ESKAY MINING CORP.

INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS
– QUARTERLY HIGHLIGHTS

FOR THE THREE AND SIX MONTHS ENDED AUGUST 31, 2023
(EXPRESSED IN CANADIAN DOLLARS)

Prepared by:

ESKAY MINING CORP.

The Canadian Venture Building,
82 Richmond Street East,
Toronto, Ontario, M5C 1P1

Discussion dated October 30, 2023

Introduction

The following Interim Management's Discussion & Analysis ("Interim MD&A") of Eskay Mining Corp. ("Eskay" or the "Company") for the three and six months ended August 31, 2023 has been prepared to provide material updates to the business operations, liquidity and capital resources of the Company since its last annual management discussion & analysis, being the Management's Discussion & Analysis ("Annual MD&A") for the fiscal year ended February 28, 2023. This Interim MD&A does not provide a general update to the Annual MD&A, or reflect any non-material events since the date of the Annual MD&A. The primary office of Eskay is located at The Canadian Venture Building, 82 Richmond Street East, Toronto, Ontario, M5C 1P1.

This Interim MD&A has been prepared in compliance with section 2.2.1 of Form 51-102F1, in accordance with National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the Company's Annual MD&A, audited annual financial statements for the years ended February 28, 2023 and February 28, 2022, together with the notes thereto, and unaudited condensed interim financial statements for the three and six months ended August 31, 2023, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The Company's unaudited condensed interim financial statements and the financial information contained in this Interim MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee. The unaudited condensed interim financial statements have been prepared in accordance with International Standard 34, Interim Financial Reporting. Accordingly, information contained herein is presented as of October 30, 2023, unless otherwise indicated.

For the purposes of preparing this Interim MD&A, management, in conjunction with the Board of Directors (the "Board"), considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Further information about the Company and its operations is available on Eskay's website at **www.eskaymining.com** or on SEDAR Plus at **www.sedarplus.com**.

Cautionary Note Regarding Forward-Looking Information

This Interim MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this Interim MD&A speak only as of the date of this Interim MD&A or as of the date specified in such statement. The following table outlines certain significant forward-looking statements contained in this Interim MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

Forward-looking statements	Assumptions	Risk factors
Potential of the Company's properties to contain economic deposits of precious and base metals. For fiscal 2024, the company's exploration expenses are estimated to be approximately $400,000 per month. Refer to Mineral Property Interests section.	Financing will be available for future exploration and evaluation of the Company's properties; the actual results of the Company's exploration and evaluation activities will be favourable; operating, exploration and evaluation costs will not exceed the Company's expectations; the Company will be able to retain and attract skilled staff; all requisite regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to the Company, and applicable political and economic conditions are favourable to the Company; the price of precious and base metals and applicable interest and exchange rates will be favourable to the Company; no title disputes exist with respect to the Company's properties.	Precious and base metals price volatility; uncertainties involved in interpreting geological data and confirming title to acquired properties; the possibility that future exploration results will not be consistent with the Company's expectations; availability of financing for and actual results of the Company's exploration and evaluation activities; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic and political conditions; the Company's ability to retain and attract skilled staff; availability of permits.
For fiscal 2024, the Company's operating expenses are estimated to be $132,000 per month.	The Company has anticipated all material costs; the operating activities of the Company for fiscal 2024 and the costs associated therewith, will be consistent with Eskay's current expectations.	Unforeseen costs to the Company will arise; any particular operating costs increase or decrease from the date of the estimation; changes in economic conditions.
Based on the Company's working capital surplus of $3,699,408 at August 31, 2023 (February 28, 2023 – working capital surplus of $445,048), the Company anticipates it will not have sufficient funds for its operating and exploration work requirements. However, the Company anticipates that it will have sufficient funds once future financings are completed.	Financing will be available for the Company's exploration and evaluation activities and the results thereof will be favourable; actual operating and exploration costs will be consistent with the Company's current expectations; the Company will be able to retain and attract skilled staff; all applicable regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to the Company; the Company will not be adversely affected by market competition; debt and equity markets, exchange and interest rates and other applicable economic and political conditions are favourable to the Company; the price of gold and/or other applicable metals will be favourable to the Company; no title disputes exist with respect to the Company's properties.	Gold and other metals price volatility, changes in debt and equity markets; timing and availability of external financing on acceptable terms; the uncertainties involved in interpreting geological data and confirming title to acquired properties; the possibility that future exploration results will not be consistent with the Company's expectations; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic and political conditions; the Company's ability to retain and attract skilled staff; availability of permits; market competition.

Inherent in forward-looking statements are risks, uncertainties, and other factors beyond the Company's ability to predict or control. Please also refer to those risk factors referenced in the "Risks and Uncertainties" section below. Readers are cautioned that the above chart does not contain an exhaustive list of the factors or assumptions that may affect the forward-looking statements, and that the assumptions underlying such statements may prove to be incorrect. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this Interim MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance, or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether because of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward- looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

Description of Business

The Company was incorporated under the British Columbia Business Corporations Act and continued November 2, 2010, under the Business Corporations Act of Ontario. Its common shares are listed on the TSX Venture Exchange ("TSXV") (symbol "ESK") and the Frankfurt Stock Exchange (symbol "WKN 878985"). On July 9, 2020, the Company's common shares were approved for and started trading on the OTCQB Venture Market in the United States under the symbol (OTCQB: ESKYF). The Company is a natural resource company engaged in the acquisition and exploration of mineral properties in British Columbia, Canada. To date, the Company has not generated significant revenues from operations.

The Company has no revenues, so its ability to ensure continuing operations is dependent on the discovery of economically recoverable reserves, confirmation of its interest in the underlying mineral claims, and its ability to obtain necessary financing to complete the exploration activities, development, if they are proven successful, and future profitable production.

Eskay's goal is to deliver superior returns to shareholders by concentrating on the exploration of its existing properties. The Company currently plans to focus on its material properties, as set out below under "Mineral Property Interests".

The Company will continue to attempt to raise capital to meet its ongoing operating activities.

Outlook and Economic Conditions

The Company is a Canadian base and precious metal exploration company, focused on exploring its current property interests, and on acquisitions of other mineral exploration properties, should such acquisitions be consistent with its objectives and acquisition criteria. The Company currently has operations in the Province of British Columbia, Canada. The Company's financial success will be dependent upon the extent to which it can make discoveries and on the economic viability of any such discoveries. The development of such assets may take years to complete and the resulting income, if any, is difficult to determine with any certainty. To date, the Company has not produced any revenues. The sales value of any minerals discovered by the Company is largely dependent upon factors beyond its control, such as the market value of the commodities produced.

There are significant uncertainties regarding the prices of base and precious metal and the availability of equity financing for the purposes of exploration and evaluation. The future performance of the Company is largely tied to the successful exploration, discovery and eventual development of its property interests, if they are proven successful, and other prospective business opportunities and the overall financial markets. Financial markets are likely to be volatile, reflecting ongoing concerns about the stability of the global economy. However, recently, equity markets in Canada have showed signs of improvement, with equities increasing significantly during this period. Strong equity markets are favourable conditions for completing a financing, public merger or acquisition transaction.

Management regularly monitors economic conditions, estimates their impact on the Company's operations, and incorporates these estimates in both short-term operating and longer-term strategic decisions.

The Canadian government has not introduced measures which impede the activities of Eskay. Management believes the business will continue and accordingly, the current situation bears no impact on management's going concern assumption. However, it is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of Eskay in future periods. Accordingly, to execute the Company's plans for the near term as outlined under the heading "Mineral Property Interests" and meet the Company's administrative overhead, the Company is required to complete a financing. See "Risks and Uncertainties".

Highlights

On March 13, 2023, the Company announced the addition of Mr. Riaz Mirza, M. Sc as Geophysical Advisor to its exploration team. Mr. Mirza brings a wealth of experience in the application of geophysics for precious and base-metal exploration in the Golden Triangle where he has been actively engaged in numerous projects over the past decade.

On March 20, 2023, the Company announced that an aggregate of 1,250,000 options to purchase common shares of Eskay at $0.66 per share for five years have been granted to directors and a consultant of Eskay.

