



(An Exploration Stage Company)

Management's Discussion and Analysis (MD&A)

(Form 51-102F1)

Six months ended June 30, 2023

This Management's Discussion and Analysis ("MD&A") of Pacific Ridge Exploration Ltd. ("Pacific Ridge" or the "Company"), dated **August 10, 2023**, provides an update on the Company's business activities, financial condition, financial performance, and cash flows for the six months ended June 30, 2023, 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"). The Company's interim period condensed consolidated financial statements are prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34"). Unless otherwise indicated, all figures are expressed in Canadian dollars. 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 and the condensed consolidated interim financial statements for the three and six months ended June 30, 2023 and 2022 (together, 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 in the annual MD&A for the year ended December 31, 2022; please refer to it.

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 2023

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.

Highlights for the second quarter of 2023

On May 10, 2023, the Company entered into an agreement with AuRico Metals Inc. ("AuRico"), a wholly owned subsidiary of Centerra Gold Inc. (TSX:CG NYSE:CGAU) ("Centerra"), to acquire a 100% interest in the Kliyul and Redton projects by issuing 16,996,099 common shares to AuRico. The Company also announced that it has budgeted approximately \$4.6M for a 7,000 m diamond drill program at Kliyul during the 2023 field season.

On June 14, 2023, the Company announced that crews had been mobilized to the Kliyul project and on June 22, the Company announced that drilling was underway.

On June 28, 2023, the Company announced the results of its AGM. At the meeting, all resolutions proposed by management were passed, including approval of the Company's rolling incentive stock option plan.

Highlights subsequent to June 30, 2023

On July 25, 2023, the Company announced that it was increasing the size of the diamond drill program at its Kliyul project from 7,000 m to 9,000 m. The extra 2,000 m is from the planned Chuchi drill program, which was cancelled due to a forest fire Area Restriction order imposed by the BC government covering the area of the Chuchi project.

On August 4, 2023, the Company announced that the RDP field exploration program was underway. The 2023 exploration program will include 1,800 m of diamond drilling, a 16 line-km IP survey at the Day, Porcupine, and Bird targets, rock sampling at the Porcupine target, and soil sampling at the Bird target. Drilling is expected to commence about mid August.

Mineral Properties

Kliyul and Redton, British Columbia

In January 2020, the Company had entered into an earn-in property agreement, as amended on April 7, 2020, and on July 22, 2020, with AuRico with respect to the Kliyul and Redton properties located in British Columbia (BC). Subsequent to the end of the first quarter, the Company announced that had reached an agreement with AuRico to acquire a 100% interest in the Kliyul and Redton properties by issuing 16,996,099 common shares to AuRico.

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 Kliyul, the Company has budgeted approximately \$4.6M for a 7,000 m diamond drill program for the 2023 field season. The Company's prime contractor at Kliyul, Equity Exploration, began the mobilization to Kliyul on June 14, 2023, and drilling commenced on June 22. In late July, the size of the drill program was increased from 7,000 m to 9,000 m. The extra 2,000 m is from the planned Chuchi drill program, which was cancelled due to a forest fire Area Restriction order imposed by the BC government covering the area of the Chuchi project.

At the Redton project, the Company completed a program of mapping, soil and rock sampling. No work is planned for Redton in 2023.

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 volcanoclastic 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 Antofagasta Minerals S.A. (“Antofagasta”), a wholly owned subsidiary of Antofagasta PLC on RDP. The Agreement grants Antofagasta 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. Antofagasta 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 Antofagasta 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. Holes RDP22-001 to 005 were drilled at different orientations from a single drill pad at the Day showing and RDP22-006 was drilled at the Roy showing. 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

The 2023 exploration plans for RDP include 1,800 m of diamond drilling, a 16 line-km IP survey at the Day, Porcupine, and Bird targets, rock sampling at the Porcupine target, and soil sampling at the Bird target.

Chuchi, British Columbia

The Company has the option to acquire up to a 75% interest in the Chuchi porphyry Cu-Au project from AuRico. 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 \pm 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. The drilling planned for Chuchi has been cancelled for 2023 due to a lengthy forest fire closure order covering the area of the property.

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.

A 10 km IP geophysical survey is planned over the key targets on the Onjo property in 2023.

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.

