BARKSDALE RESOURCES

MANAGEMENT DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED MARCH 31, 2023

General

The purpose of this Management Discussion and Analysis ("**MD&A**") is to explain management's point of view regarding the past performance and future outlook of Barksdale Resources Corp. ("**Barksdale**" or the "**Company**"). This report also provides information to improve the reader's understanding of the financial statements and related notes as well as important trends and risks affecting the Company's financial performance and should therefore be read in conjunction with the Company's audited consolidated financial statements for the years ended March 31, 2023 and 2022 (the "**Financial Statements**").

All information contained in this MD&A is current as of July 31, 2023 unless otherwise stated.

The Financial Statements and related notes and all financial information in this MD&A has been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**") and all dollar amounts are expressed in Canadian dollars unless otherwise indicated. Additional information on the Company is available on SEDAR+. See "Other MD&A Requirements" below.

Overview

Barksdale is currently listed as a "mining issuer" on the Tier 2 of the TSX Venture Exchange ("**TSXV**") under the symbol BRO.V and listed on the OTCQX in the United States under the symbol BRKCF. The Company's principal business activities include the acquisition and exploration of precious and base metal mineral properties in Arizona, USA and Sonora, Mexico.

Mineral Projects

Currently, Barksdale holds interests in multiple exploration projects within the Patagonia Mining district located in Santa Cruz County, Arizona. These projects include Sunnyside, Four Metals, San Antonio, Canelo, Goat Canyon, as well as the Guajolote property, for which the Company holds both mineral and certain private surface rights. In addition, Barksdale holds an option to acquire the San Javier copper-gold project located in Sonora, Mexico.

Arizona properties

Barksdale's Sunnyside project is comprised of 286 unpatented mining claims totaling approximately 5,223.71 acres (2,113.96 hectares) located in the Patagonia Mountains of southern Arizona (the "**Sunnyside Property**") approximately 90 minutes' drive south of Tucson (population ~ 530,000). The Sunnyside Property is cored by a large intrusive complex confirmed by previous drilling. This setting is interpreted to have driven a large hydrothermal system which resulted in deposition of a classically zoned porphyry copper deposit and associated distal, polymetallic skarn (Cu, Pb, Zn, Ag) and carbonate replacement deposits. The primary near-term exploration target is a skarn located on the northeast margin of the intrusive complex that is likely to host copper-zinc-lead-silver mineralization interpreted to be the extension of the world-class Taylor deposit (South32 Limited). Planned systematic exploration on the Sunnyside Property will proceed upon final pending approval of exploration drilling permits. Barksdale holds the right to acquire, by way of option, up to a 67.5% undivided interest in the Sunnyside Property in consideration of a combination of cash payments, share issuances and exploration expenditures. See "Geological Summary – Exploration and Evaluation Properties – Sunnyside Property" below for further details regarding the Sunnyside Property. In the first half of calendar year 2023, the Company received three major approvals related to the Sunnyside Property, including a positive Environmental Assessment (**"EA"**), a Finding of No Significant Impact (**"FONSI"**), and a positive Decision Memorandum (**"DM"**) from the United States Forest Service. To commence its planned drilling program at Sunnyside the Company now needs to receive an approved Plan of Operations, which is expected in August 2023.

Objectives for Sunnyside during calendar year 2023 include: 1) completing the federal permitting process to obtain permissions necessary to begin a drilling program and 2) initiating a Phase I drilling program that fulfils Barksdale's requirements under the option agreement.

The Four Metals project is comprised of a contiguous block of 40 unpatented lode claims (760 acres) (the "**Four Metals Property**") located approximately three kilometers south of the Sunnyside Property within the Patagonia Mountains of Arizona. As well, Four Metals has a significant exploration history focused on an outcropping breccia pipe (3 adits driven in the 1920's and 70+ historic drill holes), with identified and documented potential for discovery of additional breccia pipes or buried porphyries on the property. In April 2023, Barksdale made its fifth and final option payment to acquire a 100% undivided interest in the Four Metals Property in consideration for a combination of cash and share payments totaling US$450,000. See "Geological Summary – Exploration and Evaluation Properties – Four Metals Property" below for further details regarding the Four Metals Property.

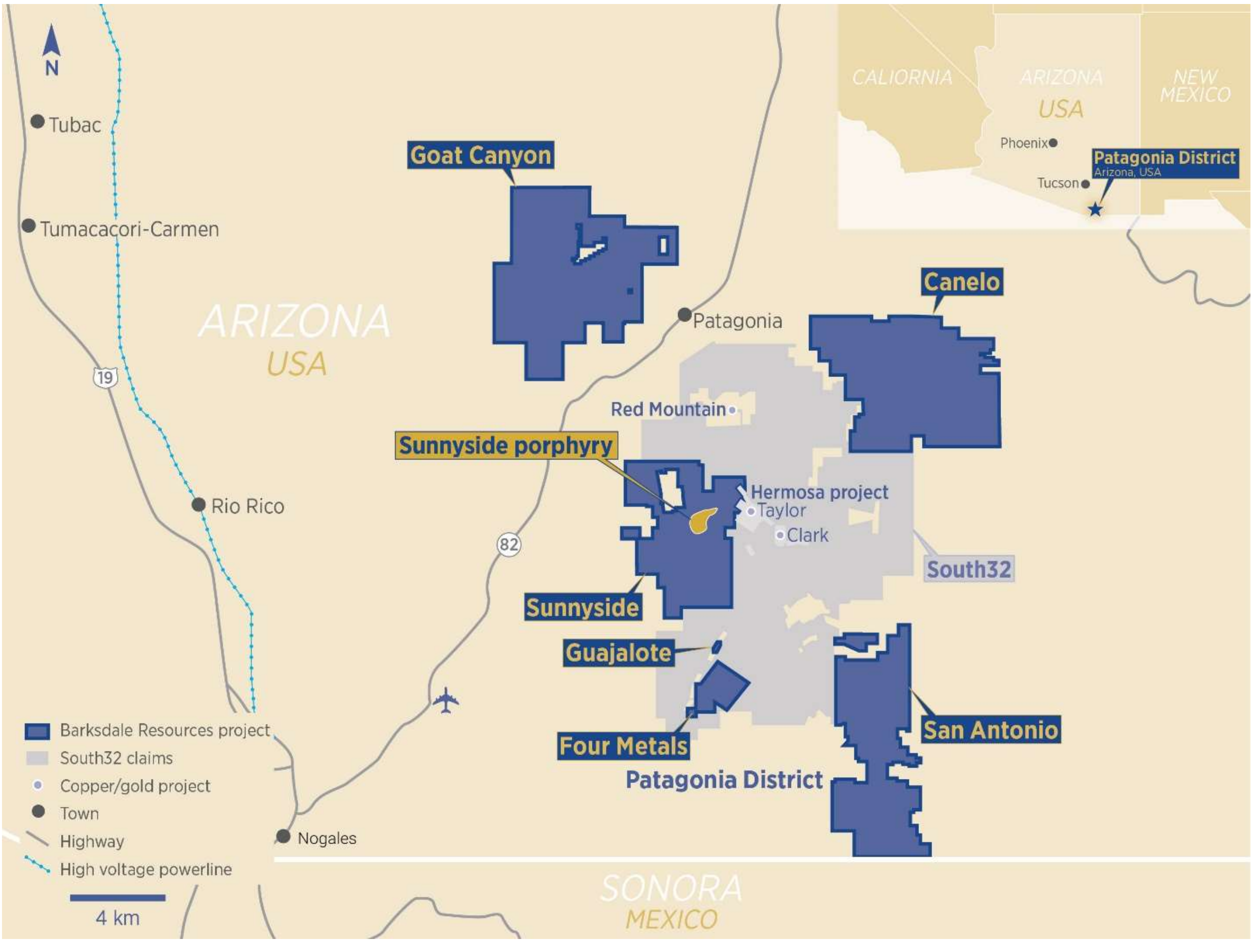
The Guajolote property is a 10-acre patented mining claim located between the Sunnyside and Four Metals properties. Barksdale secured an option to acquire a 100% interest in Guajolote in June 2020 and subsequently acquired such 100% interest in June 2021 by fulfilling the option payment requirements. See "Geological Summary – Exploration and Evaluation Properties – Guajolote Patented Mining Claim" below for further details regarding the Guajolote property.

In July 2019, the Company entered into a purchase and sale agreement with Teck American Incorporated, a subsidiary of Teck Resources Limited (TSX, NYSE) (collectively "**Teck**"), to acquire a 100% undivided interest in 315 unpatented lode claims totaling approximately 6,300 acres (2,550 hectares) referred to as the San Antonio Property. San Antonio is located about five kilometers southeast of the Company's Sunnyside Property, and immediately adjacent to the southeastern border of South32's Hermosa project (the "**San Antonio Property**"). The purchase price consisted of 898,809 common shares of the Company. Additionally, Teck retained a one and a half percent (1.5%) net smelter return royalty on future production and a right of first refusal over any future sale or other disposition of the San Antonio Property by the Company. To date, systematic surface exploration has been completed on the San Antonio Property, including geologic mapping, geochemical sampling, and extensive geophysical surveys by Teck. This effort has outlined a shallow IP chargeability anomaly, designated the 'Cosmos' target, that Barksdale interprets as an undrilled, potentially productive porphyry system occurring under shallow cover. See "Geological Summary – Exploration and Evaluation Properties – San Antonio Property" below for further details regarding the San Antonio Property. Barksdale completed three RC scout holes in April, 2023, neither of which hit bedrock mineralization and assays returned no significant values.

In March 2021, the Company entered into a purchase and sale agreement with Kennecott Exploration Company, a wholly owned subsidiary of Rio Tinto Limited (ASX: RIO) (collectively "**Kennecott**"), to acquire a 100% undivided interest in the Canelo and Goat Canyon properties as well as certain raw geophysical data. The Canelo property consists of 8,700 acres (3,521 hectares) of federal mineral claims (administered by the United States Forest Service) located approximately 10km northeast of Sunnyside and is immediately adjacent to the eastern border of South32's Hermosa project. The Goat Canyon property consists of approximately 7,654 acres (3,097 hectares) of mineral claims located approximately 10km northwest of Sunnyside. Goat Canyon contains two Arizona State Land Department exploration leases totaling 1,254 acres (507 hectares) as well as approximately 6,400 acres of federal mineral claims (2,590 hectares), being a mix of Bureau of Land Management and United States Forest Service administered claims. The purchase price consisted of US$35,000 in cash as well as a 2% net smelter return royalty on future production and a one-time production payment of US$3,500,000 should a mine reach commercial production on either the Canelo or Goat Canyon properties. Barksdale can elect to buyback half (1%) of the net smelter return royalty for US$10,000,000 at any time. Kennecott will maintain reversionary rights over the Goat Canyon and Canelo properties, should Barksdale elect to drop any mineral claims in the future.

Objectives for Canelo and Goat Canyon during calendar year 2023 include target generation and developing permitting strategies for potential future exploration drilling programs.