On May 18, 2023, the Company announced its exploration plans for 2023 at its Consolidated Eskay project, Golden Triangle, BC. Multiple new compelling targets have been identified through proprietary processing of detailed magnetic data by Riaz Mirza and his team at Simcoe Geosciences. These targets provide Eskay Mining with a long list of high-quality drill targets to pursue this season.

On June 7, 2023, the Company announced that it, Seabridge Gold inc. ("Seabridge") and Seabridge's wholly-owned subsidiary KSM Mining ULC ("KSM"), had signed an agreement to terminate the amended agreement, whereby Seabridge and Eskay were to fund the cost of construction of the first nine kilometres of the Coulter Creek Access Road ("CCAR"), estimated to cost $12.5 million, with a limit on Eskay's contribution to a maximum of $6,250,000. Seabridge provided Eskay with a $3 million revolving loan facility at an interest rate of 3% per year to give Eskay flexibility with funding its share of the costs of construction. The parties released each other from all obligations under the amended agreement including any obligations relating to the completion of the First Segment of the CCAR, any obligation of Eskay to contribute to construction costs relating to the First Segment of the CCAR or any obligation of Seabridge to provide further loans or of Eskay to repay loans provided by Seabridge, or interest thereon. In addition, the 500,000 Bonus Warrants issued to Seabridge were cancelled. Eskay will have the right after completion of the First Segment of the CCAR, as long as KSM or its assignee operates the relevant CCAR segment, to request a road use agreement for the use of the First Segment of the CCAR. Pursuant to the terms of the road use agreement, Eskay will be required to pay an industry standard portion of maintenance costs and $100,000 per year for up to eight years (which may be non-consecutive years) for use of the First Segment of the CCAR.

On July 10, 2023, the Company announced that it has sold 5 mining claims in the Golden Triangle area of BC to Skeena Resources Limited ("Skeena") in consideration for aggregate cash payments of $4 million. The initial consideration of $2 million was paid to Eskay on closing , a further $1 million is payable on October 31, 2023, and the final $1 million payment is payable on December 31, 2023. Eskay retains a 2% net smelter returns royalty (the "Royalty") in the Claims. Skeena can purchase 50% of the Royalty at any time for $2 million. In addition, Eskay will not be required to pay any road use fees to Skeena for its use of the Eskay Creek Road for the five year period ending December 31, 2027, provided that its road use those years is consistent with its road use in 2022. Four of the Claims are north and west of the Skeena Eskay Creek Project and one of the Claims is adjacent to the west side of the Skeena Eskay Creek Project.

On August 31, 2023, the Company announced that it had recently drilled significant intervals of stockwork and/or massive sulfide mineralization at four new targets as part of its 2023 diamond drill campaign at its 100% controlled Consolidated Eskay Gold Project in the Golden Triangle of British Columbia. Precious metal-rich VMS deposits are the focus of the Company's exploration.

Events subsequent to August 31, 2023

On October 3, 2023, the Company held a Shareholders Meeting, in which all matters in the Notice of Meeting, including the adoption of the 2023 Incentive Stock Option Plan, were approved.

Overall Objective

The primary business objective of Eskay is the acquisition, exploration and evaluation of mineral properties based upon Eskay's current holdings in British Columbia, Canada. In furtherance of this objective, the Company established the following business strategy:

- Develop and implement a discretionary exploration budget on its property interests with a view to establishing a viable mineral deposit; and
- Capitalize on management's technical expertise and ability to identify, evaluate, and acquire exploration properties.

See "Risks and Uncertainties" below.

Trends

Management regularly monitors economic conditions and estimates their impact on the Company's operations and incorporates these estimates in both short-term operating and longer-term strategic decisions. Strong equity markets are favorable conditions for completing a public merger, financing, or acquisition transaction. Apart from these and the risk factors noted under the heading "Risks and Uncertainties", and "Outlook and Economic Conditions", management is not aware of any other trends, commitments, events, or uncertainties that would have a material effect on the Company's business, financial condition, or results of operations.

Off-Balance-Sheet Arrangements

As of the date of this Interim MD&A, the Company does not have any off-balance-sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company, including, and without limitation, such considerations as liquidity, capital expenditures and capital resources that would be material to investors.

Mineral Property Interests

Technical information

Dr. Quinton Hennigh, P. Geo., a Director of the Company, and its technical advisor, is a Qualified Person under the definition of National Instrument 43-101. Dr. Hennigh has approved the disclosure contained under the heading "Mineral Property Interests" and has verified the scientific and technical data contained herein.

The following table summarizes the Company's current exploration programs at the ESKAY-Corey Mineral Claims, and total estimated cost to complete each exploration program, and total expenditures incurred during the period presented rounded to the nearest thousandth.

Activities for the six months ended August 31, 2023	Spent (approx.)	Planned Fiscal Expenditures February 28, 2024 (approx.)
TV/Jeff – Drilling/Camp/Geological costs	$ 8,930,635	-
Coulter Creek Road	625,300	-
Scarlett Ridge	2,841,000	-
Scarlett Ridge / Tarn Lake	1,000,000	-
Maroon Cliffs	-	$ 480,000
Hexacon Mercury	-	480,000
Tarn Lake / Scarlett Knobs	-	960,000
Cumberland	-	480,000
TV South	-	480,000
Storie Creek	-	480,000
Other - follow up	-	1,440,000
	$ 13,396,935	**$ 4,800,000**

Based on the Company’s working capital surplus of $3,699,408 on August 31, 2023 (February 28, 2023 – working capital surplus of $445,048), the Company anticipates it will not have sufficient funds for its operating and exploration work requirements. However, the Company anticipates that it will have sufficient funds once future financings are completed. There may be circumstances, where for business reasons, a reallocation of funds may be necessary in order for the Company to maintain its operations.

On July 7th, 2023, the Company sold 5 Claims in the Golden Triangle area of BC to Skeena in consideration for aggregate cash payments of $4 million (Figure 1). The initial consideration of $2 million was paid to Eskay on Closing, a further $1 million is payable on October 31, 2023 and the final $1 million payment is payable on December 31, 2023. Eskay retains a 2% Royalty in the Claims. Skeena can purchase 50% of the Royalty at at any time for $2 million. In addition, Eskay will not be required to pay any road use fees to Skeena for its use of the Eskay Creek Road for the five-year period ending December 31, 2027. Four of the Claims are north and west of the Skeena Eskay Creek Project and one of the Claims is adjacent to the west side of the Skeena Eskay Creek Project.

Targets for 2023

Seven targets were the focus of the 2023 exploration campaign: Tarn Lake, Maroon Cliffs, Hexagon-Mercury, Storie Creek, Cumberland, Scarlet Knob-Bruce Glacier and TV South (Figure 1). Drilling at Tarn Lake, Scarlet Knob-Bruce Glacier, and Cumberland have yielded significant intercepts of stockwork and/or massive sulfide mineralization.

