Management Discussion and Analysis
For the Three and Nine Months Ended January 31, 2026

This management's discussion and analysis ("MD&A") is management's interpretation of the financial condition and results of operations of Aero Energy Limited (the "Company" or "Aero") for the three and nine months ended January 31, 2026. This MD&A should be read in conjunction with the Company's condensed consolidated interim financial statements for the three and nine months ended January 31, 2026, as well as the audited financial statements of the Company for the fiscal year ended April 30, 2025, prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). This MD&A complements and supplements, but does not form part of, the Company's financial statements.

This MD&A contains forward-looking information. In particular, statements regarding the adequacy of cash resources to carry out the Company's exploration programs or the need for future financing are forward-looking information. All forward-looking information, including those not specifically identified herein, are made subject to cautionary language included in this MD&A. Readers are advised to refer to the cautionary note regarding forward-looking information when reading any forward-looking information.

All dollar amounts contained herein are expressed in Canadian dollars unless otherwise indicated. This MD&A has been prepared as of April 1, 2026.

BUSINESS OVERVIEW

The Company was incorporated under the *Canada Business Corporations Act* on October 6, 2004 and continued under the *Business Corporations Act* (*British Columbia)* (the "BCBCA") on October 22, 2012. The Company changed its name to Angold Resources Ltd. on December 18, 2020, and subsequently to Aero Energy Limited on February 8, 2024. The Company's common shares are listed on the TSX Venture Exchange (the "Exchange") under the trading symbol "AERO" and on the OTC Pink under the symbol "AAUGF". The Company's principal office is located at 918-1030 West Georgia Street, Vancouver, BC, V6E 2Y3.

The Company is an exploration company engaged in the acquisition, exploration, and evaluation of natural resource properties, with the objective of either developing them further or disposing of them when evaluations are complete. As at the date of this MD&A, the Company is focused on advancing its flagship optioned properties – Strike and Murmac, located in the historic Uranium City district within Saskatchewan's Athabasca Basin, alongside its recently acquired Apex and Huber Hills uranium projects in Nevada, USA.

On June 20, 2025, the Company completed its acquisition of Kraken Energy Corp. ("Kraken"), a resource exploration company engaged in uranium exploration at its wholly owned Apex and Huber Hills properties (the "Transaction"), whereby the Company acquired all of the issued and outstanding common shares of Kraken. Pursuant to the terms of the Transaction, all issued and outstanding common shares of Kraken were exchanged for an aggregate of 5,792,232 common shares of Aero, based on an exchange ratio of 0.97037 Aero common shares for each Kraken share (the "Exchange Ratio"). All outstanding Kraken stock options were exchanged for Aero stock options and all Kraken share purchase warrants became exercisable to acquire Aero common shares in amounts and at prices adjusted by the Exchange Ratio.

On March 2, 2026, the Company announced that it has entered into definitive arrangement agreements with Urano Energy Corp. ("Urano") and Pegasus Resources Inc. ("Pegasus"), pursuant to which Aero would acquire all of the issued and outstanding common shares of both Urano and Pegasus (the "Transactions"). The combined company is expected to continue under the name "Manhattan Uranium Discovery Corp." (the "Combined Company"). The Transactions have not been completed as of the date of this MD&A.

The Company's ability to continue its operations is dependent on its success in raising equity through share issuances, suitable debt financing and/or other financing arrangements. While the Company has been successful in raising equity in the past, there can be no guarantee that it will be able to raise sufficient funds to fund its activities and general and administrative costs in the future. Many factors influence the Company's ability to raise funds, including the health of the capital market, the climate for mineral exploration investment and the Company's track record. Actual funding requirements may vary from those planned due to a number of factors, including the acquisition of new projects. There is no guarantee that the Company will be able to secure additional financings in the future at terms that are favourable, or at all.

On October 20, 2024, the Company issued 133,333 common shares and paid $200,000 to Standard Uranium Ltd. (“Standard”) pursuant to the Sun Dog Option.

On November 14, 2024, the Company closed a non-brokered private placement for gross proceeds of $2,034,219 by issuing (i) 896,499 non-flow-through units of the Company at a price of $0.70 per unit; (ii) 763,750 flow-through units of the Company at a price of $0.80 per unit; and (iii) 740,157 flow-through charity units at a price of $1.075. Each unit consists of one common share of the Company and one-half of one share purchase warrant exercisable at a price of $1.10 and expiring on November 14, 2026.

On December 16, 2024, 230,941 options with an exercise price of $16.50 expired.

On December 20, 2024, the Company issued 133,333 common shares and paid $200,000 to Fortune Bay Corp. (“Fortune Bay”) pursuant to the Strike and Murmac Option.

On January 2, 2025, the Company granted 220,000 stock options with an exercise price of $0.70 and expiring on January 2, 2030.

On December 9, 2025, the Company issued 29,557 warrants to an eligible arm’s length finder in connection with its November 14, 2024 non-brokered private placement. The warrants are exercisable at $1.10 until November 14, 2026.

On December 16, 2025 and December 23, 2025, the Company issued 166,666 common shares and paid $250,000, respectively, to Fortune Bay as consideration payments pursuant to the option agreement respecting the Murmac and Strike Properties.

On December 23, 2025, the Company completed a share consolidation on the basis of ten pre-consolidation common shares for every one post-consolidation common share. All share and per-share figures have been adjusted to reflect this consolidation.

On December 23, 2025, the Company closed the first tranche of a non-brokered private placement for gross proceeds of $1,265,550 through the issuance of 5,502,392 non-flow-through common shares at a price of $0.23 per common share.

On December 30, 2025, the Company closed the second and final tranche of the non-brokered private placement for aggregate gross proceeds of $3,734,450 through the issuance of (i) 5,367,173 non-flow-through common shares at a price of $0.23 per common share; and (ii) 7,142,857 charity flow-through common shares at a price of $0.35 per charity flow-through common share.

In connection with the private placement, the Company paid cash finders’ fees of $123,232 and issued an aggregate of 535,791 finder’s warrants to eligible finders, as well as incurred other share issuance costs of $340,434. The finder’s warrants are exercisable at $0.23 per common share for a period of two years.

On March 27, 2026, the Company completed a non-brokered private placement of 1,694,916 charity flow-through units of the Company (the “CFT Units”) at a price of $0.59 per CFT Unit, for gross proceeds of $1,000,000. Each CFT Unit consists of one common share and one share purchase warrant of the Company, with each warrant exercisable to acquire one common share of the Company at a price of $0.60 until March 27, 2028.

On March 31, 2026, the Company completed a non-brokered private placement of 26,499,999 subscription receipts (the “Subscription Receipts”) at a price of $0.40 per receipt, for gross proceeds of $10,500,000. Upon the satisfaction of certain escrow release conditions (the “Escrow Release Conditions”), each Subscription Receipt will convert, without additional consideration, into one unit of Aero (a “Unit”), with each Unit comprised of one common share and one share purchase warrant. Each warrant is exercisable to acquire one common share at a price of $0.60 until March 31, 2028.

The gross proceeds from the Subscription Receipts (the “Escrowed Funds”) are being held by an escrow agent and will be released from escrow to the Combined Company upon satisfaction of the Escrow Release Conditions, no later than 90 days following the closing of the contemplated Transaction with Urano.

In connection with the Subscription Receipt financing, the Company incurred finder’s fees of $415,498 to eligible finder’s and issued 1,038,745 finder’s warrants (“Finder’s Warrants”). The Finder’s Warrants are exercisable at a price of $0.40 for a period of two years from the date of closing of the Transactions. The finder’s fees are escrowed on the same terms as the Escrowed Funds.

Acquisition of Kraken Energy Corp.

The Company accounted for the acquisition of Kraken as an asset acquisition as it did not meet the definition of a business under IFRS 3, “Business Combinations”. As a result, the transaction has been measured at the fair value of the equity consideration paid as determined based on IFRS 2, “Share Based Payments”.

The following table summarizes the total consideration, the fair value of the acquired identifiable assets and liabilities assumed as of the date of the acquisition:

Fair value of common shares issued	$	2,316,893
Fair value of replacement options		8,565
Fair value of replacement warrants		19,752
Total consideration	$	2,345,210
Assets acquired:		
Cash	$	45,080
Receivables		9,652
Prepaid expenses		23,167
Exploration and evaluation asset – Apex		2,329,135
Current liabilities assumed		(61,824)
Net assets acquired	$	2,345,210

The excess of purchase consideration over the net assets acquired was allocated to the Apex project based on the Company's assessment of relative fair value.

