

## **KO GOLD CORP.**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS (for the nine-month period ended December 31, 2023)**

**February 23, 2024**

#### **INTRODUCTION**

This management's discussion and analysis ("MD&A") has been prepared by KO Gold Corp.'s ("KO" or the "Company") management and provides a review of the Company's operating and financial performance for the nine-month period ended December 31, 2023, as well as a view of future prospects. The MD&A should be read in conjunction with KO's unaudited condensed interim consolidated financial statements for the nine-month period ended December 31, 2023; and, audited consolidated financial statements for the year ended March 31, 2023. Additional information related to the Company is filed electronically on the System for Electronic Document Analysis and Retrieval (SEDAR) and is available online at [www.sedar.com](http://www.sedar.com)

#### Basis of presentation

KO's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts are expressed in Canadian dollars, unless otherwise noted.

NOTE: in this MD&A references to years, such as F2024 or F2023, refers to the fiscal year ending March 31.

This MD&A may contain forward-looking statements, which may be influenced by factors described in the "Cautionary Statements" section of the MD&A. The "Risks and Uncertainties" section of this MD&A further describes other factors that could cause results or events to differ from expectations.

#### ***Qualified Person Statement***

The scientific and technical information disclosed in this MD&A has been prepared and approved by Paul Ténière, P.Geol., Vice President-Exploration and a director of the Company and a Qualified Person under National Instrument 43-101 ("NI 43-101").

Scientific and technical information contained in this MD&A has been referenced from the Company's NI 43-101 technical report titled, "Technical Report on the Otago Region Gold Properties, New Zealand" with an effective date of February 1, 2023.

#### **CORPORATE PROFILE**

KO (CSE:KOG) is a publicly listed exploration company involved in the business of acquiring, exploring and developing mineral properties in New Zealand. KO's mineral exploration focus revolves around its 881 km<sup>2</sup> Otago Gold Project (the "Otago Gold Project or Otago Project") and its 62 km<sup>2</sup> Smylers Gold Project (the "Smylers Gold Project or the Smylers Project"), each located in the Otago Gold District of the South Island of New Zealand. The Otago Gold Project consists of three 100% owned prospecting permits and three 100% owned exploration permits. The Smylers Gold Project consists of two 100% owned exploration permits that were acquired through the acquisition of Hyde Resources Limited that was completed on November 27, 2023.

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#### **HIGHLIGHTS**

##### ***Smylers Gold Project***

On November 27, 2023 the Company completed the purchase of 100% of the shares of Hyde Resources Limited by issuing 3,500,000 common shares to Smylers Gold Limited. Hyde Resources is a private New Zealand domiciled company that owns a 100 per-cent interest in the Smylers and Glenpark exploration permits that comprise the Smylers Gold Project.

##### ***Otago Gold Project***

On February 15, 2024, the Company entered into an agreement with NewPeak Metals Ltd, NewPeak NZ Ltd and Mr. Neil Stuart to acquire the Raggedy Range and Garibaldi exploration permits by issuing: 595,238 common shares on February 23, 2024; and a further \$250,000 in common shares in two tranches. These two permits encompass a combined area of approximately 92 km<sup>2</sup>.

In addition, KO submitted an exploration permit application to New Zealand Petroleum and Minerals ("NZPAM") over the Carrick Goldfield north of its Carrick prospecting permit. NZPAM permit approval is pending.

##### ***Financing Activities***

On June 30, 2023, the Company settled \$35,140 of payables by issuing 140,560 common shares at \$0.25 per share.

In September 2023, the Company received unsecured and non-interest bearing cash loans of \$60,000, of which \$10,000 was provided by Company directors/officers. These loans were provided for working capital purposes and are payable on demand any time after October 1, 2024. The Company has the right to prepay the loans at any time, without bonus or penalty.

On January 10, 2024, the Company closed a non-brokered private placement for gross proceeds of \$1,110,045 by issuing 3,363,772 units at \$0.33 per unit. Each unit consists of one common share and one common share purchase warrant. Each unit warrant entitles the holder thereof to purchase one additional common share at an exercise price of \$0.40 for a period of 24 months from closing.

##### ***Stock Exchange Listing***

In September 2023, the Company became a reporting issuer in the province of Ontario, Canada and on October 11, 2023, the Company's common shares commenced trading on the Canadian Securities Exchange (CSE).

#### **OTAGO GOLD AND SMYRLERS GOLD PROJECTS – SOUTH ISLAND, NEW ZEALAND**

The Otago Gold Project and the Smylers Gold Project are located on the South Island of New Zealand and encompass a combined area of approximately 943 km<sup>2</sup>. The Otago Project now consists of six permits, of which three are prospecting permits and three are exploration permits. The Smylers Project consists of two contiguous exploration permits that were acquired through the acquisition of Hyde Resources Limited. All eight of these permits are 100% owned by the Company.

The Company must complete a minimum work programme for each permit that is acceptable to NZPAM by the permit expiry date. NZPAM is a part of the New Zealand Ministry of Business, Innovation and Employment, which administers the Crown Minerals Act 1991, under which prospecting, exploration and mining permits are granted.

