

## **MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

### **FOR THE YEAR ENDED DECEMBER 31, 2023**

Management's discussion and analysis ("MD&A") of the financial position and results of the operations of North Bay Resources Inc. ("North Bay" or the "Company") constitutes management's review of the factors that affected the Company's financial and operating performance for the year ended December 31, 2023 compared to the year ended December 31, 2022.

The following discussion and analysis should be read in conjunction with the information set forth in the Company's unaudited financial statements for the years ended December 31, 2023 and 2022, respectively.

#### **Company Overview**

The Company was incorporated in the State of Delaware on June 18, 2004 under the name Ultimate Jukebox, Inc. On September 4, 2004, Ultimate Jukebox, Inc. merged with NetMusic Corporation, and subsequently changed the Company name to NetMusic Entertainment Corporation. On March 10, 2006, the Company ceased digital media distribution operations, began operations as a natural resources company, and changed the Company name to Enterayon, Inc. On January 15, 2008, the Company merged with and assumed the name of its wholly-owned subsidiary, North Bay Resources Inc. As a result of the merger, Enterayon, Inc. was effectively dissolved, leaving North Bay Resources Inc. as the remaining company.

We seek to acquire, explore, develop, and exploit natural resource properties with extensive reserves of precious metals, including gold, silver, platinum, and palladium, as well as base metals, including copper, zinc, lead and molybdenum. The Company's business plan is based on the Generative Business Model, which is designed to leverage our mining properties and mineral claims into near-term income streams even during the earliest stages of exploration and development. This is accomplished by entering into sales, joint-venture, and/or option contracts with other mining companies, for which the Company generates income through payments in cash, stock, and other consideration.

The Generative Business Model comprises the following steps:

1. Targeting and acquiring mining properties with good historical assays. (1)
2. Identifying potential partners for the development of each of the Company's properties and entering into joint-venture or option agreements. In most cases, the partner is another mining company whose shares trade on a public exchange.
3. The initial agreement usually comprises a small non-refundable cash payment in advance and a significant number of shares in the stock of the partner or acquiring company. Cash and shares increase in staged payments on the anniversary date of the agreement. In the case of an option agreement, the Company will retain a Net Smelter Royalty with a buyout provision should the property be the site of a major discovery and/or developed into a commercially-operating mine. In the case of a joint-venture, we retain a percentage of ownership, typically 50%, in the event the partner satisfies all the terms of the contract to completion.
4. The partner or acquiring company also must commit to a specific work program over a period of several years to develop the property, often involving a commitment of several million dollars.
5. We believe these work programs enable us to maintain our properties for little or no cost, as the annual maintenance fees due to the government are offset by the amount of money spent on property exploration and development paid for by our partners. Any surplus of expenditures beyond what is due to maintain the properties can then be applied as "portable assessment credits" towards the maintenance of other Company properties that are not yet producing revenue but which have good prospects of doing so in the future. (2)
6. If the partner defaults on the work agreement or does not make staged cash or stock payments by the anniversary date, the property then reverts back to us, which then leaves us free to find another partner and begin the process all over again.

(1) The acquisition of a mining property in British Columbia conveys the mineral or placer rights for mining-related purposes only, and while our rights allow us to use the surface of a claim for mining and exploration activities, our claims do not convey any other surface, residential or recreational rights to the Company. Additionally, our right to extraction is not absolute, as any mechanized extraction work on claims in BC requires additional permits and possibly conversion of our claims to mining leases, the approval of which is not guaranteed. As of July 1, 2012 when new regulations became effective in British Columbia, the registration fee to stake a claim in British Columbia is now \$1.75 per hectare. Prior to July 1, 2012, when most of the Company's properties were staked, the registration fee was \$0.40 per hectare. The initial term of any claim staked is one year. This term may be extended for up to 10 years at a time by filing a statement of work showing minimum expenditures on a mineral claim of \$5 per hectare per year for the first 2 years, \$10 per hectare per year for the next 2 years, \$15 per hectare per year for the following 2 years, and \$20 per hectare per year for each year thereafter. For placer claims, the annual work expenditure is \$20 per hectare. In the event no work is performed by the anniversary date of each claim, the claims may be extended for up to one year at a time by paying twice the applicable work commitment as a fee to the Province of British Columbia, which is referred to as Cash In Lieu Of Work ("CIL fee"). These fees are the responsibility of the Company to maintain our mineral or placer rights in good standing.

(2) Our primary cost in any option or JV agreements is typically the degree to which we give up our rights to any property. In the case of an option agreement, we give up all of our rights if all of the terms of the contract are fulfilled, and will only retain a net smelter royalty (NSR), typically 2%. In the case of a joint-venture, we will generally retain only 25% to 50% of our rights if all of the terms of the contract are fulfilled, and may be subject to further dilution should we elect not to further participate in the joint-venture. An exception to this is when a joint-venture is agreed to on a profit-sharing basis, where the Company elects to retain up to 100% ownership of the project, and both parties are obligated to contribute its share of the project development costs.

Our properties in British Columbia are located and acquired through the use of a suite of online applications which are provided to people and companies licensed to acquire and maintain mineral rights within the Province of British Columbia. Mineral Titles Online (MTO) is an Internet-based mineral titles administration system provided and maintained by the British Columbia Ministry of Energy, Mines, and Petroleum Resources (MEMPR) that allows the mineral exploration industry to acquire and maintain mineral titles by selecting the area on a seamless digital GIS map of British Columbia and pay the associated fees electronically.

The MTO system is also interactively linked to British Columbia's MINFILE Project and Assessment Report Indexing System (ARIS), both of which are provided and maintained by the British Columbia Geological Survey (BCGS).

The MINFILE Project is a mineral inventory system that contains information on more than 12,300 metallic mineral, industrial mineral and coal occurrences in British Columbia. It is used by industry, governments, universities and the public to find information on documented mineralization anywhere in British Columbia, develop exploration strategies, conduct geoscience research, and evaluate the resource potential of an area.

The ARIS database has over 30,500 approved mineral exploration assessment reports filed by the exploration and mining industry since 1947. These reports provide information on geological, geophysical, geochemical, drilling and other exploration-related activities throughout B.C.

Both MINFILE and ARIS are interlinked with MTO, which combined and interfaced with other geospatial applications such as Google Earth, provide a skilled user with the ability to virtually visit any location in British Columbia, analyze its geographical and geological setting, access and evaluate its geological records and the historical archives of any prior development work, and determine the relative value of a given area. If the area is also open to staking, a claim can then be staked, and the required claim registration fees can be paid immediately and interactively.

We are an exploration stage company and there is no assurance that a commercially viable mineral deposit exists on any of our properties. Further exploration will be required before any final evaluation as to the economic viability and feasibility of any of our mining projects can be determined.

On July 1, 2011 we acquired Ruby Gold, Inc. and the Ruby Mine. The Ruby Mine is an underground placer and lode mine located between Downieville and Forest City, in Sierra County, California. Work commenced at the Ruby Mine

during Q4 2011 to rehabilitate the Ruby Tunnel and renovate the infrastructure. The initial phase of this work was completed in the third quarter of 2013 with the restoration of natural air flow throughout the extent of the Ruby tunnel and the reopening of the tunnel for a full mile to restore access to the Black Channel and the Big Bend mining targets. Mill renovation was completed and the wash plant was fully operational in Q1 2014, at which point test mining was begun. As of December 31, 2014, exploration expenditures including construction and renovation costs directly related to the Ruby tunnel rehab and excluding acquisition, depreciation, and regulatory expenses totaled \$2,790,393. As a result of extensive analysis of the results of operations in 2014, the Company subsequently determined that continued operations of the Ruby Mine would not be economical, and the decision was made to cease operations and sell the mine. This effort was unsuccessful, and on December 31, 2016, the Ruby Mine was forfeited.

With the exception of the Fraser River Project, we currently do not control any properties with active or imminent mining in Canada. Mining activities commenced at the Fraser River Project on October 23, 2012, to begin the excavation of test pits. Operations were suspended for the winter in December, 2012. A new permit was subsequently applied for and was issued in July 2013. Mining activities are currently on hold pending completion of a Heritage Impact Assessment requested by the Province of British Columbia. This survey remains ongoing. In February 2022 the Company agreed to sell a 90% interest in the Fraser River Project to a private mining group based in British Columbia. North Bay has retained a 10% interest in the property going forward. There is no guarantee that mining operations will resume or that commercial production will begin at the Fraser River Project, or that our mining activities will be successful.

As of December 31, 2022, and December 31, 2021, cash gains from claim sales and other related income totaled \$5,186 and \$26,534, respectively. As per GAAP, these revenues have been classified as “Other Income”. Top-line revenue is reserved for when we begin actual mining operations and begin generating revenue from mine production.

As of December 31, 2022, we own the mineral rights to 16 mining claims in British Columbia encompassing an aggregate of 7,702 acres (3.118 hectares). This is a snapshot in time, and the number may be quite different six months or one year from now. The Company has a very active exploration program in place, which on a daily basis will add new claims, drop or reduce the size of others, and maintain the rest. All of our claims are under constant review, and may be decreased or further increased at any time, depending on the constant re-evaluation of our present holdings, and the availability of new opportunities in the future as other claims of merit become available for acquisition. Our mineral property acquisition costs are capitalized, and our mineral property exploration costs are expensed as incurred. When it has been determined that a mineral property can be economically developed as a result of establishing proven and probable reserves, the costs incurred to develop such property are capitalized. To date the Company has not established any reserves on its claims. Our acquisition of any mining claim in British Columbia conveys the mineral or placer rights for mining-related purposes only, and while our rights allow us to use the surface of a claim for mining and exploration activities, our claims do not convey any other surface, residential or recreational rights to the Company. Additionally, our right to extraction is not absolute, as any mechanized extraction work on claims in BC requires additional permits and possibly conversion of our claims to mining leases, the approval of which is not guaranteed. Based on the limitations of our claims and unproven reserves, all capitalized costs on our claims in British Columbia were impaired and expensed as of December 31, 2022.

