



MANAGEMENT'S DISCUSSION & ANALYSIS
For the Year Ended
October 31, 2024

MANAGEMENT'S DISCUSSION & ANALYSIS

For the Year Ended

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Introduction

The following management's discussion and analysis ("MD&A") of the operations, results, and financial position of Kermode Resources Ltd. (the "Company" or "Kermode") should be read in conjunction with the Company's audited financial statements for the years ended October 31, 2024 and 2023 and the notes thereto.

The referenced consolidated financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS"). All amounts are expressed in Canadian dollars unless otherwise indicated. This MD&A is dated February 24, 2025.

Business Description

Kermode has continued its efforts to date with a sole business objective to identify, evaluate and explore mineral properties having high potential for the discovery of economic mineral deposits. The Company is a publicly traded company without any substantive operations, and thus, has realized no significant mining revenues to date. Kermode has a year end of October 31st and was incorporated under the laws of the Province of Alberta and was subsequently continued into British Columbia.

The Company is primarily engaged in the business of acquiring, exploring, and transacting in mineral exploration properties located in Canada and the USA, and accordingly has no revenue from any of its properties to date. The Company's common shares trade on the TSX Venture Exchange (the TSX-V") under the trading symbol "KLM".

During the year ended October 31, 2023, the Company consolidated its share capital on a ten (10) old for one (1) new basis. All share, option, warrant and per share amounts have been retroactively restated to reflect this consolidation.

The mining exploration business has a disproportionate effect on the cash needs of Kermode. To function with the capital-intensive nature of mining exploration and development, management has developed a business strategy focused on early-stage exploration opportunities where the prospecting partners get large incentives through property options and shares-for-services agreements. This strategy has entailed a significant increase in share issuance relative to prior years, and an increase in exploration activity. The strategy has not yielded any return in terms of selling a project to another party.

Forward-Looking Information

This MD&A contains certain forward-looking statements and information relating to the Company that are based on the beliefs of its management as well as assumptions made by and information currently available to the Company as of the reporting period under this disclosure. When used in this document, the words "anticipate", "believe", "estimate", "expect", "significant" and similar expressions, as they relate to the Company or its management are intended to identify forward-looking statements. This MD&A contains forward-looking statements relating to, among other things, regulatory compliance, the sufficiency of current working capital, the estimated costs and availability of funding for the continued exploration and development of the Company's exploration properties. Such statements reflect the current views of the Company with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievement of the Company to

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be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

Mineral Projects and Exploration Highlights

The following is a description of the properties for which the Company has not abandoned the agreements:

1) Beaton Gold (formerly Black Panther), British Columbia

On August 10, 2023, the Company entered into an option agreement to acquire a 100% interest in the Black Panther project on Vancouver Island, British Columbia. On September 17, 2024, the Company amended the agreement reducing the size of exploration claims, changing the members of the vendor group, and changing the project name to Beaton Gold. The changes were approved by the TSX-V on October 1, 2024.

To complete the acquisition, the Company is required to issue 4,800,000 common shares as follows:

- a. 1,200,000 common shares on the Effective Date (issued August 11, 2023, valued at \$120,000);
- b. an additional 1,200,000 Shares on or before 12 months following the Effective Date (extension received by vendors);
- c. an additional 1,200,000 Shares on or before 24 months following the Effective Date;
- d. an additional 1,200,000 Shares on or before 36 months following the Effective Date;

The property was subject to a Net Smelter Return royalty ("NSR") of 3% with a \$6,000,000 buy-down and a Sale Participation Right of 30% of gross proceeds received by the Company from any future sale or disposition of any interest in the property in the next ten years. The NSR has been changed to 1% with a \$1,000,000 buy-down, and the Sale Participation Right has been removed.

2) Eastgate BC Project, British Columbia

On June 22, 2023, the Company entered into an option to acquire a 100% interest in the Eastgate project located in British Columbia.

On February 16, 2024, the deal terms for the Eastgate BC property were amended, such that to earn a 100% interest in the project, the Company assigned the vendors a NSR of 1% with a \$1,000,000 buy-down and a Sale Participation Right of 60% of gross proceeds received by the Company from any future sale or disposition of any interest in the property for a period of ten years.

3) Khrysos & Silver Bell Project, British Columbia

On May 26, 2023, the Company entered into an option agreement with Aurum Vena Mineral Resources Corp. to acquire a 100% interest in the Khrysos and Silver Bell projects located in British Columbia. On May 26, 2023, the Company issued 1,500,000 common shares valued at \$150,000 and is required to issue an additional 1,500,000 on or before May 2028. The property is subject to a Sale Participation Right of 10% of gross proceeds received by the Company from any future sale or disposition of any interest in the property in the next ten years.

4) Lightning Peak Project, British Columbia

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On February 20, 2024, the Company entered into a letter of intent to acquire the Lightning Peak Project in British Columbia. On June 12, 2024, the Company entered into an option agreement to acquire a 100% interest in the Lightning Peak Project comprised of mineral claims located in British Columbia. The option agreement has an initial term of one year. There are no share payments under the option agreement, and there are no spending requirements.

The property is subject to a Sale Participation Right of 55% of gross proceeds received by the Company from any future sale or disposition of any interest in the property in the next ten years.

5) Lucky Strike, British Columbia

On July 20, 2022, the Company entered into an option agreement to acquire a 100% interest in the Lucky Strike Copper project in British Columbia.

The Company completed the option exercise on July 24, 2024. To exercise the option, the Company issued 900,000 common shares valued at \$135,000 in fiscal 2022, 900,000 common shares valued at \$90,000 in fiscal 2023 and 900,000 common shares valued at \$9,000 on July 24, 2024. The Project land position covers 2,739 hectares. There are no work commitments for the Company. There shall be a 2% “Net Smelter Return Royalty” payable to the vendor group, where each one percent can be bought down for \$1,000,000.

6) Mt. Sicker, British Columbia

On October 25, 2023, the Company entered into the option agreement to acquire a 100% interest in the Mt. Sicker project located in British Columbia.

To complete the acquisition, the Company is required to pay \$210,000 and issue 20,000,000 common shares as follows:

Timing	Cash	Securities	Exploration or Other Work Commitments
Exchange Approval	\$Nil	Nil	\$Nil
Year 1	\$Nil	2,500,000	\$Nil
Year 2	\$10,000	2,000,000	\$Nil
Year 3	\$20,000	2,500,000	\$Nil
Year 4	\$30,000	3,000,000	\$Nil
Year 5	\$50,000	4,000,000	\$Nil
Year 6	\$100,000	6,000,000	\$Nil
Total	\$210,000	20,000,000	\$Nil

Pursuant to the option agreement, the Company issued 2,500,000 common shares valued at \$25,000 on October 4, 2024.

The property is subject to a NSR of 2% with a \$1,000,000 buy-down and a Sale Participation Right of 5% of gross proceeds received by the Company from any future sale or disposition of any interest in the property in the next ten years.

7) Santa Anna Project, British Columbia

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On September 20, 2023, entered into an option agreement to acquire a 100% interest in the Santa Anna project in British Columbia.

Pursuant to the option agreement, the Company issued 2,100,000 common shares valued at \$210,000 on September 20, 2023. To exercise the option, the Company must issue an additional 2,800,000 common shares within 24 months and 3,500,000 common shares within 60 months of closing.

The property is subject to a NSR of 2% with a \$3,500,000 buy-down and a Sale Participation Right of 7% of gross proceeds received by the Company from any future sale or disposition of any interest in the property in the next ten years.

8) Slesse Project, British Columbia

On June 22, 2023, the Company entered into an option agreement to acquire a 100% interest in the Slesse Creek project located in British Columbia.

Pursuant to the option agreement, the Company issued 400,000 common shares valued at \$40,000 in fiscal 2023 and 400,000 common shares valued at \$4,000 on July 24, 2024. To exercise the option, an additional 900,000 common shares must be issued within 24 months of closing.

The property is subject to a NSR of 1% with a \$1,000,000 buy-down and a Sale Participation Right of 10% of gross proceeds received by the Company from any future sale or disposition of any interest in the property in the next ten years.

9) Trio, British Columbia

On July 24, 2023, the Company entered into an option agreement to acquire a 100% interest in the Silverbell Trio project located on Vancouver Island, British Columbia. On August 27, 2024, the Company changed the terms of the property option agreement as below.

To earn a 100% interest in the project, the Company assigned the vendors a NSR of 2% with a \$2,000,000 buy-down and a Sale Participation Right of 30% thirty percent of gross proceeds received by the Company from any future sale or disposition of any interest in the property in the next ten years. In addition, the Company must make a cash payment of \$150,000 any time in the next 10 years payable equally to the vendors.

10) Vigh Graphite Project, British Columbia

On December 7, 2023, the Company entered into an option agreement to acquire a 100% interest in the Vigh Graphite project comprising mineral claims located in British Columbia. Pursuant to the option agreement, the Company issued 1,500,000 common shares values at \$30,000 based on the closing price of the Company's stock on the TSX-V on the date of issuance. To exercise the option, the Company must issue an additional 1,500,000 common shares within 36 months of closing. The property is subject to a NSR of 5% of which 3% is subject to a \$3,000,000 buy-down and a Sale Participation Right of 10% of gross proceeds received by the Company from any future sale or disposition of any interest in the property in the next ten years.

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Projects where the Company has ceased to advance the agreement:

11) Caycuse Copper, British Columbia

On December 9, 2022, the Company entered into an option agreement to acquire a 100% interest in the Caycuse Copper project located in British Columbia pursuant to which the Company issued 1,500,000 common shares valued at \$150,000. In order to complete the acquisition, the Company is required to issue 500,000 common shares annually for the next nine years. On October 17, 2023, the Company issued 500,000 shares as the 1st anniversary payment, valued at \$10,000. As at October 31, 2024, the project's acquisition cost is \$162,500.

The property is subject to a NSR of 1% with a \$1,000,000 buy-down and a Sale Participation Right of 10% of gross proceeds received by the Company from any future sale or disposition of any interest in the property in the next ten years.

During fiscal 2024, the Company decided not to proceed with this property and recorded an impairment to charge exploration and evaluation costs of \$189,241 to operations. The Company decided to write-off this property because it was unable to finance further exploration work on the project.

