

GARIBALDI RESOURCES CORP.

MANAGEMENT DISCUSSION & ANALYSIS (“MD&A”)

For the three months ended April 30, 2025

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This MD&A includes certain forward-looking statements or information. All statements other than statements of historical fact included in this MD&A including statements relating to the potential mineralization or geological merits of the mineral properties of Garibaldi Resources Corp. (the "Company") and the future plans, objectives or expectations of the Company are forward-looking statements that involve various risks and uncertainties. Such forward-looking statements include among other things, statements regarding future commodity pricing, estimation of mineral reserves and resources, timing and amounts of estimated exploration expenditures and capital expenditures, costs and timing of the exploration and development of new deposits, success of exploration activities, permitting time lines, future currency exchange rates, requirements for additional capital, government regulation of mining operations, environmental risks, anticipated reclamation expenses, timing and possible outcome of pending litigation, timing and expected completion of property acquisitions or dispositions, and title disputes. They may also include statements with respect to the Company's mineral discoveries, plans, outlook and business strategy.

Forward-looking statements are predictions based upon current expectations and involve known and unknown risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements.

Important factors that could cause actual results to differ materially from the Company's plans or expectations include risks relating to the actual results of exploration programs, fluctuating commodity prices, the possibility of equipment breakdowns and delays, the availability of necessary exploration equipment including drill rigs, exploration cost overruns, general economic or business conditions, regulatory changes, and the timeliness of government or regulatory approvals to conduct planned exploration work. Additional factors that could cause actual results to differ materially from the Company's plans or expectations include political events, fluctuations in mineralization grade, geological, technical, mining or processing problems, future profitability on production, the ability to raise sufficient capital to fund exploration or production, litigation, legislative, environmental and other judicial, regulatory, political and competitive developments, inability to obtain permits, general volatility in the equity and debt markets, accidents and labor disputes and the availability of qualified personnel.

Although the Company has attempted to identify all of the factors that may affect our forward-looking statements or information, this list of the factors is not exhaustive. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks and uncertainties detailed throughout this MD&A. The Company disclaims any intention or obligation to update or revise forward-looking information, whether as a result of new information, future events or otherwise, except where required by applicable securities laws.

DATE AND INTRODUCTION

This discussion and analysis of financial position, results of operations and cash flows of Garibaldi Resources Corp for the three months ended April 30, 2025 includes information up to and including June 26, 2025 and should be read in conjunction with the Company's condensed interim consolidated financial statements for the three months ended April 30, 2025 and audited annual consolidated financial statements for the years ended January 31, 2025 and 2024. All dollar figures are in Canadian dollars unless otherwise stated.

Garibaldi Resources Corp. ("Garibaldi" or the "Company") is an exploration stage company. The Company's business is the acquisition, exploration and evaluation of mineral properties located in British Columbia, Canada. The Company's common shares are listed for trading on the TSX Venture Exchange ("TSX-V") under the symbol GGI.

The Company is known for exploring deposits of nickel, copper, cobalt, platinum, palladium, gold, and silver. The Company's goal is committed to creating shareholder value through strategic development and discoveries in British Columbia. The Company has not completed any exploration programs in Mexico for several years, does not have any further plans in Mexico, and is in the process of winding down its subsidiary.

The focus for the Company will be on the E&L and Palm Springs projects which are the flagship properties.

The reader is encouraged to review the Company's statutory filings, including its Annual Information Form, on www.sedarplus.com and to review other information about the Company on its website at www.garibaldiresources.com.

MINERAL PROPERTIES IN MEXICO

Exploration activity in Mexico, from 2016 onward, diminished with security concerns and administrative issues. The Company has made a decisive pivot to reposition priorities towards the highly prospective inventory of British Columbia properties, in key historically rich mining districts, that it had accumulated during market down-turns. Difficulty financing Mexican exploration during the turmoil of the global pandemic accelerated plans to divest the company's interests in Mexico after the E&L Nickel Mountain drilling discovery of high- grade nickel-copper mineralization in British Columbia. The Company is winding down and writing off operations in Mexico. Please refer to the Company's Sedarplus archive for information relating to Mexico.

