
ALPHA EXPLORATION LTD.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE MONTHS ENDED MARCH 31, 2023

ALPHA EXPLORATION LTD. MANAGEMENT'S DISCUSSION & ANALYSIS

The following is Management's Discussion and Analysis ("MD&A") of Alpha Exploration Ltd. ("Alpha" or "the Company") is for the three months ended March 31, 2023 and is dated May 26, 2023. This MD&A contains highlights of the results of operations and financial condition and provides material updates to the operations, financial condition, liquidity and capital resources of the Company.

This MD&A should be read in conjunction with the Company's condensed interim consolidated financial statements for the three months ended March 31, 2023 and the audited consolidated financial statements for the year ended December 31, 2022, with the notes thereto, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All dollar amounts are expressed in United States dollars unless otherwise indicated.

Description of Business

Alpha is a publicly traded company incorporated under the *BVI Business Companies Act*, (No. 16 of 2004) (the "**BVI Act**"). The Company's shares are listed on the TSX Venture Exchange ("TSX-V") and trade under the symbol ALEX.

Alpha is a mineral exploration and development company engaged in the business of acquisition, exploration and, if warranted, development of mineral resource properties. Its objective is to locate, define and ultimately develop economic mineral deposits. Alpha currently acquires its properties through negotiating with holders of concessions, claims or mineral licenses and enters into acquisition, option agreements or memorandums of understanding to acquire interests in the properties. Alpha then explores for minerals on properties through surface sampling, airborne and/or ground geophysical surveys and drilling.

Alpha has a single, large exploration license in Eritrea covering 771km² known as the Kerkasha Project. This License covers four historical colonial gold mines, six artisanal gold mining areas as well as ten new prospects discovered by Alpha.

Alpha's current activities consist solely of mineral exploration. The Company is considered to be in the exploration stage and no revenue is currently generated from operational activities.

Alpha has one subsidiary, Alpha Exploration Eritrea Limited, an Eritrean corporation incorporated on February 5, 2018, under the laws of Eritrea ("**Alpha Eritrea**"). Alpha Eritrea currently holds the rights to the Kerkasha Project (as defined below).

Alpha's primary focus to date has been the Kerkasha project located 10 km south of the city of Barentu and 135 km west-southwest of Asmara, the capital city of Eritrea (the "**Kerkasha Project**"). Alpha currently has 100% ownership of the Kerkasha Project through its wholly owned subsidiary, Alpha Eritrea.

On December 20, 2017, Alpha signed a tenement farm-out agreement with the Eritrean National Mining Corporation ("**ENAMCO**") governing the terms of ENAMCO's participation in the Kerkasha Project (the "**ENAMCO Agreement**"). Pursuant to the ENAMCO Agreement, the Eritrean government (through ENAMCO) has the right to a 10% free-carried interest in any mining project developed on the Kerkasha Project area. The Eritrean government also has the right to purchase a further 30% equity 'participating interest' in the Kerkasha Project at any time from commencement of exploration to three (3) months after completion of a bankable feasibility study relating to the Kerkasha Project. To purchase this participating interest, ENAMCO must pay the equivalent percentage cost of exploration up to the point of acquiring their participating interest (as determined by an independent auditor) and will thereafter contribute the same participating interest percentage in all exploration and development expenditures on the Kerkasha Project

going forward. ENAMCO and Alpha will form a share company in accordance with the Commercial Code of Eritrea after ENAMCO has exercised its right of participation.

The Kerkasha Project is subject to a 2% net smelter royalty in favour of Nubian Royalty Corporation, a corporation incorporated under the BVI Act and wholly owned by insiders of Alpha (the “**Nubian Royalty**”). If at any time Nubian Royalty Corporation receives an offer from a third party to purchase the Nubian Royalty or any portion thereof, Alpha has a right to match any such third-party offer.

