MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE SIX MONTHS ENDED MARCH 31, 2025

The information contained in this Management's Discussion and Analysis of Financial Condition and Results of Operations for the six months ended March 31, 2025 ("MD&A") and has been prepared as of May 30, 2025. It should be read in conjunction with the unaudited condensed interim financial statements of Callinex Mines Inc. ("Callinex" or the "Company") for the six months ended March 31, 2024 and the audited financial statements of for the year ended September 30, 2024.

The referenced financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"). All amounts are expressed in the Company's presentational currency of Canadian dollars unless otherwise indicated.

CORPORATE SUMMARY

Callinex Mines Inc. is principally engaged in the acquisition, exploration, and development of mineral properties within established Canadian mining jurisdictions with its head office located in Vancouver, British Columbia, Canada. The Company is a reporting issuer in British Columbia and Alberta and its common shares trade on the TSX Venture Exchange under the symbol CNX and on the OTCQX Best Market under the ticker symbol CLLXF.

Operational Highlights and Outlook

Subsequent to the successful drilling program during the fiscal year ended September 30, 2024, the Company continued with its drilling program during the six months ended March 31, 2025 at Pine Bay continuing the advancement of the high-grade Rainbow Deposit ("Rainbow") and Descendent Deposit ("Descendent"). The 2024 drilling campaign began in August by testing the Poseidon target area which was completed with an 802m hole. Other operational highlights are noted as follows:

- On November 20, 2024, the Company provided an update of its continuing 2024 exploration campaign at the 100% owned Pine Bay Project. The recently consolidated Pine Bay Project area encompasses 11,859 hectares (approximately 120 square km) and benefits from a mineral lease, hydroelectric power, an historic 200m deep shaft and three base metal concentrators within trucking distance, with the closest being idle and 16km away in Flin Flon, MB. The Poseidon target area, which is located 1,300 meters along strike to the north of the Rainbow deposit, was also covered by the recent magnetotellurics ("MT") survey over the Descendent discovery. The MT survey data outlined a very large resistivity low anomaly interpreted to be mapping the alteration package between the known Rainbow and Pine Bay horizons. A step-out drill hole, DSC-113, was underway on the Descendent discovery (the "Descendent") and on target to intersect the Descendent at 1,900m. DSC-113 was expected to intersect the Descendent at a 400m step-out vertically below and to the north of the Descendent discovery, in hole DSC-111 (see updated results in news release dated February 27, 2025).

- On December 23, 2024, the Company announced that it had entered into a termination and assumption agreement (the "Termination Agreement") with Teck Resources Limited ("Teck") and Voyageur Mineral Explorers Corp. ("Voyageur"), and on the same date entered into an Amending Agreement with Voyageur, whereby Teck (as a successor to Aur Resources Inc.) agreed to terminate its back-in right to acquire up to an additional 90% of certain mineral claims of the Alberts Lake Property, MB (the "Back-In Right"). Callinex holds an option to acquire a 100% interest in the Alberts Lake Property in accordance with the terms of an option agreement (the "Option Agreement") with Voyageur (see news release dated August 8, 2024).

  In consideration of Teck terminating the Back-In Right, Callinex issued, on January 10, 2025, to Teck (i) 150,000 common shares of Callinex (the "Shares") and (ii) 75,000 share purchase

warrants of Callinex (the "Warrants"). Each Warrant will be exercisable at price of $2.00 per share for a period of two years. In addition, Teck will receive a one-time cash payment of C$1,000,000 within sixty (60) days of a decision being made to commence construction of a mine on the Alberts Lake Property (the "Milestone Payment"). The Milestone Payment will be the responsibility of the owner of the Property (i.e. either Voyageur or Callinex as the case may be). Under the Amending Agreement, Voyageur agreed to waive its right to the fourth anniversary payment of $150,000 of common shares of the Company.

- The 2024 drilling campaign was concluded by testing the Descendent discovery with a 536m step-out diamond drillhole targeted to intersect vertically below and slightly to the north of discovery hole DSC-111. The step-out hole, DSC-113, intersected a broad halo with 800m of volcanogenic massive sulphide ("VMS") style alteration which included sericite, chlorite, silica, with disseminated sulphides which increased downhole, with the last 400 metres commonly intersecting highly-altered (sericite and chlorite schists) before reaching the Descendent horizon, assays for DSC-113 were released in February 2025. In addition, a borehole pulse electromagnetic survey ("BPEM") is being completed. The Descendent step-out hole was preceded by testing target area Poseidon where pending assay and BPEM survey results are also pending.

- On February 27, 2025, the Company announced results from the recently completed exploration drilling campaign at the Company's consolidated Pine Bay Camp (the "Camp"). The exploration campaign encompassed 3,284m to test three target areas. The program commenced with drill testing at the Poseidon target area followed by a step out at the Descendent discovery and ended with the newly acquired near surface Blueberry target area.

  Drill hole BLU-111, the first drilled by Callinex into its newly identified Blueberry target area, s located on our newly optioned ground, extending the Pine Bay Camp, ("Blueberry"), intersected 4.1m of stringers and bands of red-brown sphalerite mineralization hosted within a setting typical of a footwall alteration zone in a broader unit of sericite altered dacite flow and hyaloclastite with disseminated pyrite and pyrrhotite mineralization, intersected between 223.95 - 247.25m from the hole collar. BLU-111 intersected the interpreted Pine Bay horizon, which hosts the Pine Bay deposit to the southeast, associated with the zinc mineralization at a vertical depth of 195m and is the first hole to test the airborne versatile time domain electromagnetic ("VTEM") anomaly interpreted to start at 120m below surface.

  DSC-113 tested the Descendent with a 536m step out vertically below and north of discovery hole DSC-111 and intersected 6.46m of 0.47% CuEq (0.21 Au, 4.16 g/t Ag, 0.04% Cu and 0.68% Zn) including 0.21m of 7.22% CuEq (5.06 g/t Au, 65.59 g/t Ag, 0.60% Cu and 6.77% Zn). Prior to reaching the mineralized intersection the hole intersected a broad halo with 800m of VMS style alteration which included sericite, chlorite, silica, with disseminated sulphides which increased downhole, with the last 400 metres commonly intersecting highly-altered (sericite and chlorite schists). The most significant section returned from Descendent discovery hole DSC-111 returned 7.14m grading 1.70% copper equivalent ("CuEq") with additional intersections including a 10.57m grading 1.36% CuEq.

  Drill hole PBM-197 was drilled to test target area Posiedon and successfully intersected trace VMS mineralization along the Rainbow Horizon, which is host to both the Rainbow deposit to the south and Amulet deposit to the north. PBM-197 intersected a favorable package of strongly chloritized felsic volcanics, with disseminated sulphides consisting of elevated base and precious metals between 290.00-296.00m. Hosted within the broader chloritized and sulphide barring hyaloclastite unit intersected between 280.15-320.54m, which is interpreted as the Rainbow horizon, and supported by a hanging wall/footwall marker unit, chemostratigraphic geochemical signatures, strong chlorite alteration and the presences of base and precious metals. A subsequent BPEM survey of PBM-197 identified a highly conductive category "A"

off-hole anomaly at a down hole depth of ~300m which directly relates to the mineralized intersection in the drill hole and associated Rainbow horizon. BPEM results from the single near surface hole drilled by the Company in 2016, PBM-013, revealed a strong in-hole/off-hole anomaly associated with 7.0 meters of 1.2% Zn and 1.03 g/t Ag intersected in the hole. Additionally, a review of historic BPEM data from drill hole 96-1 provides a vector to a conductive source nearby associated with the historic intersection of VMS mineralization.

- On March 20, 2025, the Company announced submission of its application for an Advanced Exploration Permit ("AEP") to the Province of Manitoba for the Rainbow deposit. The AEP is a pivotal step towards long-term project development and is the precursor to an environmental license, which allows for full-scale production. The AEP is key in facilitating a 10,000-tonne bulk sample from the Rainbow deposit, which is intended for comprehensive metallurgical test work and will lay the groundwork for future underground exploration activities.