12) Tonya, Nevada, USA

On August 16, 2023, the Company initiated an option agreement to lease certain unpatented mining claims owned by Gold Range LLC in Pershing County, Nevada, USA, called the Tonya project. The option provides Kermode with the right but not the obligation to undertake a lease of the property. Kermode will not issue any shares under the transaction at any time. The first phase of the deal is the option, where Kermode begins with a one-year term that can be renewed for additional one-year periods by mutual consent of the counterparties so long as Kermode is paying or causing to be paid all annual claim maintenance fees and holding costs. Prior to completing any drilling activities on the property Kermode will first be required to enter into the lease agreement contemplated in the Option Agreement.

The second phase of the deal is a lease, where Kermode commits to a schedule of annual cash advance royalty payments, starting at US\$5,000 in the first year and increasing to US\$250,000 on the eighth anniversary and thereafter. In addition, there is a total five percent (5%) NSR Production Royalty where (i) a two percent royalty (2%) has no buy-down provision; and (ii) a three percent (3%) royalty with a five million US\$5,000,000 buy-down prior to the earlier of production or the Fifth Anniversary. In addition, there is also a thirty percent (30%) future sales interest.

During fiscal 2024, the Company decided not to proceed with this property and recorded an impairment to charge exploration and evaluation costs of \$34,154 to operations. The Company decided to write-off this property because it was unable to finance exploration work or claims maintenance fees.

13) Rye Patch, Nevada, USA

On May 17, 2024, the Company initiated an option agreement to lease certain patented and unpatented mining claims owned by Gold Range LLC in Pershing County, Nevada, USA, called the Rye Patch project. The option provides Kermode with the right but not the obligation to undertake a lease of the property. Kermode will not issue any shares under the transaction at any time. The first phase of the deal is the option, where Kermode begins with a one-year term that can be renewed for additional one-year periods by mutual consent of the counterparties so long as Kermode is paying or causing to be paid all annual claim maintenance fees and holding costs. Prior to completing any drilling activities on the

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property Kermode will first be required to enter into the lease agreement contemplated in the Option Agreement.

The second phase of the deal is a lease, where Kermode commits to a schedule of annual cash advance royalty payments, starting at US\$5,000 in the first year and increasing to US\$250,000 on the eighth anniversary and thereafter. In addition, there is a total five percent (5%) NSR Production Royalty where (i) a percent royalty (2%) has no buy-down provision; and (ii) a three percent (3%) royalty with a five million US\$5,000,000 buy-down. In addition, there is also a ten percent (10%) future sales interest.

During fiscal 2024, the Company decided not to proceed with this property, which had a book value of \$nil. The Company decided to write-off this property because it was unable to finance exploration work or claims maintenance fees.

14) Gold Rush Project, British Columbia

On January 11, 2024, the Company entered into an option agreement to acquire a 100% interest in the Gold Rush project comprising mineral claims located in British Columbia. Pursuant to the option agreement, the Company must pay cash of \$50,000 on or before the second anniversary and additional cash of \$100,000 on or before the fourth anniversary of closing.

The property is subject to a NSR of 1% subject to a \$1,000,000 buy-down and a Sale Participation Right of 10% of gross proceeds received by the Company from any future sale or disposition of any interest in the property in the next ten years.

During fiscal 2024, the Company decided not to proceed with this property and recorded an impairment to charge exploration and evaluation costs of \$600 to operations. The Company decided to write-off this property due to several reasons, primarily as access to the project had deteriorated since we started work (new logging gates, new development activity).

15) Ogie Gold Project, British Columbia

On February 12, 2024, the Company entered into an option agreement to acquire a 100% interest in the Ogie Gold project comprising mineral claims located in British Columbia. Pursuant to the option agreement, the Company must pay cash of \$50,000 on or before the second anniversary and additional cash of \$100,000 on or before the fourth anniversary of closing. The property is subject to a NSR of 1% subject to a \$1,000,000 buy-down and a Sale Participation Right of 10% of gross proceeds received by the Company from any future sale or disposition of any interest in the property in the next ten years.

During fiscal 2024, the Company decided not to proceed with this property and recorded an impairment to charge exploration and evaluation costs of \$800 to operations. The Company decided to write-off this property because the geological potential was considered to be low.

16) Grey Copper / Jonathan's Creek, Newfoundland

On December 13, 2022, the Company entered into an option agreement to acquire a 100% interest in the Grey Copper/Jonathan's Pond project located in Newfoundland.

Pursuant to the option agreement, the Company issued 700,000 common shares valued at \$70,000. To exercise the option, the Company must issue an additional 300,000 common shares within 12 months and 300,000 common shares within 24 months of closing.

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The property was subject to a NSR of 1% with a \$1,000,000 buy-down.

During fiscal 2023, the Company suspended operation in Newfoundland and recorded an impairment to charge exploration and evaluation costs of \$114,009 to operations. The Company decided to write-off this property because the Newfoundland service explorers did not wish to work on a shares-for-services basis.

17) Little Bay Copper, Newfoundland

On April 11, 2022, the Company entered into an option agreement with Grassroots Prospecting and Prospect Generation Inc. to acquire a 100% interest in the Little Bay Copper project in Newfoundland.

Pursuant to the option agreement, the Company issued 150,000 common shares valued at \$30,000 and paid cash of \$12,000 during the year ended October 31, 2022. To exercise the option, the Company must pay an additional \$250,000 within 48 months of closing, issue 3,150,000 common shares and incur \$4,250,000 in exploration expenditures in stages over the next 48 months.

On exercise of the option, there would be a 2% net smelter returns royalty with a buy-back of 1% for \$2,000,000.

During fiscal 2023, the Company suspended operations in Newfoundland and recorded an impairment to charge exploration and evaluation costs of \$42,000 to operations. The Company decided to write-off this property because the Newfoundland service explorers did not wish to work on a shares-for-services basis.

18) Loup Creek, British Columbia

On December 12, 2022, the Company entered into an option agreement to acquire a 100% interest in the Loup Creek project in BC.

To earn a 100% interest in the project, the Company assigned the vendors a NSR of 2% with a \$2,000,000 buy-down and a Sale Participation Right of 20% of gross proceeds received by the Company from any future sale or disposition of any interest in the property in the next ten years.

During fiscal 2023, the Company decided not to proceed with this property and recorded an impairment to charge exploration and evaluation costs of \$23,759 to operations. The Company decided to write-off this property due to several reasons, primarily as access to the project had deteriorated since we started work (new logging gates, new development activity).

19) Star of the West, British Columbia

On October 28, 2022, the Company entered into an option agreement to acquire a 100% interest in the Star of the West project in British Columbia.

To earn a 100% interest in the project, the Company assigned the vendors a NSR of 2% with a \$5,000,000 buy-down which can be exercised in stages and a Sale Participation Right of 30% of gross proceeds received by the Company from any future sale of disposition of any interest in the property in the next ten years.

During fiscal 2023, the Company decided not to proceed with this property and recorded an impairment to charge exploration and evaluation costs of \$86,917 to operations. The Company decided to write-off this

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property due to several reasons, primarily as access to the project had deteriorated since we started work (new logging gates, new development activity).

20) 911 Knockout Project, British Columbia

On June 22, 2023, the Company entered into an option agreement to acquire a 100% interest in the 911 Knockout project in BC.

To earn a 100% interest in the project, the Company assigned the vendors a NSR of 2% with a \$2,000,000 buy-down and a Sale Participation Right of 20% of gross proceeds received by the Company from any future sale or disposition of any interest in the property in the next ten years.

During fiscal 2023, the Company decided not to proceed with this property and recorded an impairment to charge exploration and evaluation costs of \$7,936 to operations. The Company decided to write-off this property because the geological potential was considered to be low.

Corporate Highlights

On November 28, 2023 the Company announced the results for initial prospecting exploration work at the Silver Bell project. Samples were collected from loose material from the mine dump site and a video of the sample site and sample concentrate test work was published on June 29, 2023:

<https://www.youtube.com/watch?v=ScPFAPmSvU> Mr. Robert Carrington, Professional Geologist and Professional Engineering Geologist, was the Qualified Person as defined by National Instrument 43-101 for the news release, video, and has reviewed the pertinent technical information in this MD&A.

On December 4, 2023, the Company announced assays for a gravity concentrate created from samples from the Silver Bell project. The original sample size was 18.0 kilograms of loose material from the mine dump site, which was crushed using a jaw crusher, pulverized by a small grinding mill, and concentrated using a gold shaker table. The concentrate and middling samples were collected and shipped to Kamloops Actlabs and tested for gold by fire assay- gravimetric finish, and multi-element Aqua Regia partial digestion. Mr. Robert Carrington, Professional Geologist and Professional Engineering Geologist, was the Qualified Person for this disclosure and has reviewed the pertinent technical information in this MD&A.

On December 5, 2023, the Company announced the first assays for select surface samples from the Santa Anna property. Mr. Jacques Houle, P. Eng, was the Qualified Person responsible for this disclosure including the news release, videos, and disclosure in the MD&A. Additional information, including lab reports and mapping files, is available on the Google Drive data room at this link:

<https://drive.google.com/drive/folders/18tR4LnVoqnm03V2CqdpDLrqKROOeVvqK>

Links to videos showing the prospecting as in the December 5, 2023, news release are provided below.

<u>Santana</u> December 5, 2023:	<u>Field Work video link</u>
<i>“Prospecting The Santana Mine Area!”</i>	https://www.youtube.com/watch?v=HseLNCINvqQ&list=PLIk-jfYt7POhQYQZrYqTQwbONYCCYAfZb&index=85
<i>“Sampling Copper Skarns Exposed In Trenches & Opencuts Over 340 Meter Strike!”</i>	https://www.youtube.com/watch?v=soMJ-Dp5muQ&list=PLIk-jfYt7POhQYQZrYqTQwbONYCCYAfZb&index=87
<i>“Stockpiled Massive Chalcopyrite From Old Mine Workings!”</i>	https://www.youtube.com/watch?v=q2d5Jp3O_fc&list=PLIk-jfYt7POhQYQZrYqTQwbONYCCYAfZb&index=88

On December 8, 2023, and January 15, 2024, the Company published assays from 9 samples at the Vigh Graphite project, which show the presence of graphitic carbon in outcrops. Mr. Robert Carrington, Professional Geologist and Professional Engineering Geologist, was the Qualified Person for this news release on the Vigh Graphite project and has reviewed the technical information in this MD&A.

On January 12, 2024, the Company announced XRF (“X-ray fluorescence”) results for the surface sampling at the Black Panther project. The XRF results were prepared by testing sample material that had been crushed to pass an 80-mesh screen before testing. The results covered 9 rock samples collected by Justin Deveault and Justin McNutt from 911 Exploration Corp. from July-October 2023 with results ranging from 0.38% to 16.99% Cu.

