NeoTerreX Minerals

(Formerly Spitfyre Capital Inc.)

Management's Discussion and Analysis
Quarterly Highlights

Three months ended March 31, 2024

The following quarterly highlights management discussion and analysis ("**MD&A**") of the financial condition and results of the operations of NeoTerrex Minerals Inc. ("**NeoTerrex**" or the "**Corporation**") constitutes management's review of the factors that affected the Corporation's financial and operating performance for the three months ended March 31, 2024.

The MD&A should be read in conjunction with the Corporation's unaudited consolidated condensed interim financial statements as at March 31, 2024 prepared in accordance with the *International Financial Reporting Standards* ("**IFRS**") as issued by the *International Accounting Standards Board* applicable to the preparation of interim financial statements, including *International Accounting Standard* ("**IAS**") 34, *Interim Financial Reporting*, as well as with the management's discussion and analysis for the year ended December 31, 2023 ("**Annual 2023 MD&A**"). All figures are in Canadian dollars unless otherwise noted.

Further information regarding the Corporation and its operations are filed electronically on the System for Electronic Document Analysis and Retrieval (SEDAR+) in Canada and can be found on www.sedarplus.ca.

The disclosure of any scientific and technical information in the MD&A was reviewed, verified and approved by Mathieu Stephens, P.Geo., NeoTerrex's President, Chief Executive Officer ("**CEO**") and Director, the Qualified Person as defined by National Instrument 43-101 *Standards of Disclosure for Mineral Projects*.

Abbreviation	**Definition**
Fiscal 2023	Year ended December 31, 2023
Fiscal 2022	Year ended December 31, 2022
Q1-2024	Calendar first quarter of 2024
Q1-2023	Calendar first quarter of 2023
NSR	Net smelter return royalty
REE	Rare Earth Elements
TREO	Total Rare Earth Oxide

Description of Business

The Corporation, formerly Spitfyre Capital Inc. ("**Spitfyre**"), continued under the *Canada Business Corporations Act* ("CBCA") on December 21, 2023. The Corporation's common shares are listed on the TSX Venture Exchange (the "**Exchange**") under the NTX ticker since January 9, 2024.

Prior to December 21, 2023, the Corporation was a capital pool company as defined in Policy 2.4 of the Exchange. On that date, the Corporation completed its qualifying transaction pursuant to the rules and policies of the Exchange by acquiring 100% of the issued and outstanding share capital of NeoTerrex Corporation and evolved into a mineral exploration company. It is engaged in the evaluation, acquisition and exploration of mineral properties for rare earth elements and lithium with its activities focused in prospective areas of Quebec, Canada.

Overall Review

Exploration activities in Q1-2024

Mount Discovery property
The Corporation launched a 2,000-metre drilling campaign in late March 2024. The drill program's primary focus is to delineate areas exhibiting promising mineralization continuity and substantial widths and test for mineralization at depth or where overburden cannot be excavated. This strategic approach aims to ascertain both lateral and depth extensions of mineralized zones. The Corporation is poised to undertake further drilling later in the summer based on the results of the current program.

Working Capital

The Corporation has a working capital of $5,396,423 as of March 31, 2024 ($5,849,757 as of December 31, 2023) which will allow the Corporation to execute its planned exploration program and meet its administrative overhead expenses for at least the next twelve months.

Outstanding Share Data

The Corporation had the following securities outstanding:

	As at May 13, 2024	**As at December 31, 2023**
Common shares	80,851,568	80,851,568
Warrants	5,296,125	5,296,125
Options	4,000,000	-
Fully diluted	90,147,693	86,147,693

Results of Operations

The Corporation reported a net loss of $1,213,334 in Q1-2027 compared to a net loss of $102,634 in Q1-2023. The main variances on the Consolidated Statement of Loss and Comprehensive Loss are the following:

- **Exploration and evaluation expenditures**: The Corporation incurred exploration and evaluation expenditures totalling $187,619 ($30,642 in Q1-2023) on its properties with most of its exploration program dedicated to the Mount Discovery property. A detailed explanation of NeoTerrex exploration and evaluation expenditures will be covered in the next section.

