CAROLINA RUSH CORPORATION
(formerly, Pancontinental Resources Corporation)

MANAGEMENT'S DISCUSSION AND ANALYSIS
(for the three-month period ended March 31, 2023)

May 23, 2023

INTRODUCTION

This management's discussion and analysis ("MD&A") has been prepared by Carolina Rush Corporation's ("Carolina Rush" or the "Company") management and provides a review of the Company's operating and financial performance for the three-month period ended March 31, 2023, as well as a view of future prospects. The MD&A should be read in conjunction with Carolina Rush's condensed interim consolidated financial statements for the three-month period ended March 31, 2023 and 2022; and, audited consolidated financial statements for the year ended December 31, 2022. Additional information related to the Company is filed electronically on the System for Electronic Document Analysis and Retrieval (SEDAR) and is available online at www.sedar.com.

Name change and share consolidation
To reflect the Company's southeastern United States Carolina Terrane exploration focus, on March 2, 2023, the Company changed its name from Pancontinental Resources Corporation to Carolina Rush Corporation and consolidated its common shares on the basis of one new share for every ten old shares. All share information in the MD&A, including references to the number of common shares, warrants, prices of issued shares, and earnings (loss) per share, have been adjusted to reflect the impact of the share consolidation.

Basis of presentation
Carolina's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All dollar amounts are expressed in Canadian dollars, unless otherwise noted.

This MD&A may contain forward-looking statements, which may be influenced by factors described in the "Cautionary Statements" section of the MD&A. The "Risks and Uncertainties" section of this MD&A further describes other factors that could cause results or events to differ from expectations.

Qualified Person ("QP")
Since September 8, 2021, Carolina Rush's Qualified Person has been the Company's Exploration Manager and Senior Geologist, Patrick Quigley, MSc, CPG-12116, a Qualified Person under Canadian National Instrument 43-101. Mr. Quigley has verified the technical data presented in this MD&A. Since January 4, 2023, Carolina Rush's senior technical advisor, Mr. Keith Laskowski (MSc), a Qualified Professional (#01221QP) of the Mining and Metallurgical Society of America and a Qualified Person as defined by Canadian National Instrument 43-101, has served as an additional Qualified Person for the Company. Prior to September 8, 2021, both Richard "Criss" Capps, PhD, CPG, and Mr. Tom Quigley, MSc, CPG, served as Qualified Persons for the Company.

CORPORATE PROFILE

Carolina Rush is a Canadian publicly listed junior mining company focused on exploring the Carolina Terrane in the southeast United States. In January 2020, Carolina won the exclusive right to explore the former Brewer Gold Mine property, in Chesterfield County, South Carolina, United Sates, which is approximately fifteen (15) kilometres along trend from the producing Haile Gold Mine. During 2023, the Company acquired the historic past producing Sawyer and New Sawyer gold properties, both located within the Sawyer Gold Trend in Randolph County, North Carolina.

HIGHLIGHTS

<u>Brewer Gold and Copper Project</u>
On January 3, 2023, Carolina Rush announced results of a six-square kilometre dipole-dipole induced polarization (IP) geophysical survey that was completed in Q3-2022, as well as new Brewer drill targets. The IP survey covered most of Brewer and a significant portion of the Company's Jefferson Project.

<u>New Sawyer Gold Project</u>
Effective March 1, 2023, Carolina Rush began a 10-year exploration lease with the option for the Company to purchase the 609-acre New Sawyer Gold Project from a private landowner, who owns the surface and sub-surface mineral rights. New Sawyer is in Randolph County, North Carolina, United States, lies within the Sawyer-Keystone gold trend which contains the historic past producing New Sawyer gold mine. The Company has the right to automatically renew the lease for an additional 10 years.

<u>Sawyer Gold Project</u>
On February 1, 2023, Carolina Rush entered into a 10-year exploration lease with the option for the Company to purchase the 135-acre Sawyer Gold Project from a private landowner, who owns the surface and sub-surface mineral rights. Sawyer is in Randolph County, North Carolina, United States and lies within the Sawyer-Keystone gold trend which contains the past producing Sawyer gold mine. Sawyer is approximately five kilometres southwest of the Company's New Sawyer Gold Project. The Company has the right to automatically renew the lease for an additional 10 years.

<u>Financing activity</u>
On April 24, 2023, Carolina Rush settled $56,986 of payables by issuing 189,955 common shares at $0.30 per share.

In February 2023, a Carolina Rush director/officer provided the Company with a US $30,000 cash loan. Subsequent to March 31, 2023, Company directors provided the Company with additional cash loans of $105,000. The loans were made for working capital purposes.

<u>Market-Making services</u>
In May 2023, Carolina Rush retained the services of Red Cloud Securities Inc. to provide market stabilization and liquidity services for its TSX Venture Exchange listing.

BREWER GOLD AND COPPER PROJECT – SOUTH CAROLINA, UNITED STATES

<u>Property Description</u>
The Brewer Gold and Copper Project ("Brewer" or the "Brewer Project") is an exploration-stage high sulphidation epithermal gold-copper project located on the prolific and underexplored Carolina Slate Belt in Chesterfield County, South Carolina. Brewer encompasses approximately 1,000 acres and is located on the same mineralized trend and 15 kilometers northeast of OceanaGold Corporation's operating Haile Gold Mine. Brewer is largely surrounded by the Company's Jefferson Gold Project. Prior to Carolina Rush's exploration program that began in 2020, Brewer had not been explored since 1997.

Gold was discovered at Brewer in the early 1800s. Between 1987 and 1995, the Brewer Gold Company ("BGC"), a United Kingdom entity, produced 178,000 ounces of gold from open pit mining operations that extended to 65-metre depths, where copper and gold-rich sulphides were exposed, but could not be processed by BGC's oxide heap leach processing facility. Brewer is a high sulphidation system possibly associated with a copper-gold porphyry system at depth, as indicated by: known prospective geology, including diatreme breccias; associated high sulphidation alteration; gold and copper mineralization; and, geophysics (Schmidt, R.G., 1978, The Potential for Porphyry Copper-Molybdenum Deposits in the Eastern United States, US Geological Survey). Historic drill results and mining operations at Brewer focused on near-surface, oxide gold mineralization and not on the underlying sulphide mineralization which was encountered in the deeper holes.

BGC mined more than 12 million tons of mineralized material and waste rock from two open pits until 1995, when mining operations ceased. From 1995 to1999, BGC performed initial reclamation activities under the direction of the South Carolina Department of Health and Environmental Control ("S.C. DHEC"). BGC was unsuccessful in achieving the goal of a fully-reclaimed, clean site, and ultimately informed the S.C. DHEC that it intended to abandon the site. In 1999, BGC abandoned the site, leaving the S.C. DHEC and the U.S. Environmental Protection Agency ("EPA") to handle reclamation activities and address conditions posing environmental risk.