The following map outlines the locations of the Company's Sunnyside, Four Metals, Guajolote, Canelo, Goat Canyon and San Antonio Properties within the Patagonia Mountains district of Arizona:



While in close surrounding proximity, the advanced development of South 32's adjacent Hermosa Project (Taylor deposit) is encouraging but is not necessarily indicative of the historical ore mined and previous documented drill intersected mineralization by ASARCO at the Company's Sunnyside Property. Likewise, drill-intersected mineralization at Four Metals, and geologic setting at the nearby Guajolote and San Antonio properties is also encouraging, but not necessarily indicative to that seen at the adjacent Hermosa Project.

Mexican property

In September 2020, the Company entered into a definitive option agreement to acquire a 100% interest in the San Javier copper-gold project from Tusk Exploration Ltd. The San Javier property is located in central Sonora, Mexico, approximately a six-hour drive from the Company's projects in southern Arizona. The project consists of twelve separate mineral concessions totaling approximately 1,184 hectares, upon which multiple zones of near-surface, oxide copper mineralization have been identified to date.

Multiple companies have previously explored and drilled within the San Javier property position, including Servicios Industriales Peñoles S.A. de C.V., Phelps Dodge, Outukumpu Oyj and Constellation Copper. Notably, the San Javier property has not been actively worked since 2007. Approximately 30,000 meters of drilling has been completed to date in three separate zones, two of which contain historic resource estimates which Barksdale believes can be used as a guide for future exploration drilling. However, the Company is not treating these historical estimates as current mineral resources and such estimates should not be relied upon. Barksdale's technical team and "qualified person" (as defined in National Instrument 43-101) are currently performing work to verify or replace these historic estimates at San Javier as current mineral resources. In November 2022 Barksdale's technical team and qualified person prepared an initial resource estimate at Cerro Verde as part of the San Javier copper-gold project based on the historic drilling performed between 2006 and 2021 (see below).

Mineralization at Cerro Verde, the most densely drilled zone (~90% of historic drilling), consists of structurally controlled hydrothermal breccias, stockworks, and veins that have intense specular hematite associated with copper mineralization.

The mineralization has been characterized by previous operators as typical of an iron-oxide-copper-gold ("IOGC") system, which generally exhibit structurally controlled mineralization. Previous exploration activity was focused on delineating near-surface oxidized mineralization, for the purpose of bulk mining. Hence, the structurally controlled high-grade mineralization that was encountered was never adequately followed-up on and thus represents a significant opportunity for Barksdale. Additionally, gold-dominant oxide mineralization, as well as deeper occurring copper-gold sulfide mineralization has been encountered historically and requires additional investigation. Sulfide mineralization has been encountered historically and requires additional investigation. Barksdale completed a 5,000-meter Phase I core drilling campaign and metallurgical testing program in 2021. In November 2022, the Company announced its maiden resource at Cerro Verde that included approximately 419 million pounds of contained copper within measured and indicated categories. See "Geological Summary – Exploration and Evaluation Properties – San Antonio Property" below for further details regarding this maiden resource at Cerro Verde.

Objectives for San Javier during calendar year 2023 include: financial evaluation of the project via the completion of a preliminary economic study.

Corporate Activities

In February 2022, the Company closed a non-brokered private placement of $1,750,000 secured convertible debentures ("2022 Debentures"). The Debentures bear interest at 10% per annum and are secured by a general security agreement over all of the present and after-acquired personal property of the Company as well as a pledge of shares over IC Exploration Ltd., the Company's wholly-owned subsidiary that indirectly holds the San Antonio, Goat Canyon, and Canelo properties in Arizona. The Debentures were originally scheduled to mature on December 31, 2022, subject to the holder's right to convert the Debenture into common shares of the Company at any time prior to maturity at a conversion price of $0.45 per share.

In April 2022, the Company paid US$25,000 ($31,655) and issued 67,736 common shares with a fair value of $31,836 in accordance with the option agreement for the Four Metals Property

In June 2022, the Company issued 588,426 common shares with a fair value of $264,792 in connection with the conversion of a portion of the 2022 Debentures and paid $8,125 interest in cash.

In September 2022, the Company extended the expiry date of two tranches of warrants, 7,597,836 warrants issued on September 29, 2020 and 690,790 warrants issued on October 1, 2020 (the "**2020 Warrants**"), to January 31, 2023, at an exercise price of $0.55 per share. Of these extended warrants, a total of 7,825,044 warrants were at an exercise price of $0.55 per share for gross proceeds of $4,303,774.

In September and October 2022, the Company closed two tranches of private placement financing of 4,622,917 and 550,000 units at a price of $0.48 per unit for gross proceeds of $2,219,000 and $264,000, respectively. Each unit consisted of one common share of the Company and one-half share purchase warrant. Each whole warrant entitles the holder to purchase an additional common share of the Company at a price of $0.72 for a period of three years. The Company incurred finders' fees and cash expenses of $47,186 and issued 96,740 finders' warrants with a fair value of $26,175 in connection with the financing.

In October 2022, the Company extended the maturity date of the 2022 Debentures, with a remaining principal amount of $1,500,000, by one year until December 31, 2023 ("**Debenture Extension**"). The terms of the 2022 Debentures remain unchanged except for an increase of the conversion price from $0.45 to $0.55 per share. Pursuant to the Debenture Extension, the Company issued 206,595 units of the Company in settlement of $99,166 of accrued interest payable on the 2022 Debentures. Each unit consisted of one common share of the Company and one-half share purchase warrant. Each whole warrant entitles the holder to purchase an additional common share of the Company at a price of $0.72 for a period of three years. In exchange for extending the Debentures, the Company issued an extension fee of 2,777,777 share purchase warrants, exercisable into 2,777,777 common shares of the Company at a price of $0.72 for a period lasting up to December 31, 2023 ("**Extension Warrants**"). Should any part of the 2022 Debentures be repaid or converted prior to the maturity date, a pro-rata portion of the Extension Warrants will have their maturity date accelerated to the later of (i) one year from closing of the Debenture Extension, and (ii) 30 days after the date of repayment or conversion.

In April 2023, Barksdale completed its acquisition of a 100% interest on the Four Metals Project, by making its fifth and final payment due under the option agreement with MinQuest, Ltd. and Allegiant Gold (U.S.) Ltd. dated April 19, 2018. The Company made a payment of US$100,000 and issued 261,813 common shares at a deemed price of $0.64 per share in connection with such fifth and final payment required under the option agreement.

Geological Summary

Exploration and Evaluation Properties

For the year ended March 31, 2023, the Company incurred exploration and evaluation expenditures (inclusive of acquisition and staking costs) of $2,639,717 as compared to $3,971,351 in the comparative period for 2022 as follows:

	Sunnyside	Four Metals	San Antonio	Guajolote	Canelo and Goat Canyon	San Javier	Total
	$	$	$	$	$	$	$
For the year ended March 31, 2022							
Property acquisition and staking costs	-	60,102	-	121,493	2,456	-	184,051
Exploration expenditures:							
Accommodation and related	5,356	-	-	-	-	110,266	115,622
Assaying	-	-	-	-	-	39,842	39,842
Claim maintenance fees	59,488	8,143	63,873	-	178,161	45,943	355,608
Consulting	166,452	-	5,890	-	1,701	453,797	627,840
Drilling	-	-	2,597	-	-	1,212,155	1,214,752
Geological	10,779	-	340	-	414	748,905	760,438
Metallurgy	-	-	-	-	-	329,507	329,507
Permitting	166,431	-	15,386	-	2,447	-	184,264
Storage	-	2,721	-	-	-	-	2,721
Supplies and fuel	-	-	-	-	-	156,706	156,706
Total	**408,506**	**70,966**	**88,086**	**121,493**	**185,179**	**3,097,121**	**3,971,351**
For the year ended March 31, 2023							
Property acquisition and staking costs	-	63,585	-	-	-	-	63,585
Exploration expenditures:							
Accommodation and related	7,284	-	6,211	-	-	8,199	21,694
Assaying	-	-	-	-	-	2,852	2,852
Claim maintenance fees	61,842	8,395	91,298	-	148,753	23,499	333,787
Consulting	271,896	-	23,955	-	-	500,003	795,854
Core transportation	1,043	-	-	-	-	-	1,043
Drilling	7,867	-	146,092	-	-	296,733	450,692
Geological	6,819	-	1,716	-	-	427,071	435,606
Metallurgy	-	-	-	-	-	17,197	17,197
Permitting	270,384	-	-	-	-	6,844	277,228
Sampling and Processing	-	-	121,520	-	-	-	121,520
Storage	-	2,854	-	-	-	-	2,854
Supplies and fuel	495	-	1,542	-	-	113,768	115,805
Total	**627,630**	**74,834**	**392,334**	**-**	**148,753**	**1,396,166**	**2,639,717**

The total cumulative acquisition and deferred exploration costs of the Company to March 31, 2023 are summarized as follows:

	Sunnyside	Four Metals	San Antonio	Guajolote	Canelo and Goat Canyon	San Javier	Total
	$	$	$	$	$	$	$
Balance, March 31, 2021	**7,027,866**	**203,728**	**845,696**	**33,095**	**46,618**	**1,242,056**	**9,399,059**
Acquisition and staking costs	-	60,102	-	121,493	2,456	-	184,051
Exploration expenditures:							
Accommodation and related	5,356	-	-	-	-	110,266	115,622
Assaying	-	-	-	-	-	39,842	39,842
Claim maintenance fees	59,488	8,143	63,873	-	178,161	45,943	355,608
Consulting	166,452	-	5,890	-	1,701	453,797	627,840
Drilling	-	-	2,597	-	-	1,212,155	1,214,752
Geological	10,779	-	340	-	414	748,905	760,438
Metallurgy	-	-	-	-	-	329,507	329,507
Permitting	166,431	-	15,386	-	2,447	-	184,264
Storage	-	2,721	-	-	-	-	2,721
Supplies and fuel	-	-	-	-	-	156,706	156,706
Balance, March 31, 2022	**7,436,372**	**274,694**	**933,782**	**154,588**	**231,797**	**4,339,177**	**13,370,410**
Acquisition and staking costs	-	63,585	-	-	-	-	63,585
Exploration expenditures:							
Accommodation and related	7,284	-	6,211	-	-	8,199	21,694
Assaying	-	-	-	-	-	2,852	2,852
Claim maintenance fees	61,842	8,395	91,298	-	148,753	23,499	337,787
Consulting	271,896	-	23,955	-	-	500,003	795,854
Core transportation	1,043	-	-	-	-	-	1,043
Drilling	7,867	-	146,092	-	-	286,733	450,692
Geological	6,819	-	1,716	-	-	427,071	435,606
Metallurgy	-	-	-	-	-	17,197	17,197
Permitting	270,384	-	-	-	-	6,844	277,228
Sampling and Processing	-	-	121,520	-	-	-	121,520
Storage	-	2,854	-	-	-	-	2,854
Supplies and fuel	495	-	1,542	-	-	113,768	115,805
Balance, March 31, 2023	**8,064,002**	**349,528**	**1,326,116**	**154,588**	**380,550**	**5,735,343**	**16,010,127**

<u>*Sunnyside Property*</u>

On August 10, 2017, the Company entered into arm's length definitive agreements (collectively the "**Sunnyside Agreement**") with Regal Resources USA, Inc., a subsidiary of Regal Resources Inc. (together "**Regal**") to acquire, by way of option (the "**Sunnyside Option**"), up to 67.5% of the Sunnyside Property located in Santa Cruz County, Arizona.

