BRS RESOURCES LTD.

Management Discussion & Analysis
For the Three Months Ended

January 31, 2025

308 – 1441 Johnston Road
White Rock B.C., V4B 3Z7

<u>**MANAGEMENT'S DISCUSSION & ANALYSIS**</u>
<u>**FOR THE THREE MONTHS ENDED JANUARY 31, 2025**</u>

INTRODUCTION

The following management's discussion and analysis (this "MD&A"), prepared as of January 31, 2025 and dated March 28, 2025, is management's assessment and analysis of the results and consolidated financial condition of BRS Resources Ltd. (the "Company" or "BRS") for the three months ended January 31, 2025 should be read in conjunction with the Company's unaudited condensed interim consolidated financial statements for the three months ended January 31, 2025 and audited consolidated financial statements for the year ended October 31, 2024 and related notes attached thereto. The preparation of financial data is in accordance with IFRS Accounting Standards ("IFRS") consistently applied. All figures are reported in Canadian dollars unless otherwise indicated.

Additional information relating to the Company is available on SEDAR+ at www.sedarplus.ca.

FORWARD-LOOKING STATEMENTS

Certain statements in this MD&A are forward-looking statements. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Often, but not always, forward looking statements can be identified by the use of words such as "plans", "expects", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative and grammatical variations) of such words and phrases or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the Company's actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits the Company will obtain from them. These forward-looking statements reflect management's current views, and are based on certain assumptions, and speak only as of the date of this MD&A. These assumptions, which include, management's current expectations, estimates and assumptions about certain projects and the markets the Company operates in, the global economic environment, interest rates, exchange rates and the Company's ability to manage its assets and operating costs, may prove to be incorrect. A number of risks and uncertainties could cause its actual results to differ materially from those expressed or implied by the forward looking statements, including, but not limited to: (1) risks inherent in petroleum and natural gas exploration and development including environmental hazards, industrial accidents, or unusual or unexpected geological formations; (2) a decrease in the market price of oil and/or gas; (3) a decrease in the demand for oil and gas and oil and gas related products; (4) discrepancies between actual and estimated reserves and risks associated with the estimation of reserves; (5) the possibility that future exploration, development or exploration results will not be consistent with the Company's expectations; (6) the inherent uncertainty of future production and cost estimates; (7) the potential for unexpected costs and expenses and changes to the cost of commencing production and the time when production commences, and actual ongoing costs; (8) the potential for, and effects of, labor disputes or other unanticipated difficulties with, or shortages of, labor; (9) unforeseen or changed regulatory restrictions, requirements and limitations, including environmental regulatory restrictions and liability and permitting restrictions; (10) the failure to obtain governmental approvals and fulfil contractual commitments, and the need to obtain new or amended licenses and permits; (11) changes in laws or policies, delays in, or the inability to obtain, necessary governmental permits; (12) the number of competitors; (13) political and economic conditions in oil and gas producing and consuming countries; (14) failure to obtain additional capital at all or on commercially reasonable terms; (15) other factors beyond the Company's control; and (16) those factors described in the section entitled "Risk Factors and Uncertainties" in this MD&A.

Readers should not place undue reliance on forward-looking statements because they involve known and unknown risks, uncertainties and other factors that are in many cases beyond the Company's control. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance and the Company's actual results of operations, financial condition and liquidity, and the development of the industry in which it operates, may differ materially from statements made in or incorporated by reference in this MD&A. The Company undertakes no obligation to update forward-looking statements if management's beliefs, estimates and opinions or the Company's circumstances as at the date hereof should change, except as required in accordance with applicable laws.

BUSINESS OF THE COMPANY

BRS Resources Ltd. (the "Company") was incorporated under the Business Corporations Act of British Columbia and is a reporting issuer in British Columbia and Alberta. The Company is pursuing the acquisition, exploration and evaluation of mineral properties in Canada. The address of its registered head office is 308 - 1441 Johnston Road, White Rock B.C. V4B 3Z7. The Company was previously under a cease trade order issued by the BC Securities Commission. On November 10, 2022, the cease trade order was revoked. Effective September 3, 2024, the Company is listed on the Canadian Securities Exchange (the "Exchange") under the trading symbol "BRS".

