ALMADEX MINERALS LTD.
MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2024

INTRODUCTION

This Management's Discussion and Analysis ("MD&A") for Almadex Minerals Ltd. ("Almadex" or the "Company") has been prepared based on information known to management as of November 19, 2024. This MD&A is intended to help the reader understand the condensed consolidated interim financial statements of Almadex.

Management is responsible for the preparation and integrity of the condensed consolidated interim financial statements, including the maintenance of appropriate information systems, procedures and internal controls. Management also ensures that information used internally or disclosed externally, including the condensed consolidated interim financial statements and MD&A, is complete and reliable.

The Company's board of directors follows recommended corporate-governance guidelines for public companies to ensure transparency and accountability to shareholders. The board's audit committee meets with management regularly to review the condensed consolidated interim financial statements, including the MD&A, and to discuss other financial, operating and internal-control matters.

All currency amounts are expressed in Canadian dollars unless otherwise noted.

FORWARD-LOOKING STATEMENTS

Information set forth in this MD&A may involve forward-looking statements under applicable securities laws. Forward-looking statements are statements that relate to future, not past, events. In this context, forward-looking statements often address expected future business and financial performance, and often contain words such as "anticipate", "believe", "plan", "estimate", "expect", and "intend", statements that an action or event "may", "might", "could", "should", or "will" be taken or occur, or other similar expressions. All statements, other than statements of historical fact, included herein including, without limitation, statements about the size and timing of future exploration on and the development of the Company's properties; management's belief that the Company's cash resources are sufficient to meet its working capital and mineral exploration requirements for its next fiscal year; the Company's expectations that it will make expenditures to comply with environmental laws and regulations; continued respect for the rule of law in Mexico; political risk in Mexico; stability and predictability in Mexico's response to the arbitration process under the CPTPP; stability and predictability in the application of the CPTPP and arbitral decisions thereon; the ability to finance the arbitration process; and the Company's objectives and expectations regarding its capital resources are forward-looking statements. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the Company's actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following risks: the need for additional financing; operational risks associated with mineral exploration; fluctuations in commodity prices; title matters; environmental liability claims and insurance; reliance on key personnel; the volatility of the Company's common share price and volume and other factors beyond the Company's control. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date that statements are made and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by applicable securities laws. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statements.

Important factors that could cause actual results to differ materially from management's expectations are disclosed in the Company's documents filed from time to time via SEDAR+ with the Canadian regulatory agencies to whose policies the Company is bound. Investors are cautioned against attributing undue certainty to forward-looking statements.

The users of this information, including but not limited to investors and prospective investors, should read it in conjunction with all other disclosure documents available under the Company's profile on SEDAR+ (www.sedarplus.ca) and/or on the Company's website at www.almadexminerals.com.

Third-Party Technical Information

Except where otherwise stated, technical disclosure herein relating to Almadex's royalty interests is based on information publicly disclosed by the owners or operators of these properties and information/data available in the public domain as at the date hereof and none of this information has been independently verified by Almadex. Additionally, as a royalty holder, Almadex has limited, if any, access to the properties subject to the royalties. Although Almadex does not have any knowledge that such publicly disclosed information may not be accurate, there can be no assurance that such third-party information is complete or accurate. Almadex expressly disclaims any responsibility for the accuracy, completeness or fairness of any such third-party information and refers the reader to the public reports filed by the operators for information regarding those properties. Some information publicly reported by the operator may relate to a larger property than the area covered by Almadex's royalty interests. Almadex's royalty interests may cover less than 100% and sometimes only a portion of the publicly reported mineral reserves, mineral resources and production of a property. Unless otherwise indicated, the technical and scientific disclosure contained or referenced in this press release, including any references to mineral resources or mineral reserves, was prepared in accordance with Canadian National Instrument 43-101 ("NI 43-101"), which differs significantly from the requirements of the U.S. Securities and Exchange Commission (the "SEC") applicable to U.S. domestic issuers. Accordingly, the scientific and technical information contained or referenced in this press release may not be comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements of the SEC. "Inferred mineral resources" have a great amount of uncertainty as to their existence and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Historical results or feasibility models presented herein are not guarantees or expectations of future performance.

HIGHLIGHTS

During the quarter, Almadex commenced a prospect drill campaign focussed on a porphyry target at the Davis-Paradise project, and continued with its grassroots prospect generation and exploration activity in the U.S

Since early 2023, the Company has acquired by staking over a dozen new target areas in Arizona, Nevada, Colorado, and New Mexico.

Paradise-Davis, Nevada

On July 25, 2024, Almadex announced that it commenced prospect drilling in order to test a porphyry copper-gold target at Paradise-Davis that had been defined through mapping and soil geochemistry. Target definition work at the Project had defined two separate zones of porphyry lithocap alteration:

i. A diaspore-pyrophyllite-dickite-alunite alteration zone interpreted as a potential feeder to underlying porphyry mineralization at Arena Central backed up by elevated Na-content of alunite, Au, Ag, Cu and most coherently, a Mo in soil anomaly; and,

ii. A separate lithocap to the SE containing a central zone of mineralization with a veinlet visually identified by the field crew as possibly enargite (a copper bearing sulphide mineral found in porphyry lithocaps).

On October 8, 2024 the Company announced that it had completed two holes at the Project, totalling 1,679 metres. The two drillholes successfully confirmed that the Paradise-Davis lithocap is associated with a porphyry system at depth. Both holes intersected advanced argillic alteration hosted by andesite, zones of crosscutting hydrothermal brecciation and narrow porphyry fingers. The advanced argillic alteration includes zones of quartz-pyrophyllite and kaolinite-dickite which have been identified to the bottom of the holes. The narrow porphyry intrusions are associated with sodic-calcic and minor potassic alteration overprinted by advanced argillic alteration. While there are no significant intervals of copper to report, narrow intervals of visible chalcopyrite were seen. The Company is encouraged by these results since they prove that the alteration seen at surface, without any evidence of porphyry veining, is the upper expression of a porphyry system at depth. Having confirmed that the lithocap has porphyry mineralisation associated with it, the Company is considering next steps for how best to vector towards a porphyry centre within the large alteration zone.