The Sunnyside Option is exercisable in two stages with the Company entitled to acquire an initial 51% interest in the Sunnyside Property upon making payments totaling $2,950,000 cash and the issuance of 10,100,000 common shares to Regal and cumulative expenditures of $6,000,000 on the property during the first two years of the Sunnyside Option (following receipt of all required governmental permits).

Upon acquiring an initial 51% interest in the Sunnyside Property, the Company will be entitled to increase its interest to 67.5% upon payment of additional $550,000 cash and the issuance of 4,900,000 common shares to Regal and the expenditure of an additional $6,000,000 on the property within a further two-year period.

The following is a summary of the Sunnyside Option earn-in requirements:

Period	Cash $	Exploration Requirement $	Number of Shares
To Earn 51% Interest			
Upon execution of Sunnyside Agreements	100,000 (paid)	-	-
Within 3 days following TSXV acceptance of Option	650,000 (paid)	-	1,250,000 (issued)
On or before end of Year 1 (1) (2)	1,200,000 ($482,929 fulfilled)	3,000,000 (incurred)	3,850,000 (issued)
On or before end of Year 2	1,000,000	3,000,000	5,000,000
To Increase Interest to 67.5%			
On or before end of Year 3	-	3,000,000	-
On or before end of Year 4	550,000	3,000,000	4,900,000
Total:	**$3,500,000**	**$12,000,000**	**15,000,000**

(1) Year 1 shall commence on the date the Company has received all required governmental permits including drilling permits to carry out its initial exploration program on the Sunnyside Property. See below. In November 2017, the Company paid the final option payment of $254,700 (US$200,000) to the original optionors of the Sunnyside Property on behalf of Regal and the payment was credited towards the required cash payment of $1,200,000 above.

(2) In May 2021, the Company entered into a definitive agreement with Regal to acquire the remaining interest in and consolidate a 100% ownership of the Sunnyside Property (the "**Regal Transaction**") in consideration for a combination of cash, common shares of Barksdale and the acquisition and forgiveness of certain existing debt of Regal. However, Regal failed to obtain the requisite shareholder approval for the Regal Transaction and, as a result, the transaction was terminated. Pursuant to the terms of the definitive agreement, the Company offset $150,000 of transaction costs and $78,229 of proxy related costs against its option payment obligations due to Regal under the Sunnyside Agreement.

Upon the Company earning either a 51% interest or 67.5% interest in the Sunnyside Property, the Company and Regal will enter into and participate in a joint venture for the purpose of further exploring and developing the property. The Sunnyside Agreement contains provisions for dilution of a party's working interest for failure to fund joint venture cash calls, subject to automatic conversion of a party's interest into a 5% net proceeds interest (not to exceed 90% of the net amount of the party's contributed capital) if diluted to less than 10%. Barksdale will be the operator of the Sunnyside Property during the term of the Sunnyside Option and, if applicable, the joint venture.

The Sunnyside Agreement further provides that:

(1) during the first two years of the Sunnyside Option, Regal shall vote all of its Barksdale shares in accordance with the recommendations of the Company's management from time to time, other than matters relating solely to Regal or the Sunnyside Property and subject to Regal's right to abstain from voting in its discretion;
(2) Regal shall give the Company not less than five (5) days advance notice of any proposed sale of Barksdale shares for so long as Regal owns 5% or more of the Company's outstanding shares;
(3) until such time as the Company has earned a 51% interest in the Sunnyside Property, the Company will not acquire, directly or indirectly, any common shares of Regal without the prior consent of Regal;
(4) the Company has a 15 day right of first refusal to acquire all or any part of Regal's remaining interest in the Sunnyside Property in the event of a proposed sale or transfer of such interest by Regal;
(5) the Company is subject to an acceleration payment clause in the case of change of control of the Company or a transfer of the interest in the Sunnyside Property to a third party during the Option earn-in period; and
(6) the Sunnyside Agreement is subject to net smelter royalties between 1.5% to 3%.

The Company may terminate the Sunnyside Option at any time, in its discretion, subject to satisfying any accrued obligations or liabilities including reclamation requirements, as required.

On May 9, 2018 the Company submitted a draft application document for a Plan of Operations (the "**Sunnyside PoO**") exploration permit with the United States Forest Service, Tucson, Arizona ("**USFS**") for their initial comments. Major components of the exploration program application included: a surface Induced Potential (IP) geophysical survey, construction of exploration access roads and construction up to thirty (30) exploration drilling platforms in this phase of the permit. As required for approval of this permit application, an Environmental Assessment **("EA")** study of the proposed areas of surface disturbance on U.S. Forest Service ("**USFS**") federal surface lands was necessary.

Formal acceptance of the Sunnyside PoO application document was received from the USFS in the quarter ended June 30, 2019. During the quarter ended September 30, 2019, the Company actively began public engagement meetings with local communities and authorities to seek required consents, prior to final approval of the PoO. Upon formal approval of the Sunnyside PoO, an initial exploration drilling program is planned to test for polymetallic copper-zinc-lead-silver mineralization on the Sunnyside Property, evidence for which is supported by previous historical diamond core drill intercepts on the property.

To date, the Company's exploration of the Sunnyside Property has been limited to surface exploration pending approval from the USFS to commence drilling on the property. Surface exploration in 2019 consisted of detailed 1:6000 surface geologic mapping, structural analysis, three-dimensional computer modeling and data compilation. A multiple element geostatistical analysis of the 2018 surface geochemical sampling (1,904 samples) collected over the northern half of the Sunnyside Property was also completed.

During the quarter ended December 31, 2019, the Company completed and updated the integrated 3D geological model of the northern half of the Sunnyside property incorporating 1:6000 scale geologic mapping completed in June 2019 with the previously collected data sets acquired from surface geochemistry sampling and geophysical surveys. The updated integrated model has resulted in the identification of additional exploration drill target areas to the south and west of the earlier drill targets identified in 2018 and early 2019.

Pursuant to the Sunnyside Agreement, the Company has one year following receipt of all necessary governmental approvals and permits, including drill permits, to complete an initial exploration drilling program of approximately $3,000,000 on the Sunnyside Property in order to maintain the Sunnyside Option in good standing. All or substantially all of the Company's project-related expenditures incurred to date will count towards the Year 1 work commitment.

To date, the Company has completed two public comment periods related to the Sunnyside permit application. The Company's draft Environmental assessment (**"EA"**), which was prepared with the USFS, underwent a 30-day public comment period ending April 5, 2021. Additionally, the US Army Corp of Engineers ("USACE") completed a 30-day public comment period ending April 2, 2021, related to the Company's pending Section 404 Individual Permit applications at Sunnyside, which was issued in late 2022. Also in 2022, the Arizona Department of Environmental Quality approved two additional permits including the CWA Section 401 Water Quality Certification and the SWPPP and Arizona Pollutant Discharge Elimination System Industrial Stormwater Multi-Sector General Permit.

In October 2020, the Company entered into an agreement to acquire certain Sunnyside historic diamond drill core samples and data from ASARCO Ltd, a wholly owned subsidiary of Grupo Mexico, in exchange for 25,000 common shares of Barksdale. ASARCO controlled portions of the Sunnyside Property between the 1940's and early 2000's and, over that time, conducted several exploration drilling programs that focused on exploring for near-surface copper targets such as supergene blankets and breccia pipes as well as deeper porphyry and skarn mineralization.

On January 25, 2023 the USFS published a draft Finding of No Significant Impacts (**"FONSI"**) and draft Decision Memorandum (**"DM"**) for the Company's seven-year exploration drilling proposal. On June 19, 2023 the USFS issued a DM and FONSI for the Sunnyside Property pending final approval for the Company's Sunnyside PoO. In response thereto, various non-profit environmental groups filed a lawsuit in the United States District Court for the District of Arizona ("**USD Court**") against the USFS seeking to set aside its DM and FONSI related to the Company's Sunnyside Property (as well as that of a nearby project) alleging that the USFS made certain errors in its analysis related to cumulative impacts of the various exploration and mining projects in the area, potential effects to various species of wildlife, and baseline conditions of groundwater resources. Barksdale believes such allegations are unfounded and that the 4.5 year permitting process was intensive and comprehensive. Accordingly, despite not being named directly in the legal action, Barksdale has retained counsel and intends to file a Motion to Intervene with the USD Court, which if approved, will allow Barksdale to join the ongoing litigation and work in concert with the Department of Justice (representing the USFS) to defend the USFS' decisions related to Sunnyside.

In the interim, the Company has voluntarily agreed with the plaintiffs and the Department of Justice to delay drilling at Sunnyside until September 15, 2023 pending the hearing of a preliminary injunction ("**PI**") request by the plaintiffs to the USD Court to halt drilling at Sunnyside. During this period, Barksdale will continue to work with the USFS to finalize and approve the Company's Sunnyside PoO such that, if successful at the PI hearing, drilling can be initiated immediately following the USD Court's ruling on the PI. Barksdale has communicated this delay to its drilling contractor, who will ensure that at least one drill rig and crew are ready for mobilization. In the event that the USFS approves the Sunnyside PoO prior to September 15, 2023, the initial two-year option period under the Company's Sunnyside Agreement with Regal will commence. The Company plans to promptly declare "force majeure" upon receipt of the approved Sunnyside PoO, stopping the clock on the two-year option period until a ruling can be made by the USD Court related to the PI request.

After the PI ruling, the USD Court will proceed with scheduling the overarching legal action filed by the plaintiffs. Based on current estimates, this will likely take between twelve and eighteen months. If the judge rules favorably with the USFS/Barksdale on the PI request, Barksdale will be able to execute its planned drilling program while the legal action unfolds.

Four Metals Property

On April 19, 2018, the Company entered into a definitive option agreement with MinQuest, Ltd. and Allegiant Gold (U.S.) Ltd., a wholly-owned subsidiary of Allegiant Gold Ltd. (TSXV) (together "**Allegiant**") to acquire a 100% undivided interest in the Four Metals Property located in Santa Cruz County, Arizona. The Four Metals Property consists of a contiguous block of 40 unpatented lode claims (760 acres) strategically located approximately 3 kilometers south of the Company's Sunnyside Property within the Patagonia Mountains of Arizona.

In order to exercise the option, the Company must make option payments totaling US$450,000 to MinQuest Ltd. and Allegiant on a 50/50 basis, in cash and common shares of Barksdale (based on the volume weighted average price of the Company's shares for the twenty trading days immediately preceding the date of issue subject to a minimum issue price of $0.68) over a period of five years as follows:

Date	Cash US$	Value of Shares US$	Total US$
Upon execution of option agreement	(paid) 25,000	-	25,000
First anniversary of option agreement – April 19, 2019	(paid) 25,000	(issued) 25,000	50,000
Second anniversary of option agreement – April 19, 2020	(paid) 25,000	(issued) 25,000	50,000
Third anniversary of option agreement – April 19, 2021	(paid) 25,000	(issued) 25,000	50,000
Fourth anniversary of option agreement – April 19, 2022	(paid) 25,000	(issued) 25,000	50,000
Fifth anniversary of option agreement – April 19, 2023	(paid) 100,000	(issued) 125,000	225,000
Total	**225,000**	**225,000**	**450,000**

The Four Metals Property is subject to a contractual right of first refusal in favour of Teck in the event the Company seeks to sell all or any portion of the Four Metals Property to an arm's length third party as long as Teck owns greater than 5% of the total issued and outstanding shares of the Company.

