ESKAY MINING CORP.

INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS

FOR THE THREE MONTHS ENDED MAY 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 July 31, 2023

Introduction

The following Interim Management's Discussion & Analysis ("Interim MD&A") of Eskay Mining Corp. ("Eskay" or the "Company") for the three months ended May 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 months ended May 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 July 31, 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 at **www.sedar.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 deficiency of $1,776 at May 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 along with the cancellation of the Seabridge loan. 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.

Events subsequent to May 31, 2023

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.

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 three months ended May 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 deficit of $1,776 on May 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 along with the cancellation of the Seabridge loan. 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 10th, 2023, the Company sold 5 mining claims (the "**Claims**") in the Golden Triangle area of BC to Skeena Resources Limited ("**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% net smelter returns royalty (the "**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

Eskay has conducted extensive geophysical work across the Consolidated Eskay Property. Airborne SkyTEM and magnetic data gathered in 2021 covered the Consolidated Eskay project and peripheral areas, including the Eskay Creek VMS deposit. Analysis of these data show that there is a distinct magnetic signature associated with the Eskay Creek deposit that is clearly evident when a tilt derivative or first vertical derivative is applied to the magnetic data. This process re-scales the data range allowing for low amplitude magnetic features to be resolved graphically. Mineralized bodies appear sharply resolved as magnetic highs surrounded by distinct magnetic lows giving a bullseye-like appearance to the deposit (Figure 2 top). Eskay's geologic team interprets this distinct signature to result from deformation and metamorphism of hydrothermally altered rocks during post-mineralization tectonic events. A three-dimensional model of magnetic susceptibility shows a strong correlation between domains of high magnetic susceptibility with VMS mineralization situated along a surface defined by a magnetic susceptibility of 0.001 SI (Figure 2 bottom). Weaker magnetic susceptibility anomalies are associated with the 21A Zone and the 22 Zone.

Comparable magnetic anomalies are observed in several areas across Eskay Mining's Consolidated Eskay property. A strong correlation is clearly evident between these anomalies and areas of known VMS mineralization. In every case, VMS mineralization encountered by drilling occurs along the margins of the modeled 3D magnetic susceptibility volume in a similar fashion as at Eskay Creek. Two new targets have been identified using the magnetic data: Maroon Cliffs, and a southwards extension of Hexagon-Mercury (Figure 1). Both these targets will be primary components of the 2023 exploration program, in addition to follow-up drilling of the mineralized horizon identified at Tarn Lake during 2022. Limited targeted drilling at Cumberland and TV Southwest based on geological and geophysical data will seek to identify extensions of both these well-mineralized showings. Brief descriptions of each of these targets are provided below.

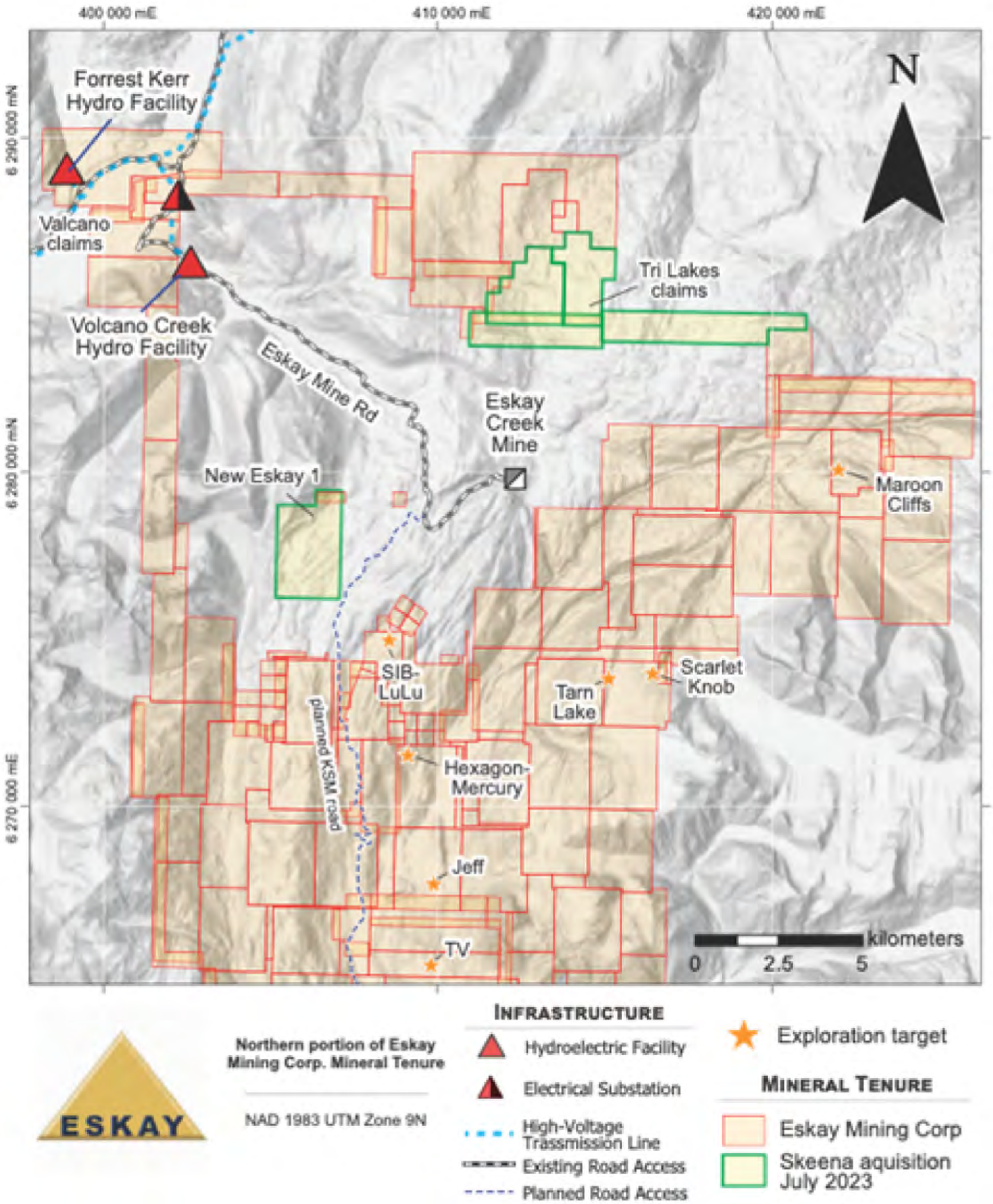

Figure 1: Map of the northern portion of the Consolidated Eskay Property. Claims sold to Skeena Resources are highlighted in green.