Operational Highlights

During the previous 12 months, Alpha completed the following significant programs and reports:

Anagulu Gold-Copper Porphyry Prospect:

- Anagulu gold-copper porphyry prospect is in the southwest part of the Kerkasha license and was discovered by Alpha geologists while completing regional soil sampling and reconnaissance prospecting. The prospect is defined by a large northeast-southwest oriented gold and copper in soil anomaly measuring approximately 2 km in length and 0.75 km in width, where outcrops with copper oxide staining are observed.
- Early reconnaissance drilling at Anagulu in 2020 revealed strong gold and copper mineralization; the discovery diamond drill hole AND001 in the northeast part of the prospect reported a 49m intersection averaging 2.42 g/t gold, 1.10 % copper and 6.83 g/t silver.
- In early 2022 Alpha carried out a program of remapping of the Anagulu Gold-Copper Porphyry Prospect at 1:1,000 scale, focusing on identifying the host rock described as a quartz-eye diorite.
- Based on the results of the remapping program, Alpha carried out a program of excavating 55 trenches and taking 1,659 rock-chip samples in these trenches, over areas considered prospective for mineralisation in the southwest of the Prospect. Assays from the trenching program demonstrated there were elevated levels of copper in the southwest over approximately 1.5kms of strike that warranted follow-up exploration and drill testing.
- A close-spaced detailed Induced Polarisation (“IP”) geophysical survey carried out by an independent contractor at Anagulu identified a deep chargeability anomaly in the southwest of the Anagulu Prospect, immediately west of the 2 x 0.75km gold and copper in soil anomaly. This led to a theory that this area could represent a porphyry system at depth that was a ‘feeder’ for all the mineralisation seen at surface and in the existing drilling. As a consequence, Alpha completed a detailed soil sample survey west of the current Anagulu 2 x 0.75km gold and copper in soil anomaly, to see if there were signs of copper and gold mineralization at surface in this area. Full laboratory analysis of the 42 soil and 21 rock chip samples has been deferred until Q2 2023.

In July 2022, Alpha drill tested the deep (~200–500 m) chargeability anomaly (referred to above) in the southwest of the Anagulu prospect with one diamond tail hole (ABRD045, with a diamond tail of 311.2 m) deepening existing RC hole ANR045 (which was stopped at 240 m deep). This strong chargeability anomaly is coincident with elevated copper, gold, and molybdenum in previous drillholes in this area and was interpreted to be the potential source of the copper and gold mineralisation identified at surface over a 2-km strike length in soil sampling, rock-chip sampling, trenching and drillholes. ABRD045 was completed in September 2022 to the target depth of 551.2m.

Assay results for gold, copper and molybdenum have been received from the "diamond tail" of ABRD045 and show broad zones of low-level copper mineralisation and elevated molybdenum near the end of the hole.

Alpha believes that this drill hole has not (as hoped) found the source of the broad zones of copper and gold mineralization identified at Anagulu at surface and in previous drilling. However, further detailed analysis of the core from ANRD045, and surrounding area is warranted.

Aburna Orogenic Gold Prospect:

- The Aburna orogenic gold prospect is located in the western part of the Kerkasha license close to the historic Aburna Gold Mine.
- Earlier reconnaissance mapping and soil sampling by Alpha staff identified a large area measuring approximately 2 km by 6km of gold mineralization extending northeast from the historic Aburna gold mine. As a follow-up on this work, Alpha staff took traverse, channel and trench samples at over 60 locations. Noteworthy results were as follows:

Significant traverse and channel sample assay results for gold are as follows:

- 51m @ 2.14 g/t gold Traverse 2 - Hill 52 Area
- 8m @ 9.65 g/t gold Traverse 3 - Hill 52 Area
- 25m @ 3.71 g/t gold Channel 12 - NE Area
- 50m @ 3.81 g/t gold Channel 16 - Celebration Hill Area

Significant trench sample assay results for gold are as follows:

- 45m @ 3.75 g/t gold Trench 22 - Hill 52 Area
- 11m @ 6.55 g/t gold Trench 25 - Hill 52 Area
- 3m @ 17.31 g/t gold Trench 41 - Central Area
- 1m @ 244.00 g/t gold Trench 40 - Central Area

- During 2022, Alpha carried out further trenching. Assay results for the trench sampling were returned during Q2 2022 and demonstrated significant gold mineralisation in 3 trenches as follows: Trench 43 (7m @ 2.15g/t Au), Trench 47 (13m @ 0.94g/t Au) and Trench 49 (5m @ 0.86g/t Au).
- During 2022, Alpha carried out two phases of drilling at Aburna comprising 38 reverse-circulation drill holes (4,315 m) and 5 diamond drill holes (881m). The drilling was focused on testing areas beneath the best trench, channel and traverse results for gold at the Hill 52, Central, Northeast and Celebration Hill Sub Areas. A summary of best results can be seen in Table 1.

