

HELIUS MINERALS LIMITED
MANAGEMENT DISCUSSION AND ANALYSIS
FOR SIX MONTHS ENDED JUNE 30, 2025

INTRODUCTION

The management's discussion and analysis of financial condition and results of operations ("MD&A") focuses upon the activities, results of operations, liquidity and capital resources of Helius Minerals Limited (the "Company") and its subsidiaries (the "Group") for the six months ended June 30, 2025. In order to better understand the MD&A it should be read in conjunction with the condensed interim consolidated financial statements and related notes for the six months ended June 30, 2025. The Group's condensed interim consolidated financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") and filed with appropriate regulatory authorities in Canada. This MD&A is current to August 29, 2025 and in US dollars unless otherwise stated.

Forward-Looking Statements

Information set forth in this MD&A may involve forward-looking statements under applicable securities laws. Forward-looking statements are statements that relate to future, not past, events. In this context, forward-looking statements often address expected future business and financial performance, and often contain words such as "anticipate", "believe", "plan", "estimate", "expect", and "intend", statements that an action or event "may", "might", "could", "should", or "will" be taken or occur, or other similar expressions. All statements, other than statements of historical fact, included herein including, without limitation; statements about the size and timing of future exploration on and the development of the Group's properties are forward-looking statements. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the Group's actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following risks: the need for additional financing; operational risks associated with mineral exploration; fluctuations in commodity prices; title matters; environmental liability claims and insurance; reliance on key personnel; the volatility of our common share price and volume and other reports and filings with the TSX Venture Exchange and applicable Canadian securities regulations. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date that statements are made and the Group undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by applicable securities laws. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from our expectations are disclosed in the Group's documents filed from time to time via SEDAR with the Canadian regulatory agencies to whose policies the Group is bound. Investors are cautioned against attributing undue certainty to forward-looking statements.

The users of this information, including but not limited to investors and prospective investors, should read it in conjunction with all other disclosure documents provided including but not limited to all documents filed on SEDAR+ (www.SEDARplus.ca).

CORPORATE OVERVIEW

The Group is in the business of mineral exploration and development, with the holding company listed on the TSX Venture Exchange under the symbol "HHH." While the Company maintains exploration tenure in Nevada, and a strategic focus toward high-impact assets in South America.

The Company is re-evaluating the timing and scope of further exploration at the Nevada Project, including previously identified targets. These assets remain in good standing, and strategic options such as joint venture are also under consideration, and are being weighed against advancing the projects in house.

South American Strategy

During the year, the Company actively pursued its strategic goal of establishing a presence in South America. Management conducted a regional review and visited multiple project sites across Brazil and Colombia, evaluating over a dozen early-stage and advanced exploration opportunities. Following this comprehensive review, the Company narrowed its focus to a shortlist of high-potential projects. This effort culminated in identifying the Serra Pelada gold-platinum-group-metal project in Pará State, Brazil, as a compelling opportunity.

Further details regarding this transaction are outlined under "Subsequent Events".

Chairman's Message

This past year, Heliuss took meaningful steps to realign its exploration strategy. While maintaining our position in Nevada, we shifted focus toward high-potential opportunities in South America. After evaluating multiple projects across the region, we entered into an exclusivity agreement to assess the Serra Pelada project in Brazil — a historically significant metals asset.

We believe this approach reflects a disciplined allocation of capital toward assets with scale and impact potential. We look forward to updating shareholders as we progress due diligence and continue to position the Company for long-term value creation

SHARE CAPITAL

As at June 30, 2025, the Group had \$8,923,254 in share capital and 38,229,095 common shares outstanding.

Options

On June 6, 2025, the Company granted 250,000 options to director Samuel Clarke, 150,000 options to director Brian Cole, 150,000 options to director Evan Jones, 150,000 options to director Christian Grainger, 50,000 options to Yinshun He, and 800,000 options to consultants of the Company. The options have an exercise price of C\$0.65 and will expire on June 6, 2028. The estimated fair value of the stock options granted was \$684,045 using the Black-Scholes option pricing model. The options fully vested during the six months ended June 30, 2025 and a share-based compensation expense of \$684,045 was recognized in the six months ended June 30, 2025.

During the year ended December 31, 2024, 250,000 share options expired unexercised and 100,000 share options were cancelled.

On February 20, 2024, the Company issued 250,000 options to Matt Hardisty, 250,000 options to director Brian Cole, 600,000 options to director Evan Jones, 750,000 options to director Christian Grainger, and 450,000 options to officers and consultants of the Company. The options have an exercise price of C\$0.15 and will expire on February 20, 2026. The estimated fair value of the stock options granted was \$135,970 using the Black-Scholes option pricing model.

As at June 30, 2025, the Company had 3,750,000 options outstanding.

Subsequent to the period six months ended June 30, 2025, the Company issued 250,000 common shares to Matt Hardisty for gross proceeds of \$27,563 on the exercise of stock options at C\$0.15 per share.

Warrants

During the six months to June 30, 2025, the Company issued no warrants.

During the year ended December 31, 2024, all 2,250,000 warrants outstanding expired unexercised.

As at June 30, 2025, the Company had Nil warrants outstanding.

OPERATIONS

Overview

The Group currently holds one exploration project in Nevada that is currently undergoing technical review: Yellow Cone Project. Exploration work since 2007 has identified drill targets on a number of projects. The Group's reconnaissance program continues to generate new projects.

Venus Copper-Gold Project, Yerington District, Nevada

The Venus project consists of copper-iron (Cu, Fe) skarns and copper porphyry intrusions in the Pumpkin Hollow area, Yerington District, Western Nevada. It consists of 111 unpatented mining claims that were staked in April, June,

September and December of 2007.

The project is located immediately to the south of, and along strike from, Nevada Copper's Pumpkin Hollow Copper Project, less than one mile from the tenement boundary. Fully financed, the Project is expected to have a 19-year mine life with peak copper production of 111,000 tonnes per annum.

