Talisker
RESOURCES

Management's Discussion & Analysis

For the three and six-month period ended June 30, 2024

Dated August 14, 2024

This management's discussion and analysis (this "MD&A") reflects the assessment by management of the results and financial condition of Talisker Resources Ltd. ("Talisker" or the "Company") and should be read in conjunction with the unaudited condensed interim consolidated financial statements for the three and six months ended June 30, 2024 and 2023 and related notes, and the audited consolidated financial statements of the Company for the years ended December 31, 2023 and 2022 and the notes thereto (the "Financial Statements"). Management is responsible for the preparation of the Financial Statements and this MD&A. The Financial Statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS"). This MD&A and the Financial Statements are available on SEDAR+ (www.sedarplus.ca) under Talisker's issuer profile and on Talisker's website (www.taliskerresources.com).

This MD&A has been prepared as of August 14, 2024. All dollar figures in this MD&A are expressed in Canadian dollars unless stated otherwise.

Qualified Person

The scientific and technical information contained in this MD&A has been approved by Leonardo de Souza (BSc, AusIMM (CP) Membership 224827), Talisker's Vice President, Exploration and Resource Development, who is a "qualified person" within the meaning of National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("NI 43-101").

Outlook and Strategy and Recent Developments

OUTLOOK AND STRATEGY

Portal rehab of the Mustang Mine (formerly the BK zone) at the Bralorne Gold Project was completed and will provide access for exploration diamond drilling activities and mobilization and construction activities planned to commence in Q4 2024. Infill diamond drilling in the ore zones is currently planned to commence post closing of the Sprott Second Tranche (as defined below in "*Recent Developments*"). These activities will establish access to the stoping panels in preparation for ore extraction anticipated to begin in Q1 2025.

In addition, Talisker will undertake minimal exploration activities on its greenfield projects to maintain mineral claims in good standing.

RECENT DEVELOPMENTS

On August 12, 2024, the Company closed the first tranche ("Tranche 1") of a non-brokered private placement (the "2024 Offering"). In connection with Tranche 1, the Company issued 5,425,500 units (the "Units") at a price of C$0.40 per Unit for aggregate gross proceeds of $2.17 million. The second tranche of the 2024 Offering is expected to be completed before the end of August 2024. Each Unit is comprised of one common share and one-half of a common share purchase warrant (each whole warrant, a "Warrant"), with each Warrant entitling the holder to purchase one common share at an exercise price of $0.60 until August 12, 2026. In connection with Tranche 1, the Company also paid 6% cash finder's fee and 6% finder's warrants to certain finders, with each finder's warrant entitling the holder to purchase one common share at an exercise price of $0.46 until August 12, 2026.

On June 3, 2024, the Company provided an update on the royalty agreement in relation to the Bralorne Gold Project with Sprott Resource Streaming and Royalty Corp. ("Sprott") stating that the second draw of US$11,750,000 (the "Sprott Second Tranche") was approved, subject to conclusion of amended documentation and satisfaction of closing conditions. As at the date of this MD&A, the amended documentation is near completion with intercreditor agreements between Sprott and Osisko Gold Royalties close to being finalized. The Company anticipates finalization of documentation in August 2024.

On May 13, 2024, the Company, through its 100% owned subsidiary Bralorne Gold Mines Ltd. ("Bralorne"), signed an Ore Hauling Agreement (the "Ore Hauling Agreement") with Stromsten Enterprises in partnership with Bridge River Management Corporation to transport material from its 100% owned Mustang Mine at the Bralorne Gold Project located in British Columbia. Under the Ore Hauling Agreement, gold ore will be trucked to either of the New Afton (owned by New Gold Inc. ("New Gold")) or Craigmont (owned by Nicola Mining Inc. ("Nicola")) milling facilities to be processed in conjunction with the previously announced ore purchase and milling agreements. As at the date of this MD&A, a total of approximately 5,500 tonnes of previously stockpiled material has been hauled to the Craigmont milling facility.

On April 15, 2024, the Company announced results from its summer 2023 mapping and surface sampling campaign at the Ladner Gold Project ("Ladner"), where a total of 175 rock samples were collected between mid-June and mid-September 2023 by a small mapping team. The focus of the mapping was centered on the areas of known mineralization adjacent to the historic Carolin underground mine and the McMaster prospect. It was noted that these preliminary results demonstrated the consistency of gold grades across a broad area and that the sampling program indicated additional mineralized zones in the same setting as the Caroline mine, along strike, yet to be fully explored.

On April 9, 2024, the Company, through its 100% owned subsidiary Bralorne, announced an agreement (the "Milling Agreement") with Nicola. As part of the Milling Agreement, Nicola will process up to 6,300 tonnes of previously stockpile mined at the Bralorne Gold Project at Nicola's Craigmont Mill in Merritt, British Columbia. As of the date of this MD&A, the Company has shipped approximately 5,500 tonnes of previously stockpiled material to the Craigmont Mill with processing commenced in July 2024.

On April 4, 2024, the Company announced the signing of a non-binding Letter of Intent ("LOI") to form a joint venture with Regeneration Enterprises Inc. ("Regeneration") to process the Ladner Tailings Resource (the "Proposed JV") owned by New Carolin Gold Corp. ("New Carolin"), a 100% owned subsidiary of Talisker. Ladner contains a tailings indicated mineral resource of approximately 445,000 tonnes grading at 1.64 g/t for 24,000 oz of gold and an inferred mineral resource of 93,000 tonnes grading at 1.64 g/t for 5,000 oz of gold, representing an estimated 60% of the tailings material. The remaining 40% remains undrilled. A 2011 study by the Engineering Department at the University of British Columbia consisting of material regrind to P80 of 93µm returned average concentrate leach recoveries of 81.6% for the tailings material. The Proposed JV is planned to be undertaken in five phases (phase 1 – sampling (completion by December 31, 2024); phase 2 – design (completion by December 31, 2025; phase 3 – construction (completion by December 31, 2026); phase 4 – production (throughout 2027, 2028, 2029); and phase 5 – site rehabilitation (completion by December 31, 2030). Regeneration will secure funding for each phase unless otherwise agreed upon in the definitive agreements. As at the date of this MD&A, definitive agreements have not been entered into.