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On February 29, 2024, the Company announced XRF results for the surface sampling at the Mount Sicker project. The XRF results were prepared by testing sample material that had been crushed to pass an 80-mesh screen before testing. The XRF results covered 9 rock samples from the Copper Canyon area with results ranging from 0.55% to 22.03% Cu. A video showing the sampling area and work program was published, titled “Copper Canyon Reveals Many Mineralized Veins!”

<https://www.youtube.com/watch?v=ZGOJYyrm0Rk>

On March 6, 2024, the Company announced XRF results for the Mount Sicker project. The results included 7 samples from the 911 Showing where a new logging road created in 2023 exposed mineralization. The results for this news release are provided in the table below and a video of the sample locations is provided in this link, “Logging Road Cut Through Hundreds Of Meters With Bornite & Chalcopyrite!”:

https://www.youtube.com/watch?v=P_p0JVDh18c&list=PLIk-jfYt7POhQYQZrYqTQwbONYCCYAfZb

March 6, 2024: First Results from 911 Showing at the Mount Sicker project	
Sample No.	Copper (% Cu)
D725001	10.27%
D725002	11.01%
D725003	25.59%
D725004	14.08%
D725005	12.33%
D725006	17.64%
D725007	19.61%

On March 6, 2024, the Company announced XRF results for the Slesse Creek project. The XRF results covered 8 samples with results from 1.04% to 11.09% Cu. Links to videos showing the prospecting for the prospecting reported in the news release are provided below.

<u>Slesse Creek</u> <u>March 6, 2024:</u>	<u>Field Work video link</u>
<i>“Prospecting For Gold Bearing Mineralization On Glacier Creek!”</i>	https://www.youtube.com/watch?v=wyAHAcU_9Lw&list=PLIk-jfYt7POhQYQZrYqTQwbONYCCYAfZb&index=101
<i>“Prospecting On This Creek Reveals Visible Gold!”</i>	https://www.youtube.com/watch?v=CvwJfaoJoMw
<i>“Hiking Across Four Mountains In Search Of Gold Bearing Rocks!”</i>	https://www.youtube.com/watch?v=tDZREO8Lxcs

On March 13, 2024, the Company announced assay results from the Santa Anna property grab samples. The results covered 10 samples with results from 0% to 14.25% Cu.

On March 20, 2024, the Company announced assay results from the Copper Canyon area at the Mount Sicker project. The results covered 5 samples with results from 1.26% to 16.25% Cu.

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On May 6, 2024, the Company announced the results of gravity concentrate testwork from the Khrysos project. The samples were collected from two large holding drums at the project, which contain approximately 5 tonnes of sulphide-rich quartz stockpiled by previous operators at the property. The samples were passed through a jaw crusher once, then through a hammer mill three times, and then through a Keene Engineering ST-1 shaker table to create tailings, middlings, and concentrates. Kermode assayed the tailings, middlings, concentrates, and a control sample that was not concentrated. The Calculated Head Grade from the concentrate testwork is 9.7 ppm Au and 237.8 ppm Ag. Kermode also collected an additional sample of similar material, called a Control Sample, that weighed 2.9kg and assayed 7.3 ppm Au and 335.0 ppm Ag. A video of the field work titled, “Gold bulk sample test on the Keene shaker table” was published April 3, 2024: <https://www.youtube.com/watch?v=zy3Y3k4-66Y>

Additional results from the gravity concentrate testwork are provided below. The technical information in this news release has been reviewed and approved by Mr. Robert Carrington, Professional Geologist and Professional Engineering Geologist, a Qualified Person as defined in Canadian NI 43-101 responsible for the scientific and technical information contained herein under National Instrument 43-101 standards.

May 6, 2024: Description	Sample ID	Gold (ppm)	Silver (ppm)	Dried Weight (kg)	Mass Pull (%)	Gold Recovery (%)	Silver Recovery (%)
Concentrate	996442	315.0	1600.0	0.1	0.57%	18.5%	3.9%
Middlings	996443	51.3	975.0	2.0	9.85%	51.8%	40.4%
Tailings	996444	3.2	148.0	18.5	89.57%	29.7%	55.7%
Total Weight	-	-	-	20.6	100.0%	100.0%	100.0%

On May 24, 2024, the Company first reported the results from an ongoing program of select rock sampling at the 911 Showing on the Mount Sicker project. The Company collected a stockpile of 13.9 tonnes of select rock material by hand sampling. The purpose of collecting this stockpiling program is to expose more mineralization and pursue business development opportunities with metallurgical process testwork.

In addition to calculating sample weights, the Company calculated the density of 6 samples using a water displacement method. To calculate the volume of each sample, the Company dumped the rock sample into a full bucket of water and measured the volume of water that was displaced; the Company then calculated density as kilograms divided by litres. The Company does not have any geochemical test results to compare directly with the density estimates on a sample-sample basis.

May 24, 2024: Estimates of Weight and Density for samples from 911 SHOWING		
Sample No.	Weight (kg)	Density (g/cc)
911 Showing East - 1	4.00	4.9
911 Showing East - 2	3.55	3.2
911 Showing East - 3	4.20	3.2
911 Showing West - 1	4.05	3.3
911 Showing West - 2	3.75	3.3
Control Sample	3.70	2.6

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On May 30, 2024, the Company announced the results of exploration at the Eastgate B.C. property. The results covered 4 samples from the Pasayten showing results from 0.0 to 21.8 g/t Au gold. In addition, the results covered 5 samples from the Red Star mine area with results ranging from 0 to 48% Zn zinc. A video showing field work at the Red Star mine area was published: <https://www.youtube.com/watch?v=p-0D86n7tkY> Mr. Robert Carrington, Professional Geologist and Professional Engineering Geologist, was the Qualified Person for this disclosure.

On June 12, 2024, the Company announced an amendment to the terms of the Lightning Peak gold project. There are no spending requirements or share payments under the agreement. The option agreement has an initial term of one year. The term can be extended at any time for any additional amount of time at the mutual agreement of Kermode and Milosz Mielniczuk. If the option expires, the claims shall be returned to Milosz Mielniczuk. Kermode shall assign a Sales Participation Right of fifty-five percent 55% to the vendors, including 45% for Milosz Mielniczuk, 5% for James Vigh, and 5% for Luc Lesage. The Sales Participation Right shall be calculated from the gross proceeds of any transaction where Kermode sells any interest in the project. The option agreement provides Kermode with the right to sell any interest in the project with mutual agreement of Kermode and Milosz Mielniczuk.

The Company reported three sets of exploration results from the Lightning Peak project in July 2024. On July 19, 2024, the Company reported on the results from the Lightning Peak gold project. The results covered 6 samples with results from three showings at the project. Then, on July 29, 2024, the Company announced permit approval for exploration at the Lightning Peak gold project. The permit includes five sites for surface drilling and three sites for trenching or bulk sampling. On July 30, 2024, the Company announced the results of gravity concentrate test work from samples collected at the Lightning Peak gold project as detailed in the table below. For these news releases, Mr. Robert Carrington, Professional Geologist and Professional Engineering Geologist, is a Qualified Person as defined by National Instrument 43-101. He is responsible for the supervision of the exploration on the Lightning Peak project and has reviewed the technical information in this MD&A.

As in the news release dated July 30, 2024, the Company sampled 18.1 kg of material at the Peak AU Showing from a pile of mine waste at the following coordinates: 388587 Easting, 5529004 Northing (Zone 10N). The samples were passed through a jaw crusher, then through a hammer mill and screened with the oversize fraction being put through the hammer mill again, and then through a Keene Engineering ST-1 shaker table to create tailings, middlings, and concentrates. Kermode assayed the tailings, middlings, concentrates, and a control sample that was not concentrated. Mr. Milo Mielniczuk, who optioned the project to Kermode, collected and processed the samples in July 2024 at his work yard by Cherryville, BC.

Sample Description	Sample ID	Gold (ppm)	Silver (ppm)	Dried Weight (kg)	Mass Pull (%)	Gold Recovery (%)	Silver Recovery (%)
Concentrate	114722	226.0	832	0.1	0.7%	37.8%	8.0%
Middlings	114723	24.1	405	0.7	3.8%	21.0%	20.3%
Tailings	114724	1.8	57	17.3	95.5%	41.2%	71.7%

The Calculated Head Grade from the concentrate testwork is 4.3 ppm Au and 75.8 ppm Ag. Kermode also collected additional samples of similar material, which were previously reported on July 19, 2024 where the average of three samples from the Peak AU Showing returned grades of 12 ppm Au and 190 ppm Ag. The dump pile at the Peak AU mine working includes galena- and pyrite-rich quartz vein material. Mr. Robert Carrington, Professional Geologist and Professional Engineering Geologist, is a

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Qualified Person as defined by National Instrument 43-101. He is responsible for the supervision of the exploration on the Lightning Peak project and has reviewed the technical information in this MD&A.

On July 31, 2024, the Company reported the results of XRF analysis of select samples from the Copper Canyon area at the Mount Sicker project. The results covered four samples with results from 1.03% to 16.64% Cu.

On September 24, 2024, the Company announced changes to the Black Panther property purchase option. The changes are reducing the claims size, changing the vendor group for the option agreement, and changing the name to Beaton Gold. The changes were approved by TSX-V on October 1, 2024.

On October 23, 2024, the Company reported the results of XRF analysis of select samples from the Battery Ridge area at the Mount Sicker project. The results cover 5 samples ranging from 0.4% to 3.11% Cu copper and 0.02% to 11.64% Zn zinc. A video of the field work titled “Battery Ridge Zinc Showing On Mount Sicker!” was published online here: https://youtu.be/3y_dCSwTowE

In October and November, 2024, the Company published three news releases with results from the 911 Showing area at the Mount Sicker project. On October 28, 2024, the Company reported 11 samples with results from 0.82% to 10.51% Cu. On November 4, 2024, the Company reported 24 samples were tested with results from 0.38% to 15.81% Cu. On November 13, 2024, the Company reported 11 samples with results from 0.60% to 15.15% Cu. Additional information on the Mount Sicker project is available online here, <https://drive.google.com/drive/folders/1j4Zogi5bZ4NZYZHHXAa948PjnExBvApE>

The Company continues to prepare videos of exploration at the 911 Showing on the Mount Sicker project. Links to several videos are presented in the table below, from the start of the project in October 2023 to present. Mr. Jacques Houle, P. Eng, is the Qualified Person responsible for all these videos.