Fortune Bay Properties

The Company holds an option to acquire up to a 70% interest in the Strike and Murmac properties from Fortune Bay, subject to the following terms:

	Cash		Consideration Shares		Exploration Expenditures	Interest Earned
Execution Date	$200,000	(paid)	$200,000	(issued)	*Nil*	
December 15, 2024	$200,000	(paid)	$200,000	(issued)	$1,000,000	
December 15, 2025	$250,000	(paid)	$250,000	(issued)	$2,000,000	
Total (First Option)	**$650,000**		**$650,000**		**$3,000,000**	**51%**
December 15, 2026	$300,000		$300,000		$3,000,000	
Total (Second Option)	**$300,000**		**$300,000**		**$3,000,000**	**60%**
December 15, 2027	$400,000		$1,200,000		*Nil*	
Total (Third Option)	**$400,000**		**$1,200,000**		***Nil***	**70%**
Grand Total	**$1,350,000**		**$2,150,000**		**$6,000,000**	

On December 11, 2025, the Company amended the terms of the option agreement with Fortune Bay to extend the deadline to incur the required exploration expenditures from December 15, 2025 to March 15, 2026. The consideration shares were issued and the cash payment was made on December 16, 2025 and December 23, 2025, respectively.

After earning-in a 51%, 60% or 70% interest (whichever the case may be), the Company and Fortune Bay will form a joint venture with standard pro-rata funding requirements. The Murmac property is subject to an existing 2% net smelter returns ("NSR") royalty.

Pursuant to the option agreement, Fortune Bay will act as the operator of the work programs, which are to be funded by the Company. As of January 31, 2026, the Company had advanced $13,462 (April 30, 2025 - $98,869) to Fortune Bay to be spent on exploration expenditures, which had not yet been incurred. During the nine months ended January 31, 2026, the Company received a $50,000 refund pursuant to the government of Saskatchewan's Targeted Mineral Exploration Incentive program ("TMEI"), for expenditures incurred on the Fortune Bay properties (April 30, 2025 - $Nil).

Apex Property

On June 20, 2025, the Company acquired the Apex Property in connection with its acquisition of Kraken. The Apex Property remains subject to a 3% NSR royalty payable to the original property vendors.

Huber Hills Property

On June 20, 2025, the Company acquired the Huber Hills Property in connection with its acquisition of Kraken. The Company did not allocate any consideration to the Huber Hills Property, and accordingly the carrying value is $Nil as of January 31, 2026. The Huber Hills Property is located in Elko County, Nevada.

Sun Dog Property

During the nine months ended January 31, 2026, the Company received a $50,000 refund pursuant to the government of Saskatchewan's TMEI program for expenditures incurred on the Sun Dog property (April 30, 2025 - $Nil).

During the nine months ended January 31, 2026, the Company elected to relinquish its Sun Dog option agreement to focus on higher priority uranium exploration projects. Accordingly, the Sun Dog Project was written off during the nine months ended January 31, 2026, resulting in an impairment expense of $3,794,495.

Dorado and Cordillera Properties, Chile

The Company holds a 100% interest in the Dorado and Cordillera properties in the Maricunga region of Chile that include a 2% net smelter royalty which may be reduced to 1% for $2,000,000 at any time. During the year ended April 30, 2025, the Company decided not to proceed with further exploration on these properties and to focus on higher priority uranium projects. Accordingly, the Chile properties were written off during the year ended April 30, 2025.

On December 9, 2025, the Company entered into a purchase and sale agreement with Batik Resources Ltd. ("Batik") to sell 100% of the issued and outstanding shares of Rio Explorations SpA, which holds the Dorado and Cordillera gold projects. Total consideration of $3,600,000 is payable as follows:

- $700,000 in cash on closing, less customary Chilean withholding taxes, which are expected to be recoverable; and
- $2,900,000 in common shares of Batik, to be issued upon the listing of Batik's common shares on a recognized stock exchange at a price equal to the listing price or concurrent financing price.

The purchase and sale transaction had not closed as of the date of this MD&A.

Costs incurred with respect to the properties are summarized below:

	Sun Dog	Fortune Bay	Apex	Huber Hills	Chile Properties	Total
Acquisition Costs						
Balance, April 30, 2024	$ 1,769,522	$ 1,065,250	$ -	$ -	$ 284,875	$ 3,119,647
Additions	293,333	266,667	-	-	-	560,000
Impairment	-	-	-	-	(284,875)	(284,875)
Balance, April 30, 2025	2,062,855	1,331,917	-	-	-	3,394,772
Acquired from Kraken (Note 4)	-	-	2,329,135	-	-	2,329,135
Additions		316,667				316,667
Impairment	(2,062,855)	-	-	-	-	(2,062,855)
Balance, January 31, 2026	$ -	$ 1,648,584	$ 2,329,135	$ -	$ -	$ 3,977,719
Deferred Exploration Costs						
Balance, April 30, 2024	$ 263,306	$ 262,446	$ -	$ -	$ 6,421,609	$ 6,947,361
Geophysics	439,011	124,386	-	-	-	563,397
General project costs	23,765	68,428	-	-	308,922	401,115
Drilling	1,044,378	2,095,593	-	-	-	3,139,971
Impairment	-	-	-	-	(6,730,531)	(6,730,531)
Balance, April 30, 2025	1,770,460	2,550,853	-	-	-	4,321,313
Drilling	-	235,407	-	-	-	235,407
Permitting	-	-	104,222	-	-	104,222
General project costs	11,180	106,680	-	24,930	-	142,790
TMEI refund	(50,000)	(50,000)	-	-	-	(100,000)
Impairment	(1,731,640)	-	-	-	-	(1,731,640)
Balance, January 31, 2026	$ -	$ 2,842,940	$ 104,222	$ 24,930	$ -	$ 2,972,092
Total						
Balance, April 30, 2025	$ 3,833,315	$ 3,882,770	$ -	$ -	$ -	$ 7,716,085
Balance, January 31, 2026	$ -	$ 4,491,524	$ 2,433,357	$ 24,930	$ -	$ 6,949,811

FINANCIAL REVIEW

Results of operations for the three months ended January 31, 2026

The Company incurred a net loss and comprehensive loss of $168,273 during the three months ended January 31, 2026, a decrease in loss of $404,585 from a net and comprehensive loss of $572,858 for the three months ended January 31, 2025. The decrease in loss was primarily due to:

- lower shareholder information and investor relations costs of $276,568, professional fees of $60,063 and general and administrative fees of $43,585, reflecting cost-reduction and cash conservation measures, as well as a decrease in consulting fees of $145,533, with no such costs incurred in the current year; and
- a decrease in stock-based compensation of $82,922, due to the timing of option grants and vesting, with no grants in the current period.

The decreases were partially offset by a foreign exchange loss of $91,675 in the current year, compared to a foreign exchange gain in the prior year, due to fluctuations in the Canadian and US dollar exchange rates.

Results of operations for the nine months ended January 31, 2026

The Company incurred a net loss and comprehensive loss of $4,326,687 during the nine months ended January 31, 2026, an increase in loss of $2,369,103 from a net loss and comprehensive loss of $1,957,584 for the nine months ended January 31, 2025.

The increase in loss was primarily due to:

- the impairment of exploration and evaluation assets of $3,794,495 in the current period, as the Company relinquished the Sun Dog project and wrote it off during the period;
- a decrease in flow-through premium reversal of $489,053, contributing to a larger loss for the period, as the Company incurred more eligible exploration expenditures in the prior period; and
- an increase in professional fees of $60,879, driven by increased legal activity incurred for the acquisition of Kraken.

These were partially offset by:

- decreases in shareholder information and investor relations of $869,288 and consulting fees of $406,016, reflecting cost-reduction and cash conservation measures;
- a decrease in stock-based compensation of $513,421, due to the timing of option grants and vesting, with no grants in the current period; and
- a decrease in the change in fair value of marketable securities of $161,011, driven by an increase in the share price of securities held.

Previous financings and use of funds

The table below summarizes the actual use of proceeds incurred up to January 31, 2026, compared to the expected use of proceeds from the Company's Offering Document under the Listed Issuer Financing Exemption dated December 11, 2025.

