



**CASSIAR GOLD CORP.**  
*(An Exploration Stage Company)*

**MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS  
FOR THE THREE MONTHS ENDED DECEMBER 31, 2024**

**OVERVIEW AND INTRODUCTORY COMMENT**

Cassiar Gold Corp. (“Cassiar” or the “Company”) is a Canadian gold exploration company focused on exploration and development of its Sheep Creek, Bayonne projects as well as its flagship Cassiar gold project (the “Cassiar Gold Project”) in British Columbia, Canada. It is listed on the TSX Venture Exchange (“TSXV”) under the trading symbol “GLDC”.

This MD&A is dated February 28, 2025 and discloses specified information up to that date. Unless otherwise noted, all currency amounts are expressed in Canadian dollars. The following information should be read in conjunction with the unaudited condensed consolidated interim financial statements and the related notes for the three months ended December 31, 2024 and the Company’s audited consolidated financial statements for the year ended September 30, 2024 and the related notes thereto.

The Company recognizes environmental, social and governance (“ESG”) best practices as key components to responsible mineral exploration and development. The Company’s exploration programs are conducted to meet or exceed environmental regulations, while respecting the communities and environments in which we operate. The Company strives to earn its social license with local and indigenous communities by meeting with stakeholders, regulators, and other concerned parties before, and during, exploration work to understand traditional and cultural issues important to these communities. The Company’s approach is based on transparency, open communication, inclusivity, and respect, to better enable social and economic benefit for communities as well as value for investors.

Additional information relevant to the Company and the Company’s activities can be found on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca), and/or on the Company’s website at <https://cassiargold.com/>.

**MAJOR QUARTERLY OPERATING MILESTONES**

**Exploration activities**

*Cassiar Gold Project*

Between September 10, 2024 and January 22, 2025, the Company released the drill results from its 2024 exploration campaign with 30 diamond drill holes completed at its Cassiar Gold Project in northern British Columbia. Field operations for the Company's 2024 exploration campaign, which launched in early June, wrapped up as scheduled in early October. The campaign included diamond drilling and field work, collectively designed to evaluate resource expansion potential at the Taurus deposit, expand mineralization at the high priority Newcoast prospect, identify new targets and continue to advance regional exploration concepts on the district-scale property.



2024 drill program summary:

- 7,168 metres (“m”) of diamond drilling completed from 30 drill holes (expanded from initial 5,000 m scope):
  - Taurus deposit: 5,923 m of drilling in 27 drill holes;
  - Newcastle regional target: 1,245 m in three drill holes.

This season's field program included:

- Multiple geophysical surveys:
  - Induced polarization (“IP”) survey over a six-square kilometre (“km<sup>2</sup>”) footprint;
  - Drone-supported magnetometer survey over an approximately 60 km<sup>2</sup> footprint;
  - Drone-supported very low frequency electromagnetic (“VLF”) survey over an approximately 7.5 km<sup>2</sup> footprint;
- Geological mapping across several regional prospects with 161 grab samples collected;
- Soil sampling surveys with 569 samples collected in areas which had limited historical sampling.

Drilling was designed to test the continuity and expansion potential of mineralization at the Taurus deposit, which hosts a mineral resource estimate of 1.4 million ounces at 1.14 grams per tonne (“g/t”) gold (“Au”) inferred, in advance of a resource update forecasted for completion in the first half of 2025. Additionally, regional drill holes aimed to follow up on significant intercepts encountered at the Newcastle target in last year's campaign.

