



CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian dollars)

FOR THE YEARS ENDED DECEMBER 31, 2021 and 2020

<u>Index</u>	<u>Page</u>
Consolidated Financial Statements	
Independent Auditors' Report	2 - 4
Consolidated Statements of Financial Position	5
Consolidated Statements of Income and Comprehensive Income	6
Consolidated Statements of Equity	7
Consolidated Statements of Cash Flows	8
Notes to Consolidated Financial Statements	9 - 25

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF CARLIN GOLD CORPORATION

Opinion

We have audited the consolidated financial statements of Carlin Gold Corporation and its subsidiary (the "Company"), which comprise:

- ♦ the consolidated statements of financial position as at December 31, 2021 and 2020;
- ♦ the consolidated statements of income and comprehensive income for the years then ended;
- ♦ the consolidated statements of equity for the years then ended;
- ♦ the consolidated statements of cash flows for the years then ended; and
- ♦ the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2021 and 2020, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that as at December 31, 2021, the Company has a working capital deficiency of \$183,196 and an accumulated deficit of \$9,009,550. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises of Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditors' report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ♦ Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ♦ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ♦ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ♦ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ♦ Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- ♦ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditors' report is Kevin Yokichi Nishi.

Smythe LLP

Chartered Professional Accountants

Vancouver, British Columbia
April 22, 2022

Vancouver

1700 - 475 Howe St
Vancouver, BC V6C 2B3
T: 604 687 1231
F: 604 688 4675

Langley

600 - 19933 88 Ave
Langley, BC V2Y 4K5
T: 604 282 3600
F: 604 357 1376

Nanaimo

201 - 1825 Bowen Rd
Nanaimo, BC V9S 1H1
T: 250 755 2111
F: 250 984 0886



Consolidated Statements of Financial Position
As at December 31, 2021 and 2020
(Expressed in Canadian dollars)

	2021	2020
Assets		
Current assets:		
Cash	\$ 18,962	\$ 73,878
Accounts receivable	2,637	3,692
Marketable securities (Note 5)	507,500	338,280
	529,099	415,850
Exploration and evaluation properties (Note 6)	1,888,108	1,852,225
	\$ 2,417,207	\$ 2,268,075
Liabilities		
Current liabilities:		
Trade payables and accrued liabilities	\$ 39,643	\$ 50,957
Other amounts due to related parties (Note 9)	672,652	589,986
	712,295	640,943
Equity		
Share capital (Note 7)	10,603,291	10,603,291
Reserves - Stock options	111,171	169,627
Deficit	(9,009,550)	(9,145,786)
	1,704,912	1,627,132
	\$ 2,417,207	\$ 2,268,075

Nature of operations and going concern (Note 1)
Event Subsequent to the end of the year (Note 12)

"K. Wayne Livingstone"
Director

"Robert Culbert"
Director

See accompanying notes to consolidated financial statements.



Consolidated Statements of Income and Comprehensive Income
For the years ended December 31, 2021 and 2020
(Expressed in Canadian dollars)

	2021	2020
Expenses:		
Accounting and audit	\$ 23,896	\$ 17,207
Interest	-	186
Legal fees	3,374	12,881
Management and administration fees (Note 9)	60,000	120,000
Office	2,984	4,617
Regulatory fees	8,469	7,679
Technical consulting (Note 9)	15,042	32,196
Transfer agent fees	4,516	4,790
	(118,281)	(199,556)
Foreign exchange gain	379	8,505
Gain on recovery of exploration costs (Note 6)	137,500	298,000
Gain (loss) on sale of marketable securities (Note 5)	(8,850)	16,066
Fair value change of marketable securities (Note 5)	81,250	50,980
Write-down of exploration properties (Note 6e)	(14,218)	(19,258)
Net income and comprehensive income for the year	\$ 77,780	\$ 154,737
Income per share (basic and diluted)	\$ 0.00	\$ 0.00
Weighted average number of common shares outstanding	88,939,464	88,939,464

See accompanying notes to consolidated financial statements.



Consolidated Statements of Equity
For the years ended December 31, 2021 and 2020
(Expressed in Canadian dollars)

	Share Capital		Reserves		Total equity
	Number of Shares	Amount	Stock options	Deficit	
Balance, December 31, 2019	88,939,464	\$10,603,291	\$238,542	(\$9,369,438)	\$1,472,395
Cancellation of stock options	-	-	(68,915)	68,915	-
Net income for the year	-	-	-	154,737	154,737
Balance, December 31, 2020	88,939,464	\$10,603,291	\$169,627	(\$9,145,786)	\$1,627,132
Cancellation of stock options (Note 7b)	-	-	(58,456)	58,456	-
Net income for the year	-	-	-	77,780	77,780
Balance, December 31, 2021	88,939,464	\$10,603,291	\$111,171	(\$9,009,550)	\$1,704,912

See accompanying notes to consolidated financial statements.

Consolidated Statements of Cash Flows
For the years ended December 31, 2021 and 2020
(Expressed in Canadian dollars)

	2021	2020
Operating Activities:		
Net income for the year	\$ 77,780	\$ 154,737
Items not affecting cash:		
Recovery of exploration costs paid in shares	(112,500)	(223,000)
Loss (gain) on sale of marketable securities	8,850	(16,066)
Fair value change of marketable securities	(81,250)	(50,980)
Write-down of exploration and evaluation properties	14,218	19,258
Change in non-cash operating working capital:		
Accounts receivable	1,055	(1,913)
Prepaid expenses	-	137
Trade payables and accrued liabilities	(11,314)	(3,357)
Other amounts due to related parties	82,666	137,188
Cash provided by (used in) operating activities	(20,495)	16,004
Investing Activities:		
Exploration and evaluation property expenditures	(50,101)	(62,305)
Decrease in reclamation bonds	-	8,103
Repayment of loan payable to related party	-	(27,164)
Proceeds from sale of marketable securities	15,680	110,099
Cash provided by (used in) investing activities	(34,421)	28,733
Increase (decrease) in cash	(54,916)	44,737
Cash, beginning of year	73,878	29,141
Cash, end of year	\$ 18,962	\$ 73,878
Supplemental cash flow information:		
Interest paid	\$ -	\$ 186
Income taxes paid	\$ -	\$ -

See accompanying notes to consolidated financial statements



Notes to Consolidated Financial Statements
For the years ended December 31, 2021 and 2020
(Expressed in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Carlin Gold Corporation (the “Company”) is registered under the British Columbia *Business Corporations Act* and trades on the TSX Venture Exchange. The Company is in the business of acquiring, exploring and developing mineral properties in Nevada and Yukon, and has not yet determined whether its properties contain ore reserves that are economically recoverable. The head office and principal address of the Company is situated at Suite 320 – 800 West Pender Street, Vancouver, British Columbia, Canada, V6C 2V6.

The Company has not generated any revenue since inception, has never paid dividends and is unlikely to pay dividends or generate earnings in the immediate or foreseeable future. As at December 31, 2021, the Company has a working capital deficiency of \$183,196 (2020 - \$225,093) and an accumulated deficit of \$9,009,550 (2020 - \$9,145,786). The continuation of the Company as a going concern is dependent upon the ability of the Company to obtain necessary equity financing to continue operations and to determine the existence, discovery and successful exploitation of economically recoverable reserves in its mineral properties, confirmation of the Company’s interests in the underlying properties and the attainment of profitable operations, or realize proceeds from their sale.

The ability of the Company to continue as a going concern and meet its commitments as they become due, including completion of the acquisition, exploration and development of its mineral property interests is dependent on the Company’s ability to obtain the necessary financing. The Company will require additional capital to finance future operations and growth. There can be no assurance that management’s plans will be successful.

The business of mineral exploration involves a high degree of risk and there is no assurance that current exploration projects will result in future profitable mining operations. The Company has no source of revenue, and has significant cash requirements to meet its administrative overhead, pay its liabilities and maintain its mineral interests. The recoverability of amounts shown for exploration and evaluation properties is dependent on several factors. These include the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of these exploration and evaluation properties, and establish future profitable production, or realize proceeds from the disposition of exploration and evaluation properties. The carrying value of the Company’s exploration and evaluation properties does not reflect current or future values.