<u>Videos from Mount Sicker</u>	<u>Field Work video link</u>
<i>“New Road Cut Exposes Large Copper Showing At The Mount Sicker Property!” (October 2023)</i>	https://youtu.be/hxWmC-xLDe8
<i>“Loading Up Vein Chunks Loggers Exposed After This Road Was Built!” (May 2024)</i>	https://youtu.be/nozimxUlqwk
<i>“This Is Turning Into A Massive Copper Vein!” (July 2024)</i>	https://youtu.be/ESRFFWcNADw
<i>“Removing Copper Rich Samples From A Large Quartz Vein!” (January 2024)</i>	https://youtu.be/uRnPIQrYYAw
<i>“Exposing A Large Copper Bearing Massive Sulphide Occurrence On Mount Sicker!”</i>	https://youtu.be/XmqGRhItzaU

An interactive map showing the location of all samples and field videos from the Mount Sicker project is available at this link:

https://www.google.com/maps/d/viewer?mid=1t4ttncAGzqqeq_QyZDioXt-aDkKQnYI&ll=48.87107359791579,-123.74906395076599&z=16

On December 10, 2024, the Company announced that Ryan Hounjet joined the Board of Directors and Tek Manhas resigned. On December 12, 2024, the Company announced that Amar Purewal joined the Board of Directors and Roger Lewis resigned. On December 31, 2024, the Company announced that Stephen Wall joined the Board of Directors and Maxime Lepine resigned. The current Board of Directors are Peter Bell, Ryan Hounjet, Amar Purewal and Stephen Wall.

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The Company's CEO Peter Bell comments, *"I am grateful to all members of the Board of Directors for their service to shareholders, past and present."*

Further information on the Company's projects, applicable resource updates and related news releases are available under the Company's SEDAR+ profile at www.sedarplus.ca.

Qualified Person

Jacques Houle, P.Eng., is a Qualified Person as defined by National Instrument 43-101. He is arms length to the Company and is responsible for the supervision of the exploration on the Company's exploration projects, except where noted otherwise, and has reviewed the technical information in this MD&A.

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Exploration and Evaluation Expenditures

Exploration and evaluation expenditures incurred for the year ended October 31, 2024 and the year ended October 31, 2023 were as follows:

	Beaton Gold	Eastgate BC	Khrysos & Silver Bell	Lightnin g Peak	Lucky Strike	Mt. Sicker
	\$	\$	\$	\$	\$	\$
Balance, October 31, 2022	-	-	-	-	158,093	-
Acquisition Costs	120,000	-	150,000	-	90,000	-
Exploration	18,434	-	28,689	-	29,610	7,823
Balance, October 31, 2023	138,434	-	178,689	-	277,703	7,823
Acquisition Costs	12,000	-	-	-	9,000	25,000
Exploration	7,884	2,443	2,939	347	4,605	125,082
Balance, October 31, 2024	158,318	2,443	181,628	347	291,308	157,905

	Santa Anna	Slesse Creek	Trio	Vigh Graphite	Total
	\$	\$	\$	\$	\$
Balance, October 31, 2022	-	-	-	-	158,093
Acquisition Costs	210,000	40,000	-	-	610,000
Exploration	14,258	18,269	2,277	-	119,360
Balance, October 31, 2023	224,258	58,269	2,277	-	887,453
Acquisition Costs	-	4,000	-	30,000	80,000
Exploration	12,048	15,999	30,422	300	202,069
Balance, October 31, 2024	236,306	78,268	32,699	30,300	1,169,522

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The following table summarizes the projects where the Company has abandoned the agreement:

	Caycuse	Tonya	Gold Rush	Ogie Gold	Grey Copper / Jonatha n's Pond
		\$	\$	\$	\$
Balance, October 31, 2022	-	-	-	-	-
Acquisition Costs	162,500	-	-	-	70,000
Exploration	14,839	-	-	-	44,009
Write down	-	-	-	-	(114,009)
Balance, October 31, 2023	177,339	-	-	-	-
Acquisition Costs	-	-	-	-	-
Exploration	11,902	34,154	600	800	-
Write down	(189,241)	(34,154)	(600)	(800)	-
Balance, October 31, 2024	-	-	-	-	-

	Little Bay Copper	Loup Creek	Star of the West	911 Knockout	Total
	\$	\$	\$	\$	\$
Balance, October 31, 2022	42,000	-	17,947	-	59,947
Acquisition Costs	-	-	-	-	232,500
Exploration	-	23,759	68,970	7,936	159,513
Write down	(42,000)	(23,759)	(86,917)	(7,936)	(274,621)
Balance, October 31, 2023	-	-	-	-	177,339
Acquisition Costs	-	-	-	-	-
Exploration	-	-	-	-	47,456
Write down	-	-	-	-	(224,795)
Balance, October 31, 2024	-	-	-	-	-

During the year ended October 31, 2024, the Company incurred acquisition costs of \$80,000 (2023 - \$842,500) exploration expenditures of \$249,525 (2023 - \$278,873). The Company paid for the acquisition costs through the issuance of shares and paid for the exploration costs primarily through the issuance of shares, other than cash spent of \$2,482 on exploration.

The Company's CEO Peter Bell comments, "I am grateful to our project partners, past and present."

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Selected Annual Information

The Company's fiscal year ends on October 31st of each year. The following is summary of certain selected audited financial information for the last three completed fiscal years:

	Year Ended October 31, 2024	Year Ended October 31, 2023	Year Ended October 31, 2022
	\$	\$	\$
Total revenues	-	-	-
Loss for the year	490,335	594,650	550,220
Loss per share (basic and diluted)	(0.01)	(0.04)	(0.05)
Total assets	1,198,178	1,090,509	277,140
Dividends	-	-	-

Results of Operations

Year ended October 31, 2024

During the year ended October 31, 2024, the Company reported a net loss of \$490,335 or \$0.01 loss per share (2023 - \$594,650 or \$0.02 loss per share). Details of the net loss during the years are as follows:

	2024	2023
	\$	\$
Management fees	80,000	72,500
Office and sundry	1,522	3,412
Professional fees	80,357	27,836
Property investigation	9,830	3,892
Share-based compensation	60,046	143,568
Transfer agent and filing fees	33,785	68,821
Write-down of exploration and evaluation assets	224,795	274,621
Loss for the year	490,335	594,650

The net loss during fiscal 2024 decreased mainly due to the decrease in share-based compensation and the decrease in write-down of exploration and evaluation assets. This was offset by an increase in professional fees as a result of engaging a new CFO.

During the year ended October 31, 2024, Kermode continued to execute the business strategy outlined in the Business Description section above. This strategy includes using shares-for-service agreements to cover spending on mining exploration activities and corporate overhead costs.

During the year ended October 31, 2024, the Company paid the CEO \$35,000 by issuing 2,233,333 shares. Kermode paid the former CFO \$20,000 by issuing 1,150,000 shares. The new CFO has been paid partially in cash and partially with shares. Certain amounts earned by the CEO and CFO remain in accounts payable at October 31, 2024, see Transactions with Related Parties below.

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Three months ended October 31, 2024

During the three months ended October 31, 2024, the Company reported a net loss of \$273,775 or \$0.00 loss per share (2023 - \$276,944 or \$0.02 loss per share). Details of the net loss during the periods are as follows:

	2024	2023
	\$	\$
Management fees	18,667	22,000
Office and sundry	2,764	297
Professional fees	25,005	7,750
Property investigation	962	3,892
Share-based compensation	(10,967)	10,689
Transfer agent and filing fees	12,549	20,975
Write-down of exploration and evaluation assets	224,795	211,341
Loss for the period	273,775	276,944

The Company's CEO Peter Bell comments, "*This section of the MD&A reflects important risks about the ongoing losses from operations.*"

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Quarterly Information

The following table sets forth selected financial information from the Company’s unaudited quarterly financial statements for the last eight quarters ending with the most recently completed quarter, being the year ended October 31, 2024. No cash dividends were declared in any of the reported periods.

	Oct 31, 2024	Jul 31, 2024	Apr 30, 2024	Jan 31, 2024
	\$	\$	\$	\$
Total Assets	1,198,178	1,322,778	1,269,696	1,209,796
Exploration and Evaluation Assets	1,169,522	1,295,265	1,249,186	1,194,826
Working Capital (Deficiency)	(318,466)	(293,519)	(282,737)	(304,214)
Shareholders' Equity (Deficiency)	851,056	1,001,746	966,449	890,612
Revenues	Nil	Nil	Nil	Nil
Net Loss	(273,775)	(85,541)	(76,020)	(54,999)

	Oct 31, 2023	Jul 31, 2023	Apr 30, 2023	Jan 31, 2023
	\$	\$	\$	\$
Total Assets	1,090,509	1,047,780	623,007	594,202
Exploration and Evaluation Assets	1,064,792	988,978	599,937	569,736
Working Capital (Deficiency)	(257,399)	(298,977)	(303,425)	(290,918)
Shareholders' Equity (Deficiency)	807,393	754,373	296,512	278,917
Revenues	Nil	Nil	Nil	Nil
Net Loss	(276,944)	(177,806)	(16,597)	(123,303)

Kermode has no revenue or operating income. There is no significant seasonality to the business.

The factors that have caused variations over the quarters necessary to understand general trends that have developed over time concern the Company’s strategy for business development.

For example, Kermode has entered property purchase option agreements with prospectors rather than staking claims directly itself. This business strategy choice has caused Kermode to issue relatively large numbers of shares to option claims rather than pay relatively small amounts of cash to stake claims. The reason for this choice is management’s pursuit of opportunities to work with prospectors who can provide exploration services on their own projects for Kermode on a turn-key basis entirely paid in shares. As Kermode continues to do such deals with these prospectors, the “Total Assets” reported has generally increased quarter-quarter. Also, the “Exploration and Evaluation Assets” has also increased and the Shareholders' Deficiency has also increased. The changes in quarterly net loss from one period to another were also impacted by the timing of recognition of share-based payment expense as well as the timing and quantum of recognition of impairment losses on the exploration and evaluation assets.

The Company’s CEO Peter Bell comments, “*this section of the MD&A contains important information that I discuss further in the section titled Additional Commentary on Performance using Financial Ratios.*”

Financing

The Company's CEO Peter Bell comments, "*I regret that Kermode continues to have a weak position of liquidity and capital resources.*"

Subsequent to October 31, 2024

The company has not yet completed any new financings after the year ended October 31, 2024.