We currently generate income from claim sales and joint-venture agreements. When we sell a claim, we capture near-term revenue, but forego any possibility of a future revenue stream. When we enter into a joint-venture, we receive near-term income as well as a commitment for future revenue, but since the joint-venture partner has the option to withdraw at any time, we cannot project revenue from a joint-venture into the future. However, should a joint-venture partner withdraw, we still retain control of the asset, and can therefore enter into another joint-venture with another partner, develop the property ourselves, or else elect to sell the claims.

We expect to generate near-term income growth through claim sales and joint-venture activities. However, there is no assurance that the Company can successfully secure new joint-venture partnerships on terms that are satisfactory to the Company.

We expect to generate long-term revenue through the acquisition of additional mines, and by the development of our properties, either independently or through joint-venture partners, into operating mines. There is no assurance that these efforts will be successful, or that the projects will be economically viable.

## Recent Developments During FY 2023

On January 24, 2023 the Company announced it had restaked its Mt. Washington property and separated it into two distinct projects; the Wolf Lake Gold project, and the Murex Copper project.

On April 25, 2023, the Company announced that it had signed a Binding Memorandum of Understanding (“MOU”) with CarbonMeta Technologies Inc (OTC PINK: COWI) (“CarbonMeta”) to create a joint venture subsidiary called CarbonMeta Green Resources Canada, which would focus on producing carbon-negative cementless concrete using olivine. It was proposed that the new entity, CarbonMeta Green Resources Canada is to be a Limited Liability Company based in British Columbia, Canada, jointly owned and managed by CarbonMeta Technologies and North Bay Resources, with initial equity ownership of 51% and 49%, respectively. The subsidiary corporation is to be a research and development center for the production of carbon-negative cementless concrete using olivine, and will operate a production facility for the production of carbon-negative cementless EarthCrete® to be distributed in North America.

CarbonMeta agreed to contribute the following:

- Funding and corporate governance expertise to incorporate CarbonMeta Green Resources Canada in British Columbia, Canada.
- Research and Development expertise to obtain, develop and commercialize technologies for the production of carbon-negative cementless concrete using olivine.
- Research and Development expertise to obtain, develop and commercialize carbon dioxide (CO<sub>2</sub>) capture technologies that can be used for the production of carbon-negative cementless concrete using olivine
- Business development expertise to market and sell carbon-negative cementless concrete products.
- Patents and trade secrets related to, but not limited to, all of the aforementioned technologies (e.g. CO<sub>2</sub> adsorption, cement-less concrete)

For its part, North Bay agreed to contribute:

- Availability of over 100 million tonnes of olivine, a magnesium iron silicate that is also known as peridot and chrysolite, through its Tulameen Platinum Project.
- Expertise in acquiring high-quality mining properties throughout British Columbia, Canada.
- Expertise in scaling up mining operations to affordably extract and deliver olivine in Canada and the United States.
- Building strong, enduring relationships with the local and provincial government agencies in British Columbia, Canada.

On June 26, 2023, the Company announced it had signed a definitive agreement in regard to the CarbonMeta JV and that the transaction had closed effective June 21, 2024

On October 30, 2023, the Company announced that the first lab report from exploration work at our Wolf Lake Gold property yielded assays of 60.3 g/t gold, 141 g/t silver, 0.627% copper, 6.76% zinc, and 1% lead. The exploration program was conducted over a four day period in mid-September, and consisted of geological mapping, prospecting, and selective rock sampling.

On December 14, 2023, the Company announced additional results from Wolf Lake and the completion of a NI 43-101 compliant Technical Report. Geochemistry highlights as follows:

- A sample from a new discovery, now referred to as the Ridge Zone, was taken from a 0.05m thick quartz-sulphide vein exposed in a logging road cut along the NE side of a ridge. This sample yielded 22.2 g/t gold, 48.3 g/t silver, 0.632% copper, and 8.11% zinc.
- A sample from another new discovery, now referred to as the Blast Zone, was taken from a 0.1m thick sulphide-chlorite vein exposed in a possibly blasted small outcrop. This sample assayed 1.18 g/t gold, 71.8 g/t silver, 3.12% copper and 0.269% zinc.
- A sample from the Road Zone taken from a 0.04m thick quartz-sulphide vein exposed in a logging road cut yielded 5.11 g/t gold, 24.4 g/t silver, 0.931% copper, 22.1 g/t tellurium and 406 g/t zinc.
- A sample from the Lake Zone taken from a 1.2m thick sulphide-quartz vein and exposed in small overgrown quarry assayed 60.3 g/t gold, 141 g/t silver, 91.6 g/t bismuth, 0.627% copper, 0.988% lead, 561 g/t antimony and 6.76% zinc.

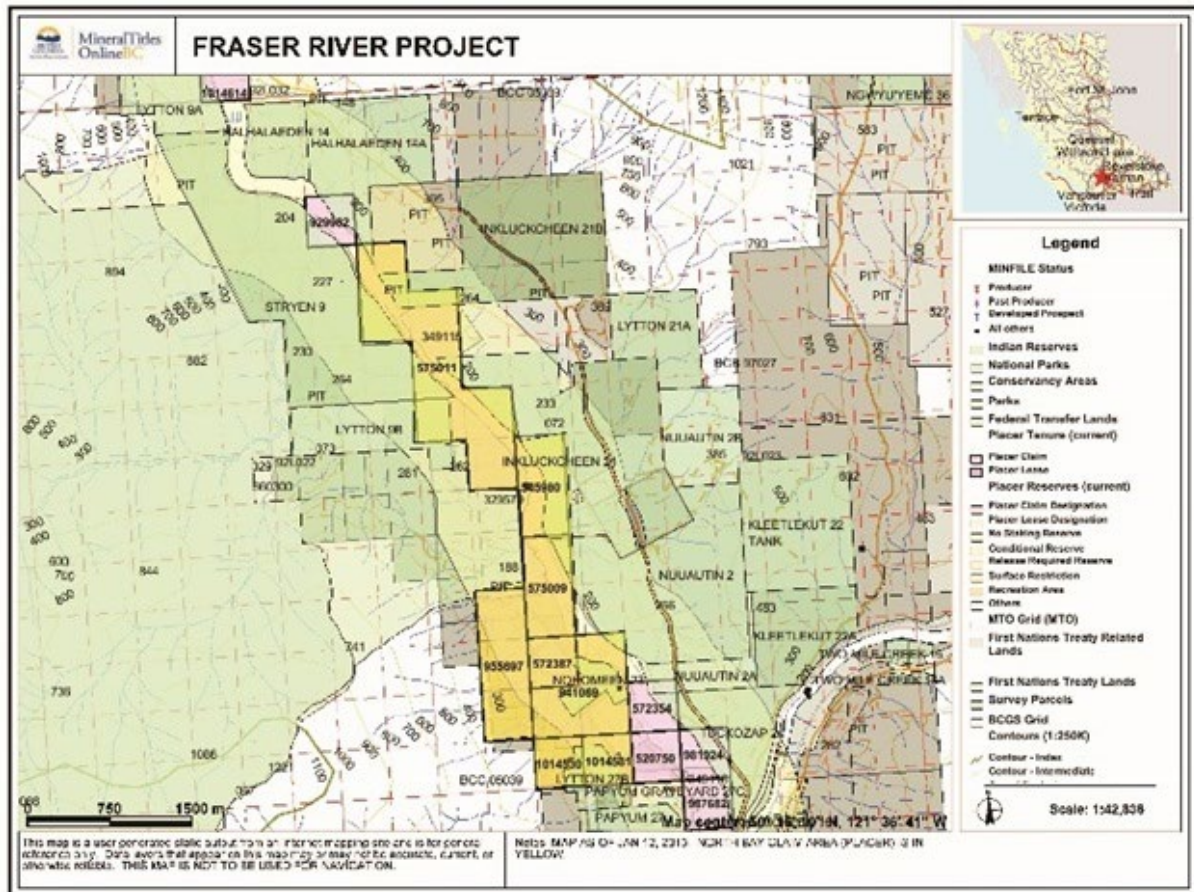
### **Canadian Properties**

Below is a description of the principal properties (or mining/mineral/placer claims) currently owned by the Company which are currently under contract for exploration and development with joint-venture partners, previously under contract with joint-venture partners, or else prospective for future joint-ventures. Our mining claims convey the mineral or placer rights for mining-related purposes only, and while our rights allow us to use the surface of a claim for mining and exploration activities, our claims do not convey any other surface, residential or recreational rights to the Company. Additionally, our right to extraction is not absolute, as any mechanized extraction work on claims in BC requires additional permits and possibly conversion of our claims to mining leases, the approval of which is not guaranteed.

With the exception of our 10% interest in the Fraser River Project, the Company owns a 100% undivided interest in the mineral rights underlying our properties, the surface of which is owned, in most instances, by the Province of British Columbia, also known as Crown Land. Our registered claims convey to us the mineral rights for mining-related purposes only, and while our rights allow us to use the surface of a mineral claim for mining and exploration activities, our claims do not convey any residential or recreational rights to the Company.

All of the properties described below are without known proven or probable reserves, and are exploratory in nature.

**Fraser River Project** is located along the Fraser River, 3 kilometres northwest of the village of Lytton in south-central British Columbia. The property covers 413 hectares (1,020 acres) on both sides of an area known as the Van Winkle Bar. As documented in British Columbia Open File 1986-7 and BC MINFILE 092ISW078, platinum and iridium are known to occur in the black sands of Van Winkle Bar.



In February 2009, the Company through our then-prospective joint venture partner, Mr. Bill Morgan, discovered visible gold during the first phase of test excavations 400 metres northwest of the Van Winkle Bar along an old river channel. Prior to this there were no substantive indications of gold mineralization in the Fraser River deposit.