In the meantime, during the quarter the Company advanced its surface mapping at the “sinter zone” low sulphidation epithermal gold silver vein target at Paradise-Davis. The sinter zone is located adjacent and to the north of the porphyry lithocap area and is interpreted to represent a separate hydrothermal system. The sinter zone covers an area of subcrop boulders of sinter (surface hotspring silica deposit) material, hydrothermal brecciation and epithermal quartz veining. Old workings, epithermal alteration and veining occur over roughly 3 km along a northwest trend. Past sampling in the sinter zone includes 30 surface samples taken in 2022 that averaged 0.2 g/t gold and 2.2 g/t silver including a 30 cm chip sample of a banded vein crosscutting the sinter which returned 1.2 g/t gold and a grab from a silicified breccia which returned 1.5 g/t gold (see Almadex new release of September 22, 2022). Recent mapping and prospecting along this trend have identified banded quartz veins and veinlets along strike and to the south of the sinter zone. In addition, some data is in the Company’s possession from an RC drill program conducted in the area in the early 1990s. The historic results, while not complete, are encouraging as they indicate some of the holes returned anomalous gold over short intervals which confirms that the epithermal system is gold and silver bearing. After quarter-end, on November 14, 2024, Almadex announced that it had commenced a diamond drilling program at the sinter zone target, hoping to drill two holes before the end of the year.

The Paradise-Davis project can be accessed year-round by road and is located approximately eight miles southeast of Gabbs, Nevada and five miles northeast of the historic Paradise Peak gold mine.

New Hope

Further to the results discussed in Almadex’s news release of April 8th, 2024, additional mapping was undertaken at New Hope which better defined the targets previously defined. The New Hope project covers a large lithocap with local advanced argillic alteration, peripheral argillic-silica alteration, outer propylitic alteration and, most importantly, a zone of porphyry-related veinlets. A new occurrence of veining was found in the mapping which expanded the area of veining to roughly 650 m in diameter. The style of veinlets is banded, sheeted, light to dark grey quartz ± magnetite. The Company is considering further exploration prior to planning a diamond drilling program at New Hope.

CH, Nevada

The CH Prospect covers a large hydrothermal alteration zone developed in volcanic rocks. Further to the preliminary exploration results described in Almadex’s news release of April 16th, 2024, the ongoing mapping at the CH prospect as announced during the quarter has defined a porphyry lithocap over an area of 1.6 km x 0.5 km. The lithocap displays complex alteration with central zones of vuggy quartz with alunite and massive pyrophyllite zones. Soil sample results have recently been received and indicate an association of Au with the central zone of alteration with a Mo anomaly on one edge. Further mapping and rock chip sampling is planned as the alteration remains open.

RR, Nevada

The RR Prospect covers an area of hydrothermal alteration developed in volcanic rocks adjacent to carbonate rocks. Alteration mapping at RR has identified a large alteration zone interpreted to be a porphyry lithocap extending 2.8 km and by at least 1 km. Mapping also defined a very strong surface pyrophyllite footprint of 1 km by 0.5 km. Preliminary rock sampling returned high values for pathfinder trace elements typically associated with the lithocap alteration. Soil sampling returned anomalous trace element signatures but were highly dispersed. Additional mapping is planned to better define the alteration to provide an exploration focus for this large area.

Pilot, Nevada

The Pilot prospect in central Nevada covers an area of hydrothermal alteration developed in syn mineral intrusive rocks and sedimentary country rock. Phyllic alteration has been mapped and is characterised by white mica and pyrophyllite alteration. Recent field mapping has also identified several outcrops with evidence of porphyry-style veining. This includes veining interpreted to represent early magnetite, A type, syntaxial B veins and late-stage D type quartz-sericite-pyrite veining. Recently, soil results have been returned which highlight elevated Mo, Cu and Au coinciding with the areas of mapped porphyry alteration and veining. Mapping is currently underway to help define discrete targets for preliminary drilling.

Radio, Nevada

Further to its news release of February 22, 2024, the Company has continued mapping the Radio project. This work has interpreted alteration zoning at the level of porphyry alteration and possibly the eroded roots/structural zones of a possible lithocap or high temperature phyllic porphyry alteration. A zone of muscovitic alteration has been mapped for 2.8 km. Chlorite and epidote border the illitic alteration as a propylitic alteration halo. A syn-mineral porphyry intrusion has also been identified with actinolite-albite sodic potassic alteration, hydrothermal magnetite and visible copper minerals. This alteration signature could reflect the surface zoning of both an outcropping and underlying porphyry body. A soil sampling survey is planned along with detailed rock chip sampling.

KT, Colorado

The KT Prospect located in Colorado covers an area of intense hydrothermal alteration developed in volcanic rocks cropping out as windows through post mineral basaltic flows. Preliminary mapping has identified silicification and quartz-alunite alteration over a roughly 3 by 3 km area. The Company plans follow-up geologic and alteration mapping to help direct any further exploration programs. Soil geochemical results have been received. These results highlighted a coincident Au-Bi-Mo-Te-Pb anomaly within the high sulphidation alteration zone. Mapping and sampling are planned to follow-up these results in order to develop firm drill targets.

Acquisition of Shares of Azucar Minerals Ltd.

On November 7, 2024, Almadex announced that the Company, Morgan Poliquin, Duane Poliquin, Douglas McDonald and Korm Trieu (collectively, the “Purchasers”) acquired 14,174,056 Common Shares of Azucar Minerals Ltd. (“Azucar”) pursuant to a private agreement with Newcrest Canada Holdings Inc. The Acquisition was a private transaction and did not occur on a stock exchange or other securities market.

Morgan Poliquin, Duane Poliquin, Douglas McDonald and Korm Trieu are officers or directors of the Company and may be considered joint actors of the Company. After the completion of the Acquisition, the Purchasers hold beneficial ownership of, or control or direction over 22,055,585 Common Shares of Azucar representing 29.87% of the outstanding Common Shares of Azucar on a non-diluted basis. Of this amount, Almadex holds 14,044,056 Common Shares of Azucar representing 19.02% of the outstanding Common Shares of Azucar on a non-diluted basis.

OVERALL PERFORMANCE

Background

The Company was incorporated on February 26, 2018 under the laws of the Province of British Columbia. The Company's business activity is the acquisition and exploration of mineral properties in Canada, the United States and Mexico.

Almadex's management team has been focused on exploration and discovery in Mexico, the United States and Canada for the past 35 years. Traditionally, management has managed risk by forming joint ventures in which partner companies explore and develop projects in return for the right to earn an interest in them. This approach has exposed shareholders to discovery and capital gains without as much funding and consequent share dilution as would be required through sole development of exploration properties. In some cases, projects were advanced further when they were considered of such merit that the risk/reward ratio favored that approach. In other cases, if a property was optioned out with unsatisfactory results and returned to management but considered by management to still have merit, the property rights were retained in order to demonstrate further potential. This is the fashion in which the Ixtaca and El Cobre discoveries were made by Almadex's management team, as the underlying projects were optioned to several different partners prior to discovery.

