

# **BENCHMARK**

## **METALS INC.**

**Management's Discussion and Analysis**  
**For the year ended February 28, 2023 and 2022**

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This Management's Discussion and Analysis ("MD&A") supplements, but does not form part of, the consolidated condensed interim financial statements of Benchmark Metals Inc. ("Benchmark" or the "Company") and the notes thereto for the year ended February 28, 2023 and 2022 (the "Financial Statements"). Consequently, the following discussion and analysis of the results of operations and financial condition for Benchmark Metals Inc., should be read in conjunction with the Financial Statements which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts are stated in Canadian dollars unless otherwise indicated. The reader should be aware that historical results are not necessarily indicative of future performance. This MD&A has been prepared based on information known to management as of June 28, 2023.

#### **FORWARD-LOOKING STATEMENTS**

Certain statements contained in the following MD&A and elsewhere constitute forward-looking statements. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks set forth below. The Company assumes no obligation to update or revise forward looking statements to reflect new events or circumstances except as required by law.

#### **DESCRIPTION OF BUSINESS**

Benchmark Metals Inc. is a junior resource company and reporting issuer in the provinces of British Columbia and Alberta. Its principal business is the identification, evaluation, acquisition and exploration of mineral properties. The Company is currently focused on proving and developing the substantial resource potential of the Lawyers Gold and Silver project ("Lawyers Property"), located in British Columbia, Canada.

The common shares of Benchmark are listed for trading on the TSX Venture Exchange in Canada under the trading symbol "BNCH", on the OTCQX Venture Market in the United States under the trading symbol "BNCHF" and on the Frankfurt Stock Exchange in Germany under the trading symbol "A2JM2X".

#### **OVERALL PERFORMANCE**

The focus of Benchmark's human and financial resources is the advancement of its Lawyers Property in British Columbia, Canada. See "Lawyers Property Gold Project" for additional information. As of June 28, 2023, the Company has no debt and has sufficient working capital to cover operating expenditures anticipated for 2023. Such expenditures include costs related to administrative overhead and exploration activities. See "Risks and Uncertainties" for additional information.

#### **Partner Nations Agreements**

In May 2021 Benchmark announced an updated Agreement that provides support from the Tsay Key Dene Nation, Kwadacha Nation, and Takla Nation to advance its flagship Lawyers gold-silver project. The agreement is intended to form the basis for a larger agreement when the project advances towards regulatory approvals. The Trilateral Agreement is a key component towards a social licence for mine permitting and a collaborative approach to develop a strong partnership. Benchmark will advance the Project in a sustainable manner that provides social and economic opportunities while maintaining inherent rights to ancestral lands.

In May 2022 Benchmark signed a new Agreement with the Tahltan Central Government (TCG) on May 2, 2022, to establish collaborative processes and constructive engagement, ensuring the TCG can meaningfully participate in all aspects of the exploration program and the associated economic benefits. The Agreement is a key component towards social license for mine permitting and is intended to form the basis of a larger agreement when the project advances towards regulatory approvals for an operational mine.

## Arrangement Agreement

Subsequent to February 28, 2023, the Company announced that it has entered into a definitive arrangement agreement (the “Arrangement Agreement”) with Thesis Gold Inc. (“Thesis”), pursuant to which Benchmark will acquire all of the issued and outstanding common shares of Thesis (each, a “Thesis Share”) by way of a court-approved plan of arrangement under the Business Corporations Act (British Columbia) (the “Arrangement” or the “Transaction”).

Under the terms of the Transaction, Thesis shareholders will receive 2.5584 common shares of Benchmark (each whole share, a “Benchmark Share”) for each Thesis Share held (the “Exchange Ratio”). The Exchange Ratio implies consideration of C\$0.96 per Thesis Share based on the closing market price of the Benchmark Shares on the TSX Venture Exchange (the “TSXV”) on June 2, 2023, implying a premium of approximately 26.2% to the closing price of the Thesis Shares on the TSXV on the same date. Based on the 20-day volume weighted average price of the Thesis Shares ending on June 2, 2023, the Exchange Ratio implies a premium of 27.8% to Thesis Shareholders. Existing shareholders of Benchmark and former shareholders of Thesis will own approximately 60% and 40%, respectively, of the outstanding shares of the combined company (the “Combined Company”) on the completion of the Transaction.

## **2023 Highlights**

As at February 28, 2023, current Benchmark highlights include:

- Completed a financing for \$20,622,864 in gross proceeds;
- Announced positive Preliminary Economic Assessment (PEA) for the Lawyers gold-silver project with an after-tax NPV5% of C\$589M, IRR 24.1%, and 2.8-year payback;
- Delivered an updated NI43-101 Mineral Resource Estimate containing 3.141 million AuEq Indicated ounces and 415,000 AuEq Inferred ounces;
- The expanded resource features increased ounces in the measured and indicated classifications of 44% and 77% respectively, bringing the total measured and indicated ounces to a 91% proportion of the overall resource;
- Advanced engineering and environmental studies related to permitting for the Lawyers Gold-Silver Project;
- Completed the 2022 exploration program with over 18,829m of resource and exploration drilling at Cliff Creek, Connector Zone, and Dukes Ridge, and 1,447m of geotechnical and hydrogeological drilling;
- Identified new drill targets adjacent to the AGB gold-silver resource area;
- Advanced new targets across the Lawyers project to drill-ready stage;
- Granted a five-year work permit for exploration and drilling at all key target areas of the Lawyers Gold-Silver Project;
- Entered into a communications and engagement agreement with the Tahltan Central Government, as well as a trilateral agreement to collaborate with the Tsay Keh Dene, Kwadacha and Takla partner nations to advance the Project; and
- Announced Board Refreshment and Enhanced Governance Framework.

## **Appointments and resignations**

On December 28, 2022, the Company announce the addition of Jody Shimkus as an independent member of the Board of Directors. The new appointment provides expertise in Environmental, Social and Governance (ESG) as the Company advances permitting towards a production decision. Jody is an experienced leader in environmental policy and regulatory affairs with over 30 years of private and public sector experience. Jody has significant knowledge managing politically sensitive, complex projects that involved high levels of engagement with Indigenous groups, and stakeholders. Jody will form and Chair a new independent Board Sustainability Committee geared towards focusing all Benchmark efforts towards Sustainability, Environmental, Social and Governance (ESG). The Sustainability Committee will assist the Board with respect to ESG matters relating to the Company.

On August 29, 2022, pursuant to a Board Refreshment Agreement with shareholder Delbrook Capital Advisors Inc., the Company announced the appointments of Mr. Keith Peck and Mr. Peter Gundy to its Board of Directors. Mr. Peck was appointed to serve as the Board's independent Lead Director, providing leadership to the Board and the independent directors, facilitating the functioning of the Board independently of management, and working together with executive Chairman John Williamson. Benchmark's Chief Financial Officer and Co-Founder, Mr. Sean Mager, and Benchmark's Qualified Person Mr. Michael Dufresne, P.Geol., P.Geo. agreed to resign in their capacity as directors to make room for the new appointments. Both will continue in their respective roles as Chief Financial Officer and Qualified Person of Benchmark.

### **Financings completed**

On October 14, 2022, the Company completed a private placement comprised of 26,520,000 non flow-through units at \$0.42, and 19,759,300 flow-through units at \$0.48, for gross proceeds of \$20,622,864. Each Unit consists of one common share of the Company and one-half of a transferable warrant of the Company. Each warrant is exercisable to purchase one additional share at an exercise price of \$0.65 per share for a two-year period. The Company paid a cash commission of \$1,237,372 and issued non-transferable agent warrants of the Company exercisable to purchase up to 2,776,758 Shares at \$0.42 per share.

### **LAWYERS PROPERTY**

On September 18, 2019, the Company acquired 100% of the Lawyers' Property through the acquisition of PPM Phoenix Precious Metals Corp. ("PPM"). The Lawyers Property is situated 45 km northwest of the former Kemess South open pit copper-gold mine in the Toodoggone region of the Omineca Mining Division of British Columbia and consists of 46 contiguous mineral claims. The claims cover approximately 14,392 hectares of land that encompass the Lawyers group of prospects, including the former Cheni underground gold-silver mine, Cliff Creek, Dukes Ridge, and Phoenix, and the Silver Pond group of prospects that cover six gold-silver mineral occurrences. Nine of these mineral claims, covering approximately 4,532 hectares, are not subject to royalties. Exploration in the area began in the late 1960s and peaked in the 1980s, identifying numerous showings, prospects and deposits culminating in the development of the Cheni gold-silver underground mine which operated from 1989 to 1992, producing 171,200 oz gold and 3.6 million oz silver over the 4-year period (Lane et al., 2018).

### Lawyers Gold & Silver Exploration Program

#### *Project Outlook*

As at October 31, 2022, the Company completed its 2022 field program at the Lawyers Gold-Silver Project. All in-field technical and engineering work was done to a Feasibility Study standard of quality.

The Company is conducting engineering and trade-off studies to investigate the potential for high-grade underground mining that could be incorporated in the mine schedule, in parallel with surface mining operations. Positive results would incorporate additional underground mineralization in future advanced engineering studies.

Benchmark has proceeded with engineering efforts to optimize and improve the PEA results. This includes optimizing and staging of CAPEX at the Tailings Facility and Waste Facility. In addition, powerline studies are in progress to reduce the CAPEX and optimize construction of the powerline corridor. Positive results from optimizing facility designs will be included in future advanced engineering studies.

Benchmark has begun planning for drilling in 2023. The future drill program will focus on a combination of in-fill drilling, resource expansion drilling, and exploration drilling over new target areas. The Exploration Team has planned 20,000 metres of Mineral Resource expansion drilling at its Cliff Creek and Dukes Ridge deposits. The drill program has the potential for expansion of high-grade contiguous zones below the existing deposits that could provide the potential for underground mining in a future Economic Study. Drilling plans include step-out and infill drilling below the open-pits, in areas that were not included in the 2022 Preliminary Economic Assessment (PEA).

The 2023 drilling will include a combination of step-down and infill drilling for resource expansion. In addition, a machine learning Artificial Intelligence (AI) model has predictively outlined grades and further characterize the Resource to depth. The high-grade mineralized zones are controlled by major structures, which the drilling will continue to target at depth and along strike. The structural models developed by Benchmark show good agreement with the AI and geochemistry models and show the potential for expansion of the high-grade mineralized zones both at depth and along strike. The results of these new models align closely with the current Resource model and provided further guidance for Resource and expansion target areas to be investigated in 2023.

Exploration drilling will focus on new discovery potential at targets that could include AGB, Kodah and Round Mountain. All targets have provided high-grade gold and silver rock samples at surface.

### *2022 Preliminary Economic Assessment*

On September 29, 2022 Benchmark Metals Inc. filed its Preliminary Economic Assessment (“PEA”) to SEDAR on the Lawyers gold-silver project. The final NI 43-101 Technical Report has provided some enhanced metrics over the initial results published on August 16, 2022. The Project has infrastructure in place or nearby and is within a first-class mining jurisdiction. The PEA presents a significant open pit mining operation with base case, attractive economics that has potential for additional gold-silver ounces and optimized results through facility design adjustments in future advanced engineering studies.

