FORWARD LOOKING INFORMATION

Forward-looking statements relate to future events or future performance and reflect management's expectations or beliefs regarding future events and include, but are not limited to, statements with respect to the estimation of mineral reserves and resources, the realization of mineral reserve estimates, the timing and amount of estimated future production, costs of production, capital expenditures, success of mining operations, environmental risks, permitting risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" or the negative of these terms or comparable terminology. By their very nature forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, risks related to actual results of current exploration activities; changes in project parameters as plans continue to be refined; future prices of resources; possible variations in ore resources or reserves, grade or recovery rates; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; as well as those factors detailed from time to time in the Company's interim and annual financial statements. 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.

Other than as specifically required by law, the Company undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made, or to reflect the occurrence of unanticipated events, whether as a result of new information, future events or results otherwise.

Introduction

This Management's Discussion and Analysis ("MD&A") provides a discussion and analysis of the financial condition and results of operations of Kiboko Gold Inc. ("Kiboko" or the "Company") to enable a reader to assess material changes in the financial condition and results of operations as at and for the three and six months ended June 30, 2022. This MD&A has been prepared with reference to National Instrument 51-102 - Continuous Disclosure Obligations of the Canadian Securities Administrators. The effective date of this MD&A is August 29, 2022 and was reviewed and approved by the Audit Committee of the Board of Directors.

The MD&A should be read in conjunction with the Company's condensed interim financial statements for the three and six months ended June 30, 2022 and 2021, and the notes thereto, which have been prepared in accordance with International Financial Reporting Standards ("IFRS"), including International Accounting Standard 34 – Interim Financial Reporting, as published by the International Accounting Standards Board. Refer to Note 2 of the annual audited financial statements for the year ended December 31, 2021, and in Note 2 to the condensed interim financial statements for the three and six months ended June 30, 2022 for disclosure on the Company's significant accounting policies.

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls, and to ensure that information used internally or disclosed externally, including the financial statements and MD&A, is complete and reliable. The Company follows recommended corporate governance guidelines to ensure transparency and accountability.

The technical contents of this MD&A have been reviewed by Ivor W.O. Jones, M.SC., P.Geo., FAusIMM, the Company's Vice President, Technical Services and Project Evaluation, and a Qualified Person under National Instrument 43-101.

As the Company has no source of revenue at this time, it will continue to require additional capital in order to advance the Company's exploration projects, as well as to fund other corporate expenditures.

Overview and Strategy

The Company was incorporated under the provisions of the British Columbia Business Corporations Act on May 2, 2019. The Company was originally incorporated as Kiboko Exploration Inc. but changed its name to Kiboko Gold Inc. on March 1, 2021. The Company is focused on the acquisition, exploration, and development of precious metal deposits, particularly gold. The Company currently has an interest in the Harricana Gold Project, which is located in the Abitibi gold belt in Québec. Substantially all of the Company's efforts are devoted to financing and advancing the Harricana Gold Project.

On June 29, 2022, the Company completed its initial public offering and its common shares commenced trading on the TSX Venture Exchange ("TSXV") at the opening of business on July 5, 2022. The common shares of the Company trade under the symbol "KIB".

Overall Activities and Performance

In April 2019, a term sheet was signed with Tres-Or Resources Ltd. ("Tres-Or"), a TSXV listed company, that set out the terms of a proposed transaction whereby Tres-Or would grant an option to acquire up to a 90% undivided interest in Tres-Or's interest in a gold project located near Amos, Québec.

On June 6, 2019, following the completion of negotiations, the Company and Tres-Or entered into a definitive agreement providing the Company with an option to acquire up to a 90% undivided interest in Tres-Or's interest in the Harricana Gold Project, on terms similar to what had been outlined in the April 2019 term sheet (the "Original Option Agreement"). The agreement was subject to certain closing conditions, all of which were satisfied. At the time of the signing of the Original Option Agreement, the project was known as the Fontana Gold Project, but was subsequently renamed the Harricana Gold Project to reflect the expansion of the project due to the staking of additional claims by Kiboko.

On November 30, 2021, the Company entered into an amended option agreement with Tres-Or which provided Kiboko with the option of acquiring a 100% interest in Tres-Or's interest in the Harricana Gold Project (the "Amended Option Agreement"). The terms of both the Original Option Agreement and the Amended Option Agreement are outlined below.

The Harricana Gold Project included a number of claims that Tres-Or had optioned from Globex Mining Enterprises Inc. ("Globex") under an agreement signed in 2011. The option agreement between Tres-Or and Globex allowed Tres-Or to earn a 100% interest in these claims following the satisfaction of certain conditions, including the payment of $500,000 and the granting of a royalty. In May 2019, prior to signing the Original Option Agreement, the Company, Tres-Or, and Globex entered into an agreement that extinguished or amended certain terms of the Tres-Or and Globex Option Agreement. On July 9, 2019, following the satisfaction of certain conditions precedent, including the receipt of final acceptance from the TSXV, the Company and Tres-Or announced the closing of the Original Option Agreement.

Following the signing of the Original Option Agreement with Tres-Or, the Company undertook an extensive desktop work program on the Harricana Gold Project. This work program included the review of more than 200 technical documents and the compilation of data from more than 1,000 diamond drillholes and other exploration activities on or near the Harricana Gold Project since the 1930's, into a new spatial dataset. This dataset was derived from copies of original source documents provided by the Government of Québec, Globex's archives, and from Tres-Or's internal documents. This work was supplemented by searching for current and historic drillhole collars in the field. These collars were identified and re-surveyed with differential GPS in 2019 and 2020 by independent contractors to determine accurate locations. This new spatial dataset contributed significantly to the re-evaluation of the Harricana Gold Project as a coarse gold project, and the generation of new interpretations of the Project's geological and structural framework.

In August 2020, WSP Canada Inc. ("WSP") was retained to review the work the Company had completed to date and prepare a technical report on the Harricana Gold Project. The technical report, dated May 2, 2022, provides an evaluation of the geologic potential of the Harricana Gold Project and provides recommendations for future exploration work.