These matters indicate the existence of material uncertainties that may cast significant doubt about the Company’s ability to continue as a going concern. These consolidated financial statements do not include any adjustments relating to the recoverability of assets and classification of assets and liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

COVID-19 Notice

In March 2020, the World Health Organization declared a global pandemic related to the virus known as COVID-19. The expected impacts on global commerce are anticipated to be far reaching. To date there have been significant effects on the world’s equity markets and the movement of people and goods has become restricted.



Notes to Consolidated Financial Statements
For the years ended December 31, 2021 and 2020
(Expressed in Canadian dollars)

2. BASIS OF PRESENTATION

a) Statement of compliance

The accompanying consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”). The accounting policies, methods of computation and presentation applied in these consolidated financial statements are consistent with those of the previous financial year.

b) Approval of consolidated financial statements

These consolidated financial statements of the Company for the years ended December 31, 2021 and 2020 were approved and authorized for issue by the Board of Directors on April 22, 2022.

c) Basis of measurement

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments, which are stated at their fair values. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The preparation of consolidated financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company’s accounting policies. The areas involving a higher degree of judgment of complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 3.

d) Basis of consolidation

These consolidated financial statements include the accounts of the Company and its 100% controlled entity, Carlin Gold US Inc. (a Nevada corporation). A subsidiary is an entity in which the Company has control, where control requires exposure or rights to variable returns and the ability to affect those returns through power over the investee. Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation.

e) New standards and interpretations not yet adopted

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates have now been assessed by the Company and are not expected to have a significant impact on the Company’s consolidated financial statements. The Company has not early adopted these standards.

3. SIGNIFICANT ACCOUNTING POLICIES

a) Judgments and estimates

The preparation of these consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, revenues and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances and which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Significant assumptions about the future and other sources of estimation uncertainty that management has made that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Critical accounting estimates

Critical accounting estimates are estimates and assumptions made by management that may result in a material adjustment to the carrying amount of assets and liabilities within the next financial year and include, but are not limited to, the following:

Recoverable value of long-term assets

The carrying value of mineral properties and the likelihood of future economic recoverability is subject to significant management estimates. The application of the Company's accounting policy for and determination of recoverability of capitalized assets is based on assumptions about future events or circumstances. If information becomes available indicating that recovery of expenditures is unlikely, the amounts capitalized are impaired and recognized as a loss in the period that the new information becomes available. A change in estimate could result in the carrying amount of capitalized assets being materially different from their presented carrying costs.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

a) Judgments and estimates (Continued)

Critical accounting judgments

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements include, but are not limited to, the following:

Going concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay its ongoing operating expenditures, meet its liabilities for the ensuing year, and to fund planned and contractual exploration programs involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

Functional currency

The Company applied judgment in determining its functional currency and the functional currency of its subsidiary. Functional currency was determined based on the currency in which funds are sourced and the degree of dependence by the subsidiary on the Company for financial support.

Exploration and evaluation properties

Management is required to make judgments on the status of each mineral property and the future plans with respect to finding commercial reserves. The nature of exploration and evaluation activity is such that only a few projects are ultimately successful and some assets are likely to become impaired in future periods.

Assets or cash-generating units are evaluated at each reporting date to determine whether there are any indicators of impairments. The Company considers both internal and external sources of information when making the assessment of whether there are indications of impairment for the Company's exploration and evaluation properties.

Management uses several criteria in its assessments of economic recoverability and probability of future economic benefit including geologic and metallurgic information, economic assessments/studies, accessible facilities and existing permits.

b) Foreign currency translation

The functional and reporting currency of the Company and its subsidiary is the Canadian dollar. Transactions in currencies other than the functional currency are recorded at the rate of exchange prevailing on the dates of transactions. Monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at each reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value and revenues and expenses denominated in foreign currencies are retranslated to the functional currency at the exchange rate on the date of the transaction. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Foreign currency translation differences are recognized in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

c) Exploration and evaluation properties

Costs directly related to the exploration and evaluation of resource properties are capitalized once the legal rights to explore the resource properties are acquired or obtained. When the technical and commercial viability of a mineral resource have been demonstrated and a development decision has been made, the capitalized costs of the related property are transferred to mining assets and depreciated using the unit-of-production method on commencement of commercial production.

If it is determined that capitalized acquisition, exploration and evaluation costs are not recoverable, or the property is abandoned or management has determined an impairment in value, the cash-generating unit is written down to its recoverable amount. Resource properties are reviewed for impairment at each reporting date.

From time to time, the Company acquires or disposes of properties pursuant to the terms of option agreements. Options are exercisable entirely at the discretion of the optionee, and accordingly, are recorded as mineral property costs or recoveries when the payments are made or received. After costs are recovered, the balance of the payments received are recorded as a gain on option or disposition of mineral property.

d) Impairment of non-current assets

The Company's tangible and intangible assets are reviewed for an indication of impairment at the end of each reporting period. If an indication of impairment exists, the Company makes an estimate of the asset's recoverable amount. Individual assets are grouped for impairment assessment purposes at the lowest level at which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets. The recoverable amount of an asset group is the higher of its fair value less costs to sell and its value in use. Where the carrying amount of an asset group exceeds its recoverable amount, the asset group is considered impaired and is written down to its recoverable amount. Impairment losses are recognized in profit or loss to the extent the carrying amount exceeds the recoverable amount. In assessing value in use, the estimated future cash flows are adjusted for the risks specific to the asset group and are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

e) Provision for closure and reclamation

The Company recognizes liabilities for legal or constructive obligations associated with the retirement of resource properties and equipment. The net present value of future rehabilitation costs is capitalized to the related asset along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

e) Provision for closure and reclamation (Continued)

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related assets with a corresponding entry to the rehabilitation provision. The increase in the provision due to the passage of time is recognized as interest expense.

f) Income taxes

The Company uses the statement of financial position method of accounting for income taxes. Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Deferred income tax assets also result from unused loss carry-forwards, resource related pools and other deductions. A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

g) Share-based payments

The Company has a stock option plan that is described in Note 7b. Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The fair value of the instruments issued is measured using the Black-Scholes option pricing model. The amount recognized as an expense is adjusted to reflect the number of awards expected to vest. The offset to the recorded cost is to option reserve. Consideration received on the exercise of stock options is recorded as share capital and the related option reserve is transferred to share capital. When options and warrants expire or are forfeited unexercised, such amounts are transferred to deficit. Charges for options that are forfeited before vesting are reversed from option reserve.

h) Earnings per share

Basic earnings per share is calculated by dividing the income available to common shareholders by the weighted average number of common shares outstanding in the year. For all years presented, the income available to common shareholders equals the reported income. Diluted earnings per share is calculated by the treasury stock method. Under the treasury stock method, the weighted average number of common shares outstanding for the calculation of diluted earnings per share assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period. In the Company's case, diluted earnings per share for the years ended December 31, 2021 and 2020 are the same as basic earnings per share, as the effects of including all outstanding options would be anti-dilutive.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

i) Financial instruments

Financial assets

The Company measures its financial assets in the following categories: amortized cost, fair value through profit or loss, or fair value through other comprehensive income. The measurement depends on the purpose for which the financial assets were acquired. Management determines the measurement of financial assets at recognition.

Financial assets at amortized cost

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, these financial assets are recorded at amortized cost using the effective interest method, except for short-term receivables when the recognition of interest would be immaterial.

Financial assets at fair value through profit or loss ("FVTPL")

All financial assets not classified as measured at amortized cost are measured at FVTPL. Derivative financial instruments that are not designated and effective as hedging instruments are classified as FVTPL. The Company has no designated hedges. Financial instruments classified as FVTPL are stated at fair value with any changes in fair value recognized in earnings for the period. Marketable securities and cash are included in this category of financial assets.

Financial assets measured at fair value through other comprehensive income ("FVTOCI")

Financial assets measured at fair value through other comprehensive income are carried in the statement of financial position at fair value with changes in fair value recognized in other comprehensive income.