MINERAL PROPERTIES IN CANADA

The Eskay Creek Claim Group - Introduction

Garibaldi's flagship property is the "Eskay Creek Claim Group", which comprises key ground in northwestern British Columbia's "Golden Triangle". This 180 sq km Claim Group extends 20 km east-west between Nickel Mountain and the former Eskay Creek mine, and 20 km north-south, from McClymont Creek road, to Nickel Mountain. The mineralization in this claim group is rich in battery metals, and

includes the following potentially economic metals: nickel, copper, cobalt, palladium, platinum, gold, silver, iridium, ruthenium, osmium and rhodium. The tenors of the massive sulphides in the claim group (i.e. their grades, in nickel and copper, within the sulphide minerals) rank amongst the highest in the world. The Eskay Creek Claim Group is highlighted by the E&L nickel-copper-cobalt discovery within a 15 km long southwest to northeast base metal corridor extending to Mount Shirley. The Palm Springs block of claims is comprised of numerous prospective gold targets highlighted by the Casper high-grade gold quartz vein discovery at the north end of the Palm Springs claim block with up to 249 g/t gold.

E&L

Acquisition

On June 3, 2016, the Company entered into a mineral property option agreement to acquire a 100% interest in 4 mineral tenures located in the Liard Mining Division of northwest British Columbia covering 766 hectares and known as “the historic E&L property”, on which previous operators had discovered a zone of nickel sulphides hereafter referred to as “the Northwest Historic Zone”. On September 14, 2018, Garibaldi's directors approved an accelerated buyout of the June 3, 2016 mineral property option agreement. Garibaldi now owns a 100% interest subject only to a 2% NSR in favor of the Vendor, half of which (1%) the Company can buy back at any time for \$1,000,000 CDN. In regards only to claim (104449) comprising 9 cells over the historic E&L deposit, the 2% NSR royalty provision is divided into two separate 1% royalty payments, to be paid to Silver Standard Resources as to 1% (subsequently purchased by EMX Royalties) and to the Vendor as to 1%. Garibaldi may purchase one half of the Vendor's 1% NSR at any time for \$500,000 CDN.

In late 2016, the Company increased the size of its E&L claim block through three separate purchase agreements covering an additional 32 mineral tenures contiguous to the historic E&L property. These additional tenures were not subject to any NSR royalty.

Exploration from 2016 to 2020

In 2016, Garibaldi began the process of 3-D modelling the expanded E&L claim block based on data from detailed geophysical surveys undertaken by the Company, providing new insights into the morphology and distribution of intrusions and associated magmatic sulphide mineralization on the E&L property. Garibaldi's exploration team integrated historical data on the expanded E&L claim block with the data obtained from 3-D modelling of the geophysical survey data. The compilation and interpretation indicated the potential for the discovery of a large-scale, high-grade magmatic nickel-copper sulphide exploration target within a four-kilometer-long and 1.5-kilometer-wide corridor containing olivine gabbros of what is herein termed the Nickel Mountain Gabbroic Complex (“NMGC”). This gabbroic complex was subsequently mapped, from the mineralized E&L intrusion for over 15 kilometers to the northeast, to outcrops of nickel-copper mineralization at Mount Shirley. Surface sampling and mapping coincided with VTEM Aerial surveys to detect conductive anomalies in advance of drilling in 2017. The drilling intersected broad nickel-copper sulphide mineralization at E&L including high-grade nickel-copper-cobalt massive sulphide in discovery hole E&L 17-14 (16.75 meters of 8.3% nickel, 4.2% copper, 6.4 g/t combined platinum-palladium, 0.19% cobalt, 1.1g/t gold and 11.1g/t silver, all within a broader 40.4 meters section of 3.9% nickel and 2.3% copper). . This result launched an aggressive campaign whereby the end of 2020 Garibaldi had drilled 96 diamond drill holes.

Management considered the E&L at Nickel Mountain and Palm Springs as the highest value projects within

Garibaldi's 180 sq. km Flagship Eskay Claim group. Drilling at E&L was prioritized over any other prospects. Historically only 12 shallow holes were drilled by Silver Standard See Minfile (104b 006). Surface sampling and structural mapping were followed up by VTEM air surveys over the entire 180 sq.km Eskay Claim Group in 2018. The surveys covered approximately 1,650 line-kilometres of Garibaldi's claim group nearly tripled the size of the 2017 surveying program that had identified multiple high-priority conductors, including the one that led to the discovery of nickel-copper-rich massive sulphides. The data from the VTEM survey, field data, and historical geophysical and geological data compiled by Garibaldi's team of nickel sulphide experts, indicated that British Columbia's Golden Triangle's only known nickel-copper magmatic massive sulphide system could be much larger than originally thought. The Company received a notice of work approval from the B.C. Ministry of Mines to expand the number of drill-pad locations at E&L from 46 to 107. As fate unfolded, navigating a generational global Pandemic with Covid exploding was daunting amidst the global turmoil. Markets crashed, supply chains collapsed and worker mobility was restricted. Financings evaporated and inflation roared back with a vengeance. Still, by December 2020 Garibaldi had drilled 96 holes on its nickel-copper massive sulphide project

Palm Spring

Acquisition

On May 5, 2016 and amended on June 19, 2018, the Company entered into a mineral property option agreement to acquire a 100% interest in 35 mineral tenures located in the Liard Mining Division in northwest British Columbia known as the Palm Spring Property. The Company was required make a cash payment of \$10,000 (paid), issue 656,000 common shares (issued) over the two year period and incur exploration expenditures on the property totalling \$97,000 by the end of the two-year option period (incurred). Decoors Mining retained a Net Smelter Return royalty of 2% which may be reduced to 1% by the Company at any time for \$1,000,000.