Orbison, British Columbia

The Orbison project (a.k.a. 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 km² 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 km² 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					Properties on option from third parties			Total
	Kliyul BC	Redton BC	Orbison		Mariposa YT	RDP BC	Chuchi		
			Onjo BC	(Gap) BC			South BC		
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance, December 31, 2021	22,500	22,500	-	-	429,619	83,449	-	-	558,068
Option payments in cash	-	-	75,000	-	-	-	10,000	-	85,000
Other payments in cash	-	-	-	-	-	-	15,000	-	15,000
Option payments in shares	-	-	328,750	-	-	-	-	-	328,750
Balance, June 30, 2022	22,500	22,500	403,750	-	429,619	83,449	25,000	-	986,818
Option payments in cash	12,500	12,500	-	-	-	30,000	5,000	-	60,000
Option payments in shares	-	-	-	-	-	88,500	-	-	88,500
Other payments in cash	-	-	6,505	12,261	-	-	3,323	-	22,089
Option payments received	-	-	-	-	-	(125,000)	-	-	(125,000)
Impairment	-	-	-	-	(429,619)	-	-	-	(429,619)
Balance, December 31, 2022	35,000	35,000	410,255	12,261	-	76,949	33,323	-	602,788
Option payments in cash	-	-	-	-	-	(30,000)	-	-	(30,000)
Other payments in cash	-	-	-	-	-	-	11,893	50,000	61,893
Staking costs	1,500	-	1,975	-	-	-	-	-	3,475
Option payments in shares	3,909,103	-	-	-	-	-	-	-	3,909,103
Balance, June 30, 2023	3,945,603	35,000	412,230	12,261	-	46,949	45,216	50,000	4,547,259

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	Six months ended June 30	
	2023	2022
	\$	\$
Kliyul	635,788	385,523
Chuchi	140,801	79,556
Redton	12,630	10,067
Onjo	10,739	68,585
Mariposa	7,339	440
Chuchi South	3,758	-
Orbison (Gap)	3,270	13,613
RDP *	-	24,558
Spjus	-	72
General exploration not allocated to a specific property	170,565	76,692
Total exploration expenses incurred by the Company:	984,890	659,106
* Additional exploration in RDP financed by Antofagasta:	332,911	159,960
Total exploration expenses	1,317,801	819,066

* During the six months ended June 30, 2023, \$332,911 was incurred in exploration of RDP on behalf of Antofagasta. During the comparative period of the prior year, \$24,558 was spent directly by the Company before the Antofagasta agreement came into effect, and \$159,960 on behalf of Antofagasta.

Financing Activities

- On February 27, 2023, the Company received cash proceeds of \$600,000 on exercise of 4,000,000 share purchase warrants with an exercise price of \$0.15 per share.
- On April 27, 2023, the company received cash proceeds of \$11,500 on exercise of 50,000 share purchase warrants with an exercise price of \$0.23 per share.

Results of Operations

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

a) Year-to date

	Six months ended June 30		Increase (decrease)
	2023	2022	
Administration expenses	\$	\$	\$
Amortization of right-of-use asset	29,338	20,739	8,599
Depreciation	2,035	2,254	(219)
Finance lease interest	4,268	1,014	3,254
Insurance	33,950	26,559	7,391
Professional and consulting	9,332	12,911	(3,579)
Management and administrative	212,711	175,293	37,418
Office operations and facilities	73,423	74,110	(687)
Shareholder communications	293,682	246,735	46,947
Share-based payments	517,935	775,819	(257,884)
Transfer agent and regulatory fees	35,527	36,184	(657)
	1,212,201	1,371,618	(159,417)
Exploration-related expenses (income)			
Exploration and evaluation costs	984,890	659,106	325,784
Property option payments	(400,000)	(75,000)	(325,000)
	584,890	584,106	784
Other expenses (income)			
Interest received	(125,380)	(8,842)	(116,538)
Foreign exchange (gain) loss	2,148	2,243	(95)
	(123,232)	(6,599)	(116,633)
Net loss	(1,673,859)	(1,949,125)	275,266
Other comprehensive income (loss):			
Net change in fair value of marketable securities	(5,500)	(8,000)	2,500
Total comprehensive loss	(1,679,359)	(1,957,125)	277,766
Loss per share (basic and diluted)	(0.02)	(0.03)	
Weighted average number of shares outstanding			
basic and diluted	110,648,548	65,383,309	

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 \$29,338 and finance lease interest of \$2,035 reflect the lease costs of the Company's administration offices and a truck used in supporting exploration activities. A new office sublease was entered into on February 1, 2023, and the truck was leased on April 1, 2023. The prior year figure reflects costs for the prior office lease, which expired on August 31, 2022.

Depreciation of \$2035 relates to the Company's plant and equipment.

The \$33,950 insurance expense corresponds to the Directors & Officers insurance, as well as exploration and commercial insurance, for 2023; the increase reflects a coverage increase in the Company's exploration insurance, as well as general premium increases during 2023.

Professional and consulting were \$3,579 lower due to fewer legal consulting activities.

Management and administrative expenses increased by \$37,418 over the comparative period as compensation to executive officers and other key employees was increased during 2023.

Office operations were comparable to those of the prior year's comparative period.

Shareholder communications increased by \$46,947 over the equivalent period of the prior year due to activities related to raising the Company's profile with potential investors, including attending events both in Canada and abroad.