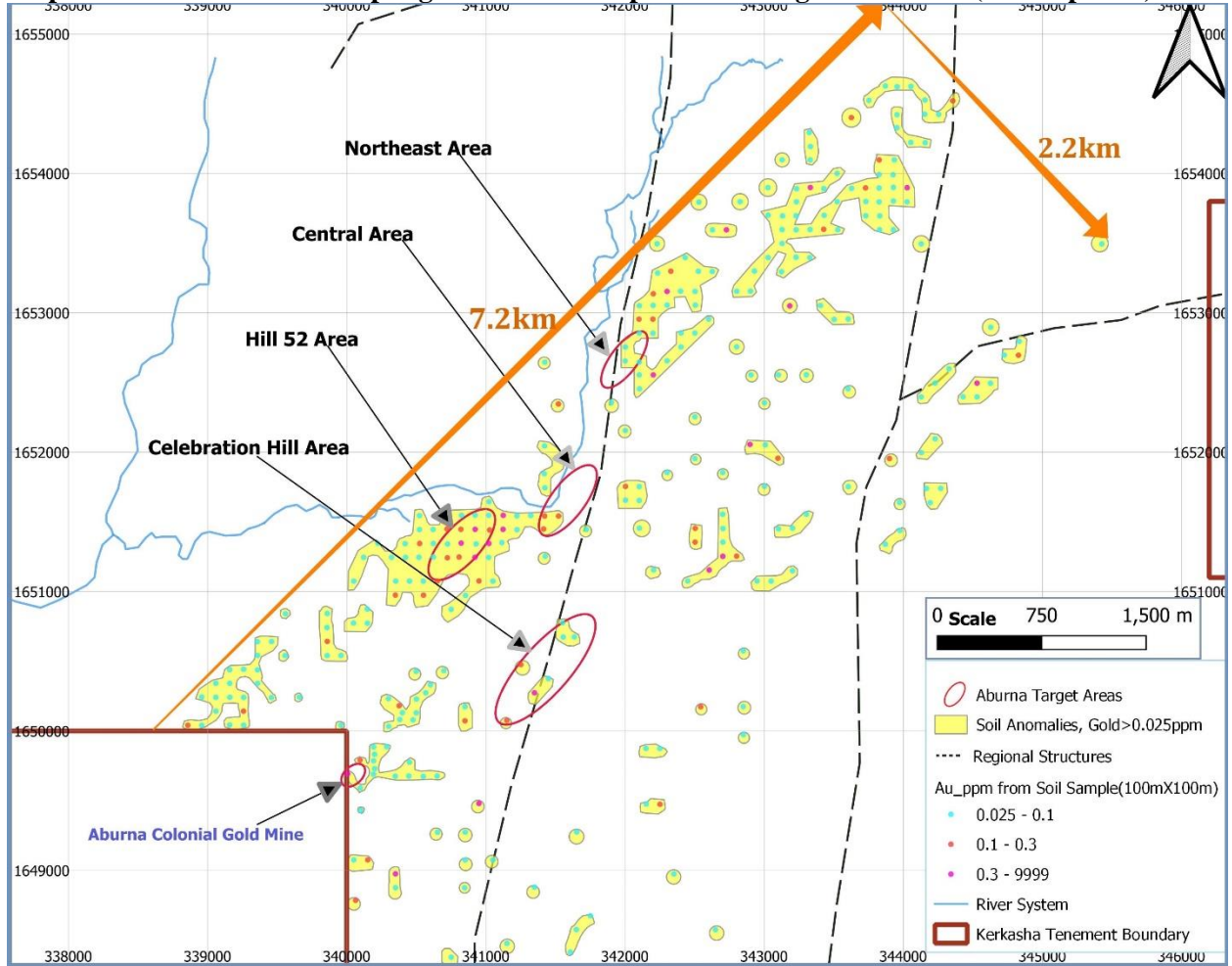
Table 1: Summary of best gold Intervals from ABR001-ABR038 & ABD001-005

Target Sub Area	Total Holes	Hole	From (m)	To (m)	Interval (m)	Average (Au)
Hill-52 Area	5 DD Holes (881.1m) 17 RC Holes (1,986)	ABD001	66	72	6.00	6.11
Hill-52 Area		ABD001	89	109	20.00	7.70
Hill-52 Area		ABD002	60	70	10.00	1.95
Hill-52 Area		ABD002	105	107	2.00	15.59
Hill-52 Area		ABR002	2	7	5.00	3.65
Hill-52 Area		ABR005	6	21	15.00	5.85
Hill-52 Area		ABR018	50	68	18.00	5.47
Hill-52 Area		ABR021	35	49	14.00	1.40
Northeast Area		4 RC Holes (432m)	ABR037	14	30	16.00
Celebration Hill Area	9 RC Holes (1,095m)	ABR008	49	59	10.00	5.24
Celebration Hill Area		ABR027	129	149	20.00	1.69
Central Area	6 RC Holes (659m)	ABR015	17	23	6.00	3.91
Central Area		ABR031	71	104	33.00	0.71
Central Area		ABR032	33	38	5.00	3.80
Central Area		ABR034	101	125	24.00	1.43