Impairment of financial assets

At each reporting date the Company assesses whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired, if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or the group of financial assets.

Financial liabilities

The Company classifies its financial liabilities in the following categories: other financial liabilities and financial liabilities at fair value through profit or loss.

Other financial liabilities

Other financial liabilities are non-derivatives and are recognized initially at fair value, net of transaction costs incurred, and are subsequently stated at amortized cost. Any difference between the amounts originally received, net of transaction costs, and the redemption value is recognized in profit or loss over the period to maturity using the effective interest method.

Other financial liabilities are classified as current or non-current based on their maturity date. Other financial liabilities include trade accounts payable and accrued liabilities and amounts due to related parties.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

i) Financial instruments (Continued)

Financial liabilities (Continued)

Financial liabilities at fair value through profit or loss

This category is comprised of derivative financial liabilities. Derivative financial liabilities are initially recognized at their fair value on the date the derivative contract is entered into and are subsequently re-measured at their fair value at each reporting period with changes in the fair value recognized in profit or loss.

The following table summarizes the fair value hierarchy under which the Company's financial instruments are valued.

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

j) Share capital

The Company records proceeds from share issuances, net of issue costs. Common shares issued for consideration other than cash are valued based on their market value at the date the agreement to issue shares is concluded. –

k) Valuation of equity units issued in private placements

Proceeds received on the issuance of units, consisting of common shares and warrants, are allocated first to common shares based on the market trading price of the common shares at the time the units are priced, and any excess is allocated to warrants.

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company has classified its cash and marketable securities as FVTPL, and trade payables and accrued liabilities, and other amounts due to related parties, as other financial liabilities.

Fair value

The carrying values of cash, trade payables and accrued liabilities and amounts due to related parties all approximate their fair value due to the short-term nature of these financial instruments.

At December 31, 2021 and 2020, the marketable securities are valued using quoted prices (unadjusted) from an active market (Level 1).



Notes to Consolidated Financial Statements
 For the years ended December 31, 2021 and 2020
 (Expressed in Canadian dollars)

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)

The principal risks to which the Company's financial instruments are exposed are described below.

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company is exposed to credit risk on its cash. However, this risk is minimized as all amounts are held with major Canadian and American financial institutions. The Company's concentration of credit risk and maximum exposure thereto is as follows:

	December 31 2021	December 31 2020
Cash – Canada	\$ 15,208	\$ 68,814
Cash – USA	3,754	5,064
Total	\$ 18,962	\$ 73,878

b) Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its financial obligations as they become due. The Company ensures that there is sufficient capital in order to meet short-term business requirements, after taking into account the Company's holdings of cash. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities.

The Company is dependent on raising funds through the issuance of shares, obtaining debt financing, and/or attracting joint venture partners in order to undertake further exploration and development of its mineral properties and finance office and administrative expenditures. There can be no assurance the Company will be able to raise funds in the future.

The Company owns marketable securities, which are recorded as FVTPL. The Company may, from time to time, liquidate a portion of its holdings depending on market conditions and the Company's cash requirements. Depending on timing, the Company's ability to liquidate these securities is subject to price fluctuations and market conditions, which may affect the Company's ability to liquidate the securities in a timely manner.

At December 31, 2021, the Company had trade payables and accrued liabilities totaling \$39,643 (2020 - \$50,957), which are currently due and amounts due to related parties totaling \$672,652 (2020 - \$589,986) which are payable on demand.

Notes to Consolidated Financial Statements
For the years ended December 31, 2021 and 2020
(Expressed in Canadian dollars)

4. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)

c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk, and other price risk.

(i) Interest rate risk

The Company is not exposed to significant interest rate risk. The Company's bank accounts earn interest at variable rates. Future cash flows from interest income on cash will be immaterially affected by interest rate fluctuations.

(ii) Foreign currency risk

As at December 31, 2021, certain of the Company's financial instruments are held in US dollars. The Company has operations in Nevada, USA. As a result, the Company is exposed to foreign currency risk from fluctuations between the Canadian and US dollar.

The Company does not use derivatives or similar techniques to manage currency risk.

As at December 31, 2021, the Company is exposed to foreign currency risk of US\$2,960 (2020 - US\$3,580) cash.

(ii) Other price risk

Other price risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from currency risk or interest rate risk. The Company's marketable securities are carried at market value and are, therefore, directly affected by fluctuations in the market value of the underlying securities. The Company's sensitivity analysis suggests that a 125% (2020 - 125%) change in market prices would change income/loss by approximately \$410,000 (2020 - \$423,000).

5. MARKETABLE SECURITIES

At December 31, 2021 and 2020, the Company owned the following investments:

	December 31, 2021			December 31, 2020		
	Number of Shares	Cost	Fair Value	Number of Shares	Cost	Fair Value
Constantine Metal Resources Ltd.	250,000	-	\$172,500	250,000	-	\$ 43,750
HighGold Mining Inc.	-	-	\$ -	11,000	-	\$ 24,530
Fireweed Zinc Ltd.	250,000	-	\$155,000	250,000	-	\$ 270,000
Snowline Gold Corp.	250,000	-	\$180,000	-	-	\$ -
Total			\$507,500			\$338,280

Notes to Consolidated Financial Statements
For the years ended December 31, 2021 and 2020
(Expressed in Canadian dollars)

5. MARKETABLE SECURITIES (Continued)

In the year ended December 31, 2021, the Company recorded an aggregate gain of \$81,250 (2020 - \$50,980) relating to the fair value change of its investments.

During the year ended December 31, 2021, the Company sold 11,000 shares of HighGold Mining Inc. (2020 - 72,333 shares) for net proceeds of \$15,680 (2020 - \$110,099) for which the Company recorded a gain on sale of marketable securities of \$8,850 on sale of the shares (2020 - \$16,066).

During the year ended December 31, 2021, the Company received 250,000 shares of Snowline Gold Corp. valued at \$112,500 related to the sale of mining claims in the Mayo mining district, Yukon (Note 6(b)). See Note 12.

Constantine Metal Resources Ltd. is related to the Company through a common director (Mr. K. Wayne Livingstone) and a common officer (Mr. Aris Morfopoulos). As at December 31, 2021, the Company's investment in Constantine represents an ownership interest of 0.42% (2020 - 0.51%).

6. EXPLORATION AND EVALUATION PROPERTIES

The following is a summary of the Company's exploration and evaluation properties:

	Cortez Summit	Willow	Yukon	Total
Balance, December 31, 2019	\$ 1,809,176	\$ 1	\$ 1	\$ 1,809,178
Acquisition costs	\$ 33,733	\$ 11,192	\$ -	\$ 44,925
Geological and maintenance	9,314	8,066	-	17,380
Writedown of exploration and evaluation property	-	(19,258)	-	(19,258)
Balance, December 31, 2020	\$ 1,852,223	\$ 1	\$ 1	\$ 1,852,225
Acquisition costs	31,520	10,458	-	41,978
Geological and maintenance	4,363	3,760	-	8,123
Writedown of exploration and evaluation property	-	(14,218)	-	(14,218)
Balance, December 31, 2021	\$ 1,888,106	\$ 1	\$ 1	\$ 1,888,108

a) Cortez Summit Property, Nevada USA

The Company owns a 100% interest in claims in the Cortez gold trend in Eureka County, Nevada, which were acquired by staking and are not subject to any royalties.



Notes to Consolidated Financial Statements
For the years ended December 31, 2021 and 2020
(Expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION PROPERTIES (Continued)

b) Yukon Joint Venture Property

The Company holds a 50% interest in a joint venture with Epica Mining Inc. (“Epica”). The Company’s interest in joint venture properties was written down to \$1 in 2014.

Mineral Property Option Agreement with Snowline Gold Corp. (the “Optionee”)

On September 1, 2021 (the “Effective Date”), the Company and Epica entered into an option agreement granting the Optionee an option to acquire a 100% ownership interest in certain leasehold mining claims in the Mayo mining district, Yukon. Pursuant to the option agreement, the Company will receive the following:

- Cash payment of \$25,000 on the Effective Date (received);
- Cash payment of \$25,000 on or before the first anniversary of the Effective Date; and
- 250,000 shares of Snowline Gold Corp. on or before the first anniversary of the Effective Date (received) (Note 5).