Year ended October 31, 2024

On April 8, 2024 and May 27, 2024, the Company completed the first and second tranches of a non-brokered private placement. 775,000 units were issued at a price of \$0.02 per unit for gross proceeds of \$15,500. Each unit is comprised of one share and one warrant exercisable at \$0.05 for a period of three years.

On August 22, 2024, the Company completed a non-brokered private placement. 2,500,000 units were issued at a price of \$0.01 per unit for gross proceeds of \$25,000. Each unit is comprised of one share and one warrant exercisable at \$0.05 for a period of three years.

Year ended October 31, 2023

On May 7, 2023, the Company issued 257,300 units under a non-brokered private placement. The units were issued at a price of \$0.10 per unit for gross proceeds of \$25,730. Each unit is comprised of one share and one warrant. Each warrant is exercisable at \$0.50 up to May 9, 2026. The Company incurred share issuance costs of \$800.

On June 13, 2023, the Company issued 500,000 shares under a non-brokered private placement. The shares were issued at a price of \$0.10 per share for gross proceeds of \$50,000.

Liquidity and Capital Resources

The audited financial statements for the year ended October 31, 2024, have been prepared on the basis of accounting principles applicable to a going concern. This assumes that Kermode will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. Kermode has incurred operating losses over several fiscal years, has limited financial resources, no source of operating cash flow and no assurances that sufficient funding, including adequate financing, will be available to further explore its mineral property projects and to cover the overhead costs necessary to maintain a public company in good standing. The Company has financed its operations to date primarily through the issuance of common shares. The Company will continue to seek capital through the issuance of common shares.

As at October 31, 2024, the Company had a cash balance of \$5,056 (October 31, 2023 - \$3,903) available to settle current liabilities of \$347,122 (October 31, 2023 - \$283,116) and a current working capital deficit (being an excess of current liabilities over current assets) of \$318,466 (October 31, 2023 - \$257,399).

The Company's ability to continue as a going concern is dependent upon its ability to obtain the necessary financing to meet its general operating expenses and to continue to explore its mineral properties. Although the Company has been successful in the past in obtaining financing, there is no assurance that it

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will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company. These factors may cast significant doubt upon the Company's ability to continue as a going concern and, therefore, it may be unable to realize its assets and discharge its liabilities in the normal course of business. The financial statements do not reflect the adjustments to the carrying values of the assets and liabilities, the reported expenses and the statements of financial position classifications that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

The discovery, development and acquisition of mineral properties are unpredictable events. Future metal prices, the success of exploration programs and other property transactions can have a significant impact on capital requirements. The Company does not expect to receive significant income from any of its properties within the foreseeable future. Should the Company decide to further develop any of its properties, the Company may fund its capital requirements by arranging further equity financing, issuing long-term debt, selling royalties, arranging joint ventures with other companies, or through a combination of the above. The Company may also consider the sale of certain non-core properties in order to raise additional capital.

Critical Accounting Estimates

Carrying value and recoverability of exploration and evaluation assets

The carrying amount of the Company's exploration and evaluation assets does not necessarily represent present or future values, and the Company's exploration and evaluation assets have been accounted for under the assumption that the carrying amount will be recoverable. Recoverability is dependent on various factors, including the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development and upon future profitable production, or proceeds from the disposition of the mineral properties themselves.

Additionally, there are numerous geological, economic, environmental and regulatory factors and uncertainties that could impact management's assessment as to the overall viability of its properties or to the ability to generate future cash flows necessary to cover or exceed the carrying value of the Company's mineral properties.

To the extent that any of management's assumptions change, there could be a significant impact on the Company's future financial position, operating results and cash flows.

Fair value of stock options and warrants

Charges for share-based compensation are based on the fair value at the date of the award. Stock options are valued using the Black-Scholes Option Pricing Model, and inputs to the model include assumptions on expected volatility, discount rates and expected term, dividend yield, and expected forfeitures. Any changes in the estimates or inputs utilized to determine fair value could result in a significant impact on the Company's future operating results or on other components of equity. Expected volatility is a measure for variation of a price of a financial instrument over time. Expected volatility is derived from a time series of past market prices therefore may not be an accurate representation of future volatility. In addition, the Performance Share Units have a performance multiplier of up to 10:1 which can significantly increase the value of the award granted. In determining the expense for accounting purposes, the Company has estimated the multiplier to be 1:1.

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Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Proposed Transactions

Kermode has no proposed transactions at this time.

Transactions with Related Parties

Key management personnel of the Company are Directors, Chief Executive Officer, former Chief Financial Officer, and Corporate Secretary. The Company had the following transactions with key management personnel during the years ended October 31, 2024 and 2023:

	2024	2023
	\$	\$
Management fees:		
Peter Bell, CEO	60,000	25,000
NewCrest Consulting (Andrew Low), former CFO	20,000	42,500
Maxime Lepine, former Corporate Secretary	-	1,000
Accounting fees:		
Malaspina Consultants Inc. (Matt Anderson), CFO	48,590	-
Share-based compensation to Management & Directors	13,717	48,669
	142,307	121,169

During the year ended October 31, 2024, the Company incurred \$80,000 (2023 - \$72,500) in management fees including the following: \$60,000 (2023 - \$25,000) to the CEO, Peter Bell with \$30,000 paid in a shares-for-services facility and \$30,000 accrued as an unpaid amount (2023 - \$25,000 paid in a shares-for-services facility), and \$20,000 to the former CFO, Andrew Low (2023 - \$42,500 to the former CFO, Andrew Low, and \$5,000 to the former corporate secretary, Maxime Lepine). During the year ended October 31, 2024, the Company incurred \$48,590 of accounting fees to a Company where the current CFO, Matt Anderson, is a shareholder.

Accounts payable and accrued liabilities include \$173,720 (October 31, 2023 - \$123,686) due to current and former officers and directors, including Neil Briggs, Donald Moore, John Famy, Andrew Low, Peter Bell, Playfair Mining, Ricardo Ho and Shoni Bernard, and a company, Malaspina Consultants Inc., where a current officer, Matt Anderson, is a shareholder. These amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

Advances payable as of October 31, 2024 of \$29,808 (2023 - \$29,808) are due to a company with common former directors. The amount is due to Wasco Management Ltd., a company owned by Kathleen Mitchell, the spouse of former officer and director Donald Moore. The amount is non-interest bearing, unsecured with no specified terms of repayment.

New and revised standards adopted by the Company

The Company has applied the following standards and amendments for the first time for its annual reporting period commencing November 1, 2023:

- Definition of Accounting Estimates – Amendments to IAS 8;
- Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2;
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12.

The amendments listed above did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

New and revised standards issued but not yet effective

In April 2024, the IASB issued IFRS 18 – Presentation and Disclosure in Financial Statements that will replace IAS 1 – Presentation of Financial Statements. The new standard aims to improve the quality of financial reporting by: (i) requiring defined subtotals in the statement of profit or loss; (ii) requiring disclosure about management defined performance measures; and (iii) adding new principles for aggregation and disaggregation of information. The new standard will be effective for annual periods beginning on or after January 1, 2027. Early adoption is permitted. The Company is in the process of assessing the impact of the standard on the financial statements.

Financial Instruments and Other Instruments

The Company's financial assets and liabilities are cash, receivables, advances payable and accounts payable and accrued liabilities. The fair values of these financial instruments are estimated to be their carrying values due to their short-term nature. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from the financial instruments. The fair value of these financial instruments approximates their carrying value due to their short-term maturity.

Outstanding Share Data

The Company has authorized share capital consisting of common shares without par value. The number of shares authorized is unlimited. The Company has issued warrants for the purchase of common shares and also a stock option plan. The table below summarizes the Company's common shares, stock options, warrants and performance share units that are convertible into common shares as of February 24, 2025.

	Number
Issued and outstanding common shares	66,281,833
Share options with a weighted average exercise price of \$0.05	400,000
Share purchase warrants with a weighted average exercise price of \$0.08	3,540,300
Performance share units	500,000
Fully Diluted	70,722,133

Disclosure Controls and Procedures

In connection with National Instrument 52-109 (Certificate of Disclosure in Issuer's Annual and Interim Filings) ("NI 52-109"), the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the financial statements for the year ended October 31, 2024 and this accompanying MD&A (together, the "Filings").

In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

For further information, and other information relating to the Company, the reader should refer to the Venture Issuer Basic Certificates filed by the Company with its Filings on SEDAR+ at www.sedarplus.ca.

Risks

The Company is engaged in the exploration, development and exploitation of mineral resources for base metals, precious metals, industrial minerals and diamonds. The properties of the Company are without a known body of commercial ore. The exploration programs undertaken and proposed constitute an exploratory search and there is no assurance that the Company will be successful in its search. The business of exploring for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. Major expenses may be required to establish ore reserves, to develop metallurgical processes, and to construct mining and processing facilities at a particular site. It is impossible to ensure that the current exploration programs planned by the Company will result in a profitable commercial mining operation. The amounts shown as property acquisition costs represent acquisition and holding cost, less amounts written off, and do not necessarily represent present or future values.

Acquisition of rights to the mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed. Although the Company has investigated the title to all of

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the properties for which it holds concessions or in respect of which it has a right to earn an interest, the Company cannot give any assurance that title to such properties will not be challenged or impugned. The Company's properties may be subject to prior unregistered agreements or transfers and title may be affected by undetected defects or governmental actions. The Company can never be certain that it or its option partners will have valid title to its mineral properties. Mineral properties sometimes contain claims or transfer histories that examiners cannot verify, and transfers under foreign law are often complex.

The Company does not carry title insurance on its properties. A successful claim that the Company or its option partner does not have title to a property could cause the Company to lose its rights to that property, perhaps without compensation for its prior expenditures relating to the property. The occurrence of any such event could have a material adverse effect on the Company and its prospects.

The Company requires licenses and permits from various governmental authorities to carry out exploration and development of its projects. Obtaining permits can be a complex, time consuming process. There can be no assurance that the Company will be able to obtain the necessary licences and permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining permits and complying with these permits and applicable laws and regulations could stop or materially delay or restrict the Company from continuing or proceeding with existing or future operations or projects. Any failure to comply with permits and applicable laws and regulations, even if inadvertent, could result in the interruption or closure of operations or material fines, penalties or other liabilities. In addition, the requirements applicable to sustain existing permits and licenses may change or become more stringent over time and there is no assurance that the Company will have the resources or expertise to meet its obligations under such licenses and permits.