Share-based payments relate to the fair value of the stock options granted and vested during the periods. This is a non-cash expense reflected in the contributed surplus line of the Company's statement of financial position.

Exploration-related expenses

With the proceeds of financing activities that took place during April and December, 2022, exploration expenses during Q1 and Q2 2023 increased compared with the same period in 2022. Please see the first sections of this MD&A, which describe in more detail the exploration activities carried out.

During Q1 2023, the Company also received \$400,000 as the final option payment from BMC Minerals with respect to the acquisition of a 100% interest in the Fyre Lake property.

Other expenses (income)

With larger amounts of cash in the bank resulting from financing activities that took place during 2022, and the \$611,500 received pursuant to the exercise of warrants during Q1 and Q2, 2023, and while the same time there has been an increase in interest rates since the beginning of 2022, the Company earned more interest than during the comparative period.

b) Last fiscal quarter

	Three months ended June 30		Increase (decrease)
	2023	2022	
	\$	\$	\$
Administration expenses			
Amortization of right-of-use asset	19,167	10,370	8,797
Depreciation	984	1,133	(149)
Finance lease interest	2,697	371	2,326
Insurance	20,450	1,575	18,875
Professional and consulting	4,825	7,859	(3,034)
Management and administrative	109,966	91,575	18,391
Office operations and facilities	45,453	62,754	(17,301)
Shareholder communications	93,578	132,511	(38,933)
Share-based payments	22,010	764,478	(742,468)
Transfer agent and regulatory fees	18,792	16,602	2,190
	337,922	1,089,228	(751,306)
Exploration-related expenses (income)			
Exploration and evaluation costs	687,942	482,722	205,220
Property option payments	-	(75,000)	75,000
	687,942	407,722	280,220
Other expenses (income)			
Interest received	(68,330)	(8,539)	(59,791)
Foreign exchange (gain) loss	1,634	1,581	53
	(66,696)	(6,958)	(59,738)
Net loss	(959,168)	(1,489,992)	530,824
Other comprehensive income (loss):			
Net change in fair value of marketable securities	(10,800)	(9,000)	(1,800)
Total comprehensive loss	(969,968)	(1,498,992)	529,024
Loss per share (basic and diluted)	(0.01)	(0.02)	
Weighted average number of shares outstanding			
basic and diluted	115,848,308	75,225,546	

In general terms, the explanations provided for the year-to-date period (preceding page) are applicable to the last quarter. Notably, the insurance for 2023 was paid during Q2, whereas in 2022 it was paid during Q1. Stock options were granted during Q1 2023, whereas in 2022 they were granted in Q2, hence the difference. And lastly, with more cash in the bank than during the comparative period, as well as higher interest rates, the interest received in Q2 2023 was more than during Q2, 2022.

Summary of Quarterly Results

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

	Quarter ended (three-month figures) (\$)			
	30-Jun 2023 (Q2)	31-Mar 2023 (Q1)	31-Dec 2022 (Q4)	30-Sep 2022 (Q3)
Revenues	-	-	-	-
General and administration	(294,698)	(366,075)	(365,841)	(298,832)
Lease amortization and interest	(21,864)	(11,742)	-	(7,007)
Depreciation of plant and equipment	(984)	(1,051)	(1,074)	(1,278)
Share-based payments	(22,010)	(495,925)	(14,211)	(15,583)
Exploration and evaluation costs	(687,942)	(296,948)	(982,203)	(4,451,027)
Interest received	68,330	57,050	18,580	22,387
Mining tax credit and government grants	-	-	-	267,372
Flow-through income tax recovery	-	-	(429,619)	-
Property option payments	-	400,000	450,000	50,000
Net loss for the period	(959,168)	(714,691)	(1,324,368)	(4,433,968)
Basic and diluted loss per share	(0.01)	(0.01)	(0.01)	(0.05)
Total assets	12,139,732	8,851,718	8,625,038	4,166,355
Total liabilities	1,961,799	1,629,792	1,787,594	469,097
Shareholders' equity	10,177,933	7,221,926	6,837,444	3,697,258
Cash dividends declared	Nil	Nil	Nil	Nil

	Quarter ended (three-month figures) (\$)			
	30-Jun 2022 (Q2)	31-Mar 2022 (Q1)	31-Dec 2021 (Q4)	30-Sep 2021 (Q3)
Revenues	-	-	-	-
General and administration	(314,457)	(259,578)	(255,989)	(246,412)
Lease amortization and interest	(10,741)	(11,012)	(11,276)	(11,533)
Depreciation of plant and equipment	(1,133)	(1,121)	(1,020)	(869)
Share-based payments	(764,478)	(11,341)	(12,621)	(165,610)
Exploration and evaluation costs	(482,722)	(176,384)	(1,030,513)	(1,071,490)
Interest received	8,539	303	300	1,174
Mining tax credit and government grants	-	-	-	80,801
Property option payment	-	-	213,855	-
Flow-through income tax recovery	75,000	-	250,000	-
Net income (loss) for the period	(1,489,992)	(459,133)	(847,264)	(1,413,939)
Basic income (loss) per share	(0.03)	(0.01)	(0.02)	(0.03)
Total assets	9,399,606	1,747,614	1,336,262	2,231,951
Total liabilities	2,055,401	598,077	252,047	355,660
Shareholders' equity	7,344,205	1,149,537	1,084,215	1,876,291
Cash dividends declared	Nil	Nil	Nil	Nil

