RDP is a 3,800 ha project lying within the Stikine Terrane, which is host to numerous significant porphyry deposits in northern British Columbia, including Kemess, Red Chris, Kerr - Sulphurets and Galore Creek. Exploration at RDP since the early 1970's has included prospecting and mapping, various geochemical surveys, ground and airborne geophysical surveys, trenching and a limited amount of drilling. This work has identified three porphyry centres – Roy, Day and Porcupine. Mineralization the Roy prospect consists of a quartz-magnetite-chalcopyrite "stringer" stockwork veining within a monzonite intrusive. Trenching in 1991 encountered 0.121% Cu and 0.55 g/t Au over 62 m within an 80 m long trench. Only a single drill hole has been documented at Roy in 2011, and it encountered 122.95 m of 0.11% Cu and 0.64 g/t Au. At the Day prospect, mineralization includes pyrite, magnetite, chalcopyrite, minor molybdenite, and traces of bornite as disseminations and fracture fillings in a diorite and adjacent altered volcanoclastic rocks.



Historical drill highlights include 58.8 m grading 0.67% Cu and 0.93 g/t Au (D-74-13) and 57 m of 0.54% Cu and 0.75 g/t Au (C-92-13). The Porcupine target had been explored as a stratabound, massive sulphide target, but recent interpretation of the alteration and soil geochemistry suggests the potential for porphyry style mineralization.

During 2021, the Company completed a mapping and sampling program at RDP, focusing on Roy and Day.

On February 8, 2022, the Company announced that it had signed an earn-in agreement with Antofagasta Minerals S.A. ("Antofagasta"), a wholly owned subsidiary of Antofagasta PLC on RDP. The Agreement grants Antofagasta an option to acquire a 75% interest in RDP by making payments of \$1,350,000 of which \$125,000 has been paid, plus a success payment of \$800,000 upon exercise of the option, by spending \$10,000,000 on exploration over eight years, and of which \$1,000,000 is to be spent during the first year, and delivering a NI 43-101 compliant preliminary economic assessment report. Antofagasta advanced \$2,186,962 to the Company for the 2022 exploration program, of which \$1,752,406 was incurred in exploration costs on behalf of Antofagasta by the end of the fourth quarter on RDP, and \$49,215 paid to the Company in project management fees.

During the 2022 field season, the Company completed a drilling program comprising six holes totalling 1,861 m. Holes RDP22-001 to 005 were drilled at different orientations from a single drill pad at the Day showing and RDP22-006 was drilled at the Roy showing. Highlight results are shown in the table below:

Hole No	From(m)	To(m)	Width(m)	Cu(%)	Au(g/t)	Ag(g/t)	CuEQ(%)	AuEQ(g/t)
<b>RDP22-001</b>	9.5	61.0	51.5	0.51	0.65	2.59	0.97	1.44
<b>RDP22-002</b>	16.0	42.5	26.5	0.50	0.69	4.84	1.00	1.48
<b>RDP22-003</b>	13.1	72.5	59.4	0.78	1.20	2.99	1.61	2.39
<b>RDP22-004</b>	15.3	58.0	42.7	0.43	0.70	1.69	0.92	1.36
<b>RDP22-005</b>	15.8	513.0	497.2	0.37	0.40	1.60	0.66	0.97
	15.8	39.0	23.2	1.02	1.84	4.09	2.29	3.40
	15.8	123.0	107.2	0.63	1.10	2.91	1.39	2.06
<b>RDP22-006</b>	4.0	379.0	375.0	0.04	0.19	0.23	0.17	0.25
	4.0	30.1	26.1	0.12	0.54	0.50	0.49	0.72

On August 3, 2023, the Company announced that the RDP field exploration program was underway, to include 1,800 m of diamond drilling, a 16 line-km IP survey at the Day, Porcupine, and Bird targets, rock sampling at the Porcupine target, and soil sampling at the Bird target. Drilling commenced on August 28. The field program was terminated in mid-September with the completion of 1,428 m in three drill holes as well as the planned rock and soil sampling and IP survey.

### ***Chuchi and Chuchi South, British Columbia***

The Company has the option to acquire up to a 75% interest in the Chuchi porphyry Cu-Au project from AuRico. Pacific Ridge has the right to earn a 51% interest by making cash payments totaling \$60,000 of which \$10,000 have been paid, issuing 2.0 million shares, and spending \$5 million on exploration by the fourth anniversary of the agreement. The Company then has the right to increase its interest in Chuchi to 75% by making additional payments totaling \$100,000, issuing 1.5 million shares, and completing an additional \$5 million in exploration by the sixth anniversary of the agreement. Various claims are subject to up to 6% in net smelter royalties, which can be bought down to 2.1%.

On March 3, 2023, the Company announced that it had acquired an option to earn up to a 75% interest in the Chuchi South property ("Chuchi South" or the "Property") from American Copper Development Corporation (ACDX: TSXV) ("ACDX") and prospector Ronald Bilquist ("Bilquist"). The Property adjoins Pacific Ridge's Chuchi property on the south and west. The acquisition of Chuchi South more than doubles the size of Pacific Ridge's current land position at Chuchi.