On September 28, 2023 the Company entered into an agreement with Decoors Mining to buy back the remaining 1% underlying Net Smelter Return (NSR) retained by Decoors, for Garibaldi's 100% owned Palm Springs (PSP) claims within the 180 sq. km Eskay Claim Group in Northwest British Columbia. The Company signed an amended agreement to issue Decoors 500,000 common shares (200,000 common shares have been issued) of Garibaldi over 5 years and doubled the purchase price of the original 1% NSR to 2 million CDN payable at any time, leaving Garibaldi with the exclusive option to reduce the NSR on Palm Springs to 0%.

Casper

In 2029, Garibaldi discovered a high-grade gold-quartz vein system at "Casper", a target that is easily accessible year round. Float, grab, channel and backpack drill samples gave encouraging results.

In late November 2020, Garibaldi drilled four diamond drill holes at Casper; all intercepted gold mineralization.

Exploration from 2021 to 2024

In 2021, Market conditions from 2021 to 2024 were anything but normal. Plans to advance projects became challenging and the fallout from global turmoil was aggravated by wars in Eastern Europe and the Middle East. Fluctuating energy prices and interest rates generated fear of recession. Unfortunately, we're still enduring a very slow recovery. The last 48 months have seen the junior explorers languish in a down cycle that has yet to turn up despite \$3,000 USD gold.

The market environment since 2020 has been constrained by some very uncommon factors that have made exploration very challenging. What is clear is that funding is constrained in the present down cycle and the limited funding available to many junior exploration companies will require careful allocation until things inevitably improve. This situation may preclude some of the company's inventory of properties like Red Lion, Otter Creek and SID/Sunrise from being advanced in the short term. The shareholder's interests are served by advancing the highest value assets such as the E&L at Nickel Mountain and Palm Springs gold prospects, highlighted by the Casper high-grade gold vein discovery. We do have high expectations for these other prospects, these are select properties of merit, maintained in consideration of future value-added joint ventures, each specifically chosen from prolific mining districts.

With an uncertain economy, and with administrative issues for permit renewals creating delays in exploration schedules, Garibaldi's plans were constrained to a few tactical drill targets (for example, the Company drilled 5 more diamond drill holes at Casper, with positive results), and a property scale ZTEM survey which produced some very large and deep anomalies.

Summary ZTEM Results

On March 31, 2022, Garibaldi provided an update on the deep-penetrating 2021 ZTEM survey completed by Geotech over the Company's 180-square-kilometre Nickel Mountain – Palm Spring Property claim groups in the Eskay camp of northwest British Columbia. The results of proprietary 3-D inversion processing have identified a large anomalous zone directly below, along trend and continuous with the drill-confirmed mineralized gabbro of the E&L Intrusion.

Most significantly, the large low-resistivity/elevated-conductivity ZTEM response beneath the limits of drilling of the E&L Intrusion is broad and continuous and plunges directly below the intrusion, which is host to numerous high-grade nickel-copper-cobalt-PGE (Platinum Group Elements) massive sulphide lenses. This response along the keel of the E&L Intrusion is surprisingly large, with an east-west lateral extent exceeding three kilometres width and plunging over two kilometres to below the valley floor at the base of Nickel Mountain.

The centre of the ZTEM response beneath the E&L Intrusion is located 400 metres below the thickest portion of the mineralized eastern extension of the Intrusion, indicating that the mineral system may continue at depth. The up-plunge of the ZTEM anomaly extends toward surface in the area of the West E&L targets, where mineralized boulders of E&L Intrusion-type gabbro with sulphide mineralization similar to that in the E&L Intrusion are associated with outcropping gabbros. The entire keel of the E&L Intrusion from West E&L along the plunge trend is untested and may be part of a bladed dike in which mineralization was concentrated in multiple magma conduits.

The large ZTEM response beneath the E&L claim group greatly expanded the potential for further discovery beneath and around the known massive sulphides of the E&L Intrusion. The survey also revealed numerous anomalous responses throughout the remainder of the property, many of which correspond to surface mineralization.