- On March 25, 2025, the Company announced the identification of its 2025 exploration targets at the Company's consolidated Pine Bay Camp. The 2025 exploration objectives outlined across four target areas will include further definition and expansion of historic near surface high grade copper, gold, silver and zinc rich Volcanogenic Massive Sulphide ("VMS") deposits and associated high grade quartz-carbonate hosted gold deposits, on the Company's recently consolidated Pine Bay Camp.

- On April 29, 2025, the Company announced its plans to advance the Company's 100% owned Pt. Leamington Deposit which hosts a VMS deposit containing significant gold, copper, zinc and silver mineralization and is open for expansion. The Company has engaged a leading consulting firm with a core expertise in the economic metallurgical recovery of gold, to oversee and manage metallurgical work at the Pt. Leamington Deposit moving forward and plans to collect representative samples from both identified gold zones in the Pt. Leamington Deposit, to be used initially for a detailed mineralogical study. These samples will be used in a bench scale metallurgical test program which will be used to generate a preliminary economic evaluation of the entire Pt. Leamington Project.

- On May 8, 2025, the Company announced the appointment of metallurgists Dr. Peter Kondos and Dr. Yeonuk Choi to the Company's Technical Team. Dr. Kondos and Dr. Choi have collectively over 70 years of experience spanning multiple jurisdictions and deposit styles with a core expertise in the development of groundbreaking applications to the metallurgical recovery of gold, silver and strategic minerals. The duo, who co-founded YaKum Consulting Inc. ("YaKum"), have reviewed and outlined opportunities to advance the Pt. Leamington deposit and create immediate value thereto as the Company advances the project moving forward. They will oversee mineralogical and metallurgical test work at Pt. Leamington and other Callinex deposits through the next stages of development.

2025 Outlook

Callinex is focused on completing a financing to advance the Company's 100% owned Pt. Leamington Project which contains the Pt. Leamington Deposit (the "Deposit"). The Company intents to complete mineralogical and metallurgical sampling and test work on the Deposit, expand the current size of the Deposit through further exploration and make new discoveries on the Company's broader land package in Newfoundland.

In Manitoba, the Company will continue to go through the permitting process for the Advanced Exploration Permit that has been submitted for the Rainbow deposit at the Company's Pine Bay Camp.

EXPLORATION PROGRAMS AND EXPENDITURES

The following are the exploration and evaluation assets held by the Company as at March 31, 2025:

	Flin Flon	Point Leamington	Nash Creek	Superjack	Other	Total
	$	$	$	$	$	$
September 30, 2023	**32,390,844**	**1,123,334**	**4,743,968**	**1,123,254**	**119,392**	**39,500,792**
Acquisition	69,392	-	-	-	-	69,392
Assaying	217,049	-	-	-	-	217,049
Camp costs	79,209	-	2,263	970	-	82,442
Consulting	42,249	-	-	-	-	42,249
Drilling	1,246,996	-	-	-	-	1,246,996
Geologists	250,738	15,000	30,000	-	-	295,738
Geophysical	166,006	-	-	-	-	166,006
Other	180,375	-	-	-	-	180,375
Permitting	9,965	62,590	16,210	-	3,650	92,415
Surveying	43,771	-	-	-	-	43,771
Share-based compensation	49,603	-	-	-	-	49,603
	2,355,353	77,590	48,473	970	3,650	2,486,036
Government assistance	(375,000)	-	-	-	-	(375,000)
	1,980,353	77,590	48,473	970	3,650	2,111,036
September 30, 2024	**34,371,197**	**1,200,924**	**4,792,441**	**1,124,224**	**123,042**	**41,611,828**
Acquisition	133,955	-	-	-	-	133,955
Assaying	31,913	-	-	-	-	31,913
Camp costs	18,290	-	1,018	634	-	19,942
Consulting	70,735	-	-	-	-	70,735
Drilling	887,945	-	-	-	-	887,945
Geologists	115,005	5,865	11,731	-	-	132,601
Geophysical	38,316	-	-	-	-	38,316
Other	31,955	-	-	-	-	31,955
Permitting	9,818	32,425	16,670	3,200	2,163	64,276
Surveying	16,649	-	-	-	-	16,649
Share-based compensation	45,618	246	137	-	-	46,001
	1,400,199	38,536	29,556	3,834	2,163	1,474,288
Government assistance	(125,000)	-	-	-	-	(125,000)
Write-down of exploration and evaluation assets	-	-	-	-	(20,000)	(20,000)
	1,275,199	38,536	29,556	3,834	(17,837)	1,329,288
March 31, 2025	**35,646,396**	**1,239,460**	**4,821,997**	**1,128,058**	**105,205**	**42,941,116**

Flin Flon Area - Pine Bay

Callinex owns a 100% interest in the 6,795 ha Pine Bay Project, with certain mineral leases and claims within the project being subject to a Net Smelter Return ("NSR") royalty ranging from 0%-1% (of which 0.5% NSR can be repurchased for $500,000) and a Net Profit Interest. The project is located 16km east of Flin Flon, MB and covers the Baker Patton Felsic Complex, one of the largest and most highly altered accumulations of felsic rocks within the Flin Flon Greenstone Belt. The project hosts five VMS deposits one of which was previously taken into production. Additionally, high-grade copper and zinc mineralization is contained within a mineral lease that allows for a right to operate a mine and covers a 212m vertical shaft with 760m of underground development.

Prior to the 2022 drilling at Rainbow, Callinex completed over 65,000m of drilling with the objective to discover additional high-grade VMS mineralization within the project area. Callinex has now completed an additional 11,300m of drilling to expand and delineate the Rainbow deposit during the 2022 exploration campaign at Pine Bay. Since Rainbow's initial discovery, the Company has completed in excess of 42,000m of drilling across eighty-two drill holes (including eighteen wedges)

on the Rainbow Deposit. The drilling and corresponding assay results were properly spaced to publish a maiden resource on the deposit which was published on August 28, 2023.

On September 7, 2022, the Company announced the discovery of the Alchemist deposit ("Alchemist"), a new high-grade copper, zinc, gold, and silver bearing VMS deposit at Pine Bay. The Alchemist sits at the base of the interpreted growth fault corridor that hosts six other deposits including the emerging high-grade copper, gold, silver, and zinc Rainbow deposit which is located 1.42km to the East. Hole ALC-114, returned 4.40m of 4.02% CuEq including 1.60% copper, 5.14% zinc, 0.40 g/t gold and 21.78 g/t silver. The Alchemist exhibits a minimum strike length of 140m and remains open for expansion in multiple directions and is located at that the base of growth fault at Pine Bay and analogous to the giant 62-million-ton Flin Flon deposit which sits at the base of the growth fault in Flin Flon, MB (See News Release September 7, 2022).

The final drill results from the 2022 drilling campaign at Rainbow are highlighted by drill hole PBM-180 which returned the best intersection to date in the Red zone with 10.40m of 3.97% Copper Equivalent ("CuEq") including 3.31% copper ("Cu"), 0.61 g/t gold ("Au"), 10.31 g/t silver ("Ag") and 0.41% zinc ("Zn"). Additionally, drill holes PBM-186-W1 and PBM-190 tested the extent of the Orange zone and returned 14.46m of 2.49% Cu and 7.30m of 2.29% Cu respectively (see News Release January 23, 2023). These results build upon other high-grade assays announced earlier in the campaign which included PBM-177 which intersected the Orange zone and returned 33.67m of 4.29% Cu, 0.22 g/t Au, 4.63 g/t Ag, 0.31% Zn or 4.60% CuEq including 10.47m of 5.90% Cu, 14.43m of 5% Cu and 7m of 6.38% Cu. Also, PBM178-W1 expanded the Yellow zone with a vertical step-out which intersected 11.00m of 2.98% CuEq which was followed by the Orange zone which returned 11.65m of 2.76% CuEq. (See News Release September 19, 2022).