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A summary of the project permits is described below:

#### Otago Gold Project

Permit	Permit #	Area (sq kms)	Type of Permit	Expiry	Notes
Tokomairiro*	60674	93	Prospecting - Tier 2	December 15, 2024	
Carrick Range	60727	426	Prospecting - Tier 2	June 1, 2023	EOD pending**
Rough Ridge South	60705	247	Prospecting - Tier 2	February 22, 2024	EOD pending**
Hyde	60702	23	Exploration - Tier 2	February 22, 2027	
Raggedy Range	60733	4	Exploration - Tier 2	August 4, 2027	Transfer pending***
Garibaldi	60677	88	Exploration - Tier 2	September 29, 2027	Transfer pending***
		<u>881</u>			

\* NZPAM approved the Company's Extension of Duration ("EOD") application and the permit area was reduced accordingly.

\*\* The Company has submitted an Extension of Duration ("EOD") application to NZPAM to extend these permits an additional 2 years from the original expiry date. As part of the EOD application process, KO Gold must relinquish 50% of each permit area.

\*\*\* These permits are in the process of being transferred to the Company pursuant to the NewPeak permit acquisition agreement made on February 15, 2024, with NZPAM approval pending.

#### Smylers Gold Project

Permit	Permit #	Area (sq kms)	Type of Permit	Expiry	Notes
Glenpark	60129	42	Exploration - Tier 2	October 12, 2026	COC pending**
Smylers*	60389	20	Exploration - Tier 1	November 2, 2027	COC pending**
		<u>62</u>			

\* In July 2023, Hyde Resources Limited was granted an extension of the permit for an additional 5 years, which resulted in the permit area being reduced by 50%. Smylers became a Tier I permit on November 3, 2023.

\*\* The Company has submitted change of control (COC) applications pursuant to the Hyde Resources Limited acquisition agreement made on October 26, 2023, with NZPAM approval pending.

#### General

Unless a permit is a non-exclusive prospecting permit, the rights granted by a permit are exclusive to the permit holder; however, permits may be granted over an area where there are already permits for other mineral groups. Minerals permits are classified as tier 1 or tier 2. All prospecting permits are tier 2. Exploration permits for gold are classified as tier 1 unless the expected total work programme expenditure for the final five years of its life, is less than NZ \$1,250,000. Mining permits for gold, silver and platinum group metals (PGMs) are classified as tier 1 if, in any one permit year in the next five years of its life, the annual royalty payable to the New Zealand government will be equal to or more than NZ \$50,000.

The permit tiers may change in the future, e.g. as work programme expenditures increase over the life of the permits. Exploration permits are granted for a maximum term of five years, and prospecting permits are granted for two years. At the end of the permit period, KO has the option of upgrading the permit type (e.g. prospecting to exploration permit or exploration permit to mining permit), applying for an extension of duration (EOD) of the

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current permit, or surrendering the permit. If KO decides to extend the duration of any of its permits, it must relinquish 50% of the permit area.

#### ***Smylers Gold Project – Hyde Resources Limited acquisition***

On October 26, 2023, the Company entered into a share purchase agreement with Smylers Gold Ltd. to replace the option agreement referenced below, whereby the Company would acquire all of the issued shares in Hyde Resources Ltd., which holds the Smylers and Glenpark permits. On November 27, 2023, the Company completed the purchase of 100% of the shares of Hyde Resources Limited by issuing 3,500,000 common shares to Smylers Gold Ltd. The effective date of the acquisition was November 1, 2023.

The purchase price was \$908,353, which consisted of the 3,500,000 common shares, having a fair value of \$875,000 and transaction costs of \$33,353. The acquisition of Hyde Resources was treated as an asset acquisition. There were no identifiable assets or liabilities assumed, thereby leaving the remainder of the purchase price to be expensed in accordance with the Company's accounting policy for exploration and evaluation expenditures.

In addition, Smylers Gold Ltd. retained:

- a) a 2-per-cent net smelter return ("NSR") royalty for the life of the Smylers Gold Project, of which 1 per cent (such that the remaining NSR shall be reduced to 1 per cent) may be purchased by the Company, at anytime, for NZ \$2 million; and,
- b) the right to receive \$20 for each ounce of gold produced from the Smylers Gold Project for the life of the project.

Hyde filed a change of control notification with NZPAM for the Smylers and Glenpark exploration permits. This notification is a regulatory requirement under the Crown Minerals Act to provide the Minister with an opportunity to consider the financial capability of the permit holder to meet the obligations under the permits. The notification is currently being reviewed by NZPAM.

#### ***HS Option Agreement – Cancelled***

On March 8, 2021, the Company entered into the HS Option Agreement having an effective date of April 1, 2021, with Hyde Resources Limited and Smylers Gold Limited (collectively, the "HS Optionors") pursuant to which the Company obtained the right (the "Option") to acquire a 100% interest in the Smylers and Glenpark permits.

The Company was required to incur expenditures of NZ \$4,000,000 over a four-year period ending April 1, 2025, of which it incurred NZ \$1,282,935 in expenditures.

Upon exercise of the Option, the Company was to issue sufficient common shares to the HS Optionors to align their percentage ownership in the Company with the relative value of 50% of the value of the Smylers Gold Project, divided by the value of the Company's mineral properties (which would include 100% of the Smylers Gold Project) plus working capital. Valuations were to be performed by a third party.

The Optionors were to retain a 2% NSR on all proceeds received by the Company on all ore mined from the property. The Company had the right to purchase one-half of the NSR (equivalent to a 1% NSR) for \$3,000,000.