On June 29, 2022, the Company completed an initial public offering (the "Offering"). The Offering consisted of 8,000,000 units ("Unit") at a price of $0.25 per Unit, 5,520,000 flow-through units ("FT Unit") at a price of $0.29 per FT Unit, and 5,540,000 Québec charity flow-through units ("QCFT Units") at a price of $0.44 per QCFT Unit, issued pursuant to the final prospectus dated June 22, 2022 (the "Prospectus") for total aggregate gross proceeds of $6,038,400. The proceeds included 1,790,000 QCFT Units issued pursuant to the full exercise of the Agent's over-allotment option.

Each Unit and QCFT Unit is comprised of one common share in the Company and one common share purchase warrant ("Unit Warrant"). Each Unit Warrant entitles the holder to purchase one common share at an exercise price of $0.40 for a period of 60 months from the date of issuance. Each FT Unit is comprised of one common share and one common share purchase warrant ("FT Unit Warrant"). Each FT Unit Warrant entitles the holder to purchase one common share at an exercise price of $0.45 for a period of 60 months from the date of issuance.

Pursuant to the terms of the agency agreement, the agent was paid a corporate finance fee of $75,000 through the issuance of 300,000 Units at a price of $0.25 per Unit. In addition, the Agent received a commission of $313,667 in cash and 958,935 non-transferable common share purchase warrants ("Compensation Warrants"), which are exercisable in to one common share at a price of $0.40 per share for a one-year period. The Compensation Warrants were valued at $37,303, using the Black-Scholes option pricing model.

The Company will use the gross proceeds from the flow-through portion of the Offering for Canadian exploration expenses on its property located in Québec that will qualify as flow-through mining expenditures, as defined in the Income Tax Act (Canada).

Additionally, on June 29, 2022, immediately following the closing of the Offering, the Company completed the following equity transactions:

a) 6,002,400 common shares of the Company, valued at $1,500,600, were issued to Tres-Or as part of the Amended Option Agreement on the Harricana Gold Project;

b) pursuant to the terms of three convertible loan agreements, the principal and accrued interest outstanding on the convertible loans, totaling $1,110,673, was converted to equity through the issuance of an aggregate of 4,442,692 units of the Company at a price of $0.25 per unit, the same terms as the Offering; and

c) completed debt settlement agreements to settle obligations relating to accrued consulting fees and expenses totaling $130,000 owed to two officers of the Company through the issuance of an aggregate of 520,000 units at a price of $0.25 per unit, the same terms as the Offering.

Exploration and Evaluation Property Agreement - Harricana Gold Project

The Harricana Gold Project is located in the Abitibi Greenstone Belt approximately 15 kilometres ("km") northeast of the town of Amos and consists of 234 contiguous exploration claims covering an area of 102 km^2 in Duverny Township, Québec. The Harricana Gold Project was formerly known as the Fontana Gold Project.

Except for four claims, all of the 234 claims in the Harricana Gold Project are 100% held by the Company. On the remaining four claims, the Company holds a 65% interest, with an option to earn the remaining 35%. As per an option agreement originally entered into by Tres-Or and Sementiou Inc. ("Sementiou") dated May 23, 2010, as amended, the Company can earn a further 15% interest for a total 80% interest in these four claims by incurring $4,000,000 in exploration expenditures. The Company has the right to acquire the remaining 20% interest through a business combination with Sementiou, or by purchasing any or all of the 20% interest by paying the sum of $1,000,000 for each 1% interest in these four claims.

Under the terms of the Original Option Agreement, which had an effective date of July 10, 2019, following the satisfaction of certain condition precedents, the Company had the option to acquire a 65% interest in Tres-Or's interest in the Harricana Gold Project by completing the following:

(a) Cash payment of $5,000 upon the signing of a non-binding term sheet (completed);
(b) Subscribe for equity securities in Tres-Or or make cash payments, at the Company's option, totalling $995,000 (equity securities totalling $495,000 were subscribed for between July 2019 and February 2021); and
(c) Complete a technical report prepared in accordance with National Instrument 43-101 ("NI 43-101") that established a mineral resource of at least 1,000,000 ounces of gold of Inferred classification or higher, or incur expenditures on the Harricana Gold Project totalling $4,000,000 within four years of the effective date of July 10, 2019.

Upon earning a 65% interest in the Harricana Gold Project, the Company had the option to acquire an additional 25% interest, for a total interest of 90% in Tres-Or's interest in the project, by incurring additional exploration expenditures of $2,000,000 within six years of the effective date of July 10, 2019, or by completing a preliminary economic assessment and a supporting technical report prepared in accordance with NI 43-101.

On November 30, 2021, the Company entered into the Amended Option Agreement with Tres-Or which provided Kiboko with the option of acquiring a 100% interest in Tres-Or's interest in the Harricana Gold Project by completing the following:

(a) Transfer to Tres-Or the 2,000,001 Tres-Or common shares and surrender for cancellation 1,000,001 warrants of Tres-Or held by Kiboko (completed);
(b) On or before November 30, 2021, make a $300,000 cash payment, to be held in trust by Tres-Or's legal counsel, with instructions to:
    (i) pay $200,000 to satisfy the final payment obligation under the Globex option agreement, which was due on or before January 1, 2022, within three business days of the deposit (completed); and
    (ii) pay the remaining $100,000 to Tres-Or upon written receipt from Globex that the terms of the Globex option agreement have been satisfied, the Globex option has been exercised, and that the documentation to initiate the transfer of the associated claims has been submitted to the Government of Québec (completed);
(c) Complete an initial public offering ("IPO") for gross proceeds of no less than $3,000,000, no later than June 30, 2022 (completed), and within 30 days of the completion of the IPO:
    (i) make a cash payment of $350,000 to Tres-Or (completed subsequent to June 30, 2022); and
    (ii) issue to Tres-Or common shares in Kiboko, equal to a value of $1,500,000, based upon the non-flow-through pricing of the IPO (completed).