The Company has experienced losses in operations in prior years and has an accumulated deficit position. The Company expects to incur losses for the foreseeable future. The continuation of the Company's operations is subject to its ability to continue to be able to raise funding to support its operations. While the Company has been successful to date in raising funding there is no guarantee that it will continue to do so in the future.

The profitability of the Company's operations, if ever established, will be dependent upon the market price of mineral commodities. Mineral prices fluctuate widely and are affected by numerous factors beyond the control of the Company. The level of interest rates, the rate of inflation, world supply of mineral commodities, consumption patterns, sales of copper, gold and silver by central banks, forward sales by producers, production, industrial and jewellery demand, speculative activities and stability of exchange rates can all cause significant fluctuations in prices. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and political developments. The prices of mineral commodities have fluctuated widely in recent years. Current and future price declines could cause commercial production to be impracticable. The Company's revenues and earnings also could be affected by the prices of other commodities such as fuel and other consumable items, although to a lesser extent than by the price of copper, gold, silver or molybdenum. The prices of these commodities are affected by numerous factors beyond the Company's control.

The Company is dependent upon share issuances to provide the funding necessary to meet its general operating expenses and will require additional financing to continue to explore its mineral properties. Issuances of additional securities will result in dilution of the equity interests of the Company's shareholders. The Company may issue additional common shares in the future as further capital is required and on the exercise of outstanding options or other convertible securities issued from time to time. Sales or issuances of substantial amounts of additional securities, or the availability of such securities for sale, could adversely affect the market prices for the Company's securities. A decline in the market prices of

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securities of the Company could impair the Company's ability to raise additional capital through the sale of new common shares should it desire to do so. In addition, if additional common shares or securities convertible into common shares are sold or issued, such sales or issuances may substantially dilute the equity interests of the Company's holders of common shares.

Certain directors and officers of the Company are or may become associated with other natural resource companies which may give rise to conflicts of interest. In accordance with the Business Corporations Act (British Columbia), a director or senior officer who has a material interest in a contract or transaction or a proposed contract or transaction that is material to the Company, or a director or senior officer who is a director or senior officer of, or has a material interest in, a person who has a material interest in the contract or transaction, is required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve the contract or transaction. In addition, the directors and the officers are required to act honestly and in good faith with a view to the best interests of the Company. However, circumstances (including with respect to future corporate opportunities) may arise which are resolved in a manner that is unfavourable to the Company. Further, the non-management directors of the Company have either other full-time employment or other business or time restrictions placed on them and accordingly, the Company will not be the only business enterprise of these persons and these persons will not devote all of their time to the business and affairs of the Company.

The Company is also subject to regulatory risks include the possible delays in getting regulatory approval to the transactions that the Board of Directors believe to be in the best interest of the Company, and include increased fees for filings, the introduction of ever more complex reporting requirements the cost of which the Company must meet in order to maintain its exchange listing.

Companies in all industries, including the mining industry, are subject to legal claims from time to time, some of which have merit and others of which do not. Defence and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, the resolution of any particular legal proceeding to which the Company may become subject could have a material effect on the Company's financial position, results of operations or the Company's property development.

Companies in all industries, including the mining industry, are susceptible to cyber risk. The Company's primary operational exposure to cyber risk is with respect to proprietary geological, geochemical and exploration data and related models. The Company, similar to companies in all industries, is exposed to common place cyber risks such as, but not necessarily limited to, phishing, spam, fraudulent attacks, denial of service attacks, data loss, data theft, data corruption. The Company outsources its IT management to IT professionals who implement, among other controls and mitigation strategies, system access and authentication controls, transactional authentication, system activity logging, audit trails, "exception" handling, on-prem and off-prem backup and storage of the Company's data.

Other

The economic uncertainties around persistent inflation pressure, geopolitical and other global factors have the potential to slow growth in the global economy. Future developments in these challenging areas could impact on the Company's results and financial condition and the full extent of that impact remains unknown.

Additional Commentary on Project Portfolio

The Company continues to have a low amount of cash and limited access to capital.

The Company continues to review all strategic opportunities on all aspects of the business. The Company recently appointed new members to the Board of Directors. Management plans to continue to execute on all existing projects and seek out new ones.

The Company continues to pursue a particular business strategy for mining exploration that has been described in detail in prior MD&A filings. This strategy includes several aspects, such as prioritizing projects that have old mine workings with road access and project vendors who can complete exploration work on a shares-for-services basis. The Company has two different project partners, who each bring several projects as detailed below.

PROJECT PARTNER GROUP	PROJECT LIST	KEY STRATEGY AND NEWS RELEASES
A Team: “911 Mining”	Mount Sicker Santanna Lucky Strike Beaton Gold Slesse Creek	Ongoing select sampling programs at all projects, including +14 tonne stockpile from Mount Sicker as described in the news from May 24, 2024.
B Team: “Aurum Vena”	Lightning Peak Eastgate Vigh Graphite Khrysos	Ongoing select sampling programs at the Lightning Peak and Eastgate projects, including a permit for trenching at Lightning Peak as in the news from July 29, 2024.

The company provides the following list of all news releases with exploration results for all current projects and current teams as.

Project Partners	Year	Month	Date	Headline
A Team: “911 Mining”	2024	11	13	MOUNT SICKER XRF results (911 Showing)
A Team: “911 Mining”	2024	11	04	MOUNT SICKER XRF results (911 Showing)
A Team: “911 Mining”	2024	10	28	MOUNT SICKER XRF results (911 Showing)
A Team: “911 Mining”	2024	10	23	MOUNT SICKER XRF results
A Team: “911 Mining”	2024	7	31	MOUNT SICKER XRF results
A Team: “911	2024	5	24	911 SHOWING sample stockpile

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Mining”				weights and densities
A Team: “911 Mining”	2024	3	20	COPPER CANYON second set of XRF results
A Team: “911 Mining”	2024	3	13	SANTA ANNA second assay
A Team: “911 Mining”	2024	3	6	SLESSE CREEK XRF results
A Team: “911 Mining”	2024	3	6	911 SHOWING XRF results
A Team: “911 Mining”	2024	2	29	COPPER CANYON XRF results
A Team: “911 Mining”	2024	1	12	BLACK PANTHER copper XRF results
A Team: “911 Mining”	2024	1	8	BLACK PANTHER gold assays
A Team: “911 Mining”	2023	12	18	MOUNT SICKER first chip samples assays
A Team: “911 Mining”	2023	12	5	SANTA ANNA first assays
A Team: “911 Mining”	2023	5	12	LUCKY STRIKE first assays
A Team: “911 Mining”	2023	5	12	STAR OF THE WEST first assays
B Team: “Aurum Vena”	2024	7	30	LIGHTNING PEAK assays of gravity concentrate
B Team: “Aurum Vena”	2024	7	29	LIGHTNING PEAK permit news
B Team: “Aurum Vena”	2024	5	30	EASTGATE BC coarse sphalerite assays
B Team: “Aurum Vena”	2024	5	6	KHRYSOS assays of gravity concentrate
B Team: “Aurum Vena”	2024	1	15	VIGH GRAPHITE first assays
B Team: “Aurum Vena”	2023	12	4	SILVER BELL assays of gravity concentrate
B Team: “Aurum Vena”	2023	12	14	EASTGATE BC first assays
B Team: “Aurum Vena”	2023	12	8	VIGH GRAPHITE first assays
B Team: “Aurum Vena”	2023	12	1	KHRYSOS first assays
B Team: “Aurum Vena”	2023	11	28	SILVER BELL first assays

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On December 4, 2024, as a result of a review by the British Columbia Securities Commission, Kermode issued a news release to retract prior disclosure for several projects. The public is advised not to rely on the prior disclosures identified and addressed below.

Kermode retracted the news release for the Rye Patch silver project dated May 24, 2024, and reports that there is no exploration target for this project because there is no basis on which the qualified person estimated the quantity and grade of the target. Kermode retracted the news release and corresponding supplement document for the Tonya gold project dated December 13, 2023. There is no exploration target for this project because there is no basis on which the qualified person estimated the quantity and grade of the target.

Kermode retracted the document filed on SEDAR+ on April 15, 2024, titled "TECHNICAL ASSESSMENT REPORT ON PROSPECTING THE SLESSE CREEK PROPERTY." This document was not filed as a Form 43-101F1 Technical Report, and does not meet the disclosure standards of NI 43-101. The document is an assessment report and can be viewed by accessing the assessment report on British Columbia's Assessment Reporting Index System (ARIS). At present the Slesse Creek project has no current technical report.

Kermode retracted the document filed on SEDAR+ on April 19, 2024, titled "Assessment Report on the Vigh Graphite Property Rock Sampling." This document was not filed as a Form 43-101F1 Technical Report and does not meet the disclosure standards of NI 43-101. The document is an assessment report and can be viewed by accessing the assessment report on British Columbia's Assessment Reporting Index System (ARIS). At present the Vigh Graphite project has no current technical report.

The Company's CEO Peter Bell comments, *"I'm sorry for our mistakes with disclosures in 2024. In the future, we will follow the Exploration Best Practices Guidelines from The Canadian Institute of Mining, Metallurgy and Petroleum for disclosure of exploration targets."*

Additional Commentary on 911 Showing @ Mount Sicker Project

The Company provides the following tables that describe the number of shares issued pursuant to each property option agreement that the Company is actively pursuing at this time. The table goes back to the start of Fiscal 2022, when the Company first started to initiate the current stable of projects. The total number of shares issued prior to the Consolidation completed in October, 2023, have been adjusted to reflect the Consolidation. There have been no additional share payments for any property option agreements since October 31, 2024.

In the table below, the Company provides all XRF results for samples collected from the 911 Showing at the Mount Sicker project. These results have been previously reported and are being reported all together for reference. Jacques Houle, P.Eng., is a Qualified Person as defined by National Instrument 43-101. He is arms length to the Company and is responsible for the supervision of the exploration on the Company's exploration projects and has reviewed the technical information in this section of the MD&A.