One cubic yard of material (the approximate equivalent of 2 metric tons) was excavated, processed, reduced to 750 grams of concentrate, and divided into three 250 gram (0.25 kg) samples. These samples were sent to Acme Analytical Laboratories Ltd. in Vancouver, BC for analysis. Acme Analytical Laboratories Ltd., an ISO 9001:2000 company, follows a strict regime of internal Quality Assurance/Quality Control (QA/QC) protocols, including blanks, duplicates, and standard reference materials inserted in the sequences of client samples to provide a measure of background noise, accuracy and precision. The assay results showed the concentrate samples averaged 564 grams per tonne gold and 4.45 grams per tonne platinum, as per the following table:

**ACME ANALYTICAL LABORATORIES LTD.**

Date	8-April-09
Job Number:	VAN09000829
Number of Samples:	3
Project:	Van Winkle
Received:	16-Mar-09

	<b>Method Analyte Unit MDL Type</b>	<b>G6 Au GM/T 0.17</b>	<b>G6 Pt GM/T 0.01</b>	<b>G6 Pd GM/T 0.01</b>
<b>Sample</b>				
VW-1	Sand	620.21	3.59	0.03
VW-2	Sand	541.74	4.37	0.04
VW-3	Sand	530.42	5.38	0.03
Average		564.12	4.45	0.03

Subsequent to the completion of the initial test phase, an outreach to the local Lytton First Nations council was rebuffed. Mr. Morgan subsequently withdrew from the project, and further work was suspended. Any further work is contingent on the approval of the Lytton First Nations by way of treaty agreements with the Province of British Columbia.

In October 2011, the Company signed a Memorandum of Understanding with PWC to engage in a joint-venture on the Company's Fraser River Platinum project. Under the terms of the Memorandum of Understanding, a definitive agreement will be signed within 60 days of formal permit approval by the British Columbia Ministry of Mines and the local First Nations governments. On June 24, 2012, a mining permit was issued by the Ministry of Mines, and operations were initiated but a definitive agreement was never signed with PWC, and the Company continues to control 100% of the property.

During the first week of March, 2012, an exploration and soil sampling program on the Fraser River property was conducted under the supervision of Ms. Agathe Bernard, B.Sc. to further block out and assess the deposit area. The sampling occurred at the margins along a boulder area that runs north to south, with each sample consisting of 0.3 cubic yards of material. The samples were collected and shipped to ALS Labs in Vancouver for analysis, and the assay results received from the first 7 samples analyzed were as follows:

<b>SAMPLE DESCRIPTION</b>	<b>Au (g/t)</b>	<b>Pt (g/t)</b>
PS12-VW1-120312	2.36	0.008
PS12-VW2-120312	0.11	0.025
PS12-VW3-120312	0.493	nil
PS12-VW4-120312	1.625	0.005
PS12-VW5-120312	3.26	nil
PS12-VW6-120312	5.68	0.206
PS12-VW7-120312	2.59	0.427
AVERAGE	2.303	0.096

The Company notes that these samples were all unconcentrated, consisting only of raw in-place bank material. As such, these raw samples represent what would be expected from one bank cubic yard of gravel.

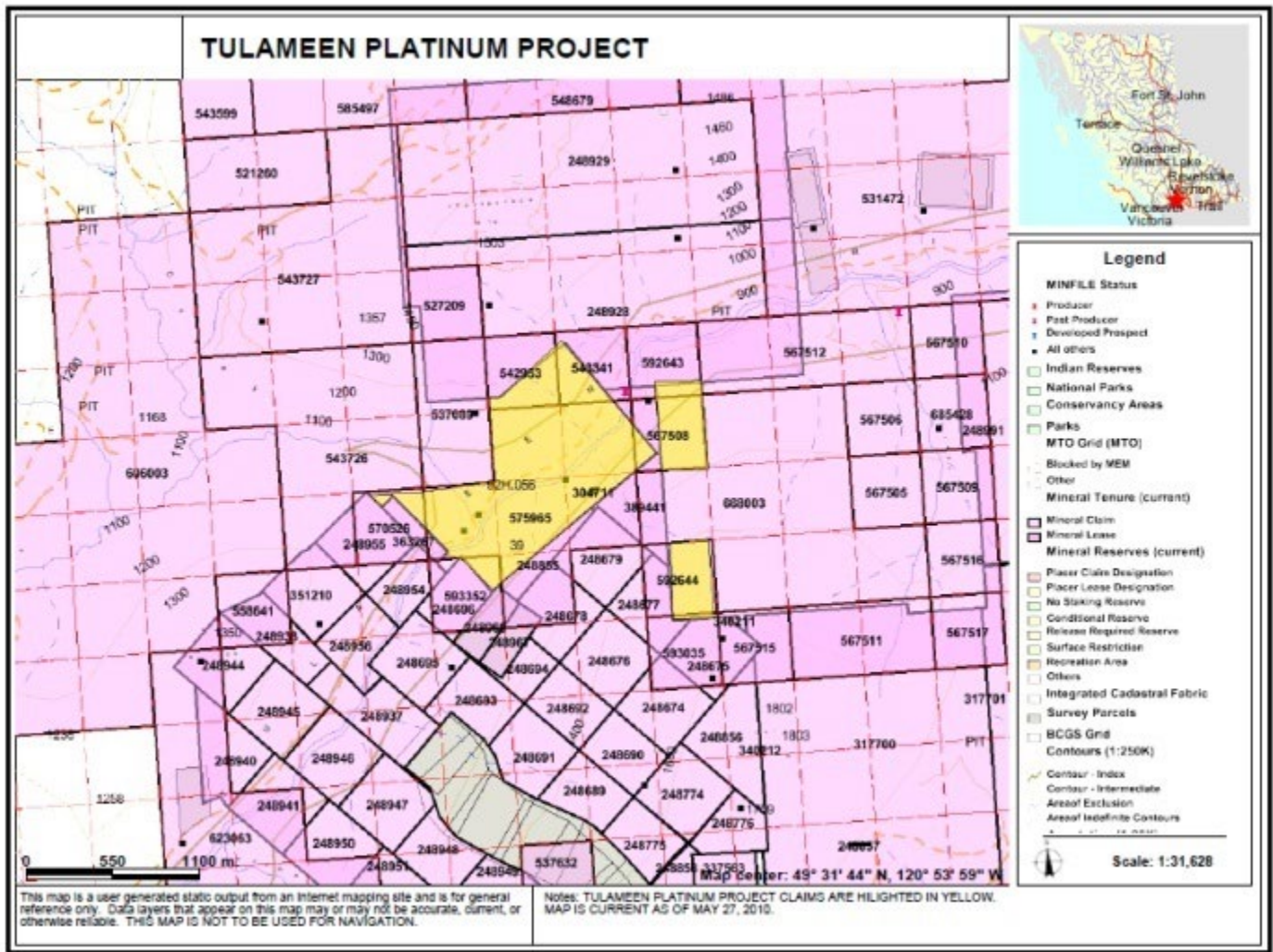
Pursuant to the issuance of a mining permit on June 24, 2012, the Company began operations at the Fraser River Project on October 23, 2012, to begin the excavation of test pits. Operations were suspended for the winter in December, 2012.

During 2013, the JV with PWC was terminated and the Company executed a definitive joint-venture agreement for mining operations at the Fraser River Project with Solid Holdings Ltd. ("Solid"), a private company domiciled in British Columbia and based in Houston, BC. The terms of the agreement call for Solid to provide all equipment, personnel, and related expenditures required to initiate and sustain mining operations at the Fraser River Project JV. The Company will be responsible for maintaining the property in good standing and securing the permits required for mining operations to proceed. The Company will retain 100% ownership of the property, and will be paid a 20% net smelter royalty ("NSR") on all metals recovered from operations, with Solid retaining 100% of the net profits following payment of the aforementioned NSR. Solid will be deemed the project operator, and will be responsible for the day-to-day operations.

A new permit was subsequently applied for and was issued in July 2013. Operations are currently on hold pending completion of a Heritage Impact Assessment requested by the Province of British Columbia. This survey is still ongoing. There is no guarantee that mining operations at the Fraser River Project will resume or be successful.

In February 2022 the Company agreed to sell a 90% interest in the Fraser River Platinum Project to a private mining group based in British Columbia. North Bay has retained a 10% interest in the property going forward

**The Tulameen Platinum Project** covers 860 hectares (2,213 acres) and is located along the Tulameen River in the Cascade Mountains of southwestern British Columbia, approximately 150 kilometres northeast of Vancouver.



As documented in BC MINFILE 092HNE128, this occurrence is hosted in the dunite-rich core of the Early Jurassic Tulameen Ultramafic Complex, a zoned Alaskan-type intrusive complex. Mineralization occurs in a serpentine breccia zone containing fragments of dunite/peridotite cemented by a matrix of serpentine. The zone is 180 metres long, up to 155 metres wide and lies mostly north of the river, on either side of the creek. Platinum occurs in elevated values in the breccia and in the surrounding dunite/peridotite.

In 2013 the Company undertook a prospecting survey designed as a reconnaissance study of the main rock types,

mineralization, and of the mineral potential of the Tulameen ultramafic rocks. Assays returned values in line with the ones obtained by previous explorationists evidenced in the British Columbia MINFILE reports. Top values were 0.54 g/t platinum, 0.18 g/t gold, 0.195% copper, 0.138% nickel, 15.40% iron and 20.3% chromium. The samples were analyzed by ALS Chemex in Vancouver, as follows:

SAMPLE	Recvd Wt. kg	Pt g/t	Au g/t	Ir ppm	Rh ppm	Cr %	Cu ppm	Fe %	Ni ppm	Zn ppm
T-59	0.68	0.08	0.046	0.002	nil	0.272	150	5.78	1150	80
T-61	1.4	0.07	0.02	nil	nil	0.0940	30	6.43	1050	50
T-65A	0.76	0.54	0.037	0.019	0.019	3.18	80	9.01	560	130
T-65C	0.12	nil	0.056	0.006	0.009	20.30	nil	15.4	1380	660
T-67	0.68	0.14	0.039	0.003	0.006	0.671	1950	6.75	1000	100
T-68A	0.66	0.08	0.18	0.002	nil	0.769	nil	7.67	1260	70

The 2013 program also revealed that the PGM mineralization hosted in the dunite is accompanied by olivine, an industrial mineral. Among its many uses, olivine is presently considered to have a strategic use in carbon dioxide (CO<sub>2</sub>) sequestration. It is therefore believed that the olivine industrial mineral potential of the project might be significant. Mining of the dunite rocks for olivine industrial mineral is believed to have a greater potential than mining for precious and base metals alone. The potential for mineral sequestration of carbon dioxide of the Tulameen dunite rocks could further improve the economics of a possible olivine mining project.