<u>Globex Royalty Agreement</u>

The Company, along with Tres-Or, also entered into an agreement relating to the Harricana Gold Project with Globex dated May 29, 2019 (the "Globex Royalty Agreement"). As part of the Globex Royalty Agreement, Globex agreed that its royalty agreements with Tres-Or, as they pertain to certain claims that comprise the Harricana Gold Project, will be extinguished and replaced with a single 2% NSR royalty agreement for all of the claims that comprised the Harricana Gold Project as at that date. The Globex Royalty Agreement provides for a customary 90-day right-of-first-refusal ("ROFR") on the sale of any portion of the NSR in favour of Kiboko. The Globex Royalty Agreement also provides an option to buyout one-half of the 2% NSR for $2,000,000 at any time prior to commercial production.

In addition, Kiboko has agreed to recognize and confirm an additional 1.8% NSR on the Chenier claims that make up part of the Harricana Gold Project (the "Chenier Family NSR") under the condition that Globex's right to purchase this royalty at any time for $360,000 be extended to the Company. A 90-day ROFR on any potential sale of the Chenier Family NSR has been granted to the Company.

Under the Globex Royalty Agreement, $500,000 in payments outstanding to Globex from Tres-Or under their existing option agreement on the Harricana Gold Project were rescheduled as follows: i) $100,000 – on the closing of the

Original Option Agreement (paid – by Tres-Or); ii) $200,000 – on or before January 1, 2021 (paid – by Tres-Or); and iii) $200,000 – on or before January 1, 2022 (paid – by Tres-Or).

Following the final payment of $200,000 under the Globex Royalty Agreement, the remaining interest Globex held in 23 claims on the Harricana Gold Property were transferred to Tres-Or, and a 2% NSR royalty was granted to Globex on the claims that make up the Harricana Gold Property. Subsequent to June 30, 2022, following the satisfaction of all the remaining requirements under the Amended Option Agreement, Tres-Or's interest in the 234 claims in the Harricana Gold Project, including these 23 claims, were transferred to the Company.

Geology and Mineralization

The Harricana Gold Project is located within the Abitibi terrane at the southeastern border of the Superior Cratonic Province (or Superior Craton), which mostly comprises Archean-aged greenstone belts and granitoids that host orogenic gold mineralization.

From south to north, this region is underlain by the lithologies of the Figuery Group, the Amos Group, the Dalquier Group (comprising the La Morandière and Lac Arthur Formations), the Béarn Group, the Chicobi Group, and the Desboues Formation.

The region has several large-scale strike faults and/or shear zones, trending west to west-northwest and dipping steeply to the north.

Outcrop and drilling information compiled from previous operators describe a strong spatial relationship between the gold mineralization, the zone of alteration (e.g., carbonate-alteration), the late Archean shear zones, and the magmatic intrusion.

The gold-bearing quartz veins of the Fontana area deposits appear to be associated with a series of metre-thick ductile shear zones, that strike northwest–southeast. The main shear zone strikes N135° and its thickness varies from 5 to 12 metres ("m"). Its contacts are generally quite clear and marked either by a striated fault plane or by a quartz vein.

The Duvay deposit is located in mafic volcanic rocks of the Lac Arthur Formation. The gold-bearing quartz veins are associated with ductile shear zones trending northwest–southeast and northeast–southwest.

The Monpas area deposit is located in a long northwest–southeast shear structure parallel to the main regional fault zones (N100°–N120°) that is a few kilometres south of the Fontana prospect area. This structure crosscuts the Duverny intrusion.

Exploration History

The area that is included in the Harricana Gold Project has had multiple historical gold discoveries dating back to the 1930's and has been explored by various companies intermittently since this time. The gold occurrences on the property are typical of the Abitibi region of Québec, associated with shear zones, quartz veins and faults. No mineral resources have been defined on the property to NI 43-101 standards.

Most of this work is described in assessment reports filed with the Québec government. Since the 1930's, more than 1,000 drillholes have been recorded on or near the property, as well as stripping, trenching, bulk sampling, and both airborne and ground geophysical surveys. The Company has not completed any drilling on the Harricana Gold Project.

Technical Report

In August 2020, WSP was retained to review the work the Company had completed to date and prepare a technical report on the Harricana Gold Project. The technical report provides an evaluation of the geologic potential of the Harricana Gold Project and provides recommendations for future exploration work. The technical report, prepared by Ian Crundwell, P.Geo., and Bruno Perron, P.Eng., of WSP, dated May 2, 2022, has been filed and is available for viewing under the Company's profile on SEDAR.

Within the Project area, three priority zones of interest have been identified, based upon the geographic density of drilling, as exploration targets:

(i) Fontana, containing 79,565 m of diamond drilling over 420 historic diamond drillholes, situated in the middle of the Project, and comprises the main area of past exploration work;
(ii) Monpas, containing 7,913 m of drilling over 31 historic diamond drillholes and situated approximately two km south of Fontana; and
(iii) Duvay, containing 21,528 m of drilling over 334 historic diamond drillholes and situated five km north of Fontana.

The drilling dataset compiled by the Company, which is complimented by historic bulk sampling, does not have sufficient documentation to be considered verifiable for the purposes of Mineral Resource estimation but is suitable for identifying mineralized structures, aiding in the planning of drill programs, and to provide a range of tonnes and a range of grades for the exploration targets. The exploration targets are conceptual in nature as there has been insufficient verifiable exploration to define a Mineral Resource, and it is uncertain if further exploration will result in any of the exploration targets being delineated as a Mineral Resource.

Gold mineralization across the Harricana Gold Project is principally observed as being coarse and is associated with quartz veins and in the surrounding wall rock. Due to the proximity of mineralization to surface, only exploration targets to a depth of 300 m have been provided.

The targets for further exploration are provided for the principal geological trends: the Duvay-Standard Trend striking approximately N120°, the secondary Fontana Trend striking approximately N135° and the tertiary Bunkhouse Trend striking approximately N025°, and the Monpas area of the Project that lies within a trend that is subparallel to the Duvay-Standard trend. Twenty-five wireframes were generated around these trends at an angle to match the approximate dip, strike, and plunge directions to define the primary orientation of the mineralization.

The wireframes are based upon the premise that the mineralized zones at the Harricana Gold Project represent a zone of deformation with an orientation consistent with the regional fabric and information from drilling. Associated with that are other orientations consistent with a Riedel system.