Company Mission and Focus

Almadex is an exploration company specializing in the discovery of new mineral prospects. The Company currently has an asset portfolio comprised of numerous exploration properties, NSR royalties, gold loan, equities and cash.

This portfolio of assets is the direct result of over 35 years of prospecting, discovery and deal making by Almadex's management team. Almadex seeks to continue the legacy of discovery by its respected technical team through responsible and cost-effective idea generation and exploration using its seasoned staff of geologists and drillers, company-owned drills, and strong working capital position.

Qualified Person

Unless noted otherwise, Morgan Poliquin, Ph.D., P.Eng., a qualified person under the meaning of National Instrument 43-101 ("NI 43-101"), and the President, Chief Executive Officer and a director of Almadex, has reviewed and approved the technical disclosure in this MD&A.

MINERAL PROPERTIES

Following is a brief description of the more active mineral properties owned by the Company. Additional information can be obtained from Almadex's website www.almadexminerals.com.

Paradise-Davis Project – Nevada

Almadex consolidated the Paradise-Davis Valley area during 2019 by optioning the Davis property which lies directly north of and adjoins the Paradise Valley property which had previously been staked by Almadex's predecessor company. Almadex holds the rights to earn 100% of this combined 358 claim (approximately 2,800 hectare) project, subject to an underlying royalty regarding the Davis property as disclosed in the Company's press release of August 11, 2021.

The Paradise-Davis property is located approximately 22 kilometres by road southeast of Gabbs, Nevada and around five kilometres east of the historic Paradise Peak gold mine and seven kilometres southeast of the Gabbs copper-gold porphyry project currently owned by P2 Gold. The Paradise-Davis project was identified by Almadex's exploration team during a regional exploration program targeting high sulphidation alteration for gold and potential underlying porphyry copper mineralization in the region. The property has seen several episodes of exploration including historic mining and exploration drilling. The project is located within the Walker Lane structural trend, a complex zone of mostly northwest trending faults in central Nevada. The nearby Paradise Peak mine was operated by FMC mining and was active from 1984 to 1994. Reported production at Paradise Peak was 1.6 MOz gold and 24.1 MOz silver. The Paradise Peak deposit is a high sulphidation system.

The majority of the Company's recent work at this project has been on the southern 100% owned "Paradise" portion, which comprises 1,730 hectares. This area covers a roughly 4.5 by 1.8 kilometre area of exposed intense hydrothermal alteration developed in volcanic rocks.

This alteration zone which includes quartz-alunite, pyrophyllite and diaspore is typical of high-sulphidation environments forming above porphyry copper-gold systems. The alteration has been mapped by Almadex using a Terraspec infrared spectrometer. This work, using rock chip spectral data points has defined a well-preserved porphyry lithocap with alunite core zones (with increasing Na-composition) haloed by pyrophyllite, dickite then hypogene kaolinite. Surrounding the acid sulphate zones are halos of sporadic paragonitic illite (grading to dominant muscovitic alteration) with chlorite in peripheral alteration halos (propylitic).

Within this broad area of lithocap alteration there is at least one high temperature core; a 1.2 km by 700 metre area of high temperature porphyry lithocap alteration with Na-alunite, pyrophyllite and diaspore called the Arena Hill Zone. The spectral mapping at Arena Hill resolved clear alteration vectors/temperature gradients representing potential fluid pathways to porphyry mineralisation at depth.

A recently completed soil sampling program over the Arena Hill zone has further augmented this target by defining a roughly 1 by 1 kilometre gold-molybdenum-arsenic-tellurium-vanadium high core zone with low manganese, lead and zinc but generally surrounded by elevated manganese, lead and zinc. This is a classic geochemical pattern seen in many porphyry districts. The core anomaly is spatially coincident with the area mapped as the high temperature mineral vector to a possible underlying porphyry system. Combined, the alteration mineral vector and soil geochemical anomaly define a high priority drill target for a hidden porphyry.

Recent Updates
Almadex initiated a prospect drilling campaign at Paradise in June, 2024, and again in November, 2024.

New Hope Project – Arizona

The 100% owned New Hope project comprises 958.7 hectares and covers a roughly 3.5 by 1.5 kilometre area of intense hydrothermal alteration developed in volcanic rocks and crosscutting intrusive dykes, and was staked by the Company in 2023. The observed hydrothermal alteration is characteristic of the upper levels of a porphyry system (see Almadex New Release of August 10th, 2023). The work underway includes geochemical sampling and mapping of the geology and alteration to follow-up work carried out earlier in 2023 which identified remnants of an advanced argillic altered lithocap. The lithocap alteration includes zones with Na-alunite, pyrophyllite and dickite along with a phyllic alteration signature including high crystallinity muscovite at surface, which have been mapped with a Terraspec mineral spectrometer. Fluid inclusion petrography carried out on a vein sample from the New Hope alteration zone identified the presence of vapour rich fluid inclusions with banded distribution in the veinlet. Such veins are commonly found above porphyry systems. This finding helps confirm the target of a buried porphyry at New Hope.

Recent Updates

On April 8th, 2024 the Company announced results of geologic field work and sampling carried out in December of 2023. Detailed mapping has now been conducted over a portion of the alteration zone in the central area of the project. Previously defined muscovitic (phyllic) alteration to the northwest remains to be mapped in detail. Within the area mapped, exposed advanced argillic alteration was identified to the northeast, and to the southwest an exposed set of porphyry-related veinlets was defined in limonitic alteration. This zone of quartz veining is currently interpreted to represent a potential centre to the porphyry system at New Hope. The observed zone of veining is an approximately 600 metre in diameter semi-circular area. The veins and veinlets are sheeted light to dark grey, semi-translucent quartz and magnetite with banded textures. Fluid inclusion petrography on these veinlets indicate that they were formed by vapour rich fluids. These types of veinlets are interpreted to be typical of shallow-level emplaced porphyry systems and above the level at which main stage porphyry-style copper-gold mineralisation is to be expected. Within this broader area, two inner zones about 200 metres and 100 metres in diameter were mapped where veinlet densities of greater than 10 per metre were observed. To date 78 rock grab samples have been taken on the property from outcrop, subcrop and float in the alteration zone. While the area is weathered and the level of erosion is above that of where main stage porphyry mineralisation would be expected, elevated gold and molybdenum results were returned. Several orientation lines of soil samples were also taken to determine amenability of the area for a more detailed soil sampling program. This included four lines over the area of veining and one line over the area of advanced argillic alteration to the northeast. Anomalous Ag-Mo-Cu-Au and Bi results were returned for these test lines, aiding the interpretation that the mapped zone of veining represents a porphyry centre within the alteration footprint.

