(An Exploration Stage Company)

Management's Discussion and Analysis (MD&A)

(Form 51-102F1)

Year ended December 31, 2022

This Management's Discussion and Analysis ("MD&A") of Pacific Ridge Exploration Ltd. ("Pacific Ridge" or the "Company"), dated **April 24, 2023**, provides an update on the Company's business activities, financial condition, financial performance, and cash flows for the year ended December 31, 2022, and to the date of this MD&A. The Company's annual consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS") in Canadian dollars (unless otherwise indicated). The first, second, third and fourth quarters of the Company's fiscal years are referred to as "Q1", "Q2", "Q3", and "Q4" respectively.

The following information should be read in conjunction with the Company's audited consolidated financial statements for the years ended December 31, 2022, and 2021 (the "Financial Statements"), available on the SEDAR website at www.sedar.com.

The Company's shares are listed on the TSX Venture Exchange under the symbol "PEX" and on the Over-the-Counter Venture Markets (OTC-QB) under symbol PEXZF. Additional information related to Pacific Ridge is also available on the Company's website at www.pacificridgeexploration.com or on SEDAR at www.sedar.com

Forward Looking Statements and Risk Factors

This MD&A contains forward-looking statements that are related to the Company's activities and future financial results. The results for the current periods are not necessarily indicative of the results for any future period. The Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance as the mineral exploration business is not without risk and most exploration projects will not become mines. The Company is subject to a number of risks and uncertainties due to the nature of its business and the early stage of its exploration projects. A detailed discussion of risks is presented below, under the *Risk Factors* section.

Pacific Ridge's disclosure of a technical or scientific nature has been reviewed and approved by Gerald G. Carlson, Ph.D., P. Eng., Executive Chairman of the Company, and a Qualified Person under the definition of National Instrument 43-101.

Highlights for the first quarter of 2022

On January 31, 2022, the Company announced results of 2021 drill program on its Kliyul Cu-Au porphyry project. The second drill hole assayed 566.7 m of 0.48% copper equivalent or 0.76 g/t gold equivalent (at 0.20% Cu and 0.44 g/t Au), including 316.7 m of 0.75% CuEq or 1.17 g/t AuEq (at 0.30% Cu and 0.70 g/t Au; KLI21-037).

On January 27, 2022, the Company entered into a property purchase agreement to acquire a 100% interest in the Onjo Cu-Au porphyry project (Onjo) in north-central British Columbia. The Company paid $50,000 and issued 750,000 common shares with a fair value of $0.35 per share or $262,500. The vendor of Onjo retains a 2% NSR, with the Company having an option to purchase one quarter of the NSR at any time for USD $1,500,000.

On February 8, 2022, the Company announced that Antofagasta Minerals S.A (ANTO) signed an earn-in agreement on the Company's RDP Cu-Au project (RDP), located in north-central British Columbia. The agreement grants ANTO an option to acquire 75% interest in RDP by making payments of $1,350,000, plus a success payment of $800,000 upon exercise of the option, including spending a total of $10,000,000 on exploration over eight years, with $1,000,000 spent during the first year, and delivering a NI 43-101 compliant preliminary economic assessment (PEA) report.

On February 15, 2022, the Company announced results from the third and final drill hole of the 2021 drill program on Kliyul, which over 507 m from top of bedrock assayed 0.40% copper equivalent or 0.63 g/t gold equivalent (at 0.15% Cu and 0.39 g/t Au; KLI-21-038), including 88.0 m of 0.80% CuEq or 1.25 g/t AuEq (at 0.26% Cu and 0.84 g/t Au).

On February 22, 2022, the Company entered into a sale and purchase agreement to acquire a 100% interest in four internal claims at Onjo by paying $25,000 cash and issuing 250,000 common shares of PEX with a fair value of $0.265 per share or $66,250. With the acquisition of these claims, Pacific Ridge now owns 100% of the claims within the Onjo project boundary.

On March 14, 2022, the Company announced that it contracted Dorado Drilling Ltd., Vernon, B.C., as its diamond drilling contractor for the planned 6,000 m drill campaign at Kliyul.

Highlights for the second quarter of 2022

On April 22, 2022, The Company announced that it closed a $7.4 million financing, through the issuance of 19,150,000 charity flow-through units ("CFT Units") at a price of $0.328 per CFT Unit and 5,000,000 common share units ("CS Units") at a price of $0.23 per CS Unit.

On May 9, 2022, the Company announced it agreed to an option to acquire up to a 75% interest in the Chuchi (Chichi) porphyry Cu-Au property from AuRico Metals Inc., a wholly owned subsidiary of Centerra Gold Inc. The property is road accessible, located 35 km west of Centerra's Mount Milligan mine in central British Columbia.

On June 1, 2022, the Company announced its 2022 summer field program plans, including a 6,000 m core drilling program at its flagship Kliyul porphyry Cu-Au project, airborne Z-axis Tipper Electromagnetic (ZTEM) geophysical surveys at its Chuchi and Onjo porphyry projects, and geological mapping, prospecting and sampling, and a surface exploration program at Redton. The Company also announced a 1,500 m drill program funded by Antofagasta Minerals, S.A., at its RDP porphyry Cu-Au project. ANTO have the option to earn up to 75% interest in the project.

On June 14, 2022, the Company announced C. Paul Jago, MSc, was hired as Chief Geologist.

On June 29, 2022, the Company announced field crews were mobilized to Kliyul to commence camp construction in preparation for the arrival of two drill rigs in early July 2022.

Highlights for the third quarter of 2022

On July 11, 2022, the Company announced that drilling at Kliyul was underway. On September 27, 2022, the Company announced completion of the drilling, comprising 7,014.7 m in 12 drill holes.

On August 9, 2022, the Company announced commencing drilling RDP Cu-Au porphyry project, funded by ANTO, operated by Pacific Ridge. On September 1, 2022, the Company announced the completion of the program that included 1,861 m of drilling in six drill holes. Subsequent to the quarter, on October 25, 2022, the Company announced results from hole RDP-22-005 at RDP that returned 497.2 m of 0.66% copper equivalent ("CuEq") or 0.96 g/t gold equivalent ("AuEq"), including 107.2 m of 1.41% CuEq or 2.04 g/t AuEq.

On August 16, 2022, the Company announced that it had completed airborne ZTEM geophysical surveys over its Chuchi and porphyry Cu-Au projects in central British Columbia.

On September 22, 2022, the Company closed a non-brokered private placement raising ~~gross~~ total cash proceeds of $780,000 in units issued at a price of $0.23 per unit. Each unit is exercisable for two years and comprises one common share of the Company and one-half of one common share purchase warrant (a half-warrant), with each whole warrant exercisable to purchase one additional common share at an exercise price of $0.35.

Highlights for the fourth quarter of 2022

On October 25, 2022, the Company announced that a drill hole from the ANTO-funded program at RDP assayed 497.2 m of 0.66% CuEq, or 0.96 g/t AuEq, including 107.2 m of 1.41% CuEq or 2.04 g/t AuEq (RDP-22-005).

On November 16, 2022, the Company announced the results for the first six drill holes from the 2022 Kliyul program. A highlight from the program was a 588.0 m intercept grading 0.41% CuEq or 0.56 g/t AuEq (0.12% copper, 0.39 g/t gold, and 0.90 g/t silver), including 278.0 m of 0.67% CuEq or 0.92 g/t AuEq (0.14% copper, 0.72 g/t gold, and 0.95 g/t silver; KLI-22-041).

On November 17, 2022, the Company announced a brokered private placement aimed at raising gross proceeds of up to $11,485,000. On December 1, 2022, due to market conditions, this financing was cancelled.

However, also on December 1, 2022, the same day the Company had announced the cancellation of the $11,485,000 brokered private placement, the Company announced a $5 million bought deal private placement, consisting of 15,625,000 flow-through units at a price of C$0.32.

On December 1, 2022, the Company announced completion of the Chuchi 2022 exploration a program comprising geological mapping and prospecting, a soil sampling program and ZTEM airborne geophysical survey. The program identified several prospective porphyry Cu-Au targets.

On December 13, the Company announced the 2022 exploration program at Onjo identified three newly recognized porphyry Cu-Au targets. The exploration program consisted of geological mapping, and prospecting, a soil sampling program and ZTEM airborne geophysical survey.

On December 19, 2022, the Company announced the closing of a private placement of flow-through units ("FT Units") of the Company, each FT Unit comprising one flow-through common share of the Company and one-half of one common share purchase warrant, each full warrant entitling the holder to purchase one common share of the Company at a price of C$0.40 at any time on or before December 19, 2024. Pursuant to the Offering, the Company sold 18,750,000 FT Units at a price of C$0.32 per FT Unit, including 3,125,000 FT Units issued pursuant to the exercise of the Underwriters' over-allotment option for aggregate gross proceeds to the Company of $6,000,000.

On December 28, 2022, the Company announced that it had amended payment terms with BMC Minerals Ltd. for the option to purchase the Company's Fyre Lake property, located in the Yukon, and received a $500,000 cash payment.