In the review of the exploration model, gaps were observed in the model beneath and along these zones of mineralization that are attributed to a lack of data. It is believed that these gaps represent additional exploration potential not quantified in the exploration model or the exploration targets as the modelled volumes were not projected to fill the gaps but should be evaluated as part of future drill programs.

Lower and upper tonnage ranges for the near surface exploration target areas were provided by tabulating the volume of vein material as represented in the exploration model to depths of approximately 200 m and 300 m from the topographic surface.

While there is no specific gravity data for the Harricana Gold Project, available diamond core and historic drillhole logs lithologies indicate that gold mineralization is associated with intermediate intrusive and mafic extrusive volcanic rocks. Mean specific gravity densities for intermediate intrusive rock have been estimated to be 2.74 tonnes per cubic metre ("t/m^3") and 2.89 t/m^3 for mafic extrusive rock in the Abitibi. Converting the range of volumes using this specific gravity range provides for a range of tonnes for near surface vein material of 10.9 million to 15.4 million tonnes for Fontana, 3.0 million to 4.2 million tonnes for Monpas, and 2.2 million to 2.5 million tonnes for Duvay.

To provide a range of grades for vein material, historic drilling and bulk sampling results were considered. The weighted mean composite grade greater than 0.5 g/t Au for each of the Fontana, Monpas, and Duvay exploration target areas are 3.5 g/t Au, 2.1 g/t Au, and 2.8 g/t Au, respectively, and have been used to represent the lower range grades for the vein material.

The bulk sampling history of the Project is considered to provide a reasonable view of the upper range grade for the vein material. Vein material totalling 5,998 tonnes grading between 1.21 and 16.31 g/t Au with a weighted average grade of 4.34 g/t Au was recovered from the Fontana area and vein material totalling 3,335 tonnes grading between 5.68 and 7.1 g/t Au with a weighted average grade of 5.7 g/t Au, was recovered from the Duvay area. Based upon these bulk sampling results, an upper range grade for the vein material for Fontana and Duvay of 4.3 and 5.7 g/t Au, respectively, has been assigned. For Monpas, where there is no bulk sampling data, the upper range grade was based upon the weighted average of recovered vein material from across the Harricana Gold Project of 4.8 g/t Au.

At the Harricana Gold Project, gold mineralization also occurs in the wall rock surrounding the vein material, which is most evident from the bulk sampling of this material. Wall rock gold mineralization is associated with narrow quartz veinlets, sometimes described as stockwork, or as free (native) coarse gold grains. Most of the drilling was performed prior to 2008 and the sampling was highly selective with samples typically only taken where thick quartz, visible gold, or sulphides were present. Wall rock material was rarely sampled and assayed prior to 2008.

Drill core since 2011 has mostly been continuously sampled on 1.0 m to 1.5 m intervals. Moderate gold grades were intersected in this drilling at up to roughly 50 m from the veins. Due to the limited quantity of drilling with continuous sampling protocols, combined with the use of small diameter drilling, small sample masses for assaying, and the lack of assays using coarse gold specific techniques, there is insufficient data to model the extents, continuity, or volume of the wall rock material. However, the results of historic bulk sampling of wall rock material surrounding the veins does provide sufficient information for its inclusion in the exploration targets. Based upon a review of the bulk sampling, a range of tonnes of mineralized wall rock to vein material ranging between 0.25 and 0.50 tonnes for every 1.0 tonne of vein material for all three exploration target areas. For purposes of the exploration target, the range of tonnes for near surface wall rock material included 2.7 million to 7.7 million tonnes for Fontana, 0.7 million to 2.1 million tonnes for Monpas, and 0.5 million to 1.2 million tonnes for Duvay. Additionally, based upon bulk sampling results of wall rock material at Fontana, a range of grade for near surface wall rock material of 0.9 g/t Au to 1.6 g/t Au was used for all three exploration target areas.

A summary of the near surface exploration targets for each area is presented in the table below:

Material **Project Area**	**Tonnes** ***(millions)***	**Grade** ***(g/t Au)***
Vein		
Fontana	10.9 – 15.4	3.5 – 4.3
Monpas	3.0 – 4.2	2.1 – 4.8
Duvay	2.2 – 2.5	2.8 – 5.7
Wall Rock		
Fontana	2.7 – 7.7	0.9 – 1.6
Monpas	0.7 – 2.1	0.9 – 1.6
Duvay	0.5 – 1.2	0.9 – 1.6
Vein + Wall Rock		
Fontana	13.6 – 23.1	3.0 – 3.4
Monpas	3.7 – 6.3	1.9 – 3.7
Duvay	2.7 – 3.7	2.4 – 4.4
Harricana Gold Project	**20.0 – 33.1**	**2.7 – 3.6**

(in Canadian dollars, unless otherwise noted)

Harricana Gold Project Expenditures

The Company has determined that as at June 30, 2022, the Harricana Gold Project has not met the technical feasibility and commercial viability criteria to be capitalized and classified as a mining property. Accordingly, the Company has expensed all exploration and evaluation expenditures during the periods presented, in accordance with the Company's accounting policies. As of June 30, 2022 and December 31, 2021, the Company did not hold any assets classified as mining properties. The following are a list of expenditures for the three and six months ended June 30, 2022 and 2021, and since the Company's acquisition of the option on the Project in 2019.

	Three months ended June 30,		Six months ended June 30,		Project to June 30
	2022	**2021**	**2022**	**2021**	**2022**
	$	**$**	**$**	**$**	**$**
Assaying and lab analysis	**-**	-	**-**	-	5,234
Casual labour	**-**	-	**-**	-	7,848
Claim renewal fees	**-**	-	**-**	-	18,652
Database management	**-**	260	**-**	260	5,119
Geological consulting	**1,303**	31,348	**8,937**	52,717	417,104
Geological software licences	**-**	-	**-**	-	8,754
Permitting	**-**	131	**-**	2,655	28,101
Property acquisition costs	**1,632,833**	-	**1,632,833**	-	1,964,882
Refundable tax credits	**(35,605)**	-	**(35,605)**	-	(157,639)
Surveying	**-**	-	**-**	-	34,145
Other	**-**	742	**-**	1,131	5,170
Total expenditures	**1,598,531**	32,481	**1,606,165**	56,763	2,337,370

Outlook

In late June 2022, immediately following closing of the Offering, the process of re-permitting areas expected to be drilled as part of the Company's initial exploration program was initiated. The final permit required to commence field activities was received on August 24, 2022, which was later than forecasted. Field crews to prepare drill pads and improve access are being scheduled to start imminently.