Parameters for table	
1	Using minimum 0.50 g/t to start & finish an interval
2	Maximum dilution interval ($\leq 0.2\text{g/t Au}$) = 2m
3	interval $\geq 1\text{m}$ is reported
4	Interval must be > 3.00 with Au gms x metres

- Later in 2022, Alpha carried out a 100m x 100m soil sampling programme (202 samples) to test for northeast and southwest strike extensions to the existing 6 x 2 km long gold in soil anomaly at Aburna. Assay results extended the Aburna soil anomaly to 7.2 x 2.2 kms – see Map 1 below.

Map 1: 100m x 100m soil sampling at Aburna Prospect with Target Sub Areas (red ellipsoids)



- During December 2022, Alpha carried out further trench and channel sampling to identify the true width to some of the gold mineralisation at surface within the 7.2 x 2.2 kms gold in soil anomaly at Aburna and to identify further targets for drill testing. The majority of assay results were returned by March 21 2023 and Alpha made a press release at that time announcing significant assay results to date. Highlights are as follows:

Channel 63:	8 meters averaging	5.29 g/t gold.
Channel 63:	9 meters averaging	1.91 g.t gold.
Channel 65:	13 meters averaging	3.36 g/t gold.
Channel 65:	1 meter averaging	9.71 g/t gold.
Trench 50:	2 meters averaging	10.39 g/t gold.
Trench 52 :	10 meters averaging	0.80 g/t gold.
Trench 54 :	13 meters averaging	1.51 g/t gold.
Trench 54 :	9 meters averaging	0.47 g/t gold.

The results to date identified target areas for drill testing northeast and southeast of the current drilling at Northeast Target Sub Area and west and southeast of the current drilling at the Hill 52 Target Sub Area. All assay results are expected to be returned in Q2 2023.

- During January and February 2023, a further 430 channel samples and 82 rock chip samples were collected at Aburna. Assay results for these samples are expected in Q2 2023.

- Another reverse-circulation drilling program started at Aburna in late February 2023 and to March 31, 2023, a total of 22 Reverse Circulation drill holes for 2,237 meters had been completed. No assay results for these holes have been returned to date but are expected in Q2 2023.
- During February-March 2023, a programme of lithological and structural mapping was carried out at Aburna by an independent Consultant. The mapping was designed to cover the gold in soil anomaly area and identify the controlling lithologies and structures to gold mineralisation at Aburna. The programme was successfully completed and a final report with conclusions and recommendations was delivered to Alpha in April 2023.

Tolegimja Copper-Zinc-Gold Volcanogenic- Massive–Sulphide (“VMS”) Prospect:

- Tolegimja is a VMS prospect located in the northeast of the Kerkasha license. Prominent gossan outcrops were discovered by Alpha geologists while completing regional soil sampling and reconnaissance prospecting.
- The gossans at Tolegimja are coincident with surface geochemical (soil) anomalies for copper and zinc as well as an IP chargeability anomaly.

In early 2022 Alpha carried out a reverse circulation drill program at the Tolegimja. The drilling comprised 9 holes (TLR001 – 009) for a total of 1,862m and was focused on testing the geophysical and geochemical anomalies related to gossan and rhyolite outcrops which Alpha believes could represent VMS mineralization at depth. Significant assays results are summarized as follows:

Hole	From (m)	To (m)	Interval (m)	Au (g/t)	Copper (%)	Zinc (%)
TLR-001	16	22	6	0.18	0.16	0.01
and	56	70	14	0.5	0.35	0.01
TLR-003	0	24	24	0.01	0.14	0.18
and	30	36	6	0.01	0.28	0.18
and	41	59	18	0.16	0.34	0.99
and	71	77	6	0.32	0.77	1.04
TLR-005	18	20	2	0.01	0.11	0.3
TLR-008	9	12	3	0	0.04	0.47
and	17	28	11	0	0.01	0.42
TLR-009	62	88	26	0.11	0.38	1.67
and	91	94	3	0.1	0.44	2

- During July 2022, Alpha completed a single diamond drill hole (TLD001) to 400m depth at the Tolegimja VMS Prospect. The hole was designed to test to depth an IP geophysical (chargeability) anomaly that was on strike approximately 550m to the southwest of the massive sulphide intervals returned from reverse-circulation drill holes TLR003 & TLR009 in the previous drill program. Assay results for TLD001 were received in August 2022 and there were no significant results.