In April 2023, the Company made a payment of US$100,000 and issued 261,813 common shares at a deemed price of $0.64 per share in connection with the fifth and final payment required under the option agreement with MinQuest, Ltd. and Allegiant. As a result, the Company now owns a 100% interest in the Four Metals Project.

San Antonio Property

Pursuant to a purchase and sale agreement with Teck dated July 15, 2019, the Company acquired a 100% undivided interest in the San Antonio Property located in Santa Cruz County, Arizona in consideration for 898,809 common shares of the Company (issued at a value of $602,202). Additionally, Teck retains a one and a half percent (1.5%) net smelter return royalty on future production and a right of first refusal over any future sale or other disposition of the San Antonio Property by the Company.

To date, significant historical work has been completed on the San Antonio Property including geologic mapping, geochemical sampling, and extensive geophysical surveys by Teck which outline a shallow IP anomaly, designated the 'Cosmos' target, that Barksdale interprets as a potential shallow buried copper porphyry.

In February, 2020 the Company submitted a Plan of Operations with the Coronado National Forest unit of the USFS for their initial comments. The exploration program will utilize a single reverse-circulation drill, and up to five drilling sites, to test the Cosmos porphyry target with up to a dozen drill holes. On July 1, 2020, the USFS notified the Company that the San Antonio Plan of Operations contained sufficient information to be added to the USFS program of work. The Plan of Operations is advancing under a categorical exclusion from the National Environmental Policy Act ("**NEPA**"). The Company completed a 30-day public comment period during September and October 2020.

In April 2022, the USFS approved Barksdale's proposed drill program at the San Antonio copper project, which included a provision that restricts drilling during the Yellow-Billed Cuckoo breeding season from May 15 to August 31. In April 2023, the Company completed three initial reverse circulation drill holes to test for the copper deposit geophysical, IP chargeability target at depth previously identified by Teck based on geophysical targets. All three holes encountered alluvial gravels containing altered clasts porphyry and carbonates with varying amounts of pyrite and magnetite, but assay results returned no significant economic values. These data suggest a bedrock source is most likely "upstream" of the drill area to the west.

Guajolote Patented Mining Claim

In June 2020, the Company entered into an option agreement to acquire a 100% interest in the Guajolote patented mining claim located within close proximity to the Company's other projects in Santa Cruz County, Arizona.

In June, 2021, the Company acquired a 100% interest in such claim by fulfilling the following option payments to the optionors:

Date	Cash US$	Value of Shares US$	Total US$
Upon execution of option agreement	-	(issued) 25,000	25,000
First anniversary of option agreement – June 15, 2021	(paid) 50,000	(issued) 50,000	100,000
Total	**50,000**	**75,000**	**125,000**

Canelo and Goat Canyon Properties

In March 2021, the Company entered into a purchase and sale agreement to acquire a 100% interest in two separate copper exploration projects, the Canelo and Goat Canyon properties, from Kennecott.

Canelo is an early-stage copper porphyry and skarn/CRD exploration project located within the Patagonia mining district, approximately 10 kilometers north-northeast of the Company's Sunnyside Property in Santa Cruz County, Arizona. The property consists of 433 federal mining claims that cover approximately 8,700 acres.

The Goat Canyon property is an early-stage porphyry copper-molybdenum exploration project located approximately 10 km northwest of the Sunnyside Property. The property consists of 314 federal mining claims that cover approximately 6,400 acres, as well as two Arizona State Land Department exploration leases that cover an additional 1,254 acres. In 2022 Barksdale dropped 116 federal mining claims at Goat Canyon that were deemed to have limited geologic potential, reducing the total number of federal mining claims to 314 from 430.

Aggregate consideration for the two projects consisted of $44,310 (US$35,000) in cash (paid) and a 2.0% net smelter return ("NSR") royalty that covers both properties. The Company retains the right to repurchase one-half of the NSR at any time for a cash payment of US$10,000,000. In the event that a mine is put into production on either property, a one-time cash payment of US$3,500,000 will be payable to Kennecott upon reaching commercial production.

San Javier Property

In September 2020, the Company entered into a definitive option agreement to acquire a 100% interest in the San Javier copper-gold project in Sonora, Mexico from Tusk Exploration Ltd. ("**Tusk**"). The San Javier property is located in central Sonora, Mexico, approximately a two-hour drive (125km) east of the capital city of Hermosillo (population ~800,000) along National Highway 16 and approximately a six-hour drive from Barksdale's projects in southern Arizona. The property consists of twelve separate mineral concessions totaling approximately 1,184 hectares, upon which multiple zones of copper mineralization have been identified to date. The project is positioned with significant logistical advantages as Cerro Verde, the main mineralized zone, is located less than 1km from a paved highway as well as the national power grid.

Under the terms of the option agreement, Barksdale may acquire a 100% interest in San Javier over a period of up to six-years for the following consideration:

Date	Cash $	Number of Shares
Within 3 business days following the later of (a) execution and delivery of option agreement and (b) TSXV conditional acceptance ("Year 1")	*50,000 *($32,500 paid)	*4,000,000 *(2,600,000 issued)
On or before September 22, 2021 ("Year 2")	*100,000	*2,000,000
On or before the earlier of (a) September 22, 2023 and (b) the completion of a "pre-feasibility study" on the Property	150,000	3,000,000
On or before the earlier of (a) September 22, 2026 and (b) the date Barksdale enters into definitive documentation for financing the construction of a mine on the Property	200,000	4,000,000
Total	**500,000**	**13,000,000**

* Certain title issues exist with respect to three of the twelve mining concessions. Under the original definitive option agreement, Tusk agreed to defer 35% of the Year 1 and Year 2 option cash and share payments. If Tusk is able to rectifying the title issues, the deferred Year 1 and Year 2 payments will be due. During the year ended March 31, 2021, the Company issued 65% of the Year 1 share payment. The parties have temporarily postponed the remaining payments and are in discussions to amend the agreement terms.

Upon exercise of the option, the Company will be subject to a net smelter return on the San Javier project of 1.0% when copper prices are US$3.50 or less per pound and 2.0% when copper prices are US$3.51 or higher per pound. The royalty is subject to a right of first refusal in favor of the Company.

Iron oxide copper gold deposits ("IOCG deposits") are generally recognized as containing significant amounts of iron oxide minerals, such as magnetite and various forms of hematite. The San Javier deposit is classified as an IOCG due to the occurrence of large amounts of hematite, specularite and goethite associated with the copper ± gold mineralization, as well as its lack of porphyry-style veining.

Mineralization at San Javier was likely originally deposited as sulfide minerals, principally chalcopyrite with lesser amounts of pyrite. As the deposit was exposed to oxide weathering, primary sulfides precipitated secondary (oxide) copper mineral suite consisting of malachite, azurite, chrysocolla and tenorite. In San Javier drill core these minerals are often seen as fracture coatings and breccia-fillings.

Typically, as weathering progressed, acidic fluids that were generated from sulfide oxidation then further leached and mobilized the copper until it encountered ground water. At this point leached copper participated to form zones of enriched secondary sulfide copper mineralization. At San Javier the predominant secondary sulfide mineral encountered in drill core to date is chalcocite (Cu_2S). This suite of primary oxide and secondary sulfide copper minerals can generally be processed using industry standard heap-leach techniques.

The San Javier deposit is complex due to post-mineral faulting including numerous low-angle faults found within the deposit area. From drill evidence, the amount of displacement along these low-angle faults suggests that mineralization in the Cerro Verde zone has likely been subjected to post-mineral displacements, where blocks of mineralization have been separated from their original point of deposition. Barksdale believes that continued geologic mapping and evaluation of the surrounding district may find additional blocks of mineralization that were originally part of the same mineralizing system but subsequently were dismembered and transported by faulting.

The Company's local subsidiary, Estrella del Cobre S.A. de C.V., received approval from Mexico's environmental authority ("SEMARNAT"), that allowed the Company to complete the 2021 surface drilling at San Javier. Barksdale also received approval from the community of San Javier, which controls the surface rights over the Company's key exploration concessions, to complete on-going exploration related activities, including project drilling.

The Company completed a 5,000-meter drilling program at San Javier in December 2021. Based on assay data the 2021 drilling has successfully extended mineralization laterally from previous known drilling and indicates that the Cerro Verde mineralized zone remains open particularly to the south, west, and northeast. At depth, drilling has frequently encountered a sharp boundary between zones of secondary sulfide copper mineralization (chalcocite) and primary copper mineralization (dominantly chalcopyrite – $CuFeS_2$), again, indicating the presence of post-mineral faulting. Additionally, the primary copper mineralization zones typically exhibit weak propylitic alteration with disseminated chalcopyrite, suggesting that these zones are distal to the core of the IOCG mineralizing system.

Drilling was completed using HQ size diamond drill core and core was logged by geologic consultants engaged by the Company. Drill holes were logged and marked for sampling prior to being sawn in half using a diamond blade saw, with one half of the sawn core being placed in a cloth sample bag, with a unique sample tag, while the second half was returned to the wooden core box for storage on site. Sample assays were performed by Skyline Assayers & Laboratories, of Arizona, which is an accredited laboratory (ISO 9001). Core samples were analyzed for total copper, acid soluble copper, cyanide soluble cooper, as a multi element ICP Analysis. The analytical work has been and is subject to a QA/QC program that includes certified reference standards from OREAS North America. These standards are of similar composition to the rock types at San Javier. Several different standards were included in each batch of samples submitted to the lab. These controls were tracked to ensure the integrity of the assay data. Results are all within acceptable limits. Following receipt of the final assay results of the 2021 drilling program, Barksdale initiated a new resource estimate at Cerro Verde.

In June 2022, the Company reported positive results from its first phase of metallurgical test work on copper mineralization at the San Javier project. A comprehensive testing program was completed in eight column tests utilizing material sourced from four large-diameter diamond core holes that were drilled by Barksdale in August and early September of 2021. The objective of the program was to help guide optimum processing options for the project. The metallurgical test program was conducted at McClelland Laboratories, Inc. in Reno, Nevada, under the supervision of Jack McPartland, Metallurgist / President at McClelland, with additional oversight by Steve Dixon, Barksdale's consulting metallurgist.

Extraction of acid soluble copper ranged between 77% and 93% and extraction of acid and cyanide soluble copper ranged between 72% and 89% within oxide dominant mineralization. Copper recovery was still increasing in all samples at the conclusion of the 120-day column tests, indicating the potential for residual copper extraction. In addition, test work indicated that acid curing and agglomeration is likely not required as the acid cured samples did not extract more copper than using raffinate alone. With respect to sulfide dominant mineralization, test work showed overall recoveries of both acid and cyanide soluble copper were between 51% and 58% and the recoveries were still increasing at the end of the 120-day irrigation cycle. Net acid consumption on non-cured oxide samples ranged between approximately 2 and 3 kilograms per tonne while net acid consumption on the non-cured sulfide sample was approximately 22 kilograms per tonne.