The targets at E&L are within a plane that contains both the peak ZTEM response, the chaotic mafic-ultramafic rock assemblage of the differentiated intrusion, and the massive and disseminated sulphide zones.

Garibaldi's Eskay North claim block, in the eastern part of the Palm Spring block, borders the Eskay Creek gold-silver mine and is situated within three km, along strike, from some of the zones that were mined at Eskay Creek. The Eskay Creek deposit was hosted by rocks of the Hazleton Group. The sediments of the Bowser Lake Group may overlie the Hazleton Group, obscuring any mineralization within the Hazleton Group. Therefore, the ZTEM survey also tested for geophysical responses beneath the Bowser-Hazleton geologic contact sequence where it occurs on Garibaldi's claims.

Exploration planned for 2025

For 2025, the Company will target high-grade massive magmatic sulphide mineralization of the style found in the Discovery zone where massive sulphides have an average historic grade of 6.6 per cent nickel, 3.2 per cent copper, 0.2 per cent cobalt, four grams per tonne gold+palladium+platinum, and a sulphide nickel tenor of 7.1 per cent.

Two drill holes have been designed to undercut the E&L intrusion in the plane of the intrusion at least 100 metres below existing drill holes. These holes will directly test the cause of the ZTEM anomalies, test the root of the intrusion and provide a platform for borehole electromagnetic surveys.

Impairments

During the year ended January 31, 2025, the Company identified there were indicators of impairment in accordance with IFRS 6 as the Company did not have the cash and was unable to raise capital to fund a substantive exploration program on its mineral properties. The Company fully impaired the Red Lion and Otter Creek and SID/Sunrise properties as the Company will prioritize its exploration on its core projects E&L and Palm Spring.

The Company utilizes the replacement cost approach to determining the fair value of its core projects because the Company believes that these properties may have demonstrated quantifiable results as a Mineral Resource. The Company concluded that utilizing cost based on the most recent costs would be the most appropriate for the replacement cost approach. The Company considered exploration expenditures that date from more than five years prior to the valuation date to be excluded in the calculation because a reasonable investor would likely disregard any older costs. This exclusion also excluded costs incurred before the Covid-19 shutdowns, which further makes it a reasonable cut-off point.

The Company has also excluded any future costs.

Red Lion

The Company owns a 100% interest in the Red Lion property, an early-stage porphyry copper-gold prospect located in the Omenica Mining Division of British Columbia. The Red Lion property is subject to a Net Smelter Return royalty of 2% which may be reduced to 1%, at any time, upon payment by the Company of \$2,000,000. The Red Lion property is located approximately 67 kilometres southeast of the former Kemess copper-gold mine and adjoins the Kliyul copper-gold porphyry project owned by Pacific Ridge Exploration Ltd. Red Lion shows extremely strong copper-gold stream sediment geochemistry in both government regional geochemical survey responses and follow-up proprietary surveys. Access and infrastructure at Red Lion are excellent with the power line to the Kemess South copper-gold mine only three kilometres away.

Extensive geophysical and surface sampling programs carried out, combined with compilation and contouring of historical soil sampling results from RL Ridge, have revealed a 10-kilometre-long northwest-southeast-trending mineralized corridor in the prospective Quesnel trough. This large corridor is parallel to the Omineca mining road and power lines to Kemess that strategically pass through the Red Lion claims. Major target areas along Red Lion corridor include:

- An extensive copper-in-soil anomaly at the RL Ridge target stretches northwest-southeast for 4.2 kilometres and east-west for 400 metres to 800 metres within a broader anomaly up to 1.7 kilometres. Parallel to the east of this large geochemical anomaly is a 2.4-kilometre-long induced polarization chargeability high, open to the north and south, that continues up slope from the Omineca road. The IP high coincides with anomalous copper-gold rock, soil and stream sediment results along with a magnetic high that is known to be underlain by a diorite to a monzodiorite intrusive in a largely overburden-covered area (RL East target).
- A second chargeability high, 1.8 kilometres long, is located fewer than two kilometres northwest of RL Ridge at the RL West target and also coincides with anomalous copper-gold rock, soil and stream sediment results and a magnetic high underlain by a diorite intrusive.

Significantly, the four chip samples at RL West with the highest measured chargeability were associated with abundant pyrite and assayed the highest grades in gold, copper and cobalt. Those values ranged from 1.07 grams per tonne gold to 37.5 grams per tonne gold, 0.21% copper to 13.6% copper, and anomalous cobalt to 0.55% cobalt. Extensive outcropping exists at RL West, and numerous areas have yet to be sampled. The fact that the chargeability high appears to be related to sulphides carrying mineralization is extremely encouraging. The IP chargeability highs at Red Lion are similar to those measured at the adjoining Kliyul copper-gold property to the south.