The Rainbow remains open at depth and has the potential to grow through additional exploration. Drill hole PBM-158, the deepest and most northern hole intersected to date at Rainbow, returned 5.0m of 1.56% CuEq (1.45% Cu, 0.07 g/t Au, 1.86 g/t Ag and 0.11% Zn). PBM-158 is located 225m along strike to the North of discovery hole PBM-111, the most southerly hole to intersect the Rainbow at depth (See News Release January 21, 2022).

On July 10, 2023, the Company added to the exploration potential of the Pine Bay Project and the Rainbow by announcing its high-grade copper maiden mineral resource estimate for the Pine Bay Project. The Company filed, on August 28, 2023, an NI 43-101 Technical Report for the Pine Bay Project.

On September 12, 2023, the Company announced a new high-grade copper, zinc, gold, and silver discovery (the "Descendent") at the Pine Bay Project.

In May 2024, a forest fire occurred at the Pine Bay Project. As Callinex is in the exploration and development stage, there was no loss to significant equipment or facilities. The forest fire did not have a significant impact on the Company's drilling activities at the Pine Bay Project.

Flin Flon Area - Flin Flon

Callinex owns a 100% interest, subject to a 2% NSR royalty of which 1% of the NSR royalty may be purchased for $1,000,000, in the Flin Flon Project. The project is located 3km southeast of Flin Flon, MB and covers 2,455 ha with similar geological strata to the main mine horizon that hosts Hudbay's 777 mine. The project was acquired based on the presence of these favourable geological strata, known mineral occurrences and close proximity to more than ten former producing VMS mines.

Alberts Lake

On August 8, 2024, the Company announced the closing of its option agreement with Voyageur Mineral Explorers Corp. ("Voyageur") whereby the Company has optioned a 100% interest in the

Alberts Lake Project, Manitoba, which it will acquire by making the following share issuances to Voyageur:

- $75,000 of common shares on August 6, 2024 (issued 70,093 common shares as full satisfaction of the consideration);
- $125,000 of common shares on the first anniversary;
- $150,000 of common shares on the second anniversary; and
- $150,000 of common shares on the third anniversary.

Upon Callinex acquiring a 100% interest in the Alberts Lake Project, Voyageur will be granted a 1.5% net smelter return royalty, of which 0.5% may be repurchased with a one-time payment of $500,000. On December 23, 2024, the Company announced that it had entered into a termination and assumption agreement (the "Termination Agreement") with Teck Resources Limited ("Teck") and Voyageur, and on the same date entered into an Amending Agreement with Voyageur, whereby Teck (as a successor to Aur Resources Inc.) agreed to terminate its back-in right to acquire up to an additional 90% of certain mineral claims of the Alberts Lake property. As per the Termination Agreement, on January 10, 2025 Callinex issued to Teck (i) 150,000 common shares of the Company and (ii) 75,000 share purchase warrants of the Company. Each warrant will be exercisable at price of $2.00 per share for a period of two years. Under the Amending Agreement, Voyageur agreed to waive its right to the originally receivable fourth anniversary payment of $150,000 of common shares of the Company.

Nash Creek and Superjack

The Nash Creek and Superjack projects are located within the Bathurst Mining Camp ("BMC") of New Brunswick, Canada, and benefit from excellent infrastructure. The BMC has been one of the most productive and economically significant base metal mining districts in the world. In total, more than 130 million tonnes of zinc sulphide rich material have been extracted from at least ten mines, nearly all of which has been mined since the 1950s.

On May 14, 2018, the Company announced results from an independent initial Preliminary Economic Assessment ("PEA") on the Company's 100% owned Nash Creek and Superjack Projects. **The mine plan generates a strong economic return with a pre-tax internal rate of return ("IRR") of 34.1% (25.2% post-tax) and a pre-tax Net Present Value ("NPV") at an 8% discount rate of $230 million** ($128 million post-tax) based on pre-production capital costs of C$168 million and a zinc price of US$1.25/lb.*

Cautionary Note on PEA. *The PEA is preliminary in nature, and it includes Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves. There is no certainty that the PEA will be realized.*

Callinex has completed over 15,000 meters of drilling with the objective of expanding the zinc-rich mineralized zones at the Nash Creek and Superjack projects. The Company anticipates continued significant exploration programs including diamond drilling.

In January 2021, the Company announced the results of the soil sampling campaign at the Nash Creek Project, identifying seven new target areas based on elevated, silver, lead, and zinc soil anomalies that cover over 10km Strike length of the southern portion of the Fault. The fault is spatially associated with the silver mineralization discovered in drill holes NC20-313 and NC19-306. A 4,000m drilling campaign was announced to step-out from both silver intercepts as well as test any anomalous areas of interest identified by the soil sampling campaign.

The fully funded drilling campaign was designed to test 10km of the Fault, in which Callinex's technical team has identified seven new target areas based on elevated, silver, lead, and zinc soil

anomalies that cover over 10km of the southern portion of the Fault. The 10km area of interest has been subdivided into two target areas (i) Target Area 313 and (ii) Target Area 306. Target Area 313 is the northern 5.0km of the sampled area where NC20-313 was drilled. Of the potential 5.0km of strike, 3.7km show strong linear correlations between silver/lead soil anomalies, and the target area is associated with a low resistivity Induced Polarization ("IP") anomaly. Target Areas 306 is the southern 5km of the sampled area where NC19-306 was drilled. As seen in the northern area, soil results in the southern portion define four targets recommended for drilling which span 1.7km of prospective strike. Of particular interest from the soil sampling results are the highlighted anomalous silver along the Fault (See News Releases dated October 13, 2020, January 11, 2021, and June 28, 2021).

In July 2021, Callinex commenced its 2021 New Brunswick exploration campaign at its Nash Creek Project to follow-up on two regional near surface silver discoveries and subsequent anomalies identified via a regional soil sampling campaign. Callinex drilled twelve holes encompassing 3,320m of drilling and completed the drilling by the end of September 2021. On January 31, 2022, The Company announced that it received a majority of the assays from the limited drilling to follow-up on silver discovered near surface at the Nash Creek Project during the 2019/2020 exploration campaign. None of the assay results received contain appreciable amounts of silver, which was a focus of the campaign.

Pt. Leamington

Callinex owns a 100% interest, subject to a 1% NSR royalty granted to the vendor which may be purchased by the Company for $1,000,000, in the Pt. Leamington Project. The project, consisting of Mining Lease 136 (2655), is located approximately 37km by road and trails from the city of Grand-Falls Windsor, Newfoundland, and approximately 20km from the provincial power grid. The The Point Leamington deposit (the "Deposit") is a large, felsic-hosted zinc rich VMS deposit that dips 70 degrees to the west, has a strike length of 500m and a maximum thickness of 85m. Massive sulphides have been intercepted to a depth of 360m below surface from a total of approximately 21,714m of drilling in 72 drill holes. Regional government mapping and lithogeochemical sampling has indicated that the Pt. Leamington Project's host volcanic stratigraphy extends well beyond the vicinity of the deposit.