#### ***Otago Gold Project – NewPeak permit acquisition***

On February 15, 2024, the Company entered into an agreement with NewPeak Metals Ltd, NewPeak NZ Ltd and Mr. Neil Stuart to acquire the Raggedy Range and Garibaldi exploration permits (the "Properties") that encompass a combined area of approximately 92 km<sup>2</sup>, within the Otago Gold District of New Zealand. Both exploration permits were granted for a 5-year term and are highly prospective for gold based on historical exploration work and alluvial gold workings in the area. The permits are located between Santana Minerals' advanced resource-stage Bendigo-

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Ophir Gold Project (Rise and Shine Shear Zone - RSSZ) and OceanaGold Corp's active Macraes gold mine (Hyde-Macraes Shear Zone - HMSZ).

As consideration for the acquisition of the Properties, the Company:

- a) issued an aggregate of 595,238 common shares on February 23, 2024
- b) shall issue such number of common shares having a value of \$125,000 on or before February 15, 2025 (the "Second Tranche"); and
- c) shall issue such number of Common Shares having a value of \$125,000 on or before February 15, 2026 (the "Third Tranche").

The common shares to be issued in the Second Tranche and the Third Tranche shall be issued at the Market Price (as such term is defined in the policies of the Canadian Securities Exchange on the date of issuance ("CSE")).

Completion of the acquisition of the Properties is subject to New Zealand ministerial approval to transfer the Properties to the Company in accordance with the New Zealand Crown Minerals Act.

#### ***Exploration Activities***

As of the date of this MD&A, KO has only conducted exploration and desktop studies at the Smylers Gold Project and on its Tokomairiro and Carrick Range permits.

#### ***Smylers Gold Project***

Extensive geological and structural mapping has been conducted at the Smylers Gold Project and compiled with historical data to understand the mineralization and plan surface sampling and drilling. Over the past five years, KO, Hyde Resources Limited and Smylers Gold Limited have collected a total of 349 rock-chip samples, 5,330 soil samples, dug 14 trenches totalling 832 m, and drilled 41 diamond and 64 reverse circulation (RC) drill holes for a combined total of 15,591 m. Exploration has identified seven gold prospects within the Smylers Gold permit. Gold mineralization has been intercepted at depth, and some of the best intercepts include 5 m @ 3.4 g/t from 32 m (incl. 1 m @ 8.3 g/t), 2 m @ 4.7 g/t from 22 m, 3.6m @ 2.14 g/t from 142.7 m.

During F2022, KO completed a reverse circulation (RC) drill program at the Smylers Gold permit. The RC drilling program consisted of approximately 2,735 m and 26 drill holes. Every drill hole encountered gold mineralization including up to 9 m at 1 g/t within the Kensington target in the central part of the Smylers Gold permit. Additional soil sampling and prospecting was completed east of the 2022 RC drilling program in Smylers East in early F2022. Arsenic soil anomalies up to 200 ppm were encountered along strike at Smylers East resulting in a new orientation of the Hyde-Macraes Shear Zone (HMSZ), which is known to host significant gold deposits to the northwest including at the Macraes Mine.

During F2023, exploration activities at the Smylers Gold Project were focused on planning and designing a second phase reverse circulation (RC) drilling program, with a focus on key gold targets on the Smylers Gold exploration permit. For F2024, expenditures represent costs to acquire Hyde Resources and maintain operations. No exploration activities were conducted.

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Smylers	Three months ended December 31		Nine months ended December 31		Inception to October 31 NZD
	2023	2022	2023	2022	
Prepays	\$ -	\$ -	\$ -	\$ -	\$ 13,089
Acquisition costs	<b>908,353</b>	-	<b>908,353</b>	-	-
Property costs	<b>4,139</b>	6,426	<b>8,120</b>	23,150	83,400
Assaying	-	-	-	3,687	39,041
Consulting/Contracting	<b>11,038</b>	2,378	<b>14,718</b>	28,538	216,815
Drilling	-	-	-	-	392,049
Equipment and supplies	-	-	-	3,276	70,846
Site costs	<b>33,942</b>	35,699	<b>102,243</b>	107,233	448,275
Travel/Transportation	<b>148</b>	115	<b>729</b>	3,065	19,420
	<b>\$ 957,620</b>	\$ 44,618	<b>\$ 1,034,163</b>	\$ 168,949	\$ 1,282,935

#### Otago Gold Project

During F2022, at the Tokomairiro permit, geological and structural mapping was conducted contemporaneously with soil, stream and rock-chip sampling. The mapping was focused around areas of known historical Au mining, and noted shafts, adits, pits, and abandoned mining equipment. Outcrop of in situ basement schist is limited within permit area; therefore, only 14 rock-chip samples were collected. The best rock-chip sample was collected nearby the Canada/Ocean View reef and returned 135.5 ppm Au. All major streams except the Wai-o-Te-Meho Creek were sampled, and a total of 72 samples were collected. The Wai-o-Te-Meho Creek was not sampled following consultation with Te Rūnanga o Ōtākou as sampling was conducted during the spawning season of a threatened native freshwater fish species. The stream-sediment analysis identified two anomalous catchments with an Au z-score >2. Soil sampling was conducted over four prospects (historical Au mines), and a total of 531 samples were collected. Samples were analysed by Portable X-ray Fluorescence analysis (pXRF) and sent for laboratory gold (Au) analysis. Thirteen samples returned ≥0.01 ppm Au.

The existing (1997–2000) geophysical data (magnetic, radiometric, and electromagnetic) was reviewed. While the radiometric and electromagnetic maps did not delineate any distinguishable features, the magnetic maps indicate the presence of two magnetic structural boundaries that warrant further investigation.