All drill holes from Taurus West reported here encountered multimetre intercepts of mineralization above the 0.5 g/t Au cut-off of the 2022 inferred mineral resource at Taurus, expanding mineralization near surface and establishing greater continuity at depth along the Taurus West fault. The latest results include:

- 18.1 m of 2.28 g/t Au and 40.8 m of 1.68 g/t Au in drill hole 24TA-212;
- 31.9 m of 1.82 g/t Au in drill hole 24TA-213;
- 67.7 m of 0.54 g/t Au and 58.5 m of 1.10 g/t Au in drill hole 24TA-214;
- 73.4 m of 0.75 g/t Au in drill hole 24TA-215;
- Multiple intercepts returned in drill hole 24TA-216:
  - 18.8 m of 1.29 g/t Au
  - 46.2 m of 0.58 g/t Au
  - 39.3 m of 0.94 g/t Au including 0.5 m of 40.70 g/t Au
- 76.2 m of 0.53 g/t Au in drill hole 24TA-218;
- 52.1 m of 0.73 g/t Au in drill hole 24TA-219.
- 113.0 m of 0.84 g/t Au from surface in drill hole 24TA-220
- 39.7 m of 0.57 g/t Au and 17.3 m of 0.52 g/t Au in drill hole 24TA-211
- 63.9 m of 0.84 g/t Au, including 7.6 m of 2.41 g/t Au, in drill hole 24TA-221
- 86.6 m of 0.62 g/t Au in drill hole 24TA-222
- 14.5 m of 1.98 g/t Au, including 1.8 m of 8.77 g/t Au in drill hole 24TA-223
- Multiple intercepts returned in drill hole 24TA-224:
  - 39.3 m of 0.58 g/t Au from surface, and
  - 5.9 m of 6.30 g/t Au, including 1.3 m of 28.15 g/t Au with 0.7 m of 40.20 g/t Au
- 30.5 m of 0.61 g/t Au in drill hole 24TA-226
- 88.3 m of 0.56 g/t Au from surface in drill hole 24TA-227
- 32.4 m of 0.51 g/t Au in drill hole 24TA-228



- 201.8 m of 0.53 g/t Au from surface in drill hole 24TA-229
- 156.1 m of 0.53 g/t Au from surface in drill hole 24TA-230
- 33.4 m of 0.60 g/t Au in drill hole 24TA-231
- 19.7 m of 6.84 g/t Au (1.89 g/t Au capped), including 0.4 m of 315.00 g/t Au, in drill hole 24TA-232
- Multiple intercepts returned in drill hole 24TA-234 include:
  - 16.5 m of 3.02 g/t Au from surface, including 0.5 m of 7.97 g/t Au and 5.0 m of 5.00 g/t Au
  - 22.3 m of 0.62 g/t Au
  - 10.3 m of 0.73 g/t Au, including 0.5 m of 6.56 g/t Au
- Drill hole 24TA-235:
  - 4.3 m of 2.24 g/t Au from surface, and
  - 6.7 m of 0.95 g/t Au, including 0.4 m of 7.17 g/t Au
- Drill hole 24TA-236:
  - 15.5 m of 0.71 g/t Au from surface, and
  - 21.9 m of 3.18 g/t Au (1.54 g/t capped), including 0.3 m of 184.50 g/t Au
- Drill hole 24TA-237:
  - 34.7 m of 0.91 g/t Au from surface, including 2.7 m of 5.09 g/t Au
  - 6.1 m of 2.04 g/t Au including 1.0 m of 9.34 g/t Au

Drilling at the southwestern extent of the Taurus deposit continues to demonstrate greater continuity of near-surface mineralization along the main east-northeast striking sheeted vein sets and Taurus West Fault corridors than defined by the 2022 mineral resource estimate. Collectively, these drill holes highlight the potential for the ongoing expansion of near-surface mineralization within an expanded open pit shell the footprint.

The technical team continues to evaluate the distribution of these higher-grade results within specific higher-grade domains in advance of a resource update in early 2025.