Chuchi and Chuchi South (collectively, "Chuchi") are located in north central British Columbia and are more than 16,000 ha in size. The project is road accessible project, located 90 km north of Fort St. James and 35 km northwest of Centerra Gold's Mount Milligan mine. Chuchi is within is in the prolific Quesnel Terrane and is underlain by lower Jurassic volcanic and sedimentary rocks of the Takla Group. Porphyry Cu-Au mineralization at the BP and Rio Algom Zones is associated with a cluster of early Jurassic monzodiorite to syenite porphyry intrusions, dated at 188.5 Ma  $\pm$  2.5 Ma. The main BP Zone is defined by 4 km x 3 km halo of outer propylitic alteration surrounding a central 1.5 km x 1.5 km area of Cu-Au mineralization, which is open to depth and potentially to the east across the north-south trending Valley Fault. Important target zones at Chuchi South include Coho, Coho West, and Brooks.

Chuchi has a long history of exploration by companies such as Noranda, BP, Rio Algom, Kiska Metals and AuRico, and the project has had 8,886 m of drilling in 48 holes, of which 39 have targeted the main BP Zone. An additional 27 holes were drilled in 1991, but the records for this drilling have been lost. Most of the drilling was shallow, less than 150 m in depth, with many of the drill holes ending in mineralization. Grades within the mineralized portion of the BP Zone range from 0.21% to 0.4% Cu and from 0.21 g/t to 0.44 g/t Au. Pacific Ridge believes that the core of the porphyry system has yet to be identified. The Project also contains other targets that could represent porphyry centres.

During 2022, the Company completed a 720 line-km airborne ZTEM survey over the Chuchi claim block, followed by a two-week program of mapping and soil sampling over key target areas of the Property as outlined by previous studies and the results of the ZTEM survey. The program identified several new porphyry Cu-Au targets.

Plans for 2023 included an IP geophysical survey over the newly defined targets and a 2,000 m drill program. The drilling planned for Chuchi was cancelled due to a lengthy forest fire closure order covering the area of the property. On September 13, 2023, the Company announced that a three-line, 13.5 km IP survey was underway at Chuchi over the historic BP and Klaw Zones and a three-line, 15 km survey was underway at Chuchi South, over the Coho and Coho West targets.

### ***Onjo, British Columbia***

On January 27, 2022, the Company entered into a property purchase agreement to acquire a 100% interest in the Onjo Cu-Au porphyry project in north-central British Columbia. The Company paid \$50,000 in cash and issued 750,000 common shares with a fair value of \$0.35 per share or \$262,500. The vendor retains a 2% NSR, with the Company having an option to purchase one quarter of the NSR at any time for USD

\$1,500,000. On February 22, 2022, the Company entered into a sale and purchase agreement to acquire a 100% interest in four internal claims at Onjo by paying \$25,000 cash and issuing 250,000 common shares with a fair value of \$0.265 per share or \$66,250. With the acquisition of these internal claims, Pacific Ridge now owns 100% of the claims within the Onjo project boundary.

The 14,692 ha road accessible Onjo property lies in the 1,300 km long Quesnel Trough which hosts numerous alkalic porphyry Cu-Au deposits from southern to northern B.C., and on the same magnetic trend that hosts the Mt Milligan, Chuchi and Kwanika porphyry discoveries.

The Onjo property hosts skarn and alkalic porphyry Cu-Au mineralization associated with monzonitic phases of the Witch Lake intrusions cutting Takla volcanic rocks, similar to the mineralization and host rocks at the Mount Milligan Mine. The style of Cu-Au mineralization returned in historical drilling, combined with the presence of nearby skarn occurrences, leads Pacific Ridge to believe that past operators at Onjo encountered the upper levels of an alkalic porphyry system. The Company believes that Onjo has the potential to host an alkalic porphyry Cu-Au deposit at depth.

During the third quarter of 2022, the Company completed a 667 line-km airborne ZTEM survey over the Onjo claim block. The Company then carried out a ten-day program of mapping and soil sampling over key areas of the Property as outlined by previous studies and the results of the ZTEM survey.

On September 13, 2023, the Company announced that it had commenced a two-line, 9 km reconnaissance IP survey at Onjo over the Chica and Gingla targets.

### ***Spilus, British Columbia***

On April 27, 2018, as amended on December 12, 2019, October 25, 2020, and December 27, 2021, the Company acquired an option to earn a 100% interest in the Spilus Cu-Mo porphyry property by making payments of \$110,000 (\$50,000 paid), issuing 1,400,000 shares (400,000 issued) and completing \$825,000 in exploration by December 31, 2022. The property is road accessible and located 40 km southwest of Merritt, British Columbia.