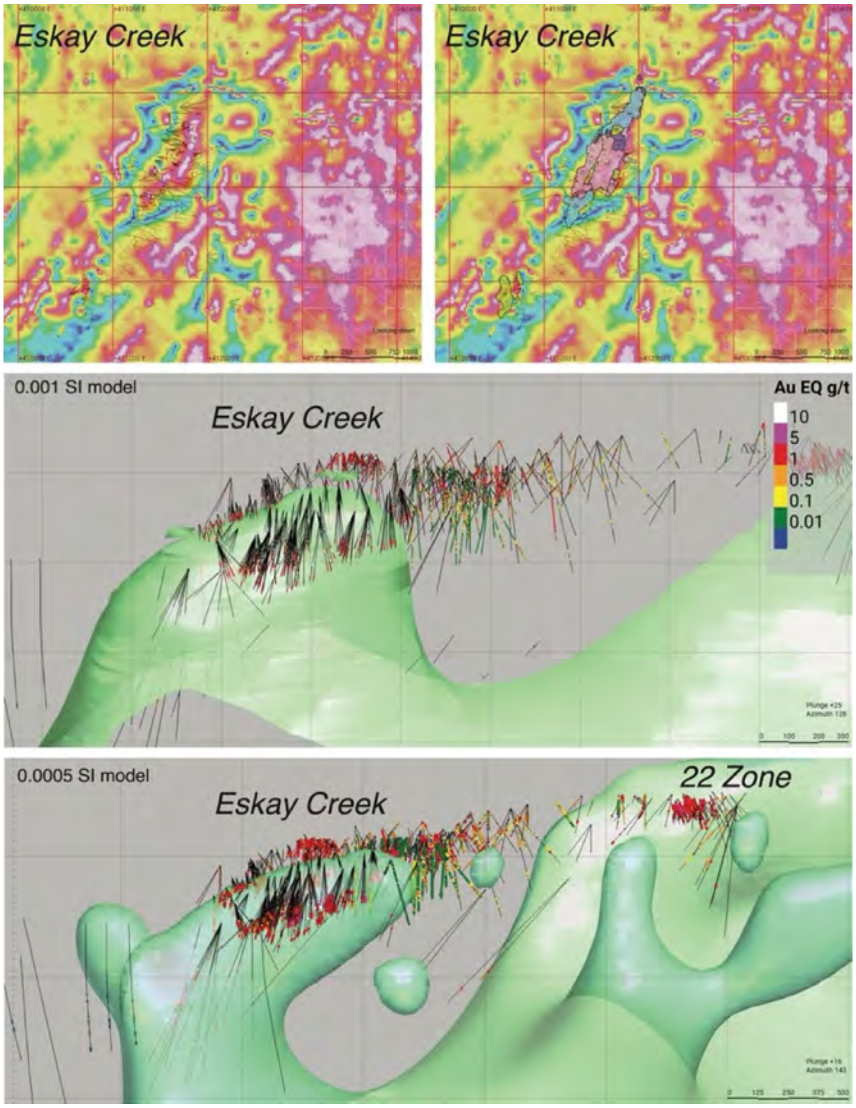

Figure 2: Results from Simcoe Geoscience's geophysical analysis of the Eskay Creek deposit. Zones of VMS mineralization at Eskay Creek are clearly defined when applying a magnetic tilt derivative to magnetic data (top images). These data show a distinct bulls-eye pattern associated with the deposit interpreted to result from hydrothermal alteration of host rocks and overprinting during subsequent deformation and metamorphism. The middle image shows a 3D model of a deep-seated magnetic susceptibility anomaly (0.001 SI volume shown in green) associated with the VMS deposit. The lowest image shows a 3D model of the 0.0005 SI magnetic susceptibility volume, showing the anomaly extending to the southwest towards 22 Zone. Gold and silver mineralization is focused along the pronounced deep-seated protrusions in the magnetic susceptibility surface. Eskay Mining can show that this same type of magnetic anomaly occurs with VMS deposits across the Consolidated Eskay property. Drill hole and assay data for Eskay Creek were obtained from publicly available Assessment and NI 43-101 reports, and news releases**.**

Maroon Cliffs

The Maroon Cliffs target is located on the northern nose of the McTagg anticlinorium, and is defined by an Eskay Creek-like magnetic anomaly comprised of magnetic highs surrounded by a ring of magnetic lows (Figure 3). In addition to the Eskay Creek-like magnetic bullseye pattern, the Maroon Cliffs target is associated with deep-seated 3D magnetic susceptibility protuberances like those seen at Eskay Creek (Figure 4). Legacy soil sampling data for the western portion of Maroon Cliffs shows Ag and Hg anomalies. These pathfinder elements are associated with Au mineralization at Eskay Creek and the numerous VMS showings on Eskay's Property. A refined BLEG (Figure 5) survey conducted in 2022 shows a strong Au anomaly immediately downstream from the Maroon Cliffs target. All of this data combines to make Maroon Cliffs a compelling target for exploration in 2023.

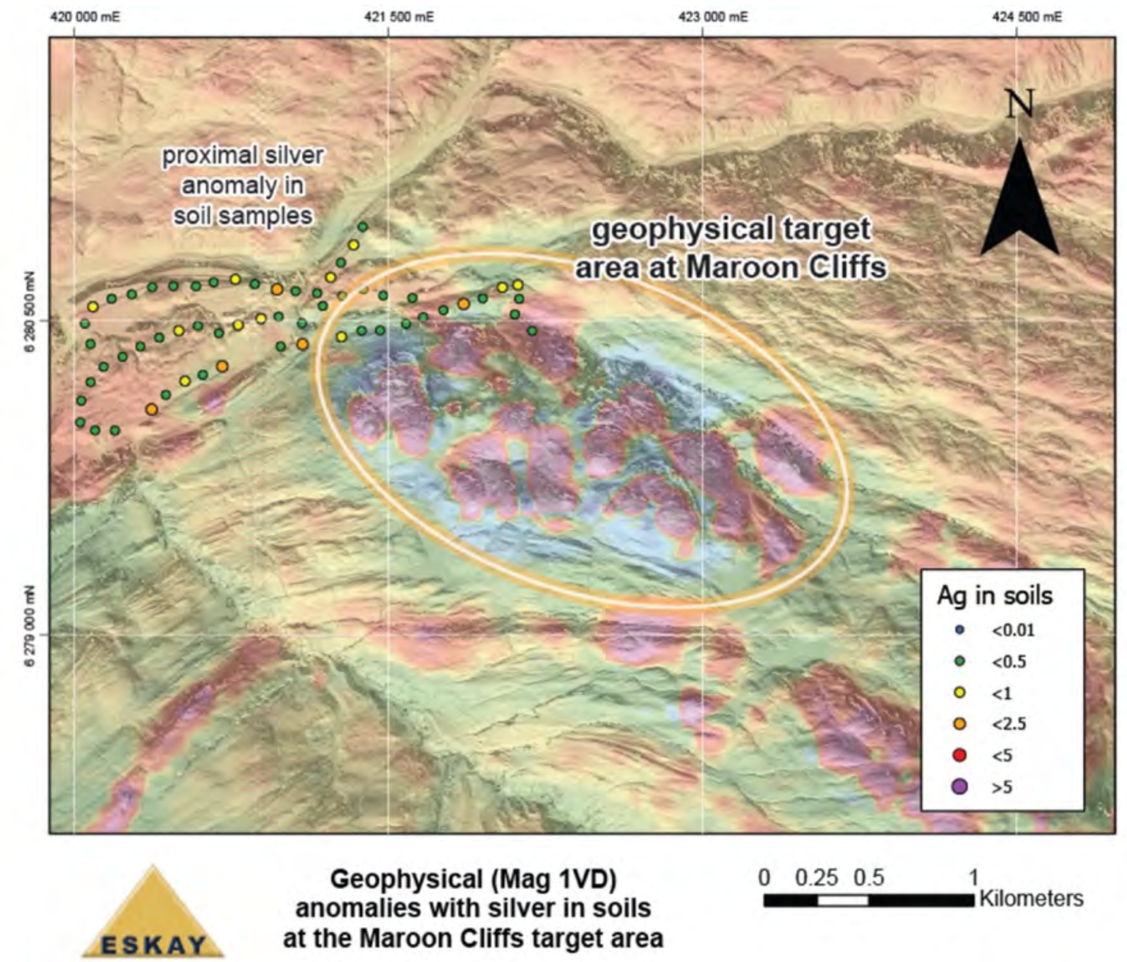

Figure 3: Soil sample Ag assay results covering the western end of the Maroon Cliffs magnetic anomaly. Elevated concentrations of the Au-pathfinder element Ag coincide with the western portion of the magnetic anomaly. Exploration of this target in 2023 will include extensive geological investigations of this magnetic anomaly, followed by drilling.