The 2013 survey concluded the mining of the olivine rich core of the Tulameen Ultramafic Complex has to be envisioned as a possible open pit mining operation that would include on-site processing of the rock (crushing, grinding, flotation and/or gravity concentration) as this could be the only viable solution for moving the project forward. The main product could be represented by olivine industrial mineral, while by-products could be represented by metals (PGM, chromite, magnetite). The tailings could be marketed for their CO<sub>2</sub> sequestration potential. Drilling of the potentially economic zones has to be undertaken as a next step which is deemed necessary in understanding the characteristics of the unaltered dunite rocks and associated mineralization. If successful, mineral resources and reserves could be estimated and used in a Preliminary Economic Assessment (PEA) of the olivine-PGM deposit.

A followup work program in September 2016 was focused on assessing the olivine deposits on the property. The 2016 survey's results indicate that loss-on-ignition (LOI) values for the olivine/dunite rock are actually lower than those cited by previous authors, which bodes well because the processing costs of an envisioned mining operation could be lower than previously anticipated.

Mining of the dunite rocks for olivine (industrial mineral uses) could be economically viable and might have a greater potential than mining for precious and base metals.

The potential for mineral sequestration of carbon dioxide of the Tulameen dunite rocks is considered excellent and if pursued could further improve the economics of a possible olivine mining project.

In June 2018 additional work at the property established that the size of the mineable deposit is now believed to be over 10 times larger than previously estimated. As well, the in-situ value per tonne of the deposit is now estimated to be over 5 times greater due to the presence of 25% magnesium content in the deposit. Loss-on-ignition (LOI) tests from the June 2018 program validated prior results and were reported as ranging from 1.93% in the fresh dunite rock to 18% in altered zones. Assay results from the June program came in with platinum grades of up to 0.509 g/t, nickel over 0.12%, 0.01% cobalt, and chromium assays reported as over the analytical method's detection limit (>1%). Magnesium assay results for the dunite rock were in the 24% to 25.9% range, which are equivalent to 39.79% to 42.94% magnesium oxide.

The June 2018 assessment concluded that the potential exploration target for the mineral olivine contained in the dunite rocks located within the project area could be in the 225 million tonnes to 240 million tonnes range. Taking into consideration a 60% conversion rate of the possible mineral resources to mineral reserves it is estimated that a possible mineable olivine mineral resource within the Project area could be in the 135 to 145 million tonnes range. Nevertheless the real potential, quality and size of a possible mineable olivine mineral resource at the Company's Tulameen Project has to be determined through further mineral exploration, which includes drilling, and through

economic and engineering studies. Therefore these estimates should not be relied upon until such time that enough exploration data is available to quantify such a target."

In 2018 magnesium prices in China and Europe were in a range of \$2,400 to \$2,500 per metric ton (USGS, 2018). At an average content of 25% magnesium, this indicates that the in-situ value of the resource would be at least \$600 per tonne without taking into consideration any of the potential recoverable by-products (PGM metals, nickel, chromium, cobalt, etc.) from mining operations. It had been previously assumed that the value of commercial-grade olivine was approximately \$100 per tonne. By refocusing primarily on the magnesium content of the resource, the potential value is thus increased fivefold. As well, the LOI grade of the olivine is not relevant to magnesium production, which thus make the entire deposit marketable without regard to LOI levels.

We also note that any waste rock tailings from production can potentially be monetized as carbon credits due to the known use of olivine in CO<sub>2</sub> sequestration. Indeed, the removal of overburden and exposure of olivine to the elements during the course of open pit mining will itself lend the exposed deposit to the natural weathering effect of the olivine used in the CO<sub>2</sub> sequestration process. As it is a demonstrated fact that our Tulameen olivine can sequester 0.4 tonnes of CO<sub>2</sub> for every tonne of olivine mined, the potential carbon footprint of the project is postulated to be less than zero per cent, making the proposed Tulameen olivine mine a virtual "green" enterprise.

In 2021 the Company completed a follow up work program at the Tulameen Platinum Project. Our 2021 work program confirmed the 2018 results, with average magnesium yields of 26.45%, which is entirely consistent with previous reports, As well, 2021 assays as high as 0.19 grams per tonne platinum, 0.15% nickel, 0.31% chromium, 0.014% cobalt, and 0.16% manganese were also reported.

The Company notes that magnesium demand is high, as it is on the list of 35 strategic metals published in the Federal Register that the US government considers critical to the economic and national security of the United States, due partly to its reputation as a "defense metal". Magnesium is one of the lightest structural metal materials, and is considered an essential structural material for the production of spacecraft, military aircraft, missiles, high-mobility vehicles and ships. It is also widely used in manufacturing flares and incendiary bombs because of its high heat and light when it burns. As well, we note that along with increased demand magnesium prices have been rising, and have averaged over \$4,500 to \$5,000 US per tonne in FY 2021.

A further analysis in 2021 of potential by-product metal targets resulted in the estimation of up to 729,000 ounces platinum, 363.95 million pounds nickel, 1.308 billion pounds chromite, and 294,000 ounces gold. These numbers are the result of correlations between metals that have been calculated from the intersection of average sampling grades to reach conclusions supporting an in-situ metal exploration target of 135 to 145 million metric tons of dunite rock hosted olivine. It should be noted that the potential quantity and grade of by-product PGM gold and base metals exploration targets disclosed in the report considered a 100% recovery, and the final recovery percentage would be known only after extensive metallurgical testing of additional rock samples are collected from the Project area and completed at accredited laboratories. These PGM/Gold estimates are thus conceptual in nature, and as a result it remains uncertain if these by-product numbers can be achieved. Nevertheless, the average grade of 25% magnesium previously disclosed remains a virtual certainty given the nature of the deposit, and it is the commercial production of magnesium that remains the Company's principal focus, as well as the potential for additional revenue streams from CO<sub>2</sub> sequestration.

Prior to the start of the 2021 work program, the Company announced it has agreed to participate in a collaborative research project with the Environmental Economic Geology Laboratory (EEGL) at the University of Alberta's Department of Earth and Atmospheric Sciences to assess, among other things, the mineral carbonation potential of our Tulameen olivine to sequester CO<sub>2</sub>. EEGL is led by Dr. Sasha Wilson, an Associate Professor and the Canada Research Chair in Biogeochemistry of Sustainable Mineral Resources. Following our work program samples of our Tulameen olivine were sent to Dr. Wilson's lab for precision analysis and evaluation of the olivine's carbon reactivity. We expect to use the analytical results as part of proof-of-concept submissions to participate in the rapidly expanding carbon removal credit market. This evaluation remains in progress.

The mineral olivine has been well studied and documented for over 30 years to also have CO<sub>2</sub> sequestration properties through a natural chemical process known as mineral carbonation. Prior research and testing has demonstrated that as much as 1.25 tonnes of CO<sub>2</sub> (S.J.T. Hangx and C.J. Spiers , 2008) can be captured and stored

by a single tonne of olivine. Thus, with as much as 135 million tonnes hosted within the Tulameen deposit, it can potentially remove as much as 168 million metric tons of CO<sub>2</sub> from the atmosphere if the entire deposit is utilized for carbon removal purposes. This can be accomplished in a variety of ways, both in-situ and ex-situ, and can be combined with other synchronistic technologies such as Direct Air Capture (DAC), enhanced rock weathering (ERW) for agricultural applications, etc. Any CO<sub>2</sub> sequestered in this way can then be monetized through the sale of carbon removal credits, not only to government entities, but also to private companies around the world who have recently pledged billions of dollars to the goal of reducing carbon dioxide in the atmosphere as a potential solution to global warming.

During the 2021 work program, the Company also mapped out a suitable location to extract a 10,000 tonne bulk sample as part of a mining permit application we intend to prepare and file in the near future. The mining of the olivine rich core of the Tulameen Ultramafic Complex is envisioned as a possible open pit mining operation that would include on-site processing of the rock (crushing, grinding, flotation and/or gravity concentration) which is considered to represent a viable solution for moving the project forward. As well, the potential for carbon dioxide mineral sequestration of the Tulameen dunite rocks is considered excellent and if pursued could further improve the economics of a possible olivine/PGM mining project.

The Company is presently considering whether to further develop the property independently, or to engage a joint-venture partner to fund the project. There is no guarantee the Company will be successful in either of these efforts.

**The Mt. Washington Property** is located on Vancouver Island, approximately 15 kilometres northwest of Courtenay in southwestern British Columbia. In 2022 the Company restaked the property and subdivided it into two separate projects; the Murex Copper Project, which covers 3,763 acres (1,524 hectares), and the adjacent Wolf Lake Gold Project, which covers 876 acres (355 hectares). The overall property extends from Constitution Hill and Wolf Lake southwest towards Mount Washington, and includes several zones of mineralization for 10 kilometres along Murex Creek to Mt. Washington, including the Lupus, Ideal, and Murex

As documented in British Columbia government records, the property is known to contain gold, silver, zinc, copper, and lead mineralization. Wolf Lake Gold includes various gold-bearing sulphide vein showings, notably the Road Zone, the Bluff Zone, the Creek Zone, the Lake Zone, and the Lupus Zone. These gold-bearing sulphide veins have been the subject of multiple exploration efforts over the years, both by the Company as well as previous operators. The Lupus zone is on Constitution Hill, adjacent to Wolf Lake, and has assayed up to 84 grams (2.7 ounces) per tonne gold and 177 grams (5.7 ounces) per tonne silver. The Road Zone has yielded grab sample assays of 21.94 grams per tonne gold, 30.86 grams per tonne silver, and 0.66% copper from quartz-sulphide vein rubble. Other significant assays include 70.1 g/t (2.25 ounces) gold, 115 g/t (3.7 ounces) silver, and 7.2% zinc (Lake Showing), 92.5 g/t (2.97 ounces) gold, 195 g/t (6.27 ounces) silver, 0.96% copper, 0.45% lead, and 5.98% zinc (Lake Showing), 11.9 g/t gold (Creek Showing), 5.9 g/t gold, 55.0 g/t silver, 1.54% copper (Lupus), and 75.8 g/t (2.44 ounces) gold (Bluff Zone). It is believed that there is a good potential for discovering more high-grade gold zones and of extending the known zones.