Highlights subsequent to the end of 2022

On January 9, 2023, the Company announced the remaining results from the 2022 drill program completed at the RDP Cu-Au project, including a 59.4 m interval of 1.68% CuEq from the Day Zone (RDP-22-003).

On January 18, 2023, the Company announced the results from the remaining six drill holes from the 2022 diamond drill program completed at Kliyul. Results included an 89.0 m interval of 1.06% CuEq (0.28% copper, 1.05 g/t gold, and 1.20 g/t silver) within 328.0 m of 0.67% CuEq (0.25% copper, 0.57 g/t gold, and 1.25 g/t silver; KLI-22-050).

On February 23, 2023, the Company received cash proceeds of $600,000 on exercise of 4 million warrants with an exercise price of $0.15.

On March 6, 2023, the Company announced that it had acquired an option to earn up to a 75% interest in the Chuchi South property ("Chuchi South") from American Copper Development Corporation and prospector Ronald Bilquist. The Chuchi South adjoins Pacific Ridge's Chuchi project on the south and west and more than doubles the size of Pacific Ridge's current land position. The combined Chuchi properties total more than 16,000 ha.

On March 28, 2023, the Company received the remaining $400,000 cash payment from BMC Minerals, relating to their option to acquire a 100% interest in the Fyre Lake property.

The Company will be paid a further $1,000,000 when BMC's Kudz Ze Kayah property has reached commercial stage for one year.

Mineral Properties

Kliyul and Redton, British Columbia

In January 2020, the Company entered into an earn-in property agreement, as amended on April 7, 2020, and on July 22, 2020, with Aurico Metals Inc., with respect to the Kliyul and Redton properties located in British Columbia (BC).

Kliyul is a 6,000 ha advanced exploration project located 50 km southeast of the Kemess mine and 5 km from the Omineca mining road and power line, in one of the most geochemically anomalous areas for copper and gold in the Quesnel Terrane. The property contains several occurrences in the BC Minfile database, including the four major target areas of Kliyul, Parrish Hill/Bap Ridge, Ginger and M39, each representing an interpreted porphyry and alteration trend extending over a 4 km strike length.

Redton is a porphyry Cu-Au property that adjoins Northwest Copper Corporation's Kwanika property along its eastern and northern boundary. Redton is road accessible in this proven porphyry belt, underlain by the important Hogem Batholith within the prolific Quesnel Terrane.

In 2020, the Company completed a surface geophysical survey at Kliyul designed to probe the depth-extent of the chargeability and resistivity response related to the Kliyul mineralization, and to evaluate possible vectors to mineralization for a drill test of priority Cu-Au targets planned for 2021. At Redton, the Company completed a one-hole, 434 m drill program, which tested the Redton North target, a 550 m by 250 m magnetic and Induced Polarization (IP) chargeability anomaly with coincident 500 m x 100 m Cu-Mo soil anomaly, located 2.5 km north of Northwest Copper's Kwanika Central Zone deposit. No significant copper or gold assays were encountered in the hole.

During August and September of 2021, Pacific Ridge completed 1,544 m of diamond drilling in three holes at Kliyul. All three holes encountered porphyry-style mineralization consisting of pyrite, chalcopyrite and lesser bornite in veins and as disseminations. Logging of the drill core has a veining sequence characterized by early magnetite-chlorite alteration and veining which is cross-cut by later-stage banded quartz-magnetite veins as well as later generations of quartz+magnetite+chalcopyrite veining. The later stage veining brings in Cu-bearing chalcopyrite+bornite with quartz as well as epidote and/or anhydrite+magnetite. Early magnetite and quartz-magnetite veins are interpreted to represent the higher temperature part of the porphyry system at Kliyul Main Zone (KMZ). The presence of bornite is also an indication of proximity to the higher temperature core of a porphyry system and may be a positive vector towards the core of KMZ. All are characteristics associated with classic porphyry copper occurrences.

Pacific Ridge's 2021 drill program produced the longest and highest-grade intervals ever returned from Kliyul. A summary of assay results from the three holes is shown in the table below:

Hole	From(m)	To(m)	Width(m)	Cu(%)	Au(g/t)	CuEq(%)**	AuEq(g/t)***
KLI-21-036	12.0	449.0*	437.0	0.22	0.60	0.61	0.96
including	12.0	33.0	21.0	0.34	1.30	1.17	1.84
including	**294.0**	**435.0**	**141.0**	**0.36**	**1.11**	**1.07**	**1.68**
KLI-21-037	12.3	579.0*	566.7	0.20	0.44	0.48	0.76
including	**12.3**	**329.0**	**316.7**	**0.30**	**0.70**	**0.75**	**1.17**
including	243.9	268.0	24.1	1.09	2.21	2.50	3.92
KLI-21-038	9.0	516.0*	507.0	0.15	0.39	0.40	0.63
including	**9.0**	**351.0**	**342.0**	**0.17**	**0.50**	**0.50**	**0.78**

* End of hole.

**CuEq = ((Cu%) x $Cu x 22.0462) + (Au(g/t) x $Au x 0.032151)) / ($Cu x 22.0462)
***AuEq = ((Cu%) x $Cu x 22.0462) + (Au(g/t) x $Au x 0.032151)) / ($Au x 0.032151)
Commodity prices: $Cu = US$4.00/lb and $Au = US$1,750/oz.
Factors: 22.0462 = Cu% to lbs per tonne, and 0.032151 = Au g/t to oz per tonne
Recovery for Cu and Au is assumed to be 100%

Between late June and late September 2022, the company completed a 12-hole, 7014.7 m drill program at the KMZ and adjacent targets. Highlights of the drilling are shown in the table below.

Hole	From(m)	To(m)	Width(m)	Cu(%)	Au(g/t)	Ag(g/t)	CuEQ(%)	AuEQ(g/t)
KLI-22-039	9.3	252.0	242.7	0.15	0.17	1.05	0.29	0.39
	22.0	43.4	21.4	0.38	0.48	3.96	0.76	1.04
	192.0	229.0	37.0	0.20	0.27	0.67	0.40	0.55
KLI-22-040	23.0	550.8	527.8	0.19	0.30	1.35	0.42	0.58
	170.0	268.0	98.0	0.33	0.90	3.42	1.01	1.39
	210.0	253.0	43.0	0.50	1.11	2.72	1.33	1.83
KLI-22-041	12.0	600.0	588.0	0.12	0.39	0.90	0.41	0.56
	280.0	323.0	43.0	0.09	1.59	1.34	1.26	1.73
	337.0	398.0	61.0	0.25	1.15	1.12	1.09	1.50
KLI-22-042	9.0	702.0	693.0	0.11	0.20	0.81	0.26	0.36
	438.0	474.4	36.4	0.14	0.62	0.99	0.60	0.82
KLI-22-043	9.0	516.0	507.0	0.17	0.19	0.82	0.32	0.44
	165.0	229.0	64.0	0.31	0.47	1.82	0.67	0.92
KLI-22-044	11.6	651.0	639.4	0.11	0.23	0.84	0.29	0.39
	409.0	432.2	23.2	0.24	0.94	1.40	0.94	1.29
KLI-22-045	112.0	184.0	72.0	0.21	0.59	1.96	0.66	0.91
KLI-22-046	273.0	442.0	169.0	0.20	0.46	1.65	0.55	0.75
	371.0	430.0	59.0	0.24	0.87	2.29	0.89	1.22
KLI-22-047	No significant values							
KLI-22-048a	No significant values							
KLI-22-049	144.0	484.0	340.0	0.15	0.20	0.80	0.30	0.41
KLI-22-050	58.0	584.0	526.0	0.20	0.43	1.03	0.52	0.71
	254.0	308.0	54.0	0.40	1.03	2.42	1.17	1.60
	354.0	443.0	89.0	0.28	1.05	1.20	1.06	1.45

In addition to the drill program, Pacific Ridge advanced geological work on several other interpreted porphyry centres that occur along the 4 km long northwest-trending corridor of porphyries and quartz-sericite-pyrite alteration. The Company completed a 27 line-km IP survey across the Ginger zone, Parish Hill/Bap Ridge zone, and M-39 zone, as well as a mapping and rock geochemical sampling program over the same areas, a high-resolution aeromagnetic survey over the central portion of the Property and a LiDAR survey over the entire Property. The Company plans an expanded drill program for 2023.

At the Redton project, the Company completed a program of mapping, soil and rock sampling.

RDP, British Columbia

In May 2021, the Company acquired an option on the RDP Cu-Au porphyry project in central British Columbia, approximately 40 km west of its flagship Kliyul Cu-Au project. Pacific Ridge has the option to earn a 100% interest in RDP by making payments of $125,000, issuing 1,200,000 shares and completing $860,000 in exploration in stages by December 15, 2023. In addition, the Company will issue 300,000 shares to the vendor on completion of 5,000 m of drilling and an additional 500,000 shares upon defining a 1,000,000 ounces of gold equivalent resource in the inferred or greater category. The property is also subject to a 2% NSR payable to the vendor, half of which can be purchased at any time for $1.5 million.