During F2023, exploration activities at the Otago Gold Project were focused on desktop studies and data compilation work for its Carrick Range and Rough Ridge South prospecting permits to prepare for a field mapping, soil sampling, and prospecting programs. For F2024, the Company completed its desktop study for the Carrick Range permit and outlined potential exploration targets.

Otago	Three months ended December 31		Nine months ended December 31	
	2023	2022	2023	2022
Property costs	\$ <b>20,392</b>	\$ 11,061	\$ <b>44,613</b>	\$ 40,584
Consulting/Contracting	<b>13,798</b>	130	<b>29,191</b>	2,274
Geophysics/Surveys	<b>6,573</b>	-	<b>6,573</b>	-
	<b>\$ 40,763</b>	\$ 11,191	<b>\$ 80,377</b>	\$ 42,858

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#### ***Future Exploration Activities***

The size and scope of planned exploration activity over the next 12 months is dependent on the Company's working capital and regulatory approvals. The Company plans to complete the following exploration activities as follows:

#### Smylers Gold Project

- Drill a minimum of nine reverse circulation (RC) holes to test the mineralization at Hidden Gully, Kensington, and Williams prospects.

#### Otago Gold Project

- Hyde - Undertake a desktop study of the permit including reinterpreting existing geophysical data and updating the GIS database of all the exploration data.
- Rough Ridge South - Undertake a desktop study of the permit including reviewing all literature and geophysical data, reviewing the applicability of remote-sensed data and machine learning to remote-sensed and geophysical data, validating historical data and compiling a complete database and GIS workspace.

#### **SUMMARY OF QUARTERLY RESULTS**

	Corporate and administrative	Exploration and evaluation	Net loss	Net loss per share
	\$	\$	\$	\$
<u>Fiscal 2024</u>				
Q3 December 31	(156,030)	(998,383)	(1,154,434)	(0.068)
Q2 September 30	(59,343)	(55,641)	(114,984)	(0.007)
Q1 June 30	(54,399)	(60,516)	(114,915)	(0.007)
<u>Fiscal 2023</u>				
Q4 March 31	(163,302)	(60,124)	(223,426)	(0.016)
Q3 December 31	(25,522)	(55,809)	(81,222)	(0.006)
Q2 September 30	(45,102)	(72,124)	(117,226)	(0.010)
Q1 June 30	(26,590)	(83,874)	(110,464)	(0.011)
<u>Fiscal 2022</u>				
Q4 March 31	(42,521)	(136,239)	(178,760)	(0.023)

For the first three quarters of F2024, results were influenced by the amount of: (1) corporate and administrative expenses, which were impacted by costs to advance the Company's public listing initiatives; and, (2) exploration and evaluation expenditures related to the acquisition of Hyde Resources Limited and the Company's Otago and Smylers Gold Projects.

For F2023, quarterly results were influenced by the amount of: (1) corporate and administrative expenses, which were impacted by: the onset of administrative and accounting costs in Q4; costs to advance the Company's public listing initiatives in Q4 and to prepare the inaugural NI 43-101 technical report for the Otago and Smylers Gold Projects in Q3 and Q4; annual audit and tax reporting fees in Q4 and, travel costs to attend meetings in New Zealand in Q1; and, (2) exploration and evaluation expenditures related to the Company's Otago and Smylers Gold Projects in each quarter.

For the last quarter of F2022, results were influenced by the amount of: (1) corporate and administrative expenses, which were impacted by annual audit and tax reporting fees; and, (2) exploration and evaluation expenditures related to the Company's Otago and Smylers Gold Projects.

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#### RESULTS OF OPERATIONS

##### ***Nine-month period***

The net loss for the nine-month period ended December 31, 2023, was \$1,384,333, versus a net loss of \$308,912 for the comparative nine-month period of F2023, representing an increase of \$1,075,421. During the current nine-month period, corporate activity revolved around conserving working capital, acquiring the Smylers Gold Project, becoming a public issuer and attaining a listing on the Canadian Securities Exchange ("CSE"). As a result of the acquisition of the Smylers Gold Project, exploration and evaluation expenditures (F2024 - \$1,114,540 vs F2023 - \$211,807) increased significantly as the acquisition costs of \$908,353 were expensed. Exploration activities were limited to completing Otago Gold Project desktop studies and maintaining New Zealand operations.

The growth in corporate administrative expenses (F2024 - \$269,772 vs F2023 - \$97,214) was primarily due to costs related to the Company becoming a public issuer and attaining a listing on the CSE, which impacted corporate development and promotion costs, filing and transfer agent fees and professional fees. Consulting and management fees were incurred for administrative, accounting and management services to support expanded corporate activity. Travel reflects costs to attend meetings in New Zealand. Office and general costs were relatively consistent with the comparative period.

##### ***Three-month period***

The net loss for the third quarter of F2024 was \$1,154,434 versus a net loss of \$81,222 for the comparative quarter of F2023, representing an increase of \$1,073,212. During the current quarter, corporate activity mainly revolved around acquiring the Smylers Gold Project and attaining its CSE listing. The increase in the net loss was primarily attributable to higher exploration and evaluation expenditures (F2024 - \$998,383 vs F2023 - \$55,809), which were significantly impacted by the costs to acquire the Smylers Gold Project. Permitting activities and work to advance desktop studies led to the increase in Otago Gold Project costs.

The growth in corporate administrative expenses (F2024 - \$156,030 vs F2023 - \$25,522) reflects the advent of costs related to the Company attaining its CSE listing, which impacted corporate development and promotion costs and filing and transfer agent fees. Consulting and management fees were incurred for administrative, accounting and management services to support expanded corporate activity. Travel reflects costs to attend meetings in New Zealand. The remainder of the corporate and administrative expenses were relatively consistent with the comparative period.