BGC's abandonment of the property left the S.C. DHEC and the EPA with no options for addressing water quality threats from the site other than using the Comprehensive Environmental Response, Compensations and Liability Act ("CERCLA") response actions funded by the S.C. DHEC and the EPA. The S.C. DHEC and EPA retained access to the property for purposes of constructing, operating, and maintaining the wastewater treatment plant and otherwise carrying out the CERCLA remedy. In 2005, Brewer was designated an EPA Superfund site as per the CERCLA.

In 2019, the S.C. DHEC, with the support of the EPA, sought the appointment of a Receiver (a legal construct similar to a trustee) for the former Brewer Gold Mine to facilitate the leasing, sale or other use or disposition of the abandoned property, including potential renewal of mineral exploration and mining development.

<u>Option Agreement</u>
In January 2020, Carolina Rush, in co-operation with Environmental Risk Transfer LLC ("ERT"), was awarded the right to explore the highly prospective former Brewer Gold Mine property. On March 1, 2020, Carolina Rush entered into a mining lease with an option to purchase (the "Option Agreement") with Brewer Gold Receiver, LLC (the "Receiver"). On July 11, 2022, Carolina Rush and the Receiver amended the Option Agreement to provide the Company with the right to extend the option term up to December 31, 2030, subject to the following:

a) To extend the option term to December 31, 2027, the Company shall pay up to a maximum of US $1.4 million per year for 2025, 2026 and 2027, in quarterly instalments of US $350,000, to the SC DHEC and the US EPA to cover continuing site management costs.

b) To extend the option term to December 31, 2028, the Company shall:
   - expend at least US $9 million (December 31, 2022 – expended approximately US $4.03M) on exploration activities since commencement of the initial option term; and,
   - pay up to a maximum of US $1.5 million, in quarterly payments of US $375,000, to the SC DHEC and the EPA to cover continuing site management costs.

c) To extend the option term up to December 31, 2029, and to December 31, 2030, respectively, the Company shall:
   - expend at least US $1.5 million on exploration activities in the immediately prior year; and,
   - pay up to a maximum of US $1.5 million per year, in quarterly payments of US $375,000, to the SC DHEC and the EPA to cover continuing site management costs.

The Company has the right to exercise its option to purchase Brewer at any time within the option term.

During the option term, Carolina Rush will design and implement the exploration program and has a co-operation arrangement with ERT (an industry leader providing environmental risk-transfer solutions to eliminate environmental liabilities) in order, to implement the environmental due diligence required to determine the Superfund liability at Brewer.

Pursuant to the Option Agreement, the components of the purchase price for Brewer consist of:

a) The cost of environmental remediation and financial assurance for assuming ownership of all past environmental liability at Brewer, which will be a number based on ERT's environmental due diligence during the option term that will provide input to upcoming negotiations with the Receiver, S.C. DHEC and the EPA; and,

b) Half (50%), estimated to be in the order of US $15 million, of total past costs incurred by the S.C. DHEC and the EPA to clean and manage Brewer since 2000, which, according to Carolina Rush's and ERT's winning proposal, will be paid after future mining operations are commissioned, in ten annual instalments of 10%, and conditioned on the future mine operator's ability to pay based on a profit formula to be determined by the parties.

These components will be finalized in a purchase and sale agreement, which will supersede the Option Agreement, and which will utilize input from ERT's environmental due diligence and ERT's and Carolina Rush's negotiations with the Receiver, S.C. DHEC and the EPA.

<u>Environmental Risk Transfer LLC</u>
In response to increasing shareholder and stakeholder demands for increased environmental stewardship and responsibility, as well as a state and federal regulatory focus on site closure in connection with financial and environmental liability, the Waterfield Group and Environmental Operations, Inc. (EOI) created Environmental Risk Transfer LLC (ERT) to provide complex environmental risk-transfer solutions for corporations that wish to cost-effectively eliminate all environmental liability. In this situation ERT would assume the long-term risks associated with the Superfund liability. ERT's ongoing success at Missouri Cobalt LLC - a former and current EPA Superfund site now owned and operated by an ERT affiliate - has won praise from the EPA as a positive example of transforming formerly contaminated sites into hubs of economic activity promoting redevelopment and community revitalization. During 2020 and 2021, Carolina Rush paid a total of US $250,000 to ERT to perform environmental due diligence, which is required in order to finalize a purchase and sale agreement for the Brewer Project.

<u>Exploration Plans</u>
Carolina Rush's goal is to discover new gold and new gold-copper mineralization under and/or nearby the former gold mine and to assess gold content in the reclaimed Brewer pit. To achieve this goal the Company has four objectives: 1) to understand, through iterative data analysis, the probable location of gold-copper mineralization near-surface and at depth; 2) to find, through drilling, new gold-copper mineralization; 3) to expand, through more drilling, the size and shape of new gold and new gold-copper mineralization; and 4) to demonstrate, through data modeling, Brewer's economic potential.

Pending funding, the Company plans to complete a second phase drill program at the Brewer property in 2023. The objective of the drill program will be to further delineate mineralization beneath the former mine as well as follow up and test targets generated from the Company's previous drilling and geophysical programs.

<u>Exploration Activities</u>
Exploration on the Brewer property began in April 2020 when the Option Agreement commenced, and since that time the Company has made significant progress towards the discovery and delineation of gold and copper mineralization on the property. Significant exploration activities include:

1. Core Drilling - The Company has drilled approximately 5,000 meters of HQ-NQ core in 17 holes across the Brewer property. These holes have successfully accomplished two of the Company's objectives:

    a) Objective 1: Delineate gold and/or copper mineralization beneath the former Brewer mine. Examples of core holes that successfully achieved this goal include hole # 5, which intersected 182 meters of 1.24 g/t gold and 0.27% copper from 56 meters depth (immediately beneath the former mine) which included 10 meters of 8.20 g/t gold and 0.24% copper from 65 meters depth. In addition, hole # 8 (drilled 160 meters south of hole #5) intersected 107 meters of 1.07 g/t gold and 0.26% copper from 52 meters depth, including 45 meters grading 2.03 g/t gold ad 0.52% copper from 104 meters depth. This mineralization remains open in several directions.

b) Objective II: Identify new zones of gold and/or copper mineralization on the Brewer property. Hole #15, drilled approximately 200 meters south of the former Brewer pit intersected a newly discovered zone of gold-copper mineralization beneath the former mine's waste rock facility and intersected 62.4 meters of 1.03 g/t gold and 0.15% copper from 44.6 meters depth, including 21.2 meters of 2.23 g/t gold and 0.36% copper from 76.5 meters. This mineralization is open in all directions.