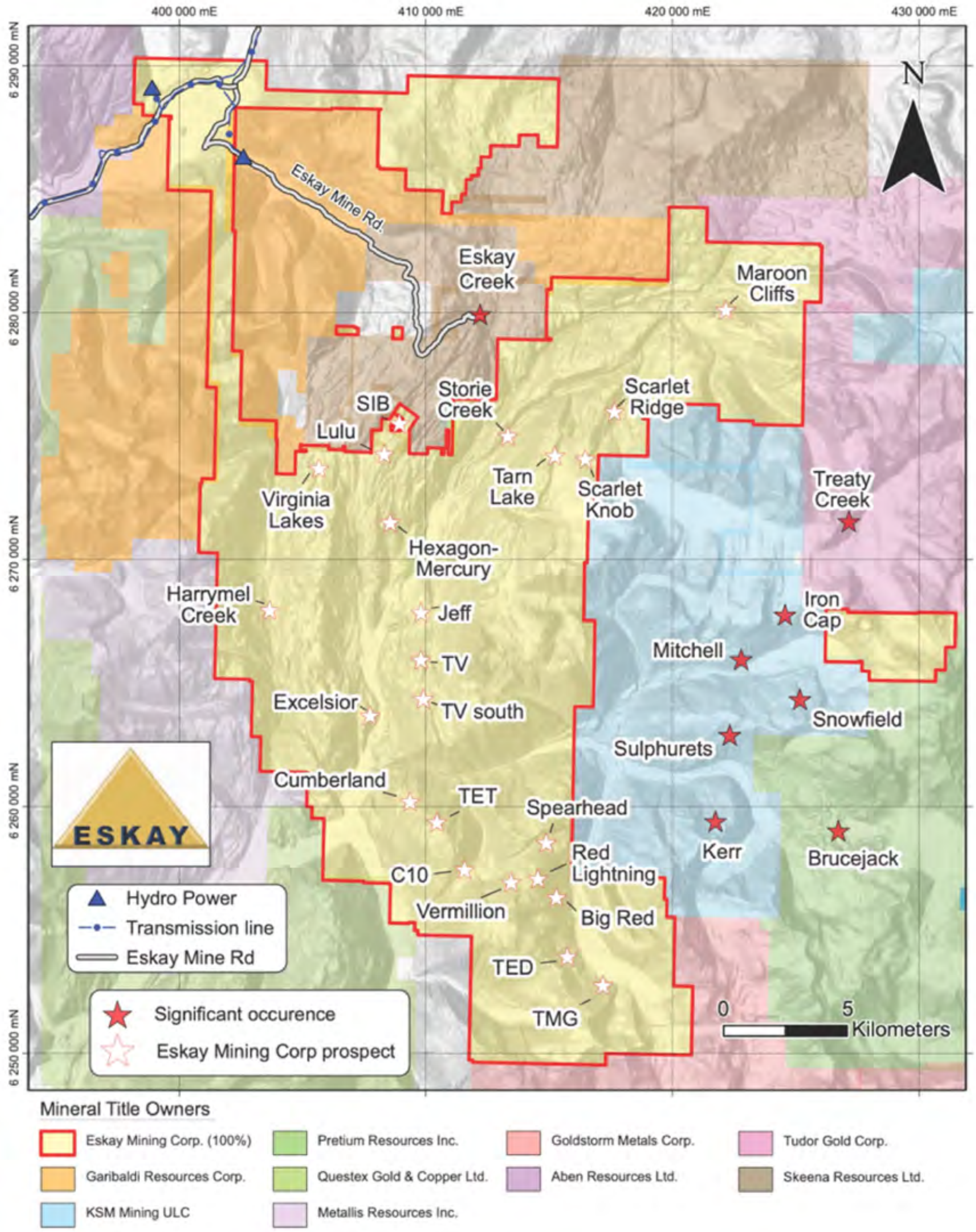

Figure 1: Plan view of Eskay Mining's land holdings at Consolidated Eskay Gold Property.

Cumberland

This target is situated approximately 4.5 km south of the TV deposit, subject of substantial drilling over the past three seasons. No appreciable work has been conducted in this area for at least twenty years. A current total of eight drill holes have been completed by Eskay Mining this season (Figure 2), seven of which intercepted seafloor-proximal stockwork and massive sulfide mineralization over core lengths of approximately 25 to 85 meters. This VMS deposit appears to strike NNW and dips steeply to the east. Stockwork mineralization (Figure 3) is hosted by pillow andesite and dacite flows, with seafloor-hosted massive sulfide overlying the stockwork zone, and a non-mineralized basalt overlying seafloor mineralization. Like TV , Cumberland is situated on the eastern limb of the Eskay Anticline.

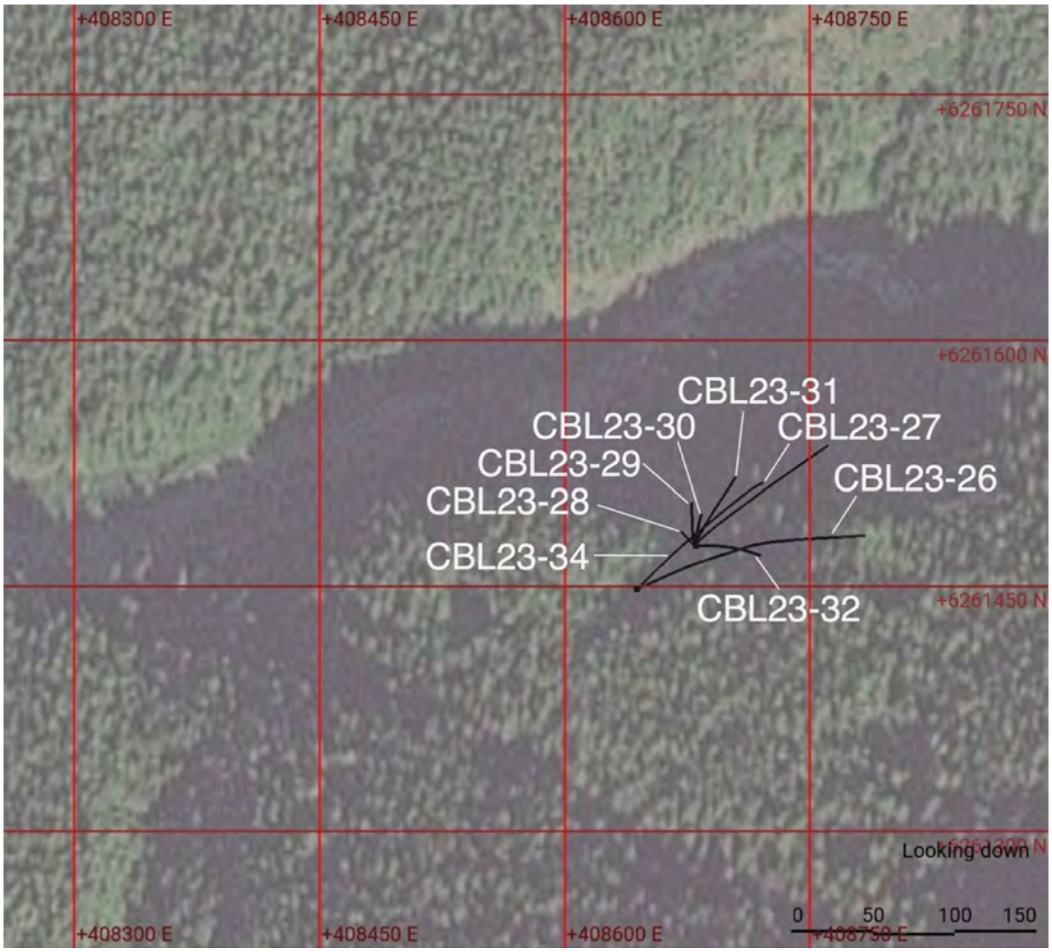

Figure 2: Drill traces for 2023 drilling at Cumberland.

Figure 3: Seafloor-proximal sulfide mineralization in drill hole CBL23-29. Stockwork mineralization was intercepted as deep as 120 m in this hole, and transitions to semi-massive replacement-style mineralization hosted by pillow andesite and associated with barite alteration. Immediately overlying the pillow andesite is massive sulfide infilling barite breccia. This style of mineralization and alteration is consistent with a seafloor position. All styles of sulfide mineralization intercepted at Cumberland are highly polymetallic with abundant pyrite, sphalerite, galena, chalcopyrite, arsenopyrite and Ag-sulfosalt minerals. The Au pathfinder elements mercury and tellurium are highly enriched at Cumberland as determined by handheld XRF analyses.

Tarn Lake and Scarlet Knob

The Tarn Lake and Scarlet Knob targets are extensive zones of polymetallic sulfide mineralization hosted by intensely altered and gossanous Eskay rhyolite, the same host rock as the world-class Eskay Creek deposit ~7 km to the northwest. Mineralization is focused along east-west trending andesite dikes, and is polymetallic with pyrite, sphalerite, galena, and arsenopyrite occurring in Au and Ag enriched samples. Geologic mapping and rock chip sampling suggests that Tarn Lake and Scarlet Knob may be connected underneath Bruce Glacier (Figure 4), with high-grade rock chip samples extending up to the glacier margins.