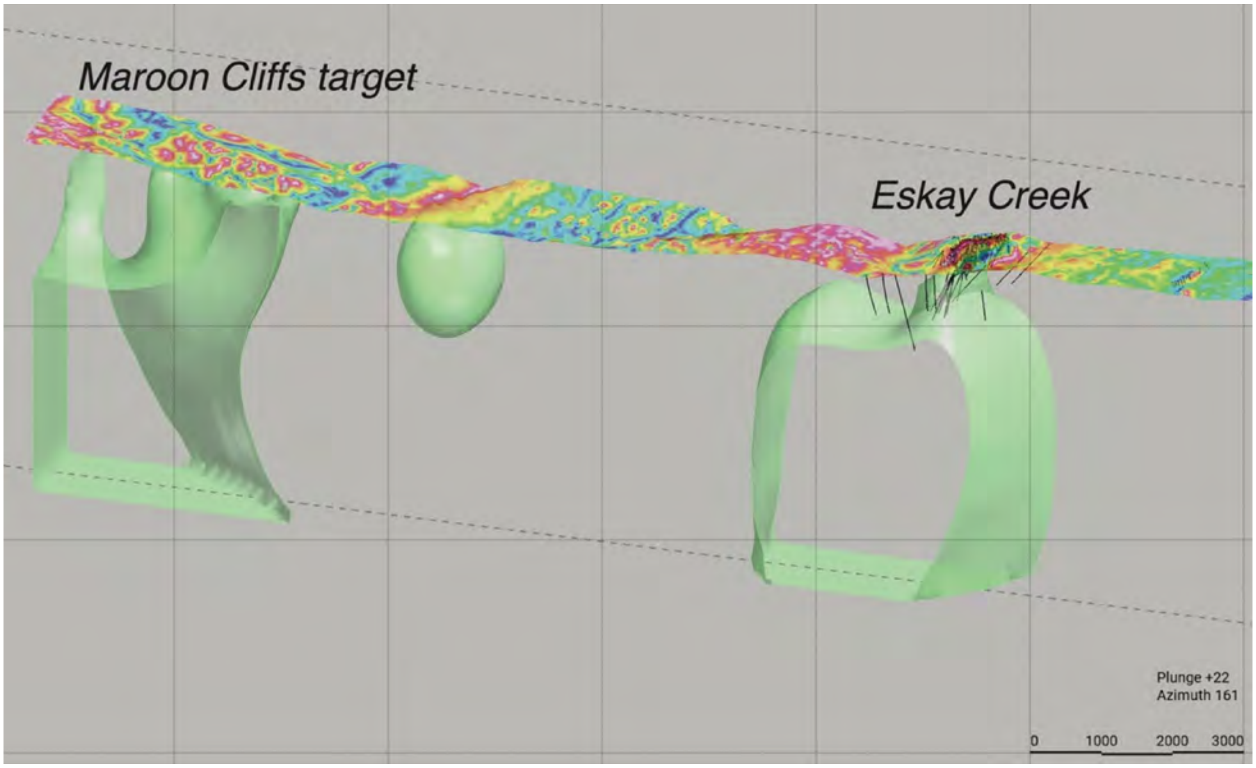

Figure 4: Oblique view of a 2 km thick vertical slice centered on line 6279625 N, showing the magnetic tilt derivative map and the 3D magnetic susceptibility model showing the 0.001 SI volume in light green. The Eskay Creek VMS deposit is associated with a deep-seated zone of elevated magnetic susceptibility that is coincident with a bulls-eye style magnetic anomaly shown by the magnetic tilt derivative data shown in Figure 18. The Maroon Cliffs target is defined by a similar, but larger magnetic anomaly. Soil sampling and BLEG data in the western part of the Maroon Cliffs area support the Au and Ag prospectivity of this geophysical target.

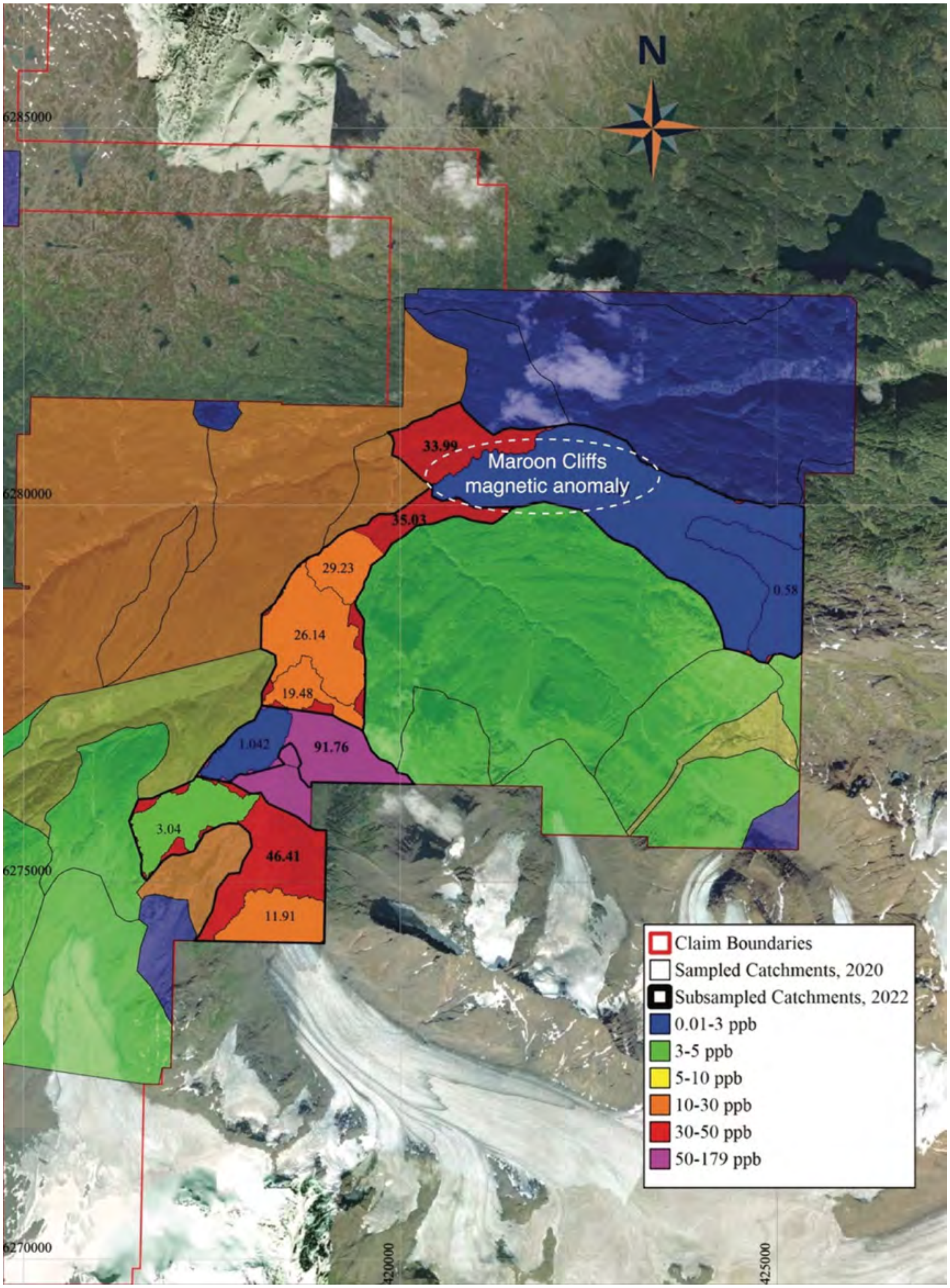

Figure 5: A map showing the Au results for the 2022 BLEG program that utilized the LiDAR data collected in 2021 to draw refined catchment basins. Two very strong BLEG anomalies are located immediately downstream from the Maroon Cliffs magnetic anomaly. This combined with the promising soil results reported above make this a highly prospective target for the 2023 exploration program.

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 (Figure 6). This zone is defined by an Eskay Creek-like magnetic anomaly (Figure 6), 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 (Figure 6). 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.