- **Share-based payments**: On January 30, 2024, the Corporation granted stock options to purchase an aggregate of 4,000,000 common shares of the Corporation to its directors and officers, in accordance with its stock option plan. The Options vest immediately, are exercisable at $0.25 per option and have a term of five years. The Options have a fair value of $760,000 (non-cash item) and is expensed in the Consolidated Condensed Interim Statement of Loss and Comprehensive Loss and credited to Contributed Surplus. The average fair value of the granted options of $0.20 was determined using the Black-Scholes option pricing model.

- **Professional and consulting fees**:

	Q1-2024	**Q1-2023**
	$	**$**
Accounting and administrative fees [a]	51,237	24,417
Legal fees [b]	36,960	6,731
Audit and tax services fees	33,387	19,760
	121,584	**50,908**

  The increase in professional and consulting fees in Q1-2024 as compared to Q1-2023 is due to the step-up of the Corporation’s exploration activities and additional services provided to the Corporation as a public entity since December 2023.

- **Regulatory and transfer agent fees** consist mainly of the initial listing fees of the common shares of the Corporation on the Exchange on January 9, 2024 and the transfer agent fees. The majority of these costs are non-recurring.

- **Conference and promotion:** In January 2024, the Corporation has retained the services of three investor relations firms for a period of four to six months to help the Corporation increase its visibility on the capital markets and social media channels.

- **Flow-through shares premium**: the $46,882 (non-cash item) represents the reversal of a portion of the previous years' liability related to the premium on flow through shares, in relation of the exploration work completed in Q1-2024.

  The balance on flow-through financing not spent according to the restrictions imposed by the December 2023 financings represents $1,191,633 as at March 31, 2024.

- **Finance income** relates to interest earned on guaranteed investment certificates. The increase in finance income in Q1-2024 as compared to the prior period of last year is due mainly to the increased cash invested following the closing of a brokered financing in December 2023.

Exploration and Evaluation Activities

The Corporation's exploration and evaluation expenditures were as follows:

	Three months ended March 31, 2024	Three months ended March 31, 2023
	$	$
Mineral acquisition and maintenance costs	22,152	2,293
Exploration and evaluation expenses, net of tax credits and mining rights	165,467	28,349
	187,619	**30,642**

Mineral acquisition and maintenance costs	**Interest**	**Three months ended March 31, 2024**	**Three months ended March 31, 2023**
		$	$
Quebec			
Mount Discovery	100%	1,232	205
Decelles	100%	-	-
Riel	100%	-	-
Lindsay	100%	-	-
Beauchene	100%	-	2,088
Roman	100%	-	-
Strange Lake West	100%	14,966	-
Other	100%	5,954	-
		22,152	**2,293**

Exploration and evaluation expenses	Geology and Prospection	Drilling	Geochemistry	Total Q1-2024
	$	$	$	$
Mount Discovery	14,604	74,251	31,632	120,487
Decelles	280	-	-	280
Riel	-	-	-	-
Lindsay	2,240	-	-	2,240
Beauchene	-	-	-	-
Roman	560	-	-	560
Strange Lake	3,080	-	-	3,080
Other	38,820	-	-	38,820
Sub-total	59,584	74,251	31,632	165,467
Less: tax credits and mining rights				-
				165,467

Exploration and evaluation expenses	Geology and Prospection	Drilling	Geochemistry	Total Q1-2023
	$	$	$	$
Mount Discovery	25,330	-	2,281	27,611
Decelles	2,520	-	306	2,826
Riel	560	-	-	560
Lindsay	1,960	-	-	1,960
Beauchene	5,040	-	-	5,040
Other	4,800	-	-	4,800
Sub-total	40,210	-	2,587	42,797
Less: tax credits and mining rights				(14,448)
				28,349

Mount Discovery

Property Description

The Mount Discovery property was originally acquired in October 2021 for its rare earths potential and is now the focus of the Corporation. The property is situated in southwestern Quebec near the town of Fort-Coulonge and covering a total area of 11,187 hectares. The property is located near infrastructure consisting of both paved and gravel roads and powerlines. The area benefits from a local workforce, hydroelectric dam, and various industries.