The Spilus property was explored for its porphyry potential in the 1960's and early 1970's. Exploration focused on a gossan area where work included an IP survey, trenching and 27 percussion and core drill holes. The drilling was shallow, with none of the drill holes exceeding 100 m. Recent exploration has defined a central copper soil geochemical anomaly. Two float samples of porphyry style mineralization with disseminated chalcopyrite assayed 2.53% Cu and 1.43% Cu.

Due to the weak results from a four-hole drill program in 2019, the Company decided to impair the \$71,000 carrying value for Spilus.

On October 20, 2020, the Company entered into an Option Agreement with Arctic Fox Ventures Inc. whereby the Company granted Arctic Fox an option to acquire a 60% interest in Spilus by making payments of \$50,000, issuing 1,000,000 shares and spending \$550,000 on exploration, originally by December 31, 2022. In consideration for an amendment dated September 27, 2022, which extended the final commitments of Arctic Fox with the underlying owners of Spilus to December 31, 2024, the Company received 33,334 common shares of Arctic Fox. With this agreement, Arctic Fox assumes all the Company's obligations under the original agreement with the underlying owners of Spilus, including its amendments.

In June 2021, Arctic Fox completed a two-hole 457.4 m drill program at Spilus. The first drill hole encountered porphyry style mineralization, averaging 0.114% Cu, 23.5 ppm Mo and 0.7 ppm Ag over 41.45 m from 35.85 m to the bottom of the hole, including a higher-grade copper zone: 0.886% Cu over 1.3 m (66.05 to 67.35 m). The second hole encountered porphyry style mineralization throughout its length, including 0.155% Cu, 71 ppm Mo and 0.8 ppm Ag over 15.2 m (341.25 to 356.45 m), with two intervals of

higher-grade copper: 0.832% Cu over 0.65 m (257.5 to 258.4 m) and 0.658% Cu over 1.32 m (346.18 to 347.5 m). These higher-grade intervals occur within zones of quartz-sericite-pyrite veins with potassium feldspar altered selvages, with chalcopyrite and traces of molybdenite. Arctic Fox is evaluating these results to determine its future plans for the property.

### ***Orbison, British Columbia***

The Orbison project (a.k.a. Gap project) is a reconnaissance porphyry Cu-Au exploration program in central British Columbia. The Company is evaluating known properties and showings as well as examining regional geological, geophysical, and geochemical databases for evidence of potential porphyry Cu-Au mineralization. The Orbison claims were staked as a part of the Gap project.

### ***Mariposa, Yukon***

The Company's 100% owned 295 km<sup>2</sup> Mariposa property is in the Yukon's White Gold District, 120 km southeast of Dawson City, 40 km southeast of White Gold's Golden Saddle deposit and 30 km east-northeast of Newmont's Coffee property. Prior exploration identified an open-ended 7 km long horizon of altered sulphide bearing quartz mica schist in the Skookum Zone area, in a setting favorable for hosting gold mineralization.

Since 2010, The Company has spent over \$6 million exploring the Mariposa property, including geological mapping, soil geochemical surveys, geophysical surveys, trenching and drilling. Results are summarized on the Company's web site.

During the 2022 field season, the Company completed a program of re-sampling and reclamation of historical trenches dating from 2012. The Company expects to spend an approximately \$50,000 in further reclamation during 2023. As no further exploration is contemplated, the Company impaired the carrying value of Mariposa of \$429,619 on December 31, 2022.

During 2023, all outstanding disturbance on the property was reclaimed, including the historical camp site on Scroggie Creek and trenches over the Skookum Main, Skookum West, and Hackly target areas.

The plans for advancing Mariposa include seeking a potential farm-out for the property.

### ***Eureka Dome, Yukon***

The Company's 100% owned 32 km<sup>2</sup> Eureka Dome property is located 70 km southeast of Dawson City, within the Klondike-White Gold District. Placer mining activity in Eureka Creek dates to the 1896 gold rush, with estimated historical production from Eureka and Black Hills Creeks of greater than 140,000 oz. Au.

The plans for advancing Eureka Dome include seeking a potential farm-out for the property.

### ***Gold Cap, Yukon***

The 100% owned 1,100 ha Gold Cap property adjoins the northeast boundary of White Gold Corp's Golden Saddle property. The property was staked in 2009 based on an anomalous gold silt sample reported by the Geological Survey of Canada. In 2010, Pacific Ridge collected 1,766 soil samples and defined two anomalous gold zones.

The plans for advancing Gold Cap include seeking a potential farm-out for the property.

***Fyre Lake, Yukon***

The Company owned a 100% interest in the Fyre Lake Cu-Au-Co massive sulphide project in the Yukon's Finlayson Lake District. The Company spent approximately \$6.0 million on diamond drilling that resulted in definition of a NI 43-101 compliant mineral resource estimated, at a 1.0% copper cut-off, to contain an indicated mineral resource of 3.6 Mt grading 1.57% Cu, 0.10% Co and 0.61 g/t Au and an inferred mineral resource of 5.4 Mt grading 1.5% Cu, 0.08% Co and 0.53 g/t Au. The resource remains open for expansion.