2. Sonic Drilling - The Company has completed six large diameter sonic borings through the backfill material of the former Brewer open pits. This program resulted in the analysis of 488 large (average 17 kilogram) samples of the backfill material that yielded an average concentration of 0.35 g/t gold across all types of backfill material encountered.

3. Rotary Air Blast Drilling - The company has drilled 194 shallow (maximum depth 24 meters) rotary air blast (RAB) holes across a large portion of the Brewer property. These holes have successfully identified zones of anomalous gold mineralization as well as providing valuable geochemical and alteration data for use in drill targeting.

4. Geophysics - The company has used a variety of geophysical methods to help model the subsurface and identify drill targets. The most recent and significant program began in May 2022, when the Company initiated a comprehensive dipole-dipole induced polarization (IP) geophysical survey covering the large alteration footprint exposed across the Brewer and surrounding Jefferson Project properties. A total of 62 line kilometers were surveyed within a 7 square kilometer area and the data was modelled to depths of approximately 250 meters below surface, making this the most comprehensive geophysical survey ever conducted at Brewer. In January 2023, the Company released a summary of its geophysical interpretation and analysis of this IP survey, which enhanced knowledge of existing priority drill targets and provided new drill targets, setting the stage for the next phase of drilling at Brewer.

Exploration activities during the three-month period ended March 31, 2023, consisted of 1) processing, analyzing and interpreting the results of the recently completed IP survey; 2) generating drill targets and exploration plans; 3) compiling and analyzing relevant historic data; and 4) preparing a technical report for the Brewer project.

	Three months ended March 31	
Brewer	**2023**	2022
Property costs	**$ -**	$ 1,899
Assaying	**-**	51,376
Consulting/Contracting	**54,211**	75,285
Equipment and supplies	**6,687**	18,071
Geophysics/Surveys	**-**	49,733
Reports	**-**	620
Site costs	**23,016**	26,375
Travel/Transportation	**1,376**	8,097
Wages and benefits	**18,420**	88,680
	$ 103,710	$ 320,136

JEFFERSON GOLD PROJECT – SOUTH CAROLINA, UNITED STATES

Property Description

The Jefferson Gold Project ("Jefferson" or the "Jefferson Project") is an exploration-stage gold project located on the prolific and underexplored Carolina Slate Belt in Chesterfield County, South Carolina, United States. The Jefferson Project largely surrounds the Company's Brewer Project and extends along a northeast-striking structural trend of hydrothermal alteration and gold mineralization extending from the former Brewer Gold Mine. It contains multiple drill targets based on historic exploration.

Jefferson is currently comprised of approximately 1,601 acres (648 hectares) under nine leases acquired from private landowners, who own the surface and sub-surface mineral rights. The Company has the right to acquire a 100% interest in these leases by purchasing the underlying property. The nine leases range in expiration from 2024 to 2031. During 2023, three leases were relinquished. As of the date of the MD&A, the total annual lease payments for 2023 are US $178,970. In addition, the Company has secured a right of first refusal to purchase, lease or explore/mine an additional property, which encompasses approximately 52 acres (21 hectares).

Four of the lease agreements include a production royalty ranging from 1.5% to 3.5%. The royalty is payable to the landowner who owns the property from which minerals are produced. One lease provides for advanced royalty payments, which are made in lieu of lease rental payments. Advance royalty payments are non-refundable and will be credited towards the royalty payable from production.

Exploration Plans

Given that the Jefferson Project largely surrounds the Brewer property and that alteration related to the Brewer gold-copper mineralized system extends beyond the Brewer property boundary in all directions, Carolina Rush treats its exploration of Jefferson as part and parcel of the Company's exploration of Brewer. Therefore, the geophysics program conducted in May-June 2020, and the ongoing mapping and surface and soil sampling that began in April 2021, covered land across both the Jefferson and Brewer projects. In addition, the Company's evolving geological model for Brewer invariably incorporates historic and recently produced geological, geophysical, mineralogical and geochemical data on the Jefferson Project.

Pending funding, the Company intends to conduct a modest exploration program at the Jefferson Project that includes trenching and geologic mapping to follow up on area(s) of anomalous gold mineralization identified during the Company's previous exploration efforts.

Exploration activities

The Company did not conduct any exploration activities at Jefferson during the three-month period ended March 31, 2023.

NEW SAWYER GOLD PROJECT – NORTH CAROLINA, UNITED STATES

Property Description

The New Sawyer Gold Project ("New Sawyer") is in Randolph County, North Carolina, United States and encompasses approximately 609 acres (247 hectares) and contains the historic past producing New Sawyer gold mine. New Sawyer lies within the Sawyer-Keystone gold trend, an over 20-kilometre-long structurally controlled alignment of volcanic-hosted, Haile-type alteration and historic gold mines (Moye, 2018).

The historic New Sawyer gold mine was briefly described by the USGS (United States Geological Survey) in professional paper 213 (Pardee and Park, 1948) where they reported prior surface sampling and noted multiple shafts ranging from 10 meters to 20 m in depth. Records indicated the mine was in production in 1902, however nearby properties were operating much earlier, in 1856. Gold was produced from multiple zones hosted in a large zone of Haile-type sericite-pyrite-clay alteration. No production records are available.

To the Company's knowledge, the property has since been explored by three companies to varying degrees, starting in the 1980s:

- 1986 to 1988: Battle Mountain Gold completed systematic soil sampling (357 samples), trenching (13 trenches/1,157 m), six reverse circulation drill holes and three core holes. Soil sampling identified two continuous soil anomalies, the main anomaly extending 650 m northeast and approximately 200 m wide, with a second anomaly along trend extending 150 m northeast and about 80 m wide. Trenches constructed within this anomaly identified significant gold values in six of eight trenches.

- 2012: Romarco Minerals drilled six holes, no data available.

- 2019 to 2020: Carolina Mining Company ("CMC") compiled historic data and re-excavated portions of two historic trenches within the historic soil gold anomaly to verify the historic results reported by Battle Mountain Gold. Two 30 m long mechanical trenches were oriented northwest-southeast across the fabric of the geology, located about 100 m apart. The trenches were excavated with a track hoe to the point of refusal. Continuous chip channel samples of oxidized bedrock were collected and analyzed using CIMM (Canadian Institute of Mining, Metallurgy and Petroleum) best practices and quality assurance/quality control procedures according to National Instrument 43-101 recommendations. CMC also completed a helicopter supported VTEM (versatile time domain electromagnetics) and magnetics survey covering the property.