	Expected Use of Proceeds (Offering Document)[1]	Actual use of Proceeds as of January 31, 2026
Drilling and other exploration activities at the Murmac Project	$ 3,000,000	$ 812
Permitting activities for the Apex Project	400,000	3,481
Funds remaining	$ 3,400,000	$ 4,293

[1] Excludes expected use of proceeds for general corporate and working capital.

Summary of quarterly results

The following table provides a summary of financial data for the Company's most recent eight quarters derived from the Company's unaudited condensed consolidated interim financial statements prepared in accordance with IAS 34:

	Quarter ended	Revenue	Loss before other income and expenses	Total comprehensive loss	Basic and diluted income (loss) per common share
Q3/26	January 31, 2026	$ -	$ (227,614)	$ (168,273)	$ (0.01)
Q2/26	October 31, 2025	$ -	$ (188,155)	$ (3,903,892)	$ (0.22)
Q1/26	July 31, 2025	$ -	$ (262,713)	$ (254,522)	$ (0.02)
Q4/25	April 30, 2025	$ -	$ (7,463,195)	$ (6,778,953)	$ (0.56)
Q3/25	January 31, 2025	$ -	$ (698,789)	$ (572,858)	$ (0.06)
Q2/25	October 31, 2024	$ -	$ (872,860)	$ (728,229)	$ (0.08)
Q1/25	July 31, 2024	$ -	$ (798,314)	$ (656,497)	$ (0.06)
Q4/24	April 30, 2024	$ -	$ (354,974)	$ (234,499)	$ (0.02)

The primary factors affecting the magnitude and variations of the Company's losses are as follows:

- Q2 2026: The Company wrote off its Sun Dog properties, resulting in an impairment of $3,794,495.
- Q1 2026: The Company had reduced expenditures, driven by cost-reduction and capital conservation.
- Q4 2025: The Company wrote off its Chile Properties, resulting in an impairment of $7,015,406.
- Q1 and Q2 2025: The Company began active exploration work on its properties resulting in an overall increase in activity compared to comparative periods.
- Q4 2024: The Company incurred professional fees in relation to the acquisition of 1443904 B.C. Ltd.

LIQUIDITY AND CAPITAL RESOURCES

The Company's financial statements for the three and nine months ended January 31, 2026 have been prepared on a going concern basis, which assumes that the Company will continue in operation in the foreseeable future and will be able to realize its assets and settle its liabilities in the normal course of business. At January 31, 2026, the Company had cash of $3,919,423 (April 30, 2025: $429,421) and its current liabilities exceeded its current assets by $3,171,628 (April 30, 2025: $493,940). The Company currently has no active business and is not generating any revenues. It has incurred losses and negative cash flows from operations since inception and had an accumulated deficit of $34,286,063 as at January 31, 2026 (April 30, 2025: $30,704,291).

The Company's ability to continue its operations is dependent on its success in raising equity through share issuances, suitable debt financing and/or other financing arrangements. While the Company has been successful in raising equity in the past, there can be no guarantee that it will be able to raise sufficient funds to fund its activities and general and administrative costs in the next twelve months and in the future. The condensed consolidated interim financial statements for the three and nine months ended January 31, 2026 do not give effect to the required adjustments to the carrying amounts and classification of assets and liabilities should the Company be unable to continue as a going concern.

Cash flows

Cash used in operating activities for the nine months ended January 31, 2026 was $1,047,316 compared to $1,387,258 for the nine months ended January 31, 2025. The lower outflow was mainly due to the factors discussed above under results of operations.

Cash provided by investing activities for the nine months ended January 31, 2026 was $984 compared to cash outflows of $2,768,641 for the nine months ended January 31, 2025. The cash inflow for the current period is a result of the cash acquired on acquisition of Kraken, the TMEI refund, proceeds from sale of marketable securities and the proceeds from the refund of a surety bond deposit, offset by exploration expenditures. The cash outflows in the comparative quarter relate entirely to exploration expenditures.

Cash provided by financing activities for the nine months ended January 31, 2026 was $4,536,334 compared to $1,929,811 for the nine months ended January 31, 2025. The cash from financing activities relates to proceeds generated from private placements.

TRANSACTIONS WITH RELATED PARTIES

The Company's related parties consist of its key management personnel and are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, and consist of its directors, the Chief Executive Officer and the Chief Financial Officer.

During the three and nine months ended January 31, 2026 the Company incurred key management compensation as follows:

- $80,000 and $140,000 (2025 - $30,000 and $140,000), respectively, for CEO consulting services provided by 101252098 Saskatchewan Ltd., a company wholly owned by the Company's interim CEO, Galen McNamara.
- $15,000 and $35,000 (2025 - $Nil and $7,500), respectively, for CFO consulting services provided by Carson Halliday.
- $Nil and $12,000 (2025 - $18,000 and $54,000), respectively, for CFO consulting services provided by 1950 Consulting Ltd., a company wholly owned by the Company's former CFO, Martin Bajic.

As at January 31, 2026, there was $Nil (April 30, 2025 - $25,854) owing to related parties in respect of services provided to the Company and $Nil owing in respect of expenses incurred on behalf of the Company.

During the three and nine months ended January 31, 2026, the Company incurred stock-based compensation expenses to related parties of $1,764 and $12,876 (2025 - $67,054 and $330,809).

CRITICAL JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The critical judgments and estimates that management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the condensed consolidated interim financial statements for the three and nine months ended January 31, 2026 are as follows:

Going concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures and meet its liabilities for the ensuing year involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

Impairment of long-lived assets

The Company evaluates its long-term assets at each reporting period to determine if there are any indications of impairment. If any such indications exist, an estimate of the recoverable amount is performed, and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount. The estimates and assumptions used to estimate the recoverable amount of the long-lived assets are subject to risk and uncertainty and there is the possibility that changes in circumstances will alter these estimates and assumptions.

Determination of functional currency

The functional currency for each of the Company's subsidiaries is the currency of the primary economic environment in which the respective entity operates; the Company has determined the functional currency of Aero Energy Limited and its subsidiaries to be the Canadian dollar. Such determination involves certain judgments to identify the primary economic environment. The Company reconsiders the functional currency of its subsidiaries if there is a change in events and/or conditions which determine the primary economic environment.

Business combination versus asset acquisition

Management applied judgment to determine whether the assets acquired and liabilities assumed on acquisition of Kraken constitute a business. A business consists of inputs and processes applied to those inputs that have the ability to create outputs. During the period ended January 31, 2026, the Company completed the acquisition of Kraken and concluded that the transaction did not qualify as a business combination under IFRS 3, "Business Combinations".

Income taxes

The Company recognizes deferred tax assets for deductible temporary differences, unused tax losses and other income tax deductions only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and other income tax deductions can be utilized. In assessing the probability of realizing the income tax benefits of deductible temporary differences, unused tax losses and other income tax deductions, management makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. The likelihood that tax positions taken will be sustained upon examination by applicable tax authorities is assessed based on individual facts and circumstances of the relevant tax position evaluated in light of all available evidence.

As at January 31, 2026 and April 30, 2025, the Company has not recognized any deferred tax assets for deductible temporary differences. Changes in any of the above-mentioned estimates can materially affect the amount of income tax assets recognized. In addition, where applicable tax laws and regulations are either unclear or subject to varying interpretations, changes in these estimates can occur that materially affect the amounts of income tax assets recognized. The Company reassesses unrecognized income tax assets at the end of each reporting period.

NEW ACCOUNTING STANDARDS AND ACCOUNTING STANDARDS NOT YET EFFECTIVE

IFRS 18 – Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, Presentation and Disclosure of Financial Statements (IFRS 18), which replaces IAS 1, Presentation of Financial Statements. IFRS 18 introduces a specified structure for the income statement by requiring income and expenses to be presented into the three defined categories of operating, investing and financing, and by specifying certain defined totals and subtotals. Where company-specific measures related to the income statement are provided, IFRS 18 requires companies to disclose explanations around these measures, which are referred to as management defined performance measures. IFRS 18 also provides additional guidance on principles of aggregation and disaggregation which apply to the primary financial statements and the notes.