Exploration Program Highlights:

- The first ever drillholes into the Venus Project were completed in 2019: Highlighting high priority targets at the Venus Project.
- Mineralized porphyry quartz monzonite of the Yerington Batholith suite has been intersected: Porphyry quartz monzonite with cross cutting dikes of quartz monzonite porphyry was intersected beneath moderate cover.
- Assays confirm copper, gold and silver mineralization in two holes: Mineralization as blebs and disseminated grains of pyrite and chalcopyrite associated with coarse-grained epidote and calcite intersected in drilling.
- Multiple targets identified for follow up drill testing: Three priority targets remain untested and further drilling is required adjacent to the porphyry quartz monzonite.

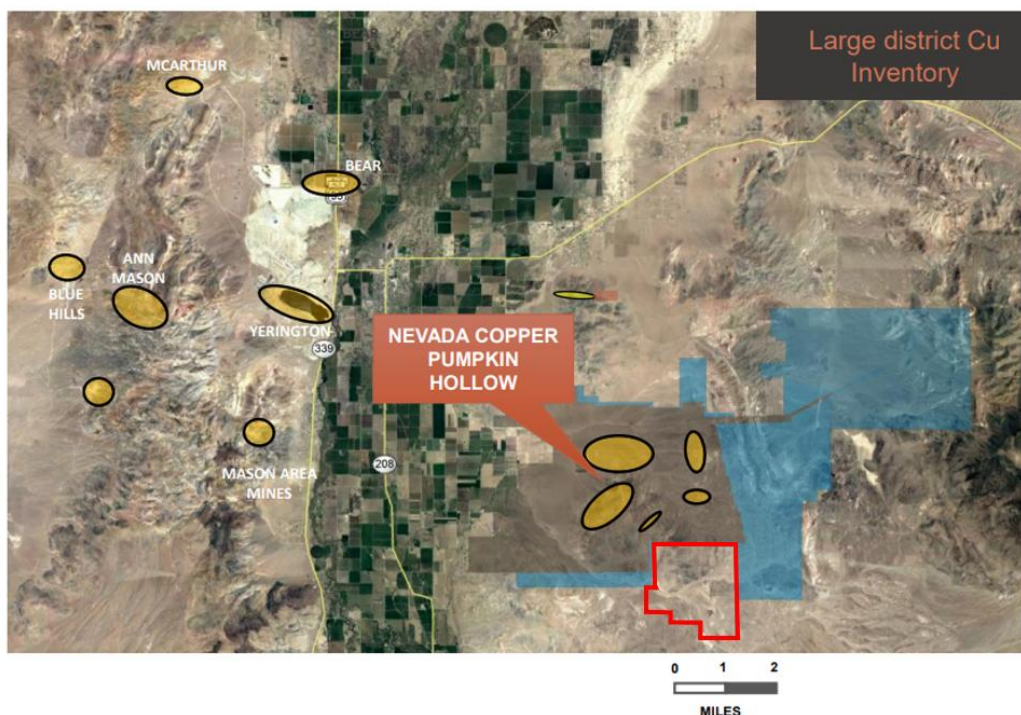


Figure 1 – Helius claims shown in red and Nevada Copper claims in grey and blue.

The Venus Project, which is 100% owned by Helius (Figure 1), is located within the Yerington copper porphyry district in the Walker Lane mineralized belt in Nevada. The Group's decision to advance exploration at the Venus Project coincides with development at Nevada Copper Corp.'s (TSX: NCU) ("**Nevada Copper**") Pumpkin Hollow Copper Mine ("**Pumpkin Hollow**") immediately to the north and less than one mile from the tenement boundary.

Drilling Results

The first ever drillholes into the Venus Project were completed in October 2019. Four holes totalling 1300m were drilled into geochemical, geophysical and geological targets (Figure 2). The host of copper mineralisation at Pumpkin Hollow is dominantly Triassic and Jurassic sediments of both the Gardner Valley and Mason Valley Formations. Copper mineralisation is associated with the Jurassic age Yerington Batholith and related porphyritic/granite dikes.