In December 2016, the Company announced that it had agreed to option a 100% interest in the project to BMC Minerals Ltd., amended on December 19, 2018, on April 10, 2020, December 12, 2021, and on December 20, 2022, whereby BMC had the right to acquire a 100% interest in Fyre Lake. The Company received a non-refundable deposit and initial option payment of \$375,000 as follows:

A non-refundable deposit and initial option payment of \$375,000 (\$25,000 received in November 2016 and \$350,000 received in January 2017), a second option payment of \$300,000 received in December 2017, and a third option payment of \$1,200,000 received on December 28, 2018. During the year ended December 31, 2019, the Company received a further \$150,000. A special payment of \$250,000 was made pursuant to the April 10, 2020, amending agreement, followed by three separate \$75,000 payments, two of which were received during 2020 and the last one of which was paid during June of 2021. In addition, pursuant to an amending agreement dated December 22, 2021, the Company received a payment of \$250,000 during December of 2021. During the year ended December 31, 2022, the Company received \$575,000 from BMC (\$75,000 on June 30, 2022, and the rest on December 23, 2022).

On March 28, 2023, The Company received a \$400,000 cash payment from BMC. This was BMC's final payment required to acquire a 100% interest in Fyre Lake. The Company will be paid a further \$1,000,000 when BMC's Kudz Ze Kayah property has reached commercial stage for one year.

***Summary of capitalized acquisition costs and exploration expenses:***

The following acquisition-related costs are carried by the Company in its consolidated statement of financial position presented with its Financial Statements:

	Company-owned properties					Properties on option from third parties			Total
	Kliyul BC	Redton BC	Onjo BC	Orbison		RDP BC	Chuchi		
				(Gap) BC	Mariposa YT		South BC		
	\$	\$	\$	\$	\$	\$	\$	\$	
Balance, December 31, 2021	22,500	22,500	-	-	429,619	83,449	-	-	558,068
Option payments in cash	-	-	75,000	-	-	-	10,000	-	85,000
Other payments in cash	-	-	4,434	12,261	-	-	18,323	-	35,018
Option payments in shares	-	-	328,750	-	-	-	-	-	328,750
<b>Balance, September 30, 2022</b>	<b>22,500</b>	<b>22,500</b>	<b>408,184</b>	<b>12,261</b>	<b>429,619</b>	<b>83,449</b>	<b>28,323</b>	<b>-</b>	<b>1,006,836</b>
Option payments in cash	12,500	12,500	-	-	-	30,000	5,000	-	60,000
Option payments in shares	-	-	-	-	-	88,500	-	-	88,500
Other payments in cash	-	-	2,071	-	-	-	-	-	2,071
Option payments received	-	-	-	-	-	(125,000)	-	-	(125,000)
Impairment	-	-	-	-	(429,619)	-	-	-	(429,619)
<b>Balance, December 31, 2022</b>	<b>35,000</b>	<b>35,000</b>	<b>410,255</b>	<b>12,261</b>	<b>-</b>	<b>76,949</b>	<b>33,323</b>	<b>-</b>	<b>602,788</b>
Option payments in cash	-	-	-	-	-	(30,000)	-	-	(30,000)
Other payments in cash	-	-	-	-	-	-	11,893	50,000	61,893
Staking costs	31,500	-	1,975	-	-	-	-	-	33,475
Final acquisition in shares	3,909,103	-	-	-	-	-	-	-	3,909,103
<b>Balance, September 30, 2023</b>	<b>3,975,603</b>	<b>35,000</b>	<b>412,230</b>	<b>12,261</b>	<b>-</b>	<b>46,949</b>	<b>45,216</b>	<b>50,000</b>	<b>4,577,259</b>

The following is a summary of exploration expenses incurred in each of the Company's projects, the total of which is presented with the Company's statement of loss and comprehensive loss presented with its Financial Statements:

Property	Province / Territory	Nine months ended September 30	
		2023	2022
		\$	\$
Kliyul	BC	5,691,842	4,369,840
Chuchi	BC	235,783	268,724
Onjo	BC	13,962	209,064
Redton	BC	12,630	111,933
Mariposa	YT	5,953	2,640
Chuchi South	BC	3,758	-
Orbison (Gap)	BC	3,270	13,613
RDP *	BC	-	47,106
Spius	BC	-	(4,261)
General exploration not allocated to a specific property		182,183	91,474
Total exploration expenses incurred by the Company:		6,149,381	5,110,133
* Additional exploration in RDP financed by Antofagasta:		1,616,100	1,610,769
Total exploration expenses		7,765,481	6,720,902

\* During the nine months ended September 30, 2023, \$1,616,100 was incurred in exploration of RDP on behalf of Antofagasta. During the comparative period of the prior year, \$47,106 was spent directly by the Company before the Antofagasta agreement came into effect, and \$1,610,769 on behalf of Antofagasta.