On October 25, 2021, the Company announced an Updated Mineral Resource Estimate at Pt. Leamington. The Mineral Resource Estimate was prepared by P&E Mining Consultants Inc. for the Company. The Point Leamington Mineral Resource Estimate consists of a pit constrained Indicated Mineral Resource of 5.0 Mt grading 2.5 g/t gold equivalent ("AuEq") for 402 koz AuEq (145.7 koz gold ("Au"), 60.0 Mlb copper ("Cu"), 153.5 Mlb zinc ("Zn"), 2.0 Moz silver ("Ag"), 1.5 Mlb lead ("Pb")), an pit constrained Inferred Mineral Resource of 13.7 Mt grading 2.24 g/t AuEq for 986.5 koz AuEq (354.8 koz Au, 110.2 Mlb Cu, 527.3 Mlb Zn, 6.2 Moz Ag, 7.0 Mlb Pb) and an out-of-pit Inferred Mineral Resource of 1.7 Mt grading 3.06 g/t AuEq for 168.5 koz AuEq (65.4 koz Au, 13.3 Mlb Cu, 102.9 Mlb Zn, 1.4 Moz Ag, 2.6 Mlb Pb). The database for the Mineral Resource Estimate consisted of ninety-four drill holes totaling 28,172 m, of which a total of fifty-seven drill holes totaling 15,660m intersected the mineralization wireframes used for the Mineral Resource Estimate. The drill hole database contained assays for gold, zinc, copper, silver and lead as well as other metals of no economic importance. There is an opportunity to significantly expand a higher-grade portion of the Deposit with additional drilling at depth. The Project also has potential to host additional tonnage along strike. The Company reprocessed historic borehole pulse Electromagnetic data surrounding the largely untested area and additional drilling may be completed in the future. (See News Release dated October 25, 2021).

On April 29, 2025, the Company announced its plans to advance the Company's 100% owned Point Leamington deposit and has engaged a leading consulting firm with a core expertise in the economic metallurgical recovery of gold, to oversee and manage metallurgical work at the Point Leamington Deposit. Moving forward the Company plans to collect representative samples from

both identified gold zones in the Point Leamington Deposit, to be used initially for a detailed mineralogical study and subsequent metallurgical test work. Dr. Peter Kondos and Dr. Yeonuk Choi, who were appointed to the Company's Technical Team on May 8, 2025, of YaKum Consulting Inc. have reviewed and outlined opportunities to advance the Point Leamington deposit and will oversee mineralogical and metallurgical test work at Point Leamington. Additionally, the Company is planning to target the potential to grow the Pt. Leamington deposit and discover new deposits in the area through future exploration.

Other

The Company has an interest in other properties. The other properties are in good standing and do not require any further commitments. These include the Gossan Gold, Sneath Lake property, Moak Lake property, Herblet Lake property, Headway North claim, and the Island Lake properties.

Headway Project

During the six months ended March 31, 2025, the Company wrote off $20,000 representing the previously capitalized costs associated with the Headway Project as the Company did not renew the claims in the Headway project thereby ceasing to hold the project.

Headway North claim

The Company owns a 100% interest in the project, which expands the Headway Project, subject to a 1% NSR royalty, of which half can be purchased at any time for $500,000.

QUARTERLY INFORMATION

The following is selected financial data from the Company's unaudited quarterly financial statements for the last eight quarters:

Three months ended	March 31, 2025 $	December 31, 2024 $	September 30, 2024 $	June 30, 2024 $
Revenues	-	-	-	-
Loss for the period	(282,512)	(196,867)	(243,031)	(297,452)
Total comprehensive loss for the period	(282,512)	(196,867)	(243,031)	(297,452)
Loss per share (basic and diluted)*	(0.01)	(0.01)	(0.01)	(0.02)

	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023
Three months ended	**$**	**$**	**$**	**$**
Revenues	-	-	-	-
Loss for the period	(323,951)	(136,981)	(340,483)	(534,306)
Total comprehensive loss for the period	(323,951)	(136,981)	(340,483)	(534,306)
Loss per share (basic and diluted)*	(0.02)	(0.01)	(0.02)	(0.03)

* *The aggregate of quarterly per share amounts may not equal, in aggregate, the annual per share amount due to rounding in the calculations.*

Fluctuations between periods arise mainly from recognition of non-cash deferred income tax adjustments and non-cash flow-through premium recoveries, which are recognized as qualifying flow-through expenditures are incurred. Other overhead expenses fluctuate as services are needed or projects arise. The loss for the quarter ended December 31, 2024 is smaller than the majority of other quarters dues to the recognition of other income of $230,000 representing insurance proceeds arising from the wild fires in Flin Flon during 2024.

RESULTS OF OPERATIONS

Six Months Ended March 31, 2025

During the six months ended March 31, 2025, the Company reported a loss of $479,379 and loss per share of $0.03 (2024 – $460,932 and a loss per share of $0.03).

	2025 $	2024 $
General and administrative expenses*	(593,972)	(682,254)
Share-based compensation	(201,094)	(183,170)
Lease finance charges	-	(87)
Finance income	641	846
Other income	230,000	-
Flow-through premium recovery	102,808	479,942
Foreign exchange loss	(1,887)	(2,609)
Deferred income tax recovery (expense)	4,125	(73,600)
Write-down of exploration and evaluation assets	(20,000)	-
Loss for the period	**(479,379)**	**(460,932)**

* *General and administrative expenses are before share-based compensation.*

The most significant changes in general and administrative expenses were with respect to the following:

(i) Corporate development - $138,504 (2024 - $146,807)

These costs include marketing, road shows, conference attendance and investor relation related expenses arising from a focus on promoting the Company to the market in hopes of raising financing. The costs have remained comparable during the six months ended March 31,2025 compared to the same period in 2024.

(ii) Listing and filing fees - $70,033 (2024 - $112,792)
These costs are associated with regulatory and exchange listing fees and have decreased during the six months ended March 31, 2025 compared to the same period in 2024 due to base shelf preliminary prospectus work undertaken in the prior period.

(iii) Professional fees - $101,342 (2024 - $153,072)
The decrease during the six months ended March 31, 2025 arose primarily as a result of the six months ended March 31, 2024 including legal and auditor's fees associated with initial costs for preparation and filing of a short form base shelf prospectus.

(iv) Office, administration and other - $144,142 (2024 - $125,520)
Increase arose due to increased travel in the six months ended March 31, 2025 for conferences in Europe. Also, the Company entered into a new consulting contract during the latter part of fiscal 2024 for services related to shareholder communications, there we no equivalent costs incurred during the six months ended March 31, 2024.

Other items impacting income/loss for the six months ended March 31, 2025 were:

(v) Share-based compensation expense - $201,094 (2024 - $183,170)
Relates to the vesting of options during the period for options previously granted to key management and consultants to the Company. Share-based compensation fluctuates period-on-period due to vesting of previously and newly granted option awards, the quantum granted, the timing of grant and their fair values.

(vi) Other income - $230,000 (2024 - $nil)
During the six months ended March 31, 2025 the Company received insurance claim compensation relating to the impact of the wildfires which occurred on the Pine Bay project during fiscal 2024. No similar transactions occurred during the prior period.

(vii) Flow-through premium recovery - $102,808 (2024 - $479,942)
Relates to the amortization of the balance of the premium recorded from issuing flow-through shares. The amounts recognized are a non-cash recovery and represent the pro-rata portion of Qualifying CEE incurred during the period. The amount recognized will fluctuate year-on-year depending on the initial recognition, if any, of a flow-through premium liability and the quantum of Qualifying CEE incurred during the period. A higher value of Qualifying CEE expenditures were incurred during the prior comparable period giving rise to the flow-through premium recovery of $479,942 during the six months ended March 31, 2024 versus only $102,808 during the six months ended March 31, 2025.

(viii) Deferred income tax recovery (expense) – $4,125 (2024 – ($73,600))
The Company recognized a non-cash deferred income tax recovery for the six months ended March 31, 2025 versus an expense for the same period in 2024, which arise from differences between deferred tax liabilities and deferred tax assets, the change in the three months being impacted by differences in losses between the periods and timing of incurrence of Qualifying CEE incurred during each period.

Three Months Ended March 31, 2025

During the three months ended March 31, 2025, the Company reported a loss of $282,512 and loss per share of $0.01 (2024 – $323,951 and a loss per share of $0.02).