Four drill holes were completed at Tarn Lake in 2023, TN23-13, -14, -15, and -16, totaling 1079 m (Figure 5). Drilling at Tarn Lake intercepted long intervals of disseminated Au- and Ag-bearing replacement-style sulfide mineralization. The highest grades occur in zones exhibiting the most intense replacement-style mineralization. Hydrothermal alteration at Tarn Lake and Scarlet Knob is very intense, and coincides with an east-west trending magnetic low identified during the 2021 property-wide geophysical survey.

Four drill holes were completed at Scarlet Knob in 2023, SKN23-01, -02, -03, and -04, totaling 1204 m (Figure 5). These drill holes intercepted stockwork mineralization feeding a weakly mineralized seafloor horizon. Field investigations ~200 m northwards along strike from SKN23-01 found a zone of semi-massive to massive replacement-style polymetallic sulfide mineralization associated with the contact between an andesite dike and volcaniclastic debris flow breccia. This zone (Figure 6) appears to be a more robust feeder zone than others located in the area, and will be a focuse of continued efforts in 2024.

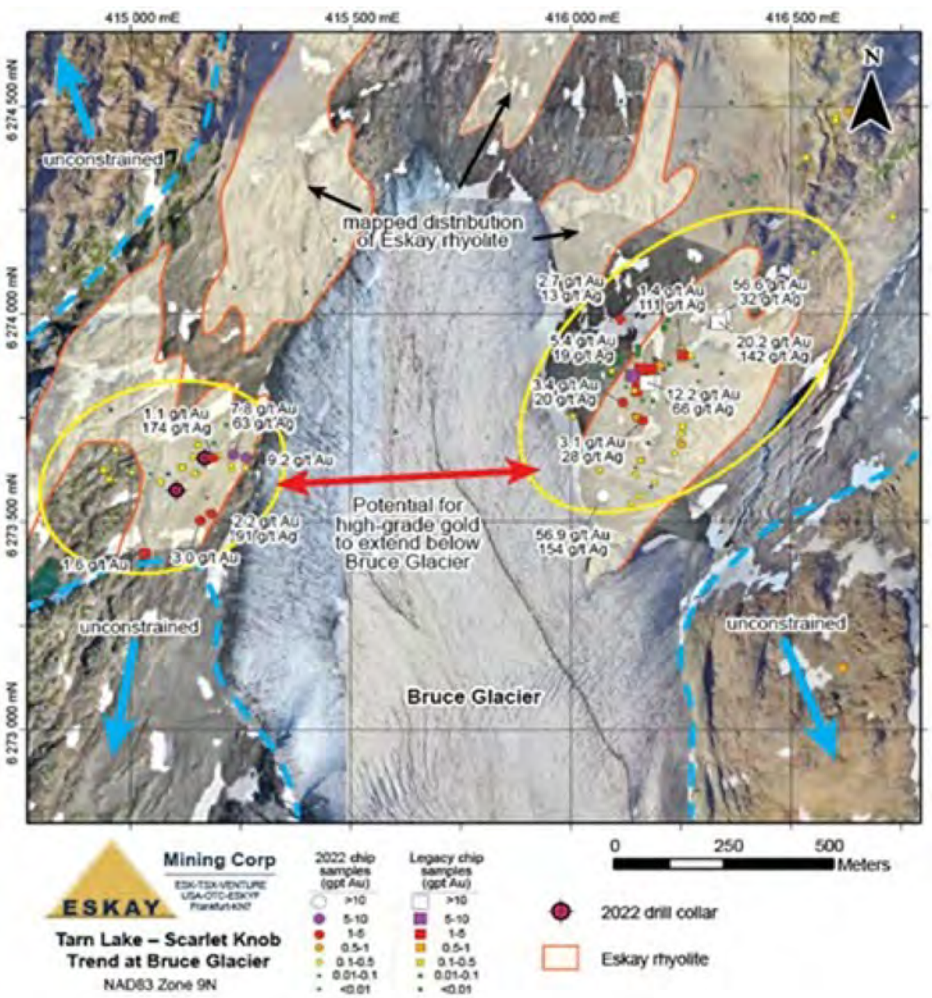

Figure 4: Plan map showing distribution of Eskay rhyolite around Bruce Glacier at Tarn Lake – Scarlet Knob. Results for Au and Ag from spot rock chip samples collected in 2022 are shown along with legacy data from previous programs. A large proportion of the 2022 rock chip samples were collected from areas that were covered by glacial ice during the early 1990's when much of the legacy rock chip sampling was conducted. Sulfide mineralization at Tarn Lake (west) and Scarlet Knob (east) show consistently elevated Au and Ag values. This includes a notable high-grade sample yielding 56.9 g/t Au and 154 g/t Ag along the eastern margin of Bruce Glacier, some 800m east of Tarn Lake. Given the east-west orientation of VMS feeder zones in the area, Eskay Mining thinks there is good potential that Au and Ag mineralization connects under Bruce forming a >1km corridor of precious metal-rich VMS mineralization.

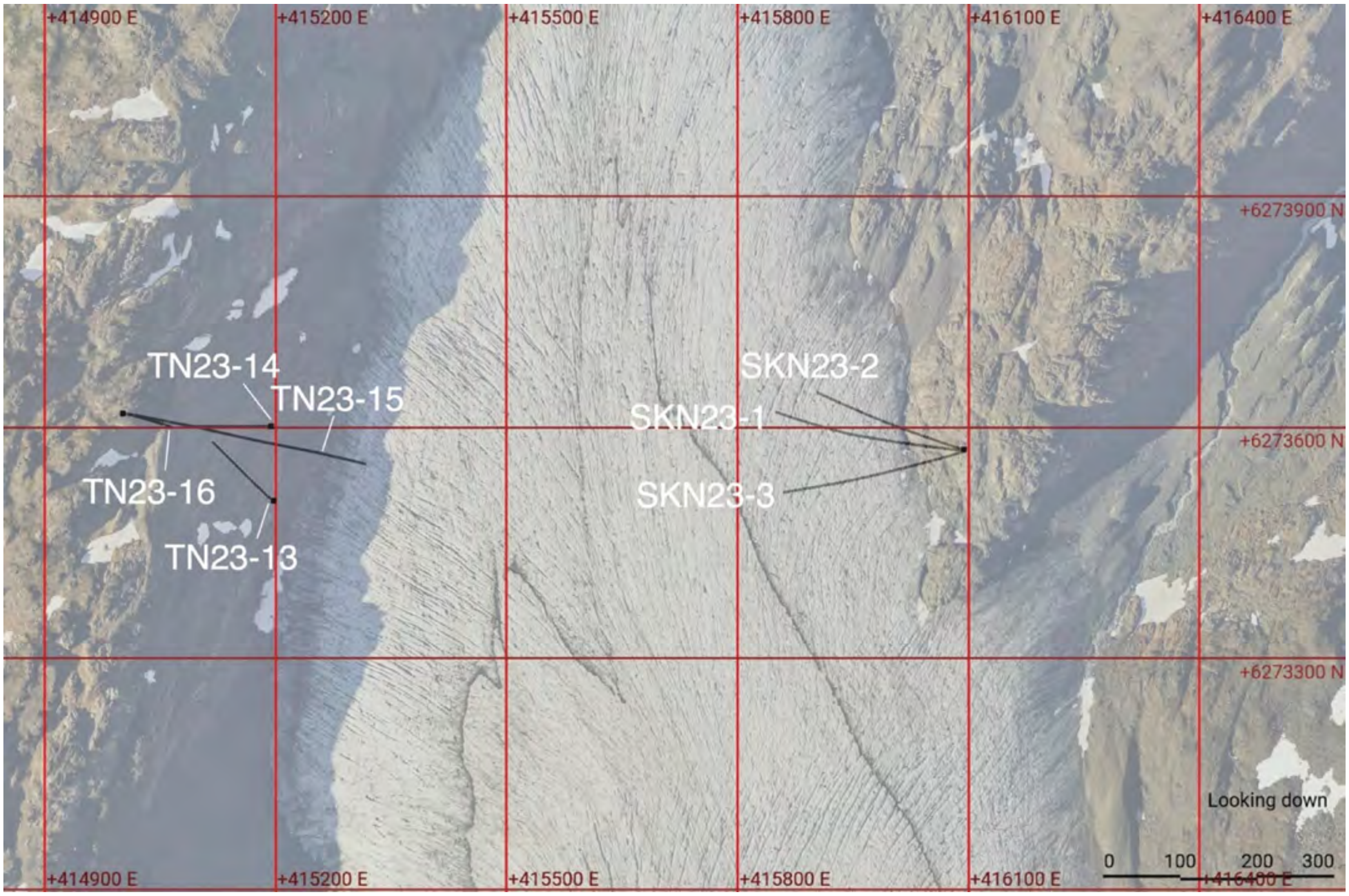

Figure 5: Drill traces for 2023 drilling at Tarn Lake and Scarlet Knob.