IFRS 18 will not affect the recognition and measurement of items in the financial statements, nor will it affect which items are classified in other comprehensive income and how these items are classified. The standard is effective for reporting periods beginning on or after January 1, 2027, including for interim financial statements. Retrospective application is required, and early application is permitted. The Company is currently assessing the effect of this new standard on its financial statements.

OFF-BALANCE SHEET ARRANGEMENTS

The Company did not enter into any off-balance sheet arrangements during the nine months ended January 31, 2026.

PROPOSED TRANSACTIONS

On December 9, 2025, the Company entered into a purchase and sale agreement to sell 100% of the issued and outstanding shares of Rio Explorations SpA, which directly holds the Dorado and Cordillera gold projects, to Batik. Refer to the "Dorado and Cordillera Properties, Chile" section above for further information.

On March 2, 2026, the Company announced that it has entered into definitive arrangement agreements with Urano and Pegasus, pursuant to which Aero would acquire all of the issued and outstanding common shares of both Urano and Pegasus. The combined company is expected to continue under the name "Manhattan Uranium Discovery Corp.". The Transactions have not been completed as of the date of this MD&A. Refer to "Business Overview" section above.

FINANCIAL RISK FACTORS

Classifications

The Company's financial assets and liabilities are classified as follows:

	January 31, 2026	April 30, 2025
Financial assets:		
Fair value through profit and loss		
Cash	$ 3,919,423	$ 429,421
Marketable securities	$ -	$ 420,001
Amortized cost		
Receivables	$ 84,074	$ 87,278
Financial liabilities:		
Amortized cost		
Accounts payable	$ 16,733	$ 424,724

Accounts payable includes amounts due to related parties.

The fair values of the Company's cash, receivables, and accounts payable approximate their carrying amounts due to the short-term nature of these instruments.

Financial instrument risk exposure

The Company's financial instruments expose the Company to certain financial risks, including credit risk, liquidity risk, interest rate risk and foreign currency risk.

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. At January 31, 2026, the Company was exposed to credit risk on its cash. The Company's cash is held with a high credit quality financial institution in Canada and as at January 31, 2026, management considers its exposure to credit risk to be low.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company manages liquidity risk by maintaining adequate cash and managing its capital and expenditures. At January 31, 2026, the Company had cash of $3,919,423 (April 30, 2025 - $429,421) and accounts payable and accrued liabilities of $29,416 (April 30, 2025 - $452,126) with contractual maturities of less than one year. The Company assessed its liquidity risk as low as at January 31, 2026.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's financial assets and financial liabilities are not exposed to interest rate risk due to their short-term nature and maturity. The Company is not exposed to interest rate risk at January 31, 2026.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that it has monetary assets and liabilities denominated in foreign currencies.

As at January 31, 2026, the Company is exposed to foreign currency risk, as it has cash, accounts payables and accrued liabilities denominated in US Dollars and Chilean Peso. Based on its volume of transactions, the Company determines its foreign currency risk is not significant.

OUTSTANDING SHARE CAPITAL DATA

At the date of this MD&A, the Company had 37,858,976 common shares, 26,499,999 subscription receipts, 3,836,069 warrants and 884,044 stock options outstanding.

The Company has authorized an unlimited number of common shares without par value.

OTHER RISK FACTORS AND UNCERTAINTIES

The following risk factors relate to the business of the Company. The operations of the Company are speculative due to the high-risk nature of its business which is the exploration of mineral properties. The following risk factors could materially affect the Company's financial condition and/or future operating results and could cause actual events to differ materially from those described in forward-looking information relating to the Company. These risks may not be the only risks faced by the Company. Additional risks and uncertainties not presently known by the Company or which are presently considered immaterial could adversely impact the Company's business, results of operations, and financial performance in future periods.

History of Mineral Production

There is no assurance that commercial quantities of uranium will be discovered at any of the Company's properties nor is there any assurance that the Company's exploration programs will yield positive results. Even if commercial quantities of uranium are discovered, there can be no assurance that any property of the Company will ever be brought to a stage where uranium resources can be profitably produced. Factors which may limit the ability of the Company to produce uranium resources from its properties include, but are not limited to, the market price of uranium, availability of additional capital and financing and the nature of any mineral deposits.

Negative Operating Cash Flow and Dependence on Third-Party Financing

The Company has no history of earnings or of a return on investment, and there is no assurance that any of its properties or any business that the Company may acquire or undertake will generate earnings, operate profitably or provide a return on investment in the future. As a result, the Company is dependent on third- party financing to conduct exploration activities on the Company's properties. Accordingly, the amount and timing of capital expenditures and the Company's ability to conduct further exploration activities at its properties depends on the Company's cash reserves and access to third-party financing. Failure to obtain such additional financing could result in delay or indefinite postponement of exploration and development of the Company's properties, or require the Company to sell one or more of its properties.

Furthermore, additional financing may not be available when needed, or if available, the terms of such financing might not be favorable to the Company and might involve substantial dilution to existing shareholders of the Company. The Company's access to third-party financing depends on a number of factors including the price of uranium, the results of exploration and development activities, any economic or other analysis performed with respect the Company's properties, a significant event disrupting the Company's business or the uranium industry generally, or other factors may make it difficult or impossible to obtain financing through debt, equity, or other means on favorable terms, or at all. Failure to raise capital when needed would have a material adverse effect on the Company's business, financial condition, prospects and outlook.

Price of Uranium

The Company's profitability and long-term viability depend, in large part, upon the market price of uranium. The price of uranium has recently experienced and may continue to experience volatile and significant price movements over short periods of time. Market price fluctuations of uranium could adversely affect the profitability of the Company's operations and lead to impairments and write downs of mineral properties. Historically, the fluctuations in these prices have been, and are expected to continue to be, affected by numerous factors beyond the Company's control, including but not limited to, demand for nuclear power; political and economic conditions in uranium producing and consuming countries; public and political response to a nuclear accident; improvements in nuclear reactor efficiencies; reprocessing of used reactor fuel and the re-enrichment of depleted uranium tails; sales of excess inventories by governments and industry participants; and production levels and production costs in key uranium producing countries.

A decrease in the market price of uranium could adversely affect the Company's ability to finance the exploration of additional properties, which would have a material adverse effect on the Company's future results of operations, cash flows and financial position. In addition, declining uranium prices can impact operations by requiring a reassessment of the feasibility of a particular project. Even if a project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays and/or may interrupt operations until the reassessment can be completed, which may have a material adverse effect on the Company's exploration and development prospects, cash flows and financial position. Depending on the price of uranium and other minerals, any cash flow from future mining operations may not be sufficient and the Company could be forced to discontinue production, if any, and may lose its interest in, or may be forced to sell, some of its properties. Future production, if any, from the mining properties of the Company is dependent upon the prices of uranium and other minerals being adequate to make these properties economic.

Public Acceptance of Nuclear Energy

Maintaining the demand for uranium at current levels and achieving any growth in demand in the future will depend on society's acceptance of nuclear technology as a means of generating electricity. Because of unique political, technological, and environmental factors affecting the nuclear industry, including reinvigorated public attention following the 2011 accident at Fukushima in Japan, the industry is subject to public opinion risks that could have impact on the demand for nuclear power and the future prospects for nuclear power generation, which could have a material adverse effect on the Company's earnings, cash flows, financial condition, results of operations or prospects.

In addition, the Company may be impacted by changes in regulation and public perception of the safety of nuclear power plants, which could adversely affect the construction of new plants, the demand for uranium and the future prospects for nuclear generation. These events could have a material adverse effect on the Company's earnings, cash flows, financial condition, results of operations or prospects. A major shift in the power generation industry towards non-nuclear power or non-uranium-based sources of nuclear energy, whether due to lower cost of power generation associated with such sources, government policy decisions, or otherwise, could also have a material adverse effect on the Company's earnings, cash flows, financial condition, results of operations or prospects.

Regulatory Factors and International Trade Restrictions

The international uranium industry, including the supply of uranium concentrates, is relatively small, highly competitive and heavily regulated. Worldwide demand for uranium is directly tied to the demand for electricity produced by the nuclear power industry, which is also subject to extensive government regulation and policies. The development of mines and related facilities is contingent upon governmental approvals that are complex and time consuming to obtain and which, depending upon the location of the project, involve multiple governmental agencies. The duration and success of such approvals are subject to many variables outside of the Company's control. Any significant delays in obtaining or renewing such permits or licenses in the future could have a material adverse effect on the Company.