Based upon expected lead times and the availability of skilled labour and equipment, amongst other relevant factors, the Company now anticipates that drilling at the Fontana area of the Project will commence in mid to late-September. The program is designed to systematically drill and continuously sample highly prospective zones identified based upon historical drilling and the Company's 3D exploration model. The program is intended to verify a significant portion of the 79,565 m of the historical drilling dataset at Fontana, define the geometry and grade continuity of the mineralization outside of the principal quartz veins, and partially validate the Exploration Targets presented in the Technical Report.

Based upon expected rates of drilling productivity, contracted laboratory turnaround times, and other relevant factors, the Company continues to anticipate reporting a maiden Mineral Resource estimate for the Fontana area of the Project in the first quarter of 2023.

Liquidity and Capital Resources

As of June 30, 2022, the Company had a working capital of $3,717,716, which included a cash balance of $5,641,840, receivables of $79,331, and prepaid expenses and advances of $29,104, offset by accounts payable and accrued liabilities of $751,547, amounts due to related parties of $7,612, and a flow-through share premium liability of $1,273,400.

As of June 30, 2022, a final remaining option payment of $350,000 was due to Tres-Or under the Amended Option Agreement to complete the Company's earn-in on the Harricana Gold Project. The $350,000 payment was made subsequent to June 30, 2022, and Tres-Or`s interest in the 234 claims that make up the Harricana Gold Project were transferred to the Company. Additional details on the payment terms under the Amended Option Agreement are provided above under the section entitled, "Exploration and Evaluation Property Agreement – Harricana Gold Project".

The condensed interim financial statements have been prepared in accordance with IFRS applicable to a going concern, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

While management believes that the Company's cash resources are sufficient to meet its working capital and exploration requirements for the next twelve months, the Company is dependent on equity capital to fund the continued exploration and development of its Harricana Gold Property and its on-going operations. The Harricana Gold Project will require significant expenditures, and additional funds will be required in order to finance further exploration work.

Results of Operations

<u>Three months ended June 30, 2022 and 2021</u>

During the three months ended June 30, 2022, the Company recorded a loss of $1,928,120, compared with a loss of $158,451 during the three months ended June 30, 2021. The loss was due to exploration and evaluation expenses of $1,598,531 (2021: $32,481), administrative expenses of $49,892 (2021: $19,383), transfer agent, listing and filing fees of $165,058 (2021: $84,915), interest expense of $31,905 (2021: $16,639), and a realized loss on marketable securities of $167,767 (2021: $nil), which was partially offset by an unrealized gain on marketable securities of $85,033 (2021: unrealized loss of $5,033).

Exploration and evaluation expenses of $1,598,531, were largely non-cash, with the issuance of $1,500,600 in common shares of the Company to Tres-Ore under the Amended Option Agreement being recorded as a property acquisition expense. Additionally, the return of 2,000,001 Tres-Or common shares and 1,000,001 warrants held by the Company, which had a fair value of $132,233, was also recorded as a property acquisition expense. Details on exploration and evaluation expenditures during the three and six months ended June 30, 2022 and 2021 are outlined above under the section entitled, "Harricana Gold Project Expenditures". Transfer agent, listing and filing fees were largely related to the completion of the initial public offering on June 29, 2022. The administrative costs during the three months ended June 30, 2022, included consulting and management fees of $10,500 (2021: $1,723), professional fees of $34,355 (2021: $15,222), marketing expense of $2,706 (2021: $920), and various other expenses totalling $2,331 (2021: $1,518). Cash expenditures during the three and six months ended June 30, 2022 were restricted due to limited funding.

<u>Six months ended June 30, 2022 and 2021</u>

During the six months ended June 30, 2022, the Company recorded a loss of $2,071,981, compared with a loss of $404,330 during the six months ended June 30, 2021. The loss was due to exploration and evaluation expenditures of $1,606,165 (2021: $56,763), administrative expenses of $66,836 (2021: $57,046), transfer agent, listing and filing fees of $199,477 (2021: $265,415), interest expense of $62,907 (2021: $29,491), and a realized loss on marketable securities of $167,767, which was partially offset by an unrealized gain of $30,766 (2021: unrealized gain of $5,200).

Exploration and evaluation expenses of $1,606,165, were largely non-cash, as described above under the three months ended June 30, 2022. Transfer agent, listing and filing fees were largely related to the completion of the initial public offering on June 29, 2022. The administrative costs during the six months ended June 30, 2022, included consulting and management fees of $21,000 (2021: $2,723), professional fees of $40,355 (2021: $51,264), marketing expense of $2,706 (2021: $1,230), and various other expenses totalling $2,775 (2021: $1,829).

Cash Flows

Six months ended June 30, 2022 and 2021

Operating Activities

During the six months ended June 30, 2022, operating activities used $11,283, compared with $178,868 during the six months ended June 30, 2021. Cash used in operating activities during the first half of 2022 was the result of limited exploration and evaluation expenditures, and general and administrative expenses, partially offset by movements in non-cash working capital. During the first half of 2022, the Company received a refundable resource tax credit from the Government of Québec. Cash used in operating activities during the first half of 2021 was the result of exploration and evaluation expenditures, and general and administrative expenses.

Investing Activities

There were no investing activities during the six months ended June 30, 2022 and 2021.

Financing Activities

Financing activities during the six months ended June 30, 2022, provided $5,595,470, compared with $150,000 during the six months ended June 30, 2021. Cash provided during the first half of 2022 was from the Offering completed by the Company on June 29, 2022, which raised gross proceeds of $6,038,400. The Company incurred cash share issue costs of $442,930. The Offering consisted of 8,000,000 units ("Unit") at a price of $0.25 per Unit, 5,520,000 flow-through units ("FT Unit") at a price of $0.29 per FT Unit, and 5,540,000 Québec charity flow-through units ("QCFT Unit") at a price of $0.44 per QCFT Unit, issued pursuant to the Prospectus dated June 22, 2022.