	2025 $	2024 $
General and administrative expenses*	(248,128)	(320,521)
Share-based compensation	(89,752)	(85,848)
Finance income	259	421
Foreign exchange gain/(loss)	(569)	(780)
Deferred income tax recovery (expense)	55,678	82,777
Loss for the period	**(282,512)**	**(323,951)**

* *General and administrative expenses are before share-based compensation.*

The most significant changes in general and administrative expenses were with respect to the following:

(ix) Corporate development - $42,983 (2024 - $58,306)
These costs include marketing, road shows, conference attendance and investor relation related expenses arising from a focus on promoting the Company to the market in hopes of raising financing. The costs have slightly decreased in the three months ended March 31, 2025 compared to the three months ended March 31, 2024 due to a focus on overall corporate cost management.

(x) Listing and filing fees - $21,021 (2024 - $40,608)
These costs are associated with regulatory and exchange listing fees and have decreased in the three months ended March 31, 2025 compared to the same period in 2024 due to filing fees related to flow through and base shelf preliminary prospectus work undertaken in the prior period.

(xi) Professional fees - $55,901 (2024 - $76,309)
The decrease during the quarter ended March 31, 2025 arose primarily as a result of the three months ended March 31, 2024 including legal and auditor's fees associated with initial costs for preparation and filing of a short form base shelf prospectus.

(xii) Office, administration and other - $55,646 (2024 - $70,089)
Decrease arose due to decreased travel in the three months ended March 31, 2025 compared to the three months ended March 31, 2024 and a focus on overall corporate cost management..

Other items impacting income/loss for the three months ended March 31, 2025 were:

(xiii) Share-based compensation expense - $89,752 (2024 - $85,848)
Relates to the vesting of options during the period for options previously granted to key management and consultants to the Company. Share-based compensation fluctuates period-on-period due to vesting of previously and newly granted option awards, the quantum granted, the timing of grant and their fair values.

(xiv) Deferred income tax expense - $55,678 (2024 – $82,777)
The Company recognized a non-cash deferred income tax expense for the three months ended March 31, 2025 and 2024 arising from differences between deferred tax liabilities

and deferred tax assets, the change in the three months being impacted by differences in losses between the periods and timing of incurrence of Qualifying CEE incurred during each period.

FINANCING ACTIVITIES

During the six months ended March 31, 2025 and 2024, the Company did not complete any financings.

Prior financings and use of proceeds

On July 24, 2024, the company closed a non-brokered private placement and issued 753,412 Units at a price of $1.25 per Unit for gross proceeds of $941,765. Each Unit consisted of one common share and one-half of one transferable common share purchase warrant, wherein each Warrant entitles the holder to purchase one common share at an exercise price of $2.00 per common share for a period of two years from the issue date until July 24, 2026. The Company also issued 543,700 flow-through units ("FT Unit") at a price of $2.12 per FT Unit consisting of one flow-through common share and one-half of one non-flow-through warrant for gross proceeds of $1,152,644. Each FT Unit consisted of one common share and one-half of one transferable warrant, wherein each Warrant entitles the holder to purchase one common share at an exercise price of $2.00 per common share for a period of two years until July 24, 2026. The proceeds of the financing were used for general working capital purposes and advancement of the Company's exploration activities. At March 31, 2025, the Company had incurred the full amount of obligated flow-through expenditures arising from the FT Unit financing.

LIQUIDITY, CAPITAL RESOURCES AND GOING CONCERN

As of March 31, 2025, the Company had cash on hand of $130,433 (September 30, 2024 - $1,402,013). The net decrease in cash for the year is primarily due to the Company's cash used in investing activities of $1,442,697 arising primarily from investment in exploration and evaluation assets.

As at March 31, 2025, the Company had a working capital deficit of $702,594 (September 30, 2024 – working capital of $765,155) and at that date, the Company also had an accumulated deficit of $52,682,010 which has been funded primarily by the issuance of equity. The Company plans to raise further financing to fund its operations and settle its payables.

On May 28, 2024, the Company entered into a grant agreement (the "Grant") with the Government of Manitoba, through the Manitoba Mineral Development Fund ("MMDF"), for the provision to the Company of a $250,000 grant (the "2024 Grant"). On February 7, 2025, the Company received the received the second, and final, $125,000 installment of the 2024 Grant.

The Company's ability to continue as a going concern is dependent upon its ability to obtain the necessary financing to meet its general operating expenses and to continue to explore its mineral properties. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms acceptable to the Company. These factors give rise to material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern and, therefore, that it may be unable to realize its assets and discharge its liabilities in the normal course of business.

FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash and cash equivalents, deposits, accounts payable and accrued liabilities and loan payable. The Company designated its cash and cash equivalents, receivables, and deposits as amortized cost. The accounts payable and accrued liabilities and loan payable are at amortized cost.

The Company is exposed in varying degrees to a variety of financial instrument related risks.

Credit risk
Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations.

The Company's maximum exposure to credit risk is the carrying value of its cash and cash equivalents balance. The Company's cash and cash equivalents are held at a Schedule I Canadian bank in interest bearing accounts. The Company's receivables consist mainly of input tax credits receivable from the Government of Canada. As of March 31, 2025, the Company does not believe it is exposed to significant credit risk.

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through its capital management. Accounts payable relating to exploration and evaluation assets and other accounts payable and accrued liabilities have contractual maturities of 30 days or are payable on demand and are subject to normal trade terms.

During May 2020, the Company received $40,000 in the form of a Canada Emergency Business Account ("CEBA") loan. CEBA is part of the economic assistance program launched by the Government of Canada to ensure that businesses have access to capital during the COVID-19 pandemic and can only be used to pay non-deferrable operating expenses. During the period from receipt of the CEBA loan to December 31, 2023 (previously December 31, 2022), the "Initial Term", no interest was charged on the amount outstanding. An extension to the interest free period was announced by the Government of Canada to extend the Initial Term from December 31, 2022, to January 18, 2024 (the "Government Announcement"). The Company did not repay the CEBA loan as of January 18, 2024, accordingly, from January 19, 2024 to December 31, 2026 (the "Extended Term"), interest is payable monthly at rate of 5% per annum on the outstanding balance, and has been paid monthly as incurred. The balance of the CEBA loan is fully repayable on or before the end of the Extended Term, if not repaid on or before the end of the Initial Term.

Market risk
Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates and the price of publicly traded marketable securities.

a) Interest rate risk
The Company has cash balances and non-interest-bearing debt liabilities, except for the CEBA Loan which became interest bearing as of January 19, 2024. The Company's current policy is to invest excess cash in short-term deposit certificates issued by Canadian banking institutions. The short-term deposit certificates are cashable on demand.

The Company monitors the investments in short term deposits and is satisfied with the credit ratings of its banks.

b) Foreign currency risk
The Company conducts the majority of its business in Canada and is therefore not exposed to significant foreign currency risk.

RELATED PARTY TRANSACTIONS

Compensation paid or payable to the Company's key management, being the Company's Board of Directors, corporate officers, and Exploration Manager, for services provided during the three and six months ended March 31, 2025 and 2024 was as follows:

	Three months ended		Six months ended	
	Mar 31, 2025	Mar 31, 2024	**Mar 31, 2025**	Mar 31, 2024
	$	$	**$**	$
Professional fees	**9,224**	9,881	**19,516**	25,569
Management fees	**83,554**	99,900	**183,454**	197,800
Share-based compensation	**56,586**	50,098	**166,195**	106,978
	149,364	159,879	**369,165**	330,347

Professional fees represent fees charged by a company controlled by the Chief Financial Officer ("CFO") of the Company for the provision of CFO services.

Management fees for the three and six months ended March 31, 2025 include salary earned by (i) the Chief Executive Officer ("CEO"), and (ii) the Exploration Manager of the Company. Management fees of $21,154 and $56,654, respectively, (2024 - $37,500 and $75,000, respectively,) have been capitalised to exploration and evaluation assets during the three and six months ended March 31, 2025.