There is significant underground resource potential demonstrated by drill results and inferred and indicated resource blocks beneath and adjacent to the various pits. Potential for additional higher-grade ounces below and adjacent to the various pits accessed through underground mining will be reviewed. Trade-off studies and more advanced engineering has the potential to add more ounces and improve results.

Highlights include:

- Pre-tax NPV5% of C\$939M, with an IRR 31.4%, and 2-year payback
- Pre-tax Net Operating Income of C\$2,157M
- Base case metal price parameters of US\$1,735 per ounce of gold and US\$21.75 per ounce of silver
- After-tax NPV5% of C\$589M, IRR 24.1%, and 2.8-year payback

Capital light development

- Initial capital of C\$484M (including C\$72.8M in contingency)
- Life of Mine capital of C\$632M
- Strong 1.9:1 Pre-tax NPV5% to Initial Capex ratio
- Minimal pre-strip limited to TSF starter dam construction

Low All-In Sustaining Costs (AISC)

- US\$ 786/Au oz (net of by-products)\*

Long Mine Life with Expansion Opportunity

- Total resource production of 46.7 M tonnes over 12-year mine life
- Average annual production of 163k AuEq ounces
- LOM production 1.95M payable AuEq ounces
- Average AuEq Head Grade of 1.41 g/t
- Average gold recovery of 92.4%

\*All-In Sustaining Costs (Net of By-Products) are calculated for the purpose of the Study as the sum of all operating costs (mining, processing, site administration and refining), reclamation and sustaining capital, minus the revenue from Ag, all divided by the gold ounces sold to arrive at the per ounce Au figure.

### *2022 Identification of Exploration Drill Targets*

In July 2022 Benchmark announced the identification of new exploration drill targets. There are three major targets at AGB, and at Kodah and Round Mountain, which are north of AGB.

- A large resistive body adjacent to AGB as defined by 2D Lines. This is posited to represent a large steeply dipping silicified body associated with a fault system. This is the same signature seen elsewhere at the Lawyers project.
- Two soil anomalies 3 km north of AGB coincident with VLF geophysical anomalies. These are targets that have not seen historical or contemporary drilling.
- Kodah and Round Mountain prospects have robust soil anomalies in gold, silver, and elements associated with epithermal style mineralization. Historic rock grabs have included 29.14 g/t Au and 2125.7 g/t Ag, 26.06 g/t Au and 2142.9 g/t Ag, and 18.86 g/t Au and 1508.5 g/t Ag. Ground geophysics, prospecting, mapping, and infill soils are ongoing at these prospects.

### *2022 Mineral Resource Estimation*

In June 2022 Benchmark released its expanded bulk-tonnage Mineral Resource Estimate (MRE) for its Lawyers Gold-Silver Project. The 2021 and winter 2022 drill program significantly de-risked the project with approximately 95% of the open pit mineral resource within the Measured & Indicated classification.

Highlights include:

- Indicated Mineral Resource of 3.14 million ounces grading 1.45 grams per tonne (g/t) gold equivalent (AuEq), as per Table 1;
- Inferred Mineral Resource of 415,000 ounces grading 2.63 g/t AuEq;
- The Mineral Resource is amenable to both open pit and underground mining methods;
  - Pit constrained (open pit)
    - Measured & Indicated – 2.964 M oz AuEq
    - Inferred – 78 k oz AuEq
  - Out of Pit (potential underground below or adjacent to the pits at Cliff Creek and AGB)
    - Measured & Indicated – 177 k oz AuEq
    - Inferred – 337 k oz AuEq
- The Mineral Resource shows excellent continuity and consistency, demonstrated by increasing AuEq cut-off grades having marginal impact on the pit constrained AuEq ounces;
- The MRE formed the basis for the Preliminary Economic Assessment (PEA) that was filed on September 29, 2022, and;
- All of the zones remain open for further expansion and Benchmark is fully funded for additional drilling, engineering and environmental programs into 2023.

Table 1. Lawyers Expanded Mineral Resource Estimate <sup>(1-9)</sup>

Mineral Resource Area	Classification	Tonnes (k)	Au (g/t)	Ag (g/t)	AuEq (g/t)	Au (koz)	Ag (Moz)	AuEq (koz)
<b>Pit-Constrained Mineral Resource Estimate @ 0.4 g/t AuEq* Cut-off</b>								
Cliff Creek	Measured	13,671	1.19	20.5	1.45	522	9.0	635
	Indicated	40,762	1.16	16.3	1.33	1,477	21.4	1,744
	Inferred	2,114	0.93	11.8	1.08	63	0.8	73
AGB	Measured	6,633	1.24	51.1	1.88	264	10.9	401
	Indicated	4,740	0.78	33.9	1.21	119	5.2	184
	Inferred	151	0.58	27	0.92	3	0.1	4
Total	Measured	20,304	1.21	30.5	1.88	787	19.9	1,036
	Indicated	45,502	1.09	18.2	1.32	1,596	26.6	1,928
	Inferred	2,265	0.91	12.8	1.07	66	1.0	78
<b>Out-of-Pit Mineral Resource Estimate @ 1.5 g/t AuEq* Cut-off</b>								
Cliff Creek	Indicated	1,158	3.17	50.1	3.80	118	1.9	141
	Inferred	2,302	3.52	59.4	4.26	260	4.4	315
AGB	Indicated	411	1.55	89.3	2.66	20	1.2	35
	Inferred	306	1.83	33.5	2.25	18	0.3	22
Total	Indicated	1,569	2.74	60.6	3.50	138	3.1	177
	Inferred	2,608	3.32	56.3	4.02	278	4.7	337
<b>Total Mineral Resource Estimate @ 0.4 g/t AuEq* Cut-off Pit-Constrained &amp; 1.5 g/t AuEq* Cut-off Out-of-Pit</b>								
All	Measured	20,304	1.21	30.5	1.88	787	19.9	1,036
	Indicated	47,071	1.15	19.6	1.39	1,734	29.6	2,105
	M & I	67,376	1.16	22.9	1.45	2,521	49.6	3,141
	Inferred	4,873	2.20	36.1	2.65	345	5.7	415

## Notes:

1. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.
2. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.
3. The Inferred Mineral Resource in this estimate has a lower level of confidence than that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could potentially be upgraded to an Indicated Mineral Resource with continued exploration.
4. The Mineral Resources were estimated in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions (2014) and Best Practices Guidelines (2019) prepared by the CIM Standing Committee on Reserve Definitions and adopted by the CIM Council.
5. Historical mined areas were removed from the block modelled resources.
6. Metal prices used were US\$1,750/oz Au and US\$20/oz Ag and 0.78 US\$ CDN\$ FX with process recoveries of 90% Au and 83% Ag. A C\$14.50/t process cost and C\$5/t G&A cost were used. The Au:Ag ratio was 80:1 for the purposes of calculating AuEq.
7. The constraining pit optimization parameters were C\$3.15/t mineralized and waste material mining cost and 50° overall pit slopes with a 0.40 g/t AuEq cut-off.
8. The Out-of-Pit Mineral Resource grade blocks were quantified above the 1.5 g/t AuEq cut-off, below the constraining pit shell and within the constraining mineralized wireframes. Out-of-Pit Mineral Resources selected exhibited continuity and reasonable potential for extraction by the long hole underground mining method. Differences may occur in totals due to rounding.
9. Source: APEX (2022)

## 2022 Field Exploration

Benchmark resumed its Gold-Silver drill program during January 2022 completing over 18,000 metres of drilling in 2022 to date. The 2022 winter drill program focused on multiple areas of near-surface gold and silver mineralization that remain open along strike and at-depth, including the Cliff Creek Mid Deposit and Dukes Ridge Deposit as well as exploration and expansion drilling at the Connector Zone and Marmot Zone.

Exploration during the Summer 2022 program included soil and rock sampling, mapping, ground geophysical surveys, exploration and geotechnical drilling, and environmental baseline studies. Benchmark has outlined at least 4 exploration targets proximal to the AGB resource which comprise geophysical and soil anomalies along geological structures related to AGB. Additional exploration drilling is being planned for the Kodah and Round Mountain prospects which have not been drilled historically despite historical high grade rock sampling and confirmation sampling by Benchmark in recent years. These targets have been further refined with ground magnetics and VLF surveys.

Recent metallurgical test work reconfirmed industry standard processing flowsheet with gold achieving 93% recovery. The Company has received initial geochemistry static test work for environmental analysis of waste rock and ore rock. To date, ore and waste analysis show insignificant and benign impacts to the environment. The PEA mine schedule will include two (2) near surface core zones of higher-grade gold and silver mineralization. The core zones and initial starter pit areas have the potential to positively impact the opening years of mining in the PEA with additional work and trade off studies. The majority of engineering tasks to support development of the Feasibility Study are in progress or complete.

### Dukes Ridge Deposit

The Dukes Ridge Deposit area represents a zone with significant expansion potential, and remains open to the north, south, and at depth. The deposit comprises a mineralized footprint that measures over 850 metres in strike-length and +250 metres vertical depth. Early results from the 2022 winter drill program at Dukes Ridge include 51.74 metres core length of 2.11 g/t gold and 127.86 g/t silver, or 3.71 g/t gold equivalent\* (AuEq) in drillhole 22DRDD003 and 13.72 metres core length of 1.43 g/t gold and 67.76 g/t silver or 2.28 g/t AuEq in drillhole 22DRDD007 (Figure 1). Additional early results show high grade zones within broad bulk tonnage zones at Dukes Ridge akin to mineralization at Cliff Creek. Drillhole 22DRDD026 intersected 0.37 metres core length of 65.60 g/t gold and 2600.00 g/t silver or 98.00 g/t AuEq and 2.52 metres of 18.26 g/t gold and 552.85 g/t silver or 25.17 g/t AuEq within a broader interval of 38.22 metres grading 2.17 g/t gold and 78.14 g/t silver or 3.15 g/t AuEq and drillhole 22DRDD019 intersected 1.00 metre core length of 9.42 g/t gold and 34.20 g/t silver or 9.86 g/t AuEq and 1.00 metre core length of 6.41 g/t gold and 62.30 g/t silver or 7.16 g/t AuEq within a broader interval of 41.33 metres of 0.93 g/t gold and 8.46 g/t silver or 1.04 g/t AuEq in. Targeted drilling of plunging high-grade mineralization below the 2021 Mineral Resource Estimate pit-shell yielded 57 metres core length of 1.72 g/t gold and 64.41 g/t Ag or 2.52 g/t AuEq in drillhole 22DRDD022 and 48.16 metres core length grading 1.41 g/t gold and 43.20 g/t silver or 1.95 g/t AuEq in hole 22DRDD029 (Figures 2 and 3).



Figure 1. Plan map at the Dukés Ridge Zone highlighting new 2021 and 2022 drill results.