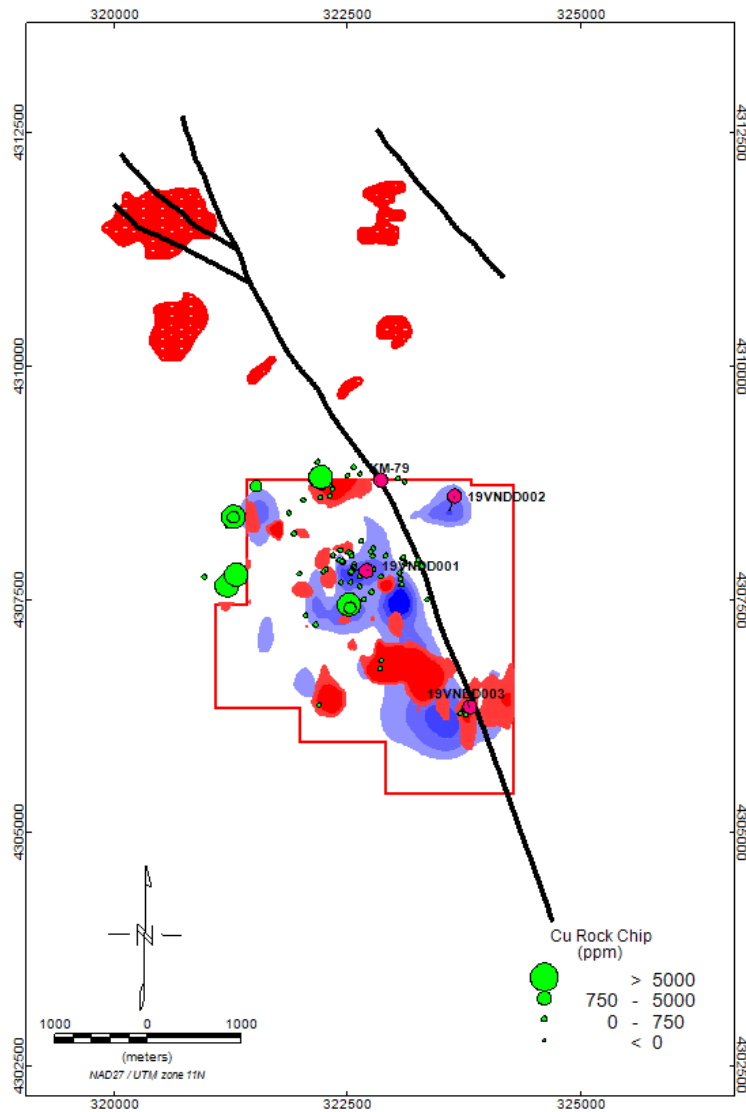


Figure 2 – Shown are Nevada Copper's deposit locations (red) with mapped structures in black and Helius's drilling locations (pink dots). The surface projection of 3D geophysical targets within the Venus project are shown as chargeability/IP in blue (>6 mV/V) and magnetics in red (>12 x 10⁻³ SI).

The first drillhole (19VNDD001) targeted a magnetic/ chargeable high in an area with outcropping copper-gold bearing quartz veins. The hole was collared in Triassic volcanics (andesite) and remained in andesite the entire hole. Numerous quartz rich fractured Jurassic granitic dykes intrude the andesite. The hole intersected copper mineralization towards the bottom of the drill hole in porphyritic granitic dikes and andesite, with mineralization as blebs and disseminated grains of pyrite and chalcopyrite associated with coarse-grained epidote and calcite (Figure 3). There are zones of elevated copper and gold throughout the hole. The best results were 101.7-102.8m (0.80 g/t Au, 0.5 g/t Ag, 169 ppm Cu), 286.5-289.6m (0.13 g/t Au, 0.4 g/t Ag, 951 ppm Cu) and 367.6-368.5m (0.36g/t Au, 2225 ppm Cu). The hole was abandoned at 372m due to poor drilling conditions.



Figure 3 – 19VNDD001 (299.6m). Mineralisation as blebs and disseminated grains of pyrite and chalcopyrite associated with coarse-grained epidote and calcite

The second hole (19VNDD002) targeted a surface soil geochemical anomaly and an isolated chargeability feature close to the Nevada Copper claim boundary. The hole went through 269m of Quaternary colluvium and Tertiary volcanic cover rock. A fault appears to have thickened the Tertiary sequence. Jurassic porphyry quartz monzonite was intersected below 269m, with cross cutting dikes of Jurassic quartz monzonite porphyry to a depth of 305m. Again, the hole intersected copper mineralization/ alteration once it entered Jurassic aged rocks. The highest copper (293.8-304.8m, 371ppm Cu and 0.03 g/t Ag) is hosted in a Jurassic quartz monzonite porphyry dike associated with minor disseminated pyrite and chalcopyrite grains and accompanying elevated iron and sulphur values. The hole ended in weak mineralisation.

The third and fourth holes (19VNDD003 and 19VNDD003A) were collared in Tertiary volcanic cover targeting a north-south magnetic structure and a deep chargeability zone. Hole 19VNDD003 was lost at 188m so the hole was re-drilled (19VNDD003A). The hole was stopped in Tertiary volcanic cover (412m). As the Triassic/Jurassic basement was not intersected, no samples were submitted from this drill hole for assay.

In 1973 the Anaconda Company drilled hole KM-79 directly north of hole 19VNDD001, just outside Helius's claims. After 47m of Quaternary colluvium It intersected andesites/ amphibolite and encountered blebs of chalcopyrite associated with calcite veins from 227m to the end of the hole at 239m. There is no assay data available for this hole.

Discussion

On the eastern side of the NNW regional fault the Tertiary volcanic cover increases in thickness from 269m (19VNDD002) to more than 412m (19VNDD003A) from north to south. On the western side the fault the lower Triassic andesite outcrops (19VNDD001) and is weakly mineralised. Chalcopyrite mineralisation increases with depth and proximity to porphyritic intrusives.

Beneath the cover on the eastern side of the fault, hole 19VNDD002 intersected and ended in weakly mineralised Jurassic porphyry quartz monzonite of the Yerington Batholith suite. Mineralisation increases with depth and proximity to porphyritic dykes. The presence of weakly mineralised porphyry quartz monzonite of the Yerington Batholith suite on the Venus Project is significant as the known underground and open pit deposits at Pumpkin Hollow are skarn/IOCG-style deposits, the source of which is expected to be an undiscovered porphyry system. There is scope for further drilling around 19VNDD002.

The magnetic response of the Triassic andesite is weak in areas of known/shallow outcrop. 19VNDD001 was weakly magnetic in places. As the Pumpkin Hollow mineralisation is associated with a high magnetic response, the untested magnetic feature (>1% magnetite equivalent) west of KM-79 remains a high priority drill target (Figure 4).

