

**NEWBASKA GOLD AND COPPER MINES LTD. /
MINES D'OR ET DE CUIVRE NEWBASKA LTÉE.**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR
ENDED DECEMBER 31, 2022**

**Management Discussion and Analysis of Financial Condition and
Results of Operations**

The following management's discussion and analysis ("MD&A") of Newbaska Gold and Copper Mines Ltd. / Mines d'Or et de Cuivre Newbaska Ltée. (the "Company" or "Newbaska") is to enable a reader to assess material changes in the financial condition and results of operations of the Company for the year ended December 31, 2022 and 2021. This MD&A should be read in conjunction with the audited annual financial statements of the Company for the year ended December 31, 2022 and December 31, 2021, together with the notes thereto.

The Company's Annual Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts included in the MD&A are in Canadian Dollars. The MD&A is prepared with an effective date of April 26, 2023.

Newbaska is a "reporting issuer" in the Canadian province of Quebec. The Company's common shares are not trading on any Stock Exchange.

Additional information related to the Company is available in Newbaska's Annual Information Form ("AIF"). The AIF and other continuous disclosure documents, including the company's press releases and interim quarterly reports are available through its filing with the security regulatory authorities in Canada on SEDAR's website at www.sedar.com. This MD&A has been prepared in compliance with the requirements of National Instruments 51-102 – Continuous Disclosure Obligations.

For the purpose of preparing this MD&A, Management, in conjunction with the Board of Directors, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of Newbaska common shares; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) if it would significantly alter the mix of information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Forward Looking/Safe Harbour Statement and fair disclosure statement

This MD&A may contain forward-looking statements concerning the future performance of Newbaska's business, its operations and its financial performance and condition, as well as management's objectives, strategies, beliefs, and intentions. These forward-looking statements are based on information currently available to the Company and the Company provides no assurance that the actual results will meet management's expectations. Forward-looking statements include estimates and statements that describe the Company's future plans, objectives or goals, its ability to access capital, the speculative nature of mineral exploration and development, fluctuating commodity prices, competitive risks and reliance on key personnel, and include words to the effect that the Company or management expect a stated condition or result to occur. This list is not exhaustive of the factors that may affect any of the company's forward-looking statements. Statements relating to estimates of reserves and resources are also forward-looking statements as they involve risks assumptions, including but not limited to assumptions with respect to future commodity prices and production economics, that the reserves and resources described exist in the quantities and grades estimated and are capable of economic extraction. Forward-looking statements may be identified by such terms as "believes", "anticipates", "expects", "estimates", "may", "will", or "plan". All forward-looking information is inherently uncertain and subject to risks, uncertainties, and a variety of assumptions to address future events and conditions. These and other factors should be considered carefully, and readers should not place undue reliance on the Company's forward-looking statements. The Company does not undertake to update any forward-looking statements that may be made from time to time by the Company or on its behalf, except in accordance with applicable security laws.

Overview, Description of Newbaska's Business Activities and Subsequent Events

The Company's management is responsible for the preparation and presentation of the annual financial statements in accordance with International Financial Reporting Standards "IFRS ". The most significant accounting principles used by the Company, have been set out in Note 3 to the annual financial statements of the Company as at December 31, 2022.

The Company's primary purpose is to advance its resource property, the Davidson Creek Project in which the Company holds 100% interest. The acquisition was made by making certain payments and issuing common shares of the Company. See Note 4 to the annual Financial Statements.

The board of directors of the Company is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The board of directors is assisted in exercising its responsibility by its audit committee. The audit committee meets with

management and the auditors to satisfy itself that management's responsibilities are properly discharged, to review the financial statements and to recommend approval of the financial statements to the board of directors.

During the year ending December 31, 2022 the Company incurred \$168 of exploration expenditures. The Company will receive mining duties tax credits of \$NIL on these exploration expenses. The reported expenses were incurred on the Davidson Creek Property, the five claims located in the Joannes Township 13 km East-northeast of Rouyn-Noranda. For the year ended December 31, 2021, \$270 in exploration expenses net of mining duties tax credits were incurred.

The Davidson Creek Property is the only exploration asset of the Company.

Operating Results

For the year ended December 31, 2022 the Company generated a net loss of \$29,819 (December 31, 2021 – net loss of \$30,921) which is represented in part by consulting fees of \$NIL (December 31, 2021 – \$NIL), and professional fees of \$11,758 compared to (December 31, 2021 – \$11,582), Management fees of \$12,000 compared to (December 31, 2021 - \$12,000), Director Fees of \$1,500 compared to (December 31, 2021 - \$1,500), Transfer and filing fees of \$135 compared to (December 31, 2021 - \$1,263) General and administrative of \$3,756 compared to (December 31, 2021 - \$3,862).

In June 2007, the Company purchased the rights to a 100% interest in 5 mining claims in Joannes Township, Quebec for consideration of \$70,000 and a commitment to issue 450,000 Common shares of the Company at \$0.10 per share. In the year ended December 31, 2022 the Company incurred evaluation expenses of \$168 due to Québec Mining Duties adjustments compared to (December 31, 2021 - \$270).