During the year ended December 31, 2021, the Company recorded the aggregate \$137,500 proceeds as a recovery of exploration costs. The Company retains a 2.0% NSR royalty interest on the property.

Sale of Claims to Fireweed Zinc Ltd.

In April 2018, the joint venture entered into an agreement (the “Agreement”) granting Fireweed Zinc Ltd. (FWZ-TSXV) (“Fireweed”) the option to purchase the joint venture’s Jerry, MC and MP properties (total 624 claims) in the Mac Pass area, Yukon.

In May 2020, the Company received an option payment consisting of 50,000 shares of Fireweed Zinc Ltd. (“Fireweed”), which were valued at \$25,000. The agreement was amended in August 2020, such that the Company would receive a payment of \$75,000 and 200,000 shares of Fireweed upon exercise of Fireweed’s option to purchase the claims. In September 2020, Fireweed exercised this option and the Company received consideration of \$75,000 in cash and 200,000 shares in Fireweed, which were valued at \$198,000, in exchange for title to the claims. During the year ended December 31, 2020, the Company recorded the aggregate \$298,000 proceeds as a recovery of exploration costs previously written off.

The Company continues to retain an interest in the claims sold to Fireweed, by way of a net smelter return (“NSR”) royalty of 0.5% on base metals and silver and a 2.0% NSR royalty on all other metals.

c) Closure costs

The Company has assessed that it does not have any closure costs as at the date of this report.

d) Realization of assets

The investment in and expenditures on exploration and evaluation properties comprise a significant portion of the Company’s assets. Realization of the Company’s investment in these assets is dependent upon the establishment of legal ownership, the attainment of successful production from the properties or proceeds from their disposal.

6. EXPLORATION AND EVALUATION PROPERTIES (Continued)

d) Realization of assets (Continued)

Resource exploration and development are highly speculative and contain inherent risks. While the rewards if an ore body is discovered can be substantial, few properties that are explored are ultimately developed into producing mines. There can be no assurance that current exploration programs will result in the discovery of economically viable quantities of ore.

The amounts shown for acquisition costs and deferred exploration expenditures represent costs incurred to date and do not necessarily reflect present or future values. These costs will be depleted over the useful lives of the properties upon commencement of commercial production or written off if the properties are abandoned or the claims allowed to lapse.

e) Write-down of exploration and evaluation property costs

During the year ended December 31, 2021, indicators of impairment existed, including the lack of substantive expenditures budgeted or planned, leading to a test of the recoverable amount of the Willow Creek property, which resulted in an impairment loss of \$14,218 (2020 - \$19,258). A value in use calculation is not applicable as the Company does not have any expected cash flows from using the property at this stage of operations. In estimating fair value less costs of disposal, management did not have observable or unobservable inputs to estimate the recoverable amount greater than \$Nil. As this valuation technique requires management's judgment and estimates of the recoverable amount, it is classified within Level 3 of the fair value hierarchy.

f) Environmental

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest. The Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Company.

Environmental legislation is becoming increasingly stringent, and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions.

If the restrictions adversely affect the scope of exploration and development on the mineral property interests, the potential for production on the property may be diminished or negated.

g) Title to mineral property interests

Although the Company has taken steps to verify title to its exploration and evaluation properties, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

Notes to Consolidated Financial Statements
For the years ended December 31, 2021 and 2020
(Expressed in Canadian dollars)

7. SHARE CAPITAL

a) **Authorized:** Unlimited number of common shares without par value

Issued and outstanding: 88,939,464 (2020 - 88,939,464) common shares

The Company did not issue any common shares during the years ended December 31, 2021 and 2020.

b) Stock options

The Company has established a share purchase option plan whereby the Board of Directors may, from time to time, grant options to directors, officers, employees or consultants. Options granted must be exercised no later than five years from the date of grant or such lesser period as determined by the Company's Board of Directors. The exercise price of an option is not less than the closing price of the stock on the last trading day preceding the grant date. The maximum number of options to be granted under this plan is 8,893,946.

A summary of the status of the Company's stock options at December 31, 2021 and 2020 and changes during the years then ended are as follows:

	December 31, 2021		December 31, 2020	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Outstanding, beginning of year	5,950,000	\$0.06	8,050,000	\$0.06
Expired or cancelled	(4,200,000)	\$0.05	(2,100,000)	\$0.06
Outstanding, end of year	1,750,000	\$0.08	5,950,000	\$0.06

A summary of the Company's stock options as at December 31, 2021 is as follows:

Expiry Date	Weighted Average Exercise Price	Number of Options Outstanding	Weighted Average Remaining Contractual Life (in years)	Number of Options Exercisable (vested)
September 12, 2022	\$0.08	1,750,000	0.70	1,750,000
		1,750,000		1,750,000

During the year ended December 31, 2021, 4,200,000 (2020 - 2,100,000 cancelled) stock options expired and \$58,456 (2020 - \$68,915) was reclassified from stock option reserves to deficit.

c) Warrants

The Company did not have any warrants outstanding during the years ended December 31, 2021 and 2020.

Notes to Consolidated Financial Statements
For the years ended December 31, 2021 and 2020
(Expressed in Canadian dollars)

8. INCOME TAXES

Income tax expense differs from the amount that would be computed by applying the Canadian statutory income tax rate of 27% (2020 - 27%) to income before income taxes. The reason for the differences is as follows:

	2021	2020
Income before tax	\$ 77,780	\$ 154,737
Statutory income tax rate	27.0%	27.0%
Expected income tax	21,001	41,779
Write-off of exploration properties	3,840	6,245
Under provided in prior years	(202,251)	(14,263)
Impact of foreign exchange on tax assets and liabilities	(51,556)	19,956
Unused tax losses and tax offsets not recognized in tax	228,966	(53,717)
Total income taxes	\$ -	\$ -

The tax effected items that give rise to significant portions of the deferred income tax assets and deferred income tax liabilities at December 31, 2021 and 2020 are presented below:

	2021	2020
Marketable securities	\$ (24,225)	\$ (14,451)
Non-capital loss carry-forwards utilized	24,225	14,451
Net deferred income tax liability	\$ -	\$ -

The Company recognizes tax benefits or losses or other deductible amounts generated in countries where the probable criteria for the recognition of deferred tax assets have been met. The Company's unrecognized deductible temporary differences and unused tax losses for which no deferred tax asset is recognized consist of the following amounts:

	2021	2020
Future income tax assets		
Non-capital loss carry-forwards	\$ 5,205,712	\$ 4,157,428
Foreign exchange	9,711	10,089
Mineral property interests	4,316,796	4,297,945
Unrecognized deductible temporary differences	\$ 9,532,219	\$ 8,465,462

Notes to Consolidated Financial Statements
For the years ended December 31, 2021 and 2020
(Expressed in Canadian dollars)

8. INCOME TAXES (Continued)

The Company's unrecognized unused tax losses for December 31, 2021 have the following expiry dates:

Year expiring:	Canada	USA	Total
2025	\$ -	\$ 50,657	\$ 50,657
2026	-	128,124	128,124
2027	200,034	884,516	1,084,550
2028	169,653	437,580	607,233
2029	161,397	-	161,397
2030	175,460	7,071	182,531
2031	192,448	35,247	227,695
2032	332,281	36,610	368,891
2033	156,255	29,618	185,873
2034	216,630	41,234	257,864
2035	149,346	52,600	201,946
2036	209,635	27,372	237,007
2037	201,992	41,610	243,602
2038	176,052	-	176,052
2039	82,523	-	82,523
No year of expiry	-	1,099,488	1,099,488
Total	\$ 2,423,706	\$ 2,871,727	\$ 5,295,433

9. RELATED PARTY TRANSACTIONS AND BALANCES

Key management personnel compensation consists of the President, Chief Financial Officer ("CFO") and the Vice-President of Exploration. Aggregate compensation for the year ended December 31, 2021 was \$82,563 (2020 - \$165,835) for management and other fees, as described below.