## Financing Activities

- On February 27, 2023, the Company received cash proceeds of \$600,000 on exercise of 4,000,000 share purchase warrants with an exercise price of \$0.15 per share.
- On April 27, 2023, the company received cash proceeds of \$11,500 on exercise of 50,000 share purchase warrants with an exercise price of \$0.23 per share.
- On September 28, 2023, the Company closed a non-brokered private placement by issuing 3,672,667 units at a price of \$0.18 per unit for gross cash proceeds of \$661,080. Each unit consists of one common share and one share purchase warrant, with each warrant entitling its owner to acquire an additional common share at an exercise price of \$0.27 per share for a period of two years. The Company paid 6% finder's fee to certain parties amounting to \$16,864. Other share issuance costs related to this placement amounted to \$12,536.

**Results of Operations**

A summary of comparative administrative and other expense is provided in the table below:

## a) Year-to date

	Nine months ended September 30		Increase (decrease)
	2023	2022	
<b>Administration expenses</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Amortization of right-of-use asset	48,505	27,652	20,853
Depreciation	3,544	3,532	12
Finance lease interest	6,522	1,108	5,414
Insurance	33,950	26,559	7,391
Professional and consulting	9,921	20,684	(10,763)
Management and administrative	310,752	264,940	45,812
Office operations and facilities	93,973	98,420	(4,447)
Shareholder communications	431,166	407,687	23,479
Share-based payments	533,628	791,402	(257,774)
Transfer agent and regulatory fees	48,226	51,934	(3,708)
	<b>1,520,187</b>	<b>1,693,918</b>	<b>(173,731)</b>
<b>Exploration-related expenses (income)</b>			
Exploration and evaluation costs	6,149,381	5,110,133	1,039,248
Mining tax credit	-	(267,372)	267,372
Property option payments	(400,000)	(125,000)	(275,000)
	<b>5,749,381</b>	<b>4,717,761</b>	<b>1,031,620</b>
<b>Other expenses (income)</b>			
Interest	(158,765)	(31,229)	(127,536)
Foreign exchange (gain) loss	2,955	2,643	312
	<b>(155,810)</b>	<b>(28,586)</b>	<b>(127,224)</b>
<b>Net loss</b>	<b>(7,113,758)</b>	<b>(6,383,093)</b>	<b>(730,665)</b>
<b>Other comprehensive income (loss):</b>			
Net change in fair value of marketable securities	(13,500)	(8,800)	(4,700)
<b>Total comprehensive loss</b>	<b>(7,127,258)</b>	<b>(6,391,893)</b>	<b>(735,365)</b>
<b>Loss per share (basic and diluted)</b>	<b>(0.06)</b>	<b>(0.09)</b>	
<b>Weighted average number of shares outstanding</b>			
basic and diluted	<b>115,516,858</b>	<b>70,784,938</b>	



### **Results of Operations** (continued)

The Company has not yet determined whether any of its resource properties contain mineral reserves that are economically recoverable. All direct costs associated with the exploration of these properties have been expensed as incurred.

#### *Administration expenses:*

Amortization of \$48,505 and finance lease interest of \$6,522 reflect the lease costs of the Company's administration offices and a truck used in supporting exploration activities. A new office sublease was entered into on February 1, 2023, and the truck was leased on April 1, 2023. The prior year figure reflects costs for the prior office lease, which expired on August 31, 2022.

Depreciation of \$3,544 relates to the Company's plant and equipment.

The \$33,950 insurance expense corresponds to the Directors & Officers insurance, as well as exploration and commercial insurance, for 2023; the increase reflects a coverage increase in the Company's exploration insurance, as well as general premium increases during 2023.

Professional and consulting were \$10,763 lower than in the prior year's comparative period due to fewer legal consulting activities.

Management and administrative expenses increased by \$45,812 over the comparative period as compensation to executive officers and other key employees was increased during 2023.

Office operations were comparable to those of the prior year's comparative period, with a marginal decrease.

Shareholder communications increased by \$24,079 over the equivalent period of the prior year due to activities related to raising the Company's profile with potential investors, including attending events both in Canada and abroad.

Share-based payments relate to the fair value of the stock options granted and vested during the periods. This is a non-cash expense reflected in the contributed surplus line of the Company's statement of financial position.

#### *Exploration-related expenses*

With the proceeds of financing activities that took place during April and December of 2022, exploration expenses during the first three quarters were accomplished, with an increment of \$1,055,490 over the same period during the prior year.

During Q1 2023, the Company also received \$400,000 as the final option payment from BMC Minerals with respect to the acquisition of a 100% interest in the Fyre Lake property.