Logan – Yukon Territory, Canada

Almadex announced that it had acquired 100% ownership of the Logan Zinc, Silver project (“Logan”, or the “Project”) on May 26, 2022. Logan is located 108 km northwest of Watson Lake in south central Yukon. The Project consists of 156 contiguous quartz mining claims located in the Watson Lake Mining District, covering over 3,200 hectares. The Project is located on the traditional territory of the Ross River Dena Council and Liard First Nation, 38 km north of the Alaska Highway. Access for past major work programs was facilitated with a 52 km long winter road from the Alaska Highway. In 1987, a 700 m long by 20 m wide gravel airstrip was established on the Property; future use of the airstrip would require surface re-levelling, but small, short runway aircraft may be able to land at this time. The winter road permit was not renewed past 2009 and re-opening the road would require further permitting. Currently, the Project can be accessed via helicopter.

On September 13, 2022, Almadex reported the completion of a site visit to Logan by an independent geological team.

The historic drill core was identified on site, select intervals were re-sampled, and a suite of samples for specific gravity (density) determination were collected to verify the historic drilling results with the aim of producing a current mineral resource estimate.

In total, 232 verification samples were collected from representative mineralized intercepts geographically separated across the deposit (including 15% QA/QC duplicate, standard and blank samples) comprising 231 metres of half drill core from three separate holes from the 1986, 1987 and 1998 historical drill campaigns.

On March 13, 2023, the Company filed a NI 43-101 technical report (the “Report”) with Canadian securities regulators to support an updated mineral resource estimate (“MRE”) with respect to Logan.

The Logan deposit consists of fracture and vein hosted zinc-silver mineralization within a granitic intrusion. The Main Zone occurs along an 8,000m long NE-trending fault-related structure. The Main Zone is tabular, dips 70 degrees to the NW, extends for 1,100m along strike, varies from 50m to 150m in width, and has been traced to depths of 275m and remains open. The mineralization is up to 90 metres thick in relatively gentle terrain and minimal overburden, making it potentially attractive for open pit mining. Recent drill core re-analysis indicated potentially economically significant values of the critical metal indium (In), not historically assayed for, averaging 35 parts-per-million (ppm) In and up to 273 ppm In. Indium is integral to solar panel manufacturing and a key input in semiconductors and many materials needed for advanced vehicle manufacturing.

The Mineral Resource Estimate (MRE) is presented in Table 1.

Table 1 – Logan Project Open Pit Constrained Mineral Resource Estimate

Classification	Zn Cutoff (%)	Tonnes	Zn (%)	Ag (g/t)	Zn (Mlb)	Ag (Moz)
Indicated	1.6	2,620,000	5.1	23.1	294	1.94
Inferred	1.6	16,930,000	4.3	18.2	1622	9.98

Notes:

1. *Mr. Mike Dufresne, P.Geol., P.Geo. of APEX Geoscience Ltd., who is deemed a qualified person as defined by NI 43-101 is responsible for the completion of the updated mineral resource estimation, with an effective date of January 17, 2023.*
2. *Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.*
3. *The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.*
4. *The Inferred Mineral Resource in this estimate has a lower level of confidence than that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could potentially be upgraded to an Indicated Mineral Resource with continued exploration.*
5. *The Mineral Resources were estimated in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions (2014) and Best Practices Guidelines (2019) prepared by the CIM Standing Committee on Reserve Definitions and adopted by the CIM Council.*
6. *The cut-off grade of 1.6% Zn is based on metal prices of US$1.30/lb Zn and US$19/oz Ag and 0.77 US$ per C$, with process recoveries of 95% Zn and 80% Ag.*
7. *The constraining pit optimization parameters assumed C$3.50/t mineralized and waste material mining cost, 45° pit slopes and a process + G&A cost of C$35/t, using a 1.5 revenue factor that equates with metal price assumptions of US$1.95/lb Zn, US$28.50/Oz Ag and 0.77 US$ per C$.*
8. *The effective date of the Mineral Resources Estimate is January 17, 2023.*

Mineral Resource Estimation Methodology

Modeling was conducted in the Universal Transverse Mercator (UTM) coordinate space relative to the North American Datum (NAD) 1983, and UTM zone 9N. The mineral resource block model utilized a block size of 6 m (X) x 6 m (Y) x 6 m (Z) to honour the mineralization wireframes. The percentage of the volume of each block below the bare earth surface, below the modelled waste overburden surface and within each mineralization domain was calculated using the 3D geological models and a 3D surface model. For the open pit optimisation, block values were diluted. The MRE is reported as undiluted with an effective date of January 17, 2023.

The Logan Property drillhole database consists of 58 drill holes that intersected the interpreted mineralization wireframes. The zinc and silver assays were composited to 2-meter composites lengths and the estimation utilized 2,651 composited samples. A total of 1.2% of the total drilled meters inside the interpreted mineralization wireframes were not sampled, assumed to be waste, and assigned a nominal waste value of half the detection limit of modern assay methods (0.0005 % Zn, 0.3429 g/t Ag).

Zinc and silver estimation were completed using Ordinary Kriging. The search ellipsoid size used to estimate the Zn and Ag grades was defined by the modelled variograms. Block grade estimation employed locally varying anisotropy, which uses different rotation angles to define the principal directions of the variogram model and search ellipsoid on a per-block basis. Blocks within estimation domains are assigned rotation angles using a modelled 3D mineralization trend surface wireframe, which allows structural complexities to be reproduced in the estimated block model. The number of variogram structures, contributions of each structure, and their ranges are set per estimation domain and do not vary within the estimation domain.

A total of 201 bulk density samples are available from the Logan Property drillhole database. APEX personnel performed exploratory data analysis of the bulk density samples available and the density was assigned for each domain in the Logan Property. The density of the deposits ranged from 2.63 g/cm3 to 2.66 g/cm3. The non-mineralized zones were assigned density based on lithological unit. The modelled overburden was assigned a density of 1.8 g/cm and the remaining country rock was assigned a density of 2.57 g/cm3.

The unconstrained resource block model was subjected to several open pit optimization scenarios to establish that the Logan Project has the potential for future economic extraction. Blocks partially outside the mineralized wireframes were diluted with a nominal waste value of 0.0005 % Zn and 0.3429 g/t Ag based on the volume of the block outside of the mineralized wireframes. The process + G&A cost of C$NSR cutoff of $35/t is used to determine potential mill feed and is approximately equivalent to a 1.6 % Zn cutoff grade. Mr. Dufresne considers the parameters reasonable to constrain the mineral resource estimate and establish that the Logan Project has the potential for future economic extraction. The overall strip ratio for the Logan Property Open Pit is approximately 5.3:1.