Sid, Sunrise and Atlin

On October 5, 2016 and amended on September 20, 2018, the Company entered into a mineral property option agreement to acquire a 100% interest in 17 mineral tenures located in the Omineca Mining Division in British Columbia known as the Sid and Sunrise claims and a 100% interest in 4 mineral tenures located in the Atlin Mining Division of northwest British Columbia known as the Atlin claims. In order to earn the interests, the Company was required to pay \$90,000 (paid) and issue 500,000 common shares over a four-year option period (issued). The mineral properties are subject to 2% Net Smelter Return royalties retained by the optionor. The 2% Net Smelter Return royalties may be reduced to 1% by the Company at any time for \$1,000,000.

The Company owns a 100% interest in the Sid, Sunrise and Atlin properties, subject to the 2% Net Smelter Return royalties.

On March 31, 2019, Garibaldi entered into a mineral property purchase agreement to acquire a 100% interest in 21 mineral claims known as the Keystone claims located in the Atlin Mining Division of British Columbia. The purchase price was \$56,000.

On June 11, 2021, Garibaldi announced that it had added key claims at Otter Creek within the Atlin Mining Division, expanding the Company's lode gold prospect to a total of 8,704 hectares. Atlin has been a rich placer gold mining district since the Klondike gold rush from the mid-1800s to the present day. Until recently, the source of Atlin's coarse gold placers had remained elusive.

The Otter Creek lode gold prospect consists of 8,704 total hectares and is located 12 kms east of Atlin in northwest British Columbia. From March 20th 2022 to March 31st 2022, Garibaldi Resources completed a shallow test drilling program aimed to follow up the 2016 gold in bedrock discovery to test continuity at depth. No significant gold values were encountered.

The first announcement of a new lode gold discovery on Otter Creek in the Atlin Mining Division had been made by British Columbia Geological Survey (BCGS) geologists in a 2017 publication titled "A new lode gold discovery at Otter Creek: another source for the Atlin placers" (BCGS Paper 2017-1, pages 179 - 193). Placer operations enabled geologists to sample and map the bedrock in excavated pits before backfilling, allowing access to the BCGS geologists who published the lode gold discovery.

The Otter Creek lode gold discovery provides strong evidence that Atlin's rich, coarse, crystalline gold placers are sourced from proximal high-grade gold veins rather than previously assumed eroded distal deposits in listwanites. Garibaldi's new acquisition in the Atlin Mining Division consolidates a core land package that occupies nearly the entire 10-kilometre length of Otter Creek. Significantly, Garibaldi's geology team considers the expanded claims package covering the Otter Creek placers as an important exploration priority. With excellent road access and infrastructure, the discovery of bona fide *in situ* bedrock-hosted gold is a remarkable find with enormous potential.

Garibaldi's Otter Creek project highlights include:

- Placer mining uncovered coarse gold in bedrock, resulting in multiple samples of in situ bedrock gold along Otter Creek. Bonanza-grade gold is hosted in quartz veins emplaced along structures in phyllite bedrock.
- A large north-south-trending fault, with a series of secondary faults, extends along Otter Creek, providing a key structural setting for lode gold deposits.
- Otter Creek and neighbouring creeks, including Spruce, Birch, Pine, Ruby and Wright Creeks, have produced some of the largest gold nuggets discovered in British Columbia, weighing from 24 ounces to 83 ounces of gold.
- The Company's Otter Creek database includes 2,282 MMI (mobile metal ion) samples, a compilation of 1,884 historic soil samples, 15 IP (induced polarization) lines, 143 kilometres of "Walking Mag" and 263-line-kilometres of airborne magnetic and electromagnetic (DIGHEM) surveys.
- Drill target development will utilize the historical database, bedrock exposure of gold-bearing quartz veins, geophysical data and analysis of a 728-sample Soil Gas Hydrocarbons (SGH) survey, a technique that has been used successfully in Red Lake, Ontario.
- Garibaldi's Otter Creek gold prospect in the Atlin gold fields is surrounded by properties of Eldorado Gold, which optioned Brixton Metals Atlin project.

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The Sid and Sunrise Claims were inactive during 2022, 2023 and 2024. These claims are good until 2026, they are being reviewed to prioritize the next stage of exploration.