  Trench results confirmed the historic results and included:
  - Trench NS-1: 30 m at 1.6 grams per tonne (g/t) gold (Au) from 0 to 30 m (open in both directions), including:
    - 16 m at 2.2 g/t Au, from 12 m to 28 m.
  - Trench NS-2: 30 m at one g/t Au from 0 to 30 m (open in both directions), including:
    - 10 m at 2.1 g/t Au, from 20 m to 30 m.

The New Sawyer property contains significant historic results that will be incorporated in a systematic evaluation of gold distribution on the property and within the Sawyer trend, incorporating new ideas and concepts established recently by the successful developments at the Haile gold mine. The New Sawyer property has potential for near-surface, oxide, bulk-minable gold-mineralization within a large, structurally controlled alteration zone that has not been systemically explored.

<u>Option Agreement</u>
On November 11, 2022, the Company entered an exploration lease with the option (the "Option") for the Company to purchase New Sawyer (the "New Sawyer Option Agreement") from a private landowner (the "Optionor"), who owns the surface and sub-surface mineral rights.

The initial term of the New Sawyer Option Agreement is 10 years, effective March 1, 2023. The Company has the right to automatically renew the New Sawyer Option Agreement for an additional 10 years. The lease payment for 2023 is US $30,000 (paid) and changes to US $25,000 per year for the following nine years. Upon exercise of the Option, the Company will be required to purchase the New Sawyer property at three times market value excluding any value or potential value for the minerals. The Company retained a Right of First Refusal (ROFR) should the Optionor elect to sell the New Sawyer property during the term of the New Sawyer Option Agreement. The Optionor retained a 1% production royalty, and the Company retained the right to purchase up to one-half (0.5%) of the production royalty for US $2 million.

<u>Exploration Plans</u>
The Company intends to conduct a surface exploration program at New Sawyer that includes geologic mapping, rock and soil sampling, and trenching as funding allows. The goal of the initial exploration program will be to verify and expand upon historic exploration results and define drill targets.

Exploration activities

Aside from the initial option payment and the compilation and review of relevant project information, there were no exploration activities conducted at New Sawyer during the three-month period ended March 31, 2023.

		Three months ended March 31		
New Sawyer		**2023**		2022
Property costs	**$**	**40,578**	$	-
Consulting/Contracting		**1,420**		-
Travel/Transportation		**207**		-
	$	**42,205**	$	-

SAWYER GOLD PROJECT – NORTH CAROLINA, UNITED STATES

Property Description

The Sawyer Gold Project ("Sawyer") is in Randolph County, North Carolina, United States and encompasses approximately 135 acres (55 hectares) and contains a past producing gold mine. Sawyer lies within the Sawyer-Keystone gold trend and the host rocks and style of mineralization are similar to New Sawyer (Moye, 2018). Sawyer is approximately five kilometres southwest of the Company's New Sawyer Gold Project.

The Sawyer property has a historic gold resource estimate (2021) that contains 3.9 million tonnes at 1.1 grams per tonne gold for 134,600 ounces of gold at a 0.4-gram-per-tonne cut-off grade. The mineralization is exposed on surface and contains oxide and mixed oxide/sulphide mineralization with lesser sulphide resources. The mineralization remains open for expansion in several areas.

The Sawyer mine was discovered around 1820 and was reported to be in operation. Mineralization was identified along five to six parallel zones of strongly foliated, gold-bearing silicified schist. The mine was active in 1902 with a 46-metre-deep shaft on the Miller vein completed around 1906, with six shallower shafts opened along other lodes. The site was inactive by 1913, but some prospecting was reported as late as 1930.

The Sawyer mine has been explored at various times by several companies, including:

- 1979 to 1980: New Jersey Zinc explored and collected bulk samples;
- 1983 to 1985: Goldfields drilled seven core and 19 reverse circulation holes for a total of 1,884 metres;
- 1990: Corona conducted an extensive trenching program;
- 1993 to 1995: Minefinders drilled 55 rotary RC holes for a total of 1,676 metres;
- 2009: NCAU/HB Engineering drilled 60 RC (1,436.5 m) and six core holes (85 metres):
- Most holes drilled 15 to 45.7 metres;
- Prepared initial engineering studies for open-pit, heap leach gold mine;
- 2011to 2012: Romarco Minerals drilled 40 holes over an 11,000-metre core program based on similarities to the Haile gold mine, which it owned and operated.

Historic Resource Estimate

Carolina Mining Corporation ("CMC") prepared a historical polygonal, mineral resource estimate (2020) with an internal consultant, which confirmed the potential of the property. In 2021, CMC contracted RockRidge Partnership & Associates of British Columbia to evaluate the available data and to prepare a geostatistical resource evaluation of the Hickory gold deposit (Sawyer mine). The resource evaluation was based on a total of 3,666 assay records from 120 reverse circulation (RC) drill holes, 40 diamond (core) drill holes and 14 trenches. Following modelling of the mineralized domain wire frame, a block model was constructed within the domain wire frame solid to cover the extents of the Sawyer mineralization. Ordinary kriging was used to estimate grades into the blocks. RockRidge is of the opinion that the current drilling information is sufficiently reliable to interpret with confidence the boundaries of the mineralization domains and that the assay sample data are sufficiently reliable to support estimating mineral resources. The resource evaluation estimates a mineral resource of 3.9 million tonnes at a grade of 1.1 grams per tonne gold containing 134,600 ounces of gold, based on a cut-off grade of 0.4 gram per tonne gold.

The Company cautions that a qualified person has not done sufficient work to classify the historic estimate as current mineral resources or mineral reserves under National Instrument 43-101. The Company is not treating the historical estimate as current mineral resources or mineral reserves. There can be no certainty, following further evaluation and/or exploration work, that the historic estimate can be upgraded or verified as mineral resources or mineral reserves in accordance with NI 43-101. However, the Company plans to conduct further evaluation and/or exploration work with the objective of verifying or upgrading the historic estimate as mineral resources or mineral reserves in accordance with NI 43-101.

Option Agreement

On February 1, 2023, the Company entered into an exploration lease with the option (the "Option") for the Company to purchase the Sawyer Gold Project (the "Sawyer Option Agreement") from a private landowner (the "Optionor'), who owns the surface and sub-surface mineral rights.