#### LIQUIDITY AND CAPITAL RESOURCES

##### ***Cash flows***

Operating activity cash flows for the current nine-month period were impacted by \$910,140 of non-cash common share issuances to settle debt and to acquire Hyde Resources Limited. Financing activity cash flows for the current nine-month period reflect the receipt of \$60,000 of cash loans and the receipt of \$24,750 from a subscriber in the private placement that closed on January 10, 2024.

##### ***Working capital***

As at December 31, 2023, KO had cash of \$169,402 and a working capital deficiency of \$38,234. Sales tax receivables represent amounts expected to be refunded by the Canadian and New Zealand governments. Prepaid expenses and deposits are primarily comprised of Smylers and Otago Project costs.

To enhance its working capital, the Company:

- on June 30, 2023, settled \$35,140 of payables by issuing 140,560 common shares at \$0.25 per share.
- on January 10, 2023, the Company closed a non-brokered private placement for gross proceeds of \$1,110,045 by issuing 3,363,772 units at \$0.33 per unit. Each unit consists of one common share and one



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common share purchase warrant. Each unit warrant entitles the holder thereof to purchase one additional common share at an exercise price of \$0.40 for a period of 24 months from closing.

In addition, in September 2023, the Company received unsecured and non-interest bearing cash loans of \$60,000, of which \$10,000 was provided by Company directors/officers. These loans are payable on demand after October 1, 2024, however the Company has the right to prepay the loans at any time, without bonus or penalty. Subsequent to December 231, 2023, the Company repaid loans of \$40,000.

The Company needs to raise additional working capital to fully fund its corporate activities, to support its permitting requirements and to fund its exploration activities at its Otago and Smylers Gold Projects for F2025. Further, should the Company acquire additional properties then the Company may require additional capital to fund the acquisition and/or associated exploration activities on the new properties.

There is a risk that the Company may not be able to raise sufficient funds, thus jeopardizing the Company's ability to maintain its mineral projects/properties or continue as a going-concern. A large majority of the Otago and Smylers Gold Projects' expenditures are denominated in New Zealand dollars giving rise to market risk from changes in foreign exchange rates, which may negatively or positively impact the Company's working capital.

#### **RELATED PARTY TRANSACTIONS AND BALANCES**

Consulting fees of \$43,300 (F2023 - \$9,000) for the current three-month period and \$71,300 (F2023 - \$9,000) for the nine-month period were paid or became payable as follows:

- Vice President-Exploration and director, Mr. Paul Ténrière - \$18,300 (F2023 - \$9,000) for the current three-month period and \$46,300 (F2023 - \$9,000) for the nine-month period. Mr. Ténrière was appointed to these positions on September 30, 2022.
- Chief Financial Officer and director, Mr. Mark McMurdie - \$25,000 (F2023 - \$nil) for the current three-month period and \$25,000 (F2023 - \$nil) for the nine-month period. These amounts were paid to Rustle Woods Capital Inc. ("RWC"), a company associated with Mr. McMurdie, for accounting services.

Management fees of \$25,000 (F2023 - \$nil) for the current three-month period and \$25,000 (F2023 - \$nil) were paid or became payable for the services of the Company's Chief Executive Officer (CEO)/President, Mr. Gregory Isenor. Mr. Isenor's services are provided by GP Isenor Co. ("GPI"), a company controlled by Mr. Isenor. Effective November 1, 2023, Mr. Isenor shall be paid a monthly fee of \$12,500.

For the comparative period, professional fees (legal) of \$11,030 for the three-month period and \$21,405 for the nine-month period were paid or became payable to Irwin Lowy LLP, a law firm in which former Company director and officer, Mr. Chris Irwin is a partner. Of this amount, fees of \$6,500 for the three-month period and \$10,386 for the nine-month period are included under share issuance costs. On January 27, 2023, Mr. Irwin resigned as a director and officer of the Company.

In September 2023, Mr. Isenor and RWC provided the Company with unsecured and non-interest bearing cash loans totalling \$10,000. These loans were provided for working capital purposes and are to be repaid on demand after October 1, 2024, however the Company has the right to prepay the loans at any time, without bonus or penalty.

Accounts payable and accrued liabilities include \$36,478 (March 31, 2023 - \$12,851) payable to entities controlled by or associated with Company directors/officers.

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#### SHARE CAPITAL

As of the date of this MD&A, the Company has the following securities outstanding:

Security	Number
Common shares	23,027,960
Warrants	3,363,772
Options	Nil

Subsequent to December 31, 2023, the Company:

- on January 10, 2024, issued 3,363,772 common shares and 3,363,772 unit warrants pursuant to a private placement;
- on February 7, 2024, issued 890 common shares pursuant to the exercise of 892 broker warrants; and,
- on February 23, 2024, issued 595,238 common shares pursuant to the NewPeak permit acquisition agreement.

#### NEW ACCOUNTING POLICIES

*For information on current and future changes in accounting policies and disclosures, please refer to Note 4 in KO's interim condensed consolidated financial statements for the nine-month period ended December 31, 2023.*

#### FINANCIAL INSTRUMENTS

*Disclosure on KO's financial instruments and related risks may be found in Note 15 of KO's interim condensed consolidated financial statements for the nine-month period ended December 31, 2023.*

KO's current exposure to liquidity risk has been partially mitigated with the amount of capital raised in F2023. However, the Company's exposure to liquidity risk remains and will continue to revolve around the amounts required to fund its Otago and Smylers Gold Projects' obligations and exploration activities, in addition to funding its corporate overheads and any future property or project acquisitions. A large majority of the Otago and Smylers Gold Projects' expenditures are denominated in New Zealand dollars giving rise to market risk from changes in foreign exchange rates.