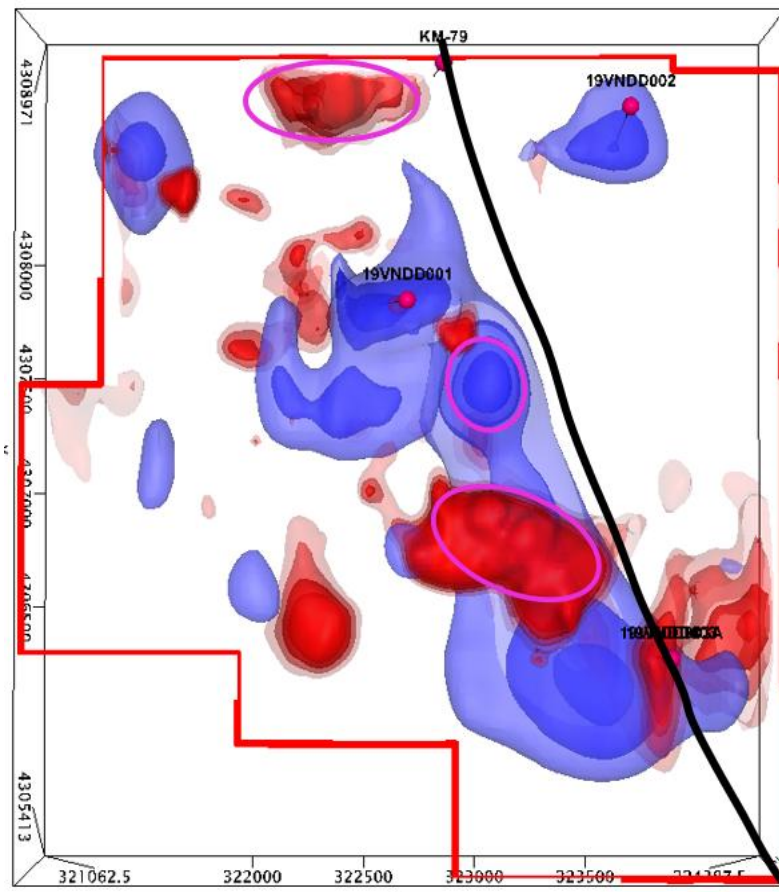


Figure 4 – Helius's drilling locations (pink dots). The surface projection of 3D geophysical targets within the Venus project are shown as chargeability/IP in blue (>6 mV/V) and magnetics in red (>12 x 10⁻³ SI). Remaining targets circled in pink. The area surrounding 19VNDD002 remains a drill target.

In summary, the Venus Project is still considered to have potential for the discovery of new deposits similar in style to Pumpkin Hollow. It also has the potential for the discovery of buried porphyry-style copper mineralization with characteristics similar to the Yerington Mine.

Planned Activities for the Venus Project in 2025

Follow-up drilling is required adjacent to hole 19VNDD002. Three other targets previously identified on the Venus project still require first pass drill testing. The three targets are approved for drilling and have earthworks completed. Additional drilling around 19VNDD001 would require permitting.

The Group is actively seeking opportunities to fund the planned programs at Venus including but not limited to engaging with joint venture partners or a partial sale of the project.

Quality Assurance and Quality Control

The analytical work was performed by American Assay Labs (AAL) located in Sparks, Nevada. AAL is an ISO/IEC 17025 accredited and NDEP Approved laboratory. Drill core samples were crushed so that >70% passes 10 mesh, followed by pulverizing of a 250g riffle split sample to >85% passes - 150 mesh. Prepared samples were run using a three acid digestion process and conventional ICP-AES analysis. Gold determination was via ICPMS Finish after a 30 gram fire-assay (FA) analysis. Blank, standard and pulp duplicate samples were routinely inserted and monitored for quality assurance and quality control. Helius detected no significant QA/QC issues during review of the data and is not aware of any drilling, sampling, recovery or other factors that could materially affect the accuracy or reliability of the data referred to herein.

About Helius's Venus Project

Located on-strike from Pumpkin Hollow, Helius's Venus Project consists of 111 unpatented mining claims covering approximately 2,165 acres (~8.76 km²), all situated on Bureau of Land Management (Federal) land.

In prior years, the Group has conducted a 3D IP/Resistivity survey, identifying various chargeable zones down to 500 meters which could be attributable to sulfide mineralization. Some of the chargeable zones have coincident magnetic (magnetite) and geochemical responses (copper, gold, and silver) and are considered by the Group to be high priority targets.

The Venus Copper Gold Project has never been drilled before and is considered to have good potential for the discovery of new deposits of similar size and grade to the adjacent Pumpkin Hollow copper-gold mine.

This program has been subject to extensive review by leading geoscientific exploration consultant Terra Resources Pty Ltd, identifying a total of seven high-priority targets to test the potential of Venus to host copper-gold mineralization. Surface geology/geochemistry, ground magnetics, gravity and induced polarization (IP) surveys have been used to plan and prioritize drilling.

In addition, the project is considered to have the potential for discovery of buried porphyry-style copper mineralization with characteristics similar to the Yerington (Anaconda) mine.

Summary of E&E expenditures

During the year ended December 31, 2024, the Company incurred maintenance and exploration costs of \$Nil (2023 - \$14,556).

Yellow Cone Project, Nye County, Nevada

Yellow Cone was identified through regional geophysics as a structurally-controlled magnetic low astride a regional gravity high. Recent rock sampling shows highly elevated Au, Ag, As, Cu, Mo, Sb, Se, Te, and other elements. Sampling values showed up to 26 g/t gold, 880 g/t silver, and +5% copper.

Summary of E&E expenditures

During the year ended December 31, 2024, the Company incurred maintenance and exploration costs of \$46,711 (2023 - \$10,174).

Recent Work for the Yellow Cone Project

The Bureau of Land Management has approved a Notice of Intent for roads and drilling for a Phase I drill program at Yellow Cone. Reclamation bonding has been placed and accepted by the Reno BLM office. The project is ready to drill.

Planned Activities for the Yellow Cone Project in 2025

Despite the work carried out to date, the Yellow Cone project is at an early stage. The large chargeability anomaly is open at both ends where it begins to intersect zones of critical geochemical anomalies. Additional IP work is justified to determine the extent of this target. The work to date has, however, defined a large mineralized area sufficiently well to test preliminary conceptual drill targets. These holes will provide tests of important mineralized structures to guide more advanced exploration.