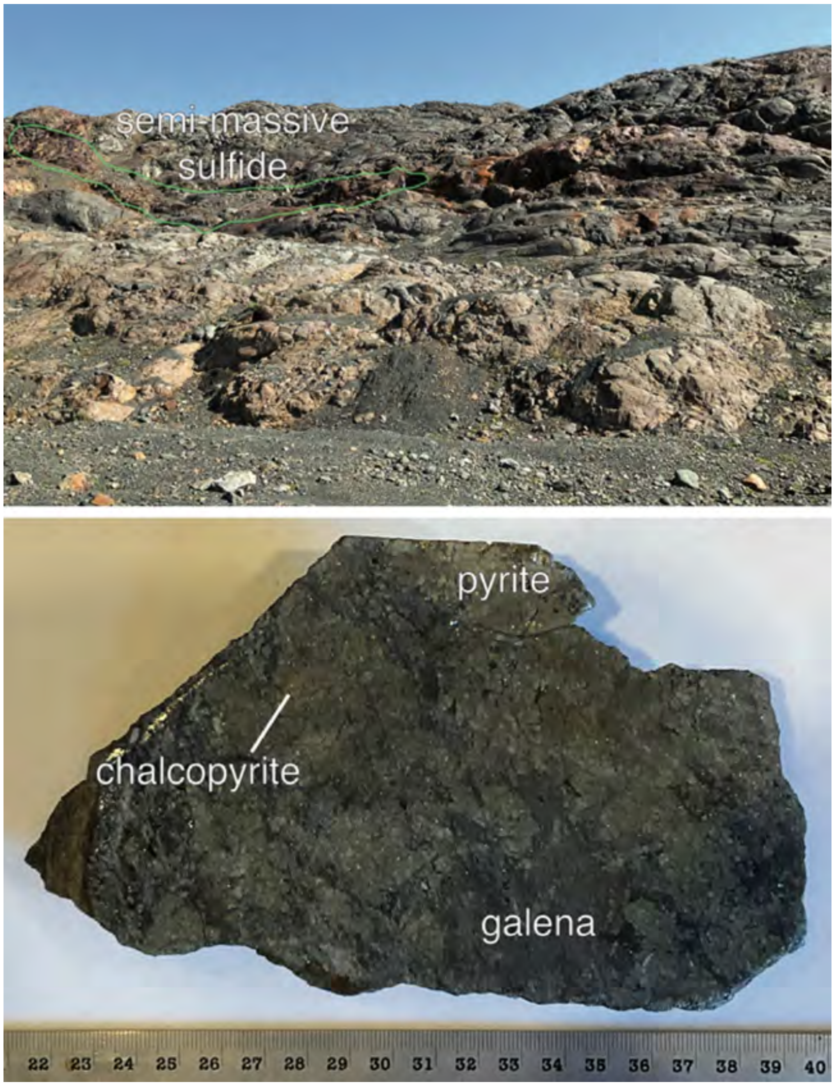

Figure 6: The gossan outlined in green in the top image delineates the zone of semi-massive to massive sulfide identified by our field team (note the two geologists for scale). The image at bottom shows one of several samples of massive polymetallic sulfide collected along the trend of mineralization. Galena, pyrite, and chalcopyrite are the dominant sulfide minerals along this trend.

TV Southwest

Geophysical investigations at TV and Jeff show the presence of magnetic anomalies associated with VMS mineralization. The largest amplitude magnetic anomalies are associated with mineralization at TV, with lower amplitude anomalies associated with Jeff and weak mineralization between TV and Jeff. One drill hole was drilled at TV south in 2023, TV23-124 drilled to 299 m depth (Figure 7). This drill hole intercepted mudstone, sandstone, and andesite flows attributed to the Betty Creek Formation of the lower Hazelton Group. The rock types intercepted indicate that the volcanic rocks associated with VMS mineralization at TV extend at least 300 m south of TV. No significant mineralization was intercepted by TV23-124. Subsequent field discoveries of sulfide rich outcrops in areas nearby suggest this hole was drilled in an unfavorable orientation and that further exploration work is warranted at TV South.

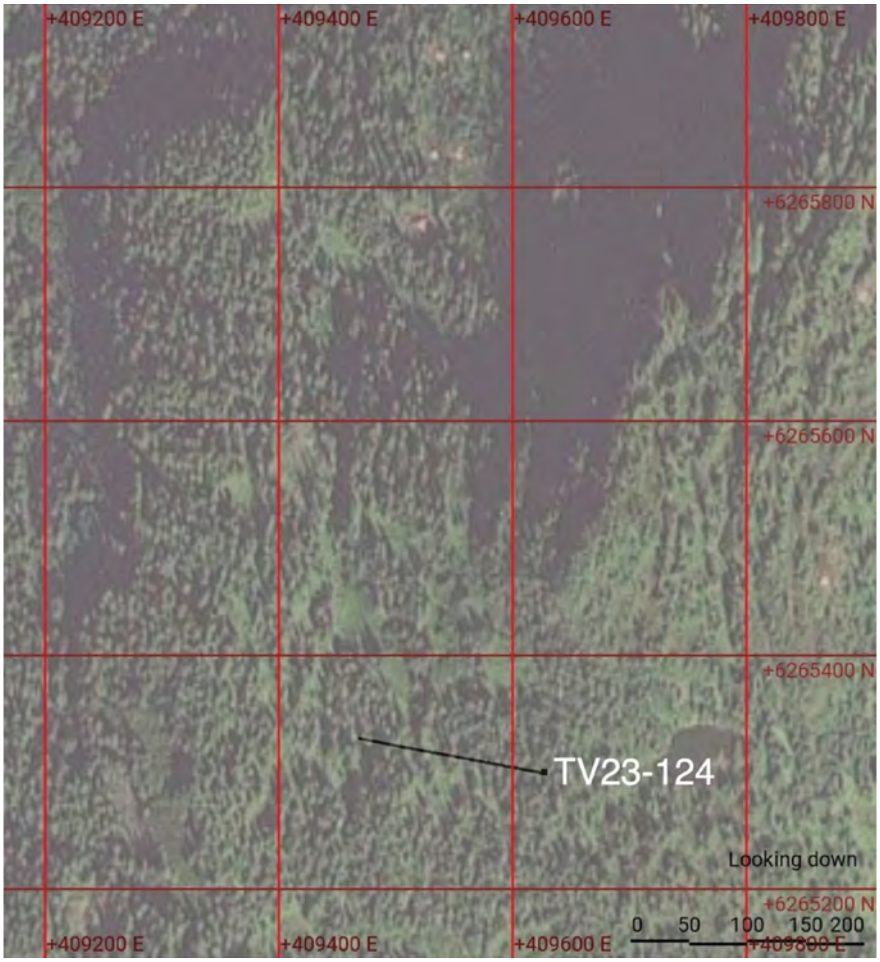

Figure 7. Drill traces showing 2023 drilling at TV Southwest.

Maroon Cliffs

The Maroon Cliffs target is located on the northern nose of the McTagg anticlinorium, near the contact between Stuhini Group and lower Hazelton Group rocks. Two drill holes were drilled at Maroon Cliffs in 2023, MC23-01 drilled to a depth of 248 m, and MC23-02 drilled to a depth of 260 m. Both drill holes were dominated by sandstone, with subordinate amounts of highly magnetic basaltic andesite. No significant sulfide mineralization was intercepted in either drill hole.