The Company does not have a risk management committee or written risk management policies. The Company has not entered into any specialized financial agreements to minimize its credit or foreign currency risks. There are no off-balance sheet arrangements.

#### CAUTIONARY STATEMENTS

This MD&A may contain forward-looking statements relating to, but not limited to, KO's assumptions, estimates, expectations and statements that describe KO's future plans, intentions, beliefs, objectives or goals, that are subject to a number of known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those expressed or anticipated by such forward-looking statements. Statements that address activities, events or developments that the Company expects or anticipates will or may occur in the future are forward-looking statements or forward-looking information, including, but not limited to, statements preceded by, followed by or that include words such as "may", "will", "would", "could", "should", "believes", "estimates", "projects", "potential", "expects", "plans", "intends", "anticipates", "targeted", "continues", "forecasts", "designed", "goal", or the negative of those words or other similar or comparable words. Examples of such forward-looking statements, without limiting the generality of the foregoing, include:

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- potential to earn an interest in mineral properties or projects and complete acquisitions
- ability to satisfy permitting requirements, work commitments and expenditure requirements
- reference to competitor's exploration results
- potential of exploration properties
- financial or capital market conditions
- evaluation of the potential impact of future accounting changes
- capital requirements and ability to obtain funding
- ability to continue as a going concern.

Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements and forward-looking information. Such factors include, but are not limited to:

- condition of underlying commodity markets and prices
- ability to raise necessary capital
- fluctuations in foreign exchange and stock market volatility
- receipt or retention of necessary permits or approvals
- suspension or delays in our operations due to public health concerns
- access to properties and contests over title to properties
- obtaining exploration, environmental and mining approvals
- timing of commencement of exploration or development activities
- quality of exploration results and mineralogy
- geological, technical, drilling and operating difficulties
- establishment of sufficient and economic resources or reserves
- availability and cost of contractors, equipment, supplies, labour and insurance
- performance of our partners and their financial wherewithal
- the speculative nature of exploration and development and investor sentiment
- degree of support from local communities
- competition for, among other things, capital, acquisitions of resources and/or reserves, undeveloped lands and skilled personnel
- changes in national and local governments, legislation, taxation, controls, regulations and political or economic developments in which the Company conducts or may conduct business
- business opportunities that may be presented to or pursued by us
- our ability to correctly value and successfully complete acquisitions
- effectiveness of corporate and investor relations

Although KO believes that the assumptions, estimates and expectations reflected in our forward-looking statements are reasonable, results may vary, and we cannot guarantee future results, levels of activity, performance or achievements. Readers are cautioned not to place undue reliance on these forward-looking statements due to the inherent uncertainty. KO disclaims any intent or obligation to update or revise any forward-looking statement, whether as a result of new information, future events or other such factors which affect this information, except as required by law.

### **RISKS AND UNCERTAINTIES**

KO is in the business of exploring mineral properties and, if warranted, developing and mining them, which is a highly speculative and costly endeavour. The mining sector is by its nature, cyclical, competitive and risky. Many of these risks are beyond the Company's control. Investment in the mining sector in general and the exploration sector involves a great deal of risk and uncertainty, and KO's common shares should be considered as a highly speculative investment. Current and potential investors should give special consideration to the risk factors involved.

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### **Management's Discussion & Analysis (for the nine-month period ended December 31, 2023)**

#### ***Acquisition Risk***

KO uses its best judgment in the acquisition of mineral properties or an alternative business venture and, in pursuit of such opportunities, the Company may fail to select appropriate acquisition candidates or negotiate acceptable agreements, including agreements to finance the acquisition and development of the mineral properties or business venture. The Company cannot provide assurance that it can complete any acquisition that it pursues, on favourable terms, or that any acquisition will ultimately benefit the Company. The Company has assembled a board of directors with strong experience in mergers and acquisitions.

#### ***Community and Indigenous Risk***

There is an ongoing level of public concern relating to the effects of mining on the natural landscape, on communities and on the environment. Certain organizations, indigenous and public interest groups and media organizations, who oppose resource development can be vocal critics of the mining industry. Any such actions and the resulting media coverage could have an adverse effect on the reputation and financial condition of the Company or its relationships with the communities in which it operates, which could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Under the Crown Minerals Act 1991, NZPAM must act in accordance with the principles of the Treaty of Waitangi (Te Tiriti o Waitangi) that underpin the relationship between indigenous peoples known as the Māori and the Crown. These principles include partnership, active protection, and redress. As such, when assessing a permit application, NZPAM consults with iwi and hapū whose rohe includes some or all of a permit area, or who may be directly affected by a permit. Iwi and hapū can provide recommendations and requests based on the Treaty principles.

During the permit application assessments, Aukaha, a consultancy that represents iwi (Māori tribes), put forth submissions on behalf of Kāti Huirapa Rūnaka ki Puketeraki, Te Rūnanga o Ōtākou, Te Rūnanga o Moeraki and Hokonui Rūnanga (local iwi). The submissions requested by the Company typically make the following provisions when planning work programmes:

- Consider the Kāi Tahu ki Otago Natural Resource Management Plan.
- Keep any vegetation disturbance to a minimum (necessary to establish access and undertake the bed disturbance works).
- Limit any activities within the watercourse to outside the duration of spawning seasons or periods when the native fishery is considered sensitive.
- Adhere to the Heritage New Zealand Pouhere Taonga Archaeological Discovery Protocol.
- Ensure any prospecting activity is discrete and selective and does not change the shape or form of the existing landscape.