In addition, the international marketing and trade of uranium is subject to potential changes in governmental policies, regulatory requirements and international trade restrictions (including trade agreements, customs, duties and taxes), which are beyond the control of the Company. Changes in regulatory requirements, customs, duties or taxes may affect the supply of uranium to Europe, which is currently one of the largest established consumption markets for uranium in the world, as well as the future of supply to rapidly expanding nuclear markets, such as China and India.

The supply of uranium is, to some extent, subject to restrictions and conditions under a number of international trade agreements and policies. These and any similar future agreements, governmental legislation, policies or trade restrictions are beyond the Company's control and may affect the supply of uranium available in Europe and Asia. If the Company achieves commercial production, but is unable to supply uranium to these important markets, its business, financial condition and results of operations may be materially adversely affected. In addition, there can be no assurance that governments will not enact legislation or take other actions that restricts who can buy or supply uranium, which may have a material adverse effect on the price of uranium and the Company's financial condition and results of operations.

Recent and potential changes in U.S. trade policy, including the introduction or consideration of tariffs, quotas and other import restrictions, as well as potential retaliatory measures by Canada and other jurisdictions, have created and may continue to create uncertainty in international trade relations. There is significant uncertainty surrounding the implementation and duration of existing tariffs and any further changes in governmental policy, particularly with respect to such trade policies, treaties and tariffs. These developments, and any similar further changes in governmental policy, may have a material adverse effect on global economic conditions and financial markets. The full economic impact of any such changes in governmental policy on the Company remains uncertain and is dependent on the severity and duration of the tariffs and any other measures imposed which, if prolonged, could increase costs and decrease demand for any minerals that may be extracted by the Company.

Competition with Other Viable Energy Sources

Nuclear energy competes with other sources of energy, including oil, natural gas, coal and hydroelectricity. Sustained lower prices of oil, natural gas, coal and hydro-electricity may result in lower demand for uranium concentrates and uranium conversion services, which in turn may result in lower market prices for uranium, which would materially and adversely affect the Company's business, financial condition and results of operations. In addition, technical advancements in renewable and other alternate forms of energy, such as wind and solar power, could make these forms of energy more commercially viable and ultimately put additional pressure on the demand for uranium concentrates.

Mineral Tenure

The acquisition and maintenance of title to mineral properties is a very detailed and time-consuming process. While the Company has reviewed and is satisfied with the title to its properties, and, to the best of its knowledge, such title are in good standing, there is no guarantee that title to the Company's properties or any project that the Company may acquire will not be challenged or impugned. Title insurance is generally not available for mineral properties and the Company's ability to ensure that it has obtained secure mine tenure may be severely constrained. Third parties may have valid claims underlying portions of the Company's interests, including prior unregistered liens, agreements, royalty transfers or claims or other encumbrances and title may be affected by, among other things, undetected defects. Other parties may dispute the title to a property, or the property may be subject to prior unregistered agreements and transfers or land claims by Indigenous people. The title may also be affected by undetected encumbrances or defects or governmental actions.

The Company may not be able to register rights and interests it acquires against title to applicable mineral properties. An inability to register such rights and interests may limit or severely restrict the Company's ability to enforce such acquired rights and interests against third parties or may render certain agreements entered into by the Company invalid, unenforceable, uneconomic, unsatisfied or ambiguous, the effect of which may cause financial results yielded to differ materially from those anticipated. Although the Company believes that it has taken reasonable measures to ensure proper title to the properties in which it has an interest, there is no guarantee that such title will not be challenged or impaired.

In many instances, the Company can initially only obtain rights to conduct exploration activities on certain prescribed areas, but obtaining the rights to proceed with development, mining and production on such areas or to use them for other related purposes, such as waste storage or water management, is subject to further application, conditions or licences, the granting of which are often at the discretion of the governmental bodies. In many instances, the Company's rights are restricted to fixed periods of time with limited renewal rights. Delays in the process for applying for such rights or renewals or expansions, or the nature of conditions imposed by government, could have a material adverse effect on the Company's business, including its existing developments and mines, and the Company's financial condition and results of operations.

U.S. Federal Lands

Mining claims on U.S. federal lands are subject to mineral withdrawals by the U.S. Congress or the designation of national monuments by the President of the U.S. under the Antiquities Act. In both cases the withdrawal or the designation of a national monument withdraws the area from mineral location and entry under the Mining Law of 1872 (the "**U.S. Mining Law**"), subject to valid existing rights. This means that no new mining claims may be located on the withdrawn or designated lands and no new plans of operations may be approved, other than plans of operations on mining claims that were valid at the time of withdrawal or designation and that remain valid at the time of plan approval. A mining claim is not valid unless there is a discovery of a valuable mineral deposit before the date of the withdrawal or reservation. To determine whether a mineral deposit is valuable, a mineral examination may be conducted by the U.S. Bureau of Land Management or the United States Forest Service, as applicable. The mineral examination, which involves an economic evaluation of a project, must demonstrate the existence of a locatable mineral resource under the "prudent man" standard, meaning that a person of ordinary prudence would be justified in developing the minerals with a reasonable prospect of success. Mineral claims that are in the exploration stage and upon which economic deposits have not yet been delineated are generally prevented from proceeding to the plan of operations stage during the withdrawal period or indefinitely in the case of the designation of a national monument. Any future withdrawal of mineral lands from location and entry or future designation of additional national monuments has the potential to prevent further development on exploration stage claims held by the Company in the affected area as well as the potential for the Company to lose the ability to continue to develop mining operations on other claims in the affected area if it is found that a discovery of a valuable mineral deposit has not been made or a mineral examination indicates the deposit is uneconomical and that the claim is not valid. The lack of a valuable mineral deposit on any of the Company's claims, a mineral examination concluding that the prudent man standard has not been met, or any other circumstance determining that a claim is not valid would have significant impacts on the Company.

Amendments to U.S. Mining Laws

Members of the U.S. Congress have repeatedly introduced bills which would supplant or alter the provisions of the U.S. Mining Law, as amended. Such bills have proposed, among other things, to: (i) either eliminate or greatly limit the right to a mineral patent; (ii) significantly alter the laws and regulations relating to uranium mineral development and recovery from unpatented and patented mining claims; (iii) impose a different payment structure than currently imposed, including payment of royalties on production from unpatented mining claims rather than annual payment of maintenance fees; (iv) impose time limits on the effectiveness of plans of operation that may not coincide with mine or facility life; (v) impose more stringent environmental compliance and reclamation requirements on activities on unpatented mining claims; (vi) establish a mechanism that would allow states, localities and Native American tribes to petition for the withdrawal of identified tracts of federal land from the operation of the U.S. general mining laws; and (vii) allow for administrative determinations that mining or similar activities would not be allowed in situations where undue degradation of the federal lands in question could not be prevented. If enacted, such legislation could change the cost of holding unpatented mining claims and could significantly impact the Company's ability to develop locatable mineral resources on its patented and unpatented mining claims. Although it is impossible to predict at this point what any legislated royalties might be, enactment could adversely affect the potential for construction and development and the economics of existing operating mines and facilities. Passage of such legislation could adversely affect the Company's financial performance. In addition, recent interpretations of U.S. Mining Laws by federal courts threaten to dramatically change how mining operations are conducted, specifically as to the extent to which mine operators may use mining claims and mill sites. The United States Environmental Protection Agency (the "**EPA**") has in recent years announced an intention to propose new rules that, if promulgated, could result in increases in mine surety arrangements to cover currently non-existing and unidentified potential future environmental costs, which could severely impact or render infeasible many existing or prospective mining operations. The EPA dropped this proposal after considering comments received during the public participation process. Nevertheless, there is a risk that similar regulations could be proposed in the future, which could have significant impacts on the Company and the mining industry as a whole.

Market Price of Securities

The common shares of the Company are listed on the Exchange. Securities markets have had a high level of price and volume volatility, and the market price of securities of many resource companies, particularly those considered exploration or development stage companies, have experienced wide fluctuations in price that have not necessarily been related to the operating performance, underlying asset values or prospects of such companies.

The trading price of the common shares of the Company may increase or decrease in response to a number of events and factors, not related to the Company's performance, and are, therefore, not within the Company's control, including but not limited to, the market in which the common shares are traded, the strength of the economy generally, the availability and attractiveness of alternative investments and the breadth of the public market for the common shares. The effect of these factors on the market price of the common shares in the future cannot be predicted.