In November 2022, the Company announced an initial resource estimate at Cerro Verde as part of the San Javier copper-gold project. The estimate was prepared by Independent Mining Consultants of Tucson, Arizona ("IMC") based on historic drilling at Cerro Verde between 2006 and 2021 effective October 31, 2022.

Results of the mineral resource estimate effective October 31, 2022 as are follows:

	Tonnes X1000	Tcu %	As + Cn Cu %	AsCu %	CnCu %	Total contained Cu Lbs x1000	Soluble contained Cu Lbs x 1000
Measured	12,485	0.278	0.203	0.172	0.032	76,573	55,938
Indicated	57,664	0.270	0.184	0.148	0.037	342,669	233,504
Total M&I	70,149	0.271	0.187	0.152	0.036	419,242	289,442
Inferred	5,965	0.240	0.152	0.114	0.038	31,563	19,923

TCu = total copper grade; AsCu = acid soluble copper; CnCu = cyanide soluble copper. AsCu + CnCu cutoffs vary by oxidation type: leach cap & oxide = 0.04%, mixed = 0.07%, sulfide =0.08%. Contained pounds = ktonnes x TCu x 22.04. Soluble pounds = ktonnes x AsCu + CnCu x 22.04. Mineral Resource tonnage and grades are restricted to *the Cerro Verde Deposit. Total pit shell tonnage = 95,175 ktonnes; ratio of ktonnes below cutoff to above cutoff = 0.25. Grade capping was applied to reduce the influence of outlier samples; 2.5% Cu was used for the oxide and mixed zones and 1.5% Cu was used for the sulfide zones. The economic parameters used to define mineral resources is US$4.00 per pound copper. Recovery estimates were 85% for leach cap and oxide, 75% for mixed, and 60% for sulfide. Numbers may not add due to rounding*

Approximately 419 million pounds of contained copper occurring within measured and indicated categories was strategically located near existing infrastructure. In addition, nearly 93% of resources are in higher confidence measured and indicated categories with an addition 31 million pounds of contained copper occurring within inferred resources. The San Javier resource is open in most directions and does not include other near-by prospects where historic drilling has confirmed the presence of additional copper mineralization. Furthermore, the resource estimate yielded a very low, less than one, waste to mineralized material ratio of 0.25 with excellent leaching characteristics, including low acid consumption and high recoveries, which will be the foundation to a preliminary economic assessment. These results suggests Cerro Verde could be a quality low-cost development project that has considerable resource upside. Next steps will be to complete an economic study that envisions an open pit, solvent-extraction electro-winning operation producing copper cathodes on site.

Results of sensitivity to copper price are as follows:

Copper Price	Cutoff Range	Measured			Indicated			Sum Measured + indicated			Inferred			Total Ktonnes
US$	Soluble Cu, %	ktonnes	Soluble Cu,%	TCu, %	ktonnes	Soluble Cu,%	TCu, %	ktonnes	Soluble Cu,%	TCu, %	ktonnes	Soluble Cu,%	TCu, %	
4.50	.03-.07	13,581	0.185	0.265	69,228	0.166	0.252	82,809	0.169	0.254	7,393	0.139	0.227	109,341
4.25	.03-.08	13,425	0.193	0.265	66,032	0.170	0.254	79,457	0.174	0.256	6,548	0.146	0.234	103,911
4.00	**.04-.08**	**12,485**	**0.203**	**0.278**	**57,664**	**0.184**	**0.270**	**70,149**	**0.187**	**0.271**	**5,965**	**0.152**	**0.240**	**95,175**
3.75	.04-.09	12,315	0.205	0.279	55,155	0.187	0.272	67,470	0.190	0.274	5,537	0.154	0.243	91,068
3.50	.04-.10	12,093	0.206	0.280	52,149	0.192	0.276	64,242	0.195	0.276	5,291	0.158	0.247	86,753
3.25	.04-.11	11,782	0.209	0.281	48,805	0.198	0.280	60,587	0.200	0.280	4,211	0.169	0.265	80,859
3.00	.05-.12	10,772	0.222	0.295	41,968	0.214	0.297	52,740	0.215	0.296	3,335	0.190	0.298	73,295
2.50	.06-.14	9,218	0.238	0.312	32,598	0.238	0.317	41,816	0.238	0.316	2,593	0.207	0.324	61,228

Mineral resources that are not mineral reserves do not have demonstrated economic viability. There is no guarantee that any part of the mineral resources discussed herein will be converted into a mineral reserve in the future. Further, due to the uncertainty that may be attached to Inferred Mineral Resources, it cannot be assumed that all or any part of an Inferred Mineral Resource will be upgraded to an Indicated or Measured Mineral Resource as a result of continued exploration. Confidence in the estimate is insufficient to allow the meaningful application of technical and economic parameters or to enable an evaluation of economic viability worthy of public disclosure. Inferred Mineral Resources must be excluded from estimates forming the basis of feasibility or other economic studies.

Readers are encouraged to read the National Instrument 43-101 technical report dated November 21, 2022 and titled "*San Javier Copper Project, Sonora, Mexico, Mineral Resource Estimate*" prepared by IMC in its entirety, a copy of which is available for review under the Company's profile on SEDAR+. The report includes, among other things, a description of IMC's data verification procedures, key assumptions, qualifications, parameters and methods used to estimate the mineral resources and known legal, political, environmental and other risks that could materially affect the potential development of such resources and is intended to be read as a whole and sections should not be read or relied upon out of context.

Quality Control and Quality Assurance

The scientific and technical content and interpretations contained in this MD&A have been reviewed and approved by Lewis Teal, M.Sc. Economic Geology, CPG-6932, Senior Consultant of Barksdale and a “qualified person” as defined by National Instrument 43-101 *Standards of Disclosure for Mineral Projects*.

Selected Annual Information

The following financial information is derived from the Company's annual audited financial statements for the years ended March 31, 2023, 2022, and 2021, has been prepared in accordance with IFRS and is presented in Canadian dollars, unless otherwise indicated:

	As a March 31,		
	2023	**2022**	**2021**
	$	**$**	**$**
Total assets	22,387,157	16,652,618	15,449,241
Total liabilities	1,791,458	2,409,257	538,079
Working capital	4,618,495	901,739	5,541,535
Exploration and evaluation assets	16,010,127	13,370,410	9,399,059
Revenues	-	-	-
General and administrative expenses	(2,604,970)	(2,082,576)	(2,250,631)
Other items			
Gain on lease termination	-	-	2,127
Interest income	55,764	165,263	13,810
Deferred tax recovery	51,277	47,470	-
Loss and comprehensive loss	(3,486,366)	(1,869,843)	(2,234,694)
Loss per share (basic and diluted)	(0.05)	(0.03)	(0.04)

The Company's mineral projects are in the exploration stage and, to date, the Company has not generated any revenues other than interest income.

Operations

As an exploration company, the Company has yet to generate any revenue from its planned operations and has, to date, incurred net losses from operating and administrative expenses.

The Company's operating and administrative expenses for the year ended March 31, 2023 totaled $2,604,970 (2022 - $2,082,576), including share-based compensation incurred during the period, valued at $735,255 (2022 - $223,975) calculated using the Black Scholes option pricing model.

The following table sets forth selected financial information regarding the Company's operating and administrative expenses for the years ended March 31, 2023 and 2022:

	For the years ended March 31,	
Expenses	**2023**	**2022**
	$	**$**
Advertising and marketing	352,087	289,724
Consulting fees	3,039	48,130
Depreciation	26,875	31,682
Financing charges	167,012	100,030
Foreign exchange (gain) loss	(80,328)	78,663
Insurance expense	41,964	37,606
Interest expenses	163,311	39,759
Investor relations costs	24,229	18,786
Management fees	531,730	432,500
Office and general	95,164	85,749
Professional fees	269,928	535,731
Rent	75,262	52,176
Share-based compensation	735,255	223,975
Transfer and filing fees	82,182	68,611
Travel and related	117,260	39,454
	2,604,970	2,082,576

The table below details the changes in major expenditures for the year ended March 31, 2023 as compared to the corresponding year ended March 31, 2022:

Expenses	Increase / Decrease in Expenses	Explanation for Change
Advertising and marketing	Increase of $62,363	Increased due to new marketing and social media campaigns engaged to increase investor awareness.
Financing charges	Increase of $66,982	Increased due to accretion expense on the 2022 Debentures.
Professional fees	Decrease of $265,803	Decreased as higher fees in prior year related to Regal Transaction.
Interest expense	Increase of $123,802	Increased due to interest accrued on 2022 Debentures.
Management fees	Increase of $99,230	Increased due to higher bonuses paid during the year.
Share-based compensation	Increase of $511,280	Increased due to stock options granted in fiscal 2023 which vested with higher value as compared to fiscal 2022.
Travel and related	Increase of $77,806	Increased as more corporate travel ensued with lifting of COVID-19 travel restrictions.

The table below details the changes in major expenditures for the year ended March 31, 2022 as compared to the corresponding year ended March 31, 2021:

Expenses	Increase / Decrease in Expenses	Explanation for Change
Financing charges	Increase of $100,030	Increased due to closing of 2022 Debentures financing in fiscal 2022.
Management fees	Decrease of $83,500	Decreased due to resignation of an officer and a director in fiscal 2022
Professional fees	Increase of $192,204	Increased due to fees incurred in connection with the Regal Transaction and related loans.
Share-based compensation	Decrease of $435,356	Decreased as stock options granted in fiscal 2022 vested with lower value than in fiscal 2021

As at March 31, 2023, the Company had not yet achieved profitable operations and has accumulated losses of $30,652,991 (2022 - $27,804,008) since inception. These losses resulted in a net loss per share (basic and diluted) for the year ended March 31, 2023 of $0.05 (2022 - $0.03).

Summary of Quarterly Results

The following provides selected quarterly information for the Company's eight most recently completed quarters.

	March 31, 2023	December 31, 2022	September 30, 2022	June 30, 2022
	$	$	$	$
Total assets	22,387,157	19,020,823	18,586,214	16,198,650
Total liabilities	1,791,458	1,865,869	2,337,315	1,984,343
Working capital	4,618,495	1,810,714	1,499,813	85,756
Revenues	-	-	-	-
Net loss	(1,059,682)	(1,676,421)	(403,319)	(346,944)
Loss per share (basic and diluted)	(0.01)	(0.02)	(0.01)	(0.01)

	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021
	$	$	$	$
Total assets	16,652,618	15,853,255	15,801,086	15,852,188
Total liabilities	2,409,257	1,346,088	914,853	658,592
Working capital	901,739	1,810,318	3,549,452	4,889,357
Revenues	-	-	-	-
Net loss	(404,319)	(413,263)	(370,982)	(681,279)
Loss per share (basic and diluted)	(0.01)	(0.01)	(0.01)	(0.01)

Major variances quarter over quarter can be explained as follows:

In September 2022, the Company raised gross proceeds of $2,219,000 through the issuance of 4,622,917 common shares at $0.48 per share. In October 2022, the Company raised gross proceeds of $264,000 through the issuance of 550,000 common shares at $0.48 per share. Such financings resulted in the increased working capital positions of the Company as at the respective fiscal quarters compared to the preceding quarters ended June 30, 2022 and March 31, 2022. See "Overview – Corporate Activities" above. See also "Liquidity and Capital Resources" below.