SELECTED ANNUAL INFORMATION

The following table sets out selected annual financial information for the Company for the years ended:

	January 31, 2025 \$	January 31, 2024 \$	January 31, 2023 \$
Revenues	Nil	Nil	Nil
Net and comprehensive loss	(28,340,856)	(757,033)	(3,463,740)
Basic and diluted loss per share	(0.21)	(0.01)	(0.03)
Total assets	14,424,221	44,890,039	45,426,298
Non-current financial liabilities	Nil	3,012,000	3,637,000
Dividends	Nil	Nil	Nil

DISCUSSION OF OPERATIONS

During the three months ended April 30, 2025, the Company reported a net loss of \$159,100, which is comparable to the net loss of \$157,861 for the comparable quarter ended April 30, 2024. Included in the net loss the Company recorded and wrote off \$53,677 in property taxes in Mexico. The Company also recognized a gain of \$15,267 on the sale of equipment.

Total expense for the current quarter was \$122,752 as compared to \$158,208 for the comparable quarter ended April 30, 2024. The decrease is due to the reduction in the professional fees. In the previous quarter, there were additional audit fee accrual. All other cost were consistent with maintaining the Company's reporting issuer status.

SUMMARY OF QUARTERLY RESULTS

A summary of results for the most recent eight quarters are, for the quarters ended as follows:

	April 30, 2025 \$	January 31, 2025 \$	October 31, 2024 \$	July 31, 2024 \$
Comprehensive income (loss)	(159,100)	(27,796,750)	(126,935)	(258,809)
Basic income (loss) per share	(0.00)	(0.20)	(0.00)	(0.00)
Fully diluted income (loss) per share	(0.00)	(0.20)	(0.00)	(0.00)

	April 30, 2024	January 31, 2024	October 31, 2023	July 31, 2023
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	\$	\$	\$	\$
Comprehensive income (loss)	(157,861)	(412,550)	38,195	(221,260)
Basic income (loss) per share	(0.00)	(0.00)	0.00	(0.00)
Fully diluted income (loss) per share	(0.00)	(0.00)	0.00	(0.00)

In the above table, the large variances in quarterly results are due to share-based compensation expense, the write-off of exploration and evaluation assets and to deferred income taxes recorded during a particular quarter. Included in the January 31, 2024, comprehensive loss is \$673,300 to the indemnification of the shareholders for taxes and penalties related to the unspent portion of the commitment pursuant to Part XII.6 of the Income Tax Act that levies a tax on flow-through share issued under the look-back rule. Included in the January 31, 2025, the Company recorded a write-off of exploration and evaluation asset of \$30,606,221 and the reversal of \$3,012,000 in deferred income taxes.

LIQUIDITY AND CAPITAL RESOURCES

At April 30, 2025, the Company did not advance its mineral properties to commercial production and has not generated revenue from operations. The Company does not expect to generate revenues in the foreseeable future and expects to continue to incur costs to further explore its mineral properties.

The Company estimates that the administration of its corporate affairs will cost in the order of approximately \$225,000 per quarter or \$900,000 per year. In addition, the Company's Mexican properties require the payment of semi-annual property maintenance taxes.

At April 30, 2025, the Company had working capital deficiency of \$2,954,260 (January 31, 2025 – \$2,792,535). The Company will need to raise capital to meet its ongoing commitments and further its exploration programs for the next twelve months. The Company has financed its operations and mineral property exploration programs to date primarily through the issuance of common shares. The Company has been successful in raising funds in the past to finance operations, however, there is no assurance it will be able to do so in the future.

Financing Activity

There was no financing activity during the three months ended April 30, 2025.

Investing Activity

During the three months ended April 30, 2025, the Company sold a vehicle for total proceeds of \$20,000.

Financing Facility

On September 1, 2021, the Company entered into a definitive agreement with Alumina Partners (Ontario) Ltd. which provided for financing of up to \$12,000,000 over three years by way of a draw down equity financing facility. Alumina Partners is an affiliate of New York-based private equity firm Alumina Partners, LLC.

During the year ended January 31, 2025, the financing facility expired unutilized.

PROPOSED TRANSACTIONS

The Company had no proposed transactions to report (see “SUBSEQUENT EVENTS” below).

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements to report.

TRANSACTIONS WITH RELATED PARTIES

As at the date of the MD&A, the Board of Directors of the Company are Steve Regoci, Barrie DiCatri, Greg Burnett, Craig Gibson, Jeremy Hanson and Dr. Raymond Goldie. The officers of the Company are Steve Regoci, Chief Executive Officer and Barrie DiCatri, Chief Financial Officer.