There are no other known factors or issues known by the QP that materially affect the MRE other than normal risks faced by mining projects. The Logan Project is subject to the same types of risks that large base metal projects experience at an early stage of development in Canada. The nature of the risks relating to the Project will change as the Project evolves and more information becomes available. The Company has engaged experienced management and specialized consultants to identify, manage and mitigate those risks.

QAQC

The historical zinc and lead analyses which underpin the MRE were carried out at Bondar Clegg and ALS Chemex Laboratories at North Vancouver, British Columbia. Preparation of samples for assaying is assumed to have involved standard crushing, grinding and pulverization to produce pulps for assaying via hot aqua-regia and analysis via atomic absorption.

The QP's conducted re-assaying of select mineralized intervals (approximately 5% of the drill database) and collected a suite of samples for specific gravity (density) determination to verify the historic drilling results. In total 232 verification samples were collected from representative mineralized intercepts geographically separated across the deposit (including 15% QA/QC duplicate, standard and blank samples) comprising 231 metres of half drill core from three separate holes from the 1986, 1987 and 1998 historical drill campaigns. Replicate samples were submitted for analysis to ALS Canada Ltd. ("ALS") at their Whitehorse, YT (sample preparation) and Vancouver (ICP-MS), B.C. facilities. ALS is an ISO-IEC 17025:2017 and ISO 9001:2015 accredited geoanalytical laboratory and is independent of the Almadex and the QP. Drill core samples were subject to crushing at a minimum of 70% passing 2 mm, followed by pulverizing of a 250-gram split to 85% passing 75 microns. A 0.1-gram sample pulp was then subject to multi-element ICP-MS analysis via four acid digestion to determine individual metal content (ME-MS61). Zinc and silver values greater the 1% and 100 ppm, respectively were subject to overlimit analysis via four-acid ICP-AES (ME-OG62). The QP followed industry standard procedures for the work carried out on the Logan Project, with a quality assurance/quality control ("QA/QC") program. Blank, duplicate, and standard samples were inserted into the sample sequence sent to the laboratory for analysis. The QP detected no significant QA/QC issues during review of the data. Almadex and the QP's are not aware of any drilling, sampling, recovery, or other factors that could materially affect the accuracy or reliability of the data referred to herein.

The scientific and technical information relating to the above MRE on Logan has been reviewed and approved by Michael Dufresne, M.Sc., P.Geol., P.Geo. (AB-BC), Kristopher J. Raffle, P.Geo. (BC) and Alfonso Rodriquez, M.Sc. P.Geo. (BC), President, Principal and Consultant, and Senior Geologist, of APEX Geoscience Ltd. of Edmonton, AB, who are independent "Qualified Persons" as defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects. Mr. Dufresne, Mr. Raffle and Mr. Rodriguez verified the data disclosed which includes a review of the analytical and test data underlying the information and opinions contained therein.

The Report is available on SEDAR+ and on Almadex's website.

Upcoming / Outlook

The Company anticipates further work at projects in the Company portfolio, as well as continued regional exploration and generative work in North America.

Other Properties

Other properties consist of a portfolio of early-stage exploration properties located in Canada, United States and Mexico. During the period ended September 30, 2024, the Company acquired two more new properties in United States in 2023 and incurred acquisition costs of $401,867 (2023 - $155,514) and deferred exploration costs of $658,978 (2023 - $150,733) and an impairment of $41,719 (2023 - $Nil). The Company also disposed of two properties in Mexico and sold one in United States for proceeds of $381,877 and recorded a $381,872 gain on sale of exploration and evaluation assets in the statements of income and comprehensive income. In addition, the Company recorded a deferred exploration cost of $120,596 (2023 - $399,142), an impairment of deferred costs of $120,596 (2023 - $936,893) and a recovery of exploration cost of $Nil (2023 - $32,813) with respect to properties not actively explored. As such, these properties are carried at $1 as at September 30, 2024.

MEXICO LEGAL CLAIMS

The Company has formally commenced international arbitration proceedings against the United Mexican States ("Mexico") under the Comprehensive and Progressive Agreement for Trans-Pacific Partnership ("CPTPP"), by filing a Request for Arbitration on June 14, 2024. Almadex is pursuing this arbitration together with Almaden Minerals Ltd. ("Almaden"), on behalf of themselves and their Mexican subsidiaries. Through a subsidiary, Almadex held a 2% net smelter return royalty on the Ixtaca project.

The international arbitration claim against Mexico will be prosecuted pursuant to the established and enforceable legal framework of the International Centre for Settlement of Investment Disputes ("ICSID"). Almadex alleges that Mexico has breached its obligations under the CPTPP through actions which blocked the development of the Ixtaca project and ultimately retroactively terminated the Ixtaca mineral concessions, causing the loss of the Company's investments in Mexico. Based on a preliminary estimate, Almadex and Almaden will be seeking damages of no less than US$200 million, in the aggregate. As the arbitration proceeds, the Company expects that a quantum expert will be appointed to prepare a professional damages assessment for review by the arbitration tribunal. Almadex has retained Boies Schiller Flexner LLP to act as legal counsel in this dispute.

On June 27, 2024, the Company announced that it had agreed with Almaden to streamline the management of the arbitration proceedings by entering into a Litigation Management Agreement ("LMA"). Under the LMA, Almaden will bear the up-front costs of the arbitration and provide overall direction to the arbitration process for itself and its subsidiaries, as well as Almadex and its subsidiaries, with certain limitations. Almadex will remain a party to the arbitration and continue in its cooperation and support of the process.

Should the arbitration proceedings result in an award of damages, the *pro rata* portion of those damages, if any, which may be attributable to Almadex from the 2.0% NSR royalty it held on the Ixtaca project will be determined. Almadex's award will consist of this *pro rata* portion, less its *pro rata* share of the costs of pursuing the legal claims, including the financing costs (the "Almadex Award"). Almadex will compensate Almaden in the amount of 10% of the Almadex Award in exchange for managing the claim proceedings.

Coincidental with announcing the LMA, Almaden announced that it had secured up to US$9.5 million in litigation funding, which is anticipated to be sufficient to fully prosecute the arbitration proceedings.

Finally, also on June 27, 2024, Almadex announced that it had agreed with Almaden to extend the maturity of the gold loan (see press release of May 14, 2019) from March 31, 2026 to the earlier of March 31, 2030, or the receipt by Almaden or its subsidiary of any amount relating to its legal claims against Mexico.