The Murex Copper zone is on the northeast slope of Mt. Washington, and represents an area of mineralization covering approximately 700 by 700 metres, with an estimated depth of 175 metres. It has been previously tested by a number of diamond-drill holes by several previous operators, with a 4 metre section of core assaying 4.08 per cent copper, 32.91 grams per tonne silver and 6.31 grams per tonne gold. A total of five zones have been identified within the Murex deposit, labeled Zones A, B, C, D, and E. Drilling on the Murex by Noranda in 1988 yielded significant intercepts, as follows (Sources: MINFILE 092F 206, BC Assessment Report 30010):

- NMX-88-17 yielded 0.25m. @ 3.7 g/t gold, 46 g/t silver and 9.7% copper from 196.5 to 197.21 m. from a massive sulphide vein in Zone A
- NMX-89-25 yielded 4.0 m. @ 6.5 g/t gold, 30 g/t silver and 4.1% copper from 29 to 33m., including: 1.0 m. @ 21 g/t gold, 71 g/t silver and 9.3% copper from 29 to 30 m. in a massive sulphide vein in basalt with pyrrhotite, chalcopyrite and pyrite
- NMX-89-26 yielded 6.5 m. @ 0.23 g/t gold, 7.3 g/t silver and 1.1% copper from 16.2 to 22.7 m. in a siliceous

basaltic breccia with pyrrhotite and chalcopyrite

In 2013 the Company engaged Mr. Jacques Houle, P.Eng., to undertake a comprehensive study of the main rock types, mineralization and of the mineral potential of the Mount Washington property. This fieldwork included select outcrop grab sampling with highlights achieved at the following locations:

- Oyster Breccia Area – 3 samples taken from three separate known mineralized sites documented in ARIS report 17193 yielded up to 1.39 g/t gold.
- Lupus/Wolf Lake Area – 2 samples taken from three separate known mineralized sites documented in ARIS reports 27430 and 28405 yielded up to 16.4 g/t gold and 1.18% copper in 2 different samples.
- Murex Breccia Area – 4 samples taken from four separate known mineralized sites documented in ARIS report 18391 and 7 select outcrop grab samples taken from areas of recently exposed or previously undocumented mineralized sites yielded up to 3.55 g/t gold, 0.749% copper and 0.026% molybdenum in 2 different samples.

The samples were analyzed by AGAT Laboratories in Ontario, as follows:

Sample	Recvd Wt kg	Au g/t	Ag g/t	Cu ppm	Mo ppm
E5123127	2.09	0.07	<0.5	18.8	16.8
E5123128	1.66	0.589	<0.5	313	43.3
E5123129	1.49	1.39	3.2	479	2.3
E5123130	1.94	3.55	11.9	7490	70.6
E5123131	1.55	0.008	<0.5	249	2.5
E5123132	1.88	0.005	<0.5	438	10.2
E5123133	1.73	0.023	<0.5	457	3.9
E5123134	1.63	0.006	<0.5	638	1.8
E5123135	2.24	0.006	<0.5	953	14.4
E5123136	1.64	0.08	1.7	2580	20.1
E5123137	1.81	0.142	27.5	11800	4
E5123138	0.82	16.4	13.6	1090	2.6
E5123139	1.63	0.306	<0.5	243	<0.5
E5123140	1.81	0.014	<0.5	1020	264
E5123141	2.38	0.034	4.5	4740	159
E5123142	2.43	0.006	<0.5	1730	8.2
E5123143	2.13	0.008	<0.5	775	3.9

In 2014 a followup work program assessed the Mt. Washington tailings pond. CIM and NI43-101 compliant mineral resource estimates are as follows:

- Mt. Washington Tailings – 241,625 tonnes @ 0.119 g/t gold, 5.68 g/t silver, 0.098% copper, 8.26 g/t tellurium indicated mineral resource, and 83,775 tonnes @ 0.119 g/t gold, 5.68 g/t silver, 0.098% copper, 8.26 g/t tellurium inferred mineral resource

In June 2016 the Company returned to the site to explore the Murex deposit further. 1 select outcrop grab sample taken from a known mineralized site, 2 select outcrop grab samples taken from an area of recently exposed mineralization, and 1 select outcrop grab sample taken from previously undocumented mineralized site yielded up to 11.7 g/t gold, 134 ppm silver, 529 ppm arsenic, 8.56% copper and 70 ppm molybdenum, 500 ppm vanadium and 1590 ppm zinc in 3 different samples.

In February 2018, the Company completed a comprehensive radarsat survey of the entire property, which is also described above in “Recent Developments” and summarized as follows:

- the faults are quite clear as discrete terminations of textural patterns; fault orientations appear to occur in generally four different directions: 0100 Az, 0450 Az, 0800 Az, and 1150 Az; fault displacements are unknown and none are assumed
- areas with a vague, coarse textural pattern were interpreted by the author as containing breccias; these areas appear to be generally controlled and locally offset by the interpreted faults, mainly those oriented at 1200 Az; it is apparent that the interpreted areas containing breccias are also much more extensive than the breccia zones mapped historically
- it is apparent from the combined data presentation that most sites of historic mineralization occur along or very close to interpreted faults

In August 2018 approximately 3 line-km of detailed GPS grid-controlled, logging road cut and creek bed geological mapping was completed over part of the area hosting the known gold-copper mineralization, extending northeast from the area mapped in 2016. Four different rock types were mapped, including sulphide mineralized volcanic and intrusive breccias, and intrusive dikes; and 24 structural measurements were recorded from outcrops. Concurrent with the geological mapping, 9 select outcrop grab rock samples were taken from sulphide mineralized exposures, which yielded geochemistry highlights as follows:

- Sample E5123105 was taken selectively from a 5 cm. thick sulphide-quartz vein oriented @ 055/20 hosted by matrix-supported intermediate intrusive breccia exposed in the east face of a small rock quarry along the southwest side of a logging road, and yielded 50.2 ppm molybdenum
- Sample E5124106 was taken selectively a 15 m. wide outcrop of locally magnetic, massive mafic volcanics containing chalcopyrite and pyrrhotite in sulphide-quartz stockwork veins oriented @ 345/35 and 070/90 exposed in Murex Creek, and yielded 1700 ppm (0.17%) copper
- Sample E5124107 was taken selectively from a 5 m. wide outcrop of magnetic, hydrothermally brecciated mafic volcanics containing disseminated and clustered pyrrhotite, pyrite and chalcopyrite including quartz-sulphide stockwork veins oriented @335/65 exposed in Murex Creek, and yielded 516 ppm copper and 14.5% iron
- Sample E5124109 was taken selectively from 2 cm. thick quartz-sulphide stockwork veins oriented @ 035/50 and 000/25 containing pyrite, chalcopyrite and pyrrhotite, hosted by biotitic mafic volcanic breccia exposed in Murex Creek, and yielded 160 ppm cobalt, 3170 ppm (0.317%) copper, 181 ppm tungsten, 17.5% iron and 7.26% sulphur
- Sample E5124405 was taken selectively from 2 cm. thick quartz-sulphide stockwork veins oriented @ 245/55 and 035/20 containing pyrite, pyrrhotite and chalcopyrite, hosted by biotitic and silicified mafic volcanic breccia exposed in Murex Creek, and yielded 2500 ppm (0.25%) copper, 50.5 ppm molybdenum and 11.2% iron
- Sample E5124406 was taken selectively from 2 cm. thick quartz-sulphide stockwork veins oriented @ 255/45, 010/35 and 070/10 containing chalcopyrite, pyrite and pyrrhotite, hosted by locally magnetic, silicified and biotitic, matrix-supported hydrothermally brecciated mafic volcanics exposed in Murex Creek, and yielded 5140 ppm (0.51%) copper, 73.4 ppm molybdenum, and 13.1% iron
- Sample E5124408 was taken selectively from 2 cm. thick quartz-sulphide stockwork veins and disseminated and clustered sulphides hosted by highly silicified, matrix-supported intermediate breccia exposed in a small outcrop along the southwest side of a logging road, and yielded 496 ppm vanadium

Forty-two (42) “B” horizon soil samples were also taken at approximately 50 m. intervals along approximately 2 line-km of GPS grid lines spaced 100 m. apart, which yielded geochemistry highlights as follows:

- Sample E5123422 yielded 521 ppm copper and 3 ppm tungsten

- Sample E5123432 yielded 54.8 ppm cobalt and 29.9 ppm molybdenum
- Sample E5123437 yielded 0.049 ppm gold
- Sample E5123438 yielded 284 ppm copper and 108 ppm zinc
- Sample E5123442 yielded 1.3 ppm silver
- Sample E5123444 yielded 1.0 ppm silver
- Sample E5123445 yielded 31.7 ppm molybdenum
- Sample E5123446 yielded 283 ppm copper
- Sample E5123451 yielded 39.2 ppm molybdenum
- Sample E5123468 yielded 27.5 ppm molybdenum
- Sample E5123474 yielded 0.058 ppm gold

In 2019 work at Mt. Washington continued the targeted GPS grid-controlled geological mapping and outcrop rock sampling program commenced in 2016 in the Murex Breccia Area. As well, “B” horizon soil sampling was completed in the same area as the geological mapping where very few outcrops are exposed except in rare outcrops, logging road cuts and along Murex Creek.