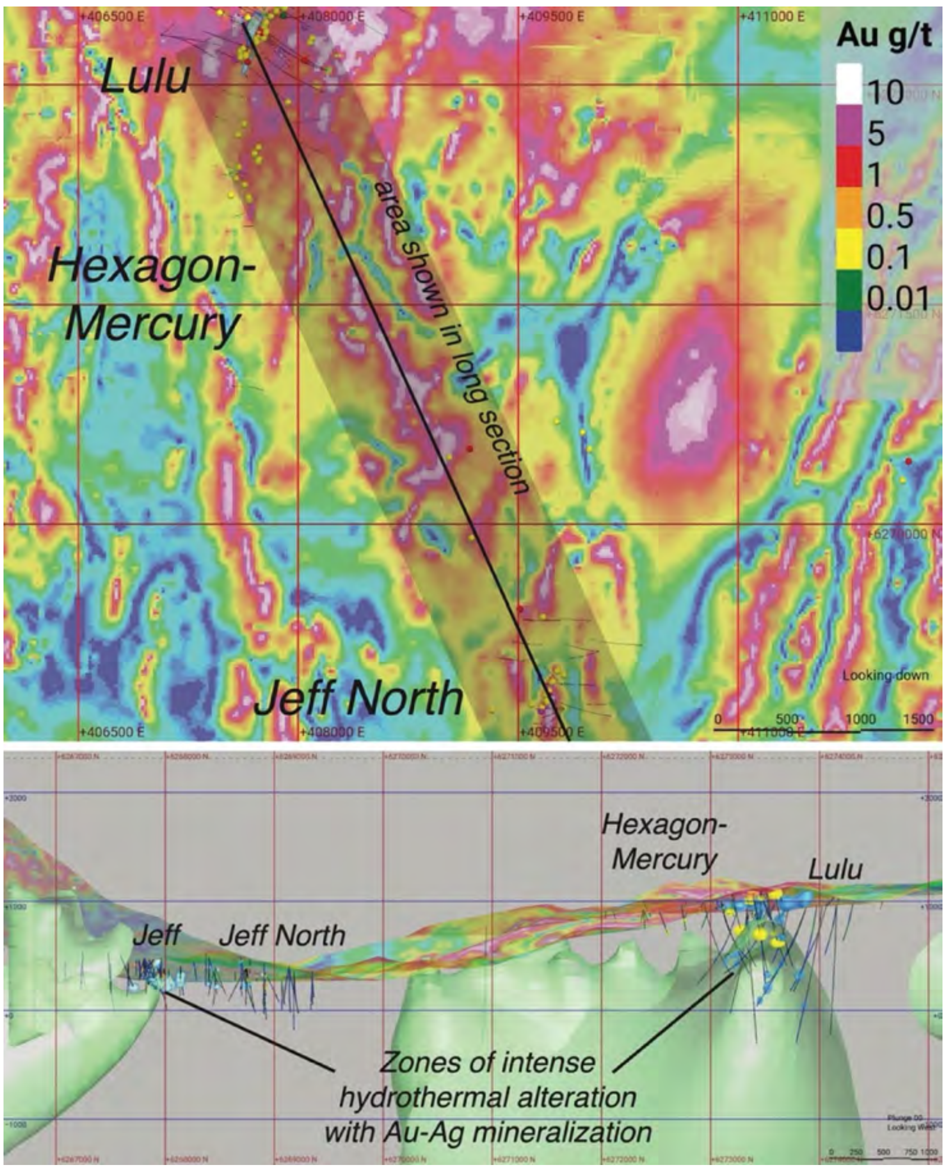

Figure 6: A 2 km thick vertical slice looking west at the Jeff North-Hexagon-Mercury target. The center line of the slice is oriented along an azimuth of 340 degrees, oblique to the UTM grid and rotated 20 degrees from the viewing plane. The light green volume shows the 0.001 SI magnetic susceptibility 3D model. Zones of intense hydrothermal alteration (an Ishikawa alteration index greater than 80) are modeled as light blue volumes. The area between Jeff North and Hexagon-Mercury hosts prospective magnetic anomalies that lie on trend with Au and Ag mineralization located by drilling and rock chip sampling.

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 7), with high-grade rock chip samples extending up to the glacier margins.

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 (Figure 8), and coincides with an east-west trending magnetic low (Figure 9) identified during the 2021 property-wide geophysical survey. Our interpretation is that this magnetic low is caused by destruction of magnetic minerals during hydrothermal alteration, and that it may help define the extent of the feeder zone for the Tarn Lake and Scarlet Knob VMS system. Similar, but smaller magnetic lows are associated with the feeder zones at Scarlet Valley and Scarlet Ridge (Figure 9).

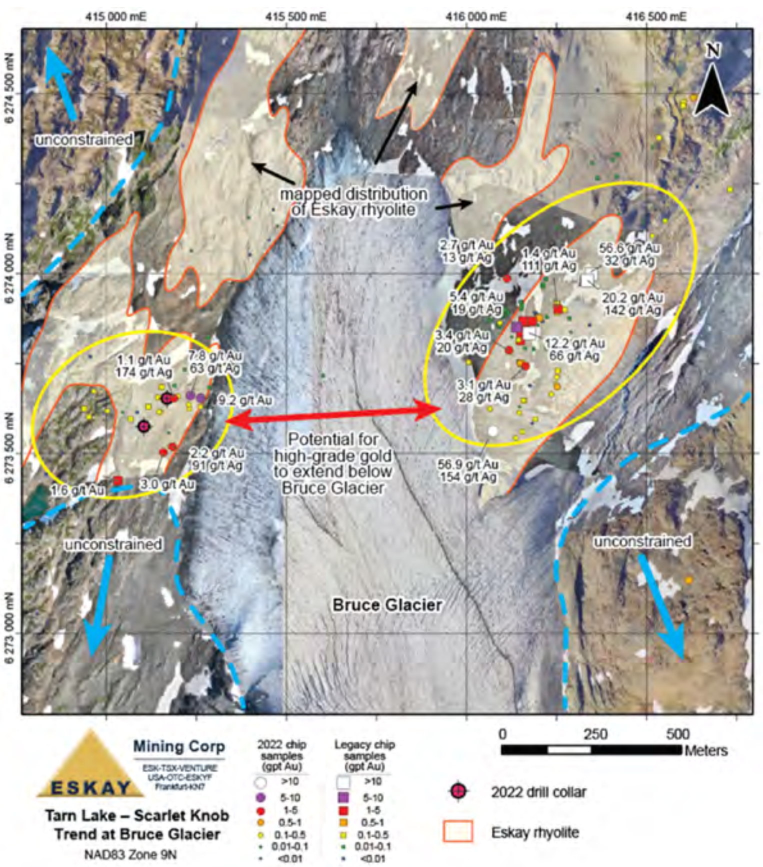

Figure 7: Plan map showing distribution of Eskay rhyolite around Bruce Glacier at Tarn Lake – Scarlet Knob. Results for Au and Ag from spot rock chip samples collected in 2022 are shown along with legacy data from previous programs. A large proportion of the 2022 rock chip samples were collected from 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.