The initial term of the Sawyer Option Agreement is 10 years (the "initial Term"). The Company has the right to automatically renew the Sawyer Option Agreement for an additional 10 years (the "Additional Term"). There are no lease or advance royalty payments required for the first five years of the Initial Term. Advance royalty payments of US $25,000 per year are required for years six to ten of the Initial Term. Advance royalty payments of US $50,000 per year are required for the Additional Term, if the Sawyer Option Agreement is renewed. Upon exercise of the Option, the Company will be required to purchase the Sawyer property at three times market value excluding any value or potential value for the minerals. The Company retained a Right of First Refusal (ROFR) should the Optionor elect to sell the Sawyer property during the term of the Sawyer Option Agreement.

The Optionor retained a 2% production royalty ("NSR") and the Company retained the right to purchase up to one-half (1.0%) of the production royalty for US $5 million. The advance royalty payments are non-refundable and are to be deducted from future production royalties payable. Upon completion and reclamation of mining activities, the Optionor has the option to repurchase the Sawyer property for US $1.

Exploration Plans

The Company intends to conduct an exploration program at Sawyer that includes geologic mapping, rock and soil sampling, and verification trenching and drilling as funding allows. The goal of the initial exploration program will be to verify and expand upon historic exploration results and produce an NI43-101 compliant mineral resource that incorporates the historical information.

Exploration activities

Aside from the compilation and review of relevant project information, there were no exploration activities conducted at Sawyer during the three-month period ended March 31, 2023.

Exploration data

Carolina Rush has the exclusive right to purchase exploration data from CMC, including a high-resolution VTEM (versatile time-domain electromagnetic) and airborne magnetics survey flown by Geotech Ltd. in 2020 covering New Sawyer and Sawyer. The 100-metre-spaced flight lines provide resistivity/conductivity and magnetics data covering both the New Sawyer and Sawyer properties and the Sawyer trend, extending from the west side of the Sawyer mine to the east side of the New Sawyer mine, a distance of about 10 kilometres.

INVESTMENT IN VOLTAGE METALS

On June 20, 2020, the Company entered into an agreement with Voltage Metals Inc., formerly, Tempus Resources Inc., a private company, pursuant to which Voltage Metals Inc. obtained the right ("Option") to acquire up to a 100% interest in the Company's four mineral projects, St. Laurent, Montcalm, Nova and Gambler (the "Projects"), located in Ontario, Canada. In December 2021, Voltage Inc. acquired all of the Company's interest in the Projects and completed the exercise of the Option, having:

a) Paid an aggregate of $1,000,000:

b) Issued 1,000,000 common shares (the "Voltage Metal Inc. Shares") to the Company on March 29, 2021.

On March 11, 2022, Mansa Exploration Inc. acquired Voltage Metals Inc. and changed its name to Voltage Metals Corp. ("Voltage Corp."). The Voltage Metal Inc. Shares were then exchanged for 1,269,841 Voltage Corp. common shares (the "Voltage Corp. Shares"). On March 18, 2022, Voltage Corp. was for trading on the Canadian Securities Exchange ("CSE"). The Voltage Corp. Shares are no longer subject to CSE or contractual trading restrictions. On April 12, 2022, a Company director became a member of Voltage Corp's board of directors.

In 2021, the initial value placed on the Voltage Shares was $50,000. As at March 31, 2023, the total value of the Voltage Corp. Shares was $31,746, resulting in a loss of $18,254. The loss is comprised of a gain of $140,476 attributable to the share exchange, net of a unrealized loss of $158,730 due to a change in their fair value. The Voltage Corp. Shares are a Level 1 financial instrument and any resulting gain or loss in their fair value will be recognized through profit or loss. There was no change in the fair value of the Voltage Corp. Shares during the quarter ended March 31, 2023.FF

GROSS OVERRIDING ROYALTY

Australia

On February 8, 2007, the Company formed a joint venture (the "Joint Venture") with Enova Mining Limited, formerly, Crossland Strategic Metals Limited, ("Enova") and subsequently earned a 50% interest in a number of Australian properties prospective for rare earth elements ("REE") and uranium. On November 26, 2015, the Company completed the sale of its entire interest in the Joint Venture to Essential Mining Resources Pty Ltd. ("EMR") and retained a gross overriding royalty ("GOR") of one percent (1%) on sales of production from 100% of the Joint Venture properties ("JV Properties"). During 2017, EMR merged with Enova.

On November 26 of each year, Enova is to pay an advance royalty of AU $2,311 (2021 - AU $2,311) to the Company based on the JV Properties retained and their size. To date, the Company has received advanced royalty payments totalling AUS $93,246. For 2022, Enova reported that its holdings in the JV Properties were unchanged and consisted of five (5) tenements. Advance royalty payments are to be deducted from gross overriding royalties on future production. The Company has not been advised if and when production is expected to begin.

INVESTOR RELATIONS AND CORPORATE DEVELOPMENT

On July 1, 2018, the Company retained the services of Jeanny So Consulting to assist the Company in its investor relations and corporate development activities. The agreement has been extended until June 30, 2023. Compensation consists of stock options and a monthly fee.

In May 2023, Carolina Rush retained the services of Red Cloud Securities Inc. to provide market stabilization and liquidity services for its TSX Venture Exchange listing. The initial term of the agreement is three months with an option to renew monthly thereafter.

SUMMARY OF QUARTERLY RESULTS

	Corporate and admin.	Exploration and evaluation	Exploration and evaluation recovery	Share-based payments	Unrealized loss (gain) Voltage	Net loss	Net loss per share
Fiscal 2023	$	$	$	$	$	$	$
Q1 March 31	248,394	149,442	-	-	-	396,814	0.014
Fiscal 2022							
Q4 December 31	210,289	167,081	-	1,091	6,349	381,748	0.014
Q3 September 30	176,565	396,922	-	2,551	50,794	631,432	0.023
Q2 June 30	235,210	538,349	-	10,956	152,381	938,009	0.035
Q1 March 31	222,966	343,307	-	10,291	(191,270)	386,703	0.015
Fiscal 2021							
Q4 December 31	504,677	419,232	(250,000)	331,337	-	1,007,849	0.040
Q3 September 30	238,721	759,138	(300,000)	15,664	-	710,839	0.029
Q2 June 30	598,972	1,051,000	-	44,092	-	1,694,114	0.070

For 2022, quarterly results were influenced by the amount of: (1) corporate and administrative expenses, which were impacted by – elevated marketing activities in Q1 and Q2 - financing activities, regulatory filings, and the Company's annual shareholder meeting in Q2 - and, annual audit and tax services fees in Q4; (2) exploration and evaluation expenditures revolving around the Company's Brewer and Jefferson Projects in each quarter and costs to evaluate regional opportunities in Q4; and (3), fluctuations in the value of the Company's investment in Voltage Metals Corp.