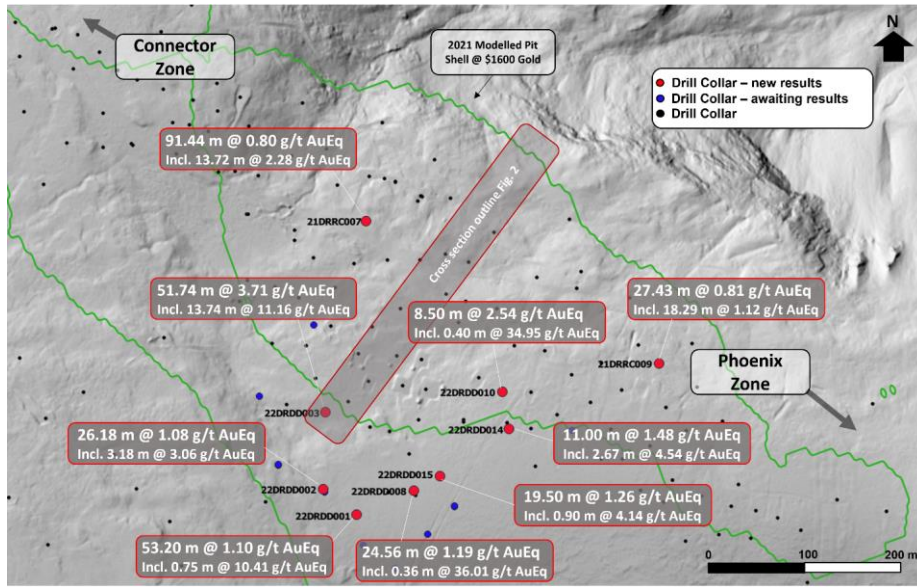


Figure 2: Cross-section at the Dukés Ridge Zone showing gold and silver results from a series of drill holes.

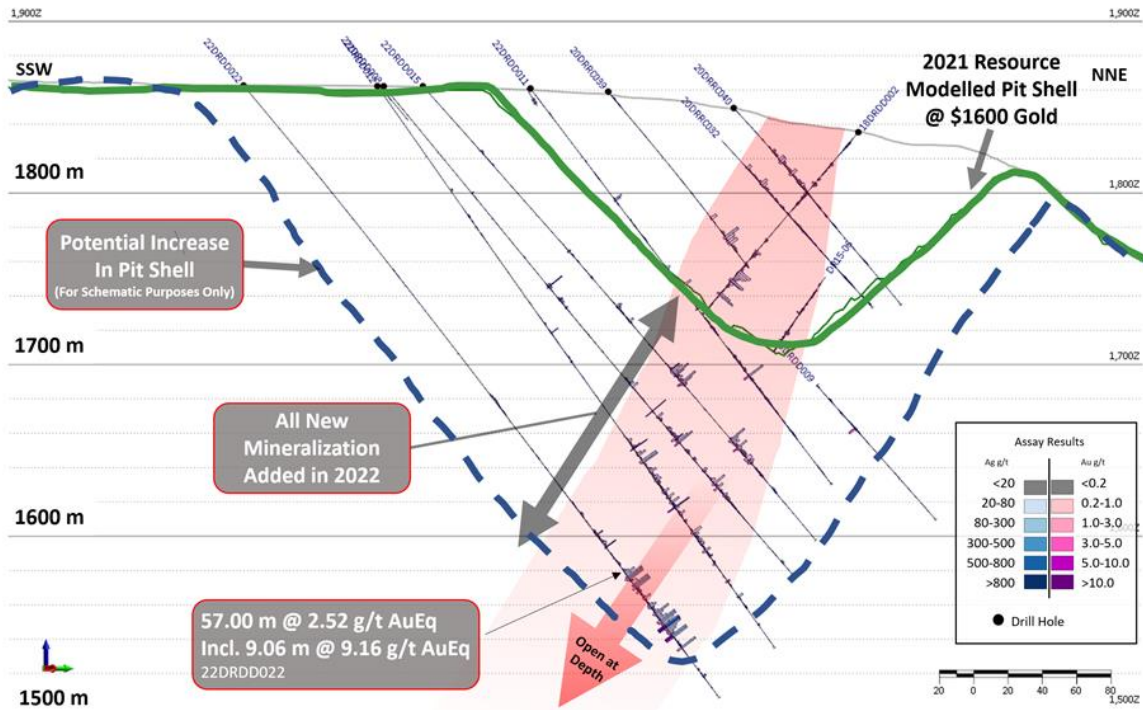
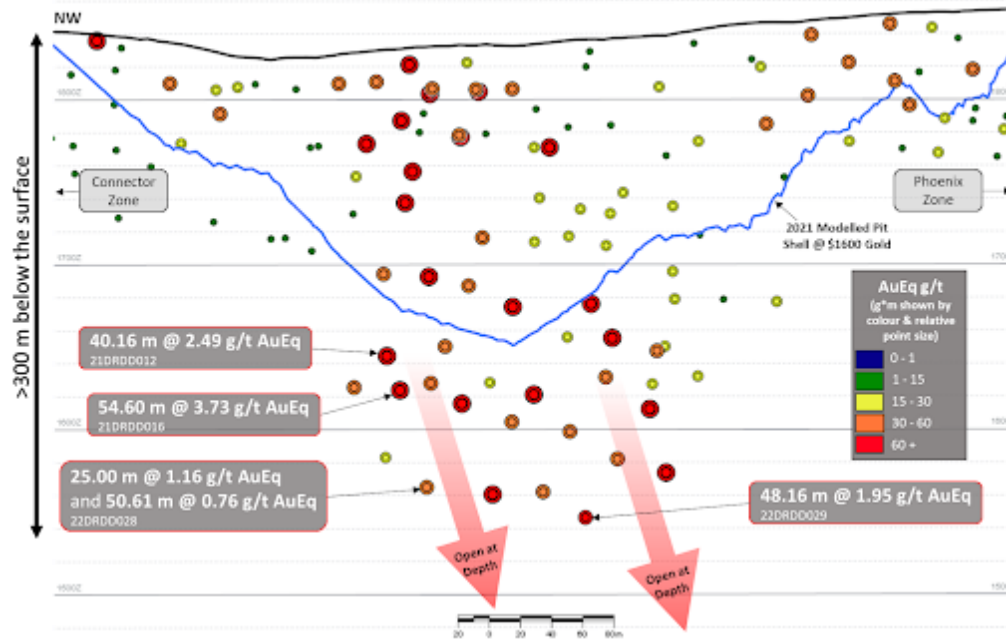


Figure 3: Long-section of the Dukes Ridge Deposit area with pierce points classified based on product of gold equivalent and interval length.



#### Cliff Creek Deposit

The Cliff Creek Mid zone is an area that has historically seen less drilling and more moderate results relative to Cliff Creek North and Cliff Creek South. Two broad intervals in drillhole 22CCDD014 include an upper zone of 21.20 metres of 1.98 g/t gold and 48.77 g/t silver or 2.59 g/t AuEq, and a lower zone of 18.81 metres of 3.09 g/t gold and 106.50 g/t silver or 4.42 g/t AuEq have the potential to positively impact future resource updates. Additional results of 5.30 metres of 25.95 g/t gold and 15.03 g/t silver or 26.13 g/t AuEq were intersected in drillhole 22CCDD007 (Figure 4). The Cliff Creek Mid zone has multiple prominent intercepts below the 2021 \$1600/oz gold pit shell, with the broad lower zone in hole 22CCDD014 occurring approximately 100 metres below the pit shell at 340 metres vertical depth (Figure 5).

Figure 4: Plan map of the Cliff Creek Deposit area with drill collar locations, approximate mineralization shapes projected to surface, and the 2021 \$1600 Au pit shell.

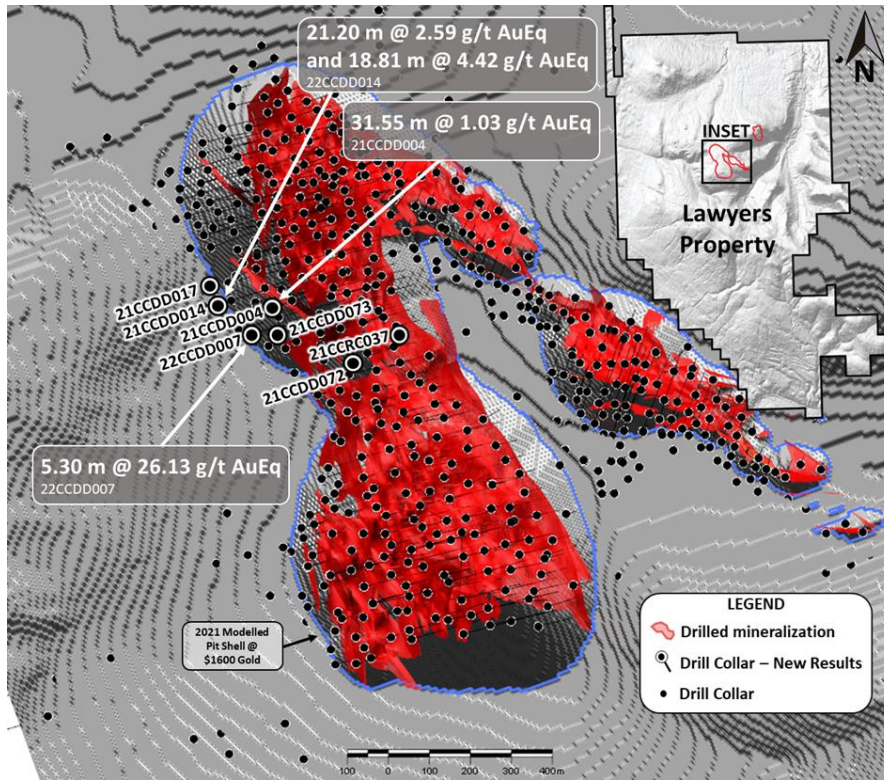
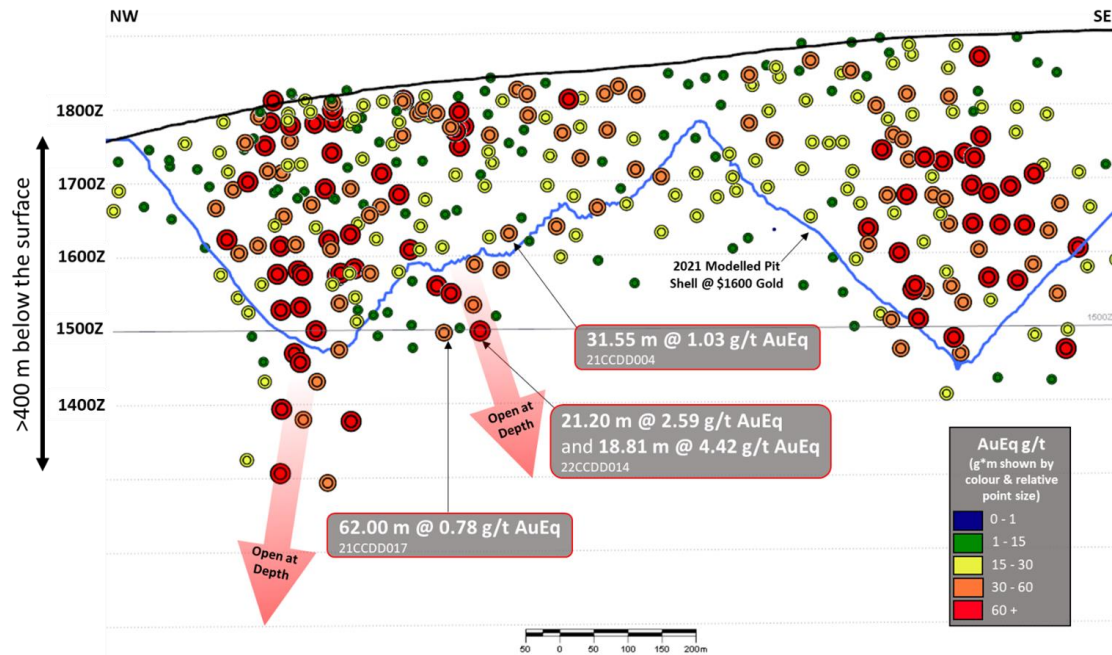


Figure 5: Long-section of the Cliff Creek Deposit area with pierce points classified based on product of gold equivalent and interval length.