SAMPLE ID	Copper (% Cu by XRF)	NEWS DATE	SAMPLE DATE	EASTING (10N)	NORTHING (10N)	ELEVATION
911-1	3.39%	2024-10-28	2024-10-21	444540	5413395	634m
911-10	3.42%	2024-10-28	2024-10-21	444728	5413373	620m
911-11	9.08%	2024-10-28	2024-10-21	444634	5413400	623m
911-13	2.93%	2024-11-13	2024-11-05	445314	5413084	581m
911-14	1.02%	2024-11-13	2024-11-05	445305	5413096	580m
911-15	0.60%	2024-11-13	2024-11-05	445317	5413067	583m
911-16	0.38%	2024-11-04	2024-10-16	444842	5413346	602m
911-17	0.63%	2024-11-04	2024-10-16	444779	5413355	608m
911-18	0.17%	2024-11-04	2024-10-16	444758	5413353	612m
911-19	0.62%	2024-11-04	2024-10-18	444772	5413332	618m
911-2	0.99%	2024-10-28	2024-10-21	444425	5413474	623m
911-20	1.64%	2024-11-04	2024-10-18	444566	5413409	631m
911-21	1.86%	2024-11-04	2024-10-18	444552	5413406	634m
911-22	0.82%	2024-11-04	2024-10-18	444537	5413403	637m
911-23	0.48%	2024-11-04	2024-10-19	444520	5413399	640m
911-24	0.46%	2024-11-04	2024-10-19	444504	5413396	642m
911-25	0.34%	2024-11-04	2024-10-19	444489	5413393	644m
911-26	0.66%	2024-11-04	2024-10-19	444475	5413394	645m
911-27	4.19%	2024-11-04	2024-10-19	444662	5413397	617m
911-28	15.81%	2024-11-04	2024-10-19	444671	5413396	616m
911-29	4.21%	2024-11-04	2024-10-26	444573	5413405	631m

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911-3	9.80%	2024-10-28	2024-10-21	444602	5413407	628m
911-30	6.19%	2024-11-04	2024-10-26	444581	5413404	629m
911-31	1.34%	2024-11-04	2024-10-26	444559	5413409	632m
911-32	1.17%	2024-11-04	2024-10-26	444547	5413406	635m
911-33	1.40%	2024-11-04	2024-10-26	444542	5413405	636m
911-34	0.54%	2024-11-04	2024-10-26	444532	5413402	638m
911-35	2.09%	2024-11-04	2024-10-26	444527	5413401	639m
911-36	1.85%	2024-11-04	2024-10-28	444681	5413393	614m
911-37	7.47%	2024-11-04	2024-10-28	444691	5413391	613m
911-38	1.77%	2024-11-04	2024-10-28	444700	5413389	612m
911-39	2.37%	2024-11-04	2024-10-28	444721	5413379	612m
911-4	6.75%	2024-10-28	2024-10-21	444582	5413410	631m
911-40	12.39%	2024-11-04	2024-10-28	444598	5413410	624m
911-41	1.82%	2024-11-13	2024-11-05	444643	5413398	621m
911-42	11.83%	2024-11-13	2024-11-05	444626	5413401	623m
911-43	15.15%	2024-11-13	2024-11-05	444618	5413403	623m
911-44	1.07%	2024-11-13	2024-11-06	445307	5413085	583m
911-45	1.58%	2024-11-13	2024-11-06	445514	5412925	543m
911-46	13.94%	2024-11-13	2024-11-06	444612	5413404	623m
911-47	8.62%	2024-11-13	2024-11-06	444590	5413410	626m
911-48	7.56%	2024-11-13	2024-11-06	444607	5413405	624m
911-5	4.44%	2024-10-28	2024-10-21	444550	5413404	632m
911-6	4.65%	2024-10-28	2024-10-21	444534	5413391	641m
911-7	10.51%	2024-10-28	2024-10-21	444656	5413397	619m
911-8	0.82%	2024-10-28	2024-10-21	445521	5412909	529m
911-9	5.99%	2024-10-28	2024-10-21	444687	5413389	620m
D725001	10.27%	2024-03-06	2024-01-14	444634	5413410	618m
D725002	11.01%	2024-03-06	2024-01-14	444620	5413415	621m
D725003	25.59%	2024-03-06	2024-01-14	444611	5413417	623m
D725004	14.08%	2024-03-06	2024-01-14	444601	5413417	624m
D725005	12.33%	2024-03-06	2024-01-14	444592	5413415	625m
D725006	17.64%	2024-03-06	2024-01-14	444569	5413407	633m
D725007	19.61%	2024-03-06	2024-01-14	444535	5413387	642m
K487452	5.92%	2023-12-18	2023-12-14	444576	5413415	632m
K487453	4.43%	2023-12-18	2023-12-14	444599	5413415	629m

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K487454	2.01%	2023-12-18	2023-12-14	444750	5413373	620m
K487455	3.26%	2023-12-18	2023-12-14	444424	5413474	620m
K487457	0.26%	2023-12-18	2023-12-14	444771	5413352	606m
K487458	5.85%	2023-12-18	2023-12-14	444612	5413413	621m
K487460	1.47%	2023-12-18	2023-12-14	444600	5413383	630m

The “Copper (% Cu by XRF)” results reported in the table above were prepared by using an Olympus Delta XRF (Model DS 6500CC) using industry-standard chain of custody procedures with all samples. The XRF operator was named in each news release, which also describes whether the operator was independent of Kermode or not. The XRF was calibrated prior to each test as follows. At each startup, a calibration coin was analyzed, and subsequent analysis was only performed when a pass was obtained, which was calculated internally by the XRF instrument. The XRF unit was set to geochemical mode, and a full 200-second test was run to determine copper content. While the instrument detects many elements, only copper was tested. The XRF analyzes only a small portion of the sample, so half the sample was crushed to pass an 80-mesh screen before testing. During the analysis of the samples by XRF, a control sample was analyzed to monitor the XRF instrument calibration and performance. These rock samples were of varying copper concentrations and analyzed with the XRF using the method described above. The XRF is accurate to within a 5% error for copper content. The XRF was not used to determine readings for other elements. We believe this approach to XRF analysis generates reliable results. This is supported by visual estimates of copper mineral contents in the samples by the company.

As of May 24, 2024, Kermode has collected a stockpile of **13.9 tonnes** of select rock material by hand sampling. The stockpile was collected from bedrock within an area approximately 1.5m deep, 3m wide, and 10m long from mineralization that is exposed in a road built for ongoing logging. The Company has continued to collect samples from the 911 Showing and increased the total size of the select sample stockpile for business development purposes.

The Company provides assay results for five samples collected from the 911 Showing at the Mount Sicker project. The samples were taken to represent different types of mineralization across the showing and tables of results provided below show elevated values for similar elements to those associated with massive sulphide mineralization in the Mount Sicker area. The assays were done by the ALS laboratory in North Vancouver with the following test codes: copper results by Cu-OG62, gold results by Au-AA25, and results for other elements by ME-MS61.

TEST METHOD	Cu-OG62	Au-AA25	ME-MS61	ME-MS61	ME-MS61	ME-MS61
SAMPLE	Copper (Cu)	Gold (Au)	Silver (Ag)	Iron (Fe)	Molybdenum (Mo)	Zinc (Zn)
DESCRIPTION	%	ppm	ppm	%	ppm	ppm
911Z-1	4.92	0.07	11.35	26.1	50	218
911Z-2	6.79	0.08	14.45	18.15	72.1	275
911Z-3	6.32	0.17	18.7	30.1	22.1	448
911Z-4	15.05	0.15	23.6	29.5	1.86	1910
911Z-5	2.19	0.16	9.53	24.9	78.5	456

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TEST METHOD	ME-MS61	ME-MS61	ME-MS61	ME-MS61	ME-MS61	ME-MS61
SAMPLE	Arsenic (As)	Cadmium (Cd)	Mercury (Mg)	Sulphur (S)	Tellurium (Te)	Bismuth (Bi)
DESCRIPTION	ppm	ppm	%	%	ppm	ppm
911Z-1	38.7	2.56	0.3	>10.0	26.2	35.8
911Z-2	17.1	3.22	0.18	>10.0	7.15	7.33
911Z-3	29	4.84	0.45	>10.0	15.1	24
911Z-4	22.7	15.5	2.47	>10.0	11.55	6.04
911Z-5	46.7	9.09	0.87	>10.0	8.37	4.11

SAMPLE ID	Copper (%)	SAMPLE DATE	ZONE	EASTING	NORTHING	ELEVATION
911Z-1	4.92	15-12-2024	10N	444643	5413398	621m
911Z-2	6.79	15-12-2024	10N	444602	5413407	624m
911Z-3	6.32	15-12-2024	10N	444596	5413415	623m
911Z-4	15.05	15-12-2024	10N	444671	5413396	615m
911Z-5	2.19	15-12-2024	10N	444559	5413409	632m

SAMPLE ID	SAMPLE TYPE	NOTES
911Z-1	Grab (Bedrock)	Lower 911 vein area. Sample of quartz and 40% sulphides that look like pyrite but oxidizes to a light brown and baby blue color. 10-15% chalcopyrite disseminated among pyrite.
911Z-2	Grab (Bedrock)	Massive sulphides with 20-22% chalcopyrite and 70% pyrite. Some of the chalcopyrite has dark blue oxidation patches. Sulphides are fine-coarse grained.
911Z-3	Grab (Bedrock)	Massive sulphides with 20-22% chalcopyrite and 40% pyrite. Sample taken in massive sulphides with dark blue and yellow oxidation patches that appear to be chalcopyrite. Taken from the floor of the trench where 10 tonnes were hand-dug.
911Z-4	Grab (Bedrock)	Sample of chalcopyrite in chloritic schist in stringer zone at footwall. Massive pyrite and some chalcopyrite contact the chloritic schists. Sample of large 20cm wide chunk of chalcopyrite. 50-55% chalcopyrite and 5% pyrite.
911Z-5	Grab (Bedrock)	7-10% chalcopyrite and 15% pyrite, 20% black colored sulphides. Host is deformed and very soft grey schists, which at times are clay like. Host rock contains quartz veins and quartz stringers. Sample from 1.25m quartz vein.