During the three and six months ended March 31, 2025, the Company incurred professional fees of $12,273 and $28,134, respectively, (2024 - $14,342 and $26,994, respectively,) for the provision of non-CFO accounting and advisory support services charged by a company controlled by the CFO of the Company.

During the three and six months ended March 31, 2025, the Company incurred office rental expense of $9,000 and $18,000, respectively, (2024 - $9,000 and $18,000, respectively,) for the provision of office space sub-let to the Company by the CEO of the Company, which replaced a prior third-party office rental agreement with a monthly cost of $5,450.

Included in accounts payable and accrued liabilities as at March 31, 2025, are amounts due to related parties of $104,343 (September 30, 2024 - $15,452) owing to a company controlled by the CFO for the provision of CFO, and non-CFO accounting and advisory support services, the CEO and the Exploration Manager. These amounts are non-interest bearing and due on normal commercial terms.

ADOPTION OF NEW ACCOUNTING STANDARDS

The Company did not adopt any new accounting standards as of October 1, 2024, which had a material impact upon adoption.

FUTURE ACCOUNTING STANDARDS AND PRONOUNCEMENTS

In April 2024, the IASB issued IFRS 18 – Presentation and Disclosure in Financial Statements ("IFRS 18") to replace IAS 1 – Presentation of Financial Statements. This standard focuses on updates to the statement of profit or loss, including: (a) the structure of the statement of profit or loss; (b) required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and (c) enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.. It will be effective for the Company for the annual period beginning September 1, 2027, and will be required to be applied retrospectively. The Company is currently assessing the effect of this new standard on its financial statements.

Apart from IFRS 18, other new standards or amendments to existing standards issued but which have not yet been applied by the Company based on the effective date are not currently expected to have a material impact on the Company's financial statements.

OFF BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

OUTSTANDING SHARE DATA AND DILUTION CALCULATION

The Company has authorized share capital consisting of common shares without par value. The number of shares authorized is unlimited. The Company has issued warrants for the purchase of common shares and a stock option plan. The table below summarizes the Company's common shares, stock options and warrants that are convertible into common shares as of May 30, 2025:

Issued and outstanding common shares	19,077,390
Share options with a weighted average exercise price of $2.57	1,633,667
Share purchase warrants with a weighted average exercise price of $2.00	723,556
Fully Diluted	**21,434,613**

RISKS AND UNCERTAINTIES

There are numerous and varied risks, known and unknown, that may prevent the Company from achieving its goals. The risks described below are not the only ones the Company will face. If any of these risks occurs, the Company business, financial condition or results of operations may be materially and adversely affected. In that case, the trading price of the Company's securities could decline and investors in such securities could lose all or part of their investment. The following discussion summarizes the principal risk factors that apply to the Company's business and that may have a material adverse effect on the Company's business, financial condition and results of operations, or the trading price of the Common Shares. An investment in the securities of the Company is highly speculative and involves numerous and significant risks. The primary risk factors affecting the Company are set forth below and the risks discussed below should not be considered as all inclusive.

Risks Related to the Company's Current Business

Negative Cash Flow from Operating Activities

The Company has no history of earnings and had negative cash flow from operating activities since inception. The mineral properties are in the exploration stage and there are no known mineral reserves. Significant capital investment will be required to achieve commercial production from the Company's existing mineral properties. There is no assurance that the mineral properties will generate earnings, operate profitably, or provide a return on investment in the future. Accordingly, the Company will be required to obtain additional financing to meet its future cash commitments.

No Production History

None of the Company's mineral properties are producing properties and the ultimate success of the Company will depend on its ability to generate cash flow from producing properties in the future. The Company has not generated any revenue to date and there is no assurance that it will do so in the future.

The Company's business operations are at an early stage of development and its success will be largely dependent upon the outcome of the exploration programs that the Company proposes to undertake.

Limited Operating History

The Company has no properties producing positive cash flow and its ultimate success will depend on its ability to generate cash flow from producing properties in the future. The Company has not earned profits to date and there is no assurance that it will do so in the future. Significant capital investment will be required to achieve commercial production from the Company's existing projects. There is no assurance that the Company will be able to raise the required funds to continue these activities.

Potential Profitability Depends Upon Factors Beyond the Control of the Company

The potential profitability of mineral properties is dependent upon many factors beyond the Company's control. For instance, world prices of and markets for gold and other minerals are unpredictable, highly volatile, potentially subject to governmental fixing, pegging and/or controls and respond to changes in domestic, international, political, social, and economic environments.

Another factor is that rates of recovery of mined ore may vary from the rate experienced in tests and a reduction in the recovery rate will adversely affect profitability and, possibly, the economic

viability of a property. Profitability also depends on the costs of operations, including costs of labour, equipment, electricity, water environmental compliance or other production inputs. Such costs will fluctuate in ways the Company cannot predict and are beyond the Company's control, and such fluctuations will impact on profitability and may eliminate profitability altogether. Additionally, due to worldwide economic uncertainty, the availability and cost of funds for development and other costs have become increasingly difficult, if not impossible, to project. These changes and events may materially affect the financial performance of the Company.

Exploration, Mining and Operational Risks

The Company does not have an interest in any mineral property that presently contains any commercial ore. The business of exploring for and mining minerals involves a high degree of risk. Few properties that are explored are ultimately developed into mines.

The Company's operations are subject to all the hazard and risks normally associated with the exploration, development, and mining of minerals, any of which could result in risk to life, to property, or to the environment. The Company's operations may be subject to disruptions caused by unusual or unexpected formations, formation pressures, fires, power failures and labour disputes, flooding, explosions, cave-ins, landslides, the inability to obtain suitable or adequate equipment, machinery, labour, or adverse weather conditions. The availability of insurance for such hazards and risks is extremely limited or uneconomical at this time.

The decision as to whether a property contains a commercial mineral deposit and should be brought into production will depend upon the results of exploration programs and/or feasibility studies, and the recommendations of duly qualified engineers and/or geologists, all of which involves significant expense. This decision will involve consideration and evaluation of several significant factors including, but not limited to: (1) costs of bringing a property into production, including exploration and development work, preparation of production feasibility studies and construction of production facilities; (2) availability and costs of financing; (3) ongoing costs of production; (4) market prices for the minerals to be produced; (5) environmental compliance regulations and restraints (including potential environmental liabilities associated with historical exploration activities); and (6) political climate and/or governmental regulation and control.

In addition, the grade of material ultimately mined may differ from that indicated by drilling results. Short term factors relating to mineral resources or mineral reserves, such as the need for orderly development of ore bodies or the processing of new or different grades, may also have an adverse effect on mining operations and on the results of operations.

There can be no assurance that metal recoveries in small-scale laboratory tests will be duplicated in larger scale tests under on-site conditions or in production scale process applications. Material changes in mineral resources or reserves, grades, stripping ratios or recovery rates may affect the economic viability of any project.

The ability of the Company to sell, and profit from the sale of any eventual production from any property in which the Company has an interest will be subject to the prevailing conditions in the marketplace at the time of sale. Many of these factors are beyond the control of the Company and therefore represent a market risk which could impact the long-term viability of the Company and its operations.

Mining exploration requires ready access to mining equipment such as drills, and crews to operate that equipment. There can be no assurance that such resources will be available to the Company on a timely basis or at a reasonable cost.

Failure to obtain these resources when needed may result in delays in the Company's exploration programs. There may be other factors that result in delays to the Company's exploration programs, including adverse weather.

Mining Claims

The Company's prospecting activities are dependent upon the grant of appropriate mineral tenures and regulatory comments which may be withdrawn or made subject to limitations. Mineral claims are renewable subject to certain expenditure requirements. Although the Company believes that it will obtain the necessary prospecting licenses and permits, including but not limited to drill permits, there can be no assurance that they will be granted or as to the terms of any such grant. Furthermore, the Company is required to expend required amounts on its mineral claims in order to maintain them in good standing. If the Company is unable to expend these amounts, the Company may lose its title thereto on the expiry date(s) of the relevant mineral claims. There is no assurance that, in the event of losing its title to a mineral claim, the Company will be able to register the mineral claim in its name without a third party registering its interest first.