For 2021, quarterly results were influenced by the amount of: (1) corporate and administrative expenses, which were impacted by - the Company's annual shareholder meeting in Q2 - increased compensation for the Company's Chief Executive Officer, beginning in Q2 - marketing and corporate development activities in each quarter - and, annual audit and tax services fees in Q4; (2) exploration and evaluation expenditures revolving around the Company's Brewer and Jefferson Projects; (3) proceeds realized from the sale of the Company's Canadian mineral projects in Q3 and Q4; and (4), share-based payment valuations attributable to the grant of stock options in Q4.

RESULTS OF OPERATIONS

The net loss for the first quarter of 2023, was $396,814 versus a net loss of $386,703 for the comparative quarter of 2022, representing a marginal decrease of $10,111. Exploration and evaluation expenditures (2023 - $149,442 vs 2022 - $343,307) were reduced, as the Company curtailed its exploration activities at Brewer and focused its efforts on expanding its regional presence, as supported by the acquisition of the New Sawyer and Sawyer Gold Projects. The number of shares held by the Company in Voltage Metals Inc. was unchanged, which resulted in the absence of a realized gain or loss (2022 - $140,476 gain). In addition, the fair value of the Voltage Corp. Shares was unchanged (2022 - $50,794 unrealized gain).

The marginal increase in corporate and administrative expenditures (2023 - $248,394 vs 2022 - $222,966) was primarily due to costs associated with positioning the Company as a southeastern United States Carolina Terrane explorer, which led to higher corporate development and promotion costs, filing and transfer agent fees and professional fees. Consulting fees represent costs for technical advisory and accounting services. The remainder of the corporate and administrative expenses were relatively consistent with the comparative period.

Share-based payments (2023 - $nil vs 2022 - $10,291) represents the fair value attributed to stock options. The foreign exchange gain of $1,022 (2022 - $1,409) resulted from fluctuations in the United States dollar.

LIQUIDITY AND CAPITAL RESOURCES

Cash flows

Operating activity cash flows for the current three-month period were impacted by a growth in accounts payable and accrued liabilities, which was attributable to the Company's financial liquidity constraints. Financing activity cash flows for the current three-month period reflect a US 30,000 cash loan from a Company director for working capital purposes. Foreign exchange references are related to the Company's exposure to the United States dollar.

Working capital

As at March 31, 2023, Carolina Rush had cash of $51,395 and a working capital deficiency of $545,508. The Company's cash is held on deposit at Canadian and United States banking institutions. Sales tax receivables represents amounts to be refunded by the Canadian government. Prepaid expenses and deposits are comprised of Brewer Project related costs and corporate and administrative costs. Accounts payable and accrued liabilities include $312,483 due to related parties. During 2022, Carolina Rush established a provision of US 80,100 (Mar 31, 2023 – Cdn $108,399) to reclaim drill holes from the 2021 drill program.

In February 2023, a Carolina Rush director/officer provided the Company with a US $30,000 cash loan. Subsequent to March 31, 2023, Company directors provided the Company with additional cash loans of $105,000. The loans were made for working capital purposes.

On April 24, 2023, the Company settled $56,986 of payables by issuing 189,955 common shares at $0.30 per share.

Carolina Rush needs to raise additional working capital to eliminate its working capital deficiency and fund its operations and exploration activities for 2023. The Company's exploration project expenditures are primarily denominated in United States dollars, giving rise to market risk from changes in foreign exchange rates, which may negatively or positively impact the Company's working capital.

RELATED PARTY TRANSACTIONS AND BALANCES

Consulting fees of $nil (2022 - $6,000) for the current three-month period became payable to Samson Earthworks Ltd., a company controlled by Mr. Laurie Curtis, a director of the Company.

Management fees of $90,867 (2022 - $86,979) for the current three-month period became payable as follows:

- President and Chief Executive Officer, Mr. Layton Croft - $60,867 (2022 - $56,979). Mr. Croft's fees are denominated in United States dollars. The agreement for Mr. Croft's services is with Stakegrowth Strategic Advisory LLC., a company controlled by Mr. Croft.
- Chief Financial Officer, Mr. Mark McMurdie - $30,000 (2022 - $30,000). The agreement for Mr. McMurdie's services is with Rustle Woods Capital Inc., a company associated with Mr. McMurdie.

Share-based payments (non-cash) of $nil (2022 - $994) for the current three-month period represents the fair value of stock options granted to Company directors and officers.

Loans from related parties balance of $40,599 (December 31, 2022 - $Nil) consists of a US $30,000 cash loan provided by a Company director/officer in February 2023 for working capital purposes. The loan is unsecured, non-interest bearing and payable from the proceeds of the Company's next private placement.

Subsequent to March 31, 2023, the Company received unsecured cash loans of $105,000 for working capital purposes from Company officers, of which:

- $35,000 is payable upon the earlier of: (i) the Company completing a private placement of at least $500,000; and (ii) October 26, 2023. The loan is non-interest bearing.
- $70,000 is payable upon the earlier: (i) closing of a financing of any type of at least $500,000; (ii) a change of control; (iii) a material change in the Company's board of directors; (iv) a change of business; and (v) July 31, 2023. The loan shall bear interest of $700 per month.

Accounts payable and accrued liabilities include $312,483 (December 31, 2022 - $209,465) payable to Company directors/officers or companies controlled by or associated with Company directors/officers.

The Company has in place a termination and change of control agreement with Mr. Layton Croft, the Company's Chief Executive Officer and President. The agreement provides that in the event that the officer's services are terminated by the Company, other than for cause, or there is a change in control of the Company then the officer is entitled to receive a payment equal to the sum of: two (2) years of consulting fees; any unpaid bonus; plus the average of the bonus paid to the officer over the previous two (2) year period. As a triggering event has not taken place, the value of the contingent liability as at December 31, 2022, was US $590,000.

SHARE CAPITAL

As of the date of this MD&A, Carolina Rush has the following securities outstanding:

Security	Number
Common shares	27,616,180
Warrants	8,058,720
Options	1,603,500

Subsequent to March 31, 2023, the Company on:

- April 24, 2023, issued 189,955 common shares pursuant to a debt settlement arrangement.

NEW ACCOUNTING POLICIES

For information on current and future changes in accounting policies and disclosures, please refer to Note 4 in Carolina Rush's interim condensed consolidated financial statements for the three-month period ended March 31, 2023.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Disclosure on Carolina Rush's financial instruments and related risks may be found in Note 16 of Carolina Rush's interim condensed consolidated financial statements for the three-month period ended March 31, 2023.