One or more groups of people may oppose the Company's current and future operations or further development or new development of its projects or operations. Such opposition may be directed through legal or administrative proceedings or expressed in manifestations such as protests, roadblocks or other forms of public expression against the Company's activities and may have a negative impact on the Company's reputation. Opposition by such groups to the Company's operations may require modification of, or preclude operation or development of, its projects or may require it to enter into agreements with such groups or local governments with respect to its projects, in some cases causing considerable delays to the advancement of the projects.

#### ***Competition Risk***

KO must compete with a number of other companies and investors that possess greater financial and technical resources. Competition in the mining sector could adversely affect the Company's ability to acquire personnel, equipment and mineral properties or projects.

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#### ***Conflicts of Interest Risk***

Certain directors and officers of KO, in their personal capacities or as directors or officers of other companies, are engaged or have interests in mineral exploration and development activities outside of the Company. Accordingly, exploration opportunities or prospects of which they become aware of may not necessarily be made available to the Company.

#### ***Counterparty Risk***

Counterparty risk is the risk that each party to a contract will not fulfill its contractual obligations. The entering into a transaction for a business opportunity exposes the Company to this risk.

#### ***Dependence on Directors, Management and Third-parties risk***

KO is very dependent upon the efforts and commitment of its directors, management and consultants to the extent that if the services of these parties were not available, a disruption in the Company's operations may occur, which may have an adverse effect on the Company's objectives and financial condition.

#### ***Environmental and Safety Risks***

Exploration and development activities conducted on KO's mineral properties are subject to the environmental and health and safety laws and regulations of New Zealand. These laws and regulations set various standards regulating certain aspects of health, safety, and environmental quality. They provide for penalties and other liabilities for the violation of standards and establish, in certain circumstances, obligations to rehabilitate current and former facilities and locations where operations are or were conducted. The permission to operate can be withdrawn temporarily or permanently in the case of breaches of these standards.

In New Zealand, key environmental legislation concerning exploration and mining activities includes the Resource Management Act 1991 and the Wildlife Act 1953. Under the Resource Management Act, local authorities manage the environmental consenting process. Resource and land use consent must be obtained before commencing most exploration and mining activities. Other legislation regulating industrial activities, environmental effects, and the health and safety of the workplace also apply to mining activities, such as the Health and Safety at Work Act (2015) and the Heritage New Zealand Pouhere Taonga Act 2014.

Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties, more stringent environmental assessments and a heightened degree of responsibility for companies and their officers, directors and employees. Environmental and health and safety laws and regulations may change at any time prior to the granting of necessary approvals. The support of local communities may be required to obtain necessary permits. Although the Company undertakes to comply with environmental and health and safety laws and regulations to minimize risks, there is no assurance that changes in these laws or regulations will not adversely affect the Company's operations.

#### ***Exploration Risk***

There is no assurance that the activities of KO will be successful and result in a commercial or economic deposit being discovered and in fact, most companies are unsuccessful due to the low probability of discovering an economic deposit. Once mineralization is discovered, it may take several years until production is possible during which time the economics of a project may change. Substantial expenditures are required to establish reserves through drilling. KO's ability to establish a mining operation is subject to a host of variables, such as the physical, technical and economic attributes of a deposit, availability of capital, cyclical nature of commodity markets and government regulations. If the Company abandons the exploration and development of its Otago and/or Snylars Projects, there is no assurance that it will be able to acquire another mineral property of merit.

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Exploration activities involve risks which even a combination of experience, knowledge and prudence may not be able to overcome. Exploration activities are subject to hazards and risks which could result in injury or death, property damage, adverse environmental conditions and legal liability. Fires, power disruptions and shortages and the inability to access land or obtain suitable or adequate equipment or labour are some of the hazards and risks involved in conducting an exploration program.

#### ***Financing and Liquidity Risk***

KO's ability to continue as a going concern, retain its mineral properties, finance its exploration and development activities and make acquisitions is highly dependent on its working capital and its ability obtain additional funds in the capital/equity markets. The Company does not have production income or a regular source of cash flow to fund its operating activities. In addition, KO's financial success is dependent on the extent to which it can discover mineralization in economic quantities and the economic viability of developing its properties or projects.

KO will require significant capital to finance its overall objectives and there can be no assurance that the Company will be able to raise the capital required, thus jeopardizing the Company's ability to achieve its objectives, meet its obligations or continue as a going-concern. Given the nature of the Company's operations, which consist of exploration, evaluation, development and acquisition of mineral properties or mining projects, the Company believes that the most meaningful financial information relates primarily to current liquidity and solvency. There can be no assurance that the Company's directors/officers will fund the Company's working capital needs.

Failure to obtain sufficient and timely financing may result in delaying or indefinitely postponing exploration or development activities. If the Company obtains debt financing, it may expose its operations to restrictive loan and lease covenants and undertakings. If the Company obtains equity financing, existing shareholders may suffer dilution.

#### ***Infrastructure Risk***

Exploration and development activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants, which affect capital and operating costs. The lack of availability of acceptable terms or the delay in the availability of any one or more of these items could prevent or delay exploration or development of KO's projects. If adequate infrastructure is not available, there can be no assurance that the exploration or development of the Company's projects will be commenced or completed on a timely basis, if at all.