First Nations Land Claims

First Nations rights may be claimed on Crown properties or other types of tenure with respect to which mining rights have been conferred. The Supreme Court of Canada's 2014 decision in *Tsilhqot'in Nation v. British Columbia* marked the first time in Canadian history that a court has declared First Nations title to lands outside of reserve land. Any of the Company's mineral properties may now or in the future be the subject of aboriginal or First Nations land claims. The legal nature of First Nations land claims is a matter of considerable complexity. The impact of any such claim on the Company's ownership interest in any of its mineral properties cannot be predicted with any degree of certainty and no assurance can be given that a broad recognition of aboriginal rights in the area in which the mineral property is located, by way of a negotiated settlement or judicial pronouncement, would not have an adverse effect on the Company's activities. Even in the absence of such recognition, the Company may at some point be required to negotiate with and seek the approval of holders of aboriginal interests in order to facilitate exploration and development work on any of its mineral properties, there is no assurance that the Company will be able to establish a practical working relationship with any First Nations in the area which would allow it to ultimately develop such mineral property.

Assurance of Title

The Company has taken all reasonable steps to attempt to ensure that proper title to all of its mineral properties have been obtained and that all grants of such rights thereunder, if any, have been registered with the appropriate public offices. Despite the due diligence conducted by the Company, there is no guarantee that title to such properties will not be challenged or impugned. The Company's mineral property interests may be subject to prior unregistered agreements or transfers, or First Nations land claims and title may be affected by undetected defects.

Competition

The Company competes with numerous other companies and individuals possessing greater financial resources and technical facilities than itself in the search for, and acquisition of, mineral claims, leases, and other mineral interests, as well as the recruitment and retention of suitably qualified individuals.

Conflicts of Interest

Directors and officers of the Company may serve as directors of, or have shareholdings in, other reporting or private entities. To the extent that such other companies or entities may participate in ventures in which the Company may participate, the directors or officers of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation.

The laws of Canada, applicable to the Company, provide that the directors and officers of the Company must act honestly, in good faith, and in the best interests of the Company in resolving any conflicts that may arise, and all directors and officers of the Company are aware of these fiduciary responsibilities. In determining whether or not the Company will participate in a particular venture, the directors and officers will primarily consider the degree of risk to which the Company may be exposed, its financial position at that time and, depending on the magnitude of the venture and the absence of any disinterested directors, whether or not to subject any ventures in question to the shareholders of the Company for their approval.

Personnel

The Company has a small management team, and the loss of any key individual could affect the Company's business. Any inability to secure and/or retain appropriate personnel may have a materially adverse impact on the business and operations of the Company.

Environmental Risks

Inherent with mining operations is an environmental risk. The legal framework governing this area is constantly developing, therefore the Company is unable to fully ascertain any future liability that may arise from the implementation of any new laws or regulations, although such laws and regulations are typically strict and may impose severe penalties (financial or otherwise). The proposed activities of the Company, as with any exploration, may have an environmental impact which may result in unbudgeted delays, damage, loss and other costs and obligations including, without limitation, rehabilitation and/or compensation. There is also a risk that the Company's operations and financial position may be adversely affected by the actions of environmental groups, or any other group or person opposed in general to the Company's activities and, in particular, the proposed exploration and mining by the Company within Canada.

Uninsured Risks

The Company, as a participant in exploration and mining programs, may become subject to liability for hazards such as unusual geological or unexpected operating conditions that cannot be insured against or against which it may elect not to be so insured because of high premium costs or other reasons. The Company is currently uninsured against all such risks as such insurance is either unavailable or uneconomic at this time. The Company also currently has no keyman insurance or property insurance as such insurance is uneconomical at this time. The Company will obtain such insurance once it is available and, in the opinion of the directors, economical to do so. The Company may incur a liability to third parties (in excess of any insurance cover) arising from pollution or other damage or injury.

Health and Safety Risks

A violation of health and safety laws, or the failure to comply with the instructions of relevant health and safety authorities, could lead to, among other things, a temporary cessation of activities on the Company's mineral properties or any part thereof, a loss of the right to prospect for minerals, or the imposition of costly compliance procedures. This could have a material adverse effect on the Company's operations and/or financial condition.

Additional Requirements for Capital

Substantial additional financing may be required if the Company is to be successful in pursuing its ultimate strategy. No assurances can be given that the Company will be able to raise the additional capital that it may require for its anticipated future operations. Commodity prices, environmental rehabilitation or restitution, revenues, taxes, transportation costs, capital expenditures, operating expenses, geological results, and the political environment are all factors which will have an impact on the amount of additional capital that may be required. Any additional equity financing may be dilutive to investors and debt financing, if available, may involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Company, if at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion, forfeit its interest in its mineral properties, incur financial penalties, or reduce or terminate its operations.

Dependence on Management

The Company is dependent on a relatively small number of key employees, including the Chief Executive Officer, the Chief Financial Officer and the Board, the loss of any of whom could have a significant and material adverse effect on the Company.

Dividends Unlikely

The Company has not declared or paid any dividends on the Common Shares over the three most recent fiscal years. The Company intends to retain future earnings, if any, to finance the growth and development of its business and does not intend to pay cash dividends on the Common Shares in the near future. Any return on an investment in the Common Shares will come from the appreciation, if any, in the value of the Common Shares. The payment of future cash dividends, if any, will be reviewed periodically by the Board and will depend upon, among other things, conditions then existing, including earnings, financial condition and capital requirements, restrictions in financing agreements, business opportunities and conditions and other factors.

Litigation

The Company and/or its directors may be subject to a variety of civil or other legal proceedings, with or without merit. Given the speculative and unpredictable nature of litigation, the outcome of such disputes could have a material adverse effect on the Company.

Regulatory and Statutory Compliance

The current and future operations of the Company, from exploration through development activities and commercial production, if any, are and will be governed by laws and regulations governing mineral concession acquisition, prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Companies engaged in exploration activities and in the development and operation of mines and related facilities may experience increased costs and delays in production and other schedules as a result of the need to comply with applicable laws, regulations, and permits. Permits are subject to the discretion of government authorities and there can be no assurance that the Company will be successful in obtaining all required permits. Further, there can be no assurance that all permits which the Company may require for future exploration, construction of mining facilities and conduct of mining operations, if any, will be obtainable on reasonable terms or on a timely basis, or that such laws and regulations would not have an adverse effect on any project which the Company may undertake.

Failure to comply with applicable laws, regulations and permits may result in enforcement actions there under, including the forfeiture of claims, orders issued by regulatory or judicial authorities requiring operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or costly remedial actions. The Company may be required to compensate those suffering loss or damage by reason of its exploration activities and may have civil or criminal fines or penalties imposed for violations of such laws, regulations, and permits. The Company is not currently covered by any form of environmental liability insurance. Existing and potential future laws, regulations and permits governing operations and activities of exploration companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or require abandonment or delays in exploration.

The Company's operations may be negatively affected by global financial and geopolitical conditions.

Global financial conditions continue to be characterized as volatile. In recent years, global markets have been adversely impacted by various credit crises and significant fluctuations in prices, availability and delivery of fuel and energy, metals, and critical components, including because of the COVID-19 pandemic and due to significant fluctuations in commodity prices as a result of the ongoing military conflict between Ukraine and Russia and the economic sanctions imposed on Russia in connection therewith. Many industries have been impacted by these market conditions. Global financial conditions remain subject to sudden and rapid destabilizations in response to international events, as government authorities may have limited resources to respond to future crises. A continued or worsened slowdown in the financial markets or other economic conditions, including but not limited to consumer spending, employment rates, business conditions, inflation, fuel and energy costs, consumer debt levels, lack of available credit, the state of the financial markets, interest rates and tax rates, may adversely affect a particular offering of Securities under this Prospectus, the Company's prospects, cash flows, results of operations, investments or financial condition or the value of the Common Shares. Future crises may be precipitated by any number of causes, including natural disasters, geopolitical instability (such as the Russian invasion of Ukraine), changes to energy prices or sovereign defaults.