Kona West Gold-Copper Porphyry Prospect:

- Kona West is a gold-copper porphyry prospect in the north central part of the Kerkasha license and was discovered by Alpha geologists while completing regional soil sampling and reconnaissance prospecting.

- In early 2022 Alpha carried out a reverse-circulation drill program at Kona West targeting a sub-horizontal Induced Polarization geophysical chargeability anomaly underlying copper anomalies in both soil and rock-chip samples at surface. The drilling comprised 2 holes (KNR011 – 012) for a total of 168m. The holes were drilled vertically and failed to get to depth due to excess water flows. Assay results from the RC drilling were returned in April 2022 and there were no significant results.
- During July 2022, Alpha completed a single diamond drill hole ‘tail’ (168m) to reverse-circulation drill hole KNR011 (96m), to test sub-horizontal chargeability anomaly to depth. Assay results were received for the diamond tail in Q3 2022 and there were no significant results.

Other Prospects:

- Alpha geologists have identified many other prospects on the large Kerkasha license including Tolefafa, Dase and Shahate prospects. In some cases, initial sampling of these prospects has taken place with assays expected in Q2 2023.

Regional exploration:

- After the understanding that the Tolegimja Prospect may host VMS-style mineralisation, Alpha commenced a programme of 1:5,000 scale geological mapping in the east of the Kerkasha license to investigate the possibility that more VMS mineralisation may be present in a north-northeast trend through the entire eastern section of the Kerkasha Exploration License. A total of 17.5km² of geological mapping south of Tolegimja was completed during Q1 2022.

Exploration and Development Expenditures

Mineral exploration expenditures with respect to the Kerkasha Project form a significant portion of Alpha’s expenditures the three months ended March 31, 2023 and the year ended December 31, 2022 were as follows:

	March 31, 2023	December 31, 2022
	\$	\$
Opening balance	9,675,511	7,381,258
Exploration costs:		
Drilling	10,100	557,885
Assays	80,088	267,786
Surveys	-	90
Technical services	43,962	118,518
Exploration licenses and fees	11,745	12,169
Labour cost	116,423	710,029
Share-based compensation	14,178	76,223
Consumable spare parts and supplies	69,400	180,520
Other direct expenses	75,250	297,510
Depreciation expenses	15,981	73,523
Sub total	437,127	2,294,253
Ending balance	10,112,638	9,675,511

Summary of Quarterly Results

The following is selected financial data from the Company's quarterly financial statements for the last eight quarters ending with the most recently completed quarter, being the three months ended March 31, 2023:

	March 31, 2023	December 31, 2022	September 30, 2022	June 30, 2022
Three months ended	\$	\$	\$	\$
Revenues	-	-	-	-
Net and Comprehensive income / (loss) for the period	(270,191)	(295,738)	(16,585)	27,581
Net income (loss) per share (basic and diluted) ⁽¹⁾⁽²⁾	(0.00)	(0.01)	(0.00)	0.00

	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021
Three months ended	\$	\$	\$	\$
Revenues	-	-	-	-
Net and Comprehensive income / (loss) for the period	(103,463)	(422,055)	(113,162)	(132,234)
Net income (loss) per share (basic and diluted) ⁽¹⁾⁽²⁾	(0.00)	(0.01)	(0.00)	(0.00)

⁽¹⁾ Where presented together, the basic and diluted loss per share amounts are the same amount due to the anti-dilutive effect of outstanding stock options and warrants.

⁽²⁾ The sum of the quarterly per share amounts may not equal, in aggregate, the annual per share amount due to rounding in the calculations.

The quarter ended March 31, 2023 included salaries of \$59,513, professional fees of \$43,936, general and administrative expenses of \$75,978 driven by travelling and attendance of conferences and a fair value adjustment loss arising from the revaluation of warrant liabilities of \$91,375.

The quarter ended December 31, 2022 included professional fees of \$56,115, salaries of \$44,573, general and administrative expenses of \$37,843 driven by travelling and attendance of conferences and a fair value adjustment loss arising from the revaluation of warrant liabilities of \$150,815.