Montelle, Nevada, USA

Montelle is an early-stage gold project located in western Nevada, approximately 25 kilometers south of the Yerington copper district, a major past producer from porphyry deposits. Current projects include Nevada Copper's Pumpkin Hollow (529.8 Mt @ 0.45% Cu and 0.058 g/tonne Au) and Entrée Gold's Ann Mason (1137 Mt @ 0.33% Cu). Although there are numerous prospects on gold-bearing quartz veins and structures, there has been no drilling and little significant modern exploration beyond the work done by the Company.

During the year ended December 31, 2024, the Company fully impaired the Montelle project and recognized \$46,840 (2023 - \$Nil) of impairment of exploration and evaluation assets on the consolidated statements of loss and comprehensive loss.

Summary of E&E expenditures

During the year ended December 31, 2024, the Company incurred maintenance and exploration costs of \$Nil (2023 - \$14,556).

Property Risks

Title to and evaluation asset interests involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral claims. The Group has investigated title to all of its exploration and evaluation asset interests and, to the best of its knowledge, title to all of its interests are in good standing. The exploration and evaluation asset interests in which the Group has committed to earn an interest are located in United States.

The terms and commitments of the Group with respect to its exploration and evaluation assets are subject to change if and when the Group and its partners mutually agree to new terms and conditions.

As at June 30, 2025, there are no reclamation deposits and obligation for the period.

CORPORATE

Directors and Officers

Christian Grainger, President, CEO and Director - Mr. C. Grainger is a seasoned exploration and resource delineation geologist with over 20 years of experience in mineral exploration, resource definition, and development across South and Central America, the Caribbean, Australia, and West Africa. He holds a BSc and PhD in Economic Geology from the University of Western Australia, where he was sponsored by Vale Brasil. His doctoral research focused on the Serra Pelada epigenetic Au-Pd-Pt deposit and its genetic relationship to Archean IOCG and Proterozoic intrusion-related Cu-Au systems of the Carajas Mineral Province, Amazon Craton, Brazil.

Evan Jones, Chairman & Director - Mr. E. Jones has served as Chief Executive Officer, President and Director of the Company since its inception. In May 2019, Mr. E. Jones resigned as Chief Executive Officer and continued to serve as a non-executive Director of the Company. He has twelve years of experience in corporate advisory and commercial management in the mining industry, including six years based in developing countries. With experience in both private and public mineral exploration companies, Mr. E. Jones has a proven ability to build business networks and negotiate opportunities.

Brian Cole, Director & CFO - Mr. Cole has a Bachelor of Business degree from the Western Australian Institute of Technology, specializing in Business Law and Accounting, and a Graduate Diploma in Property from Curtin University. He is a Chartered Accountant and Chartered Management Consultant. He has held directorships within public and private companies and has a strong knowledge of finance and compliance across multiple jurisdictions.

Samuel Clarke, Director - Mr. Clarke is a chartered accountant with more than 20 years of mining executive experience in Brazil and internationally. He is currently the Finance Director of Jervois Brasil Metalurgia Ltda. and was previously Finance Director of GCM Mining. He has also held senior financial leadership roles, including CFO of Cleveland Mining, Arian Silver, and FBX, as well as senior positions with Guyana Goldfields and TriStar Gold. He was appointed as a Director in April 2025.

John L.C. Jones AM, former Chairman & former Director - Mr. J. Jones has served as Chairman and Director of the Company since its inception up to April 2023.

Kerry Griffin, former Chief Executive Officer - Mr. Griffin has served as Chief Executive Officer for the Company from May 2022 - April 2023.

MANAGEMENT CHANGES

April 29, 2025 AGM elected four directors - Christian Grainger, Evan Jones, Brian Cole, and Samuel Clarke. The Company announced that Matt Hardisty is no longer a director of the Company.

The board of directors now consists of Christian Grainger, Evan Jones, Brian Cole, and Samuel Clarke.

SELECTED ANNUAL INFORMATION

The following table sets forth selected consolidated information of the Group at December 31 for each of the three most recently completed financial years prepared in accordance with IFRS. The selected consolidated financial information should be read in conjunction with the Audited Consolidated Financial Statements of the Group.

US Dollars	2024	2023	2022
	\$	\$	\$
Net loss	(443,084)	(320,954)	(245,302)
Net loss per share, basic and fully diluted	(0.01)	(0.01)	(0.02)
Cash and cash equivalents	23,062	260,879	17,107
Total assets	907,833	1,145,043	858,975
Long-term debt	-	-	-
Dividends	-	-	-

The increase in net loss in 2024 was due to share-based compensation and impairment of exploration and evaluation assets.

REVIEW OF OPERATIONS AND ANNUAL FINANCIAL RESULTS

For the year ended December 31, 2024, the Group incurred a net loss of \$443,084 resulting in a loss per share of \$0.01. The loss was attributable to operating expenses.

For the year ended December 31, 2023, the Group incurred a net loss of \$320,954 resulting in a loss per share of \$0.01. The loss was attributable to operating expenses.

Exploration

The Group capitalizes all exploration costs relating to its resource interests. During the year ended December 31, 2024, the Group capitalized \$46,711 in exploration of its Nevada properties.

Full particulars of the deferred exploration costs are shown in Note 4 to the Consolidated Financial Statements.

Expenses

During the year ended December 31, 2024, the Group incurred \$180,818 in consulting and management fees, \$54,683 in professional fees, \$135,970 in share-based compensation, and \$32,874 in general and administrative expenses. The Group recognized foreign exchange gain of \$8,101 during the year.

During the year ended December 31, 2023, the Group incurred \$209,031 in consulting and management fees, \$24,500 in professional fees and \$109,428 in general and administrative expenses. The Group recognized foreign exchange gain of \$8,968 during the year.

General and administrative expenses consist of expected credit loss, insurance, interest expense, office expenses, property expenditures, rent, travel and entertainment, and administrative services related to maintaining the Group's exchange listing and complying with securities regulation.