Indigenous Relationships and Engagement

Talisker prides itself on the meaningful and constructive relationships that have been built with Indigenous communities throughout the southern parts of British Columbia. This includes members of the St'át'imc nations whose lands the Bralorne Gold Project is a part of the St'át'imc are the original inhabitants of the territory which extends north to Churn Creek and to South French Bar; northwest to the headwaters of Bridge River; north and east toward Hat Creek Valley; east to the Big Slide; south to the island on Harrison Lake and west of the Fraser River to the headwaters of Lillooet River, Ryan River and Black Tusk.

Talisker is also engaged with several Indigenous communities in and around the areas surrounding other exploration properties such as Ladner Creek, Dora and Spences Bridge. In all cases, the Company approaches these discussions in a spirit of openness, reconciliation and long term beneficial relationship development.

(in Canadian dollars unless otherwise noted)

Talisker has an Exploration Agreement with one of the St'át'imc communities, Xwísten, and close working relationships with several of the other seven St'át'imc communities. This includes a working Environmental Monitoring Board (EMB) meeting quarterly and representatives from four of the 10 St'át'imc communities as directed by the British Columbia Ministry of Environment and Climate Change Strategies.

In the context of the future expansion and development of the Bralorne Gold Project and consistent with commitments under the existing Exploration Agreement, on September 21, 2023, Talisker entered into a Bridging Agreement with Xwísten at the Bralorne Gold Project. Talisker also works with other St'át'imc communities who have expressed interest in the Bralorne Gold Project on mutually beneficial economic and communications opportunities and protocols. All activities proposed in the permit amendment process will continually be shared with and discussed with the management, technical advisors, and leadership of Xwísten and the other designated St'át'imc communities to ensure all necessary measures are in place to protect the natural environment, culture, and heritage of the Bridge River area.

Community Engagement

Talisker also prides itself on having strong relationships with the communities of southern British Columbia in which the Company operates. This includes Bralorne, the Bridge River Valley and the other communities of the Squamish Lillooet Regional District. The approach of the Company throughout considering the future of the Bralorne Gold Project will be to engage openly and transparently, seek input through the conceptualization, design and permitting process, listen and act on concerns when they are brought forward from the community.

EXPLORATION PROPERTIES

The exploration and evaluation expenses for the Company are summarized as follows:

	Three months ended June 30, 2024	Three months ended June 30, 2023	Six months ended June 30, 2024	Six months ended June 30, 2023
Bralorne Gold Project	**$ 1,163,578**	$ (1,198,865)	**$ 4,801,968**	$ (442,345)
Spences Bridge Gold Project	**7,793**	187,359	**14,962**	310,546
Ladner Gold Project	**35,874**	188,449	**35,874**	332,569
Exploration and evaluation expenditures	**$ 1,207,245**	$ (823,057)	**$ 4,852,804**	$ 200,770

The exploration and evaluation expenses for the Company by expenditure classification are summarized as follows:

	Three months ended June 30, 2024	Three months ended June 30, 2023	Six months ended June 30, 2024	Six months ended June 30, 2023
Consulting	**$ 172,723**	$ 235,534	**$ 891,191**	$ 449,812
Salaries and wages	**600,964**	358,464	**1,268,022**	843,082
Drilling	**-**	-	**1,200,474**	-
Assays	**11,477**	172	**141,615**	(8,695)
Field supplies and administrative	**340,593**	264,201	**1,079,610**	468,248
Travel and other	**7,039**	2,671	**26,552**	10,023
Equipment rentals	**62,968**	119,485	**168,327**	232,937
Share based payments	**-**	1,143	**-**	2,273
Equipment repairs and maintenance	**11,481**	2,759	**77,013**	10,576
Filing for the recovery of exploration and evaluation expenditures	**-**	(1,807,486)	**-**	(1,807,486)
Exploration and evaluation expenditures	**$ 1,207,245**	$ (823,057)	**$ 4,852,804**	$ 200,770

(in Canadian dollars unless otherwise noted)

The mine care and maintenance costs for the Company by expenditure classification are summarized as follows:

	Three months ended June 30, 2024	Three months ended June 30, 2023	Six months ended June 30, 2024	Six months ended June 30, 2023
Consulting	**$ 61,434**	$ 107,615	**$ 187,619**	$ 235,980
Salaries and wages	**107,348**	53,198	**215,750**	128,146
Field supplies and administrative	**13,109**	108,060	**40,565**	160,288
Assays	**14,257**	17,241	**25,910**	17,241
Share based payments	**-**	549	**-**	1,091
Equipment repairs and maintenance	**6,845**	332	**6,845**	6,941
Mine care and maintenance costs	**$ 202,993**	$ 286,995	**$ 476,689**	$ 549,687

Talisker's exploration projects include the Bralorne Gold Project and the Ladner Gold Project, both advanced stage projects with significant exploration potential from historical high-grade producing gold mines, as well as its Spences Bridge Gold Project where the Company holds ~85% of the emerging Spences Bridge Gold Belt and several other early-stage Greenfields projects listed below.

Bralorne Gold Project

Located in southern British Columbia, the Bralorne Gold Project comprises the tenure owned by Bralorne Gold Mines Ltd., a wholly-owned subsidiary of Talisker, that comprises several historic mine workings (Pioneer, Bralorne, King and BRX mines) as well as additional tenure acquired by Talisker in 2020 and 2021. The Bralorne Gold Project currently comprises over 12,995.93 hectares over 64 claims, three leases and 197 Crown Grant claims. The Bralorne Gold mine complex produced approximately 4.2 million ounces of gold at a grade of 17.7 g/t Au from 30 veins in three adjacent mines; Bralorne, Pioneer and King, until eventual closure in 1971 due to depressed gold prices.

Resource definition drilling at the Bralorne Gold Project totaled approximately 130,971 metres (265 holes) since acquisition of the Bralorne Gold Project. Drilling commenced in February 2020 and ended in September 2022 in preparation for the technical report that was initiated in Q3 2022. During this time an additional 8,818.95 meters (14 holes) was drilled in BRX, which is north of the main Bralorne Mine Block.

