



FALCON

GOLD CORP

MANAGEMENT'S DISCUSSION & ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2024

FALCON GOLD CORP.

Management's Discussion & Analysis
For the year ended June 30, 2024

DATE OF REPORT: January 10, 2025

Introduction

The following management's discussion and analysis ("MD&A") of the financial condition and results of operations of Falcon Gold Corp. ("Falcon Gold" or the "Company") constitutes management's review of the factors that affected the Company's financial and operating performance for the year ended June 30, 2024. This MD&A has been prepared in compliance with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the audited financial statements for the years ended June 30, 2024 and 2023 and related notes attached thereto. Results are reported in Canadian dollars, unless otherwise noted. In the opinion of management, all adjustments (which consist only of normal recurring adjustments) considered necessary for a fair presentation have been included. The results for the year presented are not necessarily indicative of the results may be expected for any future years.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of The Company Gold's common shares; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Nature of the Business and Corporate Overview

The Company was incorporated on November 24, 2006 under the Business Corporations Act (Ontario) and was continued under the Business Corporations Act (British Columbia) on May 2, 2013. The Company trades on the TSX Venture Exchange under the symbol "FG". The corporate office and principal place of business of the Company is 1100 – 1111 Melville Street, Vancouver, B.C., V6E 3V6.

The Company's business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, and national and international circumstances. Recent geopolitical events, including, relations between NATO and Russian Federation regarding the situation in Ukraine, and potential economic global challenges such as the risk of the higher inflation and energy crises, may create further uncertainty and risk with respect to the prospects of the Company's business.

Forward Looking Information

Certain statements in this Management Discussion and Analysis constitute forward-looking statements under applicable securities legislation. Forward-looking statements or information typically containing statements with words such as "anticipate", "believe", "expect", "plan", "intend", "estimate", "propose" or similar words suggesting future outcomes or statements regarding, and outlook. Forward-looking statements or information in this Management Discussion and Analysis include, but are not limited to, statements regarding:

- Business objectives, plans and strategies;
- Exploration objectives, plans and strategies; and,
- Certain geological interpretations and expectations.

Such forward-looking statements or information are based on a number of assumptions which may prove to be incorrect. In addition to other assumptions identified in this Management Discussion and Analysis, assumptions have been made regarding, among other things:

- The ability of the Company to continue to fund its operations through financings, options and joint ventures;

FALCON GOLD CORP.

Management's Discussion & Analysis
For the year ended June 30, 2024

- The ability of the Company to obtain equipment, services and supplies in a timely manner to carry out its activities;
- The level of exploration activities and opportunities;
- The ability of the Company to retain access and develop its mineral claims; and
- Current and future mineral commodity prices.

Although the Company believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements because the Company can give no assurance that such expectations will prove correct. Forward-looking statements or information are based on current expectations, estimates and projections that involve a number of risks and uncertainties which could cause actual results to differ materially from those anticipated by the Company and described in the forward-looking statements or information. These risks and uncertainties include but are not limited to:

- The ability of management to execute objectives, plans and strategies;
- Exploration, development and operational risks inherent in the mining industry;
- Market conditions;
- Risks and uncertainties inherent in geology and exploration for deposits;
- Potential delays and changes in plans;
- The Company's ability to retain land tenure;
- Uncertainties regarding financings and funding;
- General economic and business conditions;
- Possibility of governmental policy changes;
- Changes in First Nations policies;
- Other risks and uncertainties described within this document.

The forward-looking statements or information contained in this Management Discussion and Analysis are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities law.

FALCON GOLD CORP.

Management's Discussion & Analysis

For the year ended June 30, 2024

OVERALL PERFORMANCE

As at June 30, 2024	Central Canada	Spitfire & Sunny	Gaspard	Hope Brook	Baie Verte	Springpole	Valentine Gold	Viernes	Gander South	Others	Sub-Total
Cash	\$ 5,000	\$ -	\$ -	\$ -	\$ -	-	-	29,999	-	-	\$ 34,999
Staking	-	-	-	10,200	-	-	7,500	-	-	400	18,100
Shares issued	-	-	-	-	-	-	-	15,000	-	-	15,000
Warrants issued	-	-	-	-	-	-	-	-	-	-	-
Exploration costs											
Geophysics	-	-	-	9,900	-	-	-	-	-	56,420	66,320
Drilling	-	-	-	-	-	-	-	-	-	50,000	50,000
Surveys & assays	-	-	-	-	-	106,195	-	20,893	-	487,828	614,916
Reports	-	-	-	27,200	42,225	3,500	3,000	-	8,000	218,900	302,825
Other	-	-	250	3,545	-	450	-	-	1,900	26,350	32,495
Distribution (Note 5)	-	-	-	-	-	-	-	-	-	-	-
Adjustment	-	-	-	-	-	-	-	-	-	-	-
Total	\$ 5,000	\$ -	\$ 250	\$ 50,845	\$ 42,225	\$ 110,145	\$ 10,500	\$ 65,892	\$ 9,900	\$ 839,898	\$ 1,134,655

As at June 30, 2023	Central Canada	Spitfire & Sunny	Gaspard	Hope Brook	Baie Verte	Esperanza	Valentine Gold	Viernes	Gander South	Others	Sub-Total
Cash	\$ 20,000	\$ -	\$ -	\$ -	\$ -	-	\$ -	52,314	-	42,124	\$ 114,438
Staking	-	-	-	-	585	-	-	-	-	102,959	103,544
Shares issued	-	-	-	-	-	-	-	9,500	-	53,000	62,500
Warrants issued	-	-	-	-	-	-	-	3,000	-	16,000	19,000
Exploration costs											
Geophysics	-	-	-	247,396	10,554	13,092	272	-	32,733	34,745	338,792
Surveys & assays	-	-	36,500	15,723	1,396	-	-	21,062	2,143	4,472	81,296
Reports	13,880	-	-	126,971	36,574	-	61,550	-	42,474	10,075	291,524
Other	-	1,015	8,074	33,691	975	-	4,312	10,000	1,633	17,713	77,413
Distribution (Note 5)	-	-	-	-	-	(81,024)	-	-	-	-	(81,024)
Adjustment	-	-	-	-	(59,188)	-	-	-	-	-	(59,188)
Total	\$ 33,880	\$ 1,015	\$ 44,574	\$ 423,781	\$ (9,104)	\$ (67,932)	\$ 66,134	\$ 95,876	\$ 78,983	\$ 281,088	\$ 948,295

Effective July 1, 2022, as permitted under IFRS 6, Exploration for and Evaluation of Mineral Resources, the Company voluntarily changed its accounting policy for its exploration and evaluation ("E&E") expenditures, to expense exploration and evaluation costs in the Statement of Operations and Comprehensive Loss in the period in which they were incurred whereas previously all of the E&E expenditures had been capitalized on the Statement of Financial Position.

See Note 2 to the audited consolidated financial statements for the year ended June 30, 2024.

FALCON GOLD CORP.