#### *Other expenses (income)*

With larger amounts of cash in the bank resulting from financing activities that took place during 2022, and the exercise of warrants and stock options, and at the same an increase in interest rates since the beginning of 2022, the Company earned more interest than during the comparative period.

b) Last fiscal quarter

	Three months ended September 30		Increase (decrease)
	2023	2022	
<b>Administration expenses</b>	\$	\$	\$
Amortization of right-of-use asset	19,167	6,913	12,254
Depreciation	1,509	1,278	231
Finance lease interest	2,254	94	2,160
Professional and consulting	589	7,773	(7,184)
Management and administrative	98,041	89,647	8,394
Office operations and facilities	20,550	24,310	(3,760)
Shareholder communications	137,484	160,952	(23,468)
Share-based payments	15,693	15,583	110
Transfer agent and regulatory fees	12,699	15,750	(3,051)
	<b>307,986</b>	<b>322,300</b>	<b>(14,314)</b>
<b>Exploration-related expenses (income)</b>			
Exploration and evaluation costs	5,164,491	4,451,027	713,464
Mining tax credit	-	(267,372)	267,372
Property option payments	-	(50,000)	50,000
	<b>5,164,491</b>	<b>4,133,655</b>	<b>1,030,836</b>
<b>Other expenses (income)</b>			
Interest	(33,385)	(22,387)	(10,998)
Foreign exchange (gain) loss	807	400	407
	<b>(32,578)</b>	<b>(21,987)</b>	<b>(10,591)</b>
<b>Net loss</b>	<b>(5,439,899)</b>	<b>(4,433,968)</b>	<b>(1,005,931)</b>
<b>Other comprehensive income (loss):</b>			
Net change in fair value of marketable securities	(8,000)	(800)	(7,200)
<b>Total comprehensive loss</b>	<b>(5,447,899)</b>	<b>(4,434,768)</b>	<b>(1,013,131)</b>
<b>Loss per share (basic and diluted)</b>	<b>(0.04)</b>	<b>(0.05)</b>	
<b>Weighted average number of shares outstanding</b>			
basic and diluted	125,094,730	81,412,056	

In general terms, the explanations provided for the year-to-date period (preceding page) are applicable to the last quarter.

**Summary of Quarterly Results**

The following table sets forth a comparison of information for the previous eight quarters:

	Quarter ended (three-month figures) (\$)			
	30-Sep 2023 (Q3)	30-Jun 2023 (Q2)	31-Mar 2023 (Q1)	31-Dec 2022 (Q4)
Revenues	-	-	-	-
General and administration	(270,170)	(294,698)	(366,075)	(365,841)
Lease amortization and interest	(21,421)	(21,864)	(11,742)	-
Depreciation of plant and equipment	(1,509)	(984)	(1,051)	(1,074)
Share-based payments	(15,693)	(22,010)	(495,925)	(14,211)
Exploration and evaluation costs	(5,164,491)	(687,942)	(296,948)	(982,203)
Interest received	33,385	68,330	57,050	18,580
Flow-through income tax recovery	-	-	-	(429,619)
Property option payments	-	-	400,000	450,000
Net loss for the period	(5,439,899)	(959,168)	(714,691)	(1,324,368)
Basic and diluted loss per share	(0.05)	(0.01)	(0.01)	(0.01)
Total assets	7,432,861	12,139,732	8,851,718	8,625,038
Total liabilities	2,057,998	1,961,799	1,629,792	1,787,594
Shareholders' equity	5,374,863	10,177,933	7,221,926	6,837,444
Cash dividends declared	Nil	Nil	Nil	Nil

  

	Quarter ended (three-month figures) (\$)			
	30-Sep 2022 (Q3)	30-Jun 2022 (Q2)	31-Mar 2022 (Q1)	31-Dec 2021 (Q4)
Revenues	-	-	-	-
General and administration	(298,832)	(314,457)	(259,578)	(255,989)
Lease amortization and interest	(7,007)	(10,741)	(11,012)	(11,276)
Depreciation of plant and equipment	(1,278)	(1,133)	(1,121)	(1,020)
Share-based payments	(15,583)	(764,478)	(11,341)	(12,621)
Exploration and evaluation costs	(4,451,027)	(482,722)	(176,384)	(1,030,513)
Interest received	22,387	8,539	303	300
Mining tax credit and government grants	267,372	-	-	-
Property option payment	-	-	-	213,855
Flow-through income tax recovery	50,000	75,000	-	250,000
Net income (loss) for the period	(4,433,968)	(1,489,992)	(459,133)	(847,264)
Basic income (loss) per share	(0.05)	(0.03)	(0.01)	(0.02)
Total assets	4,166,355	9,399,606	1,747,614	1,336,262
Total liabilities	469,097	2,055,401	598,077	252,047
Shareholders' equity	3,697,258	7,344,205	1,149,537	1,084,215
Cash dividends declared	Nil	Nil	Nil	Nil