During the quarter ended December 31, 2022, a loss on the settlement of debt of $988,437 related to the Debenture Extension was recognized contributing to the higher loss observed during the quarter compared to prior quarters (see "Overview – Corporate Activities" above). Additionally, 1,777,000 stock options were granted to various directors, officers, and consultants. These grants resulted in share-based compensation expenses of $277,421 further contributing to the higher loss observed in the quarter ended December 31, 2022 compared to prior quarters.

Quarter over quarter increases in the Company's total assets reflect cumulative increases in the Company's exploration and evaluation expenditures (inclusive of acquisition and staking costs) on its various mineral projects over time. See "Geological Summary – Exploration and Evaluation Properties" above.

The large increase in total liabilities from $1,346,088 as at December 31, 2021 to $2,409,257 as at March 31, 2022 reflects the issuance of $1,750,000 2022 Debentures by the Company in February 2022. See "Overview – Corporate Activities" above.

Fourth Quarter

During the fourth quarter ended March 31, 2023, the Company recorded a net loss of $1,059,682 or $0.01 per share compared with net loss of $404,319 or $0.01 per share in the corresponding quarter ended March 31, 2022 for the preceding fiscal year. During the fourth quarter of 2023, the Company recorded the following significant expenses compared to the fourth quarter of 2022: advertising expenses of $242,673 (2022 - $24,048) and share-based compensation expense of $455,130 (2022 - $12,170) contributing to the higher net loss in 2023. However, the Company's working capital increased to $4,618,495 as at March 31, 2023 from $1,810,714 at the end of the immediately preceding quarter ended December 31, 2022 and $901,739 as at March 31, 2022 due primarily to the exercise of extended 2020 Warrants totaling $6,904,112 in the fourth quarter of fiscal 2023. See "Overview – Corporate Activities" above.

Liquidity and Capital Resources

The Company's liquidity and capital resources are as follows:

	March 31, 2023	March 31, 2022
	$	$
Cash	5,914,177	2,954,681
Receivables	67,268	12,609
Prepaid expenses	313,558	206,638
Total current assets	6,295,003	3,173,928
Accounts payables and accrued liabilities	201,616	610,013
Current portion of lease liabilities	28,514	24,554
Convertible debentures	1,446,378	1,637,622
Working capital	4,618,495	901,739

The Company had working capital of $4,618,945 as at March 31, 2023 (2022 - $901,739).

The Company has not generated revenues from its operations to date. As at March 31, 2023, the Company has accumulated net losses of $30,652,991 since inception and has working capital of $4,618,495. The Company is currently considering a number of different financing options. To date, the operations of the Company have primarily been funded through the issuance of common shares and the Company will continue to rely on its ability to obtain adequate equity financing in the future. There can be no assurance that the Company will be successful in its efforts to arrange additional financing on terms satisfactory to it or at all. If the Company raises additional financing through the issuance of shares from its treasury, control of the Company may change and existing shareholders will suffer additional dilution. See "Commitments" below.

In February 2022, the Company closed a non-brokered private placement of $1,750,000 debentures. The 2022 Debentures bear interest at 10% per annum and are secured by a general security agreement over all of the present and after-acquired personal property of the Company as well as a pledge of shares over IC Exploration Ltd., a subsidiary of the Company that holds indirectly the San Antonio, Goat Canyon, and Canelo properties in Arizona. In June 2022, the Company repaid $250,000 of the 2022 Debentures plus interest through a combination of share issuances and cash at the request of the lender. In October 2022, the Company extended the maturity date of the 2022 Debentures, with a remaining principal amount of $1,500,000, to December 31, 2023. The terms of the 2022 Debentures remained unchanged except for an increase of the conversion price from $0.45 to $0.55 per share. See "Overview – Corporate Activities" above.

Risks and Uncertainties

The business and operations of Barksdale are subject to numerous risks, many of which are beyond Barksdale's control. Barksdale considers the risks set out below to be some of the most significant to potential investors in the Company, but not all of the risks associated with an investment in securities of the Company. If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which Barksdale is currently unaware or which it considers to be material in relation to Barksdale's business actually occur, the Company's assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects, are likely to be materially and adversely affected. In such circumstances, the price of Barksdale's securities could decline and investors may lose all or part of their investment.

(a) Barksdale has limited financial resources and no operating revenues. To earn and/or maintain its interest in the Sunnyside, Four Metals, San Antonio, Canelo, Goat Canyon, Guajolote, and San Javier Properties, the Company has contractually agreed or is required to make certain payments and expenditures for and on such properties. Barksdale's ability to continue as a going concern is dependent upon, among other things, Barksdale establishing commercial quantities of mineral reserves on its properties and obtaining the necessary financing and permits to develop and profitably produce such minerals or, alternatively, disposing of its interests on a profitable basis, none of which is assured. The Company belives it has sufficent cash for the upcoming fiscal year in order to maintain its operations and exploration activities See also "Commitments" below.

(b) Barksdale has only generated losses to date and will require additional funds to further explore its properties. The only sources of funds for exploration programs, or if such exploration programs are successful for the development of economic ore bodies and commencement of commercial production thereon, presently available to Barksdale are the sale of equity capital or the offering by Barksdale of an interest in its properties to be earned by another party carrying out further exploration or development. Barksdale's ability to arrange financing in the future will depend, in part, upon the prevailing capital market conditions as well as its business performance. There is no assurance such additional funding will be available to Barksdale when needed on commercially reasonable terms or at all. Additional equity financing may also result in substantial dilution thereby reducing the marketability of Barksdale's shares. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and the possible, partial or total loss of the Company's interests in its properties.

(c) Mineral exploration is subject to a high degree of risk, which even a combination of experience, knowledge and careful evaluation may fail to overcome. These risks may be even greater in Barksdale's case given its formative stage of development and the fact that the Sunnyside, Four Metals, San Antonio, Canelo, Goat Canyon, Guajolote, and San Javier Properties are still in their exploration stage. Furthermore, exploration activities are expensive and seldom result in the discovery of a commercially viable resource. Save and except for Cerro Verde at the San Javier Property (see "Geological Summary – Exploration and Evaluation Properties – San Javier Property" above), there are no known resources or reserves on the Sunnyside, Four Metals, San Antonio, Canelo, Goat Canyon, Guajolote, or San Javier Properties and the Company's proposed exploration programs are exploratory searches for commercial quantities of ore. In addition, the close proximity of the Sunnyside, Four Metals, Canelo, Goat Canyon, Guajolote, and San Antonio Properties to South32's Hermosa project and Taylor deposit is not necessarily indicative of the mineralization on the Sunnyside, Four Metals, Canelo, Goat Canyon, Guajolote or San Antonio Properties. There is no assurance that Barksdale's exploration will result in the discovery of an economically viable mineral deposit.

(d) Barksdale activities are subject to the risks normally encountered in the mining exploration business. The economics of exploring, developing and operating resource properties are affected by many factors including the cost of exploration and development operations, variations in the grade of any ore mined and the rate of resource extraction and fluctuations in the price of resources produced, government regulations relating to royalties, taxes and environmental protection and title defects. Further, mining, development and exploration operations are inherently dangerous and involve a high degree of risk including unexpected or unusual geological operating conditions including rock bursts, cave-ins, ground fall, fires, explosions, flooding and earthquakes. Although the Company obtains insurance to address certain of these risks, such insurance has limitations on liability and may not be sufficient to cover the full extent of such liabilities. Furthermore, the Company may decide not to insure against certain risks as a result of high premiums or other reasons. The payment of any uninsured liabilities would reduce the funds available to the Company and the occurrence of a significant event that the Company is not fully insured against, or the insolvency of the insurer of such event, could have a material adverse effect on the Company.

(e) Some of the Company’s mining properties may be subject to the rights or asserted rights of various community stakeholders, including indigenous peoples. The presence of community stakeholders may impact the Company’s ability to develop or operate its mining properties and projects or to conduct exploration activities. As such, the Company is subject to the risk that one or more groups may oppose the exploration, development and/or mining, as applicable, of the Company’s current or future mining properties and projects. Further, none of the Sunnyside, Four Metals, San Antonio, Canelo, Goat Canyon, or San Javier properties have been surveyed and may be subject to prior unregistered agreements, interests or land claims and title may be affected by undetected defects. Further, the Company’s exploration activities will require certain licenses and permits from various governmental authorities including the Company’s proposed exploration programs at Sunnyside, San Antonio and San Javier. There is no assurance that Barksdale will be successful in obtaining the necessary licenses and permits on a timely basis or at all to undertake its proposed or future exploration activities or, if granted, that the licenses and permits will be on the basis applied for or remain in force as granted. The United States government agencies involved in permitting process at, inter alia, Sunnyside, including the USFS, USF&WS and USACE, could face legal challenges related to their efforts. Any legal challenges related to permits heighten the risk of delays or even partial or total shutdown of exploration activities. See “Geological Summary– Exploration and Evaluation Properties – Sunnyside Property” above for details of the legal challenge filed against the USFS with respect to its granting of a DM and FONSI for the Company’s Sunnyside Property.

(f) The mining industry is capital intensive and subject to fluctuations in metal prices, market sentiment, foreign exchange and interest rates. It is also highly competitive in all its phases and Barksdale will be competing with other mining companies, many with greater financial, technical and human resources, in the search for, and the acquisition of, mineral resource properties and in the marketing of minerals.

(g) The Company’s success and viability depends, in large part, on its ability to attract and maintain qualified key management personnel. The number of persons skilled in acquisition, exploration, development and operation of mining properties are limited and competition for such persons is intense. The Company’s growth and viability has depended, and will continue to depend, on the efforts of key personnel and the Company’s ability to retain such personnel and attract and retain additional key financial, administrative and technical personnel as well as additional operations staff. The loss of any key personnel or inability to recruit new skilled and experienced executives could result in increases in its recruiting and training costs and decreases in the Company’s operating efficiency and productivity which may have a material adverse effect on the Company’s future operations, financial position and financial condition. Although the Company has employment and/or management contracts with its key personnel it does not have key-man life insurance. The Company provides its key personnel with long-term incentive compensation including stock options which is designed to retain these employees and align their interests with those of the Company’s shareholders.

(h) Certain of Barksdale’s directors and officers also serve as directors or officers of other public and private resource companies, and to the extent that such other companies may participate in ventures in which Barksdale may participate, such directors and officers of Barksdale may have a conflict of interest.