Management's Discussion & Analysis
For the year ended June 30, 2022

Central Canada Property

On January 10, 2018, the Company entered into an option agreement to acquire 100% of the Central Canada Property consisting of a claim group located in Hutchinson Township, east of Atikokan in Northern Ontario. The Central Canada Property consists of 7 unpatented mining claims consisting of 42 claim shares. As consideration, the Company is required to issue 325,000 common shares and make cash payments totalling \$141,500 and incur \$100,000 in exploration and evaluation expenditures as follows:

- a) Cash payment of \$6,500 on signing (paid);
- b) Issue 50,000 common shares on regulatory approval (issued);
- c) Cash payment of \$15,000 (paid), issuance of 50,000 common shares (issued) and incur \$10,000 in exploration expenditures on or before the first anniversary of the approval (incurred);
- d) Cash payment of \$30,000, issuance of 50,000 common shares (see below) and incur \$20,000 in exploration expenditures on or before the second anniversary of the approval (incurred);
- e) Cash payment of \$40,000 (paid), issuance of 75,000 common shares (issued) and incur \$30,000 in exploration expenditures on or before the third anniversary of the approval date (incurred); and
- f) Cash payment of \$50,000 (subsequently paid), issuance of 100,000 (subsequently issued) common shares and incur \$40,000 in exploration expenditures on or before the fourth anniversary of the approval date (incurred).

In addition, on the fifth anniversary of the approval date, the Company must make a pre-production advance royalty cash payment of \$20,000 (\$8,000 paid during the year and \$12,000 paid subsequent to the year end), and cash payments of \$5,000 thereafter on each anniversary of the approval date

The Central Canada Property is subject to a 2.0% net smelter return in favour of the previous owner of the claims. The Company may purchase the one-half of the net smelter return for an aggregate amount of \$1,000,000 at any time prior to the commencement of production.

During the year ended June 30, 2020, the Company entered into a debt settlement agreement to cover \$21,000 of the second anniversary payment by issuing 350,000 common shares and a cash payment of \$15,000, which was paid on August 8, 2020.

On July 23, 2020, the Company staked additional mineral claims consisting of 369 units in Atikokan gold camp. During the year ended June 30, 2022, the Company determined not to renew some of the claims as they are not considered to be core claims. As at June 30, the Company has a total of 117 claims.

During the year ended June 30, 2023, the Company determined not to renew any non-core claims and wrote down the carrying amount of non-core claims by \$17,000. At June 30, 2024 and 2023, the Company has a total of 31 claims.

Spitfire and Sunny Boy

On April 14, 2020, the Company acquired 100% interest in Spitfire and Sunny Boy claims in south central British Columbia. The claims are located approximately 16 kilometers east of Merritt and total 502 hectares. As consideration the Company paid cash of \$25,000, issued 2,500,000 common shares fair valued at \$175,000 and issued 2,500,000 warrants exercisable at \$0.10 for a period of two years with a fair value of \$113,883.

The vendor will retain a 2% net smelter royalty (NSR). The Company will have the right to purchase 0.5 of the total NSR 1% at any time up to commencement of production for a one-time payment of \$400,000.

Gaspard Claims

On January 27, 2021, the Company entered into a property purchase agreement to acquire 100% interest in the Gaspard Claims which is located in the Clinton Mining District in central British Columbia. The Gaspard Claims consist of 3 mineral claims totaling 3,955.15 hectares. As consideration, the Company paid \$15,000

FALCON GOLD CORP.

Management's Discussion & Analysis
For the year ended June 30, 2024

in cash and issued 200,000 common shares and granted 200,000 warrants at \$0.20 per share for a two year term within 15 days of the effective date and complete \$34,000 in exploration expenditures on the property during the 2021 field season.

The Company fair valued the 200,000 warrants at \$10,000 using the Black Scholes option pricing model with the following assumptions – Share price on grant date of \$0.09; Risk-free interest rate of 0.22%; Dividend yield of NIL; Expected volatility of 140%; Expected life of 2 years and forfeiture rate of 0%. Volatility was determined based on the Company's historical data.

The Company will pay a 2% net Smelter Returns ("NSR") to the vendor and the Company may at any time purchase 1% NSR for \$1,500,000.

During fiscal 2024, the Gaspard claims were allowed to lapse, and the Company no longer has any interest in the property.

Hope Brook

During the year ended June 30, 2021, the Company staked claims within the Hope Brook area in Newfoundland for total cost of \$64,740. During the year ended June 30, 2022, the Company staked additional claims for total cost of \$43,160. As at June 30, 2023, the Company has a total of 1,795 claims. During fiscal 2023, it was determined that some of the claims comprising the Hope Brook property would be allowed to lapse. The remaining claims are in good standing.

Baie Verte Area

During the year ended June 30, 2022, the Company staked claims in Newfoundland for a total cost of \$62,045. As at June 30, 2023, the Company has a total of 502 claims.

During the 2023 fiscal year, the Company entered into an option agreement with Carmanah Minerals Corp. ("Carmanah") with respect to 502 claims whereby the Company will receive cash payments of \$62,000 over a four-year period and 2,000,000 common shares and 2,000,000 common share purchase warrants of Carmanah with each share purchase warrant exercisable for one common share at \$0.10 per share for a period of three years from the date of issue. In addition, the Company will retain a 2.5% NSR of which Carmanah may purchase 1% for \$1,000,000 at any time. The transaction is subject to approval by the TSX Venture Exchange as the Company and Carmanah are related parties as a result of common officers and directors.

During the 2024 fiscal year, the Company receive 4,000,000 common shares and 4,000,000 common share purchase warrants of Carmanah. See Note 6 to the audited consolidated financial statements for the year ended June 30, 2024. Subsequent to the year end the Company received cash payment of \$5,000 in connection with the option.

Valentine Gold

During the year ended June 30, 2022, the Company staked claims in Newfoundland for a total cost of \$56,500. As at June 30, 2023, the Company has a total of 688 claims. During the year ended June 30, 2023, the Company determined that the property was not part of its future plans. As at June 30, 2024 the Company has a total of 100 claims, all of which have lapsed at the date of this MD&A.

Viernes Project

On December 16, 2021, the Company entered into a property option agreement to acquire 100% interest in the Viernes Project in the Republic of Chile from Excava Holding SpA, a Chilen company ("Excava") . The Viernes project consist of 13 claims. As consideration, the Company agreed to issue 500,000 common shares and 500,000 share purchase warrants over a two year period; incurr US\$250,000 in exploration expenditures

FALCON GOLD CORP.

Management's Discussion & Analysis
For the year ended June 30, 2024

within 48 months from the effective date. Upon completion of the above terms, the Company will hold an 80% interest in the Claims and Excava will hold the remaining 20% and retain a 2% Net Return Royalty (the "NSR").

The Company can acquire the remaining 20% interest which includes a 1% NSR buy back for US\$1,500,000. The Company has the exclusive right to purchase the remaining 20% interest in the project for a 30 month term; after which the Company reserves first right of refusal.