The Company accrued a total of \$30,000 (2020 - \$60,000) for management and administration services to NS Star Enterprises Ltd., a company controlled by the President, during the year ended December 31, 2021. The Company accrued a total of \$30,000 (2020 - \$60,000) for accounting, management and administration services to Morfopoulos Consulting Associates Ltd., a company owned by the CFO, during the year ended December 31, 2021. The Company paid or accrued a total of \$22,563 (2020 - \$45,835) to the Vice-President of Exploration, for technical consulting, of which \$8,123 (2020 - \$15,278) was charged to exploration and evaluation properties charged during the year ended December 31, 2021.

As at December 31, 2021, a total of \$202,652 (2020 - \$179,986) is due to the Vice-President of Exploration for fees, technical consulting services and expenses incurred on behalf of the Company. A total of \$235,000 (2020 - \$205,000) is due to NS Star Enterprises Ltd. for management and administration services, and a total of \$235,000 (2020 - \$205,000) is due to Morfopoulos Consulting Associates Ltd. for accounting, management and administration services. All of the above amounts are unsecured, without interest or stated terms of repayment.



Notes to Consolidated Financial Statements
For the years ended December 31, 2021 and 2020
(Expressed in Canadian dollars)

10. MANAGEMENT OF CAPITAL

The Company manages its common shares and stock options as capital (Note 7). There has been no change in the nature of the Company's capital during the year ended December 31, 2021. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its mineral properties and to maintain a flexible capital structure, which optimizes the costs of capital at an acceptable risk. The Company does not have any externally imposed capital restrictions.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, or acquire or dispose of assets.

In order to facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

11. SEGMENTED INFORMATION

The Company has one operating segment: mineral exploration and development. The Company's non-current assets by geographical location are as follows as at the dates shown below:

	December 31 2021	December 31 2020
Canada	\$ 1	\$ 1
United States	1,888,107	1,852,224
Total	\$ 1,888,108	\$ 1,852,225

12. SUBSEQUENT EVENT

Subsequent to December 31, 2021, the Company sold 250,000 shares of Snowline Gold Corp. (Note 5) for net proceeds of \$197,235.



MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended December 31, 2021

Carlin Gold Corporation
Suite 320 - 800 West Pender St.
Vancouver, British Columbia, Canada
V6C 2V6

Tel: (604) 638-1402 Fax: (604) 608-3878

www.carlingold.com



Management's Discussion & Analysis
For the year ended December 31, 2021
(Expressed in Canadian Dollars)

Description of Business and Report Date

The information in this Management's Discussion and Analysis ("MD&A") is intended to assist the reader in the understanding and assessment of the trends and significant changes in the results of operations and financial conditions of Carlin Gold Corporation (the "Company" or "Carlin"). This MD&A should be read in conjunction with the audited financial statements of the Company, including the notes thereto, for the years ended December 31, 2021 and 2020, and other information relating to the Company on file with the Canadian provincial securities regulatory authorities on SEDAR at www.sedar.com. The Company's audited financial statements for the years ended December 31, 2021 and 2020 have been prepared in accordance with International Financial Reporting Standards ("IFRS"). This MD&A has taken into account information available up to and including April 22, 2022. All monetary units herein are expressed in Canadian dollars unless otherwise noted.

Carlin is an exploration stage company engaged in the identification, evaluation, acquisition and exploration primarily of gold properties in Nevada, USA and Yukon, Canada. The Company is a reporting issuer in British Columbia and Alberta, and trades on the TSX Venture Exchange under the symbol CGD. The Company's head office is located at Suite 320 – 800 W. Pender St., Vancouver, B.C., V6C 2V6.

This MD&A contains forward-looking statements. Please refer to the cautionary language at the end of this document.

Overview

\$222,235 Cash Generated from Mineral Property Option Agreement with Snowline Gold Corp

On September 1, 2021, the Company entered into an option agreement with Snowline Gold Corp. ("Snowline Gold") granting an option to acquire a 100% ownership interest in certain leasehold mining claims in the Mayo mining district, Yukon. Pursuant to the option agreement, the Company received a cash payment of \$25,000 and 250,000 shares of Snowline Gold, which were sold subsequent to December 31, 2021 for cash proceeds of \$197,235.

Cortez Summit Property

The Company's 100% owned Cortez Summit Property ("Property" or "Cortez Summit") is centrally located on the Cortez Trend, within what has become one of the most active gold mining areas in Nevada. The Cortez Trend contains a major gold endowment that exceeds 50 million oz. total gold produced, reserves and resources (Nevada Bureau of Mines and Geology annual mineral reports, Barrick Gold Corporation annual reports).

Cortez Summit is adjacent to the new 12.7 million-ounce Goldrush deposit, which is currently being developed. Nevada Gold Mines, a joint venture between Barrick Gold Corporation and Newmont Gold Corporation ("NGM"), completed a stand-alone underground feasibility study for Goldrush in Q2 2021 (Barrick Q3 2021 report), and the first bulk sample trial was successfully processed through the Goldstrike roaster. In August 2021 the Bureau of Land Management's Notice of Intent was published in the Federal Register and a Record of Decision (ROD) is expected in the second half of 2022. Subject to the ROD, commercial production is expected for 2025. The draft Environmental Impact Statement is scheduled to be available for public review and comment in Q1 2022 (Barrick 2021 annual report).

Management's Discussion & Analysis
For the year ended December 31, 2021
(Expressed in Canadian Dollars)

Barrick's new and expanding Fourmile resource (currently not part of NGM joint venture), 1 km west of Cortez Summit, lies immediately north of Goldrush. Step-out drill holes at Fourmile north-northwest of the current resource have encountered ore grade intercepts, e.g., 9.9m @ 48.4 grams/tonne (gpt), and an indicated and inferred resource containing 2.55 M. oz Au grading 10.6 gpt Au has been established (Barrick 2021 annual report).

The Company entered into an Exploration and Earn-In agreement with Barrick on Cortez Summit in 2016. Barrick terminated the agreement in 2018 after completing one core hole, SJV17-1D (vertical) to a depth of 5,171 ft. (1576 m). SJV17-1D was collared in the southwest portion of the Property in the vicinity of Carlin's previous shallow reverse circulation holes drilled in 2012 into upper plate lithologies, adjacent to an area referred to by Carlin geologists as the "Fourmile structural zone", a wide north-northwest trending corridor defined by geological, geochemical and geophysical data.

SJV17-1D encountered a 592 ft. (180 m) interval of highly anomalous arsenic at 328-920 ft. (100-280 m) averaging 480 ppm, with strongly anomalous Carlin-style pathfinder elements including mercury (to 17 ppm), antimony (to 173 ppm) and thallium (to 6.3 ppm). Gold values include a 10 ft. (3 m) wide zone at 694-704 ft. (211-214 m) grading 2.6 gpt. This thick anomalous interval is contained in upper plate rocks consisting of variably clay-altered, iron-oxide stained, brecciated hornfels and lesser mudstone/siltstone, with the most intense clay alteration and iron-oxide development at 652-798 ft. (199-243m.). Modest zones of anomalous arsenic and thallium occur further down the hole, including a 415 ft. (127 m) interval of anomalous thallium straddling the base of the Roberts Mountain Thrust. Local zones of brecciation, carbon development, and minor decalcification were also observed. No significant gold mineralization was encountered in the lower plate carbonate section.

Although the lack of gold mineralization in the lower plate portion of hole SJV17-1D was disappointing, the Company is encouraged by the presence of intense alteration, thick intervals of anomalous Carlin-type pathfinder elements and elevated gold values in upper plate rocks along the Fourmile structural corridor. Carlin's 2012 drilling encountered similar alteration and anomalous geochemistry, although to a lesser degree. Carlin geologists believe that this "shallow" zone penetrated in SJV17-1D potentially represents a mineralized structural conduit which could be used as a guide to target deeper gold mineralization in the receptive lower plate carbonate rocks.

Cortez Summit represents an excellent mining exploration opportunity located within one of the most well-endowed gold regions in North America. The Property has only been partially explored, as drilling to date has tested only a small portion of the 4 square mile claim block. Several additional quality targets require evaluation, and the Company is assessing future exploration plans.