All three drill holes from the Newcastle Prospect, which is located 2.5 km southeast of the Taurus deposit, encountered broad intercepts of mineralization above 0.5 g/t Au in 2024 and successfully expanded a broad, sparsely drill tested mineralized zone initially encountered during the 2023 drill program. Results include:

- Drill hole 24NC-008:
  - 141.4 m of 0.89 grams per tonne (g/t) gold (Au), including:
    - 4.6 m of 6.52 g/t Au,
    - 0.7 m of 12.55 g/t Au, and
    - 0.5 m of 9.84 g/t Au
- Multiple intercepts returned in drill hole 24NC-007 include:
  - 57.6 m of 0.50 g/t Au
  - 64.3 m of 0.51 g/t Au, including 0.6 m of 4.05 g/t Au and 0.4 m of 16.10 g/t Au
- Drill hole 24NC-009:
  - 27.0 m of 0.77 g/t Au, including 0.4 m of 16.80 g/t Au, and
  - 64.1 m of 0.53 g/t Au

The Newcastle drill holes were designed as follow up to a Phase 1 program conducted in 2023 which aimed to identify gold-bearing quartz vein and alteration systems in this area that have



potential to be amenable to host bulk-tonnage style mineralization. Most historical exploration work at Newcoast was designed to target higher grade, east-west trending quartz veins typical of narrow vein underground mining. These Newcoast drill results lend further support to the bulk-tonnage potential and continued expansion of the target area confirmed by the Phase 1 program.

For more information about the above drill results, please refer to these news releases: September 10, 2024, November 1, 2024, November 12, 2024, December 5, 2024, January 16, 2025 and January 22, 2025.

## **QUARTERLY FINANCIAL CONDITION**

### *Corporate*

On November 1, 2024, the Company appointed Michael Wood as the Chief Financial Officer.

### *Capital Resources*

On October 9, 2024, the Company closed a non-brokered private placement by issuing 296,428 flow-through units ("FT Units") at a price of \$0.35 per FT Unit and 770,000 charity flow-through units ("CFT Units") at a price of \$0.37 per CFT Unit for total gross proceeds of \$388,650. Each FT Unit and CFT Unit consists of one common share of the Company issued on a "CEE flow-through" basis pursuant to the *Income Tax Act* (Canada) and one warrant. Each warrant is exercisable by the holder to acquire one common share at a price of \$0.50 for a period of 24 months from the date of issuance. In connection with the non-brokered private placement, \$10,050 finders' fees were paid in cash and 40,200 finders' warrants were issued. Each finder's warrant is exercisable to acquire one common share at a price of \$0.50 for a period of 24 months from the date of issuance.

The Company uses the gross proceeds received from the flow-through offerings to incur eligible Canadian exploration expenses that qualify as flow-through mining expenditures, as both terms are defined in the *Income Tax Act* (Canada), and for British Columbia subscribers, British Columbia flow-through mining expenditures, as defined in the *Income Tax Act* (British Columbia), on the Company's flagship Cassiar gold project.

The Company is aware of the current conditions in the financial markets and has planned accordingly. The Company's current treasury and the future cash flows from warrants, finders' warrants, advisors' options and options, along with the planned developments within the Company are sufficient to carry out its activities throughout 2025. The Company would consider future equity financings if such financings are beneficial to the Company. If the market conditions change, the Company will make adjustment to its budgets accordingly.

### *Liquidity*

As at December 31, 2024, the Company had a working capital of \$3,250,933 (September 30, 2024 – \$4,013,192). With respect to working capital, \$3,675,123 was held in cash and cash equivalents (September 30, 2024 – \$4,935,714). The decrease in cash was mainly due to (a) operating expenses including exploration expenses totaling \$1,597,574; (b) lease payments of



\$25,295; while being offset by (c) net proceeds of \$281,404 from the issuance of shares; (d) interest income received of \$80,874.

### Operations

#### **For the three months ended December 31, 2024 compared with the three months ended December 31, 2023:**

The Company's exploration expenses amounted to \$676,715 (2023 - \$1,114,962), a decrease of \$438,247 as a result of the Company having wrapped up its exploration program by early October 2024.

Excluding the non-cash depreciation of \$30,874 (2023 - \$31,964) and share-based compensation of \$136,809 (2023 - \$253,189), the Company's administrative expenses amounted to \$465,465 (2023 - \$412,645), an increase of \$52,820 mainly due to: (a) office and administrative of \$89,211 (2023 - \$24,766); (b) management fees of \$142,764 (2023 - \$108,863); (c) marketing of \$152,803 (2023 - \$134,573); (d) travel and meals of \$18,991 (2023 - \$227); while being offset by (e) consulting of \$2,500 (2023 - \$95,960). These variances are a result of the Company being active in promoting the Company's just completed exploration program during the current period.