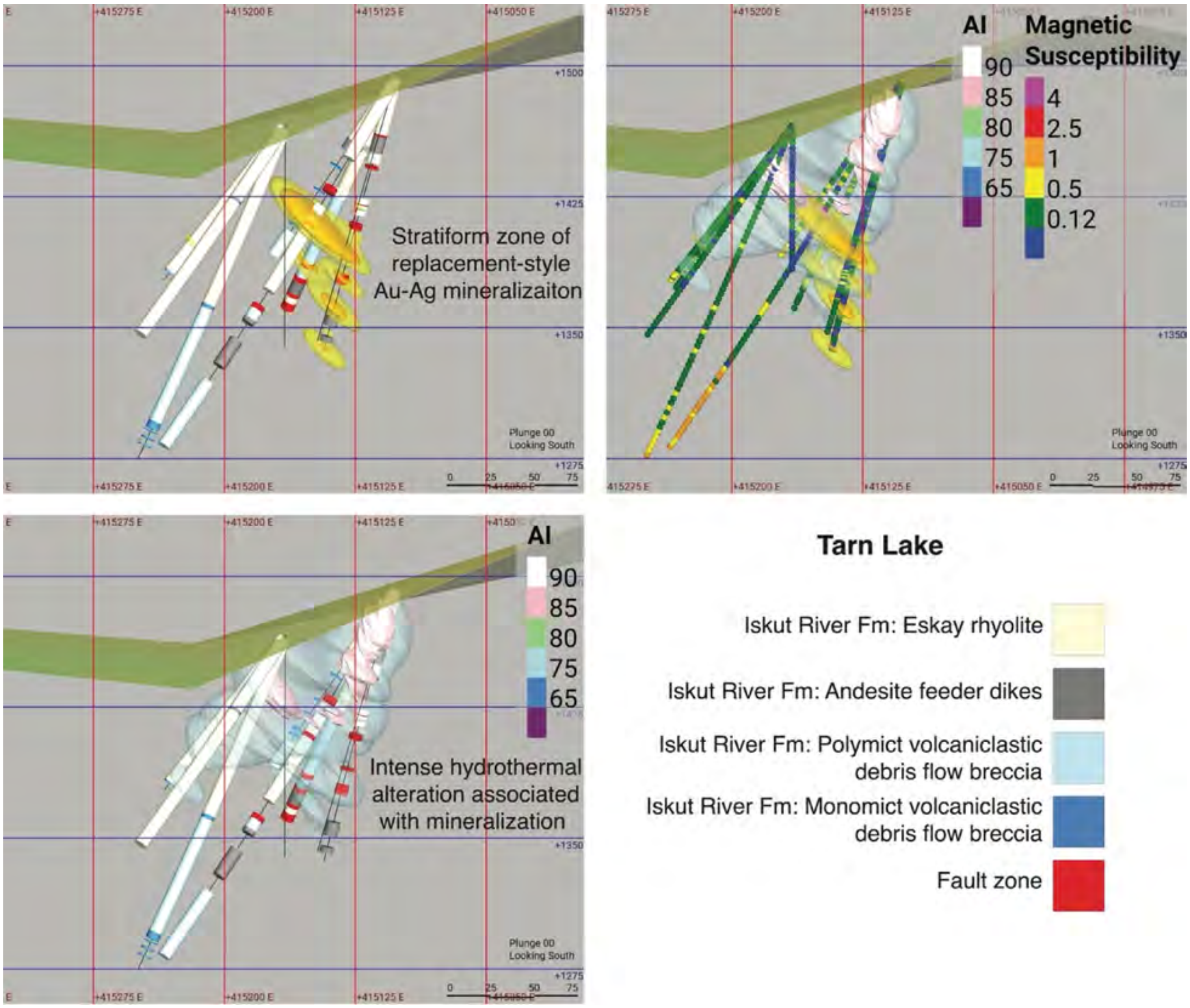

Figure 8: A set of 200 m thick cross-sections of Tarn Lake looking south, centered on line 6273600 N. Down-hole lithology is shown for the two left figures, and down-hole magnetic susceptibility on the figure on the right. Gold mineralized zones are shown as yellow and orange volumes, and hydrothermally altered zones as blue and pink volumes. Gold mineralization is closely associated with intensely altered Eskay rhyolite, with Ishikawa alteration indices greater than 85 indicating close proximity to a VMS feeder zone. These results support our interpretation that the east-west trending andesite dikes were emplaced along syn-volcanic VMS feeder structures. Magnetic susceptibility is relatively low, and is consistent with the airborne magnetic survey showing a pronounced east-west trending magnetic low extending from Scarlet Knob to Tarn Lake.

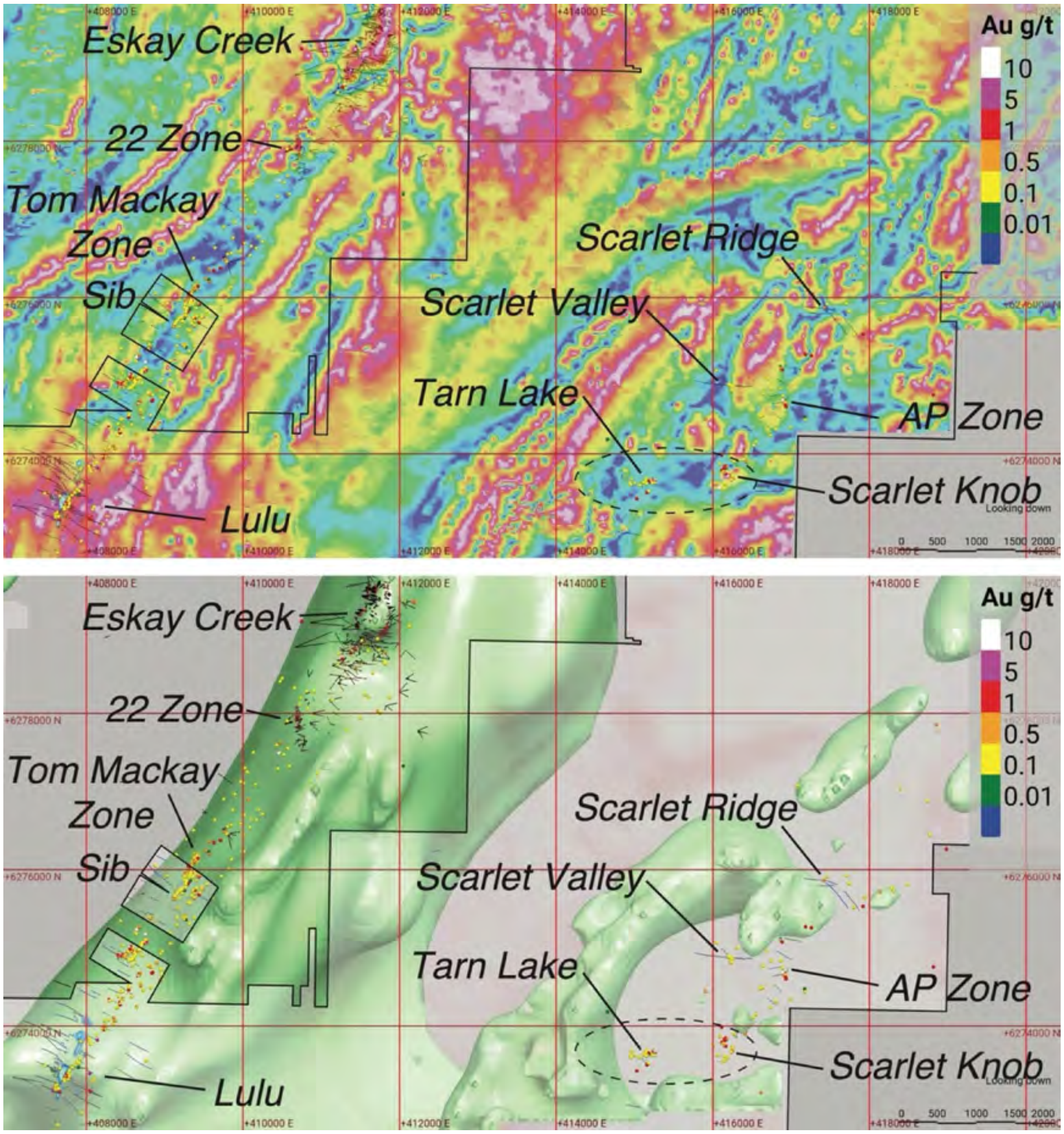

Figure 9: Magnetic tilt derivative map (top), and 3D model of the 0.001 SI magnetic susceptibility volume (bottom) for the Scarlet-Tarn and Eskay Creek-Lulu trends. Rock chip assay results from Eskay Creek were obtained from assessment reports in the public domain. As with the other VMS systems described in this release, those on the Scarlet-Tarn trend are associated with low-amplitude magnetic anomalies evident when a tilt derivative is applied to the data and occur along the margins of protrusions in the 0.001 SI magnetic susceptibility volume. Tarn Lake and Scarlet Knob are associated with a zone of low magnetism (black dashed ellipse) interpreted to be caused by destruction of magnetic minerals during intense hydrothermal alteration. This east-west trending corridor of low magnetism coincides with the inferred trend of mineralization that may link Tarn Lake and Scarlet Knob. Exploration of all the anomalies on the Scarlet-Tarn trend will continue in 2023 with an extensive soil, rock chip, and channel sampling program. The trend of magnetic susceptibility anomalies immediately west of Tarn Lake lie up stratigraphic section and may lie near the inferred Contact Mudstone Horizon. Testing for extensions of the Tarn Lake-Scarlet Knob system will be a major focus of drilling in 2023.