The quarter ended June 30, 2022 resulted in net income for the period of \$27,581 compared with net losses for each of the other quarters presented. This is primarily driven by a fair value adjustment gain arising from the revaluation of warrant liabilities of \$325,734, partially offset by share-based compensation of \$71,634 and salaries of \$33,728.

The quarter ended December 31, 2021 included share-based payment compensation of \$255,967, salaries of \$29,613 and higher general and administrative expenses of \$172,446. These costs were partly offset by a fair value adjustment gain arising from the revaluation of warrant liabilities of \$89,663.

Results of Operations

During the three months ended March 31, 2023, the Company reported net loss of \$270,191 and loss per share of \$0.00 (2022 – net loss of \$103,463 and a loss per share of \$0.00).

	2023	2022
	\$	\$
EXPENSES		
Professional fees	43,936	35,399
Salaries	59,513	34,829
Director's fees	5,000	4,998
Office expenses	1,048	720
General and administrative expenses	75,978	43,463
Finance cost	1,364	2,201
Share-based compensation	12,746	71,520
Foreign exchange gain	(28,381)	(2,499)
Loss on fair value adjustment on warrant liability	91,375	-
Interest expense	7,612	-
Other income	-	(87,168)
NET AND COMPREHENSIVE LOSS	(270,191)	(103,463)

The net loss for the three months ended March 31, 2023, increased compared with the three months ended March 31, 2022. The increase was largely attributable to an increase in the fair value adjustment loss on warrant liability of \$91,375, an increase in general and administrative expenses of \$32,515 and an increase in salaries of \$24,684.

Overall, results in every quarter have been affected by the non-cash items such as the share-based compensation, fair value adjustment on warrants liability and the foreign exchange.

Cash flows:

The following table summarizes Alpha's cash flows for the three months ended, and cash on hand as at, March 31, 2023 and 2022:

	Three Months Ended March 31,	
	2023	2022
	(\$)	(\$)
Cash, end of period	2,166,951	454,540
Cash provided by operating activities	2,201,857	307,112
Cash used in investing activities	(135,370)	(747,380)

As at March 31, 2023, Alpha had a cash position of \$2,166,951 and net working capital deficiency of \$780,388 compared to cash position of \$100,464 and net working capital deficiency of \$209,155 as at December 31, 2022.

On January 31, 2023, the Company entered into a loan agreement with Astor Management AG, whereby the Company received CAD\$200,000. The loan bears interest at the rate of 8% per annum.

On April 6, 2023, the Company issued 4,773,214 units at CAD\$0.70 per unit for gross proceeds of CAD\$3,341,250 pursuant to the first tranche of a private placement. Each unit consists of one common share and one share purchase warrant exercisable at CAD\$1.05 per common share for a period of 24 months. In connection with the private placement, the Company paid a cash finder's fee payment equal to

6% on a proportion of the units issued. Part of the gross proceeds was paid by settling the balance of the loan with Astor Management AG along with accrued interest. At March 31, 2023, CAD\$2,843,900 of the proceeds were received.

On May 4, 2023, the Company issued 1,993,075 units at CAD\$0.70 per unit for gross proceeds of CAD\$1,395,153 pursuant to the second tranche of a private placement. Each unit consists of one common share and one share purchase warrant exercisable at CAD\$1.05 per common share for a period of 24 months.

Alpha regularly evaluates its cash position to ensure preservation and security of capital as well as maintenance of liquidity. Alpha’s approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet its liabilities as they become due.

The cash of \$2,201,857 provided by operating activities consisted of the net loss of \$270,191 offset by a net change in non-cash items of \$104,121 and a net change in working capital items of \$2,367,927.

The cash of \$135,370 used in investing activities consisted of exploration and evaluation expenditures on the Kerkasha Project properties of \$137,175 and purchase of equipment of \$770, partially offset by disposal of equipment of \$2,575.

Contractual Obligations

Alpha had no contractual obligations as at March 31, 2023.

Off-balance sheet arrangements

Alpha had no off-balance sheet arrangements as at March 31, 2023.

Transactions with Related Parties

All transactions with related parties have occurred in the normal course of operations and are recorded at the exchange value, which is the amount of consideration established and agreed to by the related parties. Details of transactions between Alpha and other related parties, other than transactions between Alpha and its subsidiaries that are related parties of Alpha, which have been eliminated on consolidation, are disclosed below.