Approximately 3.5 line-km of detailed GPS grid-controlled geological mapping was completed to the northeast of the area hosting the known gold-copper mineralization, extending northeast from the area mapped in 2018. Two different rock types were mapped, including quartz-sulphide veins in mafic volcanics and quartz-sulphide stockwork veins in mafic volcanic breccias; and 20 structural measurements were recorded from outcrops. Concurrent with the geological mapping, 3 select outcrop and 1 select float grab rock samples were taken from sulphide mineralized exposures, which yielded geochemistry highlights as follows:

- Sample E5123695 was taken selectively from a convergence of two quartz-sulphide veins: one 0.25 m. thick @ 055/65 and the other 0.05 m. thick @ 075/90 hosted in mafic volcanics exposed in the bed of Murex Creek at the NW end of Murex Main logging road, and yielded 4.93% copper, 26.2 g/t silver and 899 ppm zinc
- Sample E5123696 was 5 m. thick exposure of quartz-sulphide breccia exposed in a road cut outcrop along the SW side of Murex Main logging road, and yielded 0.42% copper and 451 ppm vanadium
- Sample E5123697 was taken from a cluster of quartz-sulphide vein fragments found in the road gravel (float) on a branch road from Tsolum Main logging road, and yielded 4.13% copper, 29.8 g/t silver, 233 ppm cobalt, 66 ppm tellurium and 1160 ppm zinc

Seventy-two (72) “B” horizon soil samples were taken at approximately 50 m. intervals along approximately 3.5 line-km of five parallel GPS grid lines spaced 100 m. apart, which yielded geochemistry highlights as follows:

- 24 samples yielding elevated values in multiple elements up to:
  - 0.169 ppm gold
  - 1.9 ppm silver
  - 5100 ppm arsenic
  - 61.9 ppm cobalt
  - 556 ppm copper
  - 44.1 ppm molybdenum
  - 162 ppm vanadium

- 297 ppm tungsten
- 11 areas with 2 or more consecutive sample sites along GPS sample lines yielding elevated element values, including 5 areas with elevated values in multiple elements, and 2 areas with multi-station, multi-element elevated values on 4 adjacent lines

The Company is presently considering whether to further explore the property independently, or to engage a joint-venture partner to fund the project. There is no guarantee the Company will be successful in either of these efforts.

### **Going Concern**

Our financial statements have been prepared on a going concern basis, which implies the Company will continue to realize its assets and discharge its liabilities in the normal course of business. The Company has generated modest revenues since inception and has never paid any dividends and is unlikely to pay dividends. The continuation of the Company as a going concern is dependent upon the continued financial support from its shareholders, the ability of the Company to obtain necessary equity financing to continue operations and to determine the existence, discovery and successful exploration of economically recoverable reserves in its resource properties, confirmation of the Company's interests in the underlying properties, and the attainment of profitable operations. The Company has had very little operating history to date. These financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

We have experienced recurring net losses from operations, which losses have caused an accumulated deficit of \$22,032,060 as of December 31, 2023. In addition, we have a working capital deficit of \$3,695,506 as of December 31, 2023. We had net losses of \$308,800 and \$236,110 for the years ended December 31, 2023 and 2022, respectively. These factors, among others, raise substantial doubt about our ability to continue as a going concern. If we are unable to generate profits and are unable to continue to obtain financing to meet our working capital requirements, we may have to curtail our business sharply or cease operations altogether. Our continuation as a going concern is dependent upon our ability to generate sufficient cash flow to meet our obligations on a timely basis to retain our current financing, to obtain additional financing, and, ultimately, to attain profitability. Should any of these events not occur, we will be adversely affected and we may have to cease operations.

As of December 31, 2023, the accumulated deficit attributable to CEO compensation is \$2,505,920 in deferred compensation. This reflects the total amounts unpaid as per the management agreement with The PAN Network dating back to January 2006, less any amounts actually paid in cash or forgiven since 2006. These totals are non-cash expenses which are included in the accumulated deficit since inception.

The ongoing execution of our business plan is expected to result in operating losses over the next twelve months. Management believes it will need to raise capital through loans or stock issuances in order to have enough cash to maintain its operations for the next twelve months. There are no assurances that we will be successful in achieving our goals of obtaining cash through loans, stock issuances, or increasing revenues and reaching profitability.

In view of these conditions, our ability to continue as a going concern is dependent upon our ability to meet our financing requirements, and to ultimately achieve profitable operations. Management believes that its current and future plans provide an opportunity to continue as a going concern. The accompanying financial statements do not include any adjustments relating to the recoverability and classification of recorded assets, or the amounts and classification of liabilities that may be necessary in the event we cannot continue as a going concern.

### **Liquidity and Capital Resources**

The ability of the Company to continue as a going concern is dependent on the Company's ability to raise additional capital and implement its business plan. Since its inception, the Company has been funded primarily by its founders, board members, employees and persons related to or acquainted with these, the sale of securities, and the issuance of debt. To remedy the current deficiency in our liquidity position, we will raise funds through additional equity offerings,

strategic agreements with partner companies, and debt. We currently have no external sources of liquidity and internal sources (revenue from sales) are very limited. Excluding management fees, which are often deferred as-needed, the Company has required an average of approximately \$1,500 per month to maintain its mineral claims in British Columbia in good standing and pay general administrative expenses. We believe these expenses can be maintained at present levels for the foreseeable future. The Company believes it can generate enough revenue from claim sales and joint-ventures to cover these costs. If we cannot generate sufficient revenue or raise additional funds through equity, we may not be able to maintain our mineral claims.

As of December 31, 2023, total current assets were \$7,757, which consisted of \$2,714 in cash and \$5,043 in prepaid expenses. As of December 31, 2022, total current assets were \$5,897, which consisted of \$854 in cash and \$5,043 in prepaid expenses.

As of December 31, 2023, and December 31, 2022, our total current liabilities were \$3,703,263 and \$3,399,603, respectively. The net increase in current liabilities is primarily due to an increase in accounts payable.

We had a working capital deficit of \$3,695,506 as of December 31, 2023, and a working capital deficit of \$3,393,706 as of December 31, 2022. The net increase in working capital deficit is primarily due to an increase in accounts payable.

During the year ended December 31, 2023, operating activities used cash of \$18,886 as compared to the twelve months ended December 31, 2022, where operating activities used cash of \$148,922. The decrease in cash used by operating activities for the year ended December 31, 2023 was primarily due to a significant settlement of outstanding debt in the prior year.

We had a net increase in cash of \$1,860 for the year ended December 31, 2023 and a net decrease in cash of \$4,388 for the year ended December 31, 2022. Cash flows from financing activities for the year end December 31, 2023 were \$18,500, wholly comprised of an advance from an investor. Cash flows from financing activities for the year end December 31, 2022 were \$140,202 comprised of \$123,291 in debt cancellation, \$46,911 in interest cancellation, and a decrease in cash as a result of a repayment of \$30,000 of an advance from an investor.

### **Results of Operations for the Year Ended December 31, 2023 Compared to Results of Operations for the Year Ended December 31, 2022**

**Gains from Other Income.** For the twelve months ended December 31, 2023 and December 31, 2022, the Company's other income related to mineral claim sales and other income from joint-ventures in British Columbia was \$2,246 and \$5,186, respectively. The Company has spent \$8,723 and \$6,582 in mineral property maintenance costs during each respective period in order to generate cash flows, consisting primarily of British Columbia claim registration and maintenance fees. The increase is due to an increase in exploration expenditures in FY 2023.

**Operating Expenses.** For the year ended December 31, 2023, the Company had operating expenses of \$240,812, which included general and administrative expenses of \$230,744, consulting fees of \$0, mining property costs of \$8,723, and legal costs of \$ 1,135. For the year ended December 31, 2022, the Company had operating expenses of \$181,559, which included general and administrative expenses of \$86,328, mining property costs of \$6,582, and legal costs of \$1,135. Our increase in operating expenses was due mainly from an increase in deferred compensation in FY 2022.

**Net Loss.** For the year ended December 31, 2023, we had a net loss of \$240,812. Our net loss for the year ended December 31, 2022 was \$236,110. The increase in our net loss was attributed primarily to an increase in General & Administrative costs in FY 2023.

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

We do not have any off-balance sheet arrangements.

### **Summary of Significant Accounting Policies**

#### **Revenue Recognition**

The company has recognized no mining revenue to date. In the future mining revenue will be recognized according to the policy described below.

Revenue is recognized when the following conditions are met:

- (a) persuasive evidence of an arrangement to purchase exists;
- (b) the price is fixed or determinable;
- (c) the product has been delivered; and
- (d) collection of the sales price is reasonably assured.

Under the terms of concentrate sales contracts with third-party smelters, final prices for the gold, silver, zinc, copper and lead in the concentrate are set based on the prevailing spot market metal prices on a specified future date based on the date that the concentrate is delivered to the smelter. The Company records revenues under these contracts based on forward prices at the time of delivery, which is when transfer of legal title to concentrate passes to the third-party smelters. The terms of the contracts result in differences between the recorded estimated price at delivery and the final settlement price. These differences are adjusted through revenue at each subsequent financial statement date.

### **Mineral Property Costs**

Mineral property acquisition costs are capitalized upon acquisition. Mineral property exploration and improvement costs are expensed as incurred. When it has been determined that a mineral property can be economically developed as a result of establishing proven or probable reserves, the costs incurred to develop such property are capitalized. To date the Company has not established any proven or probable reserves on its mineral properties.

The Company reviews long-lived assets for indicators of impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. If the review indicates that the carrying amount of the asset may not be recoverable, the potential impairment is measured based on a projected discounted cash flow method using a discount rate that is considered to be commensurate with the risk inherent in the Company's current business model. For purposes of recognition and measurement of an impairment loss, a long-lived asset is grouped with other assets at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets.

### **Income Taxes**

The Company utilizes the liability method of accounting for income taxes. Under the liability method, deferred tax assets and liabilities are determined based on the differences between the financial reporting basis and the tax basis of the assets and liabilities, and are measured using enacted tax rates that will be in effect when the differences are expected to reverse.

The Company adopted the provisions of the FASB interpretation related to accounting for uncertainty in income taxes, which seeks to reduce the diversity in practice associated with the accounting and reporting for uncertainty in income tax positions. The Company believes it does not have any uncertain tax positions taken or expected to be taken in its income tax returns.