The $150,000 provided from financing activities during six months ended June 30, 2021 was from two convertible loans entered into in March 2021. The convertible loans had the same terms as the initial $500,000 convertible loan the Company entered into in December 2020. The convertible loans each initially had a term of six months with an annual interest rate of 10%, accruing quarterly. During the fourth quarter of 2021, additional funds totalling $325,000 were advance from all three convertible loan holders, the repayment dates were extended to June 30, 2022, and the interest rate was increased from an annual rate of 10% to 12%.

Prior to the repayment date, the holders of the convertible loans had agreed to convert all of the principal and any accrued interest into equity of the Company at a price that is equal to the lesser of:

i. the terms and conditions of the next equity offering of $3,000,000, or greater, to bona fide third-party investors; or
ii. a price that establishes a $20,000,000 pre-money enterprise value for the Company.

Prior to the repayment or conversion of the loan, the Company had agreed not to:

i. issue any additional equity or debt securities at a price that would imply a pre-money enterprise value of less than $10,000,000;
ii. obtain or grant any security registration, rights or interests in respect of the assets of the Company that is senior to the convertible loan;
iii. issue any equity securities, or securities convertible into equity securities, of the Company that have rights, interest, or priorities in addition or senior to the common shares of the Company; and
iv. make any changes to its board of directors or executive management.

The convertible loan was recorded as a liability with no equity component. As at December 31, 2021, the convertible loans had a balance of $1,047,766, which included accrued interest of $72,766.

(in Canadian dollars, unless otherwise noted)

On June 29, 2022, immediately following the completion of the Offering, and pursuant to the terms of the convertible loan agreements, the principal and accrued interest of the convertible loans, totalling $1,110,673, was converted to equity through the issuance of an aggregate of 4,442,692 units of the Company at a price of $0.25 per unit, the same terms of the initial public offering, on a non-brokered basis. The convertible loan units are subject to a statutory four-month hold period.

Contractual Obligations

On November 30, 2021, the Company entered into an Amended Option Agreement with Tres-Or, to earn a 100% interest in the Harricana Gold Project. As part of the Amended Option Agreement, the Company had remaining payments and obligations to Tres-Or as described above under the section entitled, "Exploration and Evaluation Property Agreement – Harricana Gold Project". Subsequent to June 30, 2022, following the completion of the final $350,000 option payment, Tres-Or's interest in the 234 claims that make up the Harricana Gold Project were transferred to the Company.

The Company is party to certain management contracts. As at June 30, 2022, these contracts contain minimum commitments of approximately $620,000 upon the occurrence of a change of control. Additionally, any unvested stock options would vest immediately upon a change of control.

Off-Balance Sheet Items

As at June 30, 2022, the Company did not have any off-balance sheet items.

Selected Annual Information

Kiboko was incorporated on May 2, 2019. The following is a summary of the Company's financial results for the three most recently completed financial years:

	2021	2020	2019
	$	$	$
Revenues	**-**	-	-
Loss	**974,595**	321,007	325,645
Loss per share, basic and diluted	**0.07**	0.02	0.03
Total assets	**456,125**	457,875	115,759
Long-term liabilities	**-**	-	-

Quarterly Information

Period	Interest income	Operating costs	Loss	Loss per share	Total assets
	$	$	$	$	$
Q2 – June 30, 2022	-	1,598,531	1,928,120	0.14	5,750,275
Q1 – March 31, 2022	-	7,634	143,861	0.01	363,423
Q4 – December 31, 2021	-	219,807	252,887	0.02	456,125
Q3 – September 30, 2021	68	21,748	242,378	0.02	235,092
Q2 – June 30, 2021	-	32,481	233,451	0.02	419,121
Q1 – March 31, 2021	160	24,282	245,879	0.02	475,894
Q4 – December 31, 2020	505	82,483	102,874	0.01	457,875
Q3 – September 30, 2020	427	20,299	27,387	-	236,176

The Company has no sales revenue. Over the periods presented, until the Offering on June 29, 2022, the Company was a private company working to advance, and earn into its option on the Harricana Gold Project. The variance in the loss in Q2 2022 is largely due to satisfying various requirements under the Amended Option Agreement on the Harricana Gold Project.

(in Canadian dollars, unless otherwise noted)

Share Capital Information

As at August 29, 2022, the date of this report, the Company had the following outstanding:

- 44,137,093 common shares
- Stock options

Number of options	Exercise price	Expiry date
3,435,000	$0.20	July 22, 2027
3,435,000		

- Warrants

Number of warrants	Exercise price	Expiry date
18,802,692	$0.40	June 29, 2027
5,520,000	$0.45	June 29, 2027
958,935	$0.40	June 29, 2023
25,281,627		

Financial Instruments

The Company is exposed to various financial instrument risks and assesses the impact and likelihood of this exposure. These risks include liquidity, credit, currency, interest rate, and price risks. Where material, these risks are reviewed and monitored by the Board of Directors.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with its financial liabilities. The Company has relied upon equity financings and short-term convertible loans to satisfy its capital requirements and will continue to depend heavily upon equity capital to finance its activities. There can be no assurance the Company will be able to obtain required financing in the future on acceptable terms. The Company anticipates it will need additional capital in the future to finance ongoing exploration of its properties, such capital to be derived from the completion of other equity financings. The Company has limited financial resources, no source of operating income and has no assurance that additional funding will be available to it for future exploration and development of its projects. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions and exploration success.

Credit Risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash, and receivables. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions. The Company's cash is held with major Canadian based financial institutions. Receivables mainly consist of sales tax refunds due from various levels of governments in Canada and refundable resource tax and mining tax credits from the government of Québec.

Currency Risk

The Company operates mainly in Canada. The Company mitigates its exposure to foreign currency risk by minimizing the amount of funds in currencies other than the Canadian dollar. The Company does not undertake currency hedging activities but continuously monitors its exposure to foreign exchange risk to determine if any mitigation strategies warrant consideration.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The convertible loans outstanding were not exposed to interest rate risk because of the fixed interest rates and short-term maturity of the financial instruments.

