

BULGOLD INC.

(FORMERLY ST CHARLES RESOURCES INC.)

AMENDED (TO INCLUDE SUBSEQUENT EVENT NOTE ON PRIVATE PLACEMENT)

MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS

FOR THE THREE MONTHS ENDED MARCH 31, 2023

The following Interim management's discussion and analysis – quarterly highlights (“**Interim MD&A**”) of BULGOLD Inc. (formerly St Charles Resources Inc. – referred herein as “**BULGOLD**” or the “**Company**” or the “**Resulting Issuer**”) for the three months ended March 31, 2023 provides material information about the Company's business activities during the interim period and updates disclosure previously provided in the Company's management's discussion and analysis for the financial year ended December 31, 2022 (“**Annual MD&A**”).

This Interim MD&A should be read in conjunction with the Company's unaudited condensed interim consolidated financial statements and related notes for the three months ended March 31, 2023 (the “**Interim Financial Statements**”), the Company's audited consolidated financial statements for the year ended December 31, 2022 and the period from incorporation (July 16, 2021) to December 31, 2021 (the “**Annual Financial Statements**”), and the Company's Annual MD&A.

The effective date of this Interim MD&A is May 25, 2023.

All financial results presented in this Interim MD&A are expressed in Canadian dollars unless otherwise indicated.

Description of Business

BULGOLD was classified as a Capital Pool Company (“CPC”), as such term is defined in the TSX Venture Exchange (the “TSXV”) Policy 2.4 – Capital Pool Companies (“CPC Policy 2.4”), until the completion of its Qualifying Transaction (the “Transaction”) on March 17, 2023. The Company's Transaction consisted in a business combination with Eastern Resources OOD (“Eastern Resources”), a private Bulgarian gold exploration company with two gold projects located in Bulgaria.

On May 5, 2023, the Company changed its name to BULGOLD Inc. and consolidated its issued and outstanding common shares on the basis of one (1) post-consolidation common share for every three (3) pre-common shares of the Company, following approval by the Company's shareholders at a special meeting of

the shareholders held on April 26, 2023. On the same day, the Company began trading on the TSXV under the symbol “ZLTO” (was previously “SCRS”).

The number of issued and outstanding common shares and other securities presented in this Interim MD&A take into account the one (1) for three (3) consolidation of the Company’s common shares implemented on May 5, 2023 as if the consolidation had been in place during the reporting period.

As of the date of this MD&A, the Company has 20,231,100 issued and outstanding common shares and approximately \$1.6 million in cash and cash equivalents.

Highlights

Corporate activities

- The business combination with Eastern Resources, which constituted the Company’s Qualifying Transaction, was completed on March 17, 2023. Eastern Resources is a private gold exploration company incorporated under the laws of Bulgaria with its head office located in Sofia, Bulgaria. Eastern Resources controls 100% of two epithermal gold projects located in Bulgaria, on the Bulgarian portion of the Western Tethyan Belt, being the Kutel Gold Project and the Kostilkovo Gold Project.
- In accordance with the business combination agreement dated January 31, 2023, the Transaction was effected by way of a share exchange whereby BULGOLD, on behalf of Eastern Resources (UK) Ltd. (“AcquireCo”), a newly formed wholly-owned subsidiary of BULGOLD incorporated under the laws of the United Kingdom, issued a total of 11,111,100 common shares of the Resulting Issuer (the “Resulting Issuer Shares”) to acquire 100% of the issued and outstanding common shares of Eastern Resources (the “Eastern Resources Shares”) from the shareholders of Eastern Resources (the “Eastern Resources Shareholders”) on the basis of 317,460 Resulting Issuer Shares for each 1 Eastern Resources Share acquired by AcquireCo. Concurrently, the Eastern Resources Shareholders transferred all of their 35 Eastern Resources Shares to AcquireCo, such that Eastern Resources is now, indirectly, a wholly-owned subsidiary of BULGOLD.
- In connection with the Transaction and pursuant to TSXV requirements, BULGOLD filed a filing statement dated February 23, 2023 under its profile on SEDAR (www.sedar.com). BULGOLD had contracted AMC Mining Consultants (Canada) Ltd. to complete a National Instrument 43-101 (“NI 43-101”) technical report in respect of each of the Kutel Gold Project and the Kostilkovo Gold Project; the two NI 43-101 technical reports are also available under the Company’s profile on SEDAR (www.sedar.com).
- In connection with the completion of the Transaction, all members of St Charles’ board of directors have resigned except for Mr. James Crombie. The Resulting Issuer’s board of directors is now comprised of the