Carolina Rush's exposure to liquidity risk revolves around the Company's ability to fund its exploration projects' obligations and activities, its corporate overheads and potential project/property acquisitions. The Company's exploration project expenditures, as well as certain corporate overheads, are denominated in United States dollars giving rise to market risk from changes in foreign exchange rates, which may negatively or positively impact the Company's working capital.

The Company does not have a risk management committee or written risk management policies. The Company has not entered into any specialized financial agreements to minimize its credit or foreign currency risks. There are no off-balance sheet arrangements.

CAUTIONARY NOTES

This MD&A may contain forward-looking statements relating to, but not limited to, Carolina Rush's assumptions, estimates, expectations and statements that describe Carolina Rush's future plans, intentions, beliefs, objectives or goals, that are subject to a number of known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those expressed or anticipated by such forward-looking statements. Statements that address activities, events or developments that the Company expects or anticipates will or may occur in the future are forward-looking statements or forward-looking information, including, but not limited to, statements preceded by, followed by or that include words such as "may", "will", "would", "could", "should", "believes", "estimates", "projects", "potential", "expects", "plans", "intends", "anticipates", "targeted", "continues", "forecasts", "designed", "goal", or the negative of those words or other similar or comparable words. Examples of such forward-looking statements, without limiting the generality of the foregoing, include:

- potential to earn or acquire an interest in Carolina Rush's mineral properties or projects;
- ability to satisfy permitting requirements and/or complete property acquisitions/transactions;
- ability to conduct exploration work and satisfy work commitments;
- references to competitors exploration results;
- potential of exploration properties;
- establishing economic deposits or resources;
- potential for future benefits from its Australian JV Properties gross overriding royalty or investment in Voltage Metals Corp.;
- outlook for metals and/or mining sector;
- financial or capital market conditions;
- evaluation of the potential impact of future accounting changes;
- capital requirements and ability to obtain funding;
- ability to continue as a going concern;

Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements and forward-looking information. Such factors include, but are not limited to:

- condition of underlying commodity markets and prices;
- ability to raise necessary capital;
- fluctuations in foreign exchange or interest rates and stock market volatility;
- receipt or retention of necessary permits or approvals;
- suspension or delays in Carolina Rush's operations due to poor weather conditions or diseases or viruses;
- access to properties and contests over title to properties;
- obtaining exploration, environmental and mining approvals;
- timing of commencement of exploration or development activities;
- geological and exploration results and conditions;
- geological, technical, drilling and operating difficulties;
- establishment of sufficient and economic resources or reserves;
- availability and cost of contractors, equipment, supplies, labour and insurance;
- performance of Carolina Rush's partners and their financial wherewithal;
- the speculative nature of exploration and development and investor sentiment;
- degree of support from local communities;
- competition for, among other things, capital, acquisitions of resources and/or reserves, undeveloped lands and skilled personnel;
- changes in national and local government legislation, taxation, controls, regulations and political or economic developments in which the Company conducts or may conduct business;
- business opportunities that may be presented to or pursued by Carolina Rush:
- the ability to correctly value and successfully complete acquisitions;
- effectiveness of corporate and investor relations.

Although Carolina Rush believes that the assumptions, estimates and expectations reflected in its forward-looking statements are reasonable, results may vary, and the Company cannot guarantee future results, levels of activity, performance or achievements. Readers are cautioned not to place undue reliance on these forward-looking statements due to the inherent uncertainty. Carolina Rush disclaims any intent or obligation to update or revise any forward-looking statement, whether as a result of new information, future events or other such factors which affect this information, except as required by law.

RISKS AND UNCERTAINTIES

Carolina Rush is in the business of exploring for minerals and, if successful, ultimately mining them. The mining sector is by its nature, cyclical, competitive and risky. Many of these risks are beyond the Company's control. Investment in the mining sector in general and the exploration sector, in particular, involves a great deal of risk and uncertainty and Carolina Rush's common shares should be considered as a highly speculative investment. Current and potential investors should give special consideration to the risk factors involved.

Acquisition risk
Carolina Rush uses its best judgment in the acquisition of mineral properties or projects, and in pursuit of such opportunities, the Company may fail to select appropriate acquisition candidates or negotiate acceptable agreements, including agreements to finance the acquisition and development of the mineral properties or projects. The Company cannot provide assurance that it can complete any acquisition that it pursues, on favourable terms, or that any acquisition will ultimately benefit the Company.

Competition risk
Carolina Rush must compete with several other companies that possess greater financial and technical resources. Competition in the mining and business sectors could adversely affect the Company's ability to acquire mineral properties or projects.

Conflicts of interest risk
Certain directors and officers of Carolina Rush, in their personal capacities or as directors or officers of other companies, are engaged or have interests in mineral exploration and development activities outside of the Company. Accordingly, exploration opportunities or prospects of which they become aware of may not necessarily be made available to the Company.

Counterparty risk
Counterparty risk is the risk that each party to a contract will not fulfill its contractual obligations. The entering into transactions or agreements exposes Carolina Rush to this risk. All the Company's mineral projects are exposed to this risk.

Dependence on directors, management and consultants/contractors
Carolina Rush is very dependent upon the efforts and commitment of its directors, management, partners and consultants/contractors to the extent that if the services of these parties were not available, a disruption in the Company's operations may occur.

Environmental risk
The exploration and development activities conducted on Carolina Rush's mineral properties are subject to the environmental laws and regulations of the country in which the activities take place. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties, more stringent environmental assessments and a heightened degree of responsibility for companies and their officers, directors and employees.

Environmental laws and regulations may change at any time prior to the granting on necessary approvals. The support of local communities may be required to obtain necessary permits. Although the Company undertakes to comply with current environmental laws and regulations, there is no assurance that future changes in environmental laws or regulations will not adversely affect the Company's operations.

Exploration risk

There is no assurance that the activities of Carolina Rush will be successful and result in economic deposits being discovered and in fact, most companies are unsuccessful due to the low probability of discovering an economic deposit. Once mineralization is discovered, it may take several years until production is possible during which time the economics of a project may change. Substantial expenditures are required to establish reserves through drilling. Carolina Rush's ability to establish a profitable mining operation is subject to a host of variables, such as physical, technical and economic attributes of a deposit, availability of capital, cyclical nature of commodity markets and government regulations.

Exploration activities involve risks which even a combination of experience, knowledge and prudence may not be able to overcome. Exploration activities are subject to hazards which could result in injury or death, property damage, adverse environmental conditions and legal liability. Fires, power disruptions and shortages and the inability to access land or obtain suitable or adequate equipment or labour are some of the hazards and risks involved in conducting an exploration program.