The Company considers its Board of Directors to be key management personnel. The Company incurred the following key management compensation charges during the three months ended April 30, 2025 and 2024:

	For the three months ended	
	April 30,	
	2025	2024
Exploration and evaluation costs	\$ 7,500	\$ -
Management fees	72,000	72,000
	\$ 79,500	\$ 72,000

At April 30, 2025, accounts payable and accrued liabilities included \$643,157 (January 31, 2025 – \$555,676) due to directors of the Company and to a company with a director in common with the Company for advances and services provided. Amounts due to related parties are unsecured, non-interest bearing and have no specific terms of repayment.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the Company’s condensed interim consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities as at the date of the condensed interim consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management’s experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

The areas which require management to make significant judgments, estimates and assumptions in determining carrying values include, but are not limited to:

Exploration and Evaluation Expenditures

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining whether indicators of impairment exist and whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditures are capitalized, information becomes available suggesting that the recovery of the expenditures is unlikely, the amount capitalized is written off in the profit or loss in the period the new information becomes available.

Site Closure and Reclamation Provisions

The Company assesses its mineral properties' rehabilitation provision at each reporting date or when new material information becomes available. Exploration, development and mining activities are subject to various laws and regulations governing the protection of the environment. In general, these laws and regulations are continually changing and the Company has made, and intends to make in the future, expenditures to comply with such laws and regulations. Accounting for reclamation obligations requires management to make estimates of the future costs that the Company will incur to complete the reclamation work required to comply with existing laws and regulations at each location. Actual costs incurred may differ from those amounts estimated.

Also, future changes to environmental laws and regulations could increase the extent of reclamation and remediation work required to be performed by the Company. Increases in future costs could materially impact any amounts charged to operations for reclamation and remediation. At the periods presented, no reclamation obligation has been incurred. Therefore, no provision has been recorded which represents management's best estimate of the present value of the future reclamation and remediation obligation. The actual future expenditures may differ from the amounts currently provided.

Title to Mineral Properties

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

Going Concern

Management has applied judgments in the assessment of the Company's ability to continue as a going concern when preparing its condensed interim consolidated financial statements. Management prepares the condensed interim consolidated financial statements on a going concern basis unless management either intends to liquidate the entity or to cease trading or has no realistic alternative to do so. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, 12 months from the end of the reporting period.

CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not early adopted any of these standards and is currently evaluating the impact, if any, that these standards might have on its financial statements. Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's condensed interim consolidated financial statements.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

At April 30, 2025, the Company's financial instruments consist of cash, marketable securities, accounts payable and accrued liabilities.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The Company's cash is deposited in bank accounts held with major banks in Canada and Mexico. Because most of the Company's cash is held by one major Canadian bank there is a concentration of credit risk. This risk is managed by using major banks that are high credit quality financial institutions as determined by rating agencies.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from financing activities and its holdings of cash.

Historically, the Company's primary source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

The following is an analysis of the contractual maturities of the Company's non-derivative financial liabilities at April 30, 2025:

	Within one year	Between one and five years	More than five years
Accounts payable and accrued liabilities	\$ 2,983,178	\$ -	\$ -
	\$ 2,983,178	\$ -	\$ -

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices.

Foreign exchange risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currencies. The Company does not hedge its exposure to fluctuations in foreign exchange rates.

The Company's Mexican subsidiary is exposed to currency risk because it holds cash and incurs expenditures that are denominated in Mexican pesos while its functional currency is the Canadian dollar.

The following is an analysis of the Canadian dollar equivalent of financial assets and liabilities that are denominated in Mexican pesos:

	April 30, 2025	January 31, 2025
Cash	\$ 117	\$ 272
Accounts payable and accrued liabilities	(1,284,772)	(1,229,238)
	<u>\$ (1,284,655)</u>	<u>\$ (1,228,966)</u>

Based on the above net exposure, at April 30, 2025, a 10% change in the exchange rate of the Mexican peso in relation to the Canadian dollar would impact the Company's net income or loss by approximately \$128,000 (January 31, 2025 – \$123,000).

The Company is also exposed to currency risk as it incurs expenditures that are denominated in US dollars while its functional currency is the Canadian dollar.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's cash is exposed to interest rate risk. The Company manages its interest rate risk by obtaining the best commercial deposit interest rates available.