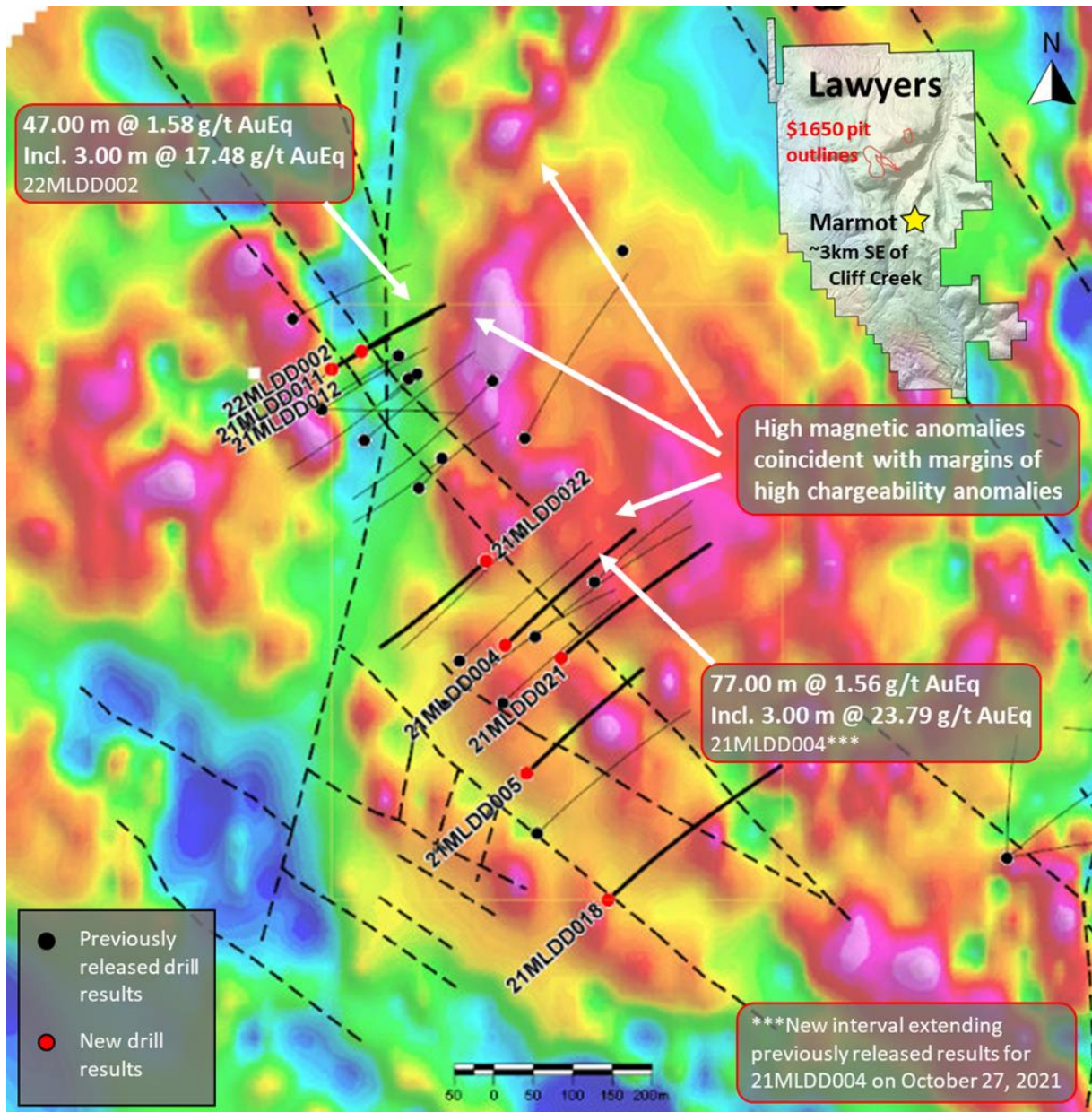




## Marmot Zone

Exploration drilling in the Marmot Zone has more than doubled the length of the previously reported mineralized intercept in drillhole 21MLDD004 from 30 metres to 77 metres core length of 1.11 g/t gold and 35.93 g/t silver or 1.56 g/t AuEq. The results of drilling show similar mineralization to the multi-million-ounce Cliff Creek, Dukes Ridge, and AGB deposits located 3 kilometres to the northwest. Drillhole 21MLDD002 intersected 47.00 metres of 1.03 g/t gold and 44.32 g/t silver or 1.58 g/t AuEq (Figure 6). Exploration work to date at Marmot includes 29 drillholes totaling approximately 8,700 metres together with extensive rock and soil sampling and multiple ground-based geophysical surveys. Future drilling will test for high vein density zones situated within the hanging walls of major identified faults.

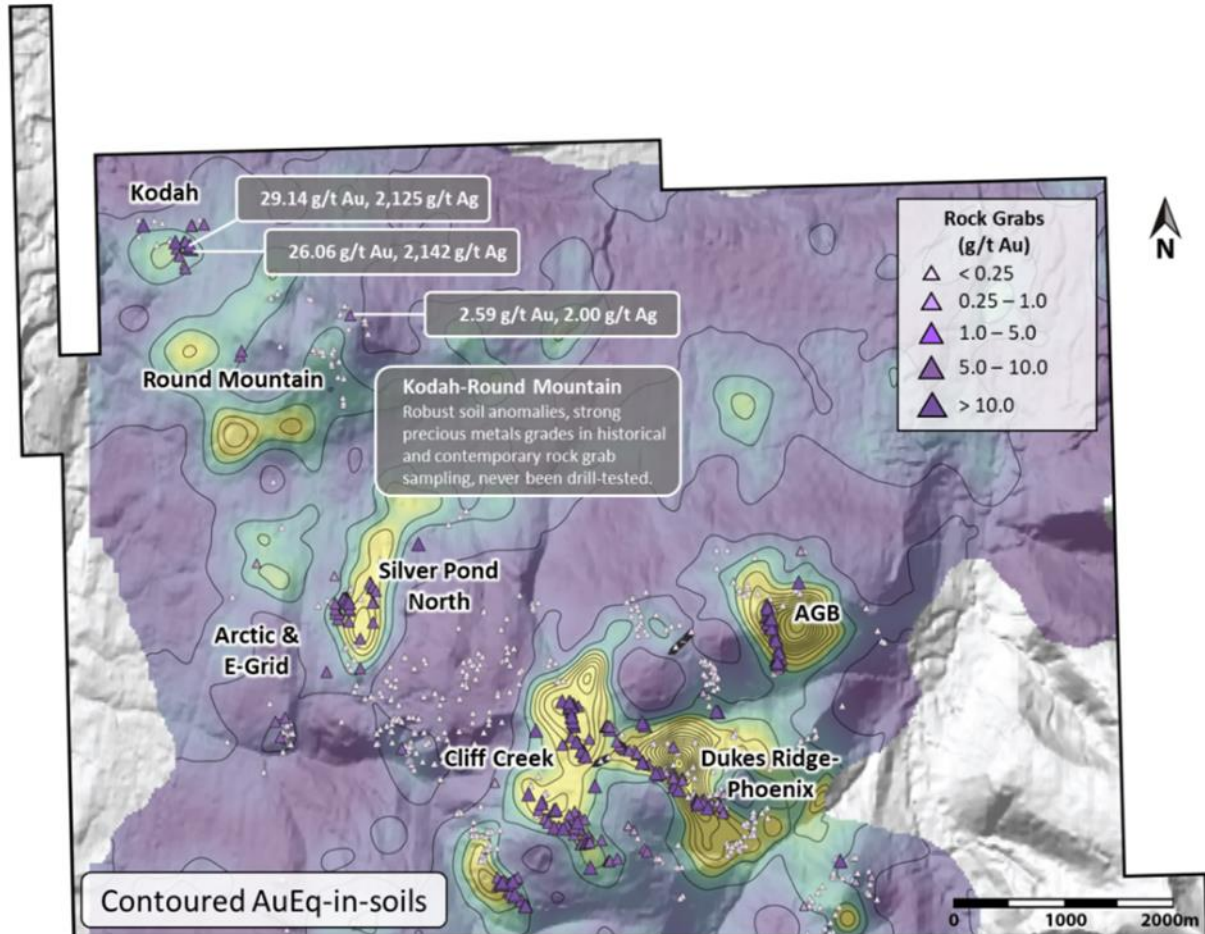
Figure 6: Plan map of Marmot Zone overlying ground magnetics.



## Rock and Soil Sampling

Rock and soil sampling completed during the summer of 2022 comprised of 474 infill soil samples and 34 rock samples have been collected at Kodah-Round Mountain Target Area to further refine 2021 soil anomalies (Figure 7).

Figure 7. Plan map of Kodah-Round Mountain target area, with rock grab sampling and contoured AuEq-in-soils data



## 2021 Field Exploration

Benchmark completed a large exploration program in 2021 including:

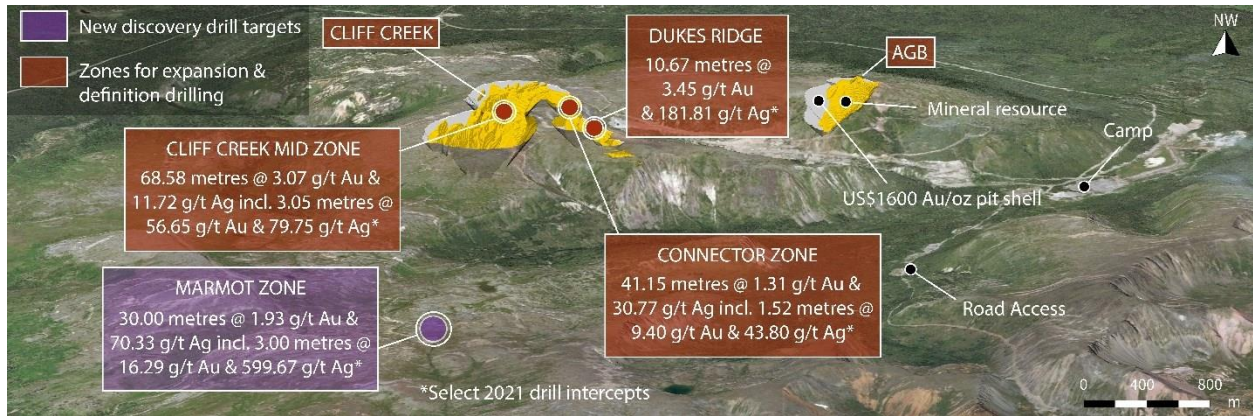
- Over 83,000 metres of drilling;
- Induced Polarization (IP) and Magnetotellurics (MT) geophysical survey;
- ground magnetics/VLF at multiple zones;
- airborne magnetics, electromagnetics and radiometrics geophysical surveys;
- LiDaR survey;
- detailed bedrock, alteration, and structural mapping;
- extensive soil and rock sampling across new exploration targets; and
- environmental baseline and engineering studies.