On February 24, 2022, the Company issued 150,000 common shares valued at \$12,750 and 150,000 share purchase warrants exercisable at \$0.20 over a two year period. The Company fair valued the 150,000 share purchase warrants at \$6,000 using the Black Scholes option pricing model with the following assumptions – Share price on grant date of \$0.09; Risk-free interest rate of 1.26%; Dividend yield of nil; Expected volatility of 117%; Expected life of two years and forfeiture rate of 0%. Volatility was determined based on the Company's historical data.

On March 27, 2024, the Company issued 250,000 common shares valued at \$10,000 and 250,000 share purchase warrants exercisable at \$0.10 over a two year period. The Company fair valued the 250,000 share purchase warrants at \$5,000 using the Black Scholes option pricing model with the following assumptions – Share price on grant date of \$0.035; Risk-free interest rate of 4.16%; Dividend yield of nil; Expected volatility of 117%; Expected life of two years and forfeiture rate of 0%. Volatility was determined based on the Company's historical data.

Springpole West Project

On August 25, 2020, the Company acquired 4,440 hectares of mining land 110 kilometers ("km") northeast of Red Lake, ON in the Birch-Uchi Greenstone Belt on Springpole Lake. The Company's new Springpole West Property comprises 221 claims and extends from McNaughton Township.

Gander South

During the year ended June 30, 2022, the Company staked claims in Gander Newfoundland for a total cost of \$37,180. As at June 30, 2023, the Company has a total of 572 claims. During fiscal 2023, it was determined that some of the claims comprising the Gander South property would be allowed to lapse, and during fiscal 2024 it was determined that the remaining claims comprising the Gander South property would be allowed to lapse.

Other properties

Great Bent

During the year ended June 30, 2021, the Company staked 91 claims in Newfoundland for a total cost of \$5,915.

Gander North

During the year ended June 30, 2022, the Company staked claims in Newfoundland for a total cost of \$26,390. As at June 30, 2022, the Company has a total of 406 claims. During fiscal 2023, it was determined that some of the claims comprising the Gander North property would be allowed to lapse, and during fiscal 2024 it was determined that the remaining claims comprising the Gander North property would be allowed to lapse.

Camilleri Project/Timmins West

On June 15, 2022, the Company acquired 100% interest in the Camilleri project which is located in Ontario, Canada. The Camilleri project consists of 8 claims. As consideration, the Company paid \$10,500 in cash and issued 100,000 common shares of the Company fair valued at \$8,000. The Camilleri project is subject to a 1% net smelter return which the Company may purchase back for \$300,000 at any time.

FALCON GOLD CORP.

Management's Discussion & Analysis
For the year ended June 30, 2024

Holmstead Project (Outard)

On June 6, 2022, the Company acquired 100% interest in the Holmstead project which is located in Quebec, Canada. The Holmstead project consists of 93 claims. As consideration, the Company paid \$12,000 in cash and issued 150,000 common shares of the Company fair valued at \$12,000. The Holmstead project is subject to a 1% net smelter return which the Company may purchase back for \$300,000 at any time. The Company agreed to give the vendor the first right of refusal on technical work to a maximum of \$50,000 for a twelve month term.

During the year ended June 30, 2023, the Company staked additional claims in the Holmstead claims located in Quebec, Canada for a total cost of \$23,719.

HSP Claims

On October 5, 2022, the Company acquired 100% interest in the HSP Claims which is located in Quebec, Canada. The HSP Claims consist of 413 claims. As consideration, the Company paid cash of \$10,000 and issued 200,000 common shares fair valued at \$20,000 and 200,000 share purchase warrants expiring two years from the date of issuance. The share purchase warrants will entitle the holder to purchase one additional common share of the Company at a price of \$0.20 per share until October 18, 2024. The warrants were valued at \$6,000 using volatility of 95%, interest rate of 3.87%, share price at date of issuance of \$0.10, expected life of 2 years and dividend yield of 0.00%.

This agreement is subject to a 1% NSR which the Company may buy back for \$400,000 at any time. The Company agreed to give the vendor the first right of refusal on technical work to a maximum of \$50,000 for a twelve month term.

During the year ended June 30, 2023, the Company additionally staked additional claims in the HSP Claims located in Quebec, Canada for a total cost of \$52,372.

Nickel North Project

On March 31, 2023, the Company acquired 100% interest in the Nickel North project which is located in Quebec, Canada. The Nickel North project consists of 56 claims. As consideration, the Company paid \$17,500 in cash and issued 200,000 common shares of the Company fair valued at \$16,000 and 200,000 share purchase warrants expiring two years from the date of issue. The share purchase warrants will entitle the holder to purchase one additional common share of the Company at a price of \$0.20 per share until April 20, 2025. The Holmstead project is subject to a 1% net smelter return which the Company may purchase back for \$400,000 at any time. The warrants were valued at \$4,000 using volatility of 95%, interest rate of 3.87%, share price at date of issuance of \$0.10, expected life of 2 years and dividend yield of 0.00%.

During the year ended June 30, 2023, the Company staked additional claims in the Nickel North project located in Quebec, Canada for a total cost of \$26,882.

Area 51 Claims

On January 12, 2023, the Company acquired 100% interest in the Area 51 Claims which is located in the Republic of Chile. The Area 51 Claims consist of 14 claims. As consideration, the Company paid cash of \$13,586 (US\$10,000) and issued 200,000 common shares fair valued at \$17,000 and 200,000 share purchase warrants expiring two years from the date of issuance. The share purchase warrants will entitle the holder to purchase one additional common share of the Company at a price of \$0.20 per share until January 30, 2025. The warrants were valued at \$6,000 using volatility of 94%, interest rate of 3.56%, share price at date of issuance of \$0.09, expected life of 2 years and dividend yield of 0.00%.

This agreement is subject to a 1% NSR which the Company may buy back for US\$1,200,000 at any time.

FALCON GOLD CORP.

Management's Discussion & Analysis
For the year ended June 30, 2024

During the year ended June 30, 2024, the Area 51 claims were allowed to lapse and the Company has no further interest in the property.

Robb & Turnbull Property

On March 17, 2023, the Company acquired 100% interest in the Robb & Turnbull Property, located in Ontario, Canada. As consideration, the Company paid cash of \$850.

Esperanza Property

On February 3, 2021, the Company entered into an option agreement to re-acquire 80% interest in Esperanza property. As consideration, the Company is required to issue 500,000 common shares and 500,000 warrants and complete a total of US\$350,000 in exploration expenditures over a four year period with minimum annual expenditures of US\$87,500 per year.

The Company is required to issue the following:

- i) Issue 200,000 common shares (issued) and 200,000 warrants (issued) on signing of the agreement;
- ii) Issue 100,000 common shares (issued) and 100,000 warrants (issued) on the second anniversary date of the first payment;
- iii) Issue 100,000 common shares and 100,000 warrants on the third anniversary date; and
- iv) Issue 100,000 common shares and 100,000 warrant on the fourth anniversary date;

The Company fair valued the 200,000 warrants at \$10,000 using the Black Scholes option pricing model with the following assumptions – Share price on grant date of \$0.09; Risk-free interest rate of 0.22%; Dividend yield of nil; Expected volatility of 140%; Expected life of 2 years and forfeiture rate of 0%. Volatility was determined based on the Company's historical data.