Acquisitions and Integration

As part of the Company's business strategy, the Company examines opportunities to acquire additional mining assets and businesses. Any acquisition that the Company may choose to complete may be of a significant size, may change the scale of the Company's business and operations, and may expose the Company to new geographic, political, operating, financial and geological risks. The Company's success in its acquisition activities and strategic transactions depends on its ability to identify suitable opportunities, negotiate acceptable terms, obtain required regulatory, shareholder and stock exchange approvals, and complete and integrate such transactions successfully. Any acquisitions or other strategic transactions would be accompanied by risks.

The Company is currently party to pending transactions, including the proposed disposition of its interest in Rio Explorations SpA and the Transactions with Urano and Pegasus, which have not yet been completed. There can be no assurance that these transactions will be completed on the terms currently contemplated, or at all. Completion of such transactions is subject to a number of conditions, including regulatory, shareholder and stock exchange approvals, as well as, in the case of the Rio Explorations transaction, the successful listing of Batik Resources Ltd. on a recognized stock exchange. If such conditions are not satisfied or waived, the anticipated benefits of these transactions may not be realized.

For example, there may be a significant change in commodity prices after the Company has committed to complete the transaction and established the purchase price or exchange ratio; a material ore body may prove to be below expectations; the Company may have difficulty integrating and assimilating the operations and personnel of any acquired companies, realizing anticipated synergies and maximizing the financial and strategic position of the combined enterprise, and maintaining uniform standards, policies and controls across the organization; the integration of the acquired business or assets may disrupt the Company's ongoing business and its relationships with employees, customers, suppliers and contractors; and the acquired business or assets may have unknown liabilities which may be significant.

In addition, where consideration for any disposition or transaction is payable in securities of another issuer, including the proposed receipt of common shares of Batik Resources Ltd., the value of such securities may be subject to volatility, illiquidity, resale restrictions or a decline in market price following issuance, and the actual value realized by the Company may differ materially from the expected value.

The proposed Transactions are expected to result in a significant change to the Company's business, operations and strategic direction. Such changes include substantial dilution to existing shareholders, changes in management and control, and exposure to new assets, jurisdictions and risks. There can be no assurance that the anticipated benefits of the combined entity will be realized or that the integration of the businesses will be successful.

In the event that the Company chooses to raise debt capital to finance any such acquisition, its leverage will be increased. If the Company chooses to use equity as consideration for such acquisition, the Company's shareholders may suffer dilution. Alternatively, the Company may choose to finance any such acquisition with its existing resources. The Company's ability to successfully complete and integrate acquisitions or other strategic transactions may also be adversely affected by management distraction, competing capital requirements and general market conditions. There can be no assurance that the Company would be successful in overcoming these risks or any other problems encountered in connection with such acquisitions.

Exploration, Development and Operating Risks

Mining operations are inherently dangerous and generally involve a high degree of risk. The Company's operations are subject to all of the hazards and risks normally encountered in the exploration and development of minerals, including, without limitation, unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material any of which could result in damage to, or destruction of, mines, personal injury or loss of life and damage to property, and environmental damage, all of which may result in possible legal liability.

Mining operations are also subject to hazards such as fire, rock falls, geomechanical issues, equipment failure, and other hazards which may cause environmental pollution and consequent liability. The occurrence of any of these events could result in a prolonged interruption of the Company's exploration and development activities that would have a material adverse effect on its business and prospects. Further, the Company may be subject to liability or sustain losses in relation to certain risks and hazards against which it cannot insure or for which it may elect not to insure. The occurrence of operational risks and/or a shortfall or lack of insurance coverage could have a material adverse impact on the Company's future cash flows, earnings, results of operations and financial condition.

Permitting

The Company's operations are subject to receiving and maintaining permits from appropriate governmental authorities. There is no assurance that delays will not occur in connection with obtaining and renewing all necessary permits for the Company's existing operations, additional permits for any possible future changes to operations, or additional permits associated with new legislation. Prior to any development on any of its properties, the Company must receive permits from appropriate governmental authorities. There can be no assurance that the Company will continue to hold or be able to obtain all permits necessary to develop any particular property. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing activities to cease or be curtailed, and may include corrective measures requiring capital expenditures or remedial actions. Amendments to current laws, regulations and permitting requirements, or more stringent application of existing laws, may have a material adverse impact on the Company, resulting in increased capital expenditures and other costs or abandonment or delays in development of properties. Any of these factors could have a material adverse effect on the Company's results of operations and financial position.

Economics of Developing Mineral Properties

Mineral exploration and development is speculative and involves a high degree of risk. While the discovery of a mineral deposit may result in substantial rewards, few properties which are explored are commercially mineable and ultimately developed into producing mines. Even if commercial quantities of minerals are identified, there can be no assurance that the Company will be able to exploit the resources or, if the Company is able to exploit them, that it will do so on a profitable basis.

Should any mineral reserves exist, substantial expenditures will be required to confirm mineral reserves which are sufficient to commercially mine and to obtain the required environmental approvals and permitting required to commence commercial operations. The decision as to whether a property contains a commercial mineral deposit and should be brought into production will depend upon the results of exploration programs and/or feasibility studies, and the recommendations of duly qualified engineers and/or geologists, all of which involves significant expense. This decision will involve consideration and evaluation of several significant factors including, but not limited to: (i) costs of bringing a property into production, including exploration and development work, preparation of production feasibility studies and construction of production facilities; (ii) availability and costs of financing; (iii) ongoing costs of production; (iv) uranium prices, which are historically cyclical; (v) environmental compliance regulations and restraints (including potential environmental liabilities associated with historical exploration activities); and (vi) political climate and/or governmental regulation and control. Development projects are also subject to the successful completion of engineering studies, issuance of necessary governmental permits, and availability of adequate financing. Development projects have no operating history upon which to base estimates of future cash flow.

The ability to sell and profit from the sale of any eventual mineral production from any project of the Company will be subject to the prevailing conditions in the minerals marketplace at the time of sale. The global minerals marketplace is subject to global economic activity and changing attitudes of consumers and other end-users' demand for mineral products. Many of these factors are beyond the control of a mining company and therefore represent a market risk which could impact the long-term viability of the Company and its operations.

Development of New Mines

The potential development of new mines or the restart of existing mines by the Company is subject to a number of factors including the availability and performance of engineering and construction contractors, mining contractors, suppliers and consultants, the receipt of required governmental approvals and permits in connection with the construction or restart of mining facilities, the conduct of mining operations (including environmental permits), and the successful completion and operation of ore passes, among other operational elements. Any delay in the performance of any one or more of the contractors, suppliers, consultants or other persons on which the Company is dependent in connection with its construction or restart activities, a delay in or failure to receive the required governmental approvals and permits in a timely manner or on reasonable terms, or a delay in or failure in connection with the completion and successful operation of the operational elements of new or restarted mines could delay or prevent the construction and start-up or restart of mines as planned. There can be no assurance that future construction and start-up or restart plans implemented by the Company will be successful, that the Company will be able to obtain sufficient funds to finance construction and start-up or restart activities, that personnel and equipment will be available in a timely manner or on reasonable terms to successfully complete construction projects, that the Company will be able to obtain all necessary governmental approvals and permits or that the construction, start-up, restart and ongoing operating costs associated with the development of new mines or the restart of existing mines will not be significantly higher than anticipated by the Company. Any of the foregoing factors could adversely impact the operations and financial condition of the Company.

Imprecision of Mineral Reserve and Resource Estimates

Mineral reserve and resource figures are estimates, and no assurances can be given that the estimated levels of uranium will be produced. Such estimates are expressions of judgment based on knowledge, mining experience, analysis of drilling results and industry practices. Valid estimates made at a given time may significantly change when new information becomes available. While the Company believes that its mineral resource estimate is well established and reflects management's best estimates, by their nature, mineral resource estimates are imprecise and depend, to a certain extent, upon geological assumptions based on limited data, and statistical inferences which may ultimately prove unreliable. Should the Company encounter mineralization or formations different from those predicted by past sampling and drilling, resource estimates may have to be adjusted.