RDP is a 3,800 ha project lying within the Stikine Terrane, which is host to numerous significant porphyry deposits in northern British Columbia, including Kemess, Red Chris, Kerr - Sulphurets and Galore Creek. Exploration at RDP since the early 1970's has included prospecting and mapping, various geochemical surveys, ground and airborne geophysical surveys, trenching and a limited amount of drilling. This work has identified three porphyry centres – Roy, Day and Porcupine. Mineralization the Roy prospect consists of a quartz-magnetite-chalcopyrite "stringer" stockwork veining within a monzonite intrusive. Trenching in 1991 encountered 0.121% Cu and 0.55 g/t Au over 62 m within an 80 m long trench. Only a single drill hole has been documented at Roy in 2011, and it encountered 122.95 m of 0.11% Cu and 0.64 g/t Au. At the Day prospect, mineralization includes pyrite, magnetite, chalcopyrite, minor molybdenite, and traces of bornite as disseminations and fracture fillings in a diorite and adjacent altered volcaniclastic rocks. Historical drill highlights include 58.8 m grading 0.67% Cu and 0.93 g/t Au (D-74-13) and 57 m of 0.54% Cu and 0.75 g/t Au (C-92-13). The Porcupine target had been explored as a stratabound, massive sulphide target, but recent interpretation of the alteration and soil geochemistry suggests the potential for porphyry style mineralization.

During 2021, the Company completed a mapping and sampling program at RDP, focusing on Roy and Day.

On February 8, 2022, the Company announced that it had signed an earn-in agreement with ANTO on RDP. The Agreement grants ANTO an option to acquire a 75% interest in RDP by making payments of $1,350,000 of which $125,000 has been paid, plus a success payment of $800,000 upon exercise of the option, by spending $10,000,000 on exploration over eight years, and of which $1,000,000 is to be spent during the first year, and delivering a NI 43-101 compliant preliminary economic assessment report. ANTO advanced $2,186,962 to the Company for the 2022 exploration program, of which $1,752,406 was incurred in exploration costs on behalf of ANTO by the end of the fourth quarter on RDP, and $49,215 paid to the Company in project management fees.

During the 2022 field season, the Company completed a drilling program comprising six holes totalling 1,861 m. Highlight results are shown in the table below:

Hole No	From(m)	To(m)	Width(m)	Cu(%)	Au(g/t)	Ag(g/t)	CuEQ(%)	AuEQ(g/t)
RDP22-001	9.5	61.0	51.5	0.51	0.65	2.59	1.01	1.38
RDP22-002	16.0	42.5	26.5	0.50	0.69	4.84	1.04	1.43
RDP22-003	13.1	72.5	59.4	0.78	1.20	2.99	1.68	2.30
RDP22-004	15.3	58.0	42.7	0.43	0.70	1.69	0.96	1.32
RDP22-005	15.8	513.0	497.2	0.37	0.40	1.60	0.68	0.93
	15.8	39.0	23.2	1.02	1.84	4.09	2.40	3.29
	15.8	123.0	107.2	0.63	1.10	2.91	1.45	1.99
RDP22-006	4.0	379.0	375.0	0.04	0.19	0.23	0.18	0.25
	4.0	30.1	26.1	0.12	0.54	0.50	0.52	0.71

ANTO has not yet announced its 2023 field season exploration plans for RDP.

Chuchi, British Columbia

The Company has the option to acquire up to a 75% interest in the Chuchi porphyry Cu-Au project from AuRico Metals Inc., a wholly owned subsidiary of Centerra Gold Inc. Pacific Ridge has the right to earn a 51% interest by making cash payments totaling $60,000 of which $10,000 have been paid, issuing 2.0 million shares, and spending $5 million on exploration by the fourth anniversary of the agreement. The Company then has the right to increase its interest in Chuchi to 75% by making additional payments totaling $100,000, issuing 1.5 million shares and completing an additional $5 million in exploration by the sixth anniversary of the agreement. Various claims are subject to up to 6% in net smelter royalties, which can be bought down to 2.1%.

Chuchi is located in north central British Columbia and is more than 6,100 ha in size. The project is road accessible project, located 90 km north of Fort St. James and 35 km northwest of Centerra Gold's Mount Milligan mine. Chuchi is within is in the prolific Quesnel Terrane and is underlain by lower Jurassic volcanic and sedimentary rocks of the Takla Group. Porphyry Cu-Au mineralization at the BP and Rio Algom Zones is associated with a cluster of early Jurassic monzodiorite to syenite porphyry intrusions, dated at 188.5 Ma ± 2.5 Ma. The main BP Zone is defined by 4 km x 3 km halo of outer propylitic alteration surrounding a central 1.5 km x 1.5 km area of Cu-Au mineralization, which is open to depth and potentially to the east across the north-south trending Valley Fault.

Chuchi has a long history of exploration by companies such as Noranda, BP, Rio Algom, Kiska Metals and AuRico, and the project has had 8,886 m of drilling in 48 holes, of which 39 have targeted the main BP Zone. An additional 27 holes were drilled in 1991, but the records for this drilling have been lost. Most of the drilling was shallow, less than 150 m in depth, with many of the drill holes ending in mineralization. Grades within the mineralized portion of the BP Zone range from 0.21% to 0.4% Cu and from 0.21 g/t to 0.44 g/t Au. Pacific Ridge believes that the core of the porphyry system has yet to be identified. The Project also contains other targets that could represent porphyry centres.

During 2022, the Company completed a 720 line-km airborne ZTEM survey over the Chuchi claim block, followed by a two-week program of mapping and soil sampling over key target areas of the Property as outlined by previous studies and the results of the ZTEM survey. The program identified several new porphyry Cu-Au targets.

Plans for 2023 include an IP geophysical survey over the newly defined targets followed by up to 2,000 m of drilling.

Onjo, British Columbia

On January 27, 2022, the Company entered into a property purchase agreement to acquire a 100% interest in the Onjo Cu-Au porphyry project in north-central British Columbia. The Company paid $50,000 in cash and issued 750,000 common shares with a fair value of $0.35 per share or $262,500. The vendor retains a 2% NSR, with the Company having an option to purchase one quarter of the NSR at any time for USD $1,500,000. On February 22, 2022, the Company entered into a sale and purchase agreement to acquire a 100% interest in four internal claims at Onjo by paying $25,000 cash and issuing 250,000 common shares with a fair value of $0.265 per share or $66,250. With the acquisition of these internal claims, Pacific Ridge now owns 100% of the claims within the Onjo project boundary.

The 14,692 ha road accessible Onjo property lies in the 1,300 km long Quesnel Trough which hosts numerous alkalic porphyry Cu-Au deposits from southern to northern B.C., and on the same magnetic trend that hosts the Mt Milligan, Chuchi and Kwanika porphyry discoveries.

The Onjo property hosts skarn and alkalic porphyry Cu-Au mineralization associated with monzonitic phases of the Witch Lake intrusions cutting Takla volcanic rocks, similar to the mineralization and host rocks at the Mount Milligan Mine. The style of Cu-Au mineralization returned in historical drilling, combined with the presence of nearby skarn occurrences, leads Pacific Ridge to believe that past operators at Onjo encountered the upper levels of an alkalic porphyry system. The Company believes that Onjo has the potential to host an alkalic porphyry Cu-Au deposit at depth.

During the third quarter of 2022, the Company completed a 667 line-km airborne ZTEM survey over the Onjo claim block. The Company then carried out a ten-day program of mapping and soil sampling over key areas of the Property as outlined by previous studies and the results of the ZTEM survey. The Company continues to evaluate the results of this survey work before planning additional exploration at Onjo.

Spius, British Columbia

On April 27, 2018, as amended on December 12, 2019, October 25, 2020, and December 27, 2021, the Company acquired an option to earn a 100% interest in the Spius Cu-Mo porphyry property by making payments of $110,000 ($50,000 paid), issuing 1,400,000 shares (400,000 issued) and completing $825,000 in exploration by December 31, 2022. The property is road accessible and located 40 km southwest of Merritt, British Columbia.

The Spius property was explored for its porphyry potential in the 1960's and early 1970's. Exploration focused on a gossan area where work included an IP survey, trenching and 27 percussion and core drill holes. The drilling was shallow, with none of the drill holes exceeding 100 m. Recent exploration has defined a central copper soil geochemical anomaly. Two float samples of porphyry style mineralization with disseminated chalcopyrite assayed 2.53% Cu and 1.43% Cu.

Due to the weak results from a four-hole drill program in 2019, the Company decided to impair the $71,000 carrying value for Spius.

On October 20, 2020, the Company entered into an Option Agreement with Arctic Fox Ventures Inc. whereby the Company granted Arctic Fox an option to acquire a 60% interest in Spius by making payments of $50,000, issuing 1,000,000 shares and spending $550,000 on exploration, originally by December 31, 2022. In consideration for an amendment dated September 27, 2022, which extended the final commitments of Arctic Fox with the underlying owners of Spius to December 31, 2024, the Company received 33,334 common shares of Arctic Fox. With this agreement, Arctic Fox assumes all the Company's obligations under the original agreement with the underlying owners of Spius, including its amendments.