On February 24, 2022, the Company issued 100,000 common shares and 100,000 share purchase warrants. The Company fair valued the 100,000 warrants at \$1,000 using the Black Scholes option pricing model with the following assumptions – Share price on grant date of \$0.09; Risk-free interest rate of 2.21%; Dividend yield of nil; Expected volatility of 90%; Expected life of one years and forfeiture rate of 0%. Volatility was determined based on the Company's historical data.

Upon completion of the 80% the Company has the option to acquire the remaining 20% for a further payment of 2,000,000 common shares of the Company and cash payment of US\$1,500,000 payable within 30 months and grant 1% net Smelter Return Royalty to the vendor.

The Esperanza Property is comprised of seven mineral concessions within the Sierra de Las Minas District of La Rioja and San Luis provinces in Argentina.

On June 16, 2022, the Company entered into an arrangement agreement with its wholly owned subsidiary, Latamark Resources Corp. ("Latamark") Pursuant to the arrangement agreement, the Company will transfer its interest in the option agreement concerning the Esperanza gold project to Latamark in exchange for (i) Latamark issuing to the shareholders of the Company one common share in the capital of Latamark for every 5.8 common shares held in the company; (ii) Latamark issuing five million common shares to the Company; and (iii) Latamark assuming certain liabilities incurred, exploring or maintaining the property. (Note 11)

On October 14, 2022, the optionors of the Esperanza Property has agreed to defer the minimum annual expenditure requirement until the commencement of trading of Latamark shares on a Canadian stock exchange.

On November 2, 2022, the Company completed the plan of arrangement whereby the Company spun out its Esperanza property assets to create a new exploration company Latamark Resources Corp.

FALCON GOLD CORP.

Management's Discussion & Analysis
For the year ended June 30, 2024

During the 2024 fiscal year, the Company terminated the option agreement with respect to the Esperanza property.

Bruce Lake Property

On September 6, 2019, the Company entered into an option agreement to acquire 100% interest in the Bruce Lake Property, which consists of a claim group located in the Red Lake area of Northern Ontario. The Bruce Lake Property consists of 5 unpatented mining claims consisting of 72 claim cells. As consideration, the Company is required to issue 500,000 common shares (issued) and make cash payments totalling \$58,000 of which \$6,000 have been paid by the Company and the remaining \$50,000 over a four-year period as follows – \$8,000 on or before September 6, 2020 and \$10,000, \$14,000 and \$20,000 due on the second, third and fourth anniversary date respectively.

The Bruce Lake Property is subject to a 1.5% net smelter return (“NSR”) in favour of the previous owner of the claims. The Company may purchase the one-half of the NSR for an aggregate amount of \$400,000 at any time prior to the commencement of production.

On June 20, 2020, the Company entered into property assignment agreement with Portofino Resources Inc. (“Portofino”) whereby the Company has assigned 100% of the interest in the Bruce Lake Property as consideration, the Company received 650,000 common shares of Portofino valued at \$74,750 and Portofino will assume the remaining cash payments of \$50,000 commencing on September 6, 2020.

The Company received an additional 0.5% NSR for a total of 2% NSR of which 1.5% is payable to the previous owner.

Burton Property

The Burton Property consists of a 100% interest in a claim group located in Esther Township, northwest of Sudbury in Northern Ontario. The Burton Property consists of 16 unpatented mining claims and 6 patented claims covering 356 hectares in a largely contiguous block.

The Burton Property is subject to a 2.5% net smelter return and a 10% net profits interest in favour of the previous owner of the claims. The Company may purchase sixty percent of the net smelter return for an aggregate amount of \$1,500,000 at any time.

During the year ended June 30, 2012, the Company entered into a Mining Option Agreement with Trelawney Mining and Exploration Inc. (now IAMGOLD Corporation) whereby Trelawney can earn up to a 75% interest in the Burton Property. The terms of the Agreement include a cash payment of \$150,000 to the Company and a commitment to incur exploration and evaluation expenditures in the amount of \$1,200,000 over a two-year period from the date of signing of the Agreement.

As of June 30, 2015, and June 30, 2016, sufficient amounts have been expended with respect to the Trelawney Agreement to enable Trelawney to earn a 51% interest in the Burton Property. The option for Trelawney to acquire an additional 24% interest in the Burton Property has lapsed.

During the year ended June 30, 2019, the Company identified an impairment indicator with respect to the Burton Property as there was an absence of substantive exploration expenditures over the past four fiscal years, nor are substantive exploration expenditures budgeted or planned for the coming fiscal year. Consequently, the Company recorded impairment in the amount of \$1,308,291 in connection with the Burton Property.

As of June 30, 2024, and 2023, the Company owns 49% of the Property and the Property remains inactive.

Selected Annual Information

FALCON GOLD CORP.

Management's Discussion & Analysis
For the year ended June 30, 2024

	Year ended June 30, 2024	Year ended June 30, 2023 (restated)	Year ended June 30, 2022 (restated)
Revenue	Nil	Nil	Nil
Net Loss	\$1,569,793	\$1,709,550	\$1,916,012
Total Assets	\$465,554	\$721,099	\$673,598
Total Long-term Liabilities	\$-	\$-	\$-
Cash dividends per share	\$-	\$-	\$-

During the year ended June 30, 2022, the Company recorded a net loss of \$1,916,012 which included an increase in consulting and management fees and professional fees. During the year ended June 30, 2023, the Company recorded a net loss of \$1,709,550 which included a decrease in professional fees, management fees, and no share-based compensation expense. During the year ended June 30, 2024, the Company recorded a net loss of \$1,569,804,793 which included a decrease in consulting fees, an increase in exploration expenditures and share-based compensation expense of \$82,989.

RESULT OF OPERATIONS

During the year ended June 30, 2024, the Company recorded a net loss of \$1,569,554 as compared to the net loss of \$1,709,550 for the comparable year ended June 30, 2023.

Total expenses for the current year amounted to \$1,850,598 as compared to \$1,730,472 for the comparable year an increase of approximately \$120,000. The increase can be attributed to the following items.

Consulting fees have decreased from \$134,071 to \$42,311 in the current year. During the current year, the Company ceased using the consultants for business development and advisory services which were utilized in the prior year.

Professional fees have decreased to \$134,824 as compared to \$137,001 for the comparable year, that can be attributed an decrease in legal fees offset by an increase in audit fee accrual.

Filing fees and communications have decreased to \$174,142 from \$232,584 from the prior year, which can be attributed to a decrease in the engagement of third parties involved with investor relations services.

Share based compensation cost were \$82,989 in 2024 compared to \$nil for 2023.

Exploration expenditures increased from \$948,295 to \$1,134,655 in the current year. The exploration expenditures on its mineral properties consist mainly of assays and geological costs. The Company received a cash payment of \$5,000 and shares totalling \$149,354 resulting from an option agreement for the Baie Verte Area claims. The Company also incurred \$18,100 in staking cost and made cash payments of \$34,999, and issued shares and warrants totalling \$15,000 in connection with mineral property acquisitions.