Health, Safety and Environmental Risks and Hazards

Mining, like many other extractive natural resource industries, is subject to potential risks and liabilities due to accidents that could result in serious injury or death and/or material damage to the environment and Company assets. The impact of such accidents could cause an interruption to operations, lead to a loss of licences, affect the reputation of the Company and its ability to obtain further licenses, damage community relations and reduce the perceived appeal of the Company as an employer. The Company strives to manage all such risks in compliance with local and international standards and has or will implement various health and safety measures designed to mitigate such risks. Any such occupational health and personal safety issues may adversely affect the business of the Company and its future operations.

All phases of the Company's operations are subject to environmental and safety regulations in the jurisdictions in which it operates. Environmental legislation is evolving in a manner that will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that the Company has been or will at all times be in full compliance with all environmental laws and regulations or hold, and be in full compliance with, all required environmental, health and safety permits. In addition, no assurances can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could have an adverse effect on the Company's financial position and operations. The potential costs and delays associated with compliance with such laws, regulations and permits could prevent the Company from proceeding with the development of a project and any non-compliance therewith may adversely affect the Company's business and prospects. Environmental hazards may also exist on the properties on which the Company holds or will hold interests that are unknown to the Company at present and that have been caused by previous or existing owners or operators of the properties.

Government environmental approvals and permits are currently, or may in the future be, required in connection with the Company's operations. To the extent such approvals are required and not obtained, the Company may be curtailed or prohibited from proceeding with planned exploration or development of mineral properties. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. The costs associated with such instances and liabilities could be significant. Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or require abandonment or delays in the development and exploration of its mining properties. The Company may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations. The Company may also be held financially responsible for remediation of contamination at its properties, or at third party sites. The Company could also be held responsible for exposure to hazardous substances.

In the context of environmental permits, the Company must comply with standards, laws and regulations that may entail costs and delays depending on the nature of the activity to be permitted and how stringently the regulations are implemented by the regulatory authority. The Company may incur costs associated with reclamation activities, which may materially exceed the provisions established by the Company for the activities. In addition, possible additional future regulatory requirements may require additional reclamation requirements creating uncertainties related to future reclamation costs. Should the Company be unable to post required financial assurance related to an environmental remediation obligation, the Company might be prohibited from starting planned operations or required to suspend existing operations or enter into interim compliance measures pending completion of the required remedy, which could have a material adverse effect. Furthermore, changes to the amount of financial assurance that the Company is required to post, as well as the nature of the collateral to be provided, could significantly increase the Company's costs, making the development of new mines less economically feasible.

Global Conflict

Ongoing global conflict, including in Ukraine and the Middle East, can and has led to sanctions being levied against certain countries by the international community and may result in additional sanctions or other international action, any of which may have a destabilizing effect on commodity prices, supply chain and global economies more broadly. Volatility in commodity prices and supply chain disruptions may adversely affect the Company's business and financial condition, or have adverse indirect consequences that the Company and its management cannot fully predict. The extent and duration of such conflicts and related international actions cannot be accurately predicted and the effects of such conflict may magnify the impact of other risks identified in this MD&A, including those relating to commodity price volatility and global financial conditions. Because of the highly uncertain and dynamic nature of these events, it is not currently possible to accurately estimate the impact of such conflicts on the Company's business.

Dilution

The Company may have further capital requirements and exploration expenditures as it proceeds to expand exploration activities at its mineral projects, develop any such projects or take advantage of opportunities for acquisitions, joint ventures or other business opportunities that may be presented to it. The Company may sell additional common shares or other securities in the future to finance its operations or may issue additional common shares or other securities as consideration for future acquisitions. The Company cannot predict the size or nature of future sales or issuances of securities or the effect, if any, that such future sales and issuances may have on the market price of the common shares. Sales or issuances of substantial numbers of common shares, or the perception that such sales or issuances could occur, may adversely affect the future market price of the common shares and dilute each shareholder's equity position in the Company.

Community Relations

The Company's relationships with the communities in which it operates, and other stakeholders are critical to ensure the future success of its exploration and development of its projects. There is an increasing level of public concern relating to the perceived effect of mining activities on the environment and on communities impacted by such activities. Publicity adverse to the Company, its operations or extractive industries generally, could have an adverse effect on the Company and may impact relationships with the communities in which the Company operates and other stakeholders. While the Company is committed to operating in a socially responsible manner, there can be no assurance that its efforts in this respect will mitigate this potential risk. Further, damage to the Company's reputation can be the result of the perceived or actual occurrence of any number of events, and could include any negative publicity, whether true or not.

Indigenous Claims

Indigenous title claims and heritage issues may affect the ability of the Company to pursue exploration, development and mining on its properties. The resolution of Native American heritage issues and other indigenous claims is an integral part of exploration and mining operations in the United States and other jurisdictions and the Company is committed to managing any issues that may arise effectively. However, in view of the inherent legal and factual uncertainties relating to such issues, no assurance can be given that material adverse consequences will not arise. The evolving expectations related to human rights, indigenous rights, and environmental protection may result in opposition to the development of the Company's properties and may have a negative impact on the Company's reputation and operations.

Non-Governmental Organizations

Certain non-governmental organizations ("**NGOs**") that oppose globalization and resource development are often vocal critics of the mining industry and its practices, including the use of hazardous substances in mining activities. Adverse publicity generated by such NGOs or other parties generally related to extractive industries or specifically to the Company's operations, could have an adverse effect on the Company's reputation, impact the Company's relationship with the communities in which it operates and ultimately have a material adverse effect on the Company's business, financial condition and results of operations.

Availability and Costs of Infrastructure, Energy and Other Commodities

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants that affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's operations, financial condition and results of operations.

The profitability of the Company's operations will be dependent upon the cost and availability of commodities which are consumed or otherwise used in connection with the Company's operations and projects, including, but not limited to, diesel, fuel, natural gas, electricity, steel and concrete. Commodity prices fluctuate widely and are affected by numerous factors beyond the control of the Company. If there is a significant and sustained increase in the cost of certain commodities, the Company may decide that it is not economically feasible to continue all of the Company's development activities.

Further, the Company relies on certain key third-party suppliers and/or contractors for services, equipment, raw materials used in, and the provision of services necessary for, the development and construction of its assets. There can be no guarantee that services, equipment or raw materials will be available to the Company on commercially reasonable terms or at all.

Insurance and Uninsured Risks

Exploration, development and production operations on mineral properties involve numerous risks, including unexpected or unusual geological operating conditions, rock bursts, cave-ins, fires, floods, earthquakes and other environmental occurrences, as well as political and social instability. 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. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the common shares. The lack of, or insufficiency of, insurance coverage could adversely affect the Company's future cash flow and overall profitability.

Competition

The mining industry is intensely competitive in all of its phases and the Company competes with many companies possessing greater financial and technical resources than itself. Competition in the uranium mining industry is primarily for mineral rich properties that can be developed and produced economically; the technical expertise to find, develop, and operate such properties; the labour to operate the properties; and the capital for the purpose of funding such properties. The Company expects to selectively seek strategic acquisitions in the future, however, there can be no assurance that suitable acquisition opportunities will be identified on acceptable terms. As a result, there can be no assurance that the Company will acquire any interest in additional uranium properties. If the Company is not able to acquire these interests, it could have a material and adverse effect on its future earnings, cash flows, financial condition or results of operations. Even if the Company does acquire these interests or rights, the resulting business arrangements may ultimately prove not to be beneficial.

Tax Matters

The Company's taxes are affected by several factors, some of which are outside of its control, including the application and interpretation of the relevant tax laws and treaties. If the Company's filing position, application of tax incentives or similar "holidays" or benefits were to be challenged for any reason, this could have a material adverse effect on the Company's business, results of operations and financial condition.

The Company is subject to routine tax audits by various tax authorities. Tax audits may result in additional tax, interest payments and penalties which would negatively affect the Company's financial condition and operating results. New laws and regulations or changes in tax rules and regulations or the interpretation of tax laws by the courts or the tax authorities may also have a substantial negative impact on the Company's business. There is no assurance that the Company's current financial condition will not be materially adversely affected in the future due to such changes.

Litigation

All industries, including the mining industry, are subject to legal claims, with and without merit. The Company may become involved in legal disputes in the future. Defense and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. As of the date hereof, no material claims have been brought against the Company, nor has the Company received an indication that any material claims are forthcoming. However, due to the inherent uncertainty of the litigation process, should a material claim be brought against the Company, there can be no assurance that the resolution of any particular legal proceeding will not a material adverse effect on the Company's financial position and results of operations.