In 2022, the Company engaged InnovExplo Inc. to prepare a technical report on the Bralorne Gold Project. The mineral resource estimate ("MRE") was announced on January 24, 2023 with the following key points:

- 117,000 tonnes with an average grade of 8.9 g/t Au for 33,000 ounces gold in the indicated category;
- 8.0 million tonnes at 6.3 g/t Au for 1.63 million ounces of gold in the inferred category;
- The mineral resource is defined approximately along a strike length of 4.5 km, to a depth of 700 m and remains open along strike and at depth;
- A total of 86 veins have been identified with 63 veins open along strike and at depth, 18 remain open at depth, and two remain open along strike;
- Talisker believes that exploration potential exists as proximal extensions of currently defined mineralized zones, laterally and at depth, and may yield somewhere between 2.0 and 2.5 million tonnes at grades between 6.0 and 9.0 g/t Au for 400,000 – 700,000 ounces gold. This exploration potential is supported by the drill hole and channel sample data used for the MRE at drill hole spacings greater than the inferred category resources. These targets are not mineral resource estimates, potential quantity and grade is conceptual in nature. There has been insufficient exploration to define a mineral resource, and it is uncertain if further exploration will result in the exploration targets being delineated as a mineral resource;
- Regionally, mineralization has been identified to 2 km below surface, and along a strike length of 33 km.

(in Canadian dollars unless otherwise noted)

Table 1: Bralorne Gold Project 2023 Mineral Resource Estimate

Bralorne Gold Project	Category	Cut-off Grade (g/t Au)	Tonnes (t)	Grade (g/t Au)	Ounces (oz Au)
King	Indicated	Long Hole > 2.65	111,300	8.61	30,800
		Cut and Fill > 3.10	5,900	13.45	2,600
	Inferred	Long Hole > 2.65	1,598,400	5.76	296,200
		Cut and Fill > 3.10	76,000	7.89	19,300
Bralorne	Inferred	Long Hole > 2.65	3,958,100	7.02	893,200
		Cut and Fill > 3.10	82,500	7.95	21,100
Pioneer	Inferred	Long Hole > 2.65	1,436,500	5.72	264,400
		Cut and Fill > 3.10	16,700	14.93	8,000
Charlotte	Inferred	Long Hole > 2.65	859,600	4.70	129,900
		Cut and Fill > 3.10	5,600	4.54	800
Total Indicated			117,200	8.85	33,400
Total Inferred			8,033,400	6.32	1,632,900

Notes:

- The independent qualified persons, as defined by NI 43-101, are Carl Pelletier, P.Geo., Vincent Nadeau-Benoit, P.Geo., and Eric Lecomte, P.Eng. (InnovExplo). The effective date of the MRE is January 20, 2023.
- The mineral resources are not mineral reserves as they do not have demonstrated economic viability.
- The MRE follows the 2014 CIM Definition Standards on Mineral Resources and Reserves and the 2019 CIM Estimation of Mineral Resources and Mineral Reserves Best Practice Guidelines.
- A total of 86 veins were modelled for the Bralorne, King, Charlotte, and Pioneer deposits. Quartz vein core wireframes were modelled with a minimum thickness of 0.50 m. A brecciated alteration halo wireframe was modelled around each quartz vein core to produce two nested wireframes with a combined minimum total true thickness of 1.2 m.
- High grade capping, supported by statistical analysis, was applied to composited data inside the high-grade quartz veins for Pioneer (1.4 m) at 100 g/t Au, Bralorne (1.4 m) at 100 g/t Au, Charlotte (1.0 m) at 31 g/t Au and King (1.2 m) at 110 g/t Au for the drill hole samples and at 400 g/t Au for the underground samples and was applied to composited data inside the brecciated alteration halo for Pioneer (1.4 m) at 6.4 g/t Au, Bralorne (1.2 m) at 9.5 g/t Au, Charlotte (1.2 m) at 5.2 g/t Au and King (1.0 m) at 7.5 g/t Au. Compositing was completed using the grade of the adjacent material when assayed, or a value of zero when not assayed.
- The mineral resources for the Bralorne Gold Project deposit were estimated using Datamine Studio™ RM 1.9.36.0 software using hard boundaries on composited assays. The ID^2 method was used to interpolate a sub-blocked model (parent block size = 5 m x 5 m x 5 m);
- Indicated mineral resources were defined for blocks inside geological resource solids within 20 m of an underground chip sample (King only). Inferred mineral resources were defined for blocks inside geological resource solids within 50 m of a composite for the King and Charlotte Domains and within 60 m of a composite for the Bralorne and Pioneer Domains.
- Supported by measurements, a density ranging from 2.65 to 2.69 g/cm^3 was established for the high-grade quartz vein and from 2.69 to 2.75 g/cm^3 for the brecciated alteration halo. Historical underground infrastructures, underground mined volumes and a 5 m buffer around them were given a density value of 0 g/cm^3.
- The reasonable prospect for an eventual economic extraction is met by having used reasonable cut-off grades for underground scenarios, a minimum mining width, and constraining volumes (Deswik shapes). The estimate is reported for a potential underground scenario at cut-off grades, depending on the mining method, of 2.65 g/t Au (Long hole stoping mining method) or 3.10 g/t (Cut and Fill mining method) and were calculated using a gold price of US$1,650 per ounce, a US$:CA$ exchange rate of 1.30, a mining cost of C$98.49/t using the long hole stoping mining method or a mining cost of C$127.49/t using the Cut and Fill mining method, transport cost of C$8.00/t, environment and G&A cost of C$24.00/t, rehabilitation cost of C$4.00/t and processing cost of C$32.00/t. The cut-off grades should be re-evaluated considering future prevailing market conditions (metal prices, exchange rate, mining cost, etc.).
- Ounce troy is metric tons multiplied by grade (g/t) and divided by the constant of 31.10348. The number of tonnes and ounces has been rounded to the nearest thousand. Any discrepancy in the totals is due to rounding effects. The rounding followed the recommendations of NI 43-101.
- The qualified persons are not aware of any problem related to the environment, permits, mining titles or related to legal, fiscal, socio-political, commercial issues or any other relevant factor not mentioned in this MD&A, that could have a significant impact on the MRE.