SUMMARY OF QUARTERLY RESULTS

The following table presents certain selected financial information on a quarterly basis:

Quarter Ended	Revenue	Loss for the period (restated)	Basic and Diluted Loss per share
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FALCON GOLD CORP.

Management's Discussion & Analysis
For the year ended June 30, 2024

June 30, 2024	\$	Nil	\$	293,272	\$	(0.00)
March 31, 2024	\$	Nil	\$	201,561	\$	(0.00)
December 31, 2023	\$	Nil	\$	757,792	\$	(0.00)
September 30, 2023	\$	Nil	\$	317,168	\$	(0.00)
June 30, 2023	\$	Nil	\$	672,168	\$	(0.01)
March 31, 2023	\$	Nil	\$	347,209	\$	(0.00)
December 31, 2022	\$	Nil	\$	404,008	\$	(0.00)
September 30, 2022	\$	Nil	\$	286,165	\$	(0.00)

Variances in quarterly results can be due to share-based payments incurred in a quarter as the Company's stock options generally vest on the grant date and therefore are fully expensed in the quarter in which they are granted and to the write-off of mineral properties during a quarter.

FOURTH QUARTER

During the fourth quarter ended June 30, 2024, the Company recorded a net loss of \$293,272 as compared to \$672,168 for the comparable quarter ended June 30, 2023. The net loss in 2024 included \$199,500 in gain on disposal of mineral properties, \$41,730 unrealized loss on marketable securities, \$90,000 in management fees to a company controlled by the CEO, and \$54,470 in professional fees consisting of year-end audit accrual fees and unaccrued 2023 audit fees. The net loss in 2023 included \$39,992 unrealized loss on marketable securities, \$90,000 in management fees to a company controlled by the CEO, and \$66,000 in professional fees consisting in year-end audit accrual fees.

LIQUIDITY

As at June 30, 2024, the Company had a working capital deficit of \$713,998 (June 30, 2023 – \$11,274), had not yet achieved profitable operations, has accumulated losses of \$15,234,398 (June 30, 2023 - \$13,678,594) since its inception and expects to incur further losses in the development of its business, all of which indicate the existence of a material uncertainty that may cast substantial doubt about the Company's ability to continue as a going concern.

The Company believes that the current capital resources are not sufficient to pay overhead expenses and its exploration expenditure commitment for the next twelve months and will need to seek additional funding for overhead expenses and any future commitments. The Company will continue to monitor the current economic and financial market conditions and evaluate their impact on the Company's liquidity and future prospects.

Since the Company will not be able to generate cash from its operations in the foreseeable future, the Company will have to rely on the issuance of shares, shares for debt, loans and related party loans to fund ongoing operations and investments. The ability of the Company to raise capital will depend on market conditions and it may not be possible for the Company to issue shares on acceptable terms or at all.

On August 17, 2022, the Company completed a non-flow-through private placement of 4,000,000 units at a price of \$0.075 per unit for total proceeds of \$300,000. Each unit consisted of one non-flow-through common share and one share purchase warrant. Each share purchase warrant entitled the holder to purchase one additional non-flow-through common share at a price of \$0.10 per share for a period of three years expiring on August 17, 2025. The Company recognized a value of \$nil to the warrants using the residual value method.

On October 25, 2022, the Company completed a non-flow-through private placement of 909,090 units at a price of \$0.11 per unit for total proceeds of \$100,000. Each unit consisted of one non-flow-through common share and one share purchase warrant. Each share purchase warrant entitled the holder to purchase one

FALCON GOLD CORP.

Management's Discussion & Analysis
For the year ended June 30, 2024

additional non-flow-through common share at a price of \$0.15 per share for a period of two years expiring on October 25, 2024. The Company recognized a value of \$nil to the warrants using the residual value method.

On November 3, 2022, the Company completed a flow-through private placement of 3,846,154 units at a price of \$0.13 per unit for total proceeds of \$500,000. Each unit consist of one flow-through share and one-half of one common share purchase warrant. Each share purchase warrant entitled the holder to purchase one additional non-flow-through common share at a price of \$0.25 per share for a period of two years expiring on November 3, 2024. The Company recognized a flow-through premium of \$57,692 on this private placement and a value of \$nil to the warrants using the residual value method.

On November 9, 2022, the Company completed a non-flow-through private placement of 200,000 units at a price of \$0.11 per unit for total proceeds of \$22,000. Each unit consisted of one non-flow-through common share and one share purchase warrant. Each share purchase warrant entitled the holder to purchase one additional non-flow-through common share at a price of \$0.15 per share for a period of two years expiring on November 9, 2024. The Company recognized a value of \$nil to the warrants using the residual value method.

On November 18, 2022, the Company completed a non-flow-through private placement of 625,000 units at a price of \$0.11 per unit for total proceeds of \$68,750 of which \$27,500 is included in share subscriptions receivable which were cancelled and net units of 375,000 were issued. Each unit consisted of one non-flow-through common share and one share purchase warrant. Each share purchase warrant entitled the holder to purchase one additional non-flow-through common share at a price of \$0.15 per share for a period of two years expiring on November 18, 2024. The Company recognized a value of \$nil to the warrants using the residual value method.

On November 18, 2022, the Company completed a flow-through private placement of 5,400,000 units at a price of \$0.13 per unit for total proceeds of \$702,000. Each unit consist of one flow-through share and one-half of one common share purchase warrant. Each share purchase warrant entitled the holder to purchase one additional non-flow-through common share at a price of \$0.25 per share for a period of two years expiring on November 18, 2024. The Company recorded a cash finders fee of \$78,119. The Company recognized a flow-through premium of \$189,000 on this private placement and a value of \$nil to the warrants using the residual value method.

On December 16, 2022, pursuant to the terms of an option agreement, the Company issued 100,000 common shares fair valued at \$ 9,500 and issued 100,000 share purchase warrants expiring two years from the date of issuance. The share purchase warrants will entitle the holder to purchase one additional common share of the Company at a price of \$0.23 per share until December 16, 2024. The warrants were valued at \$3,000 using volatility of 95%, interest rate of 4%, share price at date of issuance of \$0.10, expected life of 2 years and dividend yield of 0.00%.

On January 30, 2023, pursuant to the terms of an option agreement, the Company issued 200,000 common shares fair valued at \$17,000 and issued 200,000 share purchase warrants expiring two years from the date of issuance. The share purchase warrants will entitle the holder to purchase one additional common share of the Company at a price of \$0.19 per share until January 30, 2025. The warrants were valued at \$6,000 using volatility of 94%, interest rate of 3.56%, share price at date of issuance of \$0.09, expected life of 2 years and dividend yield of 0.00%.