TABLE 5:
 Assay Results for 5 Samples from 911 Showing at Mount Sicker versus list of "Critical Minerals"
https://cmscontent.nrs.gov.bc.ca/geoscience/PublicationCatalogue/OpenFile/BCGS_OF2023-02.pdf

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Elemental Symbol	Metal Name	BCGS Priority	Assay Result	911Z-1	911Z-2	911Z-3	911Z-4	911Z-5
Ag	Silver	0	ppm	11.35	14.45	18.7	23.6	9.53
Al	Aluminum	7	%	3.3	0.83	1.14	2.79	1.95
As	Arsenic	4	ppm	38.7	17.1	29	22.7	46.7
Au	Gold	1	ppm	0.07	0.08	0.17	0.15	0.16
Ba	Barium	6	ppm	180	80	80	10	110
Be	Beryllium	6	ppm	0.18	<0.05	<0.05	<0.05	0.09
Bi	Bismuth	12	ppm	35.8	7.33	24	6.04	4.11
Cd	Cadmium	2	ppm	2.56	3.22	4.84	15.5	9.09
Co	Cobalt	15	ppm	66.7	32.9	36.3	33.4	135
Cr	Chromium	9	ppm	6	9	7	3	11
Cs	Cesium	5	ppm	0.21	0.05	0.05	<0.05	0.08
Cu	Copper (%)	10	%	4.92	6.79	6.32	15.05	2.19
Cu	Iron	1	%	26.1	18.15	30.1	29.5	24.9
Fe	Gallium	13	ppm	8.17	2.26	3.58	7.23	5.03
Ga	Germanium	9	ppm	0.3	0.18	0.36	0.19	0.22
Ge	Hafnium	6	ppm	0.2	0.1	0.1	0.1	0.1
Hf	Indium	10	ppm	0.452	1.12	3.04	8.08	1.165
In	REE	1	ppm	0.6	0.7	0.5	4	0.8
Li	Lithium	15	ppm	2	0.9	1.6	4.2	4.5
Mg	Magnesium	12	%	0.3	0.18	0.45	2.47	0.87
Mn	Manganese	12	ppm	145	110	231	1190	297
Mo	Molybdenum	10	ppm	50	72.1	22.1	1.86	78.5
Nb	Niobium	14	ppm	0.2	0.1	0.1	0.2	0.2
Ni	Nickel	12	ppm	11.9	10.6	14.6	9.8	25.5
Pb	Lead	1	ppm	12.1	8.5	5.2	8.2	10.6
Rb	Rubidium	2	ppm	26.6	5.6	5.8	0.2	9.2
Re	Rhenium	4	ppm	0.01	0.01	0.003	0.002	0.006
Sb	Antimony	11	ppm	2.76	0.9	0.8	1.9	0.53
Sc	Scandium	9	ppm	9.8	2.9	3.9	7.3	5
Se	Selenium	5	ppm	58	43	94	34	57
Sn	Tin	11	ppm	0.7	0.8	3.1	4.1	2.3
Sr	Strontium	4	ppm	4.6	2.4	1.2	0.9	1.3
Ta	Tantalum	14	ppm	<0.05	<0.05	<0.05	<0.05	<0.05
Te	Tellurium	9	ppm	26.2	7.15	15.1	11.55	8.37

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Ti	Titanium	14	%	0.077	0.023	0.041	0.073	0.047
U	Uranium	7	ppm	0.2	0.1	<0.1	0.1	0.3
V	Vanadium	14	ppm	104	25	40	95	46
W	Tungsten	13	ppm	0.6	0.4	0.3	0.3	1.3
Zn	Zinc	9	ppm	218	275	448	1910	456
Zr	Zirconium	7	ppm	8	3.5	2.7	3.9	5.5

The results presented in the tables above were completed by commercial laboratories for all geochemical analyses and were conducted using industry-standard chain-of-custody procedures with all samples. Due to the preliminary nature of the field geochemistry programs, no blind analytical blanks and standards were utilized by the company, and only the internal procedures employed by the commercial laboratories were utilized for QA/QC protocols. The qualified person is satisfied that these procedures and protocols are sufficient for the current status of the subject property.

The Company’s CEO Peter Bell comments, *“I believe it is appropriate for mining exploration companies to provide some discussion of how the financial ratios compare with exploration results. For example, investors can calculate the finding costs for mineral resources when a company clearly discloses the various types and amounts of costs associated with the exploration business together with a resource estimate. Kermode does not have any resource estimates at this time to perform any such calculations. One financial ratio that I’ve considered on a strategic basis is related to the number of news releases that a project generates compared with the acquisition costs and exploration spending over time. In the 2023 annual MD&A, I describe how Kermode’s strategy is focused on mining exploration projects where the project vendors can drive to the site from their home and perform exploration work on a shares-for-services basis; this strategy is meant to increase the number of news releases while decreasing the exploration spending. Since these financial ratios may not convey the reality of the project on the ground, I have designed Kermode’s strategy to include video production in all field activities to share publicly with investors, regulators, and communities. Can we help more people understand our business better by openly reporting bad news as well as good news and improving the overall financial disclosure in some standardized ways?”*

Additional Commentary on Performance using Financial Ratios

In the MD&A for the period ended October 31, 2023, the Company introduced the calculation of “Exploration Statistic” and “Exploration assets per share” to show trends in financial performance for the prior three years. In the current MD&A, the Company presents a series of statistics from financial statements for the prior three years to show trends using basic line items from the audited annual financial statements as detailed below.

Table 1 provides the Number of Shares for the Company in the fiscal year. The total has been adjusted for the years prior to 2023 to reflect the Consolidation (10:1) that happened on October 6, 2023. The Number of Share was taken from the Statements of Changes in Shareholders’ Equity (Deficiency).

Year End (as at October 31)	Number of Shares (#)
2024	61,481,970
2023	25,243,087
2022	11,963,017

Table 2 provides information on total amount of financings compared with amount of exploration spending. The “Gross financing proceeds” column is taken from the “Private placement” line item on the Statements of Changes in Shareholders’ Equity (Deficiency). The “Number of ongoing projects” is equal to the number of projects reported in the table from the note to the financial statements titled “EXPLORATION AND EVALUATION ASSETS” where the Company continues to advance the project.

Year End (as at October 31)	Gross Financing Proceeds (\$)	Gross Exploration Spending (\$)	Number of Ongoing Projects (#)
2024	40,500	259,355	10
2023	75,730	282,766	9
2022	241,315	138,855	5

Note:

- The calculation for gross exploration in 2024 and 2023 are equal to the spending on projects that the company continues to advance and ones it abandoned as reported in the table from the note to the financial statements titled “EXPLORATION AND EVALUATION ASSETS” combined with the “Property investigation” line item from the Statements of Loss and Comprehensive Loss.
2024: $202,069+47,456+9,830=259,355$
2023: $134,200+144,674+3,892=282,766$
- The calculation for the gross exploration in 2022 includes the Prospecting line item from the table from the note to the financial statements titled “EXPLORATION AND EVALUATION ASSETS” and the Property investigation line item included in the Operating expenses section of the Statements of Loss and Comprehensive Loss.
2022: $41,634+97,221=138,855$

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Table 3 provides information to compare the relative spending on new projects versus impairment of old ones and project sales. The “Gross Acquisition Costs” are equal to the “Acquisition Costs” in the table from the note to the financial statements titled “EXPLORATION AND EVALUATION ASSETS”. The “Gross Project Impairment Charges” are equal to the “Writedown” in the table from the note to the financial statements titled “EXPLORATION AND EVALUATION ASSETS”. The “Gross Proceeds from Project Sales” are also taken from the table from the note to the financial statements titled “EXPLORATION AND EVALUATION ASSETS”.

Year End (as at October 31)	Gross Acquisition Costs (\$)	Gross Project Impairment Charges (\$)	Gross Proceeds from Project Sales (\$)
2024	80,000	224,795	0
2023	842,500	274,621	0
2022	187,000	117,026	0

Note:

- The calculation for Gross Acquisition costs in 2023 are equal to the spending on all projects that the company continues to advance and abandoned.
2023: 772,500+70,000=842,500.
- The calculation for Gross Project Impairment Charges are equal to the amount of project acquisition costs and exploration spending that are written down.
2015: 172,352+64,736=237,088
2012: 180,000+52,227=232,227
2010: 432,540+2,974,534=3,407,074

Table 4 provides information to compare the total amount of corporate overhead spending against exploration spending. The line items for “Expenses” and “Security Based Compensation” are taken from the STATEMENTS OF COMPREHENSIVE LOSS. The “Net Expenses (Expenses minus Security Based Compensation)” is calculated as the difference between them to represent the direct cash and non-cash costs associated with corporate overhead. The Gross Exploration Spending is calculated as in Table 2. The difference “Exploration Spending minus Net Expenses” is calculated to show the relative size of corporate overhead costs and exploration spending.

Year End (as at October 31)	Expenses (\$)	Security Based Compensation (\$)	Net Expenses (Expenses minus Security Based Compensation) (\$)	Gross Exploration Spending (\$)	Exploration Spending minus Net Expenses (\$)
2024	265,540	60,046	205,494	259,355	53,861
2023	320,029	143,568	176,461	282,766	106,305
2022	301,027	72,634	228,393	138,855	-89,538

Table 5 provides information to compare the total Accumulated Deficit and the Number of Shares. The Accumulated Deficit and Number of Shares are both taken from the Statements of Changes in

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Shareholders’ Equity. The ratio “Accumulated Deficit divided by Number of Shares” is meant to reflect the price of all historical financings for the Company since inception and can be compared with the share price in the primary market based on past financings or in the secondary market based on trading records at the time.

Year End (as at October 31)	Accumulated Deficit (\$)	Number of Shares (#)	Accumulated Deficit divided by Number of Shares (\$/#)
2024	11,055,847	61,481,970	0.18
2023	10,771,120	25,243,087	0.43
2022	10,239,014	11,963,017	0.86

Table 6 provides information to compare the total carrying value of the Company’s Exploration Assets as reported on the Balance Sheet and the total Number of Shares. The ratio can be compared with the share price in the primary market based on past financings or in the secondary market based on trading records at the time.

Year End (as at October 31)	Number of shares (#)	Exploration Assets (\$)	Exploration Assets divided by Number of Shares (\$/#)
2024	61,481,970	1,169,522	0.019
2023	25,243,087	1,064,792	0.042
2022	11,963,017	218,040	0.018

It is possible to use these financial statistics to compare the Company’s performance over time to itself or between multiple companies. For example, how much money was being spent on exploration relative to total the amount of financings? These types of statistics can be useful for investors motivated to find management teams that prioritize exploration spending. It is also possible to study these financial statistics for Kermode over time to see how changes in strategy and management performance are reflected in basic accounting records.

The Company’s CEO Peter Bell comments, *“I believe the financial ratios here are useful for Kermode and other mining exploration companies to present a better version of the narrative explanation through the eyes of management. For example, compare these tables with the typical version of the Selected Annual Information section that includes Total revenues and Dividends, which are zero. In my commentary, I provide a series of financial statistics that are relevant to the mining exploration business like Comparing Exploration Spending and Financing. The section on Exploration and Evaluation Expenditures contains essential information for all junior mining companies and I encourage other companies to pursue similar disclosure as in the Additional Commentary on Performance using Financial Ratios. Can we use the historical financial performance of the Company and a peer group to provide estimates for the potential future prospects and what looks like success or failure?”*