The increase in operating expenses during the current year compared to the prior year was due to increased corporate

activity and share-based compensation.

Other items

During the year ended December 31, 2024, the Company recognized \$46,840 of impairment of exploration and evaluation assets.

During the year ended December 31, 2023, the Company recognized \$13,020 gain on debt settlement.

REVIEW OF OPERATIONS AND INTERIM FINANCIAL RESULTS

For the six months ended June 30, 2025, the Group incurred a net loss of \$1,158,216 resulting in a loss per share of \$0.03. The loss was attributable to operating expenses.

For the three months ended June 30, 2025, the Group incurred a net loss of \$981,962 resulting in a loss per share of \$0.03. The loss was attributable to operating expenses.

For the six months ended June 30, 2024, the Group incurred a net loss of \$282,105 resulting in a loss per share of \$0.01. The loss was attributable to operating expenses.

For the three months ended June 30, 2024, the Group incurred a net loss of \$70,266 resulting in a loss per share of \$0.00. The loss was attributable to operating expenses.

Expenses

During the six months ended June 30, 2025, the Group incurred \$210,651 in consulting and management fees, \$684,045 in share-based compensation, \$220,100 in professional fees, and \$77,320 in general and administrative expenses. The Group recognized foreign exchange gain of \$33,900 during the period.

During the three months ended June 30, 2025, the Group incurred \$170,497 in consulting and management fees, \$684,045 in share-based compensation, \$111,392 in professional fees, and \$55,927 in general and administrative expenses. The Group recognized foreign exchange gain of \$39,899 during the period.

During the six months ended June 30, 2024, the Group incurred \$106,482 in consulting and management fees, \$135,970 in share-based compensation, \$14,355 in professional fees, and \$25,522 in general and administrative expenses. The Group recognized foreign exchange gain of \$224 during the period.

During the three months ended June 30, 2024, the Group incurred \$42,859 in consulting and management fees, \$14,355 in professional fees, and \$11,320 in general and administrative expenses. The Group recognized foreign exchange loss of \$1,732 during the period.

General and administrative expenses consist of insurance, office expenses, rent, travel and entertainment, and administrative services related to maintaining the Group's exchange listing and complying with securities regulation.

The increase in operating expenses during the current period compared to the prior year was due to increased corporate activity and share-based compensation.

RISKS AND UNCERTAINTIES

In conducting its business, the Group faces a number of risks and uncertainties related to the mineral exploration industry. Some of these risk factors include risks associated with land titles, exploration and development, government and environmental regulations, permits and licenses, competition, dependence on key personnel, fluctuating mineral and metal prices, the requirement and ability to raise additional capital through future financings and price volatility of publicly traded securities.

Title Risks

Although the Group has exercised due diligence with respect to determining title to the properties in which it has a material interest, there is no guarantee that title to such properties will not be challenged or impugned. Third parties

may have valid claims underlying portions of the Group's interests, and the permits or tenures may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by undetected defects. If a title defect exists, it is possible that the Group may lose all or part of its interest in the properties to which such defects relate.

Exploration and Development

Resource exploration and development is a highly speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. Substantial expenses are required to establish reserves by drilling, sampling and other techniques and to design and construct mining and processing facilities. Whether a mineral deposit will be commercially viable depends on a number of factors, including the particular attributes of the deposit (i.e. size, grade, access and proximity to infrastructure), financing costs, the cyclical nature of commodity prices and government regulations (including those relating to prices, taxes, currency controls, royalties, land tenure, land use, importing and exporting of minerals, and environmental protection). The effect of these factors or a combination thereof cannot be accurately predicted but could have an adverse impact on the Group.

Environmental Regulations, Permits and Licenses

The Group's operations may be 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 that would result in environmental pollution. A breach of such legislation may result in the 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 that means standards are stricter, and enforcement, fines and penalties for noncompliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations. We intend to comply fully with all environmental regulations.

The current or future operations of the Group, including development activities and commencement of production on our properties, require permits from various federal, state or territorial and local governmental authorities, and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Such operations and exploration activities are also subject to substantial regulation under applicable laws by governmental agencies that may require that we obtain permits from various governmental agencies. There can be no assurance, however, that all permits that the Group may require for the operations and exploration activities will be obtainable on reasonable terms or on a timely basis or that such laws and regulations will not have an adverse effect on any mining project which the Group might undertake.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

Competition

The mining industry is intensely competitive in all its phases, and the Group competes with other companies that have greater financial and technical resources. Competition could adversely affect the Group's ability to acquire suitable properties or prospects in the future.

Dependence on Key Personnel

The success of the Group is currently largely dependent on the performance of the directors and officers. There is no assurance that the Group will be able to maintain the services of the directors and officers or other qualified personnel required to operate its business. The loss of the services of these persons could have a material adverse effect on the

Group and the prospects.

Fluctuating Mineral and Metal Prices

Factors beyond our control may affect the marketability of metals discovered, if any. Metal prices have fluctuated widely, particularly in recent years. The effect of these factors on the exploration activities cannot be predicted. For example, gold prices are affected by numerous factors beyond the Group's control, including central bank sales, producer hedging activities, the relative exchange rate of the U.S. dollar with other major currencies, global and regional demand and political and economic conditions. Worldwide gold production levels also affect gold prices. In addition, the price of gold has on occasion been subject to rapid short-term changes due to speculative activities.

Future Financings

The Group's continued operation will be dependent upon the ability to generate operating revenues and to procure additional financing. There can be no assurance that any such revenues can be generated or that other financing can be obtained on acceptable terms. Failure to obtain additional financing on a timely basis may cause the Group to postpone development plans, forfeit rights in some or all of the properties or joint ventures, or reduce or terminate some or all of the operations.

Price Volatility of Publicly Traded Securities

In recent years, the securities markets in the United States and Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price that have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the Common Shares will be subject to market trends and conditions generally, notwithstanding any potential success of the Corporation in creating revenues, cash flows or earnings. The value of securities distributed hereunder will be affected by market volatility.