On February 22, 2023, pursuant to the terms of an option agreement, the Company issued 100,000 common shares fair valued at \$7,000 and issued 100,000 share purchase warrants expiring one year from the date of issuance. The share purchase warrants will entitle the holder to purchase one additional common share of the Company at a price of \$0.20 per share until February 22, 2024. The warrants were valued at \$1,000 using volatility of 96%, interest rate of 4.25%, share price at date of issuance of \$0.07, expected life of 1 year and dividend yield of 0.00%.

FALCON GOLD CORP.

Management's Discussion & Analysis
For the year ended June 30, 2024

On April 20, 2023, pursuant to the terms of an option agreement, the Company issued 200,000 common shares fair valued at \$16,000 and issued 200,000 share purchase warrants expiring one year from the date of issuance. The share purchase warrants will entitle the holder to purchase one additional common share of the Company at a price of \$0.20 per share until April 20, 2025. The warrants were valued at \$4,000 using volatility of 96%, interest rate of 4.25%, share price at date of issuance of \$0.07, expected life of 1 year and dividend yield of 0.00%.

During the year ended June 30, 2023, the Company issued 266,667 common shares pursuant to the exercise of share purchase warrants for a total proceed of \$26,667.

During the year ended June 30, 2023, the Company issued 300,000 common shares pursuant to the exercise of stock options at a price between \$0.05 to \$0.075 per share for total proceeds of \$17,500. The Company transferred \$15,900 from contributed surplus.

On November 20, 2023, pursuant to the terms of an option agreement, the Company issued 500,000 common shares for proceeds of \$25,000 fair valued at \$10,000.

On December 20, 2023, the Company completed a non-flow-through private placement of 2,166,667 units at a price of \$0.03 per unit for total proceeds of \$65,000. Each unit consisted of one non-flow-through common share and one share purchase warrant, along with 116,666 broker warrants. Each share purchase warrant entitled the holder to purchase one additional non-flow-through common share at a price of \$0.05 per share for a period of five years expiring on December 20, 2028. The Company recorded a cash finder's fee of \$3,500. The Company recognized a value of \$nil to the warrants using the residual value method. Each broker warrant entitled the holder to purchase an additional non-flow-through common share at a price of \$0.05 per share for a period of two years expiring on December 20, 2025. The broker warrants were valued at \$2,333 using a volatility of 125%, interest rate of 3.94%, share price at date of issuance of \$0.035, expected life of 2 years and dividend yield of 0.00%. Volatility was determined based on the Company's historical data.

On February 8, 2024, the Company completed a non-flow-through private placement of 1,000,000 units at a price of \$0.03 for total proceeds of \$27,900. Each unit consisted of one non-flow-through common share and one share purchase warrant, along with 70,000 broker warrants. Each share purchase warrant entitled the holder to purchase one additional non-flow-through common share at a price of \$0.05 per share for a period of five years expiring on February 8, 2029. The Company recognized a value of \$nil to the warrants using the residual value method. Each broker warrant entitled the holder to purchase an additional non-flow-through common share at a price of \$0.05 per share for a period of two years expiring on February 8, 2026. The broker warrants were valued at \$700 using a volatility of 129%, interest rate of 4.3%, share price at date of issuance of \$0.03, expected life of 2 years and dividend yield of 0.00%. Volatility was determined based on the Company's historical data.

On February 16, 2024, the Company completed a non-flow-through private placement of 4,315,167 units at a price of \$0.03 for total proceeds of \$129,455. Each share purchase warrant entitled the holder to purchase one additional non-flow-through common share at a price of \$0.05 per share for a period of five years expiring on February 16, 2029. The Company recognized a value of \$nil to the warrants using the residual value method.

On March 27, 2024, pursuant to the terms of the Viernes Property Option Agreement, the Company issued 250,000 common shares fair valued at \$10,000 and issued 250,000 share purchase warrants exercisable at \$0.10 over a two-year period. The Company fair valued the 250,000 share purchase warrants at \$5,000 using the Black Scholes option pricing model with the following assumptions – Share price on grant date of \$0.035; Risk-free interest rate of 4.16%; Dividend yield of nil; Expected volatility of 134%; Expected life of two year and forfeiture rate of 0%. Volatility was determined based on the Company's historical data.

On April 25, 2024, the Company completed a flow-through private placement of 9,000,000 units at a price of \$0.05 per unit for total proceeds of \$450,000, along with 630,000 broker warrants. The Company recorded a cash finder's fee of \$31,500. The Company recognized a flow-through premium of \$nil on this private

FALCON GOLD CORP.

Management's Discussion & Analysis
For the year ended June 30, 2024

placement. Each broker warrant entitled the holder to purchase one warrant share at a price of \$0.10 per share for a period of two years expiring on April 25, 2026. The broker warrants were valued at \$18,900 using a volatility of 139%, interest rate of 4.34%, share price at date of issuance of \$0.06, expected life of 2 years and dividend yield of 0.00%. Volatility was determined based on the Company's historical data.

On May 24, 2024, the Company completed a non-flow-through private placement of 1,200,000 units at a price of \$0.05 for total proceeds of \$60,000. Each share purchase warrant entitled the holder to purchase one additional non-flow-through common share at a price of \$0.07 per share for a period of three years expiring on May 24, 2027. The Company recognized a value of \$nil to the warrants using the residual value method.

On May 24, 2024, the Company completed a non-flow-through private placement of 462,000 units at a price of \$0.05 for total proceeds of \$23,100. Each share purchase warrant entitled the holder to purchase one additional non-flow-through common share at a price of \$0.07 per share for a period of three years expiring on May 24, 2027. The Company recognized a value of \$nil to the warrants using the residual value method.

On May 29, 2024, pursuant to the terms of a warrant agreement, the Company issued 472,500 common shares for proceeds of \$23,625.

Risks and Uncertainties

Liquidity and Additional Financing

The Company has limited financial resources and no current revenues. There can be no assurance that additional funding will be available to it for further exploration and development of its projects or to fulfill its obligations under applicable agreements. Although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favorable. Failure to obtain such additional financing could cause the Company to reduce or terminate its operations.

Regulatory Requirements

Even if the Company's properties are proven to host economic reserves of gold or other precious or non-precious metals, factors such as governmental expropriation or regulation may prevent or restrict mining of any such deposits. Exploration and mining activities may be affected in varying degrees by government policies and regulations relating to the mining industry. Any changes in regulations or shifts in political conditions are beyond the control of the Company and may adversely affect its business. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, income taxes, expropriation of property, environmental legislation and mine safety.

Nature of Mineral Exploration and Mining

At the present time, the Company does not hold any interest in a mining property in production. The Company's viability and potential success lie in its ability to discover, develop, exploit and generate revenue out of mineral deposits. Mineral exploration and development involves a high degree of risk, and few properties which are explored are ultimately developed into producing mines. The profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs, if any, which may be affected by a number of factors beyond the Company's control. Mineral exploration involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of diamond, precious and non-precious metals, any of which could result in work stoppages, damage to the property, and possible environmental damage. Hazards such as unusual or unexpected formations and other conditions such as formation pressures, fires, power outages, labor disruptions, flooding, explorations, cave-ins, landslides and the inability to obtain suitable adequate machinery, equipment or labor are involved in mineral exploration, development and operation. The Company may become subject to liability for pollution, cave-ins or hazards against which it cannot insure or

FALCON GOLD CORP.