## Quarterly Results

- During Q3, 2023, the company closed the non-brokered private placement described under *Financing activities*, above, raising gross proceeds of \$661,080. Also during Q3 2023, with the exploration season in its more active period, the expenses were considerably higher than during the other quarters. This was consistent with Q3 of 2022.
- During Q2, 2023, the Company completed the acquisition of the Kliyul and Redton properties through the issuance of 16,996,099 common shares at a deemed price of \$0.23 per share, reflecting an increase in the value of share capital. As property acquisition costs are capitalized, this increase is also reflected in total assets. The Company also received proceeds of \$11,500 from the exercise of 50,000 share purchase warrants with an exercise price of \$0.23 per share. Exploration expenses increased due to the start of the 2023 field season.
- During Q1, 2023, the company received \$600,000 pursuant to the exercise of warrants, as explained in more detail under *Financings*, above. Also during Q1, 2023, the Company entered into the Chuchi South property option agreement. An aggregate of 2,275,000 stock options were granted to directors, officers, employees and certain consultants, and the final payment of \$400,000 was received from BMC Minerals to obtain 100% interest in the Fyre Lake property.
- During Q4, 2022, the Company raised gross cash proceeds of \$6,000,000 by issuing 18,750,000 flow-through units at a price of \$0.32 per unit, as more thoroughly described under *Financings*, above. Exploration expenses were reduced from Q3 coinciding with the end of the annual exploration cycle. The Company also received \$75,000 from Antofagasta as the second earn-in option payment, and \$500,000 from BMC with respect to the Fyre Lake project, as described above. On December 31, 2022, the Company impaired the \$429,619 carrying value of the Mariposa property, as explained before.
- During Q3, 2022 the Company raised gross cash proceeds of \$780,000 through a non-brokered private placement explained in the *Financings* section of this MD&A, above. Also during Q3, the cost of significantly increased exploration activities took place, reflecting a much larger exploration program than during Q3 of the prior year, with Q3 being a major part of the year's exploration season. During Q3 2022, the Company received \$267,372 corresponding to BCMETC for qualifying expenses carried out during 2021. The reduction in total liabilities as compared to Q2 2022 reflects the application of funds received from Antofagasta during Q2 2022 for exploration on the RDP project.
- During Q2, 2022, the Company raised \$7.4 million as described under *Financing Activities*, above, hence the substantial increase in total assets. The increase in total liabilities and in shareholders' equity is mostly due to the \$2M received from Antofagasta for exploration of the Company's RDP property, of which \$159,960 has been spent on the project, with the rest remaining a financial liability for the Company. The Company also granted stock options to directors, officers, employees, and certain consultants, resulting in the non-cash share-based payments expense. The Company increased its exploration expenses during this quarter. The amount of interest received was also higher due to a larger amount of cash held in bank accounts after the aforementioned private placement.
- During Q1, 2022, the Company finished compiling its data from the 2021 drilling program at its Kliyul property, but with significantly less expenses than during the more active Q4, 2021. The efforts of the Company during Q1, 2022, were also directed to the financing transaction that closed during April 2022, as indicated above under *Financing Activities*.
- During Q4, 2021, the Company still incurred significant exploration activities at Kliyul. The Company also received \$250,000 from BMC with respect to the Company's Fyre Lake property, as described before. Some previously granted stock options vested during the quarter and hence the corresponding share-based payment was incurred. In addition, as explained in the previous section, the flow-through liability that had been set up in connection with the March 2021 private placement was derecognized as a flow-through tax recovery during this quarter.

### Liquidity, Working Capital, and Capital Resources

The Company's liquidity and working capital figures are as follows:

	<b>September 30, 2023</b>	December 31, 2022
	<b>\$</b>	<b>\$</b>
Cash	<b>1,540,972</b>	7,813,084
Other receivable	<b>320,354</b>	48,286
Marketable securities	<b>31,333</b>	44,833
Liquidity:	<b>1,892,659</b>	7,906,203
Prepaid	<b>808,072</b>	42,719
Trade payables and accrued liabilities	<b>(161,574)</b>	(372,549)
Committed to RDP	<b>(784,983)</b>	(385,341)
Office lease liability - current portion	<b>(73,305)</b>	-
Flow-through premium liability	<b>(1,029,704)</b>	(1,029,704)
<b>Working capital:</b>	<b>651,165</b>	6,161,328

The Company is dependent on raising funds through the issuance of shares or disposition of interests in resource properties in order to finance further acquisitions, undertake exploration and meet general and administrative expenses.

As at November 16, 2023, the Company had cash on hand of approximately \$1,316,000 of which \$536,000 were part of Antofagasta Minerals funding for the RDP project. The Company's working capital as at this date was approximately \$469,000.

The Company believes it has sufficient cash to sustain its operations the remaining of the current year's exploration cycle. The longer-term ability of the Company to continue its business is dependent on the continuing success of its exploration programs coupled with available funding through sale of its share capital, funding from option/joint venture parties or disposition of property interests.

**Transactions with related parties:**

The following transactions with related parties took place:

	Three months ended		Nine months ended	
	September 30		September 30	
	2023	2022	2023	2022
	\$	\$	\$	\$
Management fees paid to a Company controlled by the Executive Chairman of the Company, and salary paid to him *	27,720	26,400	82,280	76,000
Salary paid to the CEO of the Company	54,905	52,290	162,971	153,550
Management fees paid to a company controlled by the CFO of the Company	24,000	18,000	68,000	50,000
Share-based payments recorded for stock options granted to directors and officers of the Company (non-cash expense)	-	-	347,613	493,323
	106,625	96,690	660,864	772,873

\* A percentage of the Executive Chairman's compensation is charged to exploration and evaluation expenses

Management is of the opinion that these transactions have occurred in the normal course of operations.