following individuals: Dr. Mihaela Barnes, Ms. Vanessa Cook, Mr. Colin Jones, Mr. Laurie Marsland, Mr. Sean Hasson and Mr. James Crombie. In addition, the board has appointed James Crombie as Executive Chairman, Sean Hasson as President and Chief Executive Officer and Jeff Pennock as Chief Financial Officer.

- Following completion of the Transaction, the security holders of BULGOLD hold 9,120,000 Resulting Issuer Shares, representing approximately 45.08% of the Resulting Issuer Shares and the Eastern Resources Shareholders hold 11,111,100 Resulting Issuer Shares, representing approximately 54.92% of the Resulting Issuer Shares, on a non-diluted basis.
- On completion of the Transaction, Eastern Resources controlled the Company and consequently, the Transaction was accounted for as a reverse takeover. Consequently, the Company's Interim Financial Statements reflect the acquisition of the assets and liabilities of BULGOLD and BULGOLD's listing status by Eastern Resources.
- The Company's Interim Financial Statements were prepared as a continuation of the financial statements of Eastern Resources but reflecting the equity instruments of BULGOLD. Consequently, the Company's statements of net loss and comprehensive loss and cash flows include results of Eastern Resources for the three-month period ended March 31, 2023 and results of the Company for the period from March 17, 2023 to March 31, 2023 and the balance sheets at March 31, 2023 reflects the balances of the merged entity. Comparative information is solely those of Eastern Resources.
- During the three months ended March 31, 2023, the Company incurred a loss of \$802,707 (\$0.07 per share) compared to a loss of \$2,898 during the comparative period in 2022.

Exploration activities

Bulgaria

The Kutel Gold Project is located in the Eastern Rhodope, in the south-east of Bulgaria, approximately 150 km to the southeast of Sofia, the capital of Bulgaria, in the Municipalities of Chepelare, Smolyan Region and Laki, Plovdiv Region. The Kutel Gold Project consists of a 15km² low-sulfidation epithermal system with additional exploration potential on the 24.4km² Kutel exploration licence area. BULGOLD has identified a large (15km²) quartz-adularia-illite paleogeothermal system which has been largely preserved from erosion and is supported by a strong and extensive gold-silver-arsenic-antimony surface geochemical soil response. Multiple hydrothermal explosion breccias (also known as phreatic breccias) have been identified through geological mapping and prospecting which contain clasts of gold mineralised quartz-adularia-illite vein material which have been transported from depth to a higher elevation.

Work commenced during the period on preparations for the maiden diamond drilling programme, which is expected to commence within Q2, 2023.

The Kostilkovo Gold Project is located 270 kilometres south-east of the capital city of Bulgaria, Sofia, close to the border with Greece, in the Municipality of Ivailovgrad within the Haskovo Region. The town of Ivailovgrad is the regional centre, located 13 kilometres north-east of the Kostilkovo Gold Project. The Kostilkovo Gold Project consists of a 10km² low-sulfidation epithermal system with additional exploration potential on the 66.18km² Chukata exploration licence area. Through a detailed analysis of historical data as well as via an extensive mapping and prospecting program, BULGOLD has established the presence of a large (10 km²) low-sulfidation epithermal system on the Project, with multiple upflow zones containing quartz-adularia-illite vein material identified. This project has not yet been fully explored and it is BULGOLD's opinion that additional potential for low-sulfidation epithermal systems exist on the project.