Quarterly Results

- During Q2, 2023, the Company completed the acquisition of the Kliyul and Redton properties through the issuance of 16,996,099 common shares at a deemed price of \$0.23 per share, reflecting an increase in the value of share capital. As property acquisition costs are capitalized, this increase is also reflected in total assets. The Company also received proceeds of \$11,500 from the exercise of 50,000 share purchase warrants with an exercise price of \$0.23 per share. Exploration expenses increased due to the start of the 2023 field season.
- During Q1, 2023, the company received \$600,000 pursuant to the exercise of warrants, as explained in more detail under *Financings*, above. Also during Q1, 2023, the Company entered into the Chuchi South property option agreement. An aggregate of 2,275,000 stock options were granted to directors, officers, employees and certain consultants, and the final payment of \$400,000 was received from BMC Minerals to obtain 100% interest in the Fyre Lake property.
- 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 Antofagasta 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.

Liquidity, Working Capital, and Capital Resources

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

	June 30, 2023	December 31, 2022
	\$	\$
Cash	6,039,106	7,813,084
Other receivable	46,289	48,286
Marketable securities	39,333	44,833
Liquidity:	6,124,728	7,906,203
Prepaid	1,294,256	42,719
Trade payables and accrued liabilities	(98,769)	(372,549)
Committed to RDP	(733,018)	(385,341)
Office lease liability - current portion	(76,433)	-
Flow-through premium liability	(1,029,704)	(1,029,704)
Working capital:	5,481,060	6,161,328

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 August 10, 2023, the Company had cash on hand of approximately \$5,071,000 of which \$2,015,000 were part of Antofagasta Minerals funding for the RDP project. In addition, as at this date the Company had advanced approximately \$1,880,000 to the exploration contractor for ongoing work. The Company's working capital as at this date was approximately \$5,075,000.

The Company believes it has sufficient cash to sustain its operations the remaining of the current year's exploration cycle. 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 June 30		Six months ended June 30	
	2023	2022	2023	2022
	\$	\$	\$	\$
Management fees paid to a Company controlled by the Executive Chairman of the Company, and salary paid to him *	27,730	25,600	54,560	49,600
Salary paid to the CEO of the Company	54,905	51,460	108,066	101,260
Management fees paid to a company controlled by the CFO of the Company	24,000	17,000	44,000	32,000
Share-based payments recorded for stock options granted to directors and officers of the Company (non-cash expense)	-	493,323	347,613	493,323
	106,635	587,383	554,239	676,183

* 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	June 30, 2023	December 31, 2022
Common shares issued and outstanding	125,014,889	125,014,889	103,968,790
Share purchase warrants outstanding	23,102,172	23,102,172	31,402,174
Finders' warrants outstanding	2,424,000	2,424,000	2,424,000
Stock options outstanding	9,375,000	9,375,000	6,800,000
Fully diluted capital:	159,916,061	159,916,061	144,594,964

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 of 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 condensed consolidated interim financial statements for the six months ended June 30, 2023 and 2022, 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 June 30, 2023, 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 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 the six months ended June 30, 2023, and during 2022, interest rates have been on the rise. This, together with larger amounts of cash held in banks, have resulted in the Company earning more interest on its deposits than in the six months ended June 30, 2022. 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 June 30, 2023, the Company had cash of \$6,039,106 (December 31, 2022- \$7,813,084), trade payable and accrued liabilities of \$98,769 (December 31, 2022 - \$372,549), a financial liability of \$733,018 (December 31, 2022 - \$385,341) corresponding to cash provided by Antofagasta Minerals for exploration at the RDP property, and lease liabilities of \$100,308, including both current and long-term components (December 31, 2022 - \$nil).

Currency risk

As at June 30, 2023, 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.

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 June 30, 2023, the Company held marketable securities with a fair value of \$39,333 (December 31, 2021 - \$44,833). 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 during the six months ended June 30, 2023.

Risk Factors

Please refer to the annual MD&A for the year ended December 31, 2022, available on SEDAR and on the Company's website at www.pacificridgeexploration.com.

Legal Proceedings

As at June 30, 2023, and at the date of this document, there were no legal proceedings against or by the Company.

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