(in Canadian dollars unless otherwise noted)

The MRE incorporates the Bralorne, King, Charlotte, and Pioneer Deposits. The MRE is defined approximately over a strike length of 4.5 kilometres within the Bralorne Gold Project's 33-kilometre-long land package with a maximum width of approximately 750 metres, down to a maximum depth of 700 metres, with an average depth of 300 metres below surface.

The MRE for the Bralorne Gold Project is comprised of modern data collected by Talisker and validated historic data collected by previous operators. A total of 660 diamond drill holes (modern and historic), 13 modern reverse circulation drill holes, nine modern surface channel samples and 1,724 validated historic underground channel samples were used to constrain, model, and calculate the mineral resource bodies. A strong understanding of the controls of mineralization enabled the Company's technical team to construct a MRE constrained by lithology, alteration, structure, and mineralization. The MRE is supported by a robust 3D litho-structural model of the gold-bearing orogenic vein system.

See the technical report on the Bralorne Gold Project available on the Company's profile on SEDAR+ at www.sedarplus.ca for more information.

Exploration Drill Program

Throughout 2022, the Company announced multiple high-grade results from its drill program that commenced in 2020. Talisker's drilling to date has produced 409 vein intersections with a combined weighted average diluted grade of 9.48 g/t Au over an average intersection of 1.72 metres. Major vein structures intersected are considered classic Bralorne crack-seal quartz-carbonate veins with densely banded sulphide septae. Crack-seal septae host fine-grained arsenopyrite and pyrite mineralization. Alteration halos consist of strong silica-sericite±mariposite alteration halos.

All reported drill assay results are available on the Company's website and details on the drill program including assay results are included in the Company's press releases.

The Company believes that exploration potential exists as proximal extensions of currently defined mineralized zones, laterally and at depth, and may yield somewhere between 2.0 and 2.5 million tonnes at grades between 6.0 and 9.0 g/t gold for 400,000 – 700,000 ounces gold. This exploration potential is supported by the drill hole and channel sample data used for the MRE at drill hole spacings greater than the inferred category of mineral resources. These targets are not mineral resource estimates, potential quantity and grade is conceptual in nature. There has been insufficient exploration to define a mineral resource, and it is uncertain if further exploration will result in the exploration targets being delineated as a mineral resource.

Exploration Targets

Million Tonnes	Grade (g/t Au)	Au (oz)
2 – 2.5	6.0 – 9.0	400,000 – 700,000

In addition, there are 23 veins with one or more conceptual targets that have been identified based on non-compliant historic data. Non-compliant data does not meet the CIM requirements for the NI 43-101 standards of disclosure and may include assays from a lab that is not ISO certified, or drill holes without downhole survey data. These conceptual targets have not yet been drill tested by Talisker.

Based on the Company's plans, in conjunction with recommendations provided by the QP's for the MRE, future work to advance the project is separated into two phases. Phase 1 includes:

- Approximately 22,000 m of infill drilling to potentially convert inferred mineral resources to the indicated category in the currently defined high-grade quartz vein bodies;

- Approximately 20,000 m of exploration drilling within the current footprint of the MRE focusing on discovering new veins and expanding known veins at depth and laterally using 50 m step-outs to potentially increase the bulk of the inferred mineral resources down to a depth of around 700 m.
- Approximately 5,000 m of regional exploration drilling outside of the MRE footprint, following up on isolated intersections, surface geochemical anomalies, geophysical anomalies and geological and structural trends.
- Initiate engineering studies: mineral processing and mine plan design for Mustang Test Mining.
- Update the MRE using drill results completed in Phase 1 and preliminary results from the engineering studies to refine the optimization and cut-off grade parameters.
- In support of the MRE update, complete an updated NI 43-101 technical report.

Talisker completed some of the infill drilling recommended between September 2022 and December 2022 with 3,199 m being drilled in five holes. In Q4 2023, infill drilling re-commenced between mid-October 2023 to mid-December 2023 with a total of 47 holes drilled totaling 8,179.20 m. After a brief break in December 2023, drilling recommenced from January – February 2024. A total of 6,829.50 m was drilled in 34 holes in Q1 2024. Details of the drilling results were announced by the Company in press releases dated November 30, 2023, January 11, 17 and 22, February 6 and 29, March 4 and April 2 and 17, 2024.

Total metres drilled by Talisker from February 2020 to February 2024 is 157,997.80 m in 365 diamond drill holes and RC holes.

Ladner Gold Project

Located in southern British Columbia, the Ladner Gold Project is comprised of mineral claims over an area of approximately 28 by 5 kilometres (14,749 hectares) covering the northern part of the Coquihalla Gold Belt. The property is accessible by the Coquihalla Highway, with the former Carolin Gold Mine located approximately 6 kilometres from the Coquihalla Highway. The Ladner Gold Project has excellent infrastructure and an existing mine permit (1,300 tonnes per day), tailings storage facility, mine site and mill site. The most recent technical report titled "Technical Report on the Ladner Gold Project, British Columbia" with an effective date of May 29, 2015 (the "Ladner Gold Technical Report") provides for a combined total of 691,540 inferred ounces of gold (including 12,132,000 tonnes grading 1.53 g/t gold for 607,000 oz at the Carolin Mine, 3,575,000 tons grading 0.69 g/t gold for 79,540 oz at the McMaster Zone, and 93,000 tons grading 0.053 oz/ton for 5,000 oz at the Tailings deposit). Key assumptions, parameters, and methods used to prepare the mineral resource estimate are disclosed in the Ladner Gold Technical Report, which is available under New Carolin's SEDAR+ issuer profile at www.sedarplus.ca. More recent exploration results include a 2018 drill hole (18NC10) that intersected 93 m averaging 1.39 g/t Au, including 7 m of 5.75 g/t gold. Historic exploration drill results at the Ladner Gold Project were highlighted by 17.05 g/t Au over 10 m (hole 716-6), 10.85 g/t Au over 21.4 m (hole 600-3) and 4.97 g/t Au over 62.3m (hole IU-37).