Price Risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company's investment in marketable securities is classified as FVTPL and is traded on the stock market. The Company closely monitors its marketable securities, stock market movements and commodity prices of precious metals, individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

Fair Value

The Company's financial instruments consist of cash, marketable securities, receivables, accounts payable and accrued liabilities, and loans payable. The fair value of these financial instruments approximates their carrying values due to their short term to maturity. Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

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

The fair value of common shares of publicly traded companies held as marketable securities are based on level 1 inputs of the fair value hierarchy. The fair value of non-traded warrants of publicly traded companies held as marketable securities are based on level 2 inputs of the fair value hierarchy.

Capital Management

The Company manages its capital with the following objectives:

- to ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future growth opportunities, and the pursuit of accretive acquisitions; and
- to maximize shareholder return.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by management and the Board of Directors on an ongoing basis. The Company's ability to continue to carry out its planned exploration activities is dependent upon securing additional financing. The Company considers its capital to be comprised of shareholders' equity.

The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. The forecast is updated based on activities related to its mineral properties. The Company's capital management objectives, policies and processes have remained unchanged during the six months ended June 30, 2022. The Company is not subject to any capital requirements imposed by a lending institution or regulatory body.

(in Canadian dollars, unless otherwise noted)

Significant Accounting Policies

The Company's significant accounting policies are described in Note 2 to the audited financial statements for the year ended December 31, 2021, and in Note 2 to the condensed interim financial statements for the three and six months ended June 30, 2022.

Critical Accounting Policies

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive loss in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both. Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements within the next financial year are included in Note 2 of the audited financial statements for the year ended December 31, 2021, and in Note 2 to the condensed interim financial statements for the three and six months ended June 30, 2022.

Commitments and Contingencies

The Company's exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

Transactions with Related Parties

Total amounts due to related parties of $7,612 (December 31, 2021 - $131,003) consisted of outstanding fees for services of $nil (December 31, 2021 - $97,546) and $7,612 in reimbursable expenses (December 31, 2021 - $33,457) due to officers and directors. All these related party transactions were incurred in the normal course of business and were measured at the exchange amount. In respect of services provided to and expenses incurred on behalf of the Company, the Company owed various related parties the following at June 30, 2022 and December 31, 2021:

	June 30, 2022	December 31, 2021
	$	$
Jeremy Link – expenses (officer and director)	**-**	2,236
Aslan United Capital Corp. – service fees (Company controlled by Jeremy Link, President, CEO and director)	**-**	7,350
BJB Financial Consulting Services Inc – expenses (Company controlled by Brad Boland, CFO)	**81**	23,690
Aurum Consulting - services and expenses (Company controlled by Ivor Jones, VP Technical Services & Project Evaluation)	**7,531**	97,727
	7,612	131,003

On June 29, 2022, immediately following the completion of the Company's initial public offering, 520,000 units of the Company, at a value of $0.25 per unit, were issued as settlement for $130,000 in related party liabilities. Aurum Consulting was issued 360,784 units as settlement for related party liabilities accrued in the amount of $90,196 for consulting services provided between January 1, 2020 and June 30, 2020. The remaining 159,216 units were issued as settlement for related party liabilities accrued by BJB Financial Consulting Services Inc. in the amount of $39,804 for expenses incurred between January 1, 2021 and May 31, 2022.

Compensation of key management personnel of the Company

Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of the Board of Directors, corporate officers, including the Chief Executive Officer and Chief Financial Officer, as well as the Vice-President, Geology and Vice-President, Technical Services and Project Evaluation. During the six months ended June 30, 2022, consulting fees of $21,000 to key management personnel was incurred (six months ended June 30, 2021 - $nil).

In June 2022, upon completion of the initial public offering, the Company entered into the following management contracts:

- An amended management contract was entered into with Aslan United Capital Corp., a company controlled by Jeremy Link, a director of Kiboko, for his services as President and CEO, at a fee of $8,333 per month (up from $3,500 per month).

- A management contract was entered into with Aurum Consulting, a company controlled by Ivor Jones, for his services as VP Technical Services and Project Evaluation for the Company, at a fee of $200 per hour.

- A management contract was entered into with Oliver Féménias, a director of the Company, for his services as VP Geology for the Company at a rate of €100 per hour.

- A management contract was entered into with BJB Financial Consulting Inc., a company controlled by Bradley Boland, for his services as Chief Financial Officer of the Company, at a fee of $5,000 per month.

As at June 30, 2022, these management contracts contained minimum commitments of approximately $620,000 upon the occurrence of a change of control. Additionally, any unvested stock options would vest immediately upon a change of control. All management contracts provide both parties the right to terminate the agreements with 90 days' written notice.

Risk Factors

The operations of the Company are speculative due to the high-risk nature of its business, which is the acquisition, financing, exploration, and development of mining properties. These risk factors, although not exhaustive, could materially affect the Company's future operating results and could cause actual events to differ materially from those described in forward–looking information relating to the Company. An additional discussion of risk factors relating to the Company's business is provided under the section entitled "Risk Factors" in the long form prospectus of the Company dated June 22, 2022, filed on SEDAR.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, have adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or results of operations at this time.

Liquidity Concerns and Future Financings

The Company will require significant capital and operating expenditures in connection with the development of its properties. There can be no assurance that the Company will be successful in obtaining the required financing as and when needed. Volatile markets may make it difficult or impossible for the Company to obtain debt financing or equity financing on favourable terms, if at all. Failure to obtain additional financing on a timely basis may cause the Company to postpone or slow down its development plans, forfeit rights in some or all of its properties or reduce or terminate some or all of its activities.

Dilution Risk

In order to finance future operations and development efforts, the Company may raise funds through the issue of common shares or securities convertible into common shares. The constating documents of the Company will allow it to issue, among other things, an unlimited number of common shares for such consideration and on such terms and conditions as may be established by the directors of the Company, in many cases, without the approval of shareholders. The size of future issues of commons shares or securities convertible into common shares or the effect, if any, that future issues and sales of the common shares will have on the price of the common shares cannot be predicted at this time. Any transaction involving the issue of previously authorized but unissued common shares or securities convertible into common shares would result in dilution, possibly substantial, to present and prospective shareholders of the Company.