The Corporation owns the property, and some claims are subject to a 2.5% NSR royalty. The Corporation has a right to purchase one-half (1.25%) of the NSR for $1,000,000. 1% of the NSR is held by the President, CEO and a director of the Corporation and 0.5% of the NSR is held by a company which is a shareholder of the Corporation, and a director of the Corporation is an officer of this company.

Exploration work on the property

The Corporation has received additional assay results from surface grab samples taken during its 2023 exploration program on the Mount Discovery property. With these results, four (4) new locations with values over 1% TREO in grab samples were identified, bringing the total number of discovered mineralized occurrences (1% to 14% TREO) on the property to twenty six (26). The majority of these occurrences are located within an area encompassing 2,000 metres by 1,000 metres, which corresponds to a large magnetic anomaly.

Decelles

Property Description

The Decelles property, located in the southern portion of the province of Quebec, was acquired by staking for its lithium and rare earths potential. Several lithium bearing pegmatites are known to occur in the region and historical data also indicates the presence of rare earth occurrences. The nearby Wells-Lacoursière occurrence returned assays of up to 2.87% lithium (Quebec Ministry of Forest and Natural Resources).

Exploration work on the property

NeoTerrex completed its maiden exploration for the property in Fiscal 2022 by carrying out several airborne geophysical surveys which were followed by a prospecting survey over select areas of interest. Several samples collected returned assays anomalous in lithium pegmatite pathfinders. No work was conducted thereafter.

Riel

Property Description

The Riel property, located north of Maniwaki in the province of Quebec, were acquired by staking for its lithium potential.

Exploration work on the property

A 2018 government regional survey of the entire southwestern portion of the province of Quebec identified the area as having some of the highest lithium and lithium pathfinder elements values in bottom lake sediments of the survey. The property also contains several pegmatite outcrops which have not been assayed.

Another portion of the property contains several pegmatites which contain both lithium and its associated elements (tantalum, fluoride) based on government regional mapping. These pegmatites have never been properly investigated.

NeoTerrex completed its maiden exploration for the property in Fiscal 2022 by carrying an airborne geophysical survey of the north block of claims. Further work is under consideration.

Lindsay

Property Description

The Lindsay property is located in the southwestern portion of the province of Quebec, 32 km east-northeast from the town of Mattawa, Ontario and covers a total area of 4,717 hectares. The property was acquired by staking due to the presence of a large radiometric anomaly detected by a 2020 government regional survey. The anomaly is similar in strength and shape to well-known rare earths deposits like Kipawa and Niobec and remains currently unexplained due to the lack of any exploration work. The property is accessible by gravel roads.

Exploration work on the property

Historical work for the area is limited to a 1973 government regional mapping program which included stream sediment sampling. Only six outcrops were identified on the property and were described as gneiss or muscovite schist. The government report goes on to describe that the weak radioactivity within these schists was due to the presence of monazite, a primary rare earths mineral.

The government funded regional survey also identified a coincidental major north by northeast fault crossing the property and beyond which warrants exploration as it could explain the anomaly and identify mineralization that may be associated with it.

In Fiscal 2022, NeoTerrex conducted its initial work on the property with an airborne radiometric and magnetic survey which allowed to further define the geophysical anomaly and local structural features. Limited surface reconnaissance work consisting of prospecting and geological mapping of the geophysical anomalies was undertaken during the summer of 2023. No further work is planned for the time being.

Beauchene

Property Description

The property is located in the southwestern portion of the Abitibi-Temiscamingue region of the province of Quebec, approximately 5 kilometres south from the town of Temiscaming. The 1,638 hectares property was acquired by staking.