Readers should review the more detailed discussion of such risk factors set out in the Company's Long Form Prospectus under the heading "Risk Factors", which is filed on SEDAR and may be found at www.sedarplus.ca.

SUMMARY OF QUARTERLY RESULTS

The following table sets forth selected quarterly consolidated financial information for each of the last eight quarters with the figures for each quarter in US dollars.

	Foreign Exchange Gain/ (Loss)	Net Loss	Net Loss per Share (basic and fully diluted)
	\$	\$	\$
2025			
Second Quarter	39,899	(981,962)	(0.03)
First Quarter	(5,999)	(176,254)	(0.01)
2024			
Fourth Quarter	4,764	(101,018)	(0.00)
Third Quarter	3,113	(59,961)	(0.00)
Second Quarter	(1,732)	(70,266)	(0.00)
First Quarter	1,956	(211,839)	(0.00)
2023			
Fourth Quarter	4,278	(84,127)	(0.00)
Third Quarter	453	(138,372)	(0.00)

The net loss in the second quarter of 2025 was due to the Company's operational activity, share-based compensation of \$684,045, foreign exchange gain of \$39,899, consulting and management fees of \$170,497, and professional fees of \$111,392 during the quarter.

The net loss in the first quarter of 2025 was due to the Company's operational activity, foreign exchange loss of \$5,999, and professional fees of \$108,708 during the quarter.

The net loss in the fourth quarter of 2024 was due to the Company's operational activity and impairment of exploration and evaluation assets of \$46,840 during the quarter.

The net loss in the third quarter of 2024 was mainly due to the Company's operational activity and foreign exchange gain of \$3,113 during the quarter.

The net loss in the second quarter of 2024 was mainly due to the Company's operational activity and foreign exchange loss of \$1,732 during the quarter.

The net loss in the first quarter of 2024 was mainly due to the Company's operational activity, foreign exchange gain of \$1,956 and share-based compensation of \$135,970 during the quarter.

The net loss in the fourth quarter of 2023 was mainly due to the Company's operational activity and foreign exchange gain of \$4,278 during the quarter.

The net loss in the third quarter of 2023 was mainly due to the Company's operational activity and foreign exchange gain of \$453 during the quarter.

LIQUIDITY AND CAPITAL RESOURCES

The Group relies on equity financings for its working capital requirements and to fund its planned exploration and development activities. Management ensures the Group has sufficient cash in its treasury to maintain underlying option payments and keep claims in good standing.

During the six months ended June 30, 2025, the Group's increase in cash net of effects of foreign exchange was \$19,382. Working capital as at June 30, 2025 was \$521,964 (December 31, 2024 - deficiency of \$484,446).

OFF-BALANCE SHEET ARRANGEMENTS

The Group has no undisclosed off-balance sheet arrangements or off-balance sheet financing structures in place.

RELATED PARTY TRANSACTIONS

The Group entered into the following transactions with related parties:

- a) During the six months ended June 30, 2025, the Group paid or accrued consulting fees of \$68,953 (2024 - \$43,548) to Christian Grainger, current CEO of the Group. As of June 30, 2025, an amount of \$115,368 (December 31, 2024 - \$95,578) was owing to Christian Grainger, director, current president, and CEO of the Group. Christian Grainger has agreed not to call on this balance to the detriment of the Group's going concern position.
- b) During the six months ended June 30, 2025, the Group paid or accrued fees of \$34,447 (2024 - \$27,141) to Evan Jones, and \$4,841 (2024 - \$5,022) to Brian Cole for a total of \$39,288 (2024 - \$32,163) to current directors of the Group.
- c) As of June 30, 2025, an amount of \$90,361 (December 31, 2024 - \$89,725) was owing to John Jones, former chairman of the Group and a company controlled by him. John Jones has agreed not to call on this balance to the detriment of the Group's going concern position.
- d) As of June 30, 2025, an amount of \$98,564 (December 31, 2024 - \$74,633) was owing to Evan Jones, director, current chairman and former CEO of the Group. Evan Jones has agreed not to call on this balance to the detriment of the Group's going concern position.
- e) As of June 30, 2025, an amount of \$20,902 (December 31, 2024 - \$19,787) was owing to Matt Hardisty, a previous director of the Group.
- f) As of June 30, 2025, an amount of \$37,713 (December 31, 2024 - \$33,344) was owing to a company controlled by Brian Cole, director and CFO of the Group. Brian Cole has agreed not to call on this balance to the detriment of the Group's going concern position.
- g) During the six months ended June 30, 2025, a total of 750,000 (2024 - 1,850,000) stock options were granted to directors and officers of the Company with a fair value of \$330,990 (2024 - \$109,367).

These transactions were incurred in the normal course of operations. The payables are non-interest bearing and due on demand. All related parties as noted above have agreed not to call on any balances to the detriment of the Group's going concern position.

Key Management Personnel:

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Group as a whole. The Group has determined that key management personnel consist of executive and non-executive members of the Group's Board of Directors and corporate officers. The remuneration of directors and other members of key management personnel during the six months ended June 30, 2025 and 2024 are as follows:

	2025	2024
	\$	\$
Management and consulting fees	108,241	75,711
Share-based compensation	330,990	109,367
	439,231	185,068

CONTRACTUAL AND OTHER OBLIGATIONS

At the present time, there are no contractual and other obligations that should be disclosed.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The Group's accounting policies are described in Note 3 to the condensed interim consolidated financial statements for the six months ended June 30, 2025. Management considers the following to be the most critical in understanding the judgments that are involved in preparing the Group's condensed interim consolidated financial statements and the uncertainties that could impact its results of operations, financial condition and future cash flow.