Drilling focused on the main resource zones of Cliff Creek, Dukes Ridge and AGB with expansion and exploratory drilling at Connector Zone, Marmot, Marmot East, Silver Pond West, and Silver Creek. Drilling in the resource areas advanced the mineral resource classification in the measured and indicated categories ahead of the Preliminary Economic Assessment (PEA) completed by Benchmark in 2022 whilst some drilling expanded the existing resource (Figures 8 to 10).



The Connector Zone represents an area of gold-silver mineralization between Cliff Creek and Dukes Ridge which was marginal to the existing resources and extends ~300 metres of strike length and ~130 metres vertically as currently defined (Figure 8). Results from 2021 at the Connector Zone include 41.15 m core length of 1.31 g/t gold and 30.77 g/t silver or 1.69 g/t gold equivalent\* (AuEq) in drill hole 21CCRC016 and 10.67 m of 3.45 g/t gold and 181.81 g/t silver or 5.72 g/t AuEq in drill hole 21DRRC005.

Figure 8. Location of key resource areas and prospects at the Lawyers Project.



Early results from the 2021 drill program included 3.05 metres (m) core length of 56.65 g/t gold and 79.75 g/t silver or 57.65 g/t AuEq within 68.58 m core length of 3.07 g/t gold and 11.72 g/t silver or 3.22 g/t AuEq at Cliff Creek (Figure 8). Additional early results from AGB included 95.55 m of 3.14 g/t gold and 59.85 g/t silver or 3.89 Au Eq (Figures 10 and 11).

Figure 9. Plan map of the Cliff Creek Mid area with early results from 2021 drilling.

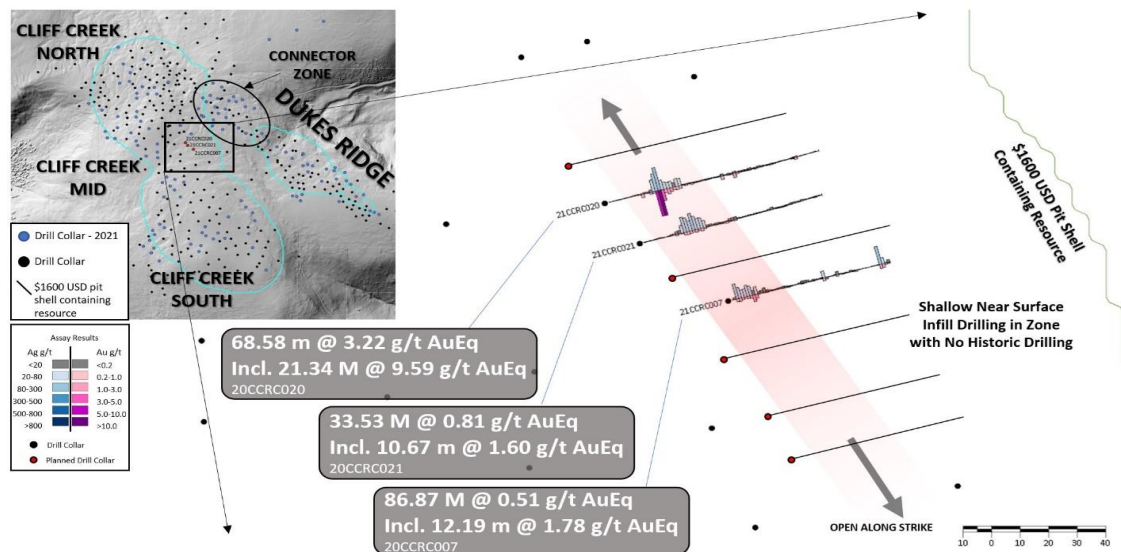


Figure 10. Plan map of AGB with new and historical drill collars.

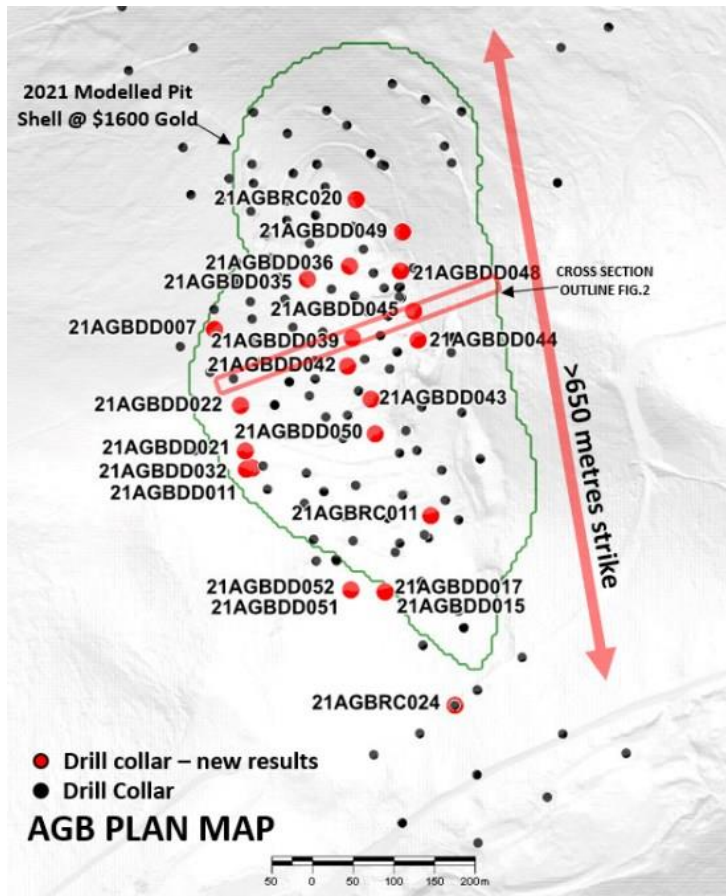
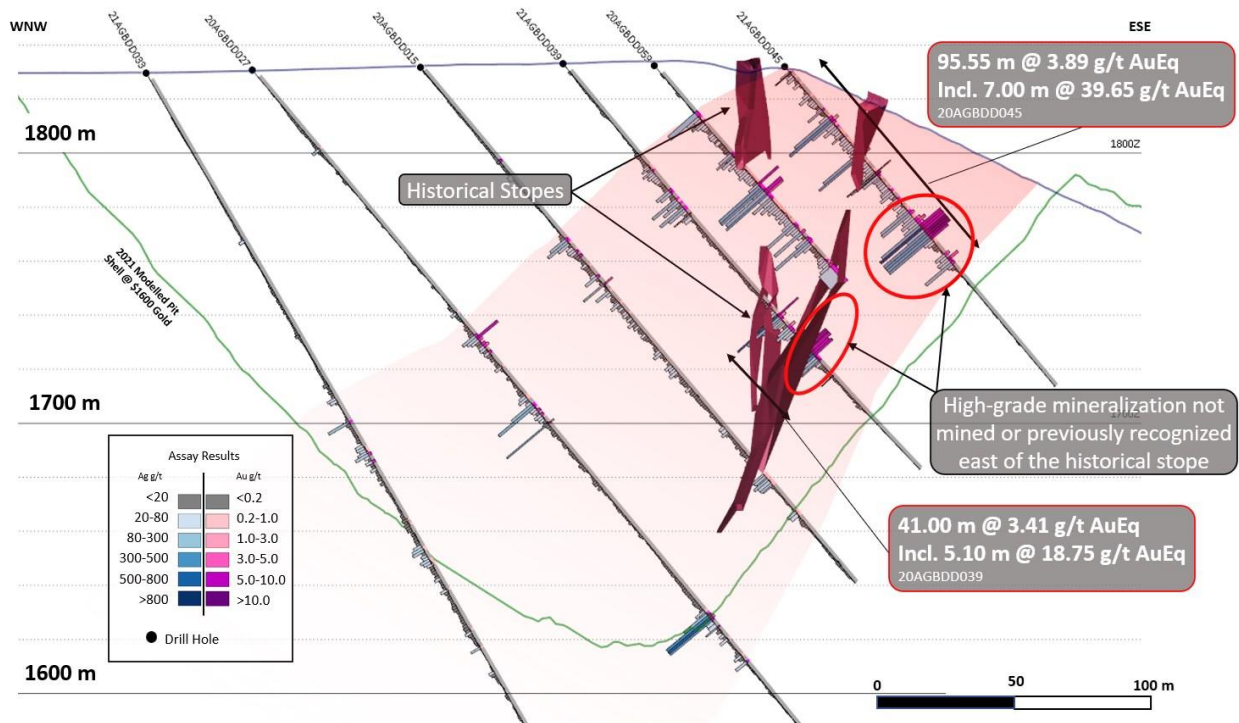


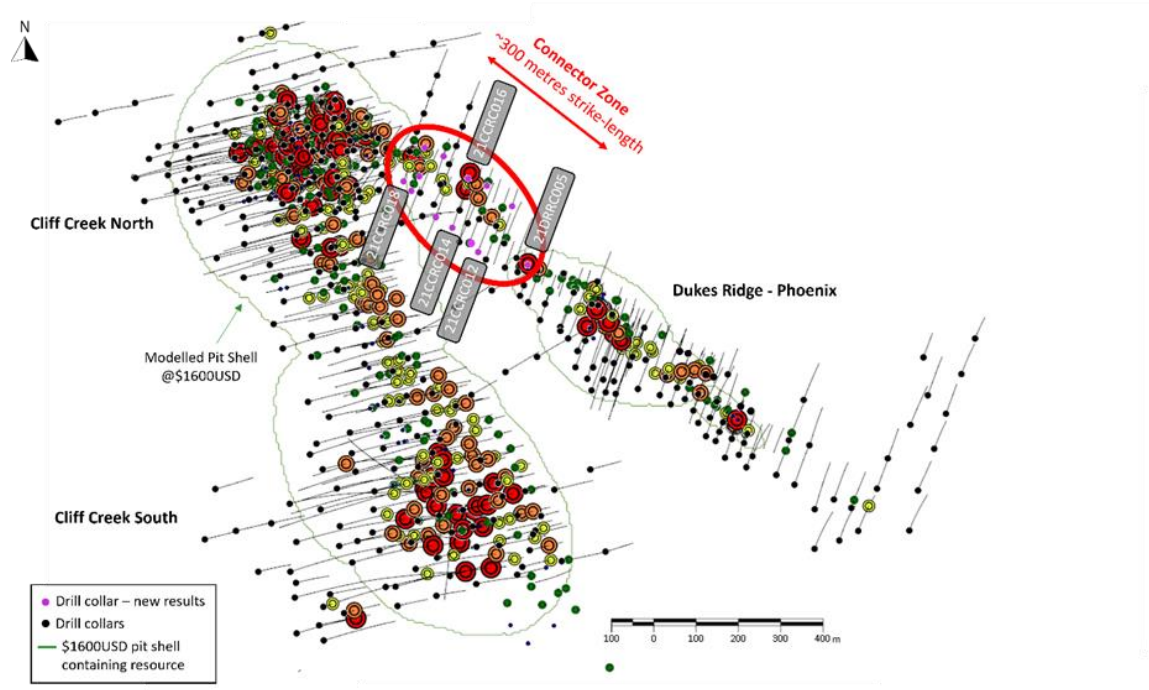
Figure 11. Cross-section of AGB with early results from 2021 drilling.