In return for this amendment, in addition to its obligation to repay the gold loan, Almaden agreed to pay Almadex 2.0% of the gross amount of any damages award that Almaden may receive as a result of the legal claims, such repayment to be subordinate to amounts due under the LFA, and any additional legal and management costs.

RISK FACTORS

The Company is engaged in exploration for mineral deposits. These activities involve significant risks which, even with careful evaluation, experience and knowledge, may not, in some cases, be eliminated. The Company's success depends on a number of factors, many of which are beyond its control. The primary risk factors affecting the Company include inherent risks in the mining industry, metal price fluctuations and operating in foreign countries and currencies. In addition to the risks described herein, readers of this MD&A are encouraged to read the "Risk Factors" contained in the Company's annual management discussion and analysis filed on and available under the Company's SEDAR+ profile on www.sedarplus.ca. Important risk factors to consider among others are:

- inherent risks within the mining industry;
- market volatility for marketable securities and investments;
- mineral resource estimates;
- prices of gold, silver and other metals;
- cash flows and additional funding requirements;
- exchange rate fluctuations;
- environmental;
- laws, regulations and permits,
- political, economic and social environment;
- title to mineral properties;
- risks related to proceedings under the Comprehensive and Progressive Agreement for Trans-Pacific Partnership ("CPTPP");
- possible dilution to present and prospective shareholders;
- material risk of dilution presented by large number of outstanding share purchase options and warrants;
- trading volume;
- volatility of share price;
- competition;

- dependence on management; and
- conflict of interest.

Impairment of Exploration and Evaluation Assets

The Company assesses its exploration and evaluation assets quarterly to determine whether any indication of impairment exists. Common indications of impairment, which is often judgemental, include, but are not limited to, that: the right to explore the assets has expired or will soon expire and is not expected to be renewed, substantive expenditure of further exploration is not planned, or the results are not compelling enough to warrant further exploration by the Company.

At September 30, 2024, the Company concluded that impairment indicators existed with respect to certain of its exploration and evaluation assets. An impairment of deferred exploration costs of $162,315 for the period ended September 30, 2024 (2023 - $936,893) has been recognized.

Material Financial and Operations Information

Summary of Quarterly Results

The following is a summary of the Company's financial results for the Company's eight most recently completed fiscal quarters stated in Canadian dollars in accordance with IFRS:

	Q3 September 2024 Quarter	Q2 June 2024 Quarter	Q1 March 2024 Quarter	Q4 December 2023 Quarter
	$	$	$	$
Total revenue	306,444	269,373	270,151	350,885
Net income (loss) and comprehensive income (loss)	621,147	(81,296)	363,342	(1,313,738)
Income (loss) per share – basic	0.01	0.00	0.01	(0.02)
Income (loss) per share – diluted	0.01	0.00	0.01	(0.02)
Total assets	27,041,938	26,416,988	26,520,381	26,387,335
Cash dividends declared	-	-	-	-

	Q3 September 2023 Quarter	Q2 June 2023 Quarter	Q1 March 2023 Quarter	Q4 December 2022 Quarter
	$	$	$	$
Total revenue	594,839	496,254	252,180	1,727,299
Net income (loss) and comprehensive income (loss)	(462,007)	(1,422,299)	253,146	247,768
Income (loss) per share – basic	(0.01)	(0.02)	0.00	0.01
Income (loss) per share – diluted	(0.01)	(0.02)	0.00	0.01
Total assets	26,924,674	27,358,768	28,685,677	28,438,939
Cash dividends declared	-	-	-	-

Quarterly variances in total revenue are dependent on the interest income earned from various levels of cash balances and financing fees from the gold loan to Almaden. The main causes of change in net income (loss) from quarter to quarter are dependent on revenue earned during the quarter; operating expenses for general and administration and other income (loss) from various sources as discussed in Review of Operations and Financial Results section below.

Results of Operations and Financial Results

<u>Results of Operations for the three months ended September 30, 2024 compared to the three months ended September 30, 2023</u>

For the three months ended September 30, 2024, the Company recorded a net income and comprehensive income of $621,147 (2023 – net loss of $462,007) or a basic and diluted net income of $0.01 (2023 – basic and diluted net loss of $0.01) per share mainly due to the increase in other income from the unrealized gain on gold loan receivable settlement and gain on sale of exploration and evaluation assets from the Willow project. Total revenue also consists of interest income of $202,034 (2023 - $143,502) from cash balances and financing fees of $104,410 (2023 - $92,906) earned from the gold loan to Almaden. There were no exploration and drilling services during the quarter ended September 30, 2024 as the Company is utilizing its drills for its own projects.

A significant portion of total expenses of $477,608 (2023 - $860,610) during the three months ended September 30, 2024 were related to general and administrative expenses incurred by the Company to review business opportunities and to administer the on-going exploration activities in the USA. The administrative services fee of $253,410 compared to $267,400 during 2023 is due to an oversight of the exploration and prospecting services. The administration service fees were paid to Almaden during the three months ended September 30, 2024 for providing office rent, executive management services, marketing support and technical oversight to Almadex.

Significant non-cash items during the three months ended September 30, 2024 included impairment of exploration and evaluation assets of $76,412 (2023 - $754,871), unrealized loss on marketable securities and investments of $168,190 (2023 – $9,227) and unrealized gain on gold loan receivable of $695,281 (2023 – unrealized loss on gold loan receivable of $68,978). Impairment of exploration and evaluation assets fluctuates period to period based on management's evaluation of the carrying value of each exploration and evaluation asset interest held at that time. Unrealized loss on marketable securities relates to share price fluctuations in the capital markets. The unrealized loss on gold loan receivable relates to the fluctuation in spot gold price in the commodities market at September 30, 2024.

<u>Results of Operations for the nine months ended September 30, 2024 compared to the nine months ended September 30, 2023</u>

For the nine months ended September 30, 2024, the Company recorded a net income and comprehensive income of $903,193 (2023 – net loss and comprehensive loss of $1,631,160) or a basic and diluted net income of $0.02 (2023 – basic and diluted net loss of $0.03) per share mainly due to the increase in other income from unrealized gain on the gold loan receivable settlement and gain on sale of exploration and evaluation assets from the Willow project. Total revenue also consists of interest income of $497,159 (2023 - $425,446) from cash balances; and financing fees of $303,864 (2023 - $270,314) earned from the gold loan to Almaden. There were no exploration and drilling services during the nine months ended September 30, 2024 as the Company is utilizing its drills for its own projects.