Financing and liquidity risk

Carolina Rush's ability to continue as a going concern, retain its mineral properties, finance its exploration and development activities and make acquisitions is highly dependent upon its working capital and its ability to obtain additional funds in the capital/equity markets. The Company does not have production income or a regular source of cash flow to fund its operating activities. In addition, Carolina Rush's financial success is dependent on the extent to which it can discover mineralization in economic quantities and the economic viability of developing its properties or projects.

Carolina Rush will require significant capital to finance its objectives and there can be no assurance that the Company will be able to raise the capital required, thus jeopardizing the Company's ability to achieve its objectives, meet its obligations or continue as a going concern. Given the nature of Carolina Rush's operations, which consist of exploration, evaluation, development and acquisition of mineral properties or projects, the Company believes that the most meaningful financial information relates primarily to its current liquidity and solvency. There can be no assurance that the Company's directors/officers will fund the Company's working capital needs.

Failure to obtain sufficient and timely financing may result in delaying or indefinitely postponing exploration or development activities. If the Company obtains debt financing, it may expose its operations to restrictive loan and lease covenants and undertakings. If the Company obtains equity financing, existing shareholders may suffer dilution.

Infrastructure risk

Exploration and development activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants, which affect capital and operating costs. The lack of availability of acceptable terms or the delay in the availability of any one or more of these items could prevent or delay exploration or development of Carolina Rush's projects. If adequate infrastructure is not available, there can be no assurance that the exploration or development of the Company's projects will be commenced or completed on a timely basis, if at all.

Permit risk

Carolina Rush's current and anticipated future exploration and development activities on its properties may require permits from various governmental authorities. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could prevent, delay or restrict the Company from proceeding with certain exploration or development activities. There can be no guarantee that the Company will be able to obtain or maintain all necessary licenses and permits that may be required to explore and develop its properties, There can be no assurance that all permits that the Company requires will be obtainable on reasonable terms, or at all. Delays or a failure to obtain such permits, or a failure to comply with the terms of any such permits that the Company has obtained, could have a material adverse impact on the Company.

Price risk
The ability of Carolina Rush to finance the acquisition, exploration and development of its mineral properties or projects and the future profitability of the Company is strongly related to: the price of its properties underlying minerals; the market price of the Company's equities; and, commodity and investor sentiment. Metal and equity prices fluctuate on a daily basis and are affected by a number of factors beyond the Company's control. A decline in the price of the gold or copper, the Company's issued equities or investor sentiment could have a negative impact on the Company's ability to raise additional capital. Management monitors the commodity and stock markets to determine the applicable financing strategy to be taken when needed.

Property title risk
Although Carolina Rush takes reasonable measures to ensure proper title in the properties in which it holds or is acquiring an interest, there may still be undetected title defects affecting such properties. Accordingly, the properties in which Carolina Rush holds or is acquiring an interest in, may be subject to prior unregistered liens, agreements, transfers or claims, or unsatisfied work commitments, all of which could have a material adverse impact on the Company's operations. In addition, the Company may be unable to access or operate its properties as permitted or to enforce its rights with respect to its properties. If a title defect exists, it is possible that the Company may lose all or part of its interest in the properties to which such defects relate.

Further, there can be no assurance that the Company will be able to secure the grant or the renewal of exploration permits or other tenures on terms satisfactory to it, or that governments having jurisdiction over the Company's mineral properties will not revoke or significantly alter such permits or other tenures or that such permits and tenures will not be challenged or impugned.

Public health risk
Carolina Rush's operations are exposed to public health crises (ie: COVID-19) and other events outside of its control. Public health crisis, such as epidemics and pandemics, acts of terrorism, war or other conflicts, could have adverse economic and social impacts on global societies and in areas in which the Company operates. Such public health risks pose a threat to maintaining our operations as planned, due to shortages of workers and contractors, supply chain disruptions, insufficient healthcare, changes in how people socialize and interact, government or regulatory actions or inactions, declines in the price of and demand for our underlying commodities, as well as capital market volatility. There can be no assurance that our workers, partners, suppliers, consultants and contractors will not be negatively impacted by such events. As a result, the Company may not be able to predict and effectively mitigate the impact from such public health risks on its operations and these events could have a material adverse effect on our business, operating results, financial condition and share price.

Share volatility and dilution risk
The securities markets are subject to a high level of price and volume volatility, and the securities of many mineral exploration companies can experience wide fluctuations in price, which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. The price of Carolina Rush's common shares may also be significantly affected by short term changes in mineral prices or in the Company's financial condition or results of operations as reflected in its financial reporting.

In order to finance future operations and development efforts, the Company may raise funds through the issue of common shares or the issue of securities convertible into common shares. The Company cannot predict the size of future issues of common shares or the issue of securities convertible into common shares or the effect, if any, that future issues and sales of the Company's common shares will have on the market price of its common shares. Any transaction involving the issue of shares, or securities convertible into shares, could result in dilution, possibly substantial, to present and prospective holders of shares.

Sufficiency of insurance risk

The business of Carolina Rush is subject to a number of risks and hazards generally, including adverse environmental conditions, pollution, accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, changes in the political or regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to the Company's mineral properties, personal injury or death, environmental damage, delays in the exploration and development, monetary losses and possible legal liability.

Although the Company maintains insurance to protect against certain risks in such amounts as the Company considers to be reasonable, the insurance may not cover all the potential risks associated with the operations of the Company and insurance coverage may not be available or may not be adequate to cover any resulting liability. It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks because of high premiums or other reasons. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and development may not be available to the Company on acceptable terms. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect on the Company's business, results of operations, financial condition and/or the value of its securities or otherwise affect the Company's insurability and reputation in the market.

Third party performance risk

For the Company to realize benefits from the Australian gross overriding royalty or its investment in Voltage Metals Corp., the Company is dependent upon the evolution and success of the underlying project's exploration and development, which could be impacted by: the management of the particular project and execution of planned objectives; the participants ability to raise necessary capital and remain solvent; timing of payments by property owners to keep properties in good standing; environmental approvals and regulations; government and mining policies and regulations; establishment of sufficient and economic resources or reserves; condition of underlying commodity markets and prices; access to properties; receipt or retention of necessary permits or approvals; timing of commencement of exploration or development activities; geological and exploration results; exploration and development conditions; and, the disclosure of technical reports and other information. As the Company is not involved in the management of either entity or participates in the oversight of either entity's projects, there is a risk that significant or material information may not be disclosed to the Company, on a timely basis, or at all.