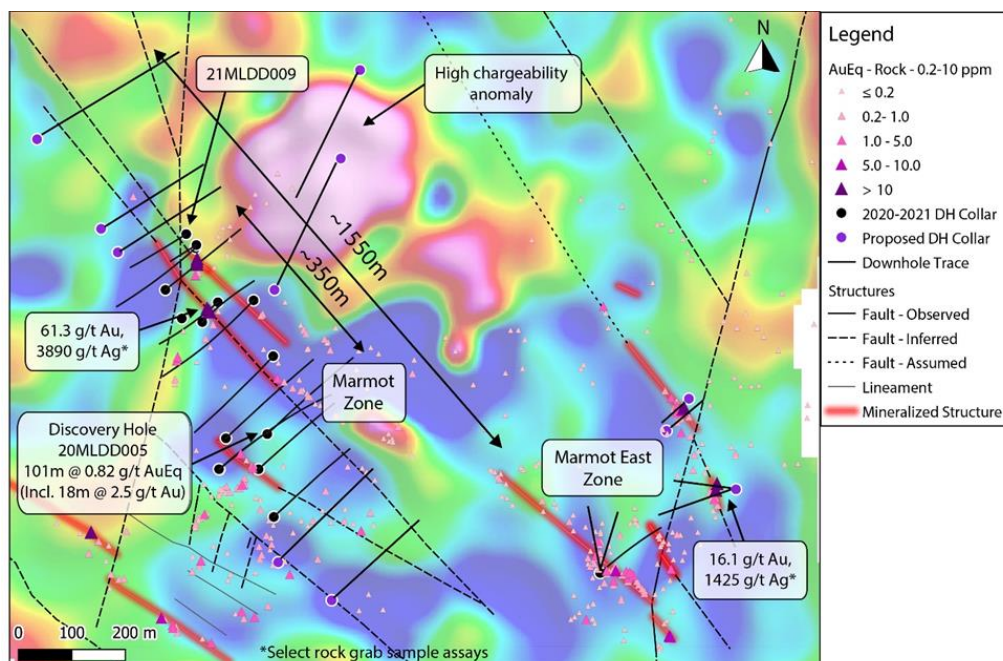
The Connector Zone represents an area of gold-silver mineralization between Cliff Creek and Dukes Ridge which was marginal to the existing resources at that time and extends ~300 metres of strike length and ~130 metres vertically as currently defined (Figure 11). Results from 2021 at the Connector Zone include 41.15 m core length of 1.31 grams per tonne (g/t) gold and 30.77 g/t silver or 1.69 g/t gold equivalent\* (AuEq) in drill hole 21CCRC016 and 10.67 m of 3.45 g/t gold and 181.81 g/t silver or 5.72 g/t AuEq in drill hole 21DRRC005.

Figure 12. Plan map of the Connector Zone.



Exploration drilling in the Marmot area followed up on previous high-grade rock sampling, broad drill intercepts, and multiple geophysical anomalies complemented by structural mapping (Figure 12). Visual results from drilling at Marmot and Marmot East provided encouragement that the mineralized systems in the area have significant size and continuity. This was later confirmed with drilling. Additional drilling is warranted at both targets.

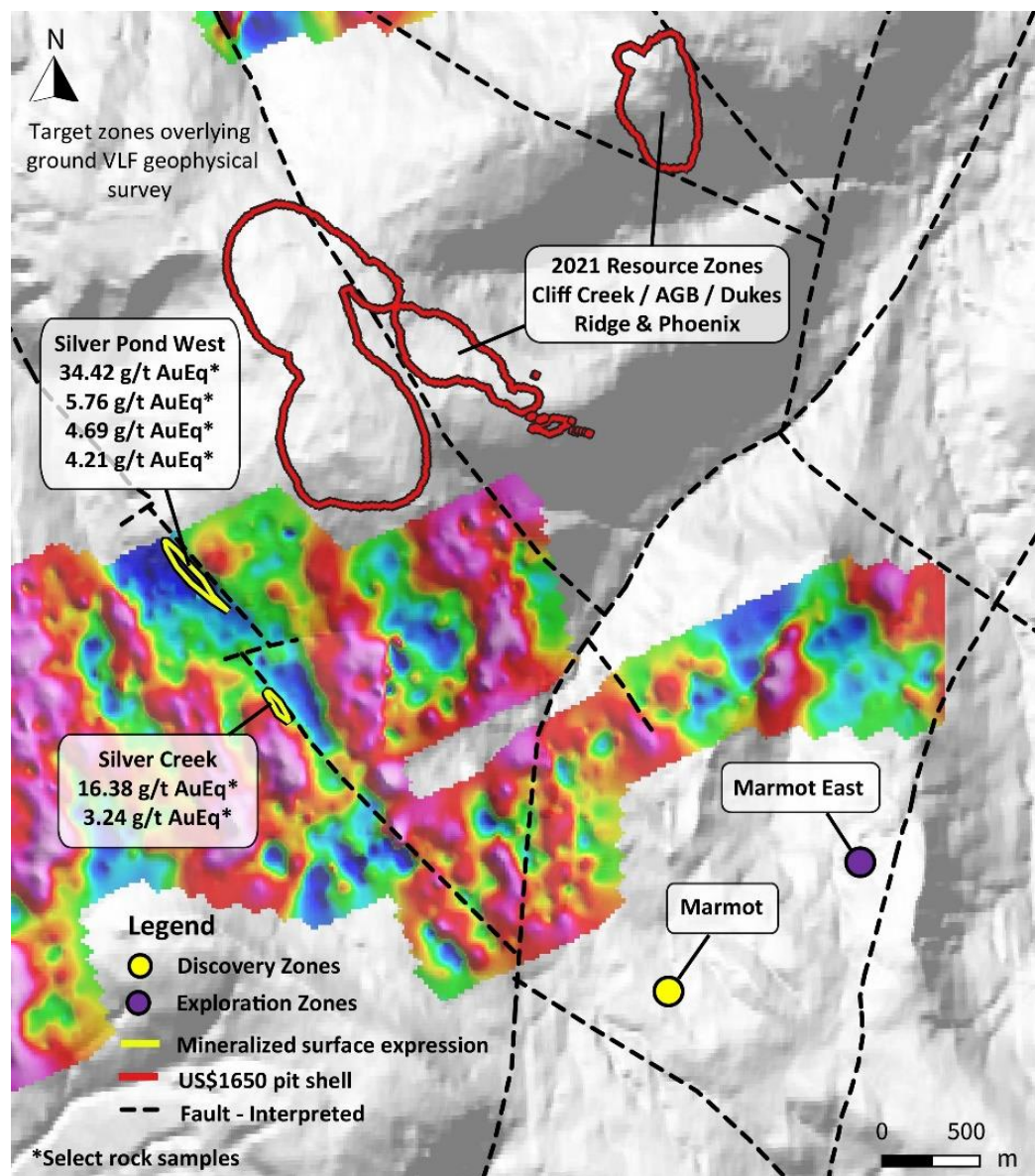
Figure 13: Marmot and Marmot East overlying chargeability geophysical survey (100m depth slice).





The Silver Pond West and Silver Creek occurrences saw little historical exploration drilling leading Benchmark to relook at their potential including rock and soil sampling and follow-up drilling if results warranted. Early rock sample results from 2021 returned high-grade assays of 16.4 g/t AuEq and 34.3 g/t AuEq from Silver Creek and Silver Pond West, respectively (Figure 14). Both of these occurrences lie along project-scale structures parallel to structures which control mineralization at Cliff Creek.

Figure 14: Silver Pond West and Silver Creek locations and rock sample highlights.



### Rock and Soil Sampling

Rock and soil sampling completed during the summer/fall of 2021 comprised 1,038 rock and 2,736 soil samples collected largely over exploration targets like Silver Pond North, Marmot East, Round Mountain/Kodah, and the newly discovered Black Lake Alteration Corridor (BLAC). The BLAC consists of several meter-scale sulphidized massive quartz veins occurring as spaced-out ribs over a width of +60 metres, extending along a northwest trend for ~500 metres. Mineralization within Takla Group volcanics was extensively sampled along this trend which sub-parallel a contact with Black Lake intrusive units. Significant rock grab samples within this prospect include assays up to 2.97 g/t Gold Equivalent (\*AuEq) and 810 parts per million (ppm) Cu. Benchmark is endeavouring to ensure a strong pipeline of occurrences/prospects exist at Lawyers to continue building the resource base.

## FINANCIAL MD&A AND OTHER DISCLOSURE

### Selected Annual Financial Information

Years ended	February 28 2023	February 28, 2022	February 28, 2021
Total assets (\$)	129,616,795	120,557,815	72,256,553
Mineral properties (\$)	99,549,763	76,416,066	35,581,267
Current liabilities (\$)	1,445,467	11,603,7663	3,358,477
Net loss (\$)	(4,864,817)	(12,351,342)	(4,762,398)
Weighted average shares	224,460,309	171,568,905	134,453,103
Basic and diluted net loss per common share (\$)	(0.02)	(0.07)	(0.04)

### Summary of Quarterly Results

Selected financial data published for operations of the Company during the last eight quarters are as follows:

3 months ended (in Dollars)	Feb 2023 (Q4)	Nov 2022 (Q3)	August 2022 (Q2)	May 2022 (Q1)	Feb 2022 (Q4)	Nov 2021 (Q3)	Aug 2021 (Q2)	May 2021 (Q1)
Net income (loss)	(1,156,691)	(1,597,581)	(2,498,674)	388,129	(7,832,109)	(434,890)	(3,356,909)	(727,434)
Basic and Diluted net loss per share	(0.00)	(0.01)	(0.01)	0.00	(0.05)	(0.02)	(0.02)	(0.00)

### Results of Operations – Three Months Ended February 28, 2023

During the three months ended February 28, 2023, the Company reported a net loss before taxes of \$402,703 (2022 – \$2,928,439). Included in the determination of operating income was \$97,045 (2022 – \$126,981) spent on office and administration, \$86,560 (2022 – \$89,763) on professional fees, \$19,363 (2022 – \$35,374) on transfer agent and filing fees, \$148,571 (2022 – \$108,920) on management and consulting fees, \$279,521 (2022 – \$766,823) on marketing and investor relations expenses, and exploration expenses of \$22,630 (2022 – \$823). A non-cash expense of \$480,435 (2022 – recovery of \$2,527,584) was recorded for settlement of a flow-through liability and non-cash expense of \$nil (2022 – \$4,368,682) was recorded for share-based compensation for options issued to consultants and officers. Partially offsetting expenses, the Company received interest income of \$200,420 (2022 – \$41,343).

Significant differences in expenses for the current three-month period as compared to the comparative three-month period were as follows:

- Marketing and investor relations expenses decreased by \$487,302 due to additional multimedia awareness campaigns conducted in the comparative period;
- Office and administration increased by \$29,936 due to additional meeting expenses and rented office space for the Company's President and staff based in Vancouver, BC, in the comparative period; and
- Management fees increased by \$39,651 due to additional fees for directors as part of the Board Refreshment (page 2).