Slovakia

On October 22, 2022, BULGOLD entered into a cooperation agreement and a transfer of exploration area agreement with Green View s.r.o. pursuant to which the Company has an option to acquire 100% interest in a particular area of land located in the Slovak Republic to prospect for gold and silver exploration in exchange for EUR 100.

During the reporting period the Company was informed by Green View s.r.o. that the Lutila exploration area had been granted by the Slovak Ministry of Environment (Department of State Geological Administration), with an effective date of March 23, 2023. The Lutila exploration area is located in Central Slovakia and 5km south of the historic Kremnica quartz-adularia gold deposit. The Lutila exploration licence covers an area of 32.2km² and has been granted for an initial 4-year period.

Qualified Person

Sean Hasson, the Company's President and CEO and a qualified person pursuant to National Instrument 43-101, has reviewed and approved the scientific and technical data contained in this MD&A.

Financial Review

The Company incurred a net loss of \$802,707 (\$0.07 per share) during the three months ended March 31, 2023, including a non-cash expense of \$734,269 being the cost of listing, determined as the difference between the fair value of the shares of the Company deemed acquired by Eastern Resources at the date of the Transaction in the amount of \$2,359,956 less the fair value of the net assets of BULGOLD at that date in the amount of \$1,625,687. The net assets of the Company include cash and cash equivalents of \$1,781,069 less payables and other working capital items of \$155,382.

The deemed acquired securities of BULGOLD at March 17, 2023 valued at \$2,359,956 include issued and outstanding shares of BULGOLD (9,120,000 shares) with a deemed fair value of \$0.24 per share, being the trading price of BULGOLD's shares immediately preceding the announcement of the business combination, outstanding stock options (912,000 stock options) valued using the Black-Scholes valuation model and compensation options (666,666 compensation options) also valued using the Black-Scholes valuation model.

Other expenses incurred during the three months ended March 31, 2023 consisted mainly in professional fees of \$64,134 related to the completion of the Transaction (consisting of legal and audit fees), travel expenses of \$1,132 and other expenses of \$446. Depreciation expense related to property and equipment totaled \$51 during the three months ended March 31, 2023. The Company realized finance income of \$1,336 on liquidities held and incurred finance expense of \$4,011, including \$2,951 on loans from related parties.

Investing Activities

During the three months ended March 31, 2023, in accordance with its accounting policy on exploration expenditures, the Company capitalized an amount of \$360 to its exploration and evaluation assets (\$2,898 during the comparative period in 2022).

Financing activities

None during the three months ended March 31, 2023.

Liquidity and Capital Resources

As at March 31, 2023, the Company had a working capital of \$1,553,477 compared to a working capital deficit of \$1,039 at December 31, 2022. The increase in the working capital is mainly attributable to the cash and cash equivalent of \$1,781,069 acquired on the reverse acquisition.

The Company funds its activities through equity financing. The current cash on hand is expected to be sufficient to meet the Company's obligations and general and administrative expenses for at least twelve months from the end of the reporting period. The Company will need to raise additional funds to pursue the exploration and development of its projects. There can be no assurance that management will be able to secure additional financing, or that such additional financing will be available to the company or that it will be available on terms which are acceptable to the Company.

Outstanding securities

As at May 25, 2023, the Company has 20,231,100 issued and outstanding common shares, 666,666 shares reserved for issuance upon exercise at a price of \$0.30 of compensation options that had been granted to the

agent for BULGOLD's IPO (exercisable for a period of 60 months from the closing date of the IPO) and 912,000 shares reserved for issuance upon the exercise at a price of \$0.30 of stock options granted in 2022 to the then directors of the Company ("CPC Options").

Shares subject to escrow

At March 31, 2023, 75% of the issued and outstanding seed shares (1,840,000 seed shares) and 75% of the issued and outstanding CPC options (684,000 CPC options) are held in escrow pursuant to the terms of Escrow Agreements dated February 11, 2022 (seed shares) and April 26, 2022 (CPC Options) between the Company, TSX Trust Company, and the holders of the seed shares and the CPC Options. In accordance with the CPC Policy 2.4, 25% of these securities were released on the date of the final Qualifying Transaction Exchange bulletin and an additional 25% will be released on each of the dates that are 6, 12 and 18 months from the Transaction date of March 17, 2023.