In June 2021, Arctic Fox completed a two-hole 457.4 m drill program at Spius. The first drill hole encountered porphyry style mineralization, averaging 0.114% Cu, 23.5 ppm Mo and 0.7 ppm Ag over 41.45 m from 35.85 m to the bottom of the hole, including a higher-grade copper zone: 0.886% Cu over 1.3 m (66.05 to 67.35 m). The second hole encountered porphyry style mineralization throughout its length, including 0.155% Cu, 71 ppm Mo and 0.8 ppm Ag over 15.2 m (341.25 to 356.45 m), with two intervals of higher-grade copper: 0.832% Cu over 0.65 m (257.5 to 258.4 m) and 0.658% Cu over 1.32 m (346.18 to 347.5 m). These higher-grade intervals occur within zones of quartz-sericite-pyrite veins with potassium feldspar altered selvages, with chalcopyrite and traces of molybdenite. Arctic Fox is evaluating these results to determine its future plans for the property.

Gap, British Columbia

The Gap project is a reconnaissance porphyry Cu-Au exploration program in central British Columbia. The Company is evaluating known properties and showings as well as examining regional geological, geophysical and geochemical databases for evidence of potential porphyry Cu-Au mineralization. The Orbison claims were staked as a part of the Gap project.

Mariposa, Yukon

The Company's 100% owned 295 km^2 Mariposa property is in the Yukon's White Gold District, 120 km southeast of Dawson City, 40 km southeast of White Gold's Golden Saddle deposit and 30 km east-northeast of Newmont's Coffee property. Prior exploration identified an open-ended 7 km long horizon of altered sulphide bearing quartz mica schist in the Skookum Zone area, in a setting favorable for hosting gold mineralization.

Since 2010, The Company has spent over $6 million exploring the Mariposa property, including geological mapping, soil geochemical surveys, geophysical surveys, trenching and drilling. Results are summarized on the Company's web site.

During the 2022 field season, the Company completed a program of re-sampling and reclamation of historical trenches dating from 2012. The Company expects to spend an approximately $50,000 in further reclamation during 2023. As no further exploration is contemplated, the Company impaired the carrying value of Mariposa of $429,619 on December 31, 2022.

The plans for advancing Mariposa include seeking a potential farm-out for the property.

Eureka Dome, Yukon

The Company's 100% owned 32 km^2 Eureka Dome property is located 70 km southeast of Dawson City, within the Klondike-White Gold District. Placer mining activity in Eureka Creek dates to the 1896 gold rush, with estimated historical production from Eureka and Black Hills Creeks of greater than 140,000 oz. Au.

The plans for advancing Eureka Dome include seeking a potential farm-out for the property.

Gold Cap, Yukon

The 100% owned 1,100 ha Gold Cap property adjoins the northeast boundary of White Gold Corp's Golden Saddle property. The property was staked in 2009 based on an anomalous gold silt sample reported by the Geological Survey of Canada. In 2010, Pacific Ridge collected 1,766 soil samples and defined two anomalous gold zones.

The plans for advancing Gold Cap include seeking a potential farm-out for the property.

Fyre Lake, Yukon

The Company owned a 100% interest in the Fyre Lake Cu-Au-Co massive sulphide project in the Yukon's Finlayson Lake District. The Company spent approximately $6.0 million on diamond drilling that resulted in definition of a NI 43-101 compliant mineral resource estimated, at a 1.0% copper cut-off, to contain an indicated mineral resource of 3.6 Mt grading 1.57% Cu, 0.10% Co and 0.61 g/t Au and an inferred mineral resource of 5.4 Mt grading 1.5% Cu, 0.08% Co and 0.53 g/t Au. The resource remains open for expansion.

In December 2016, the Company announced that it had agreed to option a 100% interest in the project to BMC Minerals Ltd., amended on December 19, 2018, on April 10, 2020, December 12, 2021, and on December 20, 2022, whereby BMC had the right to acquire a 100% interest in Fyre Lake. The Company received a non-refundable deposit and initial option payment of $375,000 as follows:

A non-refundable deposit and initial option payment of $375,000 ($25,000 received in November 2016 and $350,000 received in January 2017), a second option payment of $300,000 received in December 2017, and a third option payment of $1,200,000 received on December 28, 2018. During the year ended December 31, 2019, the Company received a further $150,000. A special payment of $250,000 was made pursuant to the April 10, 2020, amending agreement, followed by three separate $75,000 payments, two of which were received during 2020 and the last one of which was paid during June of 2021. In addition, pursuant to an amending agreement dated December 22, 2021, the Company received a payment of $250,000 during December of 2021. During the year ended December 31, 2022, the Company received $575,000 from BMC ($75,000 on June 30, 2022, and the rest on December 23, 2022).

On March 28, 2023, The Company received a $400,000 cash payment from BMC. This was BMC's final payment required to acquire a 100% interest in Fyre Lake. The Company will be paid a further $1,000,000 when BMC's Kudz Ze Kayah property has reached commercial stage for one year.

Summary of capitalized acquisition costs and exploration expenses:

The following acquisition-related costs are carried by the Company in its consolidated statement of financial position presented with its Financial Statements:

	Company-owned properties			On option from third parties				Total
	Mariposa YT	Onjo BC	Orbison BC	Kliyul BC	Redton BC	RDP BC	Chuchi BC	
	$	$	$	$	$	$	$	$
Balance, December 31, 2020	429,619	-	-	12,500	12,500	-	-	454,619
Option payments in cash	-	-	-	10,000	10,000	15,000	-	35,000
Option payments in shares	-	-	-	-	-	52,000	-	52,000
Staking costs	-	-	-	-	-	16,449	-	16,449
Balance, December 31, 2021	429,619	-	-	22,500	22,500	83,449	-	558,068
Option payments in cash	-	75,000	-	12,500	12,500	30,000	15,000	145,000
Other payments in cash	-	6,505	12,261	-	-	-	18,323	37,089
Option payments in shares	-	328,750	-	-	-	88,500	-	417,250
Option payments received	-	-	-	-	-	(125,000)	-	(125,000)
Impairment	(429,619)	-	-	-	-	-	-	(429,619)
Balance, December 31, 2022	**-**	**410,255**	**12,261**	**35,000**	**35,000**	**76,949**	**33,323**	**602,788**

The following is a summary of exploration expenses incurred in each of the Company's projects, the total of which is presented with the Company's statement of loss and comprehensive loss presented with its Financial Statements:

Property	Province / Territory	Year ended December 31 **2022**	2021
		$	$
Kliyul	BC	**5,193,650**	2,034,974
Chuchi	BC	**314,637**	-
Onjo	BC	**277,050**	-
Redton	BC	**112,816**	33,306
Mariposa	YT	**53,232**	3,797
RDP (portion spent by the Company)*	BC	**47,106**	135,074
RDP (project management fees charged by the Company)*	BC	**(49,215)**	-
Orbison	BC	**13,923**	-
Fyre Lake	YT	**-**	514
Spius **	BC	**(4,261)**	20,432
General exploration not allocated to a specific property		**133,398**	108,460
Total exploration expenses incurred by the Company:		**6,092,336**	2,336,557
* Additional exploration in RDP financed by Antofagasta:		**1,752,406**	-
Total exploration expenses		**7,844,742**	2,336,557

* Of the total amount spent at RDP, $47,106 was spent directly by the Company before the Antofagasta agreement came into effect, after which $1,752,406 was incurred of RDP exploration costs on behalf of Antofagasta. The Company charged a project management fee of $49,215 to Antofagasta.

** The Spius amount reflects the receipt of 33,334 common shares of Arctic Fox Ventures valued at $4,333 on the date of issuance.

Financing Activities

- On December 19, 2022, the Company closed a bought deal private placement of 18,750,000 flow-through units of the Company at a price of $0.32 per unit. Each unit is comprised of a "flow-through share" within the meaning of the Income Tax Act (Canada) (each, a "FT Share") and one-half of one common share purchase warrant (each whole warrant, a "Warrant"). Each Warrant entitles the holder to purchase one non-flow-through common share of the Company (each, a "Warrant Share") at a price of C$0.40 at any time on or before December 19, 2024. The FT Shares, Warrants and Warrant Shares will be subject to a hold period ending on April 20, 2023.

  The Company applied the residual value approach to allocate the proceeds received from the unit offering to their respective components. The fair value of the common shares was determined by using the trading price of the Company's shares at the date of issuance. The excess of the unit price over the fair value of the common shares was used to determine the residual value. The residual value was allocated between warrants and the flow-through liability by using their relative fair values as determined by the Black-Scholes option pricing model and the approximate expected tax benefit received by the investor, respectively. The flow-through liability was calculated at $1,029,704 using the Black-Scholes option pricing model with the following parameters: expected volatility: 114.33%, risk-free interest rate: 3.75%, dividend yield: 0%, and expected life of two years.

  The Company paid an underwriters' commission of $360,000 and issued them 1,125,000 compensation warrants entitling its holders to purchase one common share of the Company at a price of $0.32 at any time on or before December 19, 2024. The fair value of the agents' compensation warrants was calculated at $144,678 using the Black-Scholes option pricing model with the following parameters: expected volatility 114.33%, risk-free interest rate: 3.75%, dividend yield 0% and expected life of two years.