**Note: Quotation marks used around "Fourmile structural zone" are to distinguish this structural corridor interpreted by Carlin geologists on the southwest portion of the Cortez Summit Property from Barrick's high grade Fourmile resource located approximately 1 km to the west on Barrick property.*

A Focus on Nevada Properties

In addition to Cortez Summit, the Company controls one other Carlin-style target in Nevada by direct ownership of unpatented mining claims. Willow (47 claims) is located in an active exploration and mining area in northeast Nevada, highlighted by Nevada Gold Mines' Long Canyon mine located 80 kilometers southwest.

Cortez Summit Exploration Project, Nevada U.S.A.

The Cortez Summit Property consists of 142 unpatented claims located in the southern Cortez Mountains in Eureka County, Nevada, between the historic Buckhorn and Horse Canyon mines. The Property is contiguous with Barrick claims on all sides and on the west boundary adjoins the Goldrush development project and the Fourmile resource. Barrick reports that, as of year-end 2019, attributable indicated resources at Goldrush were 6.6 M oz at a grade of 7.8 gpt, and attributable inferred resources were 1.2 M oz at a grade of 7.6 gpt, for a total of 7.8 M oz in indicated and inferred resources (Barrick's 61.5% share, Barrick 2019 annual report). At year-end 2021 the indicated and inferred resource at Fourmile was 2.55 M oz grading 10.6 gpt (currently 100% Barrick).

Carlin's primary target at Cortez Summit is Carlin-style mineralization in a structural and stratigraphic setting similar to that at the neighboring Goldrush/Fourmile reserve/resource. Much of this target is blind, being covered by Miocene-age post-mineral basaltic andesite and interlayered gravels. The Fourmile structural zone trends north-northwest for 4,500 ft. (1,370 m) within the southwestern part of the Property, and extends an additional 4 miles (6.5 km) on Barrick property to the north. Barrick geologists have mapped a pattern of surface alteration and have defined geochemical anomalies spatially associated with this structural zone (Barrick 2017 Q4 webcast). At Cortez Summit, Carlin geologists encountered a similar alteration and geochemistry pattern in limited upper plate rock exposures along the Fourmile structural zone on the west edge of the Property. The east extent of this pattern is unknown, as it is concealed along the entire west side of the Property by post-mineral Miocene gravels and basalts.

Prior Drilling

In 2012 the Company completed an initial drill program on the southwest portion of the Property. The program consisted of seven vertical reverse circulation drill holes totaling 11,720 ft. (3573 m) ranging in depth between 1,500 and 1,800 ft. (450-550 m). Drilling confirmed Carlin-type geology, alteration and geochemistry in upper plate rocks within the limited area tested, but did not test lower plate stratigraphy. This drilling did encounter the contact metamorphic effects of the Mill Canyon stock, an important feature with respect to potential for a high grade target similar to Barrick's Fourmile success (see below).

In 2013, in order to explore for the deeper lower plate carbonates which host mineralization at the Goldrush deposit, Carlin re-entered reverse circulation drill hole CS-12-2 with a core drill rig. This hole, CS12-2C, deepened from 1,760 ft. (536 m) to 4,032 ft. (1,229 m), encountered 373 ft. (114 m) of favorable lower plate carbonate rocks below the Roberts Mountain Thrust. This interval represents the upper portion of the stratigraphic section which contains gold-bearing horizons at the nearby major Cortez area deposits. Carlin-type alteration features were encountered, including decalcification, clay alteration and calcite veining.

2017 Drilling

Barrick completed a 5,171 ft. (1,576 m) vertical core hole, SJV17-1D, on the Property in May-July 2017, located along what is interpreted by Carlin geologists to be the east side of the Fourmile structural zone in the vicinity of Carlin's shallow holes drilled in 2012. SJV17-1D encountered a wide 567 ft. (173 m) zone at 333-900 ft. (102-274 m) in upper plate rocks consisting of variably clay-altered, iron oxide-stained, brecciated hornfels and lesser mudstone/siltstone, with the most intense clay alteration and iron oxide development at 652-798 ft. (199-243 m). Associated with this alteration is a very thick interval, 592 ft. (180 m), of highly anomalous arsenic at 328-920 ft. (100-280 m) averaging 480 ppm, with accompanying additional strongly anomalous Carlin-style pathfinder elements including mercury (to 17 ppm), antimony (to 173 ppm) and thallium (to 6.3 ppm). Gold values in this alteration zone include a 10 ft. (3 m) zone at 694-704 ft. (211-214 m) grading 2.6 gpt. The

Management's Discussion & Analysis
For the year ended December 31, 2021
(Expressed in Canadian Dollars)

favorable lower plate carbonate section was encountered at a depth of 4,234 ft. (1,290 m) and continued to the bottom of the hole, although no significant gold values were detected.

Exploration Potential

While disappointed that the lower plate rocks encountered in SJV17-1D were not mineralized, the Company is encouraged by the strong alteration and pathfinder elements along with significant gold values encountered in upper plate rocks adjacent to the Fourmile structural zone. The geometry of this "shallow" anomalous zone has not been defined. It potentially represents the upper extension of a mineralized conduit which could be used to guide exploration for deeper gold mineralization in lower plate carbonate rocks. A shallower, ± 200 ft. (60m) (drilled thickness) silty to sandy carbonate section contained within the upper plate sequence was encountered by SJV17-1D and also in one of the early Carlin drill holes located 2,200 ft. (670m) south-southeast. This represents an additional potentially significant host rock target, approximately 2,000 ft. (610 m) above the base of the Roberts Mountain Thrust.

The Property has only been partially explored, as drilling to date has tested only a small portion of the ground in the southwest corner of the 4 square mile claim block. SJV17-1D is the only drillhole to have fully penetrated the favorable lower plate section that hosts Barrick's nearby Goldrush reserve/resource and Fourmile indicated and inferred resources. Hornfels alteration in upper plate rocks has been encountered in most of the Carlin/Barrick drill holes drilled on the Property, which is likely produced by the thermal effects of the nearby Jurassic age Mill Canyon quartz monzonite stock. The thermal contact zone around this stock is an important geological control of Barrick's high-grade mineralization at their Fourmile resource. This geological environment appears to extend east onto Cortez Summit, suggesting that in addition to the classic Carlin-type bedding replacement style mineralization displayed at Goldrush, the Property also has excellent potential for higher grade, more structurally controlled mineralization within the contact aureole of the Mill Creek stock.

The Company has evaluated existing ground and airborne geophysical survey data which has been helpful in better defining the Fourmile structural zone and also in identifying several other structures on the Property. The geophysical information suggests the continuation of the Fourmile structural zone at depth below the post-mineral cover. The Fourmile zone represents a high-quality target for classic Carlin-style mineralization where it intersects the favorable lower plate carbonate stratigraphy. The available geological and geophysical information suggests that several additional prospective northwest-trending structures are located parallel and east of the Fourmile structural zone. Carlin geologists are encouraged by the exploration opportunities represented by these additional targets.

Results of Operations

In the year ended December 31, 2021, the Company continued to maintain its properties in Nevada and Yukon and incurred exploration property expenditures of \$50,101 (2020 – \$62,305), before write-downs of \$14,218 (2020 – \$19,258).

The Company's consolidated net income for the year ended December 31, 2021 was \$77,780 (2020 – \$154,737). Net income for the year included a \$81,250 increase in the value of its marketable securities (2020 - \$50,980) and a \$137,500 (2020 – \$298,000) gain on recovery of costs on the Company's Yukon properties.

The Company's \$118,281 (2020 – \$199,556) in operating costs for the year ended December 31, 2021 were lower than in the previous year, primarily due to lower management and administrative fees.