Classification of financial instruments

Financial assets included in the condensed interim consolidated statements of financial position are as follows:

	April 30, 2025	January 31, 2025
Fair value through profit or loss:		
Cash	\$ 1,955	\$ 12,991
Marketable securities	8,500	6,750
	<u>\$ 10,455</u>	<u>\$ 19,741</u>

Financial liabilities included in the condensed interim consolidated statements of financial position are as follows:

	April 30, 2025	January 31, 2025
Amortized cost:		
Accounts payable and accrued liabilities	\$ 2,983,178	\$ 2,830,125

Fair values

The fair values of the Company's financial assets and liabilities approximate their carrying amounts.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

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

The following is an analysis of the Company's financial instruments measured at fair value on a recurring basis as at April 30, 2025 and January 31, 2025:

	April 30, 2025		
	Level 1	Level 2	Level 3
Cash	\$ 1,955	\$ -	\$ -
Marketable securities	8,500	\$ -	\$ -
	\$ 10,455	\$ -	\$ -
	January 31, 2025		
	Level 1	Level 2	Level 3
Cash	\$ 12,991	\$ -	\$ -
Marketable securities	6,750	\$ -	\$ -
	\$ 19,741	\$ -	\$ -

RISKS AND UNCERTAINTIES

In addition to the risks and uncertainties outlined earlier in this MD&A, the Company is also subject to other risks and uncertainties including the following:

General Risk Associated with the Mining Industry

The business of mineral exploration and extraction involves a high degree of risk. Few properties that are explored ultimately become producing mines. At present, none of the Company's properties has a known commercial ore deposit. The main operating risks include: securing adequate funding to maintain and advance exploration properties; ensuring ownership of and access to mineral properties by confirmation that claims and leases are in good standing and obtaining permits for drilling and other exploration activities. The market prices for gold and other metals can be volatile and there is no assurance that a

profitable market will exist for a production decision to be made or for the ultimate sale of the metals even if commercial quantities of precious and other metals are discovered.

Exploration and development activities involve risks which careful evaluation, experience and knowledge may not, in some cases eliminate. The commercial viability of any mineral deposit depends on many factors not all of which are within the control of management. Some of the factors that affect the financial viability of a given mineral deposit include its size, grade and proximity to infrastructure, government regulation, taxes, royalties, land tenure, land use, environmental protection and reclamation and closure obligations, have an impact on the economic viability of a mineral deposit. Management attempts to mitigate its exploration risk by maintaining a diversified portfolio of properties and a strategy of possible joint ventures which balances risk while at the same time allowing properties to be advanced.

Dependence on Key Personnel

Loss of certain members of the executive team or key operational leaders of the company could have a disruptive effect on the implementation of the Company's business strategy and the efficient running of day-to-day operations until their replacement is found. Recruiting personnel is time consuming and expensive and competition for professionals is intense. The Company may be unable to retain its key employees or attract, assimilate, retain or train other necessary qualified employees, which may restrict its growth potential.

Permits and Licences

The operations of the Company will require licences and permits from various governmental authorities, which have been applied for and/or will be applied for at the proper time. There can, however, be no assurance that the Company will be able to obtain all necessary licences and permits required to carry out exploration, development and mining operations of its projects.

Environmental Regulation

The operations of the Company are subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions or various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner which means stricter standards, and enforcement, fines and penalties for non-compliance are becoming more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and their directors, officers and employees. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of future operations. The Company may become subject to liability for pollutions or hazards against which it cannot insure or again which it may elect not to insure where premium costs are disproportionate to the Company's perception of the relevant risks. The payment of such insurance premiums and of such liabilities would reduce the funds available for exploration and production activities.

SUBSEQUENT EVENTS

On May 9, 2025, the Company announced that it has arranged a non-brokered private placement of up to 14,285,714 units at a price of \$0.07 per unit for gross proceeds of \$1,000,000. Each unit consist of one common share of the Company and one share purchase warrant with each warrant entitling the holder to purchase one additional common share at a price of \$0.10 per common share for a period of three years from the date of close. As of June 26, 2025 the Company has received \$280,739 in proceeds.

OUTSTANDING SHARE DATA

Number of Issued and Outstanding Common Shares

As at the date of the MD&A 137,502,853

Share Purchase Warrants

As at the date of the MD&A, there were 8,450,628 share purchase warrants outstanding entitling the holders thereof the right to purchase one common share for each warrant held as follows:

Number of warrants Outstanding	Exercise Price	Expiry Date
2,664,472	\$0.55	July 22, 2025
181,250	\$0.55	September 16, 2025
400,000	\$0.40	December 2, 2025
4,418,333	\$0.45	December 2, 2025
578,200	\$0.45	December 2, 2025
200,333	\$0.45	December 23, 2025
8,040	\$0.45	December 23, 2025
<u>8,450,628</u>		

Stock Options

As at the date of the MD&A, there were 3,450,000 stock options outstanding entitling the holders thereof the right to purchase one common share for each option held as follows:

Number of options outstanding	Exercise Price	Expiry Date
2,850,000	\$1.00	March 8, 2026
100,000	\$1.00	September 7, 2027
500,000	\$0.45	September 27, 2028
<u>3,450,000</u>		