  Other share issuance costs incurred in connection with this private placement amounted to $203,226 of which $58,974 remained as accounts payable as at December 31, 2022, and was paid subsequent to year end.

- On September 22, 2022, the Company raised gross cash proceeds of $780,000 on closing of a non-brokered private placement. The Company issued 3,391,304 units at a price of $0.23 per unit. Each unit consisted of one common share and one half of a share purchase warrant. Each whole share purchase warrant entitles its owner to purchase one common share of the Company at a price of $0.35 per share for two years from the date of issuance. The proceeds are to be used for general working capital and for exploration activities. Share issuance costs in connection with this placement amounted to $6,586.

  The Company applied the residual value approach to allocate the proceeds received from the unit offering to their respective components (shares and warrants). Using this approach, the Company attributed no fair value to the warrant portion of the units issued to investors.

- On April 22, 2022, the Company closed a "best efforts" brokered private placement (the "Financing") with M Partners Inc. and Red Cloud Securities Inc., co-lead agents and joint book runners ("Agents"), and raised total gross cash proceeds of $7,431,200 through the issuance of 19,150,000 charity flow-through units ("CFT Units") at a price of $0.328 per CFT Unit and 5,000,000 common share units ("CS Units") at a price of $0.23 per CS Unit, including exercise in full of the Agent's 15% over-allotment option.

  The CFT Units issued in connection with the Financing consist of one flow-through common share of the Company and one-half of one common share purchase warrant (each whole warrant, a "Warrant"). The CS Units issued in connection with the Financing consist of one non-flow-through common share of Pacific Ridge and one-half of one Warrant. Each Warrant is exercisable to purchase one additional non-flow-through common share at an exercise price of $0.35 for a period of 24 months.

  The Company applied the residual value approach to allocate the proceeds received from the unit offering to their respective components (shares, flow-through premium liability, and warrants). Using this approach, the Company attributed no fair value to the flow-through premium liability and warrant portions of the units issued to investors.

  In connection with the Financing, the Company paid the Agents an aggregate cash commission of $358,446 and issued the Agents an aggregate of 1,299,999 compensation warrants. Each compensation warrant is exercisable to purchase one common share of the Company at a price of $0.23 for a period of 24 months. All securities issued in connection with the Financing carry a legend restricting trading of the securities until August 22, 2022.

  The fair value of the 1,299,999 compensation warrants was calculated at $416,289 using the Black-Sholes option pricing model with the following parameters: expected volatility: 126.9%, risk-free interest rate 2.5% and expected life of two years.

  In addition, the Company reimbursed the Agents for legal fees and expenses amounting to $61,500. Other share issue costs incurred in connection with the preparation of agreements, transfer agent fees, filing fees, etc., amounted to $207,324.

- During the year ended December 31, 2022, the Company issued 1,000,000 common shares with a fair value of $328,750 for the acquisition of the Onjo property.

- During the year ended December 31, 2022, the Company issued 300,000 common shares with a fair value of $88,500 as part of the acquisition agreement for the RDP property.

- During the year ended December 31, 2022, the Company issued 1,397,978 common shares upon exercise of a similar number of share purchase warrants (including 4,500 agent warrants) for cash proceeds of $254,757.

- During the year ended December 31, 2022, the Company issued 890,000 common shares upon exercise of a similar number of stock options for cash proceeds of $79,900.

- Total share issuance costs for the year ended December 31, 2022, amounted to $1,824,365 of which $1,205,852 was paid in cash (included amounts mentioned in note 6(a)(i) and 6(a)(ii)), with $58,974 remaining payable at December 31, 2022, and $559,539 attributed to the fair value of the Agent's warrants, which was charged to contributed surplus.

Selected annual information

Selected annual information from the Company's three most recently completed financial years are listed below:

	2022	2021	2020
	$	$	$
Net income (loss) income for the year	(7,707,461)	(2,803,742)	(493,510)
Basic and diluted income (loss) income per share	(0.11)	(0.06)	(0.02)
Total assets	8,625,038	1,336,262	1,227,771
Long-term financial liabilities	-	-	-
Cash dividends declared	-	-	-

During 2022, the company completed three private placements, more thoroughly described under *Financing activities* in the preceding section, and embarked in its largest exploration program to date, with its main focus on the Company's Kliyul Cu-Au project. The Company also received $575,000 in option payments from BMC related to the Company's Fyre Lake property, and $125,000 from Antofagasta Minerals with respect to the RDP property. During 2022, the Company received $267,372 corresponding to the British Columbia Mining Exploration Tax Credit (BCMETC) for exploration carried out during 2021.

During 2021, the Company completed two private placements described under *Financing Activities*, below. The private placements made possible a much-increased exploration activity than in prior years, particularly at the Company's Kliyul property, thus resulting in a significantly higher net loss for this year.

During 2020 the Company received $400,000 from BMC for the Company's Fyre Lake property, and is reported as *Property option payments* on the Company's consolidated statement of loss and comprehensive loss, and summarized in the next section. Also during 2020, the Company completed a flow-through private placement raising $234,000, and significantly increased exploration activities, focused on its recently acquired Kliyul and Redton properties in British Columbia.

Results of Operations

Year-to-date:

A summary of comparative administrative and other expense is provided in the table below:

	Year ended December 31		
	2022	2021	Increase (decrease)
Administration expenses	**$**	$	$
Amortization of right-of-use asset	**27,652**	38,273	(10,621)
Depreciation	**4,606**	2,833	1,773
Finance lease interest	**1,108**	4,643	(3,535)
Insurance	**26,559**	20,160	6,399
Professional and consulting	**67,152**	129,419	(62,267)
Management and administrative	**355,408**	330,275	25,133
Office operations and facilities	**154,363**	46,905	107,458
Shareholder communications	**572,642**	301,740	270,902
Share-based payments	**805,613**	233,508	572,105
Transfer agent and regulatory fees	**59,107**	54,269	4,838
	2,074,210	1,162,025	912,185
Exploration-related expenses (income)			
Exploration and evaluation costs	**6,092,336**	2,336,557	3,755,779
Mining tax credit	**(267,372)**	(157,070)	(110,302)
Property option payments	**(575,000)**	(325,000)	(250,000)
Impairment of resource properties	**429,619**	-	429,619
	5,679,583	1,854,487	3,825,096
Other expenses (income)			
Interest received	**(49,809)**	(3,366)	(46,443)
Foreign exchange (gain) loss	**3,477**	4,451	(974)
Flow-through tax recovery	**-**	(213,855)	213,855
	(46,332)	(212,770)	166,438
Net loss	**(7,707,461)**	(2,803,742)	(4,903,719)
Other comprehensive income (loss):			
Net change in fair value of marketable securities	**(13,500)**	11,300	(24,800)
Total comprehensive loss	**(7,720,961)**	(2,792,442)	(4,928,519)
Loss per share (basic and diluted)	**(0.10)**	(0.06)	
Weighted average number of shares outstanding basic and diluted	**74,935,841**	47,832,999	

Results of Operations (continued)

The Company has not yet determined whether any of its resource properties contain mineral reserves that are economically recoverable. All direct costs associated with the exploration of these properties have been expensed as incurred.

Administration expenses:

Amortization of $27,652 and depreciation of $4,606 reflect the costs of the Company's administration offices, with added space during 2021 to accommodate the Chief Executive Officer. As the lease reached its end on August 31, 2022, the amounts during the current year were lower than in the preceding year.

The increase in Insurance expense of $6,399 is due to more ample coverage upon renewal of its directors and officers' insurance as well as its commercial general liability insurance.

Professional and consulting were $62,257 higher in the prior year mainly due to legal fees incurred in the negotiation and preparation of contracts related to exploration and acquisition of properties.

Management and administrative expenses increased by $25,133 over the comparative period as compensation to executive officers was increased during Q2 2022.

Office operations increased by $107,458 as a result of adding office services for supporting staff, and more exploration activity requiring higher general office expenses.

Shareholder communications increased by $270,902 over the prior year due to activities related to raising the Company's profile with potential investors, including attending events both in Canada and abroad, in conjunction with the financing efforts carried out during the year.

Share-based payments relate to the fair value of the stock options granted during the periods. This is a non-cash expense reflected in the contributed surplus line of the Company's statement of financial position. During Q2 2022 the Company granted approximately 46% more stock options than during the prior year and did so at a higher weighted average exercise price. At the same time, 2022 was a year that saw an increase in interest rates, affecting the stock option valuation parameters, resulting in an increase of $572,105 over the prior year.

The slightly larger transfer agent and regulatory fees during the current period relate to the acquisition of the Onjo and Chuchi properties, and higher TSX Venture Exchange annual fees (paid in Q1 of each year) as a result of the Company having a larger market capitalization, and also to the fact that the Company is also listed in the OTC, causing additional listing maintenance fees during Q1 2022.

Exploration-related expenses

With the financing activities that took place during April 2022, the planning and initiation of exploration expenses for the current year included a much larger budget as compared with the same period in 2021. Please see the first sections of this MD&A, which describe in more detail the exploration activities carried out.