In 2022, the Company compiled, reviewed, and interpreted historic geological, geochemical, and geophysical data from historic exploration programs to aid in targeting and exploration across the Ladner Gold Project. In 2023, the Company executed a three-month geological mapping program which included the collection of 180 rock samples.

Spences Bridge Gold Project

The Spences Bridge Gold Project consists of a 203,029 hectares (159 claims) land package covering ~85% of the Spences Bridge Gold Belt in southern British Columbia and comprises the Company's Spences Bridge and Blustry Mountain claims. The Spences Bridge Gold Project, among other properties, was acquired from Sable Resources Ltd. ("Sable") and since the acquisition in April 2019, the Company has been actively involved in negotiations with small third party claim holders with a view to fully consolidate the belt. In connection with the acquisition, the Company assumed a strategic alliance that Sable had entered into with Westhaven Gold Corp. (formerly Westhaven Ventures Inc.) ("Westhaven") which owns the Shovelnose Project, Prospect Valley, Skoonka and Skoonka North properties that are contiguous to the Company's claims. The strategic alliance provides for an agreement whereby any ground staked within 5 kilometres of Westhaven's existing projects will be subject to a 2.5% net smelter royalty ("NSR"). Additionally, Westhaven has a 30 day right of first refusal for any properties within the same 5 kilometre radius.

(in Canadian dollars unless otherwise noted)

Summarized Financial Results

RESULTS OF OPERATIONS

For the six-month period ended June 30, 2024, net loss amounted to $8,227,319, compared to a net loss of $1,606,196 in 2023. For the three-month period ended June 30, 2024, net loss amounted to $3,148,406, compared to a net loss of $899,622 in 2023. The increased net loss is primarily due to an increase in exploration and evaluation expenditures as the Company continued progress towards production at Bralorne. The Company also recognized an income tax recovery of $318,000 (2023 - $1,951,000) upon renunciation of flow-through expenditures with the Canada Revenue Agency.

Use of Proceeds - Reconciliation of Use of Proceeds from Private Placements

On November 6, 2023, the Company closed a non-brokered private placement for gross proceeds of $3,610,632. In connection with this financing, the Company issued an aggregate of 4,611,733 Units at a price of $0.30 per Unit for gross proceeds of $1,383,520, and 6,363,178 flow-through units at a price of $0.35 per flow-through unit for gross proceeds of $2,227,112.

The following table sets out a comparison of how the Company used the proceeds following the closing date, an explanation of the variances and the impact of the variance on the ability of the Company to achieve its business objectives and milestones.

Date	Intended Use of proceeds	Actual use of proceeds	Explanation of Variances
November 6, 2023	The gross proceeds received from the sale of the FT Shares will be used for exploration, and the balance of the financing will be used for general corporate purposes.	As of June 30, 2024, the Company spent $2,227,000 (December 31, 2023 - $272,000) in qualifying CEE expenditures.	As of June 30, 2024, the Company was committed to spending approximately $nil (December 31, 2023 - $1,955,000 to be spent by December 31, 2024).

On August 12, 2024, the Company closed the Tranche 1 of the 2024 Offering (see "*Recent Developments*"), the net proceeds of which are intended to be used by the Company for working capital and general corporate purposes.

Expenses

For the six-month periods ended June 30, 2024 and 2023:

Expenses of $8,156,322 for the six-month period ended June 30, 2024 increased in comparison with expenses of $3,352,061 for the six-month period ended June 30, 2023. The increase for the period is primarily due to the following variances:

- Exploration and evaluation expenses increased to $4,852,804 for the six-month period ended June 30, 2024, from $200,770 for the same period in 2023. The increase is due to the increased exploration at the Bralorne Gold Project driven primarily by drilling costs of $1,200,474 (2023 - $nil). The other primary reason for the increase is that the Company did not recognize a recovery in relation to the filing of the British Columbia mining exploration tax credit ("BCMETC") receivable, whereas a recovery in the amount of $1,807,486 was recognized for the same period in 2023, which reduced net exploration and evaluation expenditures in such prior period.

- Mine care and maintenance costs decreased to $476,689 for the six-month period ended June 30, 2024, from $549,687 for the same period in 2023. The decrease is due to a decrease in water treatment cost of $142,946 (2023 - $133,940) and environmental costs of $333,743 (2023 - $415,747).

- Consulting and management expenses decreased to $1,005,695 for the six-month period ended June 30, 2024, from $1,087,449 for the six-month period ended June 30, 2023. The amount decreased as the Company reduced staffing.

- Administration costs increased from $377,643 for the six-month period ended June 30, 2023, to $596,995 for the six-month period ended June 30, 2024. Administration costs vary based on the level of activity and overhead costs incurred during each period with the expense increasing during the current year due to increases in legal fees during the period.

- Share-based payments decreased to $9,100 for the six-month period ended June 30, 2024, from $39,023 for the same period in 2023. Share-based payments vary based on the number of options and restricted share units ("RSUs") issued in the period and their related valuation. See note 14 of the unaudited interim condensed consolidated financial statements for the three and six-month periods ended June 30, 2024 and 2023 for details on options and RSUs issued.

- Public company costs increased from $364,860 for the six-month period ended June 30, 2023 to $558,979 for the six-month period ended June 30, 2024. The amount varies based on the timing of various shareholder communications and investor relations activities which increased between the two periods.

- Travel and other costs decreased slightly from $104,301 for the six-month period ended June 30, 2023 to $65,997 for the six-month period ended June 30, 2024. The amount decreased in line with the Company decreasing costs where possible.

- Depreciation of property, plant and equipment was consistent, decreasing slightly from $628,328 for the six-month period ended June 30, 2023 to $590,063 for the six-month period ended June 30, 2024. The amount decreased slightly in line with a decrease in overall asset base.