Shares issued to the Company's President and CEO resulting from the completion of the Transaction (3,174,600 shares) are being held in escrow with 5% of these shares released on completion of the Transaction and the remainder to be released over a period of 36 months. Shares issued to non-principal security holders resulting from the completion of the Transaction (6,349,200 shares) are also being held in escrow with 10% of these shares released on completion of the Transaction and the remainder to be released over a period of 36 months.

Financial Risk Factors

The Company thoroughly examines the various financial risks to which it is exposed and assesses the impact and likelihood of those risks. These risks include liquidity risk and credit risk. Where material, these risks are reviewed and monitored by the board of directors.

Other Risks Factors

The Company has no history of earnings and expects to incur losses for the foreseeable future. There can be no assurance that the Company will be profitable in the future. Substantial expenditures are required to identify mineral deposits.

The Company's activities are highly speculative due to the nature of mineral exploration generally. The Company's projects are in the early exploration stage. Few properties that are explored are ultimately developed into producing mines. Resource exploration and development is characterized by a number of significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate.

Risk factors relating to the Resulting Issuer and Risks related to Mining Operations are fully described in the Company's filing statement, dated as of February 23, 2023, filed on SEDAR.

Subsequent Event

On May 11, 2023, the Company announced a non-brokered private placement (the "Offering") for gross proceeds of up to \$3,500,000 from the sale of units of the Company (each, a "Unit") at a price of \$0.30 per Unit (the "Issue Price"). Each Unit will consist of one common share of the Company (each a "Unit Share") and one-half of one common share purchase warrant (each whole common share purchase warrant, a "Warrant"). Each Warrant shall entitle the holder to purchase one common share of the Company (each, a "Warrant Share") at a price of \$0.40 at any time on or before that date which is 18 months after the closing date of the Offering.

The Company has agreed to pay a finder's fee to arm's length parties for services rendered in respect of the Offering. The finder's fee will consist of a cash fee equal to 7.0% of the gross proceeds from the sale of Units sold to third parties sourced by the finders, and finder's warrants equal in number to 7.0% of the Units sold to third parties sourced by the finders (the "Finder's Warrant"). Each Finder's Warrant will entitle the holder to acquire one additional common share of the Company at an exercise price of \$0.40 until the date which is 18 months from the closing date of the Offering.

The Offering is scheduled to close on or about June 14, 2023 and is subject to certain conditions including, but not limited to, receipt of all necessary approvals including the approval of the TSX Venture Exchange. The Unit Shares and Warrant Shares will have a hold period ending on the day that is four months and one day following the closing date.

Cautionary note regarding forward information

This MD&A contains "forward-looking information", within the meaning of Canadian securities laws. Generally, forward-looking information or statements can be identified by the use of forward-looking terminology such as "plans", "expects", "budget", "scheduled", "estimates", "intends", "anticipates" or "believes", or variations of such words or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Specific forward-looking statements in this MD&A include: the Company's exploration and financing plans, references to the potential of the Kutel Gold Project and the Kostilkovo Gold Project, the likelihood of discovering resources; any objectives, expectations, intentions, plans, results, levels of activity, goals or achievements; the timing and amount of estimated exploration expenditures and capital

raises for the Company; the liquidity of the common shares in the capital of the Company and other events or conditions that may occur in the future.

Forward-looking information is not historical facts. Forward-looking information is based on the reasonable assumptions, estimates, analyses and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, and is inherently subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by the forward-looking information for various reasons discussed throughout this MD&A. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking information, whether as a result of new information or future events or otherwise, except as may be required by law. Accordingly, readers should not place undue reliance on forward-looking information.

Additional Information and Continuous Disclosure

Additional information on the Company is available through regular filings of press releases and financial statements on SEDAR (www.sedar.com).