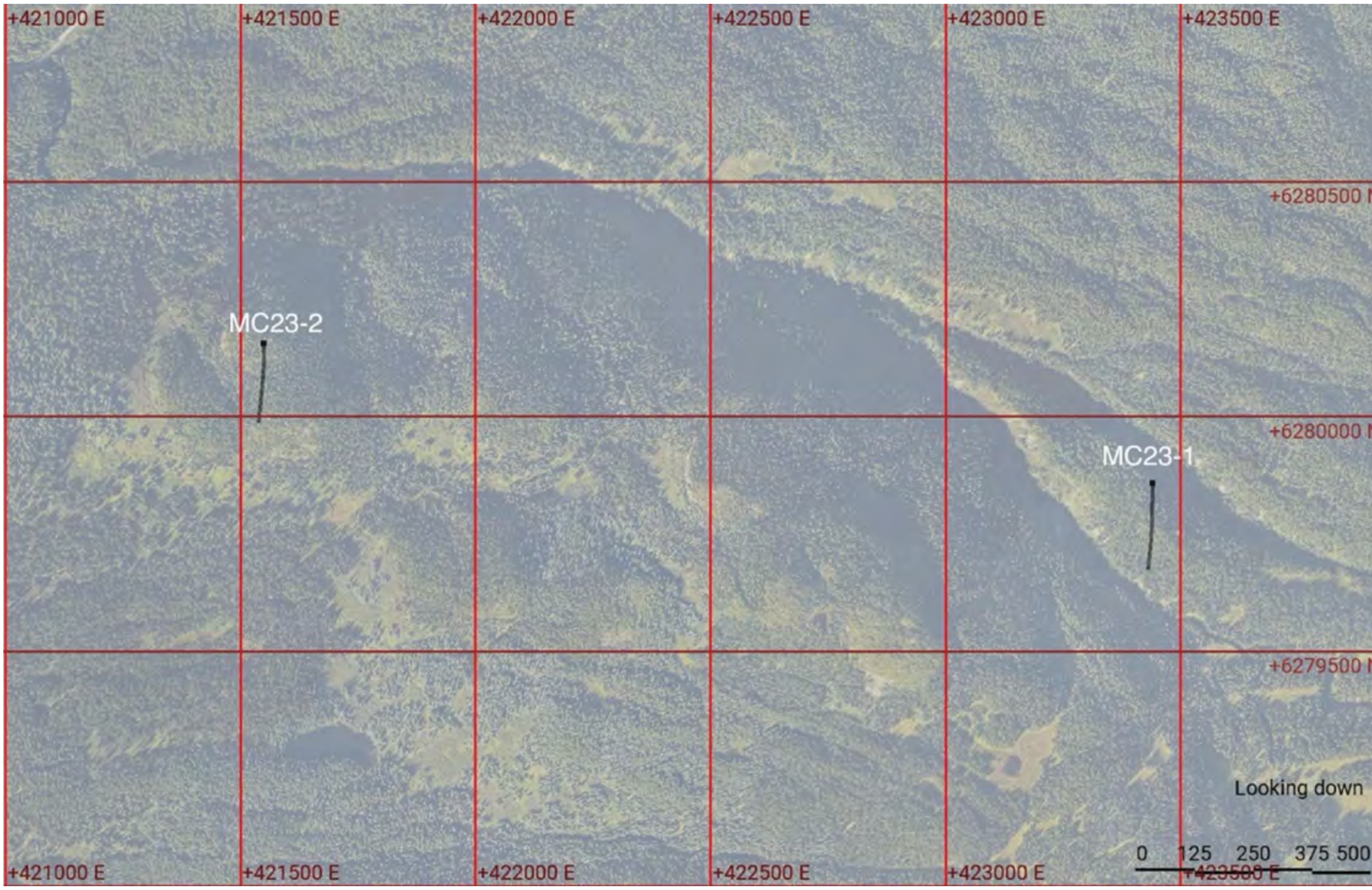

Figure 8: Drill traces showing 2023 drilling at Maroon Cliffs.

Hexagon-Mercury

The Hexagon-Mercury Zone lies ~750 m to the southeast of the Lulu Zone, and extends towards Jeff North ~3 km southeast of the Lulu Zone. This zone is defined by an Eskay Creek-like magnetic anomaly, as well as a trend of stratiform conductors extending from Jeff North towards Hexagon-Mercury. Results from soil sampling in 2021 and 2022 show Ag, Zn, and Hg anomalies extending northwards along the east limb of the Eskay anticline. Legacy rock chip sample assays indicate the presence of Au along the trend of magnetic and conductive anomalies. Historic drilling at Hexagon-Mercury intercepted Betty Creek Formation-hosted sulfide mineralization with grades up to 8.08 g/t Au over 2 m in drill hole 03-127, as well as Hg values up to 100 ppm. Preparations were made in 2022 to access this rugged area for exploration during 2023.

Two drill holes were completed at Hexagon-Mercury in 2023 (Figure 9), HM23-01 was drilled to 276 m, and HM23-02 was drilled to 255 m. Both drill holes intercepted strongly sheared andesite belonging to the Betty Creek Formation of the lower Hazelton Group. The andesite in HM23-01 hosts disseminated fine pyrite resembling that intercepted by drill hole 03-127.

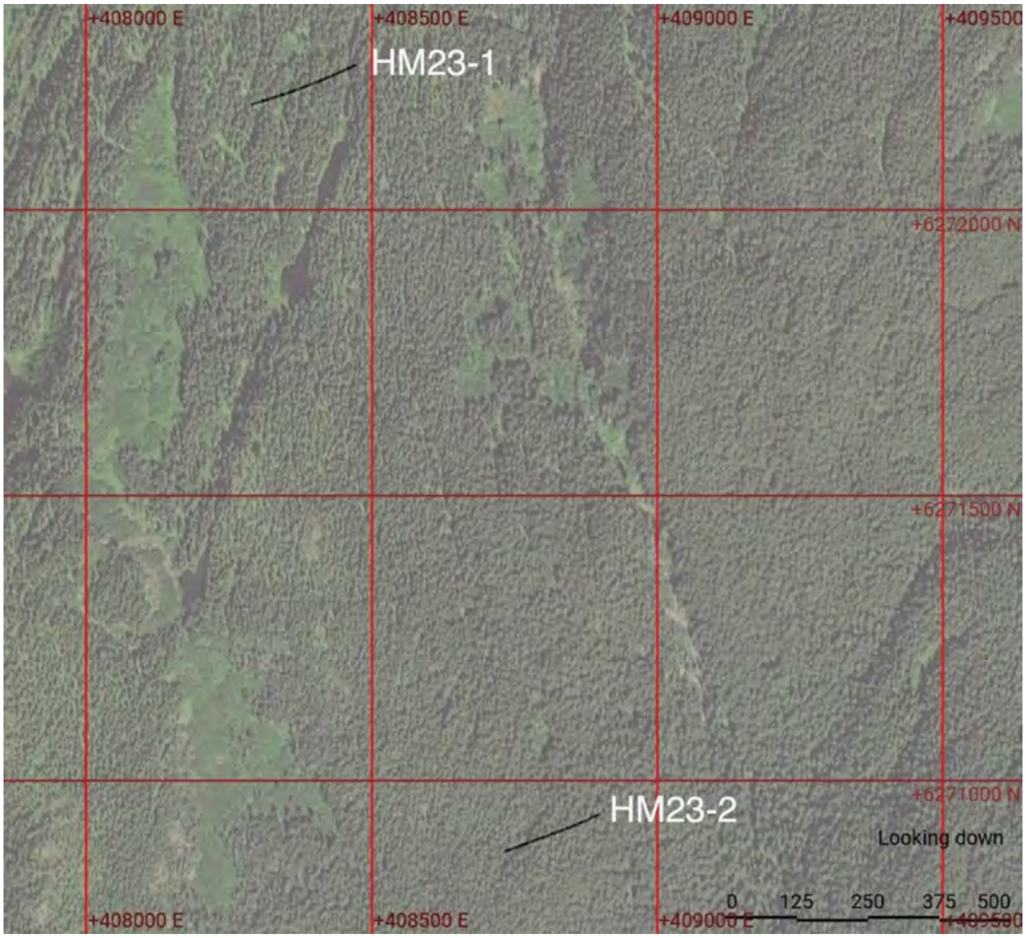

Figure 9: Drill traces showing 2023 drilling at Hexagon-Mercury.