Management's Discussion & Analysis
 For the year ended December 31, 2021
 (Expressed in Canadian Dollars)

Selected Annual Information

	2021	2020	2019
Operating loss before other items	\$ (118,281)	\$ (199,556)	\$ (186,816)
Net income (loss) for the year	77,780	154,737	(87,356)
Basic and diluted income (loss) per share	0.00	0.00	(0.00)
Total assets	2,417,207	2,268,075	2,006,671
Total liabilities	712,295	640,943	534,276

Summary of Quarterly Results

The following is a summary of certain consolidated financial information concerning the Company for each of the last eight quarters:

	December 31 2021	September 30 2021	June 30 2021	March 31 2021
<i>Fiscal Quarter ended</i>				
Net income (loss)	\$ 138,411	\$ 115,002	\$ (49,422)	\$ (126,211)
Net income (loss) per share	0.00	0.00	(0.00)	(0.00)
Total Assets	2,417,207	2,286,701	2,152,933	2,168,149

	December 31 2020	September 30 2020	June 30 2020	March 31 2020
<i>Fiscal Quarter ended</i>				
Net income (loss)	\$ (46,051)	\$ 265,925	\$ 22,233	\$ (87,370)
Net income (loss) per share	(0.00)	0.00	0.00	(0.00)
Total Assets	2,268,075	2,295,595	1,985,157	1,900,296

The Company recorded net income of \$138,411 for the three months ended December 31, 2021 (2020 - \$46,051 loss). The net income was largely the result of recovery of exploration costs of \$137,500, recorded in September 2021 based on the cash and the value of shares received from the option of some of the Company's Yukon properties, and a \$81,250 increase in the fair value of its marketable securities.

Financial Condition, Liquidity and Capital Resources

The Company's cash position at December 31, 2021, was \$18,962 (2020 - \$73,878). At December 31, 2021, the Company had a working capital deficiency of \$183,196 (2020 - \$225,093). After December 31, 2021, the Company received \$197,235 from the sale of marketable securities, and its cash balance as of the date of this report was \$191,427.

At December 31, 2021, current assets excluding cash consisted of accounts receivable and marketable securities and totaled \$510,137 (2020 - \$341,972). At December 31, 2021, the Company had \$507,500 in marketable securities (2020 - \$338,280), which represented a significant component of the Company's working capital. The value of these investments is subject to market fluctuations and is therefore highly variable.

At December 31, 2021, the Company had \$712,295 (2020 - \$640,943) in current liabilities, of which \$672,652 (2020 - \$589,986) was due to related parties.



Management's Discussion & Analysis
For the year ended December 31, 2021
(Expressed in Canadian Dollars)

The Company is not in commercial production on any of its exploration and evaluation properties and accordingly, it does not generate cash from operations. The Company is dependent on raising funds through the issuance of shares, obtaining debt financing and/or attracting joint venture partners in order to undertake further exploration and development of its exploration and evaluation properties. There can, however, be no assurance the Company will be able to raise funds in the near future, in which case management may continue to delay future exploration activities until funds become available.

Off-Balance Sheet Arrangements

The Company has not entered into any off-balance sheet financing arrangements.

Proposed Transactions

There are no proposed transactions as of the date of this MD&A.

Transactions with Related Parties

Key management personnel compensation consists of the President, Chief Financial Officer ("CFO") and the Vice-President of Exploration. Aggregate compensation for the year ended December 31, 2021 was \$82,563 (2020 - \$165,835) for management and other fees, as described below.

The Company accrued a total of \$30,000 (2020 - \$60,000) for management and administration services to NS Star Enterprises Ltd., a company controlled by the President, during the year ended December 31, 2021. The Company accrued a total of \$30,000 (2020 - \$60,000) for accounting, management and administration services to Morfopoulos Consulting Associates Ltd., a company owned by the CFO, during the year ended December 31, 2021. The Company paid or accrued a total of \$22,563 (2020 - \$45,835) to the Vice-President of Exploration, for technical consulting, of which \$8,123 (2020 - \$15,278) was charged to exploration and evaluation properties charged during the year ended December 31, 2021.

As at December 31, 2021, a total of \$202,652 (2020 - \$179,986) is due to the Vice-President of Exploration for fees, technical consulting services and expenses incurred on behalf of the Company. A total of \$235,000 (2020 - \$205,000) is due to NS Star Enterprises Ltd. for management and administration services, and a total of \$235,000 (2020 - \$205,000) is due to Morfopoulos Consulting Associates Ltd. for accounting, management and administration services. All of the above amounts are unsecured, without interest or stated terms of repayment.

Outstanding Share Data

Carlin's authorized capital is an unlimited number of common shares without par value.

As at December 31, 2021 and as of the date of this report, the Company has 88,939,464 common shares outstanding.

Management's Discussion & Analysis
For the year ended December 31, 2021
(Expressed in Canadian Dollars)

The Company's outstanding stock options as at December 31, 2021 and as of the date of this report are as follows:

Expiry Date	Weighted Average Exercise Price	Number of Options Outstanding	Weighted Average Remaining Contractual Life (in years)	Number of Options Exercisable (vested)
September 12, 2022	\$0.08	1,750,000	0.70	1,750,000

Management of Capital

The Company manages its common shares and stock options as capital. There has been no change in the nature of the Company's capital during the year ended December 31, 2021. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. The Company does not have any externally imposed capital requirements to which it is subject.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents.

In order to facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

In order to maximize ongoing exploration efforts, the Company does not pay out dividends. The Company's investment policy is to keep its cash treasury on deposit in an interest bearing Canadian chartered bank account.

Use of Judgments and Estimates

The preparation of consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, revenues and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances and which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Significant assumptions about the future and other sources of estimation uncertainty that management has made that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Management's Discussion & Analysis
For the year ended December 31, 2021
(Expressed in Canadian Dollars)

Critical accounting estimates

Critical accounting estimates are estimates and assumptions made by management that may result in a material adjustment to the carrying amount of assets and liabilities within the next financial period and include, but are not limited to, the following:

Recoverable value of long-term assets

The carrying value of mineral properties and the likelihood of future economic recoverability is subject to significant management estimates. The application of the Company's accounting policy for and determination of recoverability of capitalized assets is based on assumptions about future events or circumstances. If information becomes available indicating that recovery of expenditures is unlikely, the amounts capitalized are impaired and recognized as a loss in the period that the new information becomes available. A change in estimate could result in the carrying amount of capitalized assets being materially different from their presented carrying costs.

Critical Accounting Judgments

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements include, but are not limited to, the following:

Going concern

The ability of the Company to continue as a going concern and meet its commitments as they become due, including completion of the acquisition, exploration and development of its mineral property interests, is dependent on the Company's ability to obtain the necessary financing. The Company will require additional capital to finance future operations and growth. If the Company is unable to obtain additional financing, the Company would be unable to continue. There can be no assurance that management's plans will be successful.

The business of mineral exploration involves a high degree of risk and there is no assurance that current exploration projects will result in future profitable mining operations. The Company has no source of revenue and has significant cash requirements to meet its administrative overhead, pay its liabilities and maintain its mineral property interests. The recoverability of amounts shown for exploration and evaluation properties is dependent on several factors. These include the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of these exploration and evaluation properties, and establish future profitable production, or realize proceeds from the disposition of exploration and evaluation properties. The carrying value of the Company's exploration and evaluation properties does not reflect current or future values.

These matters indicate the existence of material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern. These condensed consolidated interim financial statements do not include any adjustments relating to the recoverability of assets and classification of assets and liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.



Management's Discussion & Analysis
For the year ended December 31, 2021
(Expressed in Canadian Dollars)

Functional currency

The Company applied judgment in determining its functional currency and the functional currency of its Nevada subsidiary. Functional currency was determined based on the currency in which funds are sourced and the degree of dependence by the subsidiary on the Company for financial support.

Exploration and evaluation properties

Management is required to make judgments on the status of each mineral property and the future plans with respect to finding commercial reserves. The nature of exploration and evaluation activity is such that only a few projects are ultimately successful and some assets are likely to become impaired in future periods.

Assets or cash-generating units are evaluated at each reporting date to determine whether there are any indicators of impairments. The Company considers both internal and external sources of information when making the assessment of whether there are indications of impairment for the Company's exploration and evaluation properties.