Operating Results

Summary of Yearly Results:

Selected financial information for the 5 fiscal years of 2022, 2021, 2020, 2019 and 2018.

Operating Results CON'T

Yearly Financial Information (audited)										
		<u>2022</u>		<u>2021</u>		<u>2020</u>		<u>2019</u>		<u>2018</u>
(a) Revenue- interest	\$	-	\$	-	\$	0	\$	0	\$	0
(b) Net Income (Net loss)	\$	(29,819)	\$	(30,921)	\$	264,616	\$	(34,436)	\$	(94,632)
(c) Basic and diluted Income (loss) per share	\$	0.003	\$	(0.003)	\$	0.026	\$	(0.003)	\$	(0.009)

Liquidity and Financing Source

During the year ended December 31, 2022 the Company decreased its cash position from \$1,137 at December 31, 2021 to \$285 at December 31, 2022.

Financial Position

At December 31, 2022, the Company had cash of \$285 (December 31, 2021 - \$1,137), other receivables of \$2,710 (December 31, 2021 - \$760) mineral resource properties of \$115,000 (December 31, 2021 - \$115,000), accounts payable and accrued liabilities of \$293,916 (December 31, 2021 - \$276,560).

Cash Flows

Cash used in operating activities for the year ended December 31, 2022 was \$14,412 (December 31, 2021 - \$9,527) which included an increase in receivables of \$1,950 (an increase in receivables of December 31, 2021 - \$23), and a increase in accounts payable of \$17,357 (an increase in accounts payable of December 31, 2021- \$21,417). Cash flows from financing activities included an increase in director's note payable of \$13,560 (December 31, 2021 - \$10,500).

Evaluation Expenses

Evaluation expenses net of governments refund credits on the Davidson Creek Property of \$168 (December 31, 2021 - \$270).

Related Party Transaction

\$NIL of consulting fees (2021 - \$NIL).

\$12,000 of management fees (2021 - \$12,000) were owed to a company controlled by a director.

\$1,500 of director fees (2021 - \$1,500) were owed to administrators and officers of the company.

\$135 was included in filing fees (2021 - \$1,263), amount was owed to a director.

All related party transactions entered by the Company are recorded at fair market value as determined by the Company's directors with no beneficial interest in respect of a particular transaction.

Disclosure Controls and Procedures and Internal Control Over Financial Reporting

The Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") of the Company are responsible for establishing and maintaining the Company's disclosure controls and procedures ("DC&P") and the design of internal controls over financial reporting ("ICFR"). The objective is to ensure that all transactions are properly authorized, identified and entered into the accounting system on a timely basis to minimize risk of inaccuracy, failure to fairly reflect transactions, failure to fairly record transactions necessary to present financial statements in accordance with IFRS, unauthorized receipts and expenditures, or the inability to provide assurance that unauthorized acquisitions or dispositions of assets can be detected. The small size of the Company and its system of internal controls provide for the separation of duties for receiving, approving, coding and handling of invoices, entering transactions into the accounts, and include a requirement of two signatures for all payments made by cheques or wire funds.

The CEO and CFO evaluated the effectiveness of the Company's DC&P and ICFR as required by National Instrument 52-109 *Certification of Disclosure in Issuer's Annual and Interim Filings* issued by the Canadian Security Administrators. It was concluded that as of December 31, 2022, the Company's DC&P and ICFR were effective in providing reasonable assurance that material information regarding this report, and the

interim financial statements and other disclosures, was made known to them on a timely basis and reported as required, and that the financial statements present fairly, in all material aspects, the financial condition, results of operations and cash flows of the Company as of December 31, 2022. The CEO and CFO also concluded that no material weaknesses existed in the design of the ICFR as at December 31, 2022.

Critical Accounting Estimates

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions about future events that affect the reported amounts of assets, liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring the use of management estimates include, but are not limited to, the determination of carrying value of exploration and evaluation assets, the valuation of share-based compensation transactions, the valuation of deferred income tax assets and liabilities, and the accrued liabilities and contingencies. Estimates and assumptions are regularly evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

The Company's accounting policies are detailed in Note 3 to the financial statements for the year ended December 31, 2022.

Changes in Accounting Policies

Financial assets

Recognition and initial measurement

The Company's recognizes financial assets when it becomes party to the contractual provisions of the instrument. Financial assets are measured initially at their fair value plus, in the case of financial assets not subsequently measured at fair value through profit or loss, transaction cost that are directly attributable to their acquisition. Transaction cost that are directly attributable to their acquisition. Transaction cost attributable to the acquisition of financial assets subsequently measured at fair value through profit or loss are expensed in profit or loss incurred.

Classification and subsequent measurement

On initial recognition, financial assets are classified as subsequently measured at amortized cost ("AC"), fair value through comprehensive loss ("FVOCI") or fair value through profit or loss ("FVTPL"). The Company determines the classification of its financial assets, together with any embedded derivatives, based on the business model for managing the financial assets and their contractual cash flow characteristics.