**Outstanding Share Data**

	Date of this MD&A	September 30, 2023	December 31, 2022
Common shares issued and outstanding	128,687,556	128,687,556	103,968,790
Share purchase warrants outstanding	26,774,839	26,774,839	31,402,174
Finders' warrants outstanding	2,424,000	2,424,000	2,424,000
Stock options outstanding	9,175,000	9,375,000	6,800,000
<b>Fully diluted capital:</b>	<b>167,061,395</b>	<b>167,261,395</b>	<b>144,594,964</b>

**Off-Balance Sheet Arrangements**

None

**Proposed Transactions**

There are no proposed transactions as of the date of this MD&A.

### **Changes in Accounting Policies**

There were no changes in accounting policies during the year ended December 31, 2022. For the current set of accounting policies, please refer to note 2 to the annual audited consolidated financial statements for the year ended December 31, 2022.

### **Disclosure of Controls and Procedures, and internal control over financial reporting**

In connection with National Instrument 52-109 (Certificate of Disclosure in Issuer's Annual and Interim Filings) ("NI 52-109"), the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the condensed consolidated interim financial statements for the nine months ended September 30, 2023 and 2022, and this accompanying MD&A (together, the "Annual Filings").

In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information, the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the Annual Filings on SEDAR at [www.sedar.com](http://www.sedar.com).

### **Financial Instruments**

The Company has classified cash, other receivables, and trade payable and accrued liabilities at amortized cost, and its marketable securities as FVTOCI.

#### Fair values

As at September 30, 2023, the recorded amounts for cash, other receivables and trade payable and accrued liabilities approximate their fair values due to their short maturity. The Company's marketable securities are measured at fair value on a recurring basis. These financial instruments are grouped into Level 1 to 3 based on the degree to which the significant inputs used to determine the fair value are observable. Marketable securities are classified within level 1 of the fair value hierarchy as their fair value measurement is derived from quoted prices in active markets for identical assets. Warrants are classified within level 2 of the fair value hierarchy as their fair value measurement is derived from inputs other than quoted prices included within level 1, that are observable either directly or indirectly. No financial instruments were considered level 3, which are fair value measurements derived from valuation techniques that include significant inputs that are not based on observable market data.

#### Interest rate risk

The Company's cash held in financial institutions earns interest at variable interest rates. During the nine months ended September 30, 2023, and during 2022, interest rates have been on the rise. This, together with larger amounts of cash held in banks, have resulted in the Company earning more interest on its deposits than in the nine months ended September 30, 2022. However, due to the short-term nature of these financial instruments, fluctuations in market rates do not have a material impact on the expected cash flows.

#### Credit risk

The Company has its cash deposited at one of Canada's largest banks with an AA rating, federally insured, and therefore exposed to minimal credit risk.

### Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities and through the management of its capital structure. At September 30, 2023, the Company had cash of \$1,540,972 (December 31, 2022- \$7,813,084), trade payable and accrued liabilities of \$161,574 (December 31, 2022 - \$372,549), a financial liability of \$784,983 (December 31, 2022 - \$385,341) corresponding to cash provided by Antofagasta Minerals for exploration at the RDP property, and lease liabilities of \$81,737, including both current and long-term components (December 31, 2022 - \$nil).

### Currency risk

As at September 30, 2023, the Company kept less than 1% of its cash in US dollars. A change in the value of the US dollar by 10% relative to the Canadian dollar would affect the Company's working capital by an immaterial amount.

### Price risk

The Company is exposed to price risk on its marketable securities due to fluctuations in the current market prices and fluctuations in trading volumes of those securities. At September 30, 2023, the Company held marketable securities with a fair value of \$31,333 (December 31, 2021 - \$44,833). These investments are subject to market price fluctuations that can be significant.

## **Critical Accounting Estimates**

The Company makes estimates and assumptions concerning the future that will, by definition, seldom equal actual results. The following are the areas of estimate and judgment applied by management that most significantly affects the Company's financial statements. These estimates and judgments have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Management applies judgment in reviewing for impairment indicators the carrying value of the resource properties on a quarterly basis, or whenever events or circumstances indicate that their carrying value may not be recovered. If there are indicators of impairment, the recoverable amount of the related asset is estimated in order to determine the extent of any impairment. Indicators of impairment may include (i) the period during which the Company has the right to explore in the specific area has expired during the year or will expire in the near future and is not expected to be renewed, (ii) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned, (iii) exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; and (iv) sufficient data exists to indicate that the carrying amount of the resource properties is unlikely to be recovered in full from successful development or by sale. No impairment indicators were identified by management during the nine months ended September 30, 2023.

## **Risk Factors**

Please refer to the annual MD&A for the year ended December 31, 2022, available on SEDAR and on the Company's website at [www.pacificridgeexploration.com](http://www.pacificridgeexploration.com).

## **Legal Proceedings**

As at September 30, 2023, and at the date of this document, there were no legal proceedings against or by the Company.

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