Management uses several criteria in its assessments of economic recoverability and probability of future economic benefit including geologic and metallurgic information, economic assessments/studies, accessible facilities and existing permits.

Financial Instruments

Financial Assets

The Company measures its financial assets in the following categories: amortized cost, or fair value through profit or loss. The measurement depends on the purpose for which the financial assets were acquired. Management determines the measurement of financial assets at recognition.

Financial assets at amortized cost

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, these financial assets are recorded at amortized cost using the effective interest method, except for short-term receivables when the recognition of interest would be immaterial.

Financial assets at fair value through profit or loss ("FVTPL")

All financial assets not classified as measured at amortized cost are measured at FVTPL. Derivative financial instruments that are not designated and effective as hedging instruments are classified as FVTPL. The Company has no designated hedges. Financial instruments classified as FVTPL are stated at fair value with any changes in fair value recognized in earnings for the period. Marketable securities and cash are included in this category of financial assets.

Impairment of financial assets

At each reporting date the Company assesses whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired, if, and only if, there is objective evidence of impairment as a result of one or more events that has

Management's Discussion & Analysis
For the year ended December 31, 2021
(Expressed in Canadian Dollars)

occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or the group of financial assets.

Financial liabilities

The Company classifies its financial liabilities in the following categories: other financial liabilities and financial liabilities at fair value through profit or loss.

Other financial liabilities

Other financial liabilities are non-derivatives and are recognized initially at fair value, net of transaction costs incurred, and are subsequently stated at amortized cost. Any difference between the amounts originally received, net of transaction costs, and the redemption value is recognized in profit or loss over the period to maturity using the effective interest method.

Other financial liabilities are classified as current or non-current based on their maturity date. Other financial liabilities include accounts payable and accrued liabilities.

Financial liabilities at fair value through profit or loss

This category is comprised of derivative financial liabilities. Derivative financial liabilities are initially recognized at their fair value on the date the derivative contract is entered into and are subsequently re-measured at their fair value at each reporting period with changes in the fair value recognized in profit or loss.

The following table summarizes the fair value hierarchy under which the Company's financial instruments are valued.

- | | |
|---------|--|
| Level 1 | - Unadjusted quoted prices in active markets for identical assets or liabilities; |
| Level 2 | - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and |
| Level 3 | - Inputs for the asset or liability that are not based upon observable market data. |

Risk Factors

Companies operating in the mining industry face many and varied kind of risks. Following are the risk factors most applicable to the Company.

Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its financial obligations as they become due. The Company ensures that there is sufficient capital in order to meet short-term business requirements, after taking into account the Company's holdings of cash. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities.

The Company is dependent on raising funds through the issuance of shares, obtaining debt financing and/or attracting joint venture partners in order to undertake further exploration and development of its mineral properties and finance office and administrative expenditures. There can be no assurance the Company will be able to raise funds in the future.

Management's Discussion & Analysis
For the year ended December 31, 2021
(Expressed in Canadian Dollars)

The Company has marketable securities, which are recorded as FVTPL. The Company may, from time to time, liquidate a portion of its holdings depending on market conditions and the Company's cash requirements. Depending on timing, the Company's ability to liquidate these securities is subject to price fluctuations and market conditions, which may affect the Company's ability to liquidate the securities in a timely manner.

At December 31, 2021, the Company had trade payables totaling \$39,643 (2020 - \$50,957), which are currently due and other amounts due to related parties totaling \$672,652 (2020 - \$589,986).

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company is exposed to credit risk on its cash. However, this risk is minimized as all amounts are held with major Canadian and American financial institutions. The Company's concentration of credit risk and maximum exposure thereto is as follows:

	December 31 2021	December 31 2020
Cash – Canada	\$ 15,208	\$68,814
Cash – USA	3,754	5,064
Total	\$ 18,962	\$ 73,878

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk.

(i) Interest rate risk

The Company is not exposed to significant interest rate risk. The Company's bank accounts earn interest at variable rates. Future cash flows from interest income on cash will be affected by interest rate fluctuations.

(ii) Foreign currency risk

As at December 31, 2021, certain of the Company's financial instruments are held in US dollars. The Company has operations in Nevada, USA. As a result, the Company is exposed to foreign currency risk from fluctuations between the Canadian and US dollar.

The Company does not use derivatives or similar techniques to manage currency risk.

As at December 31, 2021, the Company is exposed to foreign currency risk on \$2,960 (2020 - \$3,580) cash.

(iii) Other price risk

Other price risk is the risk that the future cash flows of a financial instrument will fluctuate due to

Management's Discussion & Analysis
For the year ended December 31, 2021
(Expressed in Canadian Dollars)

changes in market prices, other than those arising from currency risk or interest rate risk. The Company's marketable securities are carried at market value and are, therefore, directly affected by fluctuations in the market value of the underlying securities. The Company's sensitivity analysis suggests that a 125% (2020 - 125%) change in market prices would change other comprehensive income/loss by approximately \$410,000 (2020 - \$423,000).

Industry

Exploring and developing mineral resource projects bears a high potential for a variety of risks. Additionally, few exploration projects successfully achieve development due to factors that cannot be predicted or foreseen. Moreover, even one such factor may result in the economic viability of a project being detrimentally impacted such that it is not feasible or practical to proceed.

Although the Company has taken steps to verify the title to exploration and evaluation properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

Metal Prices

The principal activity of the Company is the exploration and development of gold resource properties. The feasible development of such properties is highly dependent upon the price of gold. A sustained and substantial decline in commodity gold prices could result in the write-down, termination of exploration and development work or loss of its interests in identified resource properties. Although such prices cannot be forecasted with certainty, the Company carefully monitors factors which could affect gold commodity prices in order to assess the feasibility of its resource projects.

Political Risk

The resource properties on which the Company is pursuing its exploration and development activities are located in Nevada, U.S.A. and Yukon, Canada. While the political climate is considered by the Company to be stable, there can be no assurances that this will continue indefinitely. To alleviate such risk, the Company funds its Nevada operations on an as-needed basis. The Company does not presently maintain political risk insurance for its U.S. exploration projects.

Environmental

Exploration and development projects are subject to the environmental laws and regulations of the country within which the Company is conducting its operations. As such laws are subject to change, the Company carefully monitors proposed and potential changes and management believes the Company remains in compliance with current environmental regulations in the relevant jurisdictions.

Coronavirus Global Pandemic Risk

In 2020 the World Health Organization declared a global pandemic related to COVID-19. The expected impacts on global commerce have been far-reaching. To date there have been significant fluctuations in the global economy and equity markets, and the movement of people and goods has experienced significant restrictions.



Management's Discussion & Analysis
For the year ended December 31, 2021
(Expressed in Canadian Dollars)

The Company's ability to fund ongoing operations and exploration is affected by the availability of financing. Due to market uncertainty the Company may be restricted in its ability to raise additional funding.

The impact of these factors on the Company over the past year was not materially significant, however, they may have a material impact on the Company's financial position, results of operations and cash flows in future periods. In particular, there may be heightened risk of going concern uncertainty.

Forward-Looking Statements

Some of the statements in this MD&A constitute "forward looking statements". Where Carlin expresses an expectation or belief as to future events or results, including management plans and objectives, and projections of exploration results, such expectation or belief is expressed in good faith and is believed to have a reasonable basis. The Company makes no representation that reasonable business people in possession of the same information would reach the same conclusions. While these statements represent our best current judgment, they are subject to risks and uncertainties that could cause actual results to vary, the specifics of which are detailed in disclosures with the heading "Risk Factors" in the Company's periodic filings with securities regulators. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Forward-looking statements in this MD&A are made as of the date of this MD&A or, in the case of documents incorporated by reference herein, as of the date of such documents, and Carlin does not assume the obligation to update any forward-looking statement.

Approval

Mr. Robert Thomas, a director of the Company and a Qualified Person in compliance under National Instrument 43-101, has reviewed and approved the technical information contained in this report.

The Board of Directors of the Company has approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.

Additional Information

Additional disclosures pertaining to the Company's technical reports, management information circulars, material change reports, press releases and other information are available on the SEDAR website at www.sedar.com.