### **Stock Based Compensation**

Beginning January 1, 2006, the Company adopted the FASB standard related to stock based compensation. The standard requires all share-based payments to employees (which includes non-employee Directors), including employee stock options, warrants and restricted stock, be measured at the fair value of the award and expensed over the requisite service period (generally the vesting period). The fair value of common stock options or warrants granted to employees is estimated at the date of grant using the Black-Scholes option pricing model by using the historical volatility of comparable public companies. The calculation also takes into account the common stock fair market value at the grant date, the exercise price, the expected life of the common stock option or warrant, the dividend yield and the risk-free interest rate.

The Company from time to time may issue stock options, warrants and restricted stock to acquire goods or services from third parties. Restricted stock, options or warrants issued to other than employees or directors are recorded on the basis of their fair value, which is measured as of the date required by the Emerging Issues Task Force guidance related to accounting for equity instruments issued to non-employees. In accordance with this guidance, the options or warrants are valued using the Black-Scholes option pricing model on the basis of the market price of the underlying equity instrument on the “valuation date,” which for options and warrants related to contracts that have substantial disincentives to non-performance, is the date of the contract, and for all other contracts is the vesting date. Expense related to the options and warrants is recognized on a straight-line basis over the shorter of the period over which services are to be received or the vesting period. As of December 31, 2023, no options or warrants have been issued for compensation and none are outstanding.

### Income/Loss Per Share of Common Stock

Basic net loss per common share is computed using the weighted average number of common shares outstanding. Diluted earnings per share includes additional dilution from common stock equivalents, such as stock issuable pursuant to the exercise of stock options and warrants. Common stock equivalents are not included in the computation of diluted earnings per share when the Company reports a loss because to do so would be anti-dilutive for the periods presented. As of December 31, 2023, and 2022, there were 20,000,000 and 20,000,000 common stock equivalents outstanding, respectively.

### Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The following tables set forth certain information regarding the beneficial ownership of our Common Stock as of December 31, 2023, of (i) each person known to us to beneficially own more than 10% of Common Stock, (ii) our directors, (iii) each named executive officer, and (iv) all directors and named executive officers as a group. As of December 31, 2023, there were a total of 4,968,125,286 shares of Common Stock outstanding. Each share of Common Stock is entitled to one vote on matters on which holders of voting stock of the Company are eligible to vote. Except as otherwise indicated, each of the stockholders listed below has sole voting and investment power over the shares beneficially owned.

<u>Title Of Class</u>	<u>Name And Address Of Beneficial Owner (1)</u>	<u>Amount And Nature Of Beneficial Ownership (2)</u>	<u>Approximate Ownership Percent of Class (%)**</u>	<u>Total Voting Percent of Class (%)**</u>
Common	Perry Leopold(3)(4)	768,007	0.02%	80.00%(4)
Series A Preferred	Perry Leopold(3)	4,000,000	100%	100%
Series I Preferred	Perry Leopold(4)	100	100%(4)	100%(4)

\*\* The percentages listed for each shareholder assume the exercise or exchange by that shareholder only, of his or its entire convertible or exchangeable security (including options or warrants), as the case may be, and thus include the shares underlying said convertible or exchangeable security (including options or warrants). However, the percentages do not assume the exercise of all convertible or exchangeable securities (including options or warrants) by all the shareholders holding such securities.

- (1) Except as noted above, the address for the above identified officers and directors of the Company is c/o North Bay Resources Inc., PO Box 162, Skippack, PA 19474.
- (2) Beneficial Ownership is determined in accordance with the rules of the Securities and Exchange Commission and generally includes voting or investment power with respect to securities. Shares of common stock subject to options, warrants, or convertible debt currently exercisable or convertible, or exercisable or convertible within 60 days of December 31, 2023 are deemed outstanding for computing the percentage of the person holding such option or warrant. Percentages are based on a total of 4,968,125,286 shares of common stock outstanding on December 31, 2023 and shares issuable upon the exercise of options, warrants exercisable, and debt convertible on or within 60 days of December 31, 2023, as described above. The inclusion in the aforementioned table of those shares, however, does not constitute an admission that the named shareholder is a direct or indirect beneficial owner of those shares. Unless otherwise indicated, to our knowledge based upon information produced by the persons

and entities named in the table, each person or entity named in the table has sole voting power and investment power, or shares voting and/or investment power with his or her spouse, with respect to all shares of capital stock listed as owned by that person or entity.

- (3) Mr. Leopold, the Company’s CEO and Chairman owns 4,000,000 shares of the Company’s Series A Preferred Stock. Each outstanding share of the Series A Preferred Stock has 10 votes per share, and may be converted to shares of common at a ratio of 5 to 1, which would thus convert to 20,000,000 shares of common stock. The Series A Preferred Stock was issued in August 2009. Mr. Leopold is prohibited from converting any of his Preferred Stock without providing the Company with at least 61 days advance notice.
- (4) Mr. Leopold owns 100 shares of the Company’s Series I Preferred Stock. Each outstanding share of the Series I Preferred Stock represents its proportionate share of eighty per cent (80%) of all votes entitled to be voted and which is allocated to the outstanding shares of Series I Preferred Stock. These shares are not convertible into common stock or any commodities. The Series I Preferred Stock was issued in February 2007. These shares were issued to our Chief Executive Officer, Mr. Perry Leopold, in February 2007 as an anti-takeover measure to insure that Mr. Leopold maintains control of the Company during periods when the Company’s stock may be severely undervalued and subject to hostile takeover in the open market. As specified in the Certificate of Designation filed by the Company with the Delaware Secretary of State in February 2007, “the outstanding shares of Series I Preferred Stock shall vote together with the shares of Common Stock of the Corporation as a single class and, regardless of the number of shares of Series I Preferred Stock outstanding and as long as at least one of such shares of Series I Preferred Stock is outstanding, shall represent eighty percent (80%) of all votes entitled to be voted at any annual or special meeting of shareholders of the Corporation or action by written consent of shareholders. Each outstanding share of the Series I Preferred Stock shall represent its proportionate share of the 80% that is allocated to the outstanding shares of Series I Preferred Stock. The Series I preferred shares supersede any other shares that Mr. Leopold may own so that any additional securities that Mr. Leopold may own do not increase his 80% voting rights, and are therefore included within the 80%.

### **Directors, Executive Officers and Corporate Governance**

The following table sets forth the names and positions of our executive officers and directors. Our directors are elected at our annual meeting of stockholders and serve for one year or until successors are elected. Our Board of Directors elects our officers, and their terms of office are at the discretion of the Board, except to the extent governed by an employment contract.

Our directors, executive officers and other significant employees, their ages and positions are as follows:

<u>Name</u>	<u>Age</u>	<u>Position with the Company</u>
Perry Leopold	73	Chairman and Chief Executive Officer

**Perry Leopold.** Mr. Leopold has served as Chairman and CEO of the Company since February 2006. Prior to joining the Company he led a number of successful enterprises over a 40 year period in a diverse number of fields, ranging from the arts and technology to finance and natural resources. In February 2006, Mr. Leopold was engaged as CEO to engineer the Company's total corporate restructuring and lead its re-emergence as the natural resources company formerly known as Enterayon, Inc. Mr. Leopold subsequently designed the Company's business model and incorporated state-of-the-art technology to assist in cost-efficient acquisition targeting, which has resulted in over 50 acquisitions of high-quality mining properties throughout British Columbia. Educated at the University of Pennsylvania, Mr. Leopold was also the founder and President of Speebo Inc. from 2006 to 2018, a privately owned exploration company. In addition, since 2005 he is currently serving as President of Circular Logic, Inc., a registered Commodity Trading Advisor (CTA) and Commodity Pool Operator (CPO) firm specializing in commodity trading system development. Mr. Leopold is also the owner of The PAN Network, a private company he founded as a sole-proprietorship in 1981, and which has since been in continuous operation to the present day.

#### **Significant Employees**

We have no significant employees other than our Chief Executive Officer.

#### **Director Independence**

For purposes of determining director independence, we have applied the definition set forth in NASDAQ Rule 4200(a)(15). Perry Leopold would not be considered “independent” under the NASDAQ rule due to the fact that he is an employee of our company.

### **Board Meetings**

During the fiscal year ended December 31, 2023, we had one director. During the year fiscal year ended December 31, 2023, the Board held several meetings and has taken numerous actions by unanimous written consent.

### **Involvement In Certain Legal Proceedings**

None of our officers, directors, promoters or control persons has been involved in the past 10 years in any of the following:

(1) any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;

(2) any conviction in a criminal proceeding or being subject to a pending criminal proceeding (excluding traffic violations and other minor offenses);

(3) Being subject to any order, judgment or decree, not subsequently reversed, suspended or vacated, or any court of competent jurisdiction, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities or banking activities; or

(4) Being found by a court of competent jurisdiction (in a civil action), the Commission or the Commodity Futures Trading Commission to have violated a federal or state securities or commodities law, and the judgment has not been reversed, suspended, or vacated.

(5) any of the violations or events indicated under Item 401 of regulation S-K

### **Audit, Compensation and Nominating Committees**

Our common stock is currently listed on the OTC Pink Market, which does not require companies to maintain audit, compensation or nominating committees. Considering the foregoing and the fact that we are an early stage exploration company, we do not maintain standing compensation or nominating committees. The functions typically associated with these committees are performed by the entire Board of Directors which currently consists of two members, only one of which is considered independent.

### **Shareholder Communications**

We do not have a formal shareholder communications process. Shareholders are welcome to communicate with the Company by forwarding correspondence to North Bay Resources Inc., PO Box 162, Skippack, PA 19474, Attn: Perry Leopold, CEO.

### **Code of Ethics**

We adopted a Code of Ethics on October 16, 2009 that applies to all of our directors, officers and employees, including our principal executive officer, principal financial officer and principal accounting officer.