The Company received $267,372 corresponding to the British Columbia Mining and Exploration tax credit ("BCMETC") for work carried out during 2021. During the equivalent period of 2021, the Company received $157,070 of BCMETC corresponding to amounts expensed in qualifying exploration activities during 2019 and 2020.

The Company also received $700,000 in property option payments in 2022, more than double the amount of the prior year, of which $575,000 were related to the Fyre Lake property, and the remaining $125,000 were related to the RDP property and used to reduce the carrying value of this property on the Company's consolidated statement of financial position.

Other income

With larger amounts of cash in the bank at the same time of a general increase in interest rates during 2022, the Company earned more interest than during the comparative period.

Most recent quarter:

	Three months ended December 31		
	2022	2021	Increase (decrease)
Administration expenses	$	$	$
Amortization of right-of-use asset	**-**	10,370	(10,370)
Depreciation	**1,074**	1,020	54
Finance lease interest	**-**	906	(906)
Professional and consulting	**46,468**	34,682	11,786
Management and administrative	**90,468**	122,695	(32,227)
Office operations and facilities	**55,943**	16,439	39,504
Shareholder communications	**164,955**	76,243	88,712
Share-based payments	**14,211**	12,621	1,590
Transfer agent and regulatory fees	**7,173**	4,630	2,543
	380,292	279,606	100,686
Exploration-related expenses (income)			
Exploration and evaluation costs	**982,203**	1,030,513	(48,310)
Property option payments	**(450,000)**	(250,000)	(200,000)
Impairment of resource properties	**429,619**	-	429,619
	961,822	780,513	181,309
Other expenses (income)			
Interest received	**(18,580)**	(300)	(18,280)
Foreign exchange (gain) loss	**834**	1,300	(466)
Flow-through tax recovery	**-**	(213,855)	213,855
	(17,746)	(212,855)	195,109
Net loss	**(1,324,368)**	**(847,264)**	(477,104)
Other comprehensive income (loss):			
Net change in fair value of marketable securities	**(4,700)**	1,000	(5,700)
Total comprehensive loss	**(1,329,068)**	(846,264)	(482,804)
Loss per share (basic and diluted)	(0.02)	(0.02)	
Weighted average number of shares outstanding basic and diluted	**87,253,195**	53,867,386	

The discussion used for the year-to-date expenses (above) is applicable to expenses incurred during the most recent quarter. Q4 of 2022 saw the Company complete the $6,000,000 flow-through financing.

Summary of Quarterly Results

The following table sets forth a comparison of information for the previous eight quarters:

	Quarter ended (three-month figures) ($)			
	31-Dec 2022 (Q4)	30-Sep 2022 (Q3)	30-Jun 2022 (Q2)	31-Mar 2022 (Q1)
Revenues	**-**	-	-	-
General and administration	**(365,841)**	(298,832)	(314,457)	(259,578)
Lease amortization and interest	**-**	(7,007)	(10,741)	(11,012)
Depreciation of plant and equipment	**(1,074)**	(1,278)	(1,133)	(1,121)
Share-based payments	**(14,211)**	(15,583)	(764,478)	(11,341)
Exploration and evaluation costs	**(982,203)**	(4,451,027)	(482,722)	(176,384)
Interest received	**18,580**	22,387	8,539	303
Mining tax credit and government grants	**-**	267,372	-	-
Impairment of resource properties	**(429,619)**	-	-	-
Property option payments	**450,000**	50,000	75,000	-
Net loss for the period	**(1,324,368)**	(4,433,968)	(1,489,992)	(459,133)
Basic and diluted loss per share	**(0.02)**	(0.05)	(0.03)	(0.01)
Total assets	**8,625,038**	4,166,355	9,399,606	1,747,614
Total liabilities	**1,787,594**	469,097	2,055,401	598,077
Shareholders' equity	**6,837,444**	3,697,258	7,344,205	1,149,537
Cash dividends declared	**Nil**	Nil	Nil	Nil

	Quarter ended (three-month figures) ($)			
	31-Dec 2021 (Q4)	30-Sep 2021 (Q3)	30-Jun 2021 (Q2)	31-Mar 2021 (Q1)
Revenues	-	-	-	-
General and administration	(255,989)	(246,412)	(186,261)	(198,557)
Lease amortization and interest	(11,276)	(11,533)	(11,785)	(8,322)
Depreciation of plant and equipment	(1,020)	(869)	(572)	(372)
Share-based payments	(12,621)	(165,610)	-	(55,277)
Exploration and evaluation costs	(1,030,513)	(1,071,490)	(143,205)	(91,349)
Interest received	300	1,174	1,316	576
Mining tax credit and government grants	-	80,801	-	76,269
Property option payment	213,855	-	-	-
Flow-through income tax recovery	250,000	-	75,000	-
Net income (loss) for the period	(847,264)	(1,413,939)	(265,507)	(277,032)
Basic income (loss) per share	(0.02)	(0.03)	(0.01)	(0.01)
Total assets	1,336,262	2,231,951	3,476,562	2,120,290
Total liabilities	252,047	355,660	382,742	354,751
Shareholders' equity	1,084,215	1,876,291	3,093,820	1,765,539
Cash dividends declared	Nil	Nil	Nil	Nil

Quarterly Results

- During Q4, 2022, the Company raised gross cash proceeds of $6,000,000 by issuing 18,750,000 flow-through units at a price of $0.32 per unit, as more thoroughly described under *Financings*, above. Exploration expenses were reduced from Q3 coinciding with the end of the annual exploration cycle. The Company also received $75,000 from ANTO as the second earn-in option payment, and $500,000 from BMC with respect to the Fyre Lake project, as described above. On December 31, 2022, the Company impaired the $429,619 carrying value of the Mariposa property, as explained before.

- During Q3, 2022 the Company raised gross cash proceeds of $780,000 through a non-brokered private placement explained in the Financings section of this MD&A, above. Also during Q3, the cost of significantly increased exploration activities took place, reflecting a much larger exploration program than during Q3 of the prior year, with Q3 being a major part of the year's exploration season. During Q3 2022, the Company received $267,372 corresponding to BCMETC for qualifying expenses carried out during 2021. The reduction in total liabilities as compared to Q2 2022 reflects the application of funds received from Antofagasta during Q2 2022 for exploration on the RDP project.

- During Q2, 2022, the Company raised $7.4 million as described under *Financing Activities*, above, hence the substantial increase in total assets. The increase in total liabilities and in shareholders' equity is mostly due to the $2M received from Antofagasta for exploration of the Company's RDP property, of which $159,960 has been spent on the project, with the rest remaining a financial liability for the Company. The Company also granted stock options to directors, officers, employees and certain consultants, resulting in the non-cash share-based payments expense. The Company increased its exploration expenses during this quarter. The amount of interest received was also higher due to a larger amount of cash held in bank accounts after the aforementioned private placement.

- During Q1, 2022, the Company finished compiling its data from the 2021 drilling program at its Kliyul property, but with significantly less expenses than during the more active Q4, 2021. The efforts of the Company during Q1, 2022, were also directed to the financing transaction that closed during April 2022, as indicated above under *Financing Activities*.

- During Q4, 2021, the Company still incurred significant exploration activities at Kliyul. The Company also received $250,000 from BMC with respect to the Company's Fyre Lake property, as described before. Some previously granted stock options vested during the quarter and hence the corresponding share-based payment was incurred. In addition, as explained in the previous section, the flow-through liability that had been set up in connection with the March 2021 private placement was derecognized as a flow-through tax recovery during this quarter.

- Q3 2021 reflects that the majority of the 2021 exploration program, which includes the Kliyul drilling campaign, took place during this quarter. The Company also received the BCMETC tax credit corresponding to fiscal year 2020, and there was a significant non-cash share-based payment due to stock options granted during this quarter.

- During Q2, 2021, the company raised an additional $1,500,000 through a non-broker and non-flow-through private placement of units, as described in the initial section of this MD&A. This resulted in a substantial increase in the total assets of the Company.

- During Q1 2021 the company raised $1,136,000 through a non-brokered flow-through private placement; hence the increase in total assets from Q4 2020. Also, as discussed in the section immediately above, administration expenses were increased with the addition of a new chief executive officer and some adjustment to compensation of other officers of the Company, as well as the increase in insurance expenses, as previously discussed. Also during this quarter, the Company received the BCMETC amount for 2019, also contributing to the increase in assets of the Company. A grant of stock options also took place during the quarter, after the closing of the aforementioned financing. The quarter's net loss, however, is consistent with that of Q4 2020.

Liquidity, Working Capital, and Capital Resources

The Company's liquidity and working capital figures are as follows:

	December 31, 2022	December 31, 2021
	$	$
Cash	**7,813,084**	549,391
Other receivable	**48,286**	31,012
Marketable securities	**44,833**	54,000
Liquidity:	**7,906,203**	634,403
Prepaid	**42,719**	83,792
Trade payables and accrued liabilities	**(372,549)**	(222,795)
Committed to RDP	**(385,341)**	-
Office lease liability - current portion	**-**	(29,252)
Working capital:	**7,191,032**	466,148

The Company is dependent on raising funds through the issuance of shares or disposition of interests in resource properties in order to finance further acquisitions, undertake exploration and meet general and administrative expenses. As at April 24, 2023, the Company has cash on hand of approximately $7,758,000 and working capital of approximately $7,400,000.