Storie Creek

Storie Creek comprises a series of sulfide-mineralized gossans forming a parallel trend 2.5 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. Several magnetic anomalies are associated with historic data showing Ag soil anomalies along Storie Creek (Figure 10). Investigations of the Storie Creek area in 2023 seek to characterize the stratigraphy; determine if there is a correlation between mineralization, alteration, and magnetic anomalies; identify and sample VMS-related mineralization; and evaluate the intensity of hydrothermal alteration. Limited exploratory drilling of this area will be conducted following field investigations.

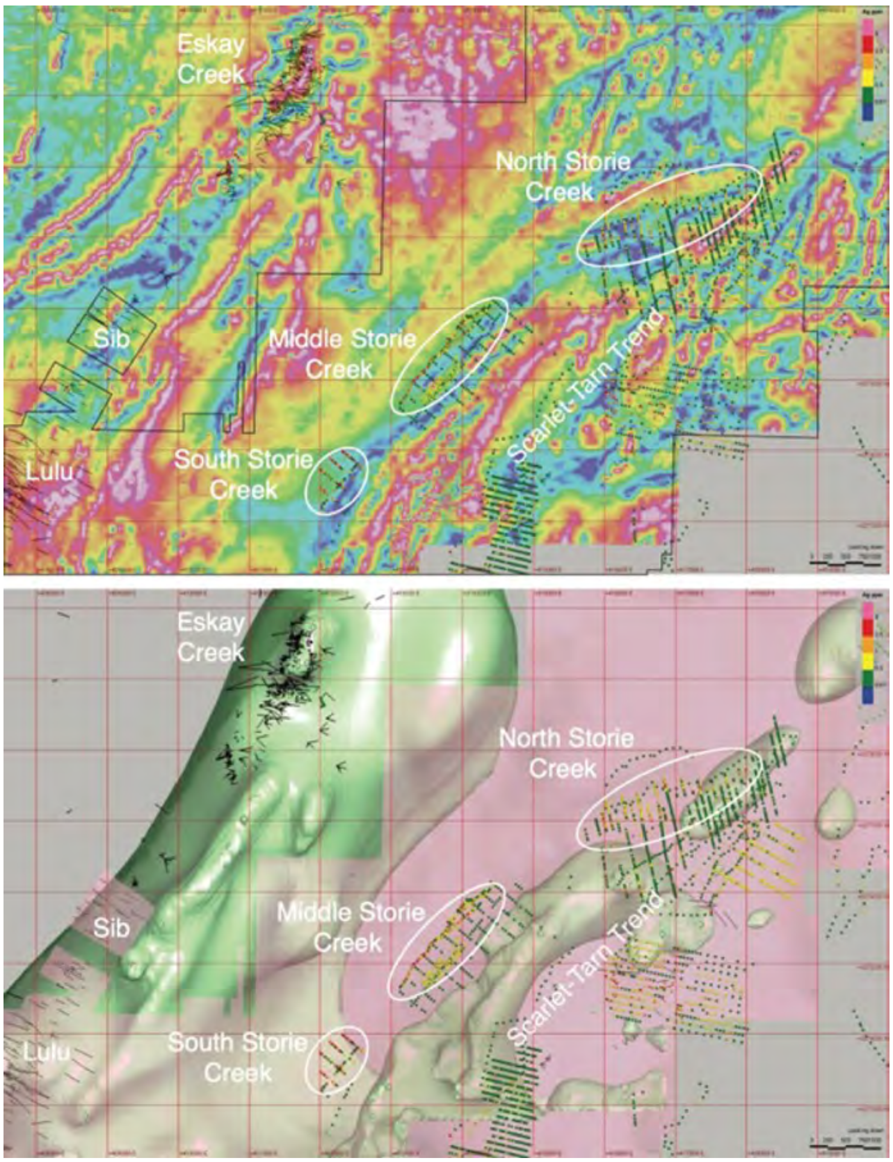

Figure 10: Maps showing the locations of the Storie Creek prospects and neighboring VMS including the world-class Eskay Creek mine, and drill hole traces. The top image shows magnetic tilt derivative data and Ag assays from legacy soil samples (assessment report 24176), and the bottom image shows the 0.001 SI magnetic susceptibility surface.

TV Southwest

Geophysical investigations at TV and Jeff show the presence of magnetic anomalies associated with VMS mineralization (Figures 11 and 12). 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. Additional large amplitude magnetic anomalies extend to the southwest of TV, suggesting that mineralization may extend to the south and west at TV. Jeff North is not associated with magnetic anomalies, despite the presence of VMS-related base metal sulfide mineralization. Sulfide mineralization and hydrothermal alteration are less intense at Jeff North than at Jeff, and TV, indicating that the local intensity of the VMS systems may be correlated with the intensity of the magnetic anomalies.

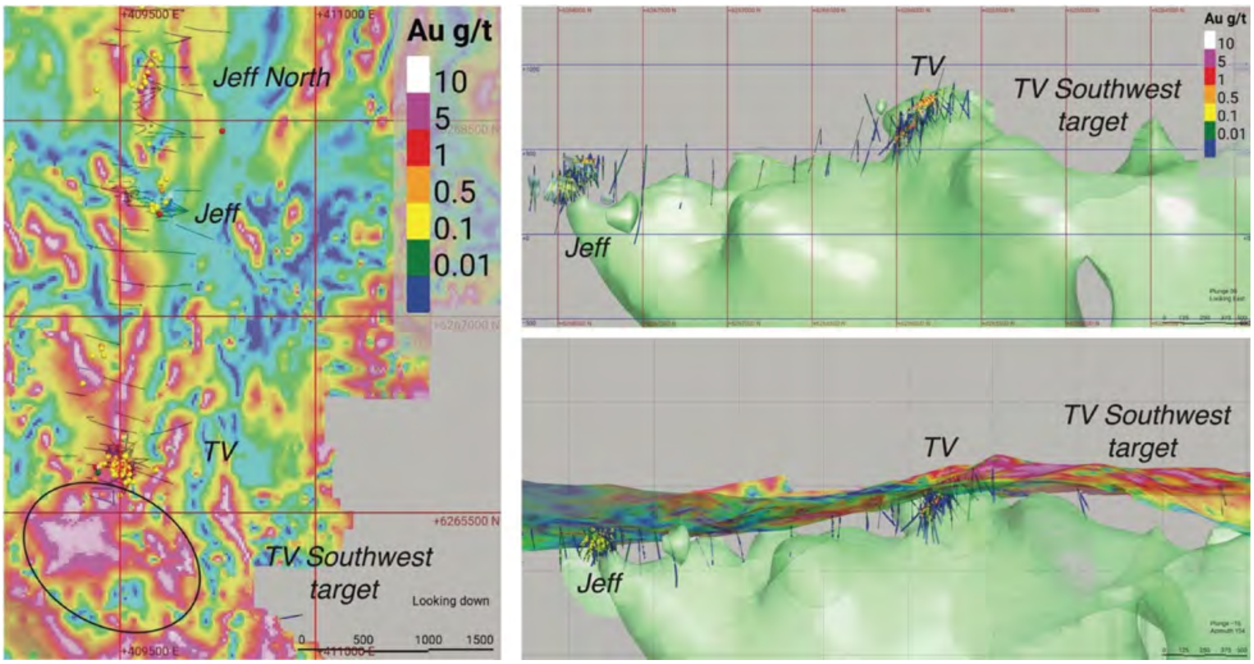

Figure 11: Magnetic tilt derivative map (left) and 1000 m thick long sections of the magnetic susceptibility model (right) for the TV-Jeff VMS trend. Long sections are centered around line 409500 E, with the upper one viewed looking due west, and the lower one viewed obliquely and from below the surface. Gold assay results for drill holes, and rock chip samples (circles) are shown. Zones of intense hydrothermal alteration (an Ishikawa alteration index greater than 80) are modeled as light blue volumes in the upper long section. As with Eskay Creek and Lulu, mineralization and hydrothermal alteration are closely associated with protrusions in the modeled magnetic susceptibility volume, with more pronounced protrusions correlating with stronger mineralization at TV and Jeff. The smaller protrusions in magnetic susceptibility between TV and Jeff correspond with zones of anomalous Au and Ag mineralization found with rock chip sampling and drilling. Prospective magnetic anomalism continues to the south and west of TV, supporting the interpretation of our geological team that sulfide mineralization at TV may extend in this direction based on encouraging results from drill holes TV22-108.