Management's Discussion & Analysis
For the year ended June 30, 2024

against which it may elect not to insure. The payment of such liabilities may have a material, adverse effect on the financial position of the Company.

The Company will continue to rely upon consultants and others for exploration and development expertise. Substantial expenditures are required to determine if mineralization reserves exist through drilling, to develop processes to extract the precious and non-precious metals from the mineralization and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis or at all. The economics of developing mineral properties are affected by many factors including the cost of operations, variations in the grade of mineralization mined, fluctuations in markets, costs of processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. The remoteness and restrictions on access to any properties in which the Company has or may have an interest may have an adverse effect on profitability in that infrastructure costs will be higher.

Uninsurable Risks

In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. It is not always possible to fully insure against such risks and the Company may decide not to take out insurance against such risks as a result of high premiums or for other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and cause insolvency and/or a decline in the value of the securities of the Company.

No Assurance of Title to Properties

The acquisition of title to mineral projects is a very detailed and time consuming process. Although the Company has taken precautions to ensure that legal title to its property interests is properly recorded in the name of the Company where possible, there can be no assurance that such title will ultimately be secured. Furthermore, there is no assurance that the interest of the Company in any of its properties may not be challenged or impugned.

Permits and Licenses

The operations of the Company may require licenses and permits from various governmental authorities. The company believes that it presently holds all necessary licenses and permits to carry on with activities which it is currently conducting under applicable laws and regulations and the Company believes it is currently complying in all material respects with the terms of such laws and regulations. However, such laws and regulations are subject to change. There can be no assurance that the Company will be able to obtain all necessary licenses and permits that may be required to carry out exploration, development and mining operations at its projects.

Competition

The mineral exploitation industry is intensely competitive in all its phases. The Company competes with many companies possessing greater financial resources and technical facilities than itself for the acquisition of mineral properties, claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees. In addition, there is no assurance that even if commercial quantities of minerals are discovered, a ready market will exist for their sale. Factors beyond the control of the Company may affect the marketability of any minerals discovered. These factors include market fluctuations, the proximity and capacity of natural resource markets and processing equipment, government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these

FALCON GOLD CORP.

Management's Discussion & Analysis
For the year ended June 30, 2024

factors may result in the Company not receiving an adequate return on invested capital or losing its invested capital.

Environmental Regulations

The Company's operations are subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations.

Infrastructure

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

Fluctuating Prices

Factors beyond the control of the Company may affect the marketability of any copper, nickel, gold, platinum or any other minerals discovered. The price of those commodities has fluctuated widely, particularly in recent years, and is affected by numerous factors beyond the Company's control including international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates, consumption patterns, speculative activities and increased production due to new mine developments and improved mining and production methods.

The effect of these factors on the price of gold, base and precious metals and therefore the economic viability of any of the Company's projects cannot be accurately predicted.

Reliance on Key Personnel

The Company is dependent on a relatively small number of key people, the loss of any of whom could have an adverse effect on its operations. The Company does not carry any key man insurance.

OFF BALANCE SHEET ARRANGEMENTS

As of the date of this MD&A, the Company does not have any off balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company, including, and without limitation, such considerations as liquidity, capital expenditures and capital resources that would be material to investors.

RELATED PARTY TRANSACTIONS

Related parties include the Board of Directors and officers, close family members and enterprises that are controlled by these individuals as well as certain consultants performing similar functions.

FALCON GOLD CORP.

Management's Discussion & Analysis
For the year ended June 30, 2024

Related party transactions conducted in the normal course of operations are measured at the exchange value (the amount established and agreed to by the related parties).

The Company had the following transactions in the normal course of operations with related parties:

	2024	2023
Management fees	\$ 180,000	\$ 180,000
Rent	60,392	33,800
Accounting	24,000	24,000
Consultants	-	30,000
Share-based payments	40,578	-
	\$ 304,970	\$ 267,800

Prepaid expenses include \$11,622 (2023 - \$11,400) in prepaid rent to the CEO.

Accounts payable and accrued liabilities include \$4,247 (2023 - \$nil) due to officers and directors of the Company. These amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

Included in amounts receivable are as follows:

- a) Amounts receivable includes \$nil due from the CEO (2023-\$24,487), and \$41,000 due from a company controlled by the CEO (2023-\$10,625). These amounts are unsecured, non-interest bearing and have no fixed terms of repayment.
- b) During the year ended June 30, 2024, the Company paid an additional \$5,024 (June 30, 2023 - \$3,587) in expenses on behalf of Marvel Discovery Corp. As of June 30, 2024, Marvel Discovery Corp. owes the Company \$8,611. The balance is unsecured, non-interest bearing and due on demand.
- c) During the year ended June 30, 2024, the Company paid an additional \$29,765 in expenses on behalf of Latamark Resources Corp. As of June 30, 2024, Latamark Resources Corp. owes the Company \$nil.
- d) As of June 30, 2024, Carmanah Minerals Corp. owes the Company a \$5,000 cash payment pursuant to signing an agreement to acquire 100% interest in the Baie Verte area property.

PROPOSED TRANSACTIONS

See subsequent events.

SUBSEQUENT EVENTS

Subsequent to June 30, 2024:

During the period from July 9, 2024 to December 16, 2024, 7,907,167 share purchase warrants expired unexercised.

On July 17, 2024, the Company issued 600,000 flow-through shares for cash proceeds of \$30,000.

FALCON GOLD CORP.

Management's Discussion & Analysis
For the year ended June 30, 2024

On July 24, 2024, the Company issued 2,600,000 units for cash proceeds of \$130,000. Each unit consists of one common share and one common share purchase warrant exercisable at \$0.07 for a period of three years from the date of issue.

On August 23, 2024, 1,550,000 stock options expired unexercised.

On August 29, 2024, the Company issued 300,000 common shares pursuant to the exercise of stock options for cash proceeds of \$15,000.

On October 28, 2024, the Company issued 5,000,000 flow-through units at \$0.04 per unit for gross proceeds of \$200,000. Each flow-through unit consists of one common share designated as a flow-through share and one-half share purchase warrant, with each whole share purchase warrant exercisable for one common share at \$0.08 for a period of two years from the date of issue. In addition, the Company issued 1,000,000 non flow-through units at \$0.035 per unit for gross proceeds of \$35,000. Each non flow-through unit consists of one common share and one common share purchase warrant exercisable at \$0.05 for a period of four years from the date of issue.

On October 21, 2024, the Company issued 150,000 common shares at \$0.05 per share pursuant to the exercise of warrants.

On November 1, 2024, 850,000 stock options expired unexercised.

On November 20, 2024, the Company issued 9,000,000 flow-through units at \$0.04 per unit for gross proceeds of \$36,000. Each flow-through unit consists of one common share designated as a flow-through share and one-half share purchase warrant, with each whole share purchase warrant exercisable for one common share at \$0.08 for a period of two years from the date of issue.