### **Executive Compensation**

The Company accrued or paid compensation to the Chief Executive Officer for services rendered to the Company in all capacities during the fiscal years shown in the Summary Compensation Table below. Deferred compensation

accrued in 2023 and 2022 was \$216,000 and \$67,000, respectively. These amounts represent the total deferred compensation of \$216,000 and \$72,000 expensed during each period, respectively, less \$0 and \$5,000 actually paid in cash in 2023 and 2022, respectively, as per the management agreement with The PAN Network, a private business management and consulting company wholly-owned by the Company's Chief Executive Officer. The agreement is in consideration of \$18,000 per month. The agreement includes Mr. Leopold's base salary of \$15,000 per month, and accrues entirely to deferred compensation during any period in which the commitment remains unpaid, which would be \$216,000 in total deferred compensation annualized if no payments were made during the year.

The following is a discussion of our program for compensating our named executive officers and directors. Currently, we do not have a compensation committee, and as such, our board of directors is responsible for determining the compensation of our named executive officers.

### **Compensation Program Objectives and Philosophy**

The primary goals of our policy of executive compensation are to attract and retain the most talented and dedicated executives possible, to assure that our executives are compensated effectively in a manner consistent with our strategy and competitive practice.

The board of directors considers a variety of factors in determining compensation of executives, including their particular background and circumstances, such as their training and prior relevant work experience, their success in attracting and retaining savvy and technically proficient managers and employees, increasing our revenues, broadening our product line offerings, managing our costs and otherwise helping to lead our Company through a period of rapid growth.

In the future, we expect that our board of directors will form a compensation committee charged with the oversight of executive compensation plans, policies and programs of our Company and with the full authority to determine and approve the compensation of our chief executive officer and make recommendations with respect to the compensation of our other executive officers. We expect that our compensation committee will continue to follow the general approach to executive compensation that we have followed to date, rewarding superior individual and Company performance with commensurate cash compensation.

### **Elements of Compensation**

Our compensation program for the named executive officers consists primarily of base salary and a non-qualified deferred compensation plan. There is no retirement plan, long-term incentive plan or other such plans, although Mr. Leopold's agreement has a bonus plan, subject to the Board's discretion. The Company is an exploration stage company with limited revenue. As such, we have not yet obtained a consistent revenue stream with which to fund employee salaries and bonus plans. The base salary we provide is intended to equitably compensate the named executive officers based upon their level of responsibility, complexity and importance of role, leadership and growth potential, and experience.

#### **Base Salary**

We have deferred salary compensation for our CEO, Mr. Perry Leopold. Mr. Leopold's services are provided under an agreement with PAN Network, a private business management and consulting company wholly-owned by the Company's Chief Executive Officer. The agreement is in consideration of \$18,000 per month. The agreement includes Mr. Leopold's base salary of \$15,000 per month, and accrues entirely to deferred compensation during any period in which the commitment remains unpaid. Although the Company has had an accumulated deficit in the previous year of operations, Mr. Leopold's salary is set pursuant to an agreement that the Company has entered into with the PAN Network. Our named executive officers receive base salaries commensurate with their roles and responsibilities. Base salaries and subsequent adjustments, if any, are reviewed and approved by our board of directors annually, based on an informal review of relevant market data and each executive's performance for the prior year, as well as each executive's experience, expertise and position. The base salaries paid to our named executive officers are reflected in the Summary Compensation Table below.

#### **Non-Qualified Deferred Compensation**

The Company has adopted an unfunded Non-Qualified Deferred Compensation Plan to recognize unpaid compensation owed to our Chief Executive Officer. Under this Plan, the Company is not required to reserve funds for compensation, and is only obligated to pay compensation when and if funds are available. Any amounts due but unpaid automatically accrue to deferred compensation. The Plan has the option to be renewed annually at the discretion of the Company. While unfunded and non-recourse, for compliance with GAAP this is disclosed as an accrued expense on the balance sheet. As of December 31, 2023, and December 31, 2022, the outstanding balance of the Plan is \$2,505,920 and \$2,289,920, respectively. There is no accrued interest associated with the Plan.

There were no stock awards or bonuses of any kind to our Chief Executive Officer in 2023.

### Employment Agreements

During 2009, the Board of Directors approved and the Company executed a management agreement with The PAN Network (“PAN”), a private business management and consulting company wholly-owned by the Company’s Chief Executive Officer. The agreement is in consideration of \$18,000 per month, and calls for PAN to provide (a) office and board room space, including reception, utilities, landline phone/fax, computers, copiers, projectors, and miscellaneous services; (b) financial services, including accounting, corporate filing and bookkeeping; (c) project and administrative services; (d) resource targeting, acquisition, development and management services; (e) marketing services, communications, marketing materials management, and writing services; (f) strategic planning, milestone management and critical path analysis; and (g) online services, including web site hosting, web site design, web site maintenance, and email services. The agreement includes Mr. Leopold’s salary of \$15,000 per month, which will accrue entirely to deferred compensation during any period in which the commitment remains unpaid. The term of the agreement is one year, and automatically renews annually on January 1 each year unless otherwise terminated by either party.

### Retirement Benefits

Currently, we do not provide any Company sponsored retirement benefits to any employee, including the named executive officers.

### Prerequisites

Historically, we have not provided our named executive officers with any prerequisites and other personal benefits. We do not view prerequisites as a significant element of our compensation structure, but do believe that prerequisites can be useful in attracting, motivating and retaining the executive talent for which we compete. It is expected that our historical practices regarding prerequisites will continue and will be subject to periodic review by our board of directors.

The following table sets forth the compensation paid to our chief executive officer for each of our last two completed fiscal years. No other officer received compensation greater than \$100,000 for either fiscal year.

**Summary Compensation Table**

<b>Name and Position</b>	<b>Year</b>	<b>Salary (\$) (1)</b>	<b>Bonus (\$)</b>	<b>Stock Awards (\$)</b>	<b>All Other Compensation (\$)(2)</b>	<b>Total (\$)</b>
Perry Leopold, Chief Executive Officer	2023	180,000	0	0	36,000	216,000
	2022	\$ 60,000	\$ 0	\$ 0	\$ 12,000	\$ 72,000

- (1) The base salary for Mr. Leopold is included in the management agreement with The PAN Network of \$18,000 per month, all of which accrues to deferred compensation in the event it is unpaid when due each month.
- (2) “All Other Compensation” includes additional consideration due to the management contract with The PAN Network, which is wholly-owned by Mr. Leopold. This agreement is for \$18,000 per month, which includes Mr. Leopold’s base salary of \$15,000 per month.

### Outstanding Equity Awards at Fiscal Year End.

The following table sets forth information with respect to the outstanding equity awards of our principal executive officers and principal financial officers during 2023, and each person who served as an executive officer of North Bay Resources as of December 31, 2023:

#### 2022 Grants of Plan Based Awards

Name	Grant Date	All Other Stock Awards (# of Shares) (1)	Closing Market Price of Awards on the Date of Grant	Grant Date Fair Value of Stock Awards (\$)
Perry Leopold Chairman and Chief Executive Officer	-	0	\$ -	\$ 0

#### Outstanding Equity Awards at December 31, 2023

The following table sets forth certain information regarding outstanding equity awards granted to our named executive officers for 2023 and 2022 that remain outstanding as of December 31, 2023. All of the options in this table are exercisable at any time.

Name		Option awards				Stock Awards	
		Number of securities underlying unexercised options(#) exercisable	Number of securities underlying unexercised options(#) unexercisable	Option exercise price (\$)	Option expiration date	Number of Shares of stock that have not vested (#)	Market Value of Shares of stock that have not vested (\$)
Perry Leopold	2023	0	0	0.00	-	0	0

### COMPENSATION OF DIRECTORS

#### Director Compensation for Year Ended December 31, 2023

The following table sets forth with respect to the named director, compensation information inclusive of equity awards and payments made in the year ended December 31, 2023.

Name	Fees Earned or Paid in Cash (\$)	Stock Awards (\$)	Option Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Nonqualified Deferred Compensation on Earnings (\$)	All Other Compensation (\$)	Total (\$)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Perry Leopold(1)	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --

(1) Mr. Leopold did not receive any compensation in his capacity as director for the Company in the year ended December 31, 2023.

### **Compensation Committee Interlocks and Insider Participation**

We did not have a compensation committee during the year ended December 31, 2023. During the fiscal year ended December 31, 2023, none of our executive officers served on the board of directors of any entities whose directors or officers serve on our board of directors.

### **Outstanding Equity Awards at Fiscal Year-end.**

There were no outstanding equity awards for our Executive officers in the most recent fiscal year ended December 31, 2023.

### **Standard Director Compensation Arrangement**

We do not have a standard compensation arrangement for directors.

### **Stock Option Exercised**

There were no stock options exercised on common shares in fiscal year 2023, with respect to the named executives listed in the Summary Compensation Table.

### **Expense Reimbursement**

We will reimburse our officers and directors for reasonable expenses incurred during the course of their performance.

### **Disclosure Regarding Forward Looking Statements**

This MD&A may include forward looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (“Forward Looking Statements”). All statements other than statements of historical fact included in this report are Forward Looking Statements. In the normal course of its business, the Company, in an effort to help keep its shareholders and the public informed about the Company’s operations, may from time-to-time issue certain statements, either in writing or orally, that contain or may contain Forward-Looking Statements. Although the Company believes that the expectations reflected in such Forward Looking Statements are reasonable, it can give no assurance that such expectations will prove to have been correct. Generally, these statements relate to business plans or strategies, projected or anticipated benefits or other consequences of such plans or strategies, past and possible future, of acquisitions and projected or anticipated benefits from acquisitions made by or to be made by the Company, or projections involving anticipated revenues, earnings, levels of capital expenditures or other aspects of operating results. All phases of the Company operations are subject to a number of uncertainties, risks and other influences, many of which are outside the control of the Company and any one of which, or a combination of which, could materially affect the results of the Company’s proposed operations and whether Forward Looking Statements made by the Company ultimately prove to be accurate. Such important factors (“Important Factors”) and other factors could cause actual results to differ materially from the Company’s expectations are disclosed in this report. All prior and subsequent written and oral Forward Looking Statements attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by the Important Factors described below that could cause actual results to differ materially from the Company’s expectations as set forth in any Forward Looking Statement made by or on behalf of the Company.