A significant portion of total expenses of $1,664,068 (2023 - $2,525,739) during the nine months ended September 30, 2024 were related to general and administrative expenses incurred by the Company to review business opportunities and to administer the on-going exploration activities in the USA. A slight increase in administrative services fee of $782,359 compared to $781,573 during 2023 is due to an increase in oversight of the exploration and prospecting services. The administration service fees were paid to Almaden during the nine months ended September 30, 2024 for providing office rent, executive management services, marketing support and technical oversight to Almadex.

Significant non-cash items during the nine months ended September 30, 2024 included impairment of exploration and evaluation assets of $162,315 (2023 - $936,893), unrealized loss on marketable securities and investments of $367,919 (2023 – $50,031) and unrealized gain on gold loan receivable of $1,271,737 (2023 – $131,626). Impairment of exploration and evaluation assets fluctuates period to period based on management's evaluation of the carrying value of each exploration and evaluation asset interest held at that time. Unrealized loss on marketable securities relates to share price fluctuations in the capital markets. The unrealized loss on gold loan receivable relates to the fluctuation in spot gold price in the commodities market at September 30, 2024.

Liquidity and Capital Resources

At September 30, 2024, the Company had working capital of $14,200,811, including cash and cash equivalents of $13,246,733.

Management believes that the Company's cash resources are sufficient to meet its working capital and mineral exploration requirements for its next fiscal year, as these expenditures are considered discretionary by management. The Company has no material commitments for the next fiscal year. Management has a proven track record to be able to raise money and monetize non-core assets.

<u>Three months ended September 30, 2024</u>

Net cash used in operations during the three months ended September 30, 2024 was $296,326 (2023 – Net cash from operation of $449,294), after adjusting for non-cash activities.

Net cash used in investing activities during the three months ended September 30, 2024 was $1,340,345 (2023 - $327,698) relates to expenditures on exploration and evaluation assets of $1,303,094 (2023 - $353,877).

Net cash used in financing activities during the three months ended September 30, 2024 was $Nil (2023 – $Nil).

<u>Nine months ended September 30, 2024</u>

Net cash used in operations during the nine months ended September 30, 2024 was $829,124 (2023 – $414,664), after adjusting for non-cash activities.

Net cash used in investing activities during the nine months ended September 30, 2024 was $2,148,675 (2023 - $991,506) relates to expenditures on exploration and evaluation assets of $2,075,080 (2023 - $984,447).

Net cash used in financing activities during the nine months ended September 30, 2024 was $Nil (2023 – $41,747).

Disclosure of Outstanding Share Data

The authorized share capital of the Company consists of an unlimited number of common shares without par value.

	Number of Common Shares Issued & Outstanding	Share Capital Amount
December 31, 2022	60,702,521	$23,322,121
December 31, 2023	61,007,944	$23,564,858
November 19, 2024	61,007,944	$23,564,858

Share issuances during fiscal 2024

The Company had no share issuances as at September 30, 2024.

The Company grants directors, officers, employees and contractors options to purchase common shares under its Stock Option Plan. This plan and its terms are detailed in Note 10(d) to the consolidated financial statements for the period ended December 31, 2023, which are available on SEDAR+ at www.sedarplus.ca.

The following table summarizes information about stock options outstanding at November 19, 2024:

Expiry date	Exercise price	December 31, 2023	Granted	Exercised	Expired/ cancelled	November 19, 2024
January 26, 2024	$ 0.31	50,000	-	-	(50,000)	-
May 31, 2027	$ 0.28	425,000	-	-	-	425,000
May 31, 2027	$ 0.22	-	25,000	-	-	25,000
December 17, 2027	$ 0.34	330,000	-	-	-	330,000
May 12, 2028	$ 0.31	2,693,200	-	-	(25,000)	2,668,200
July 10, 2028	$ 0.28	1,110,800	-	-	-	1,110,800
July 10, 2028	$ 0.21	1,075,000	-	-	(25,000)	1,050,000
Options outstanding and exercisable		**5,684,000**	**25,000**	**-**	**(100,000)**	**5,609,000**
Weighted average exercise price		$ 0.28	$ 0.22	-	$ 0.29	$ 0.28

As of the date of this MD&A, there were 61,007,944 common shares issued and outstanding and 66,616,944 common shares outstanding on a diluted basis.

Environmental Provisions and Potential Environmental Contingency

The Company's mining and exploration activities are subject to various federal, provincial and state laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believes its operations are in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations. The Company estimates that future reclamation and site restoration costs based on the Company's exploration activities to date are not significant however the ultimate amount of reclamation and other future site restoration costs to be incurred in the future is uncertain.

Off-Balance Sheet Arrangements

None.

Contractual Commitments

None.

Proposed Transactions

None.

Transactions with Related Parties

(a) Compensation of key management personnel

Key management personnel include those persons having the authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The aggregate value of compensation to key management personnel was as follows:

Three months ended September 30, 2024	**Fees [1]**	**Share-based Payments**	**Total**
	$	**$**	**$**
Chair	27,000	-	27,000
President & CEO	69,000	-	69,000
CFO	40,625	-	40,625
EVP	18,750	-	18,750
Directors	-	-	-
	155,375	-	155,375

Nine months ended September 30, 2024	**Fees [1]**	**Share-based Payments**	**Total**
	$	**$**	**$**
Chair	84,600	-	84,600
President & CEO	215,625	-	215,625
CFO	121,875	-	121,875
EVP	62,500	-	62,500
Directors	-	-	-
	484,600	-	484,600

Three months ended September 30, 2023	**Fees [1]**	**Share-based Payments**	**Total**
	$	**$**	**$**
Chair	28,800	18,000	46,800
President & CEO	73,313	32,000	105,313
CFO	40,625	4,800	45,425
EVP	21,875	4,000	25,875
Directors	-	4,000	4,000
	164,613	62,800	227,413

Nine months ended September 30, 2023	**Fees [1]**	**Share-based Payments**	**Total**
	$	**$**	**$**
Chair	75,600	78,000	153,600
President & CEO	185,438	156,200	341,638
CFO	121,875	60,600	182,475
EVP	103,125	45,400	148,525
Directors	-	28,000	28,000
	486,038	368,200	854,238

[1] Management fees are recorded within the administrative services fee.

Fees are paid to Almaden for services provided by key management pursuant to the Administrative Services Agreement between Almadex and Almaden, as further described below.