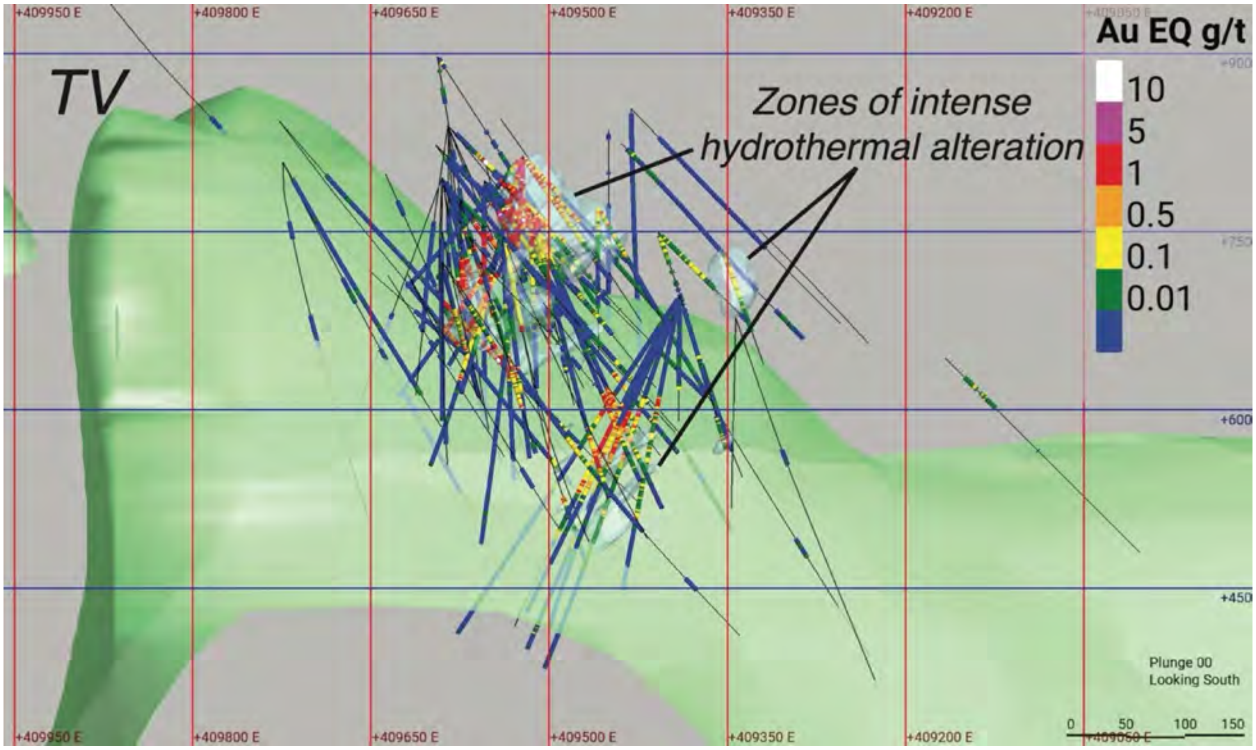

Figure 12: A 1000 m thick cross-section along line 6265700 N showing the magnetic susceptibility model for the TV VMS showing. Drill core assays in Au equivalent is shown. Zones of intense hydrothermal alteration (an Ishikawa alteration index greater than 80) are modeled in light blue. Mineralization and hydrothermal alteration lie right on the 0.001 SI magnetic susceptibility volume, as is the case with all other VMS systems on the Consolidated Eskay Property.

Cumberland

Cumberland hosts VMS Au mineralization (Figure 13) at an equivalent stratigraphic horizon to the Contact Mudstone at Eskay Creek. The Eskay rhyolite-Willow Ridge contact was intercepted by drill hole CBL05-06. The interval 28.66-33.53 m is a mudstone with sparse flattened black pebbles (<5 mm), and a well-developed S-C fabric (Figure 14A). Sulfide minerals and calcite are concentrated on the S plane of the S-C fabric. Historic assays from this mudstone interval range from 1.00-1.97 g/t Au. Dark grey-green basalt with sparse calcite amygdales was intercepted from 33.53-35.55 m (Figure 14B). Rhyolite breccia replaced with semi-massive replacement-style sulfide minerals occurs from 35.55-43.07 m (Figure 14C). Historic assays from the mineralized rhyolite breccia range from 0.20-7.83 g/t Au. The stratigraphic position of the mudstone and rhyolite breccia along the west limb of the Eskay anticline is consistent with a VMS hydrothermal system at the Contact Mudstone horizon.

Examination of historic grab samples of drill core from the non-mineralized Bench prospect along strike 1 km to the north of Cumberland intercepted a sequence of basalt underlain by mudstone and rhyolite. The sequence of lithologies at Bench and its location along strike from Cumberland indicates that the Contact Mudstone horizon is at or near the surface, having emerged from under the Bowser Lake Group hanging wall of the Coulter Creek Thrust Fault.

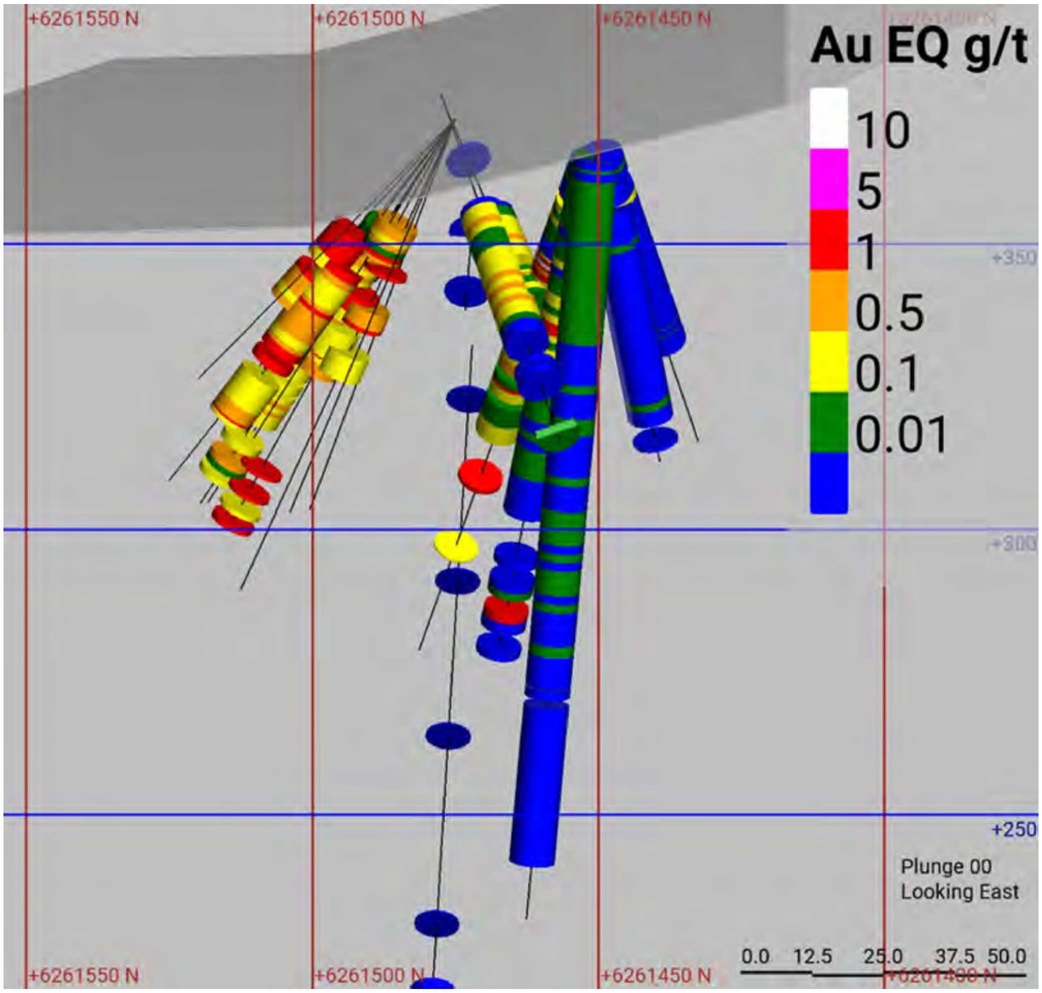

Figure 13: Cross-section view of Cumberland looking east showing assay results in Au equivalent (Au+Ag/78). Many of the mineralized drill holes terminate in Au mineralization. This, plus the possibility for stacked VMS mineralization not tested by the shallow drilling done at Cumberland so far, raises the possibility for additional discoveries at Cumberland.