At March 31, 2023 and December 31, 2022, the related party balances were as follows:

	March 31, 2023	December 31, 2022
	\$	\$
Hemera Capital Management, Cayman – common owner	15,933	6,000
Colonnade Mining Group Eritrea Ltd, Eritrea – common owner	10,021	780
Frontier Equipment Supplies DMCC, UAE – common owner	63,848	14,375
Michael Hopley - CEO	50,764	23,815
Anna Nydegger - Director	10,000	5,000
Alpha Discovery Holding, BVI – common owner	85,945	80,265
Alasdair Smith - CEO of Alpha Exploration Eritrea Ltd.	86,038	59,486
Total	322,549	189,721

On October 7, 2021, a shareholder, Alpha Discovery Holdings Limited provided an unsecured loan to the Company in the principal amount of CAD\$100,000 (the “Loan”). The Loan is for an 18-month term ending

on April 7, 2023 and was repaid subsequent to March 31, 2023. The proceeds from the Loan were used by the Company for working capital purposes. The Loan bears interest rate of 5% per annum and is unsecured.

During the three months ended March 31, 2023 and 2022, the related party transactions were as follows.

	2023	2022
	\$	\$
Colonnade Mining Group Eritrea Ltd, Eritrea – drilling services	10,100	228,596
Hemera Capital Management, Cayman – advisory fees	6,000	6,000
Frontier Equipment Supplies DMCC, UAE - purchase	49,472	-

Compensation of key management personnel

Key management includes members of the Board of Directors, the Chief Executive Officer and the Chief Financial Officer. The aggregate compensation paid, or payable, to key management personnel during the three months ended March 31, 2023 and 2022 were as follows:

	2023	2022
	\$	\$
Salaries	72,408	78,439
Benefits	8,600	8,600
Directors' fees	5,000	4,998
Accounting fees	10,055	-
Advisory fees	6,000	6,000
Shared-based compensation	26,924	405,718
	128,987	503,755

Note: Salaries and benefits of Mr. Alasdair Smith, which form part of salaries and benefits noted above, are capitalized to the exploration and evaluation assets in Alpha Eritrea Ltd. Accounting fees are for the current CFO. Share-based compensation for the three months ended March 31, 2023 of \$14,178 (2022 - \$392,096) was capitalized to exploration and evaluation assets.

On July 28, 2022, the Company appointed Francisco Del Castillo, CPA, CA, as Chief Financial Officer of the Company. Mr. Del Castillo assumed responsibility from Chris van der Westhuyzen with immediate effect. Mr. van der Westhuyzen will remain a director of Alpha.

On November 18, 2022, the Company appointed Denitsa Doncheva, CPA, as Chief Financial Officer of the Company. Ms. Doncheva assumed responsibility from Francisco Del Castillo with immediate effect.

Critical Accounting Estimates

Precious and other metals exploration require management to make certain estimates, judgements and assumptions that affect the reported amount of assets and liabilities, and the reported amounts of expenses. Actual outcomes could differ from these estimates. This MD&A and Alpha's financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout this MD&A and Alpha's consolidated financial statements and may require accounting adjustments based on future occurrences. These estimates are based on historical experience, current and future economic

conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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. There have been no changes in critical accounting estimates during the three months ended March 31, 2023.

Changes in Accounting Policies

There have been no changes in accounting policies during the three months ended March 31, 2023.

Financial Instruments and Financial Risk

The Company's financial instruments include cash, other receivables, accounts payable, warrant liability and loans and are recorded at fair value. The carrying value of these financial instruments approximates their fair values due to the relatively short periods of maturity of these instruments, with accounts payable being due on normal commercial terms.

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk), credit risk and liquidity risk. There have been no changes in any risk management policies since December 31, 2022.

Outlook

Alpha is in the exploration stage and is subject to risks and challenges similar to companies in a comparable stage. These risks include, but are not limited to, the challenges of securing adequate capital in view of exploration, development and operational risks inherent in the mining industry as well as global economic and gold price volatility. There is no assurance that Alpha's funding initiatives will continue to be successful to fund its planned exploration activities, which are focused on the Kerkasha Project. Please refer to the "Risks and Uncertainties" section of this MD&A and the section entitled "Risk Factors" in the Circular for a more fulsome discussion of the factors that could cause Alpha's actual results, performance and achievements to be materially different from any anticipated future results, performance or achievements.