#### ***Public Health Risk***

KO's operations are exposed to public health crises (ie: COVID-19) and other events outside of its control. Public health crisis, such as epidemics and pandemics, acts of terrorism, war or other conflicts, could have adverse economic and social impacts on global societies and in areas in which the Company operates. Such public health risks pose a threat to maintaining our operations as planned, due to shortages of workers and contractors, supply chain disruptions, insufficient healthcare, changes in how people socialize and interact, government or regulatory actions or inactions, declines in the price of and demand for our underlying commodities, as well as capital market volatility. There can be no assurance that our workers, partners, suppliers, consultants and contractors will not be negatively impacted by such events. As a result, the Company may not be able to predict and effectively mitigate the impact from such public health risks on its operations and these events could have a material adverse effect on our business, operating results, financial condition and share price.

#### ***Permit and Property Title Risk***

KO's current and anticipated future exploration and development activities on its properties, require permits from New Zealand governmental authorities, including NZPAM. The permits for the Otago Gold Project are held the Company and the transfer of the Smylers Gold Project permits to the Company are pending ministerial approval.

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The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could prevent, delay or restrict the Company from proceeding with certain exploration or development activities.

Although KO takes reasonable measures to ensure proper title in the properties in which it holds or is acquiring an interest, there may still be undetected title defects affecting such properties. Accordingly, the properties in which KO holds or is acquiring an interest may be subject to prior unregistered liens, agreements, transfers or claims, or unsatisfied work commitments, all of which could have a material adverse impact on KO's operations. In addition, the Company may be unable to access or operate its properties as permitted or to enforce its rights with respect to its properties. If a title defect exists, it is possible that the Company may lose all or part of its interest in the properties to which such defects relate.

There can be no assurance that the Company or the private entities, as the case may be, holding the permits will be able to secure, obtain, renew or maintain all necessary licenses and permits or other tenures that may be required to explore and develop the properties. Further, there can be no assurance that governments having jurisdiction over the Company's mineral properties will not revoke or significantly alter such permits or other tenures or that such permits and tenures will not be challenged or impugned. Delays or a failure to obtain or renew such permits, or a failure to comply with the terms of any such permits that the Company has obtained or is earning an interest in, could have a material adverse impact on the Company.

#### ***Price Risk***

The ability of KO to finance the acquisition, exploration and development of its mineral properties and the future profitability of the Company is strongly related to: the price of gold; the market price of the Company's equities; and, commodity and investor sentiment. Gold and equity prices fluctuate on a daily basis and are affected by a number of factors beyond the Company's control. A decline in either the price of gold, the Company's issued equities or investor sentiment could have a negative impact on the Company's ability to raise additional capital. Management monitors the commodity and stock markets to determine the applicable financing strategy to be taken when needed.

#### ***Share Volatility and Dilution Risk***

The securities markets are subject to a high level of price and volume volatility, and the securities of many mineral exploration companies can experience wide fluctuations in price, which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. The price of KO's common shares may also be significantly affected by short term changes in mineral prices or in the Company's financial condition or results of operations as reflected in its financial reporting.

In order to finance future operations and development efforts, the Company may raise funds through the issue of common shares or the issue of securities convertible into common shares. The Company cannot predict the size of future issues of common shares or the issue of securities convertible into common shares or the effect, if any, that future issues and sales of the Company's common shares will have on the market price of its common shares. Any transaction involving the issue of shares, or securities convertible into shares, could result in dilution, possibly substantial, to present and prospective holders of shares.

#### ***Sufficiency of Insurance Risk***

The business of KO is subject to several risks and hazards, including adverse environmental conditions, pollution, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the political or regulatory environment and natural phenomena such as inclement weather conditions, floods, earthquakes and dust storms. Such occurrences could result in damage to mineral properties, personal injury or death, environmental damage, delays in the exploration and development of the Otago and/or Smylers Gold Projects, monetary losses and possible legal liability.

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Although the Company may obtain insurance to protect against certain risks in such amounts as the Company considers to be reasonable, the insurance may not cover all the potential risks associated with the operations of the Company and insurance coverage may not be available or may not be adequate to cover any resulting liability. It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks because of high premiums or other reasons. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and development is not generally available to the Company or to other companies in the mining industry on acceptable terms. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect on the Company's business, results of operations, financial condition and/or the value of its securities or otherwise affect the Company's insurability and reputation in the market. The Company has not obtained insurance (title, general liability, environmental, etc.) for any of its activities in New Zealand.

#### ***Surface Rights and Land Access Risk***

The Company is required to obtain permission from the landowners to access the properties that comprise the Otago and Snyders Gold Projects. The Company understands that it is necessary, as a practical matter, to negotiate land access. However, there is a risk that local communities or affected groups may take actions to delay, impede or otherwise terminate the contemplated activities of the Company. There can be no guarantee that the Company will be able to negotiate a satisfactory agreement with any such existing landowners/occupiers for such access, and therefore it may be unable to carry out significant exploration and development activities. In addition, in circumstances where such access is denied, or no agreement can be reached, the Company may need to rely on the assistance of local officials or the courts in such jurisdiction, which assistance may not be provided or, if provided, may not be effective. If the development of a mine at the Otago Gold Project or the Snyders Gold Project becomes justifiable it will be necessary to acquire surface rights for mining, plant, tailings and mine waste disposal. There can be no assurance that the Company will be successful in acquiring any such rights.