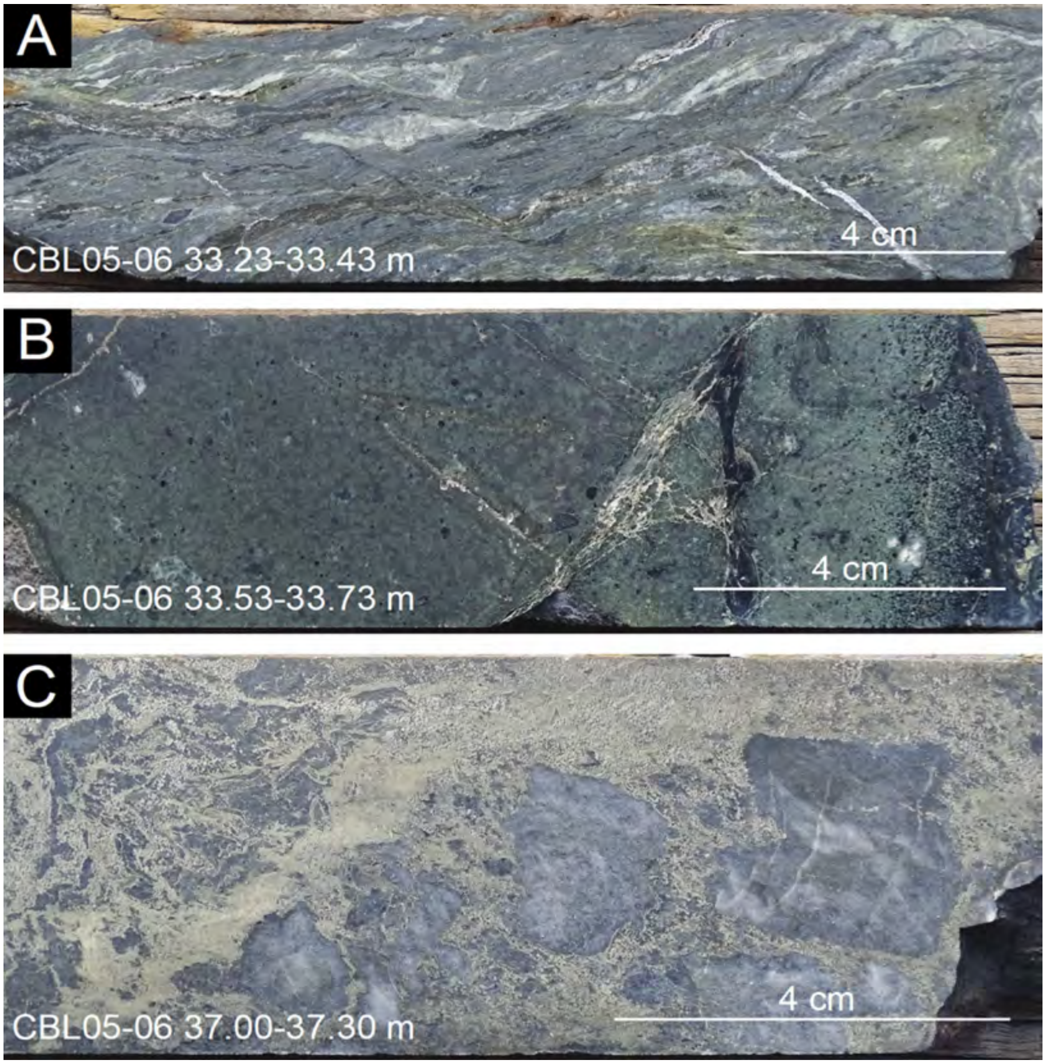

Figure 14: Mineralized drill core from drill hole CBL05-06 showing sulfide mineralization associated with the Willow Ridge basalt-Eskay rhyolite contact. Image A shows an intensely sheared carbonaceous mudstone with white bands of barite, a common alteration mineral associated with seafloor-hosted VMS mineralization. Image B shows hydrothermally altered Willow Ridge basalt less than 4 meters above the strongly replacement-style mineralization of Eskay rhyolite shown in image C.

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 geophysical targets at Maroon Cliffs and Hexagon-Mercury.
2. Follow-up drilling at Tarn Lake to test the extent of the Au and Ag mineralized horizon identified by drilling at Tarn Lake in 2022. Field investigations and results from early 2023 drilling will guide exploration of geophysical targets to the west and up-stratigraphy from known mineralization at Tarn Lake. The goal is to locate the contact between the Eskay rhyolite and the Willow Ridge basalt that defines the Contact Mudstone horizon hosting the world-class Eskay Creek mine.
3. Limited and targeted drilling of Storied Creek, TV Southwest and Cumberland to test for possible extensions of mineralization based on geophysical targeting.

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

Eskay's net loss totaled $1,235,407, for the three months ended May 31, 2023, with basic and diluted loss per share of $0.01. This compares with a net loss of $1,652,669 with basic and diluted loss per share of $0.01 for the three months ended May 31, 2022. The decrease of $417,262 was principally because:

- During the three months ended May 31, 2023, exploration and evaluation expenditures decreased by $1,070,404 compared to the three months ended May 31, 2022. See "Mineral Properties Interests" section above for a description of activities, and the construction of the access road with Seabridge.
- The increase in share-based payments of $738,971 for the three months ended May 31, 2023, compared to the three months ended May 31, 2022. This was due to the grant of 1,250,000 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 May 31, 2023, the Company had cash of $2,337,890 compared to $3,024,574 at February 28, 2023. The decrease in cash of $686,684 was as a result of cash outflow in operating activities of $686,684.

Operating activities were affected by net loss of $1,235,407, non-cash adjustments of $793,783, and non-cash working capital items of $245,060. Non-cash adjustments consisted of share-based payments of $738,971, amortization of $8,752, loss from investment in associate of $44,684 and accretion of $1,376. Non-cash working capital balances consisted of a decrease in amounts receivable of $5,868, a decrease in accounts payable and other liabilities of $55,212, and an increase in prepaid expenses and other deposits of $195,716.

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 May 31, 2023, the Company had a working capital deficit of $1,776 (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 deficit of $1,776 on May 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 along with the cancellation of the Seabridge loan. 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 May 31, 2023 $	Three Months Ended May 31, 2022 $
Robert Myhill	45,000	30,000
Hugh M. Balkam (1)	-	9,000
Balkam Partners Ltd. (2)	58,500	46,000
Marrelli Support Services Inc. (3)	5,610	5,610
Total	**109,110**	**90,610**

Professional Fees	Three Months Ended May 31, 2023 $	Three Months Ended May 31, 2022 $
Marrelli Support Services Inc. (4)	9,245	10,990
Gardiner Roberts LLP (5)	31,318	52,855
Total	**40,563**	**63,845**

(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 May 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 May 31, 2023, the Company owed this company $208 (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 May 31, 2023, Gardiner is owed $2,906 (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 three months ended May 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 three months ended May 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 May 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 May 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 May 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 May 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 12,705,000 stock options outstanding. Therefore, the Company had 198,544,346 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, 2022, available on SEDAR at **www.sedar.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.