Outstanding Share Data

As of the date of this report, Alpha's issued common shares, preferred shares, and stock options and warrants that are convertible into common shares are shown below:

	Number
Issued and outstanding common shares	65,232,194
Issued and outstanding preferred shares	15,286,159
Share Warrants with a weighted average exercise price of CAD\$1.06	10,143,978
Performance warrants with a weighted average exercise price of CAD\$0.034	6,635,112
Share Options with a weighted average exercise price of CAD\$0.70	1,050,000
Total	98,347,443

Risks and Uncertainties

Alpha is in the mineral exploration and development business and, as such, is exposed to a number of risks and uncertainties that are not uncommon to other companies in the same business. Some of the possible risks include the following:

- a) The industry is capital intensive and subject to fluctuations in metal prices, market sentiment, foreign exchange and interest rates. The recovery of the Company's investment in exploration and evaluation assets and the attainment of profitable operations are dependent upon the discovery and development of economic ore reserves and the ability to arrange sufficient financing to bring the ore reserves into production.
- b) The most likely source of future funds for further acquisitions and exploration programs undertaken by the Company are the sale of equity capital or the offering by the Company of an interest in its properties to be earned by another interested party carrying out further exploration or development. If such exploration programs are successful, the development of economic ore bodies and commencement of commercial production may require future equity financings by the Company which are likely to result in substantial dilution to the holdings of existing shareholders.
- c) The Company's capital resources are largely determined by the strength of the resource markets and the status of the Company's projects in relation to these markets, and its ability to compete for the investor support of its projects.
- d) The prices of metals greatly affect the value of and the potential value of its exploration and evaluation assets. This, in turn greatly affects its ability to raise equity capital, negotiate option agreements and form joint ventures.
- e) The Company must comply with health, safety, and environmental regulations governing air and water quality and land disturbances and provide for mine reclamation and closure costs. The Company's permission to operate could be withdrawn temporarily where there is evidence of serious breaches of such regulations, or even permanently in the case of extreme breaches. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of acquired properties or noncompliance with environmental laws or regulations.
- f) The operations of the Company will require various licenses and permits from various governmental authorities. There is no assurance that the Company will be successful in obtaining the necessary licenses and permits to continue exploration and development activities in the future.
- g) Although the Company has taken steps to verify title to exploration and evaluation assets in which it has an interest, these procedures do not guarantee the Company's title. Such assets may be subject to prior agreements or transfers and title may be affected by such undetected defects. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, then actual results may vary materially from those described in any forward-looking statement. The development and exploration activities of the Company are subject to various laws governing exploration, development, and labour standards which may affect the operations of the Company as these laws and regulations set various standards regulating certain aspects of health and environmental quality. They provide for penalties and other liabilities for the violation of such standards and establish, in certain circumstances, obligations to rehabilitate current and former facilities and locations where operations are or were conducted.

For further discussion related to risks and uncertainties, please refer to the section entitled "*Risk Factors*" in the Company's Final Prospectus available on SEDAR at www.sedar.com.

Disclosure Controls and Procedures and Internal Controls Over Financial Reporting

Disclosure controls and procedures are intended to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized, and reported within the time periods specified by securities regulations and that the information required to be disclosed is accumulated and communicated to management. Internal controls over financial reporting are intended to provide reasonable assurance

regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. In connection with National Instrument 52-109 (Certificate of Disclosure in Issuer's Annual and Interim Filings) ("NI 52-109"), the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the condensed interim consolidated financial statements for the three months ended March 31, 2023, and this accompanying MD&A (together, the "Interim Filings").

In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the Annual Filings on SEDAR at www.sedar.com.

Forward Looking Information

Except for statements of historical fact relating to Alpha, certain information contained herein constitutes forward-looking statements. Forward-looking statements are frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate" and other similar words, or statements that certain events or conditions "may" or "will" occur. Forward-looking statements are based on the opinions and estimates of management at the date the statements are made. There can be no assurance that such forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Investors are advised to carefully review and consider the risk factors identified in the Circular under, among other places, "*Risk Factors*" for a discussion of the factors that could cause Alpha's actual results, performance and achievements to be materially different from any anticipated future results, performance or achievements expressed or implied by the forward-looking statements and forward-looking information. Accordingly, readers should not place undue reliance on such statements. Alpha does not undertake to update any forward-looking statements that are incorporated by reference herein, except in accordance with applicable securities laws. Events discussed elsewhere in the Circular (as defined below) have not been included in the discussion below.

Capitalized terms used but not defined herein shall have the respective meanings given to them in the Circular.