On December 9, 2024, the Company issued 6,666,660 flow-through units at \$0.045 per unit for gross proceeds of \$300,000. Each flow-through unit consists of one common share designated as a flow-through share and one-half share purchase warrant, with each whole share purchase warrant exercisable for one common share at \$0.08 for a period of two years from the date of issue.

On December 30, 2024, the Company issued 450,000 non flow-through units at \$0.035 per unit for gross proceeds of \$15,750. Each unit consists of one common share and one share purchase warrant, with each whole share purchase warrant exercisable for one common share at \$0.05 for a period of four years from the date of issue.

On January 6, 2025, the Company issued 1,836,442 non flow-through units at \$0.035 per unit for gross proceeds of \$64,276. Each unit consists of one common share and one share purchase warrant, with each whole share purchase warrant exercisable for one common share at \$0.05 for a period of four years from the date of issue.

ACCOUNTING POLICY JUDGMENTS AND ESTIMATION UNCERTAINTY

The preparation of financial statements requires the use of accounting estimates. It also requires management to exercise judgment in the process of applying its accounting policies. Estimates and judgments are regularly evaluated and are based on management's experience and other factors, including expectations about future events that are believed to be reasonable under the circumstances. The use of judgments, estimates and assumptions affects the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The following discusses accounting policy judgments and the sources of estimation uncertainty that may result in material changes in the carrying amount of assets or liabilities within the next year:

(a) Accounting policy judgements

FALCON GOLD CORP.

Management's Discussion & Analysis
For the year ended June 30, 2024

Determining Amount and Timing of Reclamation Provisions

A reclamation provision represents the present value of estimated future costs for the reclamation of the Company's mineral properties. These estimates include assumptions as to the future activities, cost of services, timing of the reclamation work to be performed, inflation rates and interest rates. The actual cost to reclaim a mine or exploration property may vary from the estimated amounts because there are uncertainties with respect to the extent of required future remediation activities, as studies are currently ongoing, and uncertainties in factors used to estimate the cost and potential changes in regulations or laws governing the reclamation of a mineral property. Management periodically reviews the reclamation requirements and adjusts the liability as new information becomes available and will assess the impact of new regulations and laws as they are enacted.

CHANGES IN ACCOUNTING POLICIES

Accounting Standards Issued but Not Yet Applied

There are no IFRS or International Financial Reporting Interpretations Committee interpretations that are not yet effective that would be expected to have a material impact on the Company's consolidated financial statements.

Change in Accounting Policy

Effective July 1, 2022, as disclosed in Note 2 to the consolidated financial statements for the year ended June 30, 2024, the Company voluntarily changed its accounting policy for its exploration and evaluation ("E&E") expenditures, to expense exploration and evaluation costs in the Statement of Operations and Comprehensive Loss in the period in which they were incurred whereas previously all of the E&E expenditures had been capitalized on the Statement of Financial Position

RISK MANGEMENT, FINANCIAL INSTRUMENTS AND CAPITAL DISCLOSURES

The Company manages its capital structure and makes adjustments to it based on the funds available to the Company in order to support future business opportunities. The Company defines its capital as shareholders' equity. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to manage its capital to be able to sustain the future development of the Company's business.

The Company currently has no source of revenues, and therefore is dependent upon external financings to fund activities. In order to carry future projects and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the year ended June 30, 2024. The Company is not subject to externally imposed capital requirements.

The Company's risk exposure and the impact on the Company's financial instruments are summarized below:

FALCON GOLD CORP.

Management's Discussion & Analysis
For the year ended June 30, 2024

Credit risk

Concentration of credit risk exists with respect to the Company's cash as all amounts are held at a single major Canadian financial institution.

The Company's concentration of credit risk and maximum exposure is as follows:

	2024	2023
Cash	\$ 55,748	\$ 326,356
Amounts receivable	\$ 91,955	\$ 82,127

The credit risk associated with cash is minimized by ensuring it is placed with a major Canadian financial institution with a strong investment-grade rating issued by a primary ratings agency.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they fall due. The Company's approach to managing liquidity risk is to provide reasonable assurance that it will have sufficient funds to meet liabilities when due. The Company manages its liquidity risk by forecasting cash flows required for operations, anticipated investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

The business of mining and exploration involves a high degree of risk and there can be no assurance that exploration programs will result in profitable mining operations. The Company has insufficient cash to meet its requirements for administrative overhead, to conduct due diligence on mineral property acquisition targets, and to conduct exploration of its mineral properties and mineral properties that may be acquired.

The Company does not generate cash flows from operations to fund its activities and therefore relies principally upon the issuance of securities for financing. Future capital requirements will depend on many factors including the Company's ability to execute its business plan. The Company intends to continue relying upon the issuance of securities to finance its future activities but there can be no assurance that such financing will be available on a timely basis under terms acceptable to the Company.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk.

i. Interest rate risk

The Company's cash consist primarily of cash held in bank accounts and term deposits with banks. Due to the short-term nature of this financial instrument, fluctuations in market rates do not have a significant impact on estimated fair value as of June 30, 2024. The Company manages interest rate risk by maintaining an investment policy that focuses primarily on preservation of capital and liquidity. Accordingly, the Company is not subject to interest rate risk.

ii. Foreign currency risk

During the year ended June 30, 2024, the Company was not exposed to material foreign currency risk.

iii. Other price risk

FALCON GOLD CORP.

Management's Discussion & Analysis
For the year ended June 30, 2024

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk, foreign currency risk or commodity price risk. The Company's marketable securities are exposed to other price risk.

Financial assets and liabilities that are recognized on the statement of financial position at fair value can be classified in a hierarchy that is based on the significance of the inputs used in making the measurements.

The levels in the hierarchy are:

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

Level 2 - inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices); and

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

The Company's financial assets include cash and is classified as Level 1. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

The Company's financial assets measured at fair values through profit or loss are as follows:

June 30, 2024	Level 1	Level 2	Level 3
	\$	\$	\$
Marketable securities	217,037	-	1

June 31, 2023	Level 1	Level 2	Level 3
	\$	\$	\$
Marketable securities	88,960	-	30,001

Financial risk

Risk management is carried out by the Company's management team with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

The Company's financial instruments consist of cash, receivable, accounts payable and accrued liabilities. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximates their carrying values.

Outstanding Share Data

As at June 30, 2024 and at the date of this MD&A, the Company has the following shares or equities that are convertible to the Company's share capital on a one-to-one basis:

Security description	As at	
	June 30, 2024	MD&A
Common shares – issued and outstanding	148,831,028	176,464,130
Share purchase warrants	30,770,332	34,432,937
Stock options	10,480,000	7,750,000
Restricted share units	1,000,000	1,000,000
Common shares – fully diluted	191,081,360	219,647,067

FALCON GOLD CORP.

Management's Discussion & Analysis
For the year ended June 30, 2024

Additional Information

Additional information about the Company, including the Annual Financial Statements, is available on SEDAR at www.sedar.com.