The Company believes it has sufficient cash to sustain its operations for at least the next 12 months. The longer-term ability of the Company to continue its business is dependent on the continuing success of its exploration programs coupled with available funding through sale of its share capital, funding from option/joint venture parties or disposition of property interests.

Transactions with related parties:

The following transactions with related parties took place:

	Three months ended December 31		Year ended December 31	
	2022	2021	**2022**	2021
	$	$	**$**	$
Management fees paid to a Company controlled by the Executive Chairman of the Company, and salary paid to him *	**26,400**	36,000	**102,400**	108,000
Salary paid to the CEO of the Company	**52,290**	69,800	**205,840**	181,725
Management fees paid to a company controlled by the CFO of the Company	**18,000**	22,500	**68,000**	63,500
Share-based payments recorded for stock options granted to directors and officers of the Company (non-cash expense)	**-**	-	**493,323**	154,402
	96,690	128,300	**869,563**	507,627

* A percentage of the Executive Chairman's compensation is charged to exploration and evaluation expenses

Management is of the opinion that these transactions have occurred in the normal course of operations.

Outstanding Share Data

	Date of this MD&A	December 31, 2022	December 31, 2021
Common shares issued and outstanding	**107,968,790**	103,968,790	54,089,508
Share purchase warrants outstanding	**27,402,174**	31,402,174	9,850,002
Finders' warrants outstanding	**2,424,000**	2,424,000	16,500
Stock options outstanding	**9,375,000**	6,800,000	4,840,000
Fully diluted capital:	**147,169,964**	144,594,964	68,796,010

Off-Balance Sheet Arrangements

None

Proposed Transactions

There are no proposed transactions as of the date of this MD&A.

Changes in Accounting Policies

There were no changes in accounting policies during the year ended December 31, 2022. For the current set of accounting policies, please refer to note 2 to the annual audited consolidated financial statements for the year ended December 31, 2022.

Disclosure if Controls and Procedures, and internal control over financial reporting

In connection with National Instrument 52-109 (Certificate of Disclosure in Issuer's Annual and Interim Filings) ("NI 52-109"), the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the consolidated financial statements for the year ended December 31, 2022 and 2021, and this accompanying MD&A (together, the "Annual Filings").

In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information, the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the Annual Filings on SEDAR at www.sedar.com.

Financial Instruments

The Company has classified cash, other receivables, and trade payable and accrued liabilities at amortized cost, and its marketable securities as FVTOCI.

Fair values

As at December 31, 2022, the recorded amounts for cash, other receivables and trade payable and accrued liabilities approximate their fair values due to their short maturity. The Company's marketable securities and warrants are measured at fair value on a recurring basis. These financial instruments are grouped into Level 1 to 3 based on the degree to which the significant inputs used to determine the fair value are observable. Marketable securities are classified within level 1 of the fair value hierarchy as their fair value measurement is derived from quoted prices in active markets for identical assets. Warrants are classified within level 2 of the fair value hierarchy as their fair value measurement is derived from inputs other than quoted prices included within level 1, that are observable either directly or indirectly. No financial instruments were considered level 3, which are fair value measurements derived from valuation techniques that include significant inputs that are not based on observable market data.

Interest rate risk

The Company's cash held in financial institutions earns interest at variable interest rates. During 2022, interest rates have been on the rise and the Company has received higher interest on its deposits than in 2021. However, due to the short-term nature of these financial instruments, fluctuations in market rates do not have a material impact on the expected cash flows.

Credit risk

The Company has its cash deposited at one of Canada's largest banks with an AA rating, federally insured, and therefore exposed to minimal credit risk.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities and through the management of its capital structure. At December 31, 2022, the Company had cash of $7,813,084 (December 31, 2021- $549,391), trade payable and accrued liabilities of $325,248 (December 31, 2021 - $222,795), a financial liability of $385,341 (2021 – nil) corresponding to cash provided by Antofagasta Minerals for exploration at the RDP property, and a nil lease liability (December 31, 2021 - $29,252).

Currency risk

As at December 31, 2022, the Company kept less than 1% of its cash in US dollars. A change in the value of the US dollar by 10% relative to the Canadian dollar would affect the Company's working capital by an immaterial amount (December 31, 2021 - $1,000).

Price risk

The Company is exposed to price risk on its marketable securities due to fluctuations in the current market prices and fluctuations in trading volumes of those securities. At December 31, 2022, the Company held marketable securities with a fair value of $44,833 (December 31, 2021 - $54,000). These investments are subject to market price fluctuations that can be significant.

Critical Accounting Estimates

The Company makes estimates and assumptions concerning the future that will, by definition, seldom equal actual results. The following are the areas of estimate and judgment applied by management that most significantly affects the Company's financial statements. These estimates and judgments have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Management applies judgment in reviewing for impairment indicators the carrying value of the resource properties on a quarterly basis, or whenever events or circumstances indicate that their carrying value may not be recovered. If there are indicators of impairment, the recoverable amount of the related asset is estimated in order to determine the extent of any impairment. Indicators of impairment may include (i) the period during which the Company has the right to explore in the specific area has expired during the year or will expire in the near future and is not expected to be renewed, (ii) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned, (iii) exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; and (iv) sufficient data exists to indicate that the carrying amount of the resource properties is unlikely to be recovered in full from successful development or by sale. No impairment indicators were identified by management as of December 31, 2022, except, in respect of the Mariposa property.

Risk Factors

The Company is subject to a number of risks due to the nature of its business and the present stage of exploration projects. The following factors should be considered:

Mineral Exploration and Development

The Company's properties are in the exploration stage and are without a known body of commercial ore. Development of any of the Company's properties will only follow upon obtaining satisfactory exploration results. Mineral exploration and development involve a high degree of risk and few properties which are explored are ultimately developed into producing mines. There is no assurance that the Company's mineral exploration and development activities will result in the discovery of a body of commercial ore on any of its properties. Several years may pass between the discovery and the development of commercial mineable mineralized deposits. Most exploration projects do not result in the discovery of commercially mineralized deposits.

Trends

The Company's financial success is dependent upon the discovery of mineral resources which could be economically viable to develop. Such development could take years to complete and the resulting income, if any, is difficult to determine. The sales value of any mineralization discovered by the Company is largely dependent upon factors beyond the Company's control, such as market value of the products produced and availability of capital from the public marketplace. Other than as disclosed herein, the company is not aware of any trends, uncertainties, demands, commitments or events which are reasonably likely to have a material effect on the Company's results or financial position.

Operating Hazards and Risks

Mineral exploration involves many risks. The operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of resources, any of which could result in work stoppages and damage to persons or property or the environment and possible legal liability for any and all damage. Fires, power outages, labour disruptions, flooding, explosions, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labour are some of the risks involved in the operation of mines and the conduct of exploration programs. Although the Company will, when appropriate, secure liability insurance in an amount which it considers adequate, the nature of these risks is such that liabilities might exceed policy limits, the liability and hazards might not be insurable, or the Company might elect not to insure itself against such liabilities due to high premium costs or other reasons, in any of which events the Company could incur significant costs that could have a material adverse effect upon its financial condition.

Economics of Developing Mineral Properties

Substantial expenditures are required to establish ore reserves through drilling, to develop metallurgical processes to extract metal from ore and to develop the mining and processing facilities and infrastructure at any site chosen for mining. No assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operation or that the funds required for development can be obtained on a timely basis.

The marketability of any minerals acquired or discovered may be affected by numerous factors which are beyond the Company's control, and which cannot be predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection. Depending on the price of minerals produced, the Company may determine that it is impractical to commence or continue commercial production.

Environmental Factors

The Company conducts exploration activities in various parts of Canada and the United States. Such activities are subject to various laws, rules and regulations governing the protection of the environment, including, in some cases, posting of reclamation bonds. Extensive environmental legislation has been enacted in Canada by federal, provincial and territorial governments and in the United States by federal and state governments. All phases of the Company's operations are subject to environmental regulation in the jurisdictions in which it operates. Environmental legislation is evolving in a manner which requires stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed properties and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations.

The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations or to preclude entirely the economic development of a property. Environmental hazards may exist on the Company's properties, which hazards are unknown to the Company at present, which have been caused by previous or existing owners or operators of the properties. The Company is not aware of any environmental hazards on any of the properties held or formerly worked by the Company. The approval of new mines in Canada is subject to detailed review through a clearly established public hearing process, pursuant to both the Federal Canadian Environmental Assessment Act and the provincial and territorial Environmental Review Agencies. Further, under such review process, there is no assurance that regulatory and environmental approvals will be obtained on a timely basis or at all. Failure to comply with the legislation may have serious consequences. Orders may be issued requiring operations to cease or be curtailed or requiring installation of additional facilities or equipment. Violators may be required to compensate those suffering loss or damage by reason of its mining activities and may be fined if convicted of an offense under such legislation.