(i) Barksdale must comply with environmental laws and regulations governing air and water quality and land disturbance and provide for reclamation and closure costs in addition to securing the necessary permits to advance exploration activities at its mineral properties. Environmental legislation is evolving in a manner that will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent Environmental assessments (**"EA"**) of proposed projects, and a heightened degree of responsibility for companies and their officers, directors and employees. Compliance with environmental laws and regulations may require significant capital outlays on behalf of the Company and may cause material changes or delays in the Company's intended activities. Furthermore, environmental hazards may exist on the Company's properties that are unknown to the Company at the present and that have been caused by the Company or by previous owners or operators of the properties, or that may have occurred naturally. The Company may be liable for remediating such damages. Failure to comply with applicable environmental laws, regulations and permitting requirements may result in enforcement actions thereunder, 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. Future production, if any, at the Company's properties will involve the use of hazardous materials. Should these materials leak or otherwise be discharged from their containment systems, the Company may become subject to liability. In addition, neighboring landowners and other third parties could file claims based on environmental statutes and common law for personal injury and property damage allegedly caused by permitting and/or exploration activities including the release of hazardous substances or other waste material into the environment on or around the Company's properties. There can be no assurance that the Company's defense of such claims will be successful and a successful claim against the Company could have a material adverse effect on its business prospects, financial condition and results of operations. In addition, Barksdale may become subject to liability for hazards against which it is not insured.

(j) Barksdale has not declared or paid any dividends on its common shares and does not expect to do so in the foreseeable future. Future earnings, if any, will likely be retained to finance growth. Any return on investment in Barksdale's shares will come from the appreciation, if any, in the value thereof. The payment of any future dividends will depend upon the Company's earnings, if any, its then-existing financial requirements and other factors, and will be at the discretion of the Company's Board.

(k) Mexico has been subject to political instability, changes and uncertainties, which may cause changes to existing governmental regulations or their application affecting mineral exploration and mining activities. The Company's operations and properties in Mexico are subject to a variety of governmental regulations including, among others: regulations promulgated by the Mexican Department of Economy – Dirección General de Minas, Mexico's Secretary of Environment and Natural Resources ("SEMARNAT"); the Mexican Mining Law; and the regulations of the Comisión Nacional del Aqua with respect to water rights, the Mexican Department of labour and the Mexican Department of the Interior. Mexican regulators have broad authority to shut down and/or levy fines against facilities that do not comply with regulations or standards. The Company's mineral exploration and, if applicable, mining activities in Mexico may be adversely affected in varying degrees by changing government regulations relating to the mining industry or shifts in political conditions that increase the costs related to the Company's activities or maintenance of its properties. Operations may also be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, income taxes, and expropriation of property, environmental legislation and mine safety. Additional risks and uncertainties include, among others, terrorism, corruption of government officials, military repression, expropriation, theft, sabotage, extreme fluctuations in currency exchange rates, high rates of inflation, labour unrest, risks of war or civil unrest, illegal mining, renegotiation or nullification of existing concessions, licenses, permits and contracts, changes in taxation policies, restrictions on foreign exchange and repatriation, changing political conditions arising from changes in government and otherwise, currency controls and governmental regulations that favor or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction. Corruption of foreign officials could also affect or delay required permits, service levels by foreign officials, and protection by police and other government services. If the Company were to experience resistance or unrest in connection with its Mexican properties, it could have a material adverse effect on its operations. Further, Mexico continues to face risks from drug cartels and organized crime including murders, kidnappings, blackmail, extortion, violence and threats of violence, the occurrence of which against the Company or its personnel cannot be accurately predicted. The Mexican Government has conducted a highly publicized crackdown on the drug cartels, resulting in a loss of lives. There is no assurance that the Company's operations in Mexico will not be adversely impacted by such organizations. Also, Mexico's status as a developing country may make it more difficult than it was in the past for the Company to obtain any required financing for its projects.

(l) Global financial markets are experiencing increased volatility due to, inter alia, the lingering impact of the COVID-19 pandemic, Russia's war with Ukraine, elevated inflation and interest rates and recent bank failures in the United States and Europe and global financial conditions have been subject to increased instability impacting many industries, including mining. Contraction in credit markets resulting in a widening of credit risk, devaluations and high volatility in global equity, commodity, foreign exchange and precious metal markets, and a lack of market liquidity may adversely affect the Company's ability to secure equity or debt financing on terms favorable to the Company or at all, reduce or cease planned exploration programs or growth, and the trading price of the Company's common shares may be adversely affected.

(m) Extreme weather events (such as prolonged drought, increased frequency and intensity of storms, flooding, landslides and wildfires) have the potential to disrupt the Company's operations and the transportation routes that the Company uses. The Company's ability to conduct exploration activities also depends upon access to the volumes of water that are necessary to operate its drilling equipment. Changes in weather patterns and extreme weather events including flooding or wildfires, either due to normal variances in weather or due to global climate change, could adversely impact, disrupt or increase the costs of the Company's exploration activities. There can be no assurance that efforts to mitigate the risks of climate change will be effective and that the physical risks of climate change will not have an adverse effect on the Company's business and operations. Also, various governments around the world have introduced or are moving to introduce climate change legislation and treaties at the international, national, state/provincial and local levels regulating, among other things, emission levels (such as carbon taxes) and energy efficiency are becoming more stringent. If current regulatory trends continue, this may result in increased costs at some or all of the Company's properties.

(n) The Company's operations depend, in part, upon information technology systems to securely process, maintain and transmit information and data critical to the Company's business. The Company and its third-party service providers also collect and store sensitive data in the ordinary course of business, including personal information of the Company's employees and contractors, as well as proprietary and confidential business information relating to the Company (including potential merger candidates or other parties with whom the Company may have entered into confidentiality agreements) and in some cases, the Company's customers, suppliers, lenders, investors and other stakeholders. With the increasing dependence and interdependence on electronic data communication and storage, including the use of cloud-based services and personal devices, the Company is exposed to evolving technological risks relating to this information and data. Disruption or damage to or failure of the Company's information technology systems may arise from a number of sources, including, but not limited to, hacking, computer viruses, malware, ransom ware, security breaches, natural disasters, power loss, vandalism, theft and defects in design. Although the Company employs security measures in respect of its information and data including implementing systems to monitor and detect potential threats, the performance of periodic audits, and penetration testing, the Company cannot be certain that it will be successful in securing this information and data and there may be instances where the Company is exposed to malware, cyber or ransom ware attacks or other unauthorized access or use of the Company's information and data. Any data breach or other improper or unauthorized access or use of the Company's information could have a material adverse effect on the Company's business and could severely damage the Company's reputation, compromise the Company's network or systems and result in the loss or escape of sensitive information, the destruction or corruption of data, the misappropriation of assets or incidents of fraud, the disruption of the Company's normal operations including delays and exploration downtimes, and cause the Company to incur additional time and expense to remediate and improve the Company's information systems. In addition, the Company could also be subject to legal and regulatory liability in connection with any such cyber-attack or breach, including potential breaches of laws relating to the protection of personal information. As cyber threats continue to evolve, the Company will be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

Readers are cautioned that the foregoing list of risks, uncertainties and other factors is not exhaustive.

Related Party Transactions and Balances

During the year ended March 31, 2023, the Company entered into the following transactions with related parties, not disclosed elsewhere in the Financial Statements:

a. Incurred management fees of $282,830 (2022 - $224,000) to Richard Trotman, CEO and director of the Company. As at March 31, 2023, $nil (2022 - $50,000) was included in accounts payable and accrued liabilities for management fees.

b. Incurred professional fees of $137,910 (2022- $129,500) to a company controlled by Michael Waldkirch, CFO of the Company. As at March 31, 2023, $5,000 (2022 - $27,500) was included in accounts payable and accrued liabilities for professional fees.

c. Incurred management fees of $152,400 (2022 - $134,000) to Terri Anne Welyki, Vice President of Communications for the Company. As at March 31, 2023, $nil (2022 - $14,000) was included in accounts payable and accrued liabilities for reimbursement of expenses.

d. Incurred management fees of $42,000 (2022 - $36,000) to a company controlled by Pam White, Corporate Secretary of the Company. As at March 31, 2023, $nil (2022 - $nil) was included in accounts payable and accrued liabilities for management fees.

e. Incurred exploration and evaluation expenditures of $115,137 (2022 - $107,977) to Andrew Pooler, Senior Vice President of Project Development of the Company.

f. Incurred exploration and evaluation expenditures of $106,928 (2022 - $100,444) to Thomas Simpson, Senior Vice President of Exploration of the Company. As at March 31, 2023, $nil (2022 - $1,532) was included in accounts payable and accrued liabilities for reimbursement of expenses.

g. Incurred director fees of $18,500 (2022 - $14,500) to Darren Blasutti, a director of the Company.

h. Incurred director fees of $12,000 (2022 - $8,000) to Jeffrey O'Neill, a director of the Company.

i. Incurred director fees of $12,000 (2022 - $8,000) to Peter McRae, a director of the Company.

j. Incurred director fees of $12,000 (2022 - $8,000) to William Wulftange, a director of the Company.

Key management personnel are the persons responsible for the planning, directing, and controlling of the activities of the Company and include both executives and non-executive directors, and entities controlled by such persons. The Company considers all directors and officers of the Company to be key management personnel.

Summary of key management personnel compensation (includes officers and directors of the Company):

	For the years ended March 31,	
	2023	2022
	$	$
Management fees	531,730	432,500
Exploration and evaluation assets	222,065	208,421
Professional fees	137,910	129,500
Share-based compensation	683,696	150,431
	1,575,401	920,852

Off- Balance Sheet Arrangements

The Company has not entered into any off-balance sheet arrangements.

Critical Accounting Estimates

The preparation of the Financial Statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the Financial Statements, and the reported amounts of revenues and expenses for the reporting period. Actual results could differ from management's best estimates as additional information becomes available.

Financial Instruments and Other Instruments

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The Company's financial instruments consist of cash, receivables, loans receivable, lease liabilities, accounts payable and accrued liabilities and convertible debentures. The fair value of these financial instruments, other than cash, approximates their carrying values due to the short-term nature of these instruments. Cash is measured at fair value using level 1 inputs. Receivables, loans receivable, lease liabilities, accounts payable and accrued liabilities and convertible debentures are measured at amortized cost.

The Company is exposed to a variety of financial risks by virtue of its activities including currency, credit, interest rate, liquidity and commodity price risk.

a) *Currency risk*
The Company conducts the majority of exploration and evaluation activities in the United States and Mexico. As such, it is subject to risk due to fluctuations in the exchange rates of the Canadian dollars, US dollars, and Mexican peso. As at March 31, 2023, the Company had a US foreign currency net monetary asset position of approximately US$152,950 and a MXN Peso net monetary asset position of approximately MXN Peso 2,206,742. Each 10% change in the US dollar and Mexican peso relative to the Canadian dollar will result in a foreign exchange gain/loss of approximately $20,700 and $16, 600, respectively.

b) *Credit risk*
Credit risk is risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's cash is held in large Canadian financial institutions and its receivables are due from the Government of Canada. As such, the Company determined that it is not exposed to significant credit risk.

c) *Interest rate risk*
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to limited interest rate risk as it only holds cash and highly liquid short-term investments. The Company is not exposed to interest rate risk with its lease liability or convertible debentures as they are not subject to floating interest rates.

d) *Liquidity risk*
Liquidity risk is the risk that the Company will not be able to meet its obligations as they come due. The Company's ability to continue as a going concern is dependent on management's ability to raise the required capital through future equity or debt issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning, and approval of significant expenditures and commitments.

e) *Commodity price risk*
The ability of the Company to explore and develop its exploration and evaluation assets and the future profitability of the Company are directly related to the price of copper, zinc and other base metals. The Company monitors these metal prices to determine the appropriate course of action to be taken.