For the three-month periods ended June 30, 2024 and 2023:

Expenses of $2,935,594 for the three-month period ended June 30, 2024 increased in comparison with expenses of $838,232 for the three-month period ended June 30, 2023. The increase for the period is primarily due to the following variances:

- Exploration and evaluation expenses increased to $1,207,245 for the three-month period ended June 30, 2024, from a recovery of $823,057 for the same period in 2023. During the prior year there was a recognition of a recovery in relation to filing of the BCMETC receivable in the amount of $1,807,486 which resulted in a net recovery total. The amounts would have been fairly consistent excluding the tax credit.

- Mine care and maintenance costs decreased to $202,993 for the three-month period ended June 30, 2024, from $286,995 for the same period in 2023. The amounts related to water treatment cost of $85,543 (2023 - $60,635) and environmental costs of $117,450 (2023 - $226,360).

- Consulting and management expenses decreased to $518,893 for the three-month period ended June 30, 2024, from $583,962 for the three-month period ended June 30, 2023. The amount decreased as the Company reduced staffing.

(in Canadian dollars unless otherwise noted)

- Administration costs increased from $197,995 for the three-month period ended June 30, 2023, to $333,306 for the three-month period ended June 30, 2024. Administration costs vary based on the level of activity and overhead costs incurred during each period with the expense increasing during the current year due to increases in legal fees during the period.

- Share-based payments decreased to $5,672 for the three-month period ended June 30, 2024, from $19,620 for the same period in 2023. Share-based payments vary based on the number of options and RSUs issued in the period and their related valuation. See note 14 of the unaudited interim condensed consolidated financial statements for the three and six-month periods ended June 30, 2024 and 2023 for details on options and RSUs issued.

- Public company costs increased from $210,434 for the three-month period ended June 30, 2023 to $360,053 for the three-month period ended June 30, 2024. The amount varies based on the timing of various shareholder communications and investor relations activities which increased between the two periods.

- Travel and other costs decreased from $47,963 for the three-month period ended June 30, 2023 to $22,151 for the three-month period ended June 30, 2024. The amount decreased in relation to reduced travel in the period.

- Depreciation of property, plant and equipment decreased from $314,320 for the three-month period ended June 30, 2023 to $285,281 for the three-month period ended June 30, 2024. The amount decreased slightly in line with a decrease in overall asset base.

Other Income/Expenses

The Company recorded interest accretion expense of $280,415 (2023 - $309,876) during the six-month period ended June 30, 2024 and $140,208 (2023 - $155,794) during the three-month period ended June 30, 2024, representing interest accretion on the asset retirement obligations in connection with the Bralorne Gold Project and Ladner Gold Project.

The Company recorded an income tax recovery of $318,000 (2023 - $1,951,000) during the three and six-month periods ended June 30, 2024, upon the filing of renunciation documents with the Canada Revenue Agency which occurred during the six-month period ended June 30, 2024.

SELECTED FINANCIAL INFORMATION

The information below should be read in conjunction with the Company's Financial Statements.

	Six Month Period Ended June 30, 2024	Year Ended December 31, 2023	Year Ended December 31, 2022
	$	$	$
Loss			
- net loss	(8,227,319)	(12,641,589)	(19,033,361)
Loss per share			
- net loss (basic and diluted)	(0.09)	(0.16)	(0.06)
Total assets at end of period/year	30,395,056	37,868,094	44,639,036

(in Canadian dollars unless otherwise noted)

SUMMARY OF QUARTERLY RESULTS

The following tables set forth selected financial information for each of the Company's eight most recently completed quarters:

	Q2 2024 $	Q1 2024 $	Q4 2023 $	Q3 2023 $
Expenses	(2,935,594)	(5,220,728)	(7,684,101)	(3,218,228)
Other income (expense)	(293,868)	(166,257)	(79,421)	(129,409)
Foreign exchange gain (loss)	81,056	(9,928)	(59,786)	135,552
Income tax recovery	-	318,000	-	-
Net loss	(3,148,406)	(5,078,913)	(7,823,308)	(3,212,085)
Basic and fully diluted loss per share	(0.04)	(0.06)	(0.10)	(0.04)
Total assets at end of period	30,395,056	32,155,984	37,868,094	38,419,259

	Q2 2023 $	Q1 2023 $	Q4 2022 $	Q3 2022 $
Expenses	(838,232)	(2,513,829)	(3,820,251)	(3,354,918)
Other expense (income)	(83,482)	(141,296)	(977,982)	(973,417)
Foreign exchange loss (gain)	22,092	(2,449)	(1,833)	(8,086)
Income tax recovery	-	1,951,000	-	1,637,000
Net loss	(899,622)	(706,574)	(4,800,066)	(2,699,421)
Basic and fully diluted loss per share	(0.01)	(0.01)	(0.06)	(0.04)
Total assets at end of period	41,494,864	42,641,767	44,639,036	54,635,051

Expenses fluctuated somewhat quarter over quarter ranging from a low of $838,232 in the second quarter of 2023 to a high of $7,684,101 in the fourth quarter of 2023. Expenses fluctuated based on budget and exploration plans and decreased in the later stages of 2022 and into 2023 as the Company conserved cash as market environment dictated at the time. The amount increased during Q4 of 2023 and into 2024 as the Company works towards commencing production at Bralorne.

Disclosure of Outstanding Share Data as of August 14, 2024

	Authorized	Outstanding
Voting or equity securities issued and outstanding	Unlimited	94,623,877 common shares
Securities convertible or exercisable into voting or equity shares		a) Options to acquire up to 1,330,000 common shares b) RSUs to acquire up to 43,335 common shares c) 14,262,813 warrants exercisable to acquire the same number of common shares of the Company

Off-Balance Sheet Arrangements

The Company had no off-balance sheet arrangements as of June 30, 2024.

Financial Instruments and Other Instruments

The Company's financial instruments consist of cash and cash equivalents, reclamation deposits, accounts payable and accrued liabilities and leases payable. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments and that the fair values of these financial instruments approximate their carrying values.

Dividends

The Company has neither declared nor paid any dividends on its common shares. The Company intends to retain its earnings, if any, to finance growth and expand its operation and does not anticipate paying any dividends on its common shares in the foreseeable future.

LIQUIDITY AND CASH FLOWS

The Company is dependent upon raising funds in order to fund future exploration programs. See "*Capital Resources*", "*Financial Instruments and Other Instruments – Liquidity Risk*" and "*Risk Factors*".