(b) Other related party transactions

Administrative Services Agreement

The Company paid administrative services fees to Almaden pursuant to an Administrative

Services Agreement dated May 18, 2018, under which Almaden provides the Company with office space, executive management, marketing support, technical oversight, and financial/corporate secretary duties, amongst other administrative services.

During the nine months ended September 30, 2024, the Company paid $782,359 (2023 - $781,573) to Almaden for administrative services of which, at September 30, 2024, included in trade and other payables is $98,679 (December 31, 2023 - $369,045) due to Almaden. Amounts owing to related parties are unsecured, non-interest bearing and due on demand.

Other

During the nine months ended September 30, 2024, Almadex paid $12,221 (2023 - $4,003) for storage and office rental to Western Exploration Inc., a publicly listed company whose President and CEO is also a Director of the Company.

During the nine months ended September 30, 2024, Almadex paid $3,518 (2023 - $Nil) for consulting services to a company controlled by a Director of the Company.

Financial Instruments

The fair values of the Company's cash and cash equivalents, accounts receivable, reclamation deposits, gold loan receivable and trade and other payables approximate their carrying values because of the short-term nature of these instruments. The fair value of the gold loan receivable is based on the gold market price as at each reporting date.

The Company's financial instruments are exposed to certain financial risks, including currency risk, credit risk, liquidity risk, interest rate risk and commodity and equity price risk.

(a) Currency risk

The Company's property interests in Mexico make it subject to foreign currency fluctuations and inflationary pressures which may adversely affect the Company's financial position, results of operations and cash flows. The Company is affected by changes in exchange rates between the Canadian dollar and foreign currencies. The Company does not invest in foreign currency contracts.

As at September 30, 2024, the Company is exposed to foreign exchange risk through the following financial assets and liabilities denominated in currencies other than the functional currency of the applicable subsidiary:

All amounts in Canadian dollars	**US dollar**	**Mexican peso**
	$	**$**
Cash and cash equivalents	12,173,767	89,699
Accounts receivable and prepaid expenses	-	29,227
Gold loan receivable	7,344,785	-
Reclamation deposits	66,236	-
Total assets	**19,584,788**	**118,926**
Trade and other payables	199,680	8,296
Total liabilities	**199,680**	**8,296**
Net assets	**19,385,108**	**110,630**

A 10% change in the US dollar exchange rate relative to the Canadian dollar would change the Company's profit or loss by $2,000,000.

A 10% change in the Mexican peso exchange rate relative to the Canadian dollar would change the Company's profit or loss by $11,000.

(b) Credit risk

The Company's cash and cash equivalents are held in large Canadian and Mexican financial institutions. The Company's accounts receivable consists primarily of receivables on drilling services charged to third parties, Almaden and Azucar. The Company also has a gold loan receivable from Almaden. The Company is exposed to credit risks through its accounts receivable and gold loan receivable.

To mitigate exposure to credit risk on cash and cash equivalents, the Company has established policies to limit the concentration of credit risk with any given banking institution where the funds are held, to ensure counterparties demonstrate minimum acceptable credit risk worthiness and ensure liquidity of available funds.

To mitigate exposure to credit risk on the gold loan receivable, the Company has secured the gold loan receivable with certain equipment related to Almaden's Rock Creek Mill, and also has been monitoring the share price of Almaden to ensure the loan can be settled with Almaden's common shares according to the terms of the loan agreement.

As at September 30, 2024, the Company's maximum exposure to credit risk is the carrying value of its cash and cash equivalents, accounts receivable and gold loan receivable.

(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure and cash flow from exploration and drilling services.

Trade and other payables are due within twelve months of the statement of financial position date.

(d) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to varying interest rates on cash and cash equivalents. The Company has no interest-bearing debt.

A 1% change in the interest rate does not have a significant impact on the Company's net loss.

(e) Commodity and equity price risk

(i) Commodity price risk

The ability of the Company to explore its exploration and evaluation assets and the future profitability of the Company are directly related to the market price of gold and other precious metals. The Company is exposed to the commodity price risk on fluctuation of gold prices on its gold loan receivable. The Company monitors gold prices to determine the appropriate course of action to be taken by the Company.

A 1% change in the price of gold would affect the fair value of the Company's gold loan receivable by $73,000.

(ii) Equity price risk

Equity price risk is defined as the potential adverse impact on the Company's operations due to movements in individual equity price or general movements in the level of the stock market. The Company closely monitors the individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

(f) Classification of financial instruments

IFRS 13 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

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

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table sets forth the Company's financial assets measured at fair value by level within the fair value hierarchy.

	Level 1	**Level 2**	**Level 3**	**Total**
	$	**$**	**$**	**$**
Marketable securities and investments	1,109,377	-	-	1,109,377
Gold loan receivable	7,344,785	-	-	7,344,785

Management of Capital

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

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares and, acquire or dispose of assets.

In order to maximize ongoing exploration efforts, the Company does not pay out dividends. The Company's investment policy is to invest its short-term excess cash in highly liquid short-term interest-bearing investments with short-term maturities, selected with regards to the expected timing of expenditures from continuing operations.

The Company expects its current capital resources will be sufficient to carry its exploration plans and operations through its current operating period. There have been no changes to the Company's capital management approach during the period. The Company is not subject to externally imposed capital requirements.

Subsequent event

On November 7, 2024, the Company acquired 10,344,056 shares of Azucar for $155,160.84. After the completion of the acquisition, the Company holds 14,044,056 shares of Azucar representing 19.02% of the outstanding shares of Azucar on a non-diluted basis.

Information on the Board of Directors and Management

Directors:
Duane Poliquin, P.Eng.
Morgan Poliquin, P.Eng., PhD.
Douglas McDonald, M.A.Sc., B.Com.
Lawrence Segerstrom, MBA, MSc.
Darcy Marud, P.Geo.
Tracey Meintjes, P.Eng.

Audit Committee members:
Lawrence Segerstrom, MBA, MSc.
Darcy Marud, P.Geo.
Douglas McDonald, M.A.Sc., B.Com.

Compensation Committee members:
Duane Poliquin, P.Eng.
Lawrence Segerstrom, MBA, MSc.
Darcy Marud, P.Geo.

Nominating & Corporate Governance Committee members:
Morgan Poliquin, P.Eng., PhD.
Lawrence Segerstrom, MBA, MSc.
Tracey Meintjes, P.Eng.

Management:
Duane Poliquin, P.Eng. – Chair of the Board
Morgan Poliquin, P.Eng., PhD. – Chief Executive Officer, President
Korm Trieu, CPA, CA – Chief Financial Officer, Corporate Secretary
Douglas McDonald, M.A.Sc., B.Com. – Executive Vice President