Canadian provincial and territorial state mining legislation establishes requirements for the decommissioning, reclamation and rehabilitation of mining properties in a state of temporary or permanent closure. Such closure requirements relate to the protection and restoration of the environment and the protection of the public safety. Some former mining properties must be managed for long periods of time following closure in order to fulfill closure requirements. The costs of closure of mining properties, and, in particular, the cost of long-term management of mining properties can be substantial. The Company intends to progressively rehabilitate its mining properties during their period of operation, should any properties become operational, so as to reduce the cost of fulfilling closure requirements after the termination or suspension of production.

The Company has adopted environmental practices designed to ensure that it continues to comply with or exceeds all environmental regulations currently applicable to it. All of the Company's activities are in compliance in all material respects with applicable environmental legislation. The Company is currently engaged in exploration with minimal environmental impact.

Title

Although the Company has exercised the usual due diligence with respect to title to properties in which it has a material interest, there is no guarantee that title to the properties will not be challenged or impugned. The Company's mineral property interests may be subject to prior unregistered agreements or transfers, or native land claims and title may be affected by undetected defects. In addition, certain of the mining claims in which the Company has an interest are not recorded in the name of the Company and cannot be recorded until certain steps are taken by other parties. Before a number of claims under option can be recorded in the Company's name, the underlying title holder has to assign title to the Company once the Company satisfies its option agreement obligations. There are no assurances that the underlying title holder will assign title. Land may be transferred by the State to businesses and citizens for possession and use based on leases.

Canadian Aboriginal Land Claims

Canadian Aboriginal rights may be claimed on properties or other types of tenure with respect to which mining rights have been conferred. The Company is aware of the mutual benefits afforded by cooperative relationships with indigenous people in conducting exploration activity and is generally supportive of measures established to achieve such cooperation. While there is, to the Company's knowledge, no specific existing claim in respect of any of its properties, the advent of any future aboriginal land claims and the outcome of any aboriginal land claims negotiations or related issues cannot be predicted.

Competition and Agreements with Other Parties

The Company competes with other mining companies for the acquisition of mineral claims and other mining interests as well as for the recruitment and retention of qualified employees and contractors. There is significant and increasing competition for a limited number of resource acquisition opportunities and as a result, the Company may be unable to acquire attractive mining properties on terms it considers acceptable. The Company competes with other companies that may have substantially greater financial resources than the Company. The Company may, in the future, be unable to meet its obligations under agreements to which it is a party, and the Company may have its interest in the properties subject to such agreements reduced as a result. Furthermore, if other parties to such agreements do not meet their share of such costs, the Company may be unable to finance the cost required to complete recommended programs.

Governmental Regulation

Operations, development and exploration on the Company's properties are affected to varying degrees by: (i) government regulations relating to such matters as environmental protection, health, safety and labour; (ii) mining law reform; (iii) restrictions on production, price controls, and tax increases; (iv) maintenance of claims; (v) tenure; and (vi) expropriation of property. There is no assurance that future changes in such regulation, if any, will not adversely affect the Company's operations. Changes in such regulation could result in additional expenses and capital expenditures, availability of capital, competition, reserve uncertainty, potential conflicts of interest, title risks, dilution, and restrictions and delays in operations, the extent of which cannot be predicted.

The Company is at the exploration stage on all of its properties. Exploration on the Company's properties requires responsible best exploration practices to comply with Company policy, government regulations, and maintenance of claims and tenure. The Company is required to be registered to do business and have a valid prospecting license (required to prospect or explore for minerals on Crown Mineral land or to stake a claim) in any Canadian province or territory in which it is carrying out work. Mineral exploration primarily falls under provincial or state jurisdiction. However, the Company is also required to follow the regulations pertaining to the mineral exploration industry that fall under federal jurisdictions, such as the Fish and Wildlife Act in Canada and the Environmental Protection Agency in the United States.

If any of the Company's projects are advanced to the development stage, those operations will also be subject to various laws and regulations concerning development, production, taxes, labour standards, environmental protection, mine safety and other matters. In addition, new laws or regulations governing operations and activities of mining companies could have a material adverse impact on any project in the mine development stage that the Company may possess.

Metals Prices

The Company's revenues, if any, and ability to attract equity financing is expected to be in large part derived from the discovery of mineral properties and the sale of minerals contained or interests related thereto. The prices of those commodities may fluctuate widely and are affected by numerous factors beyond the Company's control including international economic and political conditions, expectations of inflation, international currency exchange rates, interest rates, global or regional consumptive patterns, speculative activities, levels of supply and demand, increased production due to new mine developments and improved mining and production methods, availability and costs of metal substitutes, metal stock levels maintained by producers and other and inventory carrying costs. The effect of these factors on the price of base and precious metals, and therefore the economic viability of the Company's operations, cannot accurately be predicted.

Management and Directors

The Company is dependent on its key management personnel. Loss of the key person could have an adverse effect on the Company. The Company does not maintain "key-man" insurance in respect of any of its management.

Conflicts of Interest

Certain of the Directors and Officers of the Company are also in their personal capacities, or as Directors or Officers of other companies, engaged in mineral exploration and development. Accordingly, exploration opportunities or prospects of which they become aware may not necessarily be made available to the Company. The Directors and Officers intend to allocate opportunities or prospects from time to time on the basis of prudent business judgment. The Directors are required by law to act honestly and in good faith with a view to the best interest of the Company and its shareholders and to disclose any personal interest which they may have in any material transaction which is proposed to be entered into with the Company and to abstain from voting as a Director for the approval of such transaction.

Price Fluctuations: Share Price Volatility

In recent years, the international securities markets have experienced high levels of price and volume volatility, and the market prices of securities of many mineral exploration companies have experienced wide fluctuations which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that the continual fluctuations in market price will not occur which may impact the Company's market capitalization as well as its ability to facilitate equity financing.

COVID-19 Pandemic

The COVID-19 pandemic had an initial negative impact on global financial markets, followed by a recovery, but significant volatility could still be expected. The economic viability of the Company's business plan could still be impacted by its ability to obtain financing, and global economic conditions impact the general availability of financing through public and private debt and equity markets, as well as through other avenues.

In addition, as the health and safety of the Company's employees, contractors, visitors, and stakeholders are the Company's top priority, the Company will keep monitoring developments with respect to COVID-

19, both globally and within its operating jurisdictions, and will implement any such changes to its business as may be deemed appropriate to mitigate any potential impacts to its business and the stakeholders. Such changes may include, but are not limited to, temporary closures of the Company's site exploration activities or offices and deviations from the timing and nature of exploration plans.

The Company has taken into consideration the COVID-19 situation for renegotiating, if required, any contractual obligations with respect to exploration and other expenses. The Company has also examined suitability of the internal controls required for a secure operation of its computer and other electronic resources from a remote location and has contracted a service to provide more frequent and secure backups of the Company's information.

Russia and Ukraine conflict

While the Company has no operations, projects or personnel in Europe, this conflict adds potential elements of risk such as inflationary pressures affecting prices of fuel and supplies, as well as supply chain delays. These risks could potentially affect the cost and timely development of its exploration programs.

Legal Proceedings

As at December 31, 2022, and at the date of this document, there were no legal proceedings against or by the Company.

Subsequent events

a) Grant of stock options

On February 1, 2023, the Company granted an aggregate of 2,575,000 stock options to various directors, officers, employees and consultants of the Company. Each option entitles its holder to purchase one common share of the Company at an exercise price of $0.30 per share for a period of five years.

The options granted to various directors, officers and employees vested immediately. 300,000 options that were granted to investor relations consultants will vest 25% each quarter over a 12-month period.

b) Exercise of warrants

On February 22, 2023, the Company received cash proceeds of $600,000 on exercise of 4,000,000 warrants with an exercise price of $0.15.

c) Option agreement on the Chuchi South property

On March 3, 2023, the Company entered into an Amended and Restated Mineral Property Option Agreement (the "Chuchi South Agreement").

The Company can acquire a 51% interest in Chuchi South by making $250,000 in cash payments and completing $4,000,000 in exploration expenditures by December 31, 2027 (the "First Option"). The Company then has the right to increase its interest to 75% by issuing shares valued at $250,000 by January 30, 2028, by making cash payments of $150,000, and completing an additional $4,000,000 in exploration by December 31, 2029.

The Chuchi South property adjoins Pacific Ridge's Chuchi porphyry Cu-Au project on the south and west. Combined, Chuchi and Chuchi South are more than 16,000 hectares in size, which more than doubles the size of Pacific Ridge's current land position at Chuchi (6,100 hectares). The properties host several compelling exploration targets, are road accessible and are located approximately 35 km northwest of Centerra Gold Inc.'s Mount Milligan mine within British Columbia's prolific Quesnel Trough. For further information please refer to the Company's press release dated March 6, 2023, available on the Company's website at www.pacificridgeexploration.com or on the SEDAR website at www.sedar.com under the Company's profile.

d) Final payment related to Fyre Lake option

On March 28, 2023, the Company received a $400,000 cash payment from BMC Minerals. This was BMC's final payment to acquire a 100% interest in Fyre Lake. The Company will be paid a further $1,000,000 when BMC's Kudz Ze Kayah property has reached commercial production for one year.

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