Nature of Mining, Mineral Exploration, and Development Projects

Mining operations generally involve a high degree of risk. The Company's operations are subject to the hazards and risks normally encountered in mineral exploration, development, and production, including environmental hazards, explosions, unusual or unexpected geological formations or pressures and periodic interruptions in both production and transportation due to inclement or hazardous weather conditions. Such risks could result in damage to, or destruction of, mineral properties or producing facilities, personal injury, environmental damage, delays in mining, monetary losses, and possible legal liability.

Mineral exploration is highly speculative in nature. There is no assurance that exploration efforts will be successful. Even when mineralization is discovered, it may take several years until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish proven and probable mineral reserves through drilling. Because of these uncertainties, no assurance can be given that exploration programs will result in the establishment or expansion of mineral resources or mineral reserves. There is no certainty that the expenditures made by the Company towards the search and evaluation of mineral deposits will result in discoveries or development of commercial quantities of ore.

Development projects have no operating history upon which to base estimates of future cash operating costs. For development projects, reserve and resource estimates and estimates of cash operating costs are, to a large extent, based upon the interpretation of geologic data obtained from drill holes and other sampling techniques, and feasibility studies, which derive estimates of cash operating costs based upon anticipated tonnage and grades of ore to be mined and processed, ground conditions, the configuration of the ore body, expected recovery rates of minerals from the ore, estimated operating costs, anticipated climatic conditions and other factors. As a result, actual production, cash operating costs and economic returns could differ significantly from those estimated. It is not unusual for new mining operations to experience problems during the start-up phase, and delays in the commencement of production can often occur.

No Revenues

To date, the Company has recorded no revenues from exploration operations and the Company has not commenced commercial production or development on any property. There can be no assurance that significant losses will not occur in the near future or that the Company will be profitable in the future. The Company's operating expenses, and capital expenditures may increase in subsequent years in relation to the engagement of consultants, personnel and equipment associated with advancing exploration, development, and commercial production of the Company's properties. The Company expects to continue to incur losses for the foreseeable future. The development of the Company's properties will require the commitment of substantial resources to conduct time-consuming exploration. There can be no assurance that the Company will generate any revenues or achieve profitability.

Licences and Permits, Laws, and Regulations

The Company's exploration and development activities, including mine, mill, road, rail, and other transportation facilities, require permits and approvals from various government authorities and are subject to extensive federal, provincial, and local laws and regulations governing prospecting, development, production, exports, taxes, labour standards, occupational health and safety, mine safety and other matters. Such laws and regulations are subject to change, can become more stringent and compliance can therefore become more costly. In addition, the Company may be required to compensate those suffering loss or damage by reason of its activities. There can be no guarantee that the Company will be able to maintain or obtain all necessary licences, permits and approvals that may be required to explore and develop its properties, commence construction or operation of mining facilities.

Mineral Commodity Prices

The profitability of the Company's operations will be dependent upon the market price of mineral commodities, particularly gold. Mineral prices fluctuate widely and are affected by numerous factors beyond the control of the Company. The level of interest rates, the rate of inflation, the world supply of mineral commodities and the stability of exchange rates can all cause significant fluctuations in gold prices. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems, and political developments. The price of mineral commodities has fluctuated widely in recent years, and future price declines could cause commercial production to be impracticable, thereby having a material adverse effect on the Company's business, financial condition, and profit or loss.

Title to Properties

Although the Company has taken steps to verify the title to the exploration and evaluation properties in which it has or has a right to acquire an interest in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee title (whether of the Company or of any underlying vendor(s) from whom the Company may be acquiring its interest). Title to exploration and evaluation properties may be subject to unregistered prior agreements or transfers and may also be affected by undetected defects or the rights of indigenous peoples. The Company has investigated title to all of its exploration and evaluation assets and, to the best of its knowledge, title to all of its properties for which titles have been issued are in good standing.

Uninsured Risks

The Company maintains insurance to cover normal business risks. In the course of exploration and development of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including explosions, rock bursts, cave-ins, fire and earthquakes may occur. It is not always possible to fully insure against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could result in significant liabilities to the Company and increase costs of projects.

Environmental

The Company's activities are subject to extensive federal, provincial, and local laws and regulations governing environmental protection and employee health and safety. Environmental legislation is evolving in a manner that is creating stricter standards, while enforcement, fines and penalties for non-compliance are also increasingly stringent. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations. Further, any failure by the Company to comply fully with all applicable laws and regulations could have significant adverse effects on the Company, including the suspension or cessation of operations.

Competition

Kiboko competes with many other mining companies that have substantially greater resources than the Company. Such competition may result in the Company being unable to acquire desired properties, recruit or retain qualified employees or acquire the capital necessary to fund its operations and develop its properties. The Company's inability to compete with other mining companies for these resources would have a material adverse effect on the Company's results of operation and business.

Dependence on Outside Parties

Kiboko has relied upon consultants, geologists, and others, and intends to rely on these parties for exploration, development, construction, and operating expertise. Substantial expenditures are required to establish mineral reserves through drilling, to carry out environmental and social impact assessments, to develop processes to extract the commodity from the ore. If such parties' work is deficient or negligent or is not completed in a timely manner, it could have a material adverse effect on the Company.

Conflicts of Interest

Certain of the Company's directors and officers serve or may agree to serve as directors or officers of other companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors of Kiboko may have a conflict of interest in negotiating and concluding terms respecting such participation.

Dividends

To date, Kiboko has not paid any dividends on its outstanding securities and does not expect to do so in the foreseeable future. Any decision to pay dividends on the common shares will be made by the Board of Directors on the basis of the Company's earnings, financial requirements and other conditions.

Litigation

The Company has entered into legally binding agreements with various third parties. The interpretation of the rights and obligations that arise from such agreements is open to interpretation and the Company may disagree with the position taken by the various other parties resulting in a dispute that could potentially initiate litigation and cause the Company to incur legal costs in the future. Given the speculative and unpredictable nature of litigation, the outcome of any such disputes could have a material adverse effect on the Company.

Risk Management

Mineral exploration and development companies face many and varied kinds of risks. While risk management cannot eliminate the impact of all potential risks, the Company strives to manage such risks to the extent possible and practical.