Storie Creek

Storie Creek comprises a series of sulfide-mineralized gossans (Figure 10) forming a parallel trend ~3 km west of the Scarlet-Tarn trend, and comes within 5 km of the world-class Eskay Creek Mine. Work on the area was conducted in the early 1990's and was focused on shear zone-hosted vein-type mineralization. Preliminary work conducted by Eskay in 2023 shows that the Hazelton Group extends further west than previously mapped, opening this area to prospectivity for VMS. Two drill holes were drilled at Storie Creek in 2023 (Figure 11), SC23-01 drilled to 810 m depth, and SC23-02 drilled to 151 m depth. Both drill holes intercepted thick packages of sandstone and mudstone attributed to rocks of the Bowser Lake Group.

Figure 10: Gossanous outcrops along Storie Creek, ~3.3 km west of Tarn Lake.

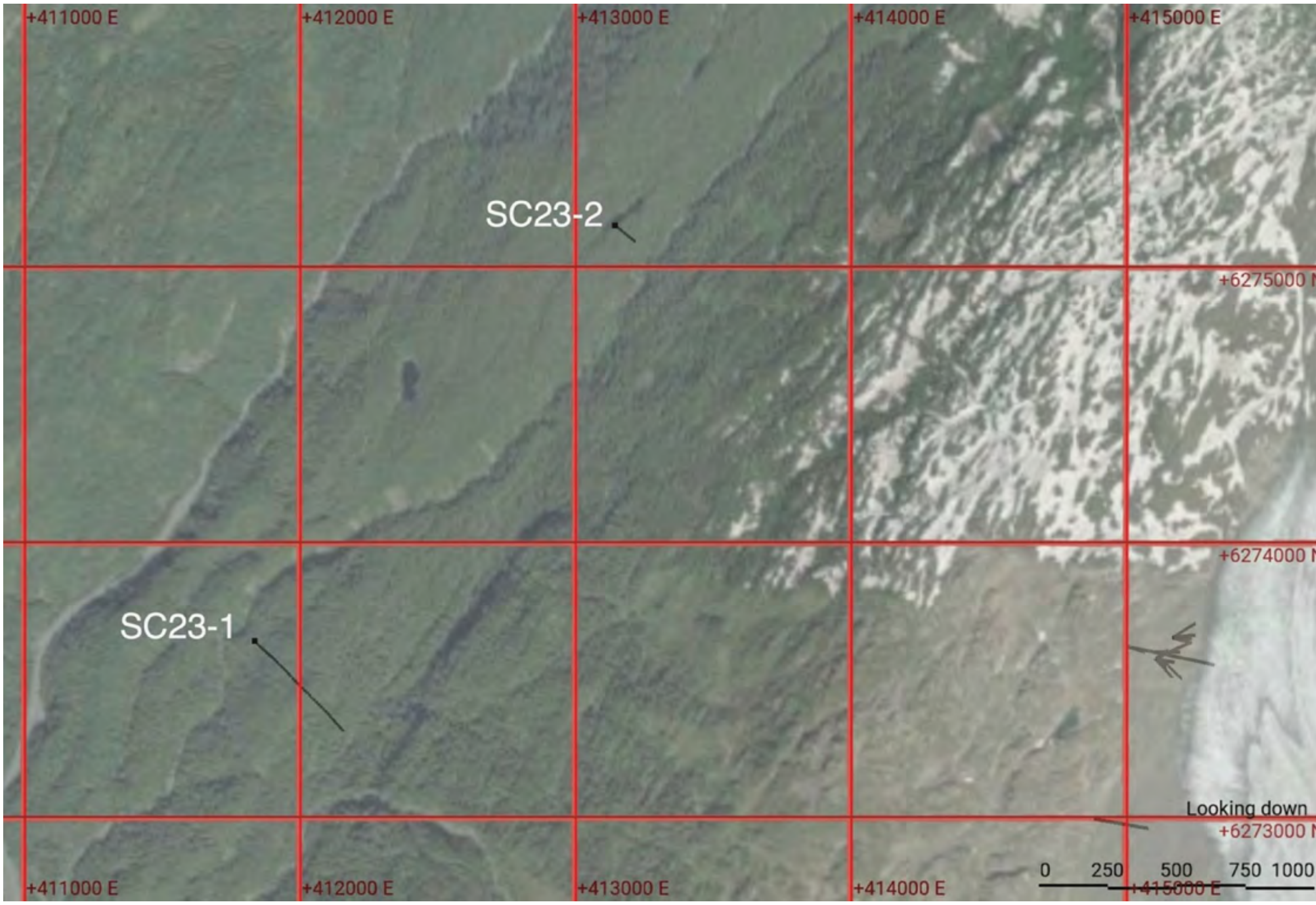

Figure 11: Drill traces showing 2023 drilling at Storie Creek.

Plans for the Project (Fiscal 2024):

The objectives for the 2024 program are contingent upon pending results from the 2023 program. The Company intends to map, sample, and drill several under-explored targets across the Property. These targets include:

1. Field investigation followed by drilling of the Cumberland area, with an emphasis on expanding the footprint of CUmberland and looking for other mineralized zones between Cumberland and TV.
2. Follow-up drilling at Scarlet Knob to investigate the semi-massive sulfide replacement zone ~200 m north of drill hole SKN23-01.

Most of the Company's tenures are in good standing until June 2029 with 5 tenures in good standing until at least June 22, 2024.

Ministry Exploration Deposits

As at August 31, 2023, the Company had $99,503 (February 28, 2023 - $94,303) of deposits held by the provincial government of British Columbia. Such deposits were required by the B.C Ministry of Energy and Mines in order to permit the Company to conduct exploration and evaluation activities in that province.

Financial Highlights

Financial Performance

Three Months Ended August 31, 2023, Compared with Three Months Ended August 31, 2022

Eskay's net income totaled $3,959,074, for the three months ended August 31, 2023, with basic and diluted income per share of $0.02. This compares with a net loss of $10,483,072 with basic and diluted loss per share of $0.06 for the three months ended August 31, 2022. The change of $14,442,146 was principally because:

- During the three months ended August 31, 2023, exploration and evaluation expenditures decreased by $9,546,555 compared to the three months ended August 31, 2022. See "Mineral Properties Interests" section above for a description of activities, the sale of Claims to Skeena in 2023, and the construction of the access road with Seabridge in 2022.
- The flow-through share liability recovery decreased to $nil for the three months ended August 31, 2023, compared to $1,805,844 for the three months ended August 31, 2022, due to the derecognition of the flow-through premium. Flow-through share liability recovery will vary from period to period depending upon qualifying expenditures on exploration properties.
- During the three months ended August 31, 2023, the Company terminated the amended Cost Sharing Agreement and was relesed from repaying the loans provided by Seabridge, or interest thereon, and a gain on the termination of $3,158,353 was recorded.
- During the three months ended August 31, 2023, general and administrative expenses decreased by $3,641,931 compared to the three months ended August 31, 2022. This is primarily due to a decrease in share-based payments of $3,386,257 for the three months ended August 31, 2023, compared to the three months ended August 31, 2022. Share-based payments will vary from period to period depending upon the number of options granted and vested during a period and the fair value of the options calculated as at the grant date.