The Company ended the second quarter of fiscal 2024 with cash of $1,050,791, compared to $8,461,525 as at December 31, 2023. The Company had working capital deficiency (current assets – current liabilities) of $5,608,850 as at June 30, 2024 compared to a working capital surplus of $2,285,565 as at December 31, 2023.

Working capital is a non-IFRS measurement with no standardized meaning under IFRS. Working capital as of June 30, 2024 was calculated as the total of cash and cash equivalents of $1,050,791, amounts receivable of $617,686, inventory of $214,009, prepaid expenses of $573,775, less accounts payable and accrued liabilities of $7,933,742, RSU liability of $18,947 and current portion of lease obligation of $112,422.

Cash used by operating activities was $7,192,407 for the six-month period ended June 30, 2024 compared to cash used by operating activities of $4,373,478 for the six-month period ended June 30, 2023. Cash flows used by operating activities increased in line with increases in exploration activities at the Company's Bralorne Gold Project.

Cash flows used by investing activities was $145,536 for the six-month period ended June 30, 2024, compared to cash provided by investing activities of $8,532,303 for the six-month period ended June 30, 2023. Investing activities mainly related to purchases of property, plant and equipment. The amount of cash provided by investing activities was higher in the prior period primarily due to proceeds from sale of the NSR of $8,586,706 (US$7 million net of cost).

Cash flows used in financing activities were $72,792 for the six-month period ended June 30, 2024, compared to cash used of $156,803 for the six-month period ended June 30, 2023. The amount related to payments of lease obligations.

GOING CONCERN NOTE

The condensed interim consolidated financial statements have been prepared on a going concern basis. The going concern basis assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

Further development and exploration of the Bralorne Gold Project depends upon the Company's ability to obtain equity or debt financing, joint ventures or other means. While the Company has been successful in the past in obtaining financing through the sale of equity securities and royalty transactions, there can be no assurance that the Company will be successful in obtaining additional financing in the amount and at the time required and, if available, that it can be obtained on terms satisfactory to the Company.

Management has assessed the going concern assumption and concluded that the Company's cash position is insufficient to finance development or exploration at the projected levels, and to finance continued operations for the 12 months following June 30, 2024. The continuity of the Company's operations depends on raising future financing for working capital, the continued exploration and development of its properties, and for acquisition and development costs of new projects. If the Company cannot continue as a going concern, it may be forced to seek relief under applicable legislation, which could have a negative impact on the price and volatility of the common shares.

(in Canadian dollars unless otherwise noted)

As at June 30, 2024, the Company had cash of $1,050,791 and the Company recorded an accumulated deficit of $104,938,998 (December 31, 2023 - $96,971,679), net loss of $8,227,319 (2023 - $1,606,196), and net cash used in operating activities of $7,192,407 (2023 - $4,373,478).

The combination of these circumstances set out above represents a material uncertainty which may cast significant doubt upon the Company's ability to continue as a going concern as the Company progresses towards the development of the Bralorne Gold Project. However, the Company believes that it will have adequate resources to continue in operational existence for the foreseeable future. For this reason, the Company continues to adopt the going concern basis in preparing its condensed interim consolidated financial statements. These condensed interim consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities, the reported revenues and expenses, and the balance sheet classifications that would be necessary if the going concern assumptions were not appropriate. These adjustments would be material to the condensed interim consolidated financial statements.

TRANSACTIONS WITH RELATED PARTIES

The following is a summary of the Company's related party transactions during the six month periods ended June 30, 2024 and 2023:

The Company charged rent and other costs in the amount of $nil for the six-month period ended June 30, 2024 (2023 - $30,000) paid by Millennial Precious Metals Corp., a company with certain common directors and officers.

The Company charged rent in the amount of $40,500 for the six month period ended June 30, 2024 (2023 - $nil) paid by JHI Associates Inc., a company with certain common officers.

The Company incurred operations costs in the amount of $nil for the six month period ended June 30, 2024 (2023 - $120,702) paid to JDS Energy & Mining Inc., a company with certain common former directors.

Compensation of Key Management Personnel of the Company

In accordance with IAS 24, key management personnel, including companies controlled by them, are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

The remuneration of directors and key executives is determined by the compensation committee of the Company's board of directors (the "Board").

		June 30, 2024		June 30, 2023
Short term employee benefits, director fees	**$**	**1,031,980**	$	983,658
Share based payments		**9,100**		42,386
	$	**1,041,080**	$	1,026,044

As of June 30, 2024, an amount of $213,680 (December 31, 2023 - $131,485) due to key management personnel was included in accounts payable and accrued liabilities. This amount is unsecured, non-interest bearing, and without fixed repayment terms.

The Company's Board has the overall responsibility for overseeing the Company's risk management policies. In conducting its business, the Company is exposed to various risks, including those described elsewhere in this MD&A. The Company cannot predict or identify all such risks, nor can it accurately predict the impact of such risks on its business, operations, or the extent to which one or more risks or events may significantly alter future financial position results from those reported or projected in any forward-looking statements. Therefore, the Company advises the reader against relying on reported financial information and forward-looking statements to forecast actual future results. This MD&A and the accompanying financial information should be read in conjunction with this statement concerning risks and uncertainties. Some of the risks, uncertainties, and events that could impact the Company, its business, operations, and results are outlined in this section. However, the factors and uncertainties are not limited to those mentioned. The Company has policies and practices mandated by the Board to manage its risks, which encompass the risks described elsewhere in this MD&A and below.

CAPITAL RESOURCES

The Company has no history of revenues from its operating activities. The Company is not in commercial production on any of its mineral properties and accordingly does not generate cash from operations. During the six-month period ended June 30, 2024, the Company had negative cash flow from operating activities, and the Company anticipates it will have negative cash flow from operating activities in future periods.

The Company has, in the past, financed its activities by raising capital through equity issuances. Until Talisker can generate a positive cash flow position to finance its exploration programs, the Company will remain reliant on the equity markets for raising capital, in addition to adjusting spending, disposing of assets and obtaining other non-equity sources of financing.