Exploration and Evaluation Assets

The Group records exploration and evaluation asset interests, which consist of the right to explore for mineral deposits, at cost. The Group records deferred exploration costs, which consist of costs attributable to the exploration of exploration and evaluation asset interests, at cost. All direct and indirect costs relating to the acquisition and exploration of these exploration and evaluation asset interests are capitalized on the basis of specific claim blocks until the exploration and evaluation asset interests to which they relate are placed into production, the exploration and evaluation asset interests are disposed of through sale or where management has determined there to be an impairment. If an exploration and evaluation asset interest is abandoned, the exploration and evaluation asset interests and deferred exploration costs will be written off to operations in the year of abandonment.

On an ongoing basis, the capitalized costs are reviewed on a property-by-property basis to consider if there is any impairment on the subject property. Management's determination for impairment is based on: 1) whether the Group's exploration programs on the exploration and evaluation asset interests have significantly changed, such that previously identified resource targets are no longer being pursued; 2) whether exploration results to date are promising and whether additional exploration work is being planned in the foreseeable future; or 3) whether remaining lease terms are insufficient to conduct necessary studies or exploration work.

The recorded cost of exploration and evaluation asset interests is based on cash paid and the assigned value of share consideration issued (where shares are issued) for exploration and evaluation asset interest acquisitions and exploration costs incurred. The recorded amount may not reflect recoverable value, as this will be dependent on future development programs, the nature of the mineral deposit, commodity prices, adequate funding and the ability of the Group to bring its projects into production.

Impairment of Long-Lived Assets

At the end of each reporting year, the Group's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's-length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the year. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Use of Estimates

The preparation of consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting year. Significant areas requiring the use of estimates include the carrying value and recoverability

of exploration and evaluation assets, inputs used in the calculation of share-based compensation and agents' warrants and the valuation allowance applied to future income taxes. Actual results could differ from those estimates, and would impact future results of operations and cash flows.

Share-based Compensation

The stock option plan allows Group employees and consultants to acquire shares of the Company. The fair value of options granted is recognized as a share-based payment expense with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee. Consideration paid on the exercise of stock options is credited to share capital and the fair value of the options is reclassified from contributed surplus to share capital.

The fair value is measured at grant date and each tranche is recognized over the year during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the number of stock options that are expected to vest.

Where equity instruments are granted to employees, they are recorded at the fair value of the equity instrument granted at the grant date. The grant date fair value is recognized in the statement of loss over the vesting year, described as the year during which all the vesting conditions are to be satisfied.

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in the statement of loss, unless they are related to the issuance of shares. Amounts related to the issuance of shares are recorded as a reduction of share capital.

When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of a valuation model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioral considerations.

Financial Instruments

Classification

The Group classifies its financial instruments in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Group determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Group's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Group can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Group has opted to measure them at FVTPL.

Measurement

Financial assets at FVTOCI

Elected investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs.

Subsequently they are measured at fair value, with gains and losses recognized in other comprehensive income (loss).

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed through profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are recorded through profit or loss in the period in which they arise. Where management has opted to recognize a financial liability at FVTOCI, any changes associated with the Group's own credit risk will be recognized in other comprehensive income (loss).

Impairment of financial assets at amortized cost

The Group recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Group measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset's credit risk has not increased significantly since initial recognition, the Group measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Group shall recognize in profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Derecognition

Financial assets

The Group derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in profit or loss. However, gains and losses on derecognition of financial assets classified as FVTOCI remain within accumulated other comprehensive income (loss).

Financial liabilities

The Group derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

FINANCIAL INSTRUMENTS

The Group's risk exposures and the impact on the Group's consolidated financial instruments are summarized below:

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfil its payment obligations. The Group's cash is held at a large Australian financial institution and its reclamation bonds are held at the BLM. The Group has no investment in asset backed commercial paper. The Group believes it has no significant credit risk.

Liquidity Risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at June 30, 2025, the Group had a cash balance of \$1,291,024 (December 31, 2024 - \$23,062) to settle current liabilities of \$808,049 (December 31, 2024 - \$511,478). As disclosed in Note 1 of the condensed interim consolidated financial statements, the Group will need to raise additional funds to meet its obligations as they become due. The Group has liquidity risk.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and commodity and equity prices and foreign currency fluctuations.

a) Interest Rate Risk

The Group has cash balances. The Group's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Group periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

b) Foreign Currency Risk

The Group is exposed to foreign currency risk on fluctuations related to cash and cash equivalents, taxes receivable, and accounts payable and accrued liabilities that are denominated in Canadian dollars. The Group does not believe it is exposed to significant foreign currency risk.

c) *Price Risk*

The Group is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Group's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Group closely monitors commodity prices of gold and copper, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Group.

Sensitivity Analysis

The Group operates in the United States and is exposed to risk from changes in the Canadian dollar and Australian dollar. A simultaneous 10% fluctuation in the Canadian dollar and Australian dollar against the US dollar would affect accumulated other comprehensive income (loss) for the year by approximately \$64,793 (2024 - \$19,688).

PROPOSED ACQUISITION

On March 3, 2025, the Company has signed a definitive exclusivity, share option and acquisition agreement with Colossus Minerals Inc., regarding the Serra Pelada gold-platinum-group-metal project in Brazil. As at August 29, 2025, the transaction was not yet completed.

OUTSTANDING SHARE DATA

The authorized capital of the Company consists of an unlimited number of common shares and an unlimited number of preferred shares. No preferred shares have been issued to date.

An aggregate of 38,479,095 common shares were issued and outstanding as of the date of this MD&A.

The Company has Nil share purchase warrants outstanding as of the date of this MD&A.

The Company has 3,500,000 share options outstanding as of the date of this MD&A.

SUBSEQUENT EVENT

On July 5, 2025, the Company issued 250,000 common shares to Matt Hardisty for gross proceeds of \$27,563 on the exercise of stock option at C\$0.15 per share.