Financial assets are classified as follows:

Amortized cost - Assets that are held for collection of contractual cash flows where those cash flows are solely payments of principal and interest are measured at amortized cost. Interest revenue is calculated using the effective interest method and gains or losses arising from impairment, foreign exchange and derecognition are recognized in profit or loss. Financial assets measured at amortized cost are comprised of trade and other receivables and receivables from related parties.

Fair value through comprehensive loss - assets that are held for collection of contractual cash flows and for selling the financial assets, and for which the contractual cash flows are solely payments of principal and interest, are measured at fair value through comprehensive loss. Interest income calculated using the effective interest method and gains or losses arising from impairment and foreign exchange are recognized in profit or loss. All other changes in the carrying amount of the financial assets are recognized in comprehensive loss. Upon derecognition, the cumulative gain or loss previously recognized in comprehensive loss is reclassified to profit or loss. The Company does not hold any financial assets measured at fair value through comprehensive loss.

Mandatorily at fair value through profit or loss - Assets that do not meet the criteria to be measured at amortized cost, or fair value through comprehensive loss, are measured at fair value through profit or loss. All interest income and changes in the financial assets' carrying amount are recognized in profit or loss. Financial assets mandatorily measured at fair value through profit or loss are comprised of cash and cash equivalents.

Designated at fair value through profit or loss - On initial recognition, the Company may irrevocably designate a financial asset to be measured at fair value through profit or loss in order to eliminate or significantly reduce an accounting mismatch that would otherwise arise from measuring assets or liabilities, or recognizing the gains and losses on them, on different bases. All interest income and changes in the financial assets' carrying amount are recognized in profit or loss. The Company does not hold any financial assets designated to be measured at fair value through profit or loss.

Contractual cash flow assessment

The cash flows of financial assets are assessed as to whether they are solely payments of principal and interest based on their contractual terms. For this purpose, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money, the credit risk associated with principal amount outstanding, and other basic lending risks and costs. In performing this assessment, the Company considers factors that would alter the timing and amount of cash flows such as prepayment and extension features, terms that might limit the Company's claim to cash flows, and any features that modify consideration for the time value of money.

Impairment

The company recognizes a loss allowance for the expected credit losses associated with its financial assets, other than financial assets measured at fair value through profit to loss. Expected credit losses are measured to reflect a probability-weighted amount, the time value of money, and reasonable and supportable information regarding past events, current conditions and forecasts of future economic conditions.

The Company applies the simplified approach for trade receivables. Using the simplified approach, the Company records a loss allowance equal to the expected credit losses resulting from all possible default events over the assets' contractual lifetime.

For financial assets measured at amortized cost, loss for expected credit losses are presented in the statement of financial position as a deduction from the gross carrying amount of the financial assets.

Financial assets are written off when the group has no reasonable expectations of recovering all or any portion thereof.

Derecognition of financial assets

The Company derecognizes a financial asset when its contractual rights to the cash flows from the financial assets expire.

Internal Controls:

Since Newbaska is a TMX (TSX) Venture issuer, Management does not make representation relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in National 52-109. Management is responsible for ensuring that processes are in place to provide them with sufficient knowledge to support their certification of the financial statements and MD&A, more specifically assessing that the SEDAR filings are presenting fairly the results of the Company. Management will make sure that the convergence process is completed; it can still certify its filings.

Risks and Uncertainties:

The Company is subject to a number of risks and uncertainties and is affected by a number of factors outside the control of management. Further detail is provided on www.sedar.com.

All phases of the Company's mineral exploration operations are subject to environmental regulations pertaining to the Province of Quebec and the Country of Canada. Environmental legislation is evolving in a manner which will require stricter standards and enforcement assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees.

There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on the properties on which the Company holds interest which are unknown to the Company at present and which have been caused by previous owners and operators of the properties even where it has attempted to contractually limit its liability. Government approvals and permits currently may be curtailed or the Company may be prohibited from proceeding with planned exploration or development of mineral properties.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions there under, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

The future costs of retiring mining assets include dismantling, remediation, ongoing treatment and monitoring of the site. These are reconciled and recorded as a liability at fair value. The liability is accreted, over time, through periodic charges to earnings. In addition, asset retirement costs are capitalized as part of the asset's carrying value and amortized over the asset's useful life. Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in exploration expenses, capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties. Production of mineral properties may involve the use of dangerous and hazardous substances such as sodium cyanide. While all steps will be taken to prevent discharges of pollutants into the ground water and the environment, the Company may become subject to liability for hazards that cannot be insured against. The Company is subject to all environmental acts and regulations at the federal and provincial levels.

These include, but are not limited to, the following:

Federal Level (Canada)
Canadian Environmental
Protection Act
Fisheries Act
Navigable Waters
Protection Act and Regulations

Provincial Level (Quebec)
Environmental Protection Act
of Quebec
Mining Act

To the Company's knowledge, there are no liabilities to date which relate to environment risks or hazards.

Signed: *Charles A. Veilleux*

"Charles A. Veilleux" President

April 26, 2023