RISK FACTORS

The Company's business, being the acquisition, exploration, and development of mineral properties in Canada, is speculative and involves a high degree of risk. The risk factors described in the management's discussion and analysis dated March 18, 2024 for the year ended December 31, 2023, the annual information form ("AIF") of the Company dated April 3, 2024 for the year ended December 31, 2023, and those listed below could materially affect the Company's financial condition and/or future operating results, and could cause actual events to differ materially from those described in forward-looking statements made by or relating to the Company.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Company classifies its financial instruments carried at fair value according to a three-level hierarchy that reflects the significance of the inputs used in making the fair value measurements. The three levels of fair value hierarchy are as follows:

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

The carrying value of cash and cash equivalents, reclamation deposits, accounts payable and accrued liabilities and leases payable approximate fair value because of the limited terms of these instruments.

The Company's risk exposure and the impact on the Company's financial instruments are summarized below. There have been no changes in the risks, objectives, policies and procedures from the previous reporting period.

(in Canadian dollars unless otherwise noted)

Credit Risk

The Company's credit risk is primarily attributable to cash and cash equivalents and receivables. Management believes that the credit risk concentration with respect to these financial instruments is minimal.

Liquidity Risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if the Company's access to capital markets is hindered, whether as a result of a downturn in stock market conditions generally or related to matters specific to the Company. As at June 30, 2024, the Company had a cash and cash equivalents balance of $1,050,791 (December 31, 2023 - $8,461,525) to settle current liabilities of $8,065,111 (December 31, 2023 - $7,315,780). Working capital deficiency for the Company as at June 30, 2024 was $5,608,850 (December 31, 2023 - $2,285,565 working capital surplus).[1]

The maturity profiles of the Company's contractual obligations and commitments as at June 30, 2024, are summarized as follows:

	Total	Less than 1 Year	1 to 5 Years	More than 5 Years
Accounts payable and accrued liabilities	$ 7,933,742	$ 7,933,742	$ -	$ -
Leases obligations	344,736	134,185	210,551	-
Provision for site reclamation and closure	18,901,946	-	-	18,901,946
Total	$ 27,180,424	$ 8,067,927	$ 210,551	$ 18,901,946

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This MD&A may contain forward-looking statements and forward-looking information within the meaning of applicable Canadian securities legislation (collectively, "forward-looking information"), including, but not limited to, statements relating to the future financial or operating performance of the Company, the Company's exploration projects, the future price of metals, the estimation of mineral resources, the realization of mineral resource estimates, the timing and amount of estimated future production (if any), capital, operating and exploration expenditures, costs and timing of the development of new deposits, costs and timing of future exploration and development, use of proceeds from financings, requirements for additional capital, the Sprott Second Tranche, government regulation of mining operations and mineral exploration activities, environmental risks, reclamation expenses, title disputes or claims, limitations of insurance coverage, or development of the explorations projects. Often, but not always, forward-looking information can be identified by the use of words and phrases such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Forward-looking information reflects the Company's beliefs and assumptions based on information available at the time such statements were made. Actual results or events may differ from those predicted in forward-looking information. All of the Company's forward-looking information is qualified by (i) the assumptions that are stated or inherent in such forward-looking information, including the assumptions listed below, and (ii) the risks described in the section entitled "*Risk Factors*" in this MD&A, the financial statements of the Company, and the sections entitled "*Risk Factors*" and "*Cautionary Statement Regarding Forward-Looking Information*" in the AIF of the Company for the fiscal year ended December 31, 2023, which are available on SEDAR+ (www.sedarplus.ca) under Talisker's issuer profile.

[1] Working capital is a non-IFRS measurement. See "*Liquidity and Cash Flows*" for more information.

Although the Company believes that the assumptions underlying the forward-looking information contained in this MD&A are reasonable, this list is not exhaustive of the factors that may affect any forward-looking information. The key assumptions that have been made in connection with forward-looking information include the following: the significance of drill results and ongoing exploration activities; the estimation of mineral resources and the geology, grade and continuity of mineral deposits including but not limited to models relating thereto; timing to obtain assay results from labs; ability of exploration activities (including drill results) to accurately predict mineralization; the predictability of geological modeling; the accuracy of the Company's records of its property interests; the global economic climate; metal prices; environmental risks; community and non- governmental actions; that permits required for the Company's operations will be obtained on a timely basis in order to permit the Company to proceed on schedule with its planned drilling programs; that skilled personnel and contractors will be available as the Company's operations continue to grow; that the price of gold will exceed levels that will render the projects of the Company economical; the relevance of the assumptions, estimates and projections in technical reports; and that the Company will be able to continue raising the necessary capital to finance its operations and realize on its mineral resource estimates.

Forward-looking information involves known and unknown risks, future events, conditions, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by forward-looking information. Such factors include, among others, general business, economic, competitive, political and social uncertainties; the actual results of current exploration activities; errors in geological modeling; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of metals; possible variations of grade or recovery rates; failure of plant and equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; political instability; and delays in obtaining governmental approvals or financing or in the completion of exploration or development activities.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking information contained herein is given as of the date of this MD&A and the Company disclaims any obligation to update any forward-looking information, whether as a result of new information, future events or results, except as may be required by applicable securities laws. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information.

MANAGEMENT'S RESPONSIBILITY

Management is responsible for all information contained in this report. The consolidated financial statements have been prepared in accordance with IFRS and include amounts based on management's informed judgments and estimates. The financial and operating information included in this MD&A is consistent with that contained in the consolidated financial statements in all material aspects.

Management maintains internal controls to provide reasonable assurance that financial information is reliable and accurate and assets are safeguarded. The Audit Committee of the Board (the "Audit Committee") has reviewed the consolidated financial statements with management. The Board has approved the consolidated financial statements on the recommendation of the Audit Committee.

Changes in Internal Control Over Financial Reporting

There has been no change in the Company's design of internal controls and procedures over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting during the period covered by this MD&A.

ADDITIONAL INFORMATION

Additional information relating to the Company, including the Company's AIF for the year ended December 31, 2023 can be found on the Company's profile on SEDAR+ at www.sedarplus.ca.