Internal Control over Financial Reporting Procedures

As a venture issuer, the Company's certifying officers, based on their knowledge, having exercised reasonable diligence, are responsible to ensure that the Financial Statements and this MD&A do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by these filings, and that the financial report together with the other financial information included in these filings fairly present in all material respects the financial condition, financial performance and cash flows of the Company, as of the date of and for the periods presented in these filings. The certifying officers are also responsible for ensuring processes are in place to provide them with sufficient knowledge to support such representations.

However, in contrast to non-venture issuers under National Instrument 52 ‐ 109 *Certification of Disclosure in Issuers' Annual and Interim Filings* ("**NI 52 ‐ 109**"), the Company's certifying officers are not required to make representations relating to the establishment and maintenance of disclosure controls and procedures ("**DC&P**") and internal control over financial reporting ("**ICFR**"), as defined in NI 52 ‐ 109. Accordingly, investors should be aware that inherent limitations on the ability of the Company's certifying officers to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52 ‐ 109 may result in additional risks to the quality, reliability, transparency, and timeliness of these annual filings as well as interim filings and other reports provided by the Company under securities legislation.

Changes in Accounting Policies including Initial Adoption

There were no changes to the Company's accounting policies during the year ended March 31, 2023.

Commitments

The Company has two separate employment agreements with the CEO and executive director and the VP of Corporate Communications of the Company to provide management and other consulting services to the Company for an indefinite term. The agreements require total combined payments of $28,500 per month. The employment agreement with the CEO and executive director of the Company provides for a two-year payout totaling approximately $565,000 (including average discretionary bonuses paid in the preceding year) in the event of termination following a change in control of the Company or approximately $492,500 (including average discretionary bonuses paid in the preceding year) in the event of termination without cause. The employment agreement with the VP of Corporate Communications of the Company provides for a one month payout of $11,000 for each full year employment, up to a maximum of six months payout of $66,000, in the event of termination without cause or a one year payout of $132,000 in the event of termination upon a change in control.

The Company has a management consulting agreement with the CFO of the Company to provide management and other consulting services to the Company for an indefinite term. The agreement requires total payments of $9,010 per month. The consulting agreement provides for a one-year payout totaling approximately $131,870 (including average discretionary bonuses paid in the preceding two years) in the event of termination without cause and in the event of termination following a change in control of the Company.

The Company has two separate employment agreements with the Senior Vice President of Project Development and Senior Vice President of Exploration of the Company to oversee the advancement of the Company's project portfolio for an indefinite term. The agreements require total combined payments of US$13,833 per month. The employment agreements also provide for a two-year payout totaling, on a collective basis, approximately US$320,000 (including average discretionary bonuses paid in the preceding year) in the event of termination following a change in control of the Company or, on a collective basis, approximately US$80,000 in the event of termination without cause.

The Company has a management consulting agreement with the Corporate Secretary of the Company to provide management and other consulting services to the Company for one year, renewable annually. The agreement requires a payment of $5,000 per month. The consulting agreement provides for a two-month payout in the event of termination without cause and a one-year payout in the event of termination following a change in control of the Company.

In addition to the foregoing, the Company is required to pay certain annual federal and county maintenance fees and taxes to maintain the Sunnyside, Four Metals, San Antonio, Canelo, Goat Canyon, Guajolote, and San Javier Properties in good standing as well as certain options payments (in cash and/or shares) and exploration work commitments to earn its interests in such exploration and evaluation assets as more particularly described under "Geological Summary – Exploration and Evaluation Properties" above.

The Company intends to fund these financial commitments in fiscal 2024 from additional equity financing. See "Liquidity and Capital Resources" above. See also "Risks and Uncertainties".

Disclosure of Data for Outstanding Common Shares, Stock Options, Warrants

The following table summarizes the outstanding common shares, stock options, warrants of the Company:

	As at March 31, 2023	Date of this MD&A
Common shares	80,827,018	81,128,231
Stock options (1)	6,676,500	6,797,100
Warrants (1)	5,564,271	5,564,271

(1) Each one stock option and one warrant is exercisable to acquire one common share of the Company.

As at the date of this MD&A, the Company has 81,128,231 common shares issued and outstanding, of which 3,850,000 shares related to the Sunnyside Option of the Sunnyside Property are subject to cancellation and return to treasury if the Company determines not to proceed with the Sunnyside Option after completing its initial exploration program on the Sunnyside Property. See "Geological Summary – Exploration and Evaluation Properties – *Sunnyside Property*".

As at the date of this MD&A, details of the outstanding stock options:

Number of options outstanding	Number of options exercisable	Exercise price $	Expiry date
900,000	900,000	0.50	October 8, 2023
210,600	210,600	0.68	November 16, 2023
400,000	400,000	0.63	December 7, 2023
459,500	459,500	0.47	February 26, 2024
755,000	755,000	0.58	March 1, 2024
385,000	385,000	0.52	April 26, 2024
200,000	200,000	0.53	September 20, 2024
1,777,000	1,184,667	0.62	December 9, 2025
1,450,000	483,333	0.74	February 8, 2026
260,000	86,667	0.73	June 1, 2026
6,797,100	5,064,767		

As at the date of this MD&A, details of the outstanding warrants:

Number of warrants	Exercise price $	Expiry date
2,777,777	0.72	December 31, 2023
2,408,197	0.72	September 21, 2025
275,000	0.72	October 5, 2025
103,297	0.72	October 21, 2025
5,564,271		

Forward Looking Statements

Certain sections of this MD&A contain forward-looking statements and forward looking information. All statements, other than statements of historical fact, made by the Company 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. Forward-looking statements and forward-looking information contained or incorporated by reference in this MD&A may relate to the Company’s future financial condition, results of operations, plans, objectives, performance or business developments including, among other things, potential property acquisitions, exploration and work programs, permitting and drilling plans and timing of permitting approvals and drilling, the performance characteristics of the Company’s exploration and evaluation assets, exploration results of various projects of the Company, projections of market prices and costs, supply and demand for copper, zinc and other base metals, expectations regarding the ability to raise capital and to acquire resources and/or reserves through acquisitions and/or development, treatment under governmental regulatory regimes and tax laws, and capital expenditure programs and the timing and method of financing thereof. In particular, there are no assurances that the Sunnyside PoO will be approved by the USFS on the basis applied for by the Company or at all or that the USD Court will uphold the USFS’ issuance of the DM and FONSI for Sunnyside in the face of environmental challenges thereto. Further, there are no guarantees that Cerro Verde at the Company’s San Javier project will develop into a quality low-cost development project with considerable resource upside or otherwise. Forward-looking statements and forward looking-information are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company as of the date of such statements and information, are inherently subject to significant business, economic and competitive uncertainties and contingencies. The estimates and assumptions of the Company contained or incorporated by reference in this MD&A, which may prove to be incorrect, include, but are not limited to: (1) there being no significant disruptions affecting operations, whether due to labour disruptions, supply disruptions, power disruptions, damage to equipment, adverse weather conditions, COVID 19 or otherwise; (2) permitting, access, exploration, expansion and acquisitions at our projects (including, without limitation, land acquisitions for and permitting of exploration plans) being consistent with the Company’s current expectations; (3) the viability, permitting, access, exploration and, if warranted, development of the Sunnyside Property, the Four Metals Property, the Guajolote Patented Mining Claim, the Canelo Property, the Goat Canyon Property, the San Antonio Property, and the San Javier Property being consistent with the Company’s current expectations; (4) political developments in Mexico, United States, and the State of Arizona including, without limitation, the implementation of new mining laws and related regulations being consistent with the Company’s current expectations; (5) the exchange rate between the Canadian dollar and the U.S. dollar or between the Canadian dollar and the Mexican Peso being approximately consistent with current levels; (6) certain price assumptions for copper, zinc and other base metals; (7) prices for and availability of equipment, labor, natural gas, fuel oil, electricity, water and other key supplies remaining consistent with current levels; (8) the results of the Company’s exploration programs on the Sunnyside Property, the Four Metals Property, the Guajolote Patented Mining Claim, the Canelo Property, the Goat Canyon Property, the San Antonio Property, and the San Javier Property being consistent with the Company’s expectations; (9) labour and materials costs increasing on a basis consistent with the Company’s current expectations; and (10) the availability and timing of additional financing being consistent with the Company’s current expectations. 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: the timing and availability of additional capital, fluctuations in the currency markets; fluctuations in the spot and forward price of copper, zinc or other commodities (such as diesel fuel and electricity); changes in national and local government legislation, taxation, controls, regulations and political or economic developments in Canada, the United States, Mexico, or other countries in which the Company may carry on business in the future; business opportunities that may be presented to, or pursued by, us; our ability to successfully integrate acquisitions; operating or technical difficulties in connection with exploration activities; employee relations; the speculative nature of copper and zinc exploration and development, including the risks of obtaining necessary licenses and permits, competition for, among other things, capital, acquisitions of resources and/or reserves, undeveloped lands and skilled personnel, incorrect assessments of the value of acquisitions, geological, technical, drilling and processing problems, fluctuations in foreign exchange or interest rates and stock market volatility, changes in income tax laws or changes in tax laws and incentive programs relating to the mineral resource industry, and contests over title to properties, particularly title to undeveloped properties. In addition, there are risks and hazards associated with the business of mineral exploration, development and mining, including environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins, flooding and copper and/or zinc bullion losses (and the risk of inadequate insurance, or the inability to obtain insurance, to cover these risks).

Many of these uncertainties and contingencies can affect the Company's actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements or forward-looking information made by, or on behalf of, the Company. There is also uncertainty about the continued spread and severity of COVID-19, the war in Ukraine, elevated inflation and interest rates and the impact they will have on the Company's operations, personnel, supply chains, ability to access properties or procure exploration equipment, contractors and other personnel on a timely basis or at all and economic activity in general. There can be no assurance that forward-looking statements and forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements and information. Forward-looking statements and forward-looking information are provided for the purpose of providing information about management's expectations and plans relating to the future. All of the forward-looking statements and forward-looking information made in this MD&A are qualified by these cautionary statements and those made in our other filings with applicable securities regulators in Canada including, but not limited to, the Financial Statements. These factors are not intended to represent a complete list of the factors that could affect the Company and readers should not place undue reliance on forward-looking statements or forward-looking information in this MD&A. The Company disclaims any intention or obligation to update or revise any forward-looking statements and forward-looking information, whether as a result of new information, future events or otherwise, or to explain any material difference between subsequent actual events and such forward-looking statements and forward-looking information, except to the extent required by applicable law.

The forward looking statements and forward-looking information contained herein are based on information available as of July 31, 2023.

Other MD&A Requirements

Additional information relating to the Company may be found on SEDAR+ at [www.sedarplus.ca] including, but not limited to:

- the Company's audited consolidated financial statements for the years ended March 31, 2023 and 2022.

This MD&A has been approved by the Board on July 31, 2023.