Shine Minerals Corp.

Management's Discussion and Analysis

For the First Quarter Ended

September 30, 2023

Overview

The following management's discussion and analysis ("MD&A") of the financial position and results of operations of Shine Minerals Corp. ("the Company" or "SMR"), as prepared at November 20, 2023, should be read in conjunction with the condensed interim financial statements for the period ended September 30, 2023, and the audited financial statements for the year ended June 30, 2023 and related notes.

The Company's financial statements have been prepared in accordance with and using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). All dollar amounts included in the following MD&A are expressed in Canadian dollars except where noted.

Additional information regarding the Company and its activities is available on SEDAR at www.sedar.com, and also on the Company's web site at www.shineminerals.ca, or by requesting further information from the Company's head office located at 750-1620 Dickson Avenue, Kelowna, British Columbia, V1Y 9Y2.

Forward-Looking Statements

Statements in this report that are not historically based fact are forward looking statements involving known and unknown risks and uncertainties which could cause actual results to vary considerably. Readers are cautioned not to place undue reliance on forward-looking statements.

Description of Business

SMR is a Canadian company incorporated under the Business Corporation Act of British Columbia. and trades under the symbol "SMR.H". SMR is currently seeking new business opportunities.

There are a number of inherent risks and uncertainties related to exploration and development, including, but not limited to: the ability to raise sufficient capital to fund further exploration and development; changes in economic conditions and/or financial markets; increases in input costs; litigation, legislation, environmental and/or other judicial, regulatory, political and competitive factors; technological or operational difficulties, inability to obtain access and/or permits; labour relations matters and economic issues that could materially affect precious metals exploration and mining.

Liquidity and Capital Resources

The Company is an exploration and evaluation company and has yet to determine whether its properties contain mineral resources that are economically viable. The recoverability of the amounts shown for exploration and evaluation assets, including acquisition costs and related exploration and evaluation costs, are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production.

The Company has no significant source of revenue and has certain cash requirements to maintain its mineral property interests and to meet its administrative overhead. Management has determined that the Company will be able to continue as a going concern for the foreseeable future and realize its assets and discharge its liabilities and commitments in the normal course of business, and therefore, the annual financial have been prepared on a going concern basis and do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern. The Company's ability to continue as a going concern is dependent on its ability to secure equity, debt or joint venture financing and generate profitable future operations.

The financial statements for the period ended September 30, 2023 have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company is actively pursuing joint venture partners and has minimized its exploration activities and over-all operations in an effort to conserve cash until global market conditions improve.

The Company had cash and cash equivalents of $314,290 as at June 30, 2023 (2023 - $344,772) with a working capital balance deficit of $673,360 (2023 - $770,353 deficit). The decrease in working capital is due to the continual administrative expenses being recognized without continued increase in financial resources.

Accounts payable and accrued liabilities at September 30, 2023 was $931,939 compared to $1,058,133 as at June 30, 2023. The decrease is due a settlement of accounts payables through the issuance of shares during the three months ended September 30, 2023.

Overall Performance

The expenses incurred by the Company are typical of junior exploration and development companies that do not have an established cash flow from mining operations. Changes in these expenditures from quarter to quarter are impacted directly by non-recurring activities or events.

Summary of Quarterly Results (unaudited)

	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
	$	$	$	$	$	$	$	$
Total assets	338,579	367,780	69,815	89,741	133,676	160,518	210,030	235,367
Working capital (deficit)	(673,360)	(770,353)	(1,189,470	(1,063,768	(960,052)	(930,322)	(843,908)	(757,125)
Net loss for the period	(73,077)	(84,697)	(125,702)	(103,716)	(53,810)	(61,077)	(72,120)	(72,825)
Basic/Diluted (loss) income per share	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)

Analysis of Three Months Ended September 30, 2023

The Company's net loss was $73,077 for the three months ended September 30, 2023, compared to $53,810 net loss for the comparable period. The overall change in net loss for the months ended September 30, 2023 was affected by an increase in general operating expenses.

Selected Annual Information (audited)

For the year ended June 30,	2023	2022	2021
	$	$	$
Net loss and comprehensive loss	(198,531)	(259,790)	(273,549)
Total assets	367,780	160,518	263,119
Total liabilities	1,138,133	1,090,840	933,651
Shareholders' deficiency	(770,353)	(930,322)	(670,532)
Basic and diluted loss per common share	(0.01)	(0.02)	(0.02)

Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. The Company has identified its directors and officers as its key management personnel.

	Three months ended September 30, 2023	Three months ended September 30, 2022
	$	$
Consulting	**56,500**	55,500

Consulting fees charged for the September 30, 2023 period comprise:

1- Private company owned by Devinder Randhawa, CEO and Director - $46,000 (2023 - $45,000)
2- Private company owned by Ryan Cheung, CFO - $7,500 (2023 -$7,500)
3- Rob Chang, Director -$Nil (2023 - $Nil)
4- Private company owned by Jordan Potts, Director - $3,000 (2023 - $3,000)
5- Manpreet Minhas, Director $Nil (2023 - $Nil)

As at September 30, 2023 the Company owed the following amounts to related parties for services provided:

1- Private company owned by Devinder Randhawa, CEO and Director – $882,250 (2023 - $877,154)
2- Private company owned by Ryan Cheung, CFO - $12,600 (2023 - $64,725)
3- Manpreet Minhas, Director - $1,598 (2023 - $4,872)
4- Private company owned by Jordan Potts, Director - $2,500 (2023 - $2,500)
5- Rob Chang, Director - $Nil (2023 - $10,000)

Outstanding Share Data

As at the date of this report, the Company had 26,995,388 common shares outstanding, 4,883,927 share purchase warrants, and Nil stock options issued and outstanding.