Nature and Climatic Conditions

The Company and the mining industry are facing continued geotechnical challenges, which could adversely impact the Company. Unanticipated adverse geotechnical and hydrological conditions, such as landslides, droughts, pit wall failures and rock fragility may occur in the future and such events may not be detected in advance. Geotechnical instabilities and adverse climatic conditions can be difficult to predict and are often affected by risks and hazards outside of the Company's control, such as severe weather and considerable rainfall, which may lead to periodic floods, mudslides, wall instability and seismic activity, which may result in slippage of material. Such conditions could result in limited access to mine sites, suspensions or reductions in operations, government investigations, increased monitoring costs, remediation costs, loss of ore and other impacts which could cause the Company's projects to be less profitable than currently anticipated and could result in a material adverse effect on the Company's results of operations and financial position.

Information Systems and Cyber Security

The Company's information systems are vulnerable to an increasing threat of continually evolving cybersecurity risks. Unauthorized parties may attempt to gain access to these systems or the Company's information through fraud or other means of deception. The Company's operations depend, in part, on how well the Company and those entities with which it does business, protect networks, equipment, information technology systems and software against damage from a number of threats. The failure of information systems or a component of information systems could, depending on the nature of any such failure, adversely impact the Company's reputation and results of operations.

Although to date, the Company has not experienced any material losses relating to cyber attacks or other information security breaches, there can be no assurance that it will not incur such losses in the future. The Company's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage or unauthorized access remain a priority. As cyber threats continue to evolve, the Company may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

Dependence on Outside Parties

The Company has relied upon consultants, engineers, contractors and other parties and intends to rely on these parties for exploration, development, construction and operating expertise and any future production. Substantial expenditures are required to construct mines, to establish mineral resources and mineral reserves through drilling, to carry out environmental and social impact assessments, to develop metallurgical processes to extract metal and, in the case of new properties, to develop the exploration and plant infrastructure at any particular site. Deficient or negligent work or work not completed in a timely manner could have a material adverse effect on the Company, its business, operating results and prospects.

Dependence on Key Management Personnel

The Company's is dependent upon a number of key management personnel. The Company's ability to manage its operating, development, exploration and financing activities will depend in large part on the efforts of these individuals. As the Company's business grows, it will require additional key financial, administrative, mining, marketing and public relations personnel as well as additional staff for operations. The Company faces intense competition for qualified personnel, and there can be no assurance that the Company will be able to attract and retain such personnel. The loss of the services of one or more key employees or the failure to attract and retain new personnel could have a material adverse effect on the Company's ability to manage and expand the Company's business.

Liability for Actions of Employees, Contractors and Consultants

The Company could be liable for fraudulent or illegal activity by its employees, contractors and consultants resulting in significant financial losses to claims against it.

The Company is exposed to the risk that its employees, independent contractors and consultants may engage in fraudulent or other illegal activity. Misconduct by these parties could include intentional, reckless or negligent conduct or disclosure of unauthorized activities to the Company that violates: (i) government regulations; (ii) mining standards; (iii) fraud and abuse laws and regulations; or (iv) laws that require the true, complete, and accurate reporting of financial information or data. It is not always possible for the Company to identify and deter misconduct by its employees and other third parties, and the precautions taken by the Company to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting the Company from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations. If any such actions are instituted against the Company, and it is not successful in defending itself or asserting its rights, those actions could have a significant impact on its business, including the imposition of civil, criminal and administrative penalties, damages, monetary fines, contractual damages, reputational harm, diminished profits and future earnings, the curtailment of the Company' operations or asset seizures, any of which could have a material adverse effect on the Company's business, financial condition and results of operations.

Breach of Confidentiality

While discussing potential business relationships or other transactions with third parties, the Company may disclose confidential information relating to the business, operations, or affairs of the Company. Although confidentiality agreements are to be signed by third parties prior to the disclosure of any confidential information, a breach of such confidentiality agreement could put the Company at competitive risk and may cause significant damage to its business. The harm to the Company's business from a breach of confidentiality cannot presently be quantified but may be material and may not be compensable in damages. There can be no assurance that, in the event of a breach of confidentiality, the Company will be able to obtain equitable remedies, such as injunctive relief from a court of competent jurisdiction in a timely manner, if at all, in order to prevent or mitigate any damage to its business that such a breach of confidentiality may cause.

Conflicts of Interest

The Company's directors and officers may serve as directors or officers, or may be associated with, other reporting companies, or have significant shareholdings in other companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions, or ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding on terms with respect to the transaction. If a conflict of interest arises, the Company will follow the provisions of the BCBCA dealing with conflict of interest. These provisions state that where a director has such a conflict, that director must, at a meeting of the Company's directors, disclose his or her interest and refrain from voting on the matter unless otherwise permitted by the BCBCA. In accordance with the laws of the Province of British Columbia, the directors and officers of the Company are required to act honestly, in good faith, and in the best interests of the Company.

Disclosure and Internal Controls

Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Disclosure controls and procedures are designed to ensure that the information required to be disclosed by the Company in reports filed with securities regulatory agencies is recorded, processed, summarized and reported on a timely basis and is accumulated and communicated. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance with respect to the reliability of financial reporting and financial statement preparation. The Company's failure to satisfy the requirements of applicable Canadian securities laws on an ongoing, timely basis could result in the loss of investor confidence in the reliability of its financial statements, which in turn could harm its business and negatively impact the trading price of the Company's common shares. In addition, any failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Company's operating results or cause it to fail to meet its reporting obligations.

Global Financial Conditions

Global financial conditions continue to be characterized as volatile. In recent years, global markets have been adversely impacted by various credit crises and significant fluctuations in fuel and energy costs and metals prices. Many industries, including the mining industry, have been impacted by these market conditions. Global financial conditions remain subject to sudden and rapid destabilizations in response to future events, as government authorities may have limited resources to respond to future crises. A continued or worsened slowdown in the financial markets or other economic conditions, including but not limited to consumer spending, employment rates, business conditions, inflation, fuel and energy costs, consumer debt levels, lack of available credit, the state of the financial markets, interest rates and tax rates, may adversely affect the Company’s growth and prospects. Future crises may be precipitated by any number of causes, including natural disasters, geopolitical instability, changes to energy prices or sovereign defaults. If increased levels of volatility continue or in the event of a rapid destabilization of global economic conditions, it may result in a material adverse effect on commodity prices, demand for metals, including uranium, availability of credit, investor confidence, and general financial market liquidity, all of which may adversely affect the Company’s business and the market price of the common shares.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This MD&A includes “forward-looking statements” and “forward-looking information” within the meaning of Canadian securities legislation. All statements included in this MD&A, other than statements of historical fact, are forward-looking statements. When used in this MD&A, words such as “may”, “would”, “could”, “will”, “intend”, “expect”, “believe”, “plan”, “anticipate”, “estimate”, “scheduled”, “forecast”, “predict”, “foresee” and other similar terminology, or sentences/statements that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved are intended to identify forward-looking statements, which, by their very nature, are not guarantees of the Company’s future operational or financial performance.

These statements reflect the Company's current expectations regarding future events, performance and results, and are accurate only at the time of this MD&A and may be superseded by more current information. Forward-looking statements also involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Company or its mineral projects to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or information.

In making such statements, the Company has made assumptions regarding, among other things: general business and economic conditions; the availability of additional; the supply and demand for, inventories of, and the level and volatility of the prices of metals; the timing and receipt of governmental permits and approvals; changes in regulations; political factors; the accuracy of the Company’s interpretation of the geology of the Company’s properties and prospective properties; the availability of equipment, skilled labour and services needed for the exploration of mineral properties; and currency fluctuations.

Although the forward-looking statements or information contained in this MD&A are based upon what management of the Company believes are reasonable assumptions, the Company cannot assure investors that actual results will be consistent with these forward-looking statements. They should not be read as guarantees of future performance or results. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to: the factors discussed below and under "Other Risk Factors and Uncertainties".

Forward-looking information is designed to help readers understand management’s current views of the Company’s near and longer-term prospects, and it may not be appropriate for other purposes. The Company will not update any forward-looking statements or forward-looking information unless required by applicable securities laws.