Six Months Ended August 31, 2023, Compared with Six Months Ended August 31, 2022

Eskay's net income totaled $2,723,667, for the six months ended August 31, 2023, with basic and diluted income per share of $0.02. This compares with a net loss of $12,135,741 with basic and diluted loss per share of $0.07 for the six months ended August 31, 2022. The change of $14,859,408 was principally because:

- During the six months ended August 31, 2023, exploration and evaluation expenditures decreased by $10,616,959 compared to the six months ended August 31, 2022. See "Mineral Properties Interests" section above for a description of activities, the sale of Claims to Skeena in 2023, and the construction of the access road with Seabridge in 2022.
- The decrease in flow-through share liability recovery to $nil for the six months ended August 31, 2023, compared to $1,902,223 for the six months ended August 31, 2022, due to the derecognition of the flow-through premium. Flow-through share liability recovery will vary from period to period depending upon qualifying expenditures on exploration properties.
- During the six months ended August 31, 2023, the Company terminated the amended Cost Sharing Agreement and was relesed from repaying the loans provided by Seabridge, or interest thereon, and a gain on the termination in the amount of $3,158,353 was recorded.
- The decrease in share-based payments of $2,647,286 for the six months ended August 31, 2023, compared to the six months ended August 31, 2022. This was due to the grant of 1,550,000 share options to directors, officers and consultants to the Company. Share-based payments will vary from period to period depending upon the number of options granted and vested during a period and the fair value of the options calculated as at the grant date.

All other expenses related to general working capital purposes.

Cash Flow

At August 31, 2023, the Company had cash of $2,272,650 compared to $3,024,574 at February 28, 2023. The decrease in cash of $751,924 was as a result of cash outflow in operating activities of $751,924 and cash outflow in investing activities of $nil.

Operating activities were affected by net income of $2,723,667, non-cash adjustments of $2,247,432, and non-cash working capital items of $1,228,159. Non-cash adjustments consisted of share-based payments of $771,677, amortization of $17,502, loss from investment in associate of $118,990 and accretion of $2,752 and offset by the gain on termination of Seabridge loan of $3,158,353. Non-cash working capital balances consisted of an increase in amounts receivable of $2,086,847, an increase in accounts payable and other liabilities of $1,249,676, and an increase in prepaid expenses and other deposits of $390,988.

During the six months ended August 31, 2023, the company sold Skeena Claims for $4,000,000, of which the Company has received $2,000,000 during the current period.

Liquidity and Financial Position

The activities of the Company, principally the acquisition, exploration, and evaluation of mineral properties, are financed through equity offerings and the exercise of warrants or options and convertible debenture notes. The Company continues to seek capital through various means including the issuance of equity and/or debt.

The Company has no operating revenues and therefore must utilize its current cash reserves and other financing transactions to maintain its capacity to meet ongoing discretionary and committed exploration and operating activities.

At August 31, 2023, the Company had a working capital surplus of $3,699,408 (February 28, 2023 – working capital surplus of $445,048).

The Company's use of cash at present, and in the future will occur, principally in two areas, namely, funding of its general and administrative expenditures and funding of its exploration on its mineral properties. For fiscal 2024, the Company's expected administration and operating expenses are estimated to be $132,000 per month. The Company will continue to evaluate its exploration projects and is currently estimates its exploration budget to be $8,600,000.

Based on the Company's working capital surplus of $3,699,408 on August 31, 2023 (February 28, 2023 – working capital surplus of $445,048), the Company anticipates it will not have sufficient funds for its operating and exploration work requirements. However, the Company anticipates that it will have sufficient funds once future financings are completed. There may be circumstances, where for business reasons, a reallocation of funds may be necessary in order for the Company to maintain its operations. See "Risks and Uncertainties" below.

Related Party Transactions

Related parties include the Board of Directors, officers, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions. Eskay was a party to the following transactions with related parties:

Management and Consulting Fees	Three Months Ended August 31, 2023 $	Three Months Ended August 31, 2022 $	Six Months Ended August 31, 2023 $	Six Months Ended August 31, 2022 $
Robert Myhill	57,000	15,000	102,000	55,000
Hugh M. Balkam (1)	9,000	19,333	17,500	26,333
Balkam Partners Ltd. (2)	64,500	73,833	123,000	119,833
Marrelli Support Services Inc. (3)	5,610	5,610	11,220	12,220
Total	**136,110**	**113,776**	**253,720**	**213,386**

Professional Fees	Three Months Ended August 31, 2023 $	Three Months Ended August 31, 2022 $	Six Months Ended August 31, 2023 $	Six Months Ended August 31, 2022 $
Marrelli Support Services Inc. (4)	8,258	11,124	16,978	22,039
DSA Filing Services Limited (5)	-	450	525	525
Gardiner Roberts LLP (6)	26,780	92,151	58,098	145,006
Total	**35,038**	**103,725**	**75,601**	**167,570**

(1) Fees for performing the function of Chief Executive Officer.

(2) Management fees charged by Balkam Partners Ltd., a company controlled by Hugh M. Balkam, an officer of the Company. As at August 31, 2023, Balkam Partners Ltd. and Hugh M. Balkam were owed $nil (February 28, 2023 - $nil) and these amounts were included in amounts due to related parties, and (5) below.

(3) Fees for performing the function of Chief Financial Officer ("CFO") charged by Marrelli Support Services Inc., a company controlled by Carmelo Marrelli, CFO of the Company. See point 4 below.

(4) Professional fees incurred to Marrelli Support Services Inc., a company controlled by Carmelo Marrelli, CFO of the Company. As at August 31, 2023, the Company owed this company $236 (February 28, 2023 - $6,797), this amount is included in due to related party transactions and (5) below. In fiscal 2022, CFO fees were included in professional fees.

(5) Professional fees and disbursements incurred to Gardiner Roberts LLP ("Gardiner"), a law firm of which William R. Johnstone, Corporate Secretary of the Company, is a partner. These services were for general corporate matters. As at August 31, 2023, Gardiner is owed $10,817 (February 28, 2023 - $6,815) and this amount is included in amounts due to related parties. These balances are unsecured, non-interest bearing, and due on demand.

During the six months ended August 31, 2023, the Company granted 1,250,000 stock options to directors and consultants at $0.66 per share for five years expiring March 20, 2028. These options vested immediately and have a grant date fair value of $738,971.

During the six months ended August 31, 2022, 2,750,000 stock options were exercised by directors for common shares of the Company for gross proceeds of $572,650.

As at August 31, 2023, Hugh Balkam, a director of the Company owns 16,883,345 common shares of the Company carrying approximately 9.19% of the voting rights attached to all common shares of the Company. As at August 31, 2023, directors and officers of the Company control an aggregate of 30,820,990 common shares of the Company or approximately 16.79% of the shares outstanding.

At August 31, 2023, the Company is not aware of any arrangements that may result in a change in control of the Company. To the knowledge of the Company, it is not directly or indirectly owned or controlled by another corporation, by any government or by any natural or legal person severally or jointly.

Environmental Contingency

The Company's mining and exploration activities are subject to various government laws and regulations relating to the protection of the environment. These environmental regulations are continually changing and generally becoming more restrictive. As of August 31, 2023, the Company does not believe that there are any significant environmental obligations requiring material capital outlays in the immediate future.

Share Capital

As of the date of this Interim MD&A, the Company had 183,617,123 issued and outstanding common shares, 2,222,223 warrants and 12,985,000 stock options outstanding. Therefore, the Company had 198,824,346 common shares on a fully diluted basis.

Recent Accounting Pronouncements

Future accounting policies

IAS 1 Classification of Liabilities as Current or Non-Current (Amendment)

The IASB has published Classification of Liabilities as Current or Non-Current (Amendments to IAS 1) which clarifies the guidance on whether a liability should be classified as either current or non-current.

The amendments:

- clarify that the classification of liabilities as current or non-current should only be based on rights that are in place "at the end of the reporting period"
- clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability
- make clear that settlement includes transfers to the counterparty of cash, equity instruments, other assets or services that result in extinguishment of the liability.

This amendment is effective for annual periods beginning on or after January 1, 2024 and is to be applied retrospectively.

Risks and Uncertainties

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position. Please refer to the section entitled "Risks and Uncertainties" in the Company's Annual MD&A for the fiscal year ended February 28, 2023, available on SEDAR Plus at **www.sedarplus.com**.

Disclosure of Internal Controls

Management has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence to ensure that (i) the unaudited condensed interim financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the unaudited condensed interim financial statements, and (ii) the unaudited condensed interim financial statements fairly present in all material respects the financial condition, results of operations and cash flow of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

(i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

(ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements for external purposes in accordance with the issuer's GAAP (IFRS).

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in the certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.