If increased levels of volatility continue or in the event of a rapid destabilization of global economic conditions, it may result in a material adverse effect on prices, demand, availability of credit, investor confidence, and general financial market liquidity, all of which may adversely affect a particular offering of Securities under this Prospectus, the Company's prospects, cash flows, results of operations, investments or financial condition or the value of the Common Shares.

The Company has experienced significant volatility in its share price as a result, in part, of dramatic changes in global financial conditions including but not limited to substantial increases in interest rates, and a wide-ranging sell off in equity markets. The Company expects these conditions to remain in place for the near future and as such cautions investors that equity financing may not be available as a result, either at all or under terms that would generally be perceived as normal or reasonable.

Cyber Security

Companies in all industries, including the mining and exploration industry, are susceptible to cyber risk. The Company's primary operational exposure to cyber risk is with respect to proprietary geological, geochemical and exploration data and related models. The Company, similar to companies in all industries, is exposed to common place cyber risks such as, but not necessarily limited to, phishing, spam, fraudulent attacks, denial of service attacks, data loss, data theft, data corruption. While the Company has inherent risk, similar to other entities, to cyber risk, the

Company manages its risks by outsourcing IT management to IT professionals who implement industry standard controls to safeguard the Company's data.

Reliance on Third Party Contractors

The Company is reliant on third party contractors to carry out services, and if the Company is unable to retain them in a timely manner, there is a risk that the Company will be unable to carry out the work on the projects as planned or at all.

Risks Related to the Securities of the Company

Volatility of Commodity Prices

The market prices of commodities, including copper and gold, are volatile and are affected by numerous factors which are beyond the Company's control. These factors include international supply and demand, consumer product demand, international economic trends, currency exchange rate fluctuations, interest rates, inflation, global or regional political events, as well as a range of other market forces. Sustained downward movements in commodity prices, including copper or gold, could render less economic, or uneconomic, some or all of the exploration activities to be undertaken by the Company.

Smaller Companies

The share price of publicly traded smaller companies can be highly volatile. The value of the Company's Common Shares may go down as well as up and, in particular, the share price may be subject to sudden and large falls in value given the restricted marketability of the Company's Common Shares.

TSX-V, OTCQX and the Liquidity of the Common Shares

Even though the Common Shares of the Company are listed on the TSX-V and OTCQX, this should not be taken as implying that there will be a liquid market for the Common Shares.
Thus, an investment in the Common Shares may be difficult to realise. Investors should be aware that the value of the Common Shares may be volatile. Investors may, on disposing of Common Shares, realise less than their original investment, or may lose their entire investment. The Common Shares, therefore, may not be suitable as a short-term investment.

The market price of the Common Shares may not reflect the underlying value of the Company's net assets. The price at which the Common Shares will be traded, and the price at which investors may realise their Common Shares, will be influenced by a large number of factors, some specific to the Company and its proposed operations, and some which may affect the sectors in which the Company operates. Such factors could include the performance of the Company's operations, large purchases or sales of the Common Shares, liquidity, or the absence of liquidity in the Common Shares, legislative or regulatory changes relating to the business of the Company, and general market and economic conditions.

Dilution

The Company may sell additional equity securities in subsequent offerings (including through the sale of securities convertible into equity securities) and may issue additional equity securities to finance operations, acquisitions, or other projects. The Company cannot predict the size of future issuances of equity securities or the size and terms of future issuances of debt instruments or other securities convertible into equity securities or the effect, if any, that future issuances and sales of its securities will have on the market price of its Common Shares. Any transaction involving the

issuance of previously authorized but unissued Common Shares, or securities convertible into Common Shares, would result in dilution, possibly substantial, to securityholders. Exercises of presently outstanding share options may also result in dilution to securityholders.

The Board has the authority to authorize certain offers and sales of additional securities without the vote of, or prior notice to, its shareholders. Based on the need for additional capital to fund expected expenditures and growth, it is likely that the Company will issue additional securities to provide such capital. Such additional issuances may involve the issuance of a substantial number of its Common Shares at prices less than the current market price for the Common Shares.
Sales of substantial amounts of our securities, or the availability of such securities for sale, could adversely affect the prevailing market prices for our securities and dilute investors' earnings per share. A decline in the market prices of our securities could impair our ability to raise additional capital through the sale of securities should the Company desire to do so. Sales of the Common Shares by shareholders might also make it more difficult for us to sell equity securities at a time and price that the Company deem appropriate.

Discretion on Use of Proceeds.

While detailed information regarding the use of proceeds from the sale of its securities will be set out in the offering documents, the Company will have broad discretion over the use of the net proceeds from its offering. Because of the number and variability of factors that will determine the Company's use of such proceeds, the Company's ultimate use might vary substantially from its planned use. Prospective investors may not agree with how the Company allocates or spends the proceeds from an offering. The Company may pursue acquisitions, collaborations or other opportunities that do not result in an increase in the market value of its securities, including the market value of its Common Shares, and that may increase its losses.

The risks noted above do not necessarily comprise all those potentially faced by the Company and are not intended to be presented in any assumed order of priority.

DISCLOSURE CONTROLS AND PROCEDURES

In connection with National Instrument 52-109 (Certificate of Disclosure in Issuer's Annual and Interim Filings) ("NI 52-109"), the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the financial statements for the six months ended March 31, 2025 and this accompanying MD&A (together, the "Filings").

In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information, the reader should refer to the Venture Issuer Basic Certificates filed by the Company with its filings on SEDAR+ at www.sedarplus.ca/.

FORWARD LOOKING STATEMENTS

Certain of the statements made herein may constitute "forward-looking statements" or contain "forward-looking information" within the meaning of applicable Canadian securities laws. 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 potential for additional mineralization at the Company's properties, the timelines to complete the Company's exploration

programs, timing for permit applications, timing for new resource estimates, timing to complete technical reports, forecasts for exploration expenditures, estimates of future administrative costs and statements about the Company's future development of its properties. Forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking statements, including, without limitation, risks and uncertainties relating to foreign currency fluctuations; risks inherent in mine exploration and development including environmental hazards, industrial accidents, unusual or unexpected geological formations, ground control problems and flooding; risks associated with the estimation of mineral resources and reserves and the geology, grade and continuity of mineral deposits; the possibility that future exploration, development or mining results will not be consistent with the Company's expectations; the potential for and effects of labour disputes or other unanticipated difficulties with or shortages of labour or interruptions in production; the potential for unexpected costs and expenses and commodity price; uncertain political and economic environments; changes in laws or policies, delays or the inability to obtain necessary governmental permits; and other risks and uncertainties, including those described under Risk Factors Relating to the Company's Business in the MD&A.

Forward-looking information is in addition based on various assumptions including, without limitation, the expectations and beliefs of management, the assumed long-term price of commodities; that the Company can access financing, appropriate equipment, and sufficient labour and that the political environment will continue to support the development and operation of mining projects. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements. Accordingly, readers are advised not to place undue reliance on forward-looking statements. The Company does not intend to update forward-looking statements or information, except as may be required by applicable law.

OTHER INFORMATION

Additional information related to the Company is available for viewing on SEDAR+ at www.sedarplus.ca/ and at the Company's website at www.callinex.ca.

Aaryn Hutchins, P. Geo, a qualified person under National Instrument 43-101 and consultant for Callinex, has reviewed and approved the technical information in this MD&A.