The other major item for the three months ended December 31, 2024, compared with December 31, 2023, was:

- Flow-through share premium of \$116,108 (2023 - \$341,721).

During the three months ended December 31, 2024, the Company reported a loss of \$1,154,587 (2023 - \$1,465,278), a decrease of \$310,691.

### **SIGNIFICANT RELATED PARTY TRANSACTIONS**

During the quarter, there was no significant transaction between related parties other than the normal course of business.

### **COMMITMENTS, EXPECTED OR UNEXPECTED, OR UNCERTAINTIES**

The Company's lease relates to the corporation's office. A discount rate of 8% was used to determine the present value of the lease obligations. The Company amended the lease agreement on January 4, 2024, to extend the lease term by 1 year with the same price. As a result, the Company remeasured the lease liability and recognized \$91,014 additional lease liability for the lease amendment agreement. A discount rate of 14% was used to determine the present value of the lease obligations on remeasurement date.



	<b>Lease obligation</b>
<b>Carrying value</b>	
As at September 30, 2023	\$ 63,107
Lease addition	91,014
Accretion of lease liability	11,731
Reayment of principal and interest	(101,059)
As at September 30, 2024	64,793
Accretion of lease liability	1,699
Reayment of principal and interest	(25,295)
As at December 31, 2024	\$ 41,197
Short term lease liability	\$ 41,197
Long term lease liability	\$ -

Other than disclosed in this MD&A – Quarterly Highlights, the Company does not have any commitments, expected or unexpected, or uncertainties.

## RISK FACTORS

In our MD&A filed on SEDAR January 24, 2025 in connection with our annual financial statements (the “Annual MD&A”), we have set out our discussion of the risk factors which we believe are the most significant risks faced by the Company. An adverse development in any one risk factor or any combination of risk factors could result in material adverse outcomes to the Company’s undertakings and to the interests of stakeholders in the Company including its investors. Readers are cautioned to take into account the risk factors to which the Company and its operations are exposed. To the date of this document, there have been no significant changes to the risk factors set out in our Annual MD&A.

## DISCLOSURE OF OUTSTANDING SHARE DATA

The authorized share capital of the Company consists of an unlimited number of common shares without par value. The following is a summary of the Company’s outstanding share data as at December 31, 2024:

	Issued and Outstanding	
	December 31, 2024	February 28, 2025
Common shares outstanding	127,213,002	127,213,002
Stock options	7,365,668	7,365,668
RSUs	2,648,002	2,648,002
DSUs	1,339,998	1,339,998
Warrants	37,092,294	37,092,294
Finder's warrants	1,988,370	1,988,370
Fully diluted common shares outstanding	177,647,334	177,647,334



## **QUALIFIED PERSON**

The technical information in this MD&A has been reviewed and approved by Jill Maxwell, PGeo, Cassiar Gold's vice-president of exploration, who is a qualified person as defined by National Instrument 43-101.

### **Cautionary Statements**

This document contains "forward-looking statements" within the meaning of applicable Canadian securities regulations. All statements other than statements of historical fact herein, including, without limitation, statements regarding exploration results and plans, and our other future plans and objectives, are forward-looking statements that involve various risks and uncertainties. Such forward-looking statements include, without limitation, our estimates of exploration investment, the scope of our exploration programs, and our expectations of ongoing administrative costs. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from our expectations are disclosed in the Company's documents filed from time to time via SEDAR+ with the Canadian regulatory agencies to whose policies we are bound. Forward-looking statements are based on the estimates and opinions of management on the date the statements are made, and we do not undertake any obligation to update forward-looking statements should conditions or our estimates or opinions change, except as required by law. Forward-looking statements are subject to risks, uncertainties and other factors, including risks associated with mineral exploration, price volatility in the mineral commodities we seek, and operational and political risks. Readers are cautioned not to place undue reliance on forward-looking statements.