Capitalized Exploration Expenditures	For the three months ended	
	February 28, 2023	February 28, 2022
Fieldwork	\$ 166,543	\$ 3,671,151
Geology	(134)	213,668
Drilling	(26,181)	7,613,110
Engineering	318,318	956,571
Environmental	630,611	842,283
Assay	39,435	1,804,487
Amortization	12,135	15,018
Permits	16,510	-
Travel and support	52,478	232,254
Community relations	746,761	384,740
Road maintenance and construction	(57,869)	814,494
Reclamation	154,748	(235,043)
Management fees	52,500	52,500
	<b>\$ 2,105,855</b>	<b>\$ 16,365,233</b>

Overall expenses decreased in the current period as the company completed planned exploration in September 2022, in comparison to the extended program completed in the prior period. Other significant differences in capitalized exploration expenditures for the current three-month period as compared to the comparative period were as follows:

- Fieldwork decreased by \$3,504,608 due to the recovery of camp costs related to an arms-length third parties, reduced drilling and a shortened field program in the current period;
- Drilling decreased by \$7,639,291 as the Company focused on more targeted drilling, PEA work and advanced engineering in the current period;
- Engineering decreased by \$638,253 due to an extended exploration program in the comparative period.
- Community relations increased by \$362,021 due to the timing of payments made under the The Trilateral Agreement with partner nations;
- Road maintenance and construction decreased by \$872,363 as the Company recovered costs related to arms-length third parties; and
- Reclamation increased in the current period due to adjustments made to the Company's estimated asset retirement obligation.

### Results of Operations – Year Ended February 28, 2023

During the year ended February 28, 2023, the Company reported a net income before taxes of \$419,289 (2022 – loss of \$7,460,221). Included in the determination of operating income was \$347,652 (2022 – \$321,737) spent on office and administration, \$227,174 (2022 - \$208,632) on professional fees, \$80,139 (2022 – \$113,330) on transfer agent and filing fees, \$486,136 (2022 - \$718,645) on management and consulting fees, \$2,326,180 (2022 - \$2,161,055) on marketing and investor relations expenses. A non-cash recovery of \$3,850,544 (2022 - \$4,672,295) was recorded for settlement of a flow-through liability and a non-cash expense of 314,769 (2022 - \$8,754,625) was recorded for share-based compensation for options issued to consultants and officers. Partially offsetting expenses, the Company received interest income of \$455,698 (2022 – \$149,880). The Company also incurred \$23,014 (2022 - \$13,372) of exploration expenses related to claims held in Nunavut, Canada.

Significant differences in expenses for the current year as compared to the comparative period were as follows:

- Marketing and investor relations expenses increased by \$165,125 due to a return to in-person conferences and meetings following relaxation of COVID-19 restrictions, multimedia awareness campaigns and retention of a market-maker;
- Management and consulting fees decreased by \$232,509 due to one-time bonuses paid to the Company's CEO, CFO and President the prior period.

Capitalized Exploration Expenditures	For the year ended	
	February 28, 2023	February 28, 2022
Fieldwork	\$ 3,962,104	\$ 9,046,945
Geology	304,148	556,895
Drilling	7,903,875	25,634,350
Engineering	2,817,664	2,677,466
Environmental	3,421,955	2,047,573
Assay	1,034,628	3,728,063
Amortization	48,540	53,452
Permits	23,069	45,631
Travel and support	324,867	724,812
Community relations	1,255,905	1,174,781
Road maintenance and construction	2,113,748	1,897,725
Reclamation	357,374	328,996
Management fees	210,000	198,000
	<b>\$ 23,777,877</b>	<b>\$ 48,114,689</b>

Overall expenses decreased in the current period as the company completed planned exploration In September 2022, in comparison to the extended program completed in the prior period. Other significant differences in capitalized exploration expenditures for the year ended February 28, 2023 as compared to the comparative period were as follows:

- Fieldwork decreased by \$5,084,841 due to the recovery of camp costs related to an arms-length third parties, reduced drilling and a shortened field program in the current period;
- Drilling decreased by \$17,730,505 as the Company focused on more targeted drilling, PEA work and advanced engineering in the current period.
- Engineering increased by \$140,198 due increased work on PEA, site improvement, advanced engineering studies.
- Environmental increased by \$1,374,382 due to increased environmental studies conducted in the current period.
- Road maintenance and construction increased by \$216,023 as the Company began construction of Northern access roads and incurred increased road maintenance costs for snow removal to keep the program operating in the March and April 2022.
- Travel and support decreased by \$399,945 in the current period without the need mobilize the camp and recovery of logistics costs related to an arms-length third party in the current period.

#### Financial Condition, Liquidity, and Capital Resources

Management closely monitors the liquidity and working capital position and expects to have adequate sources of funding to finance the Company's projects and operations.

Working capital at February 28, 2023 was \$26,253,912 compared to \$30,995,450 at February 28, 2022.

Benchmark currently has sufficient cash to fund its current operating and administration costs for the next twelve months. At February 28, 2023 the Company had cash of \$17,198,551 (February 28, 2022 - \$31,484,044) to settle current liabilities of \$1,445,467 (February 28, 2022 - \$11,603,763). All of the Company's accounts payables have contractual maturities of less than 30 days and are subject to conventional trade terms.

The net change in cash position at February 28, 2023 compared to February 28, 2022 was a decrease of \$14,285,493 (2022 – \$2,637,704), attributable to the following activities:

- Operating activities used \$9,890,302 (2022 – provided \$2,121,477), which is higher than the prior period due to increased marketing activities and timing of settlement of working capital items.
- Investing activities used \$23,785,254 (2022 - \$48,800,277), relating to capitalized exploration expenditures and purchase of equipment at the Lawyers Project.
- Financing activities provided \$19,390,063 (2022- \$44,041,096), resulting primarily from proceeds from private placements and exercise of share purchase options.

The Company is in the process of exploring its mineral properties and has not yet determined whether the properties contain reserves that are economically recoverable. The business of mining and exploring for resources involves a high degree of risk and there can be no assurance that planned exploration and development programs will result in profitable mining operations. The recoverability of amounts capitalized for the resource properties and related deferred exploration costs are dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain necessary financing to complete the development of the properties and upon future profitable production or proceeds from the disposition thereof. Changes in future conditions could require material write-downs of the carrying values of resource properties.

The Company has no source of revenue, income or cash flow. Management actively targets sources of additional financing that would assure continuation of the Company's operations and exploration programs. In addition, management closely monitors prices of precious metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company if favorable or adverse market conditions occur.

As of the date of this MD&A, the Company has working capital of approximately \$22 million.

#### **Use of proceeds**

During the year ended February 28, 2023 and subsequently to the date of this MD&A, Benchmark completed the following private placements:

On October 14, 2022, Benchmark completed a private placement, issuing 26,520,000 non flow-through units at \$0.42 and 19,759,300 flow-through units at a price of \$0.48 for gross proceeds of \$20,622,864. Each unit consisted of one flow-through common share and one-half of one share purchase warrant. Each whole warrant entitles the holder to purchase one common share at a price of \$0.65 for a two-year period. Proceeds from the placement are intended for general working capital purposes and to fund exploration of Benchmark's Lawyers Property in BC.

The majority of the funds raised will be used to fund exploration the Lawyers Property. The remainder will be used for general working capital and corporate overhead.

Proceeds and Intended Use	Actual Use of Proceeds
<p>During the year ended February 28, 2023, the Company received net proceeds of \$19.1M in connection with brokered market offerings and \$0.4M exercise of options and warrants.</p> <p>The majority of the funds raised will be used to fund exploration the Lawyers Property. The remainder will be used for general working capital and corporate overhead.</p>	<p>The funds raised have been used to fund exploration and advancement of its Lawyers Property. Which included:</p> <ul style="list-style-type: none"> <li>- Completed additional drilling and continued environmental baseline work.</li> <li>- Identified three new major drill targets.</li> <li>- Advanced engineering and filing of initial PEA.</li> <li>- Updated NI43-101 Mineral Resource Estimate</li> <li>- Corporate overhead.</li> </ul>
<p>During the year ended February 28, 2022, the Company received net proceeds of \$37.5M in connection with brokered market offerings and \$6.8M exercise of options and warrants.</p> <p>The majority of the funds raised will be used to fund exploration the Lawyers Property. The remainder will be used for general working capital and corporate overhead.</p>	<p>The funds raised have been used to fund exploration and advancement of its Lawyers Property. Which included:</p> <ul style="list-style-type: none"> <li>- Extended exploration program into winter of 2021/2022 and completed additional drilling and continued environmental baseline work.</li> <li>- Funded exploration drilling of over 18,000 metres in and over 1,400 metres of geotechnical and hydrogeological drilling in 2022.</li> <li>- Advanced engineering and initial PEA.</li> <li>- Updated NI43-101 Mineral Resource Estimate</li> <li>- Identification of new mineral targets.</li> <li>- Corporate overhead.</li> </ul>

### Commitments

As at February 28, 2023, the Company committed to incurring certain eligible expenditures arising from the issuance of flow-through shares. Accordingly, the Company will be required to incur \$5,782,221 of qualified expenditures by December 31, 2023.

As at February 28, 2023, the Company has incurred the required expenses to keep its mineral claims in good standing until 2032.

### Financial Instruments and Risk Management

The Company is exposed to the following financial risks:

- i) Market risk
- ii) Credit risk
- iii) Liquidity risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous years unless otherwise stated in the note.

## General objectives, policies and processes

The Board of Directors has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure effective implementation of the objectives and policies to the Company's finance function.

The overall objective of the Board and the Company's finance function is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility and to ensure that risks are properly identified and that the capital base is adequate in relation to those risks. Further details regarding these policies are set out below.

### Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices are comprised of three types of risk: currency risk, interest rate risk, commodity price risk.

#### *Currency risk*

Currency risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will fluctuate because of changes in foreign exchange rates. The Company's share capital as well as the Company's reporting currency is denominated in Canadian dollars. Management has assessed that the Company's current exposure to currency risk as low, but acknowledges this may change in the future.

#### *Interest rate risk*

Interest rate risk is the risk arising from the effect of changes in prevailing interest rates on the Company's financial instruments. Interest rate risk is limited to potential decreases on the interest rate offered on cash held with chartered Canadian financial institutions. The Company considers this risk to be minimal.

#### *Commodity price risk*

The Company's ability to raise capital to fund exploration activities is subject to risks associated with fluctuations in the market price of mineral resources. The Company closely monitors commodity prices to determine the appropriate course of actions to be taken.

### Credit risk

Credit risk is the risk of potential loss to the Company if counterparty to a financial instrument fails to meet its contractual obligations. The Company's maximum credit risk at February 28, 2023 is equal to the total of the carrying values of cash, short-term investment and other receivable. The Company has assessed its exposure to credit risk on its cash and short-term investment and has determined that such risk is minimal. All of the Company's cash and its short-term investment are held with a financial institution in Canada. The Company has assessed its exposure to credit risk on its other receivable and has determined that such risk is low.