Private Placement Financings

On June 6, 2023, the Company closed a private placement of 3,366,070 units at a price of $0.056 per unit for gross proceeds of $188,500. Each unit comprises one common share and one share purchase warrant expiring June 6, 2024 and are exercisable at $0.075 per share. In addition, on June 6, 2023, the Company closed a private placement of 3,035,713 units at a price of $0.056 per unit for gross proceeds of $170,000. Each unit comprises one common share and one-half share purchase warrant expiring June 6, 2024 and are exercisable at $0.075 per share.

Financial Instruments and Capital Management

The Company's objectives when managing capital, being its share capital, are to safeguard the Company's ability to continue as a going concern in order to pursue the development and exploration of its exploration and evaluation assets and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company is dependent on external financing to fund its activities. The capital structure of the Company currently consists of common shares, stock options and share purchase warrants. Changes in the equity accounts of the Company are disclosed in the statements of changes in equity (deficiency). The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or acquire or dispose of assets. Any issuance of common shares requires approval of the Board of Directors.

In order to facilitate management with its capital requirements, the Company prepares annual expenditure budgets which are approved by the Board of Directors and updated as necessary depending on various factors including capital deployment and general market and industry conditions.

The Company anticipates continuing to access equity markets to fund the sustained exploration of its Exploration and Evaluation assets and to ensure the future growth of the business. The Company is not subject to any externally imposed capital restrictions.

Financial Instruments and Risk Management

IFRS 7 *Financial Instruments: Disclosures* establishes a fair value hierarchy that reflects the significance of the inputs used in making measurements. The fair value hierarchy has the following levels:

Level 1: quoted (unadjusted) prices in active markets for identical assets and liabilities

Level 2: inputs other than quoted direct prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)
The Company's financial instruments consist of cash and cash equivalents, amounts receivable and accounts payable and accrued liabilities. For cash and cash equivalents, amounts receivable and payable and accrued liabilities, carrying value is considered to be a reasonable approximation of fair value due to the short-term nature of these instruments.

The Company's financial instruments are exposed to a number of financial and market risks, including credit, liquidity and foreign exchange risks. The Company does not currently have any active hedging or derivative trading policies to manage these risks as it has been determined by management that the current size, scale and pattern of its operations would warrant such hedging activities.

(a) Credit Risk

Credit risk is such that a counterparty to a financial instrument will not discharge its obligations resulting in a financial loss to the Company. The Company has procedures in place to minimize its exposure to credit risk. Company management evaluates credit risk on an ongoing basis including counterparty credit rating and activities related to trade and other receivables and other counterparty concentrations as measured by amount and percentage.

The primary sources of credit risk for the Company arise from cash and cash equivalents and amounts receivable. The Company's maximum exposure to credit risk is minimal as cash and cash equivalents are deposited with reputable financial institutions.

(b) Liquidity Risk

Liquidity Risk is the risk that the Company will be unable to meet its financial liabilities as they fall due. The Company's financial liabilities are comprised of accounts payable and accrued liabilities. The Company frequently assesses its liquidity position by reviewing the timing of amounts due and its current cash flow position to meet current obligations by monitoring and maintaining sufficient cash and cash equivalents to meet its anticipated operational needs.

The Company's financial liabilities, consisting of accounts payable and accrued liabilities, arise as a result of expenditures directly related to exploration of its exploration and evaluation assets and other corporate expenses. Payment terms on these liabilities are typically 30 to 60 days from receipt of invoice and generally do not bear interest. The following table summarizes the remaining contractual maturities of the Company's financial liabilities:

Maturity dates <6 months	**September 30, 2023**	June 30, 2023
	$	$
Accounts payable	**32,948**	52,482
Accrued liabilities	**898,991**	1,005,651
	931,939	1,058,133

(c) Market Risk

Market risk is the potential that the fair value for assets will fluctuate due to changes in market conditions on items classified as held-for-trading, available-for-sale or future cash flows from assets or liabilities considered to be held-to-maturity, other financial liabilities and loans or receivables of a financial instrument. The Company evaluates market risk on an ongoing basis and has established policies and procedures for mitigating its exposure to foreign exchange fluctuations. The Company is not exposed to interest rate risk as it does not hold debt balances and is not generally charged interest on accounts payable balances.

(d) Foreign Exchange Risk

The Company operates domestically in Canada and is exposed to minimal foreign exchange risk.

New Standards, Amendments and Interpretations

The IASB issued a number of new and revised International Accounting Standards, IFRS amendments and related interpretations which are effective for the Company's financial year beginning on or after January 1, 2018. No new or revised standards or amendments are expected to have any significant impact to the Company's financial statements.

Critical Accounting Estimates

The preparation of financial statements in conformity with IAS 3 requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Accounts that require significant estimates as the basis for determining the stated amounts include exploration and evaluation expenditures and share-based payments. The assessment of any impairment of exploration and evaluation assets is based on the estimated recovery of future exploitation or sale where the activities have not reached a stage which permits a reasonable assessment of existence of reserves. Share-based payment expense is calculated using Black-Scholes pricing model which requires significant judgment as to considerations such as stock option lives and stock volatility.

Off-balance Sheet Arrangements

There are no off-balance sheet arrangements

Proposed transactions

There are no proposed transactions