Local infrastructure consists of gravel roads accessible from the nearby highway and the town where a host of services are available. Both railway and electrical power lines are on the property.

Exploration work on the property

The Beauchene property was acquired due the possible presence of rare earths within a geological context favorable to host sizeable mineralization. The historical work available is limited and did not provide any assays for the rare earths mineralization, and only indicated visual observation of monazite, a rare earths bearing mineral. Past exploration work is limited to regional geological mapping. No drilling has occurred on the property and there is no evidence of any past sampling.An initial reconnaissance and prospecting program will occur on the Beauchene property to locate and sample historical rare earth mineralization.

Roman

Property Description

On June 2, 2023, the Corporation entered into an agreement to acquire twenty-five (25) mineral claims located in the Province of Quebec in exchange for a cash payment of $10,000, 300,000 common shares of the Corporation (valued at $68,000, being the fair value) and a 2.0% NSR to be retained by the vendor. The Corporation has a right to purchase one-half (1%) of the NSR for $500,000. The vendor is the President, CEO and a director of the Corporation. In addition, the Corporation acquired claims through map staking in Fiscal 2023.

The Roman property, located 92 km of Havre Saint-Pierre, Cote-Nord, Quebec covers a total area of 2,166 hectares. The property was acquired by staking due to the presence of a large radiometric anomaly detected by a 2020 government regional survey. The anomaly is similar in strength and shape to well-known rare earths deposits like Kipawa and Niobec and remains currently unexplained due to the lack of any exploration work.

Exploration work on the property

Past exploration work is limited to a survey completed by the government in 1997, in which a grab sample (No. 1997013454), located in the southern border of a small lake in the central portion of the property, has revealed an anomalous value of 442 ppm Lithium and some significant values of 830 ppm Rubidium, 258 ppm Zinc and 300 ppm Zirconium. No follow-up work was undertaken thereafter.

NeoTerrex will begin exploration on the property in 2024. Initial efforts will focus on locating and assaying the numerous pegmatites reported and conduct reconnaissance geological mapping.

Strange Lake West

Property Description

The Strange Lake West property is situated in the province of Québec approximately 235 km northeast of Schefferville, QC and 140 km west of the Voisey's Bay nickel-copper-cobalt mine, owned and operated by Vale. Administration for the region is covered by the Nunavik Regional Government.

The property displays many characteristics similar to that of the Brisson REE deposit located less than 10 kilometres to the east. Historical work indicates the presence of a strong magnetic anomaly located on the outer margins of a large mangerite intrusive body with numerous grab samples having returned highly anomalous values in rare earths with granites in pegmatites.

Exploration work on the property
An initial compilation and evaluation report will be completed on the property in preparation for future work.

Other projects

NeoTerrex has done geological compilation work for the acquisition of new REE properties in Quebec.

Cautionary Note Regarding Forward-Looking Information

Some statements contained in this MD&A, especially the opinions, the projects, the objectives, the strategies, the estimates, the intent and the expectations of NeoTerrex that are not historical data, are forward looking statements. Such statements can be recognized by the terms “forecast”, “anticipate”, “consider”, “foresee” and other terms and similar expressions. These statements are based on information available at the time they are made, on assumptions established by the management and on the management expectation, acting in good faith, concerning future events and concerning, by their nature, known and unknown risks and uncertainties mentioned herein (see the section Risks Factors in the Annual 2023 MD&A). The real results for NeoTerrex could differ in an important way of those which state or that these forward-looking statements show the possibility for. Consequently, it is recommended not to trust unduly these statements. These statements do not reflect the potential incidence of special events which could be announced or take place after the date of this MD&A. These statements speak only as of the date of this MD&A. NeoTerrex undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required by applicable law.

May 13, 2024

(s) Mathieu Stephens
Mathieu Stephens
Chief Executive Officer and President

(s) Vatche Tchakmakian
Vatche Tchakmakian
Chief Financial Officer and Secretary