### Liquidity risk

Liquidity risk is the risk that the Company will not meet its financial obligations as they fall due. The Company monitors its risk by monitoring the maturity dates of its existing debt and other payables. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. To achieve this objective, the Company prepares annual expenditure budgets, which are regularly monitored and updated as considered necessary. Monthly working capital and expenditure reports are prepared by the Company's finance function and presented to management for review and communication to the Board.

As at February 28, 2023, all of the Company's account payable and accrued liabilities of \$629,044 and \$93,233 of lease liabilities are due within one year and \$22,001 of lease liabilities are due between 1 and 2 years.

#### Determination of fair value

The statement of financial position carrying amounts for other receivable and accounts payable approximate fair value due to their short-term nature. Due to the use of subjective judgments and uncertainties in the determination of fair values these values should not be interpreted as being realizable in an immediate settlement of the financial instruments.

Financial assets and liabilities measured at fair value are grouped into three Levels or a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- Level 3: unobservable inputs for the asset or liability.

The following table sets forth the Company's financial assets measured at fair value on a recurring basis by level within the fair value hierarchy as follows:

#### **As at February 28, 2023:**

Asset:	Level 1	Level 2	Level 3	Total
Cash	\$ 17,198,551	-	-	\$ 17,198,551
Short-term investment	\$ 10,000	-	-	\$ 10,000

#### **As at February 28, 2022:**

Asset:	Level 1	Level 2	Level 3	Total
Cash	\$ 31,484,044	-	-	\$ 31,484,044
Short-term investment	\$ 10,000	-	-	\$ 10,000

#### **Related party transactions**

##### Key management

Key management includes directors and key officers of the Company, including the President, Chief Executive Officer and Chief Financial Officer. The aggregate value of transactions and outstanding balances with key management personnel and directors and entities over which they have control or significant influence were as follows:

Related Party	Nature of Relationship
John Williamson/678119 Alberta Ltd.	Director, CEO/Company controlled by CEO
Sean Mager/859053 Alberta Ltd	CFO/Company controlled by CFO
Jim Greig	Director and President
Keith Peck	Director
Peter Gundy	Director
Jody Shimkus	Director
Toby Pierce	Director



Payee	Nature of the transaction	For the year ended	
		February 28, 2023	February 28, 2022
CEO	Management and consulting fees	\$ 220,000	\$ 330,000
CFO	Management and consulting fees	200,000	286,000
President	Management and consulting fees	200,000	286,000
Director (Keith Peck)	Director fee	18,000	-
Director (Peter Gundy)	Director fee	18,000	-
Director (Toby Pierce)	Director fee	18,000	-
Director (Jody Shimkus)	Director fee	6,000	-
		<b>\$ 680,000</b>	<b>\$ 902,000</b>

Related party transactions and balances not disclosed elsewhere in the Company's consolidated financial statements are as follows:

Payee	Nature of the transaction	For the year ended	
		February 28, 2023	February 28, 2022
Company related to CEO and CFO	Office rent - Edmonton	\$ 40,200	\$ 40,200
		<b>\$ 40,200</b>	<b>\$ 40,200</b>

### Risks and Uncertainties

The success of the Company's business is subject to a number of factors, including but not limited to those risks normally encountered in the mining industry, such as market or commodity price changes, economic downturn, exploration uncertainty, operating hazards, increasing environmental regulation, competition with companies having greater resources, and lack of operating cash flow.

#### *Mining Risks*

The Company is subject to the risks typical in the mining business including uncertainty of success in exploration and development; operational risks including unusual and unexpected geological formations, rock bursts, particularly as exploration moves into deeper levels, cave-ins, flooding and other conditions involved in the drilling and removal of material as well as environmental damage and other hazards; risks that intended drilling schedules or estimated costs will not be achieved; and risks of fluctuations in the price of commodities and currency exchange rates. Metal prices are subject to volatile price movements over short periods of time and are affected by numerous factors, all of which are beyond the Company's control, including expectations of inflation, levels of interest rates, sale of gold by central banks, the demand for commodities, global or regional political, economic and banking crises and production rates in major producing regions. The aggregate effect of these factors is impossible to predict with any degree of certainty.

### *Business Risks*

Natural resources exploration, development, production and processing involve a number of business risks, some of which are beyond the Company's control. These can be categorized as operational, financial and regulatory risks.

Operational risks include finding and developing reserves economically, marketing production and services, product deliverability uncertainties, changing governmental law and regulation, hiring and retaining skilled employees and contractors and conducting operations in a cost effective and safe manner. The Company continuously monitors and responds to changes in these factors and adheres to all regulations governing its operations. Financial risks include commodity prices, interest rates and foreign exchange rates, all of which are beyond the Company's control.

Regulatory risks include possible delays in getting regulatory approval to the transactions that the Board of Directors believe to be in the best interest of the Company and include increased fees for filings as well as the introduction of ever more complex reporting requirements, the cost of which the Company must meet in order to maintain its exchange listing.

### *Competition*

The mineral exploration and mining business is competitive in all of its phases. The Company will compete with numerous other companies and individuals, including competitors with greater financial, technical and other resources, in the search for and the acquisition of attractive exploration and evaluation properties. The Company's ability to acquire properties in the future will depend not only on its ability to develop its present properties, but also on its ability to select and acquire suitable prospects for mineral exploration or development. There is no assurance that the Company will be able to compete successfully with others in acquiring such prospects.

### *Key Executives*

The Company is dependent on the services of key executives and a small number of highly skilled and experienced consultants and personnel, whose contributions to the immediate future operations of the Company are likely to be of importance. Locating mineral deposits depends on a number of factors, not the least of which is the technical skill of the exploration personnel involved. Due to the relatively small size of the Company, the loss of these persons or the Company's inability to attract and retain additional highly skilled employees or consultants may adversely affect its business and future operations. The Company does not currently carry any key man life insurance on any of its executives.

### *Government Regulation*

The current or future operations of Benchmark, including exploration and development activities and the commencement and continuation of commercial production, require licenses, permits or other approvals from various foreign federal, provincial and local governmental authorities and such operations are or will be governed by laws and regulations relating to prospecting, development, mining, production, exports, taxes, labour standards, occupational health and safety, waste disposal, toxic substances, land use, water use, environmental protection, land claims of indigenous people and other matters. There can be no assurance, however, that Benchmark will obtain on reasonable terms, or at all, the permits and approvals, and the renewals thereof, which it may require for the conduct of its current or future operations or that compliance with applicable laws, regulations, permits and approvals will not have an adverse effect on any mining project which Benchmark may undertake. Possible future environmental and mineral tax legislation, regulations and actions could cause additional expense, capital expenditures, restrictions and delays to the Company's planned exploration and operations, the extent of which cannot be predicted.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions there under, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

### *Environmental Risks and Hazards*

All phases of Benchmark's operations will be subject to environmental regulation in the jurisdictions in which it intends to operate. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation, provide for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry activities and operations. They also set forth limitations on the generation, transportation, storage and disposal of hazardous waste. A breach of such regulation may result in the imposition of fines and penalties. In addition, certain types of mining operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the viability or profitability of operations. Environmental hazards may exist on the properties in which Benchmark holds interests or on properties that will be acquired which are unknown to Benchmark at present and which have been caused by previous or existing owners or operators of the properties.

### *No Operating History and Financial Resources*

The Company does not have an operating history and has no operating revenues and is unlikely to generate any in the foreseeable future. It anticipates that its cash resources are sufficient to cover its projected funding requirements for the remainder of the fiscal year. Additional funds will be required for general operating costs, and for further exploration to attempt to prove economic deposits and to bring such deposits to production. Additional funds will also be required for the Company to acquire and explore other mineral interests. The Company anticipates that its cash resources will be sufficient to cover its projected funding requirements for the ensuing year. If its exploration program is successful, additional funds will be required for further exploration to prove economic deposits and to bring such deposits to production. Failure to obtain additional funding on a timely basis could result in delay or indefinite postponement of further exploration and development and could cause the Company to forfeit its interests in some or all of its properties or to reduce or terminate its operations. Inferred mineral resources are not mineral reserves. Mineral resources which are not mineral reserves do not have demonstrated economic viability. There is no guarantee that any part of the mineral resources discussed herein will be converted into a mineral reserve in the future.

### *Potential Conflicts of Interest*

Certain directors and officers of the Company are, and may continue to be, involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of the Company. Situations may arise in connection with potential acquisitions in investments where the other interests of these directors and officers may conflict with the interests of the Company. Directors and officers of the Company with conflicts of interest will be subject to and will follow the procedures set out in applicable corporate and securities legislation, regulation, rules and policies.

### *Dividends*

The Company has no earnings or dividend record and is unlikely to pay any dividends in the foreseeable future as it intends to employ available funds for mineral exploration and development. Any future determination to pay dividends will be at the discretion of the Board of Directors of the Company and will depend on the Company's financial condition, results of operations, capital requirements and such other factors as the Board of Directors of the Company deem relevant.

### *Price Volatility and Lack of Active Market*

In recent years, the securities markets in Canada and elsewhere have experienced a high level of price and volume volatility, and the market prices of securities of many public companies have experienced significant fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. It may be anticipated that any quoted market for the Company's securities will be subject to such market trends and that the value of such securities may be affected accordingly.

### *Nature of the Securities*

The purchase of the Company's securities involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks. The Company's securities should not be purchased by persons who cannot afford the possibility of the loss of their entire investment. Furthermore, an investment in the Company's securities should not constitute a major portion of an investor's portfolio.

### **Outstanding Share Data**

Benchmark is authorized to issue an unlimited Class number of common shares without par value. As at the close of trading on June 28, 2023 the following common shares and warrants were outstanding:

Common shares issued	<b>254,055,654</b>
	500,000 @ \$0.16 to July 20, 2023
	69,500 @ \$1.30 to September 16, 2023
	438,000 @ \$0.20 to December 10, 2023
	100,000 @ \$0.30 to July 22, 2024
	6,215,000 @ \$0.30 to April 14, 2025
	1,200,000 @ \$1.30 to January 28, 2026
	4,630,000 @ \$1.15 to June 21, 2026
	6,325,000 @ \$1.10 to January 26, 2027
Options outstanding	1,000,000 @ \$0.42 to October 18, 2027
	16,068,000 @ \$1.55 to December 9, 2023
	1,928,160 @ \$1.00 to December 9, 2023
	300,000 @ \$1.30 to July 21, 2024
	21,056,350 @ \$0.65 to September 29, 2024
	2,526,761 @ \$0.42 to September 29, 2024
	2,083,300 @ \$0.65 to October 14, 2024
Warrants outstanding	249,996 @ \$0.42 to October 14, 2024
Fully diluted	<b>318,745,721</b>

### **Off-Balance Sheet Arrangements**

The Company does not have any off-balance sheet arrangements.

### **Qualified Person**

The disclosures contained in this MD&A regarding the Company's exploration and evaluation properties have been prepared by, or under the supervision of Mr. Mike Dufresne, M.Sc., P.Geol., P.Geo., a principal of APEX Geoscience Ltd. and a Qualified Person for the purposes of National Instrument 43-101.

### **Approval**

The Board of Directors of the Company approved the disclosures contained in this MD&A as recommended by the Audit Committee.

### **Additional Information**

Continuous disclosure relating to the Company may be found on SEDAR at [www.sedar.com](http://www.sedar.com).