In May 2023, the Company was informed its wholly owned subsidiary, Bonanza Resources (Texas) Inc. ("Bonanza Resources"), had been involuntarily dissolved due to it being inactive. As a result, the October 31, 2023 financial statements were adjusted to reflect the dissolution retrospectively. On March 11, 2024, the Company's wholly-owned subsidiary, Bonanza Resources, was reinstated in the State of Texas, and the Company regained control over the entity.

OVERALL PERFORMANCE

The Company was previously an international oil and gas exploration company targeting the European upstream energy business, with a primary focus on natural gas extraction in Italy. During the year ended October 31, 2023, the Company began to pursue the acquisition of mineral property options in Canada.

On December 19, 2022, the Company entered into an option agreement with Cariboo Rose Resources Ltd. (the "Vendor") to acquire a 60% interest in the Cowtrail Property located in British

Columbia. To earn the 60% interest the Company will pay total cash consideration of $200,000, issue $200,000 worth of common shares or pay the equivalent of cash, and spend a total of $2,000,000 in exploration expenditures over a four year period. Concurrent with and only on the exercise of the option, the parties will enter into a joint venture agreement.

INVESTMENT

The Company's 100% owned subsidiary, Bonanza Resources previously owned an interest in AleAnna Energy L.L.C. which owns 100% of AleAnna Resources L.L.C. ("AleAnna Energy"). AleAnna Energy is a natural gas resource company focusing on delivering critical natural supplies in Italy. During 2024, AleAnna Energy completed three separate strategic acquisitions of renewable gas assets.

Subsequent to the year end, on December 13, 2024, Swiftmerge Acquisition Corp. ("Swiftmerge"), a NASDAQ listed Special Purpose Acquisition Company, acquired all of the membership interests in AleAnna Energy L.L.C. by way of a merger with the resulting company named AleAnna, Inc. (NASDAQ: ANNA) ("AleAnna") (the "Merger").

Pursuant to the Merger, the former equity holders of AleAnna Energy, including the Company, exchanged 100% of their membership interests in AleAnna Energy for an aggregate of 65,098,476 shares of common stock of AleAnna, representing approximately 93.2% of the voting power of all outstanding common stock of AleAnna. The Company received a pro-rata portion of the 65,098,476 shares of common stock as consideration for its membership interests in AleAnna Energy, which was 1,969,882 common shares.

These securities have a trading restriction which expires on December 13, 2025. Due to the restrictions, the fair value of the securities were adjusted for a discount for lack of marketability, which was determined to be 15%. The Company had previously written the investment down to $Nil as it was unable to support its ownership interest. Furthermore, Bonanza Resources had temporarily been involuntarily dissolved due to inactivity.

The following table provides a continuity of the Company's investment in AleAnna during the period ended January 31, 2025 and year ended October 31, 2024:

	January 31, 2025	October 31, 2024
Carrying value, beginning of period/year	**$ 24,710,654**	$ -
Change in fair value	**3,380,120**	24,710,654
Carrying value, end of period/year	**$ 28,090,774**	$ 24,710,654

The Company used the trading price of AleAnna as of December 13, 2024 of USD $10.50 translated at a foreign exchange rate of 1.3916, to re-measure the investment. It also took subsequent price movement, as well as the closing events into consideration when estimating the discount rate to be used for the lack of marketability.

EXPLORATION AND EVALUATION ASSET

Cowtrail Property, British Columbia

During the year ended October 31, 2023, the Company entered into an option agreement to acquire a 60% interest in the Cowtrail Property located in British Columbia. During the year ended October 31, 2024, the agreement was amended to extend the due dates of the option payments, which have been reflected below.

The Company can earn a 60% interest in the property by making the following option payments:

Date	Cash ($)	Common shares cash equivalent (or cash in lieu of shares) ($)	Exploration expenditures[ii] ($)
On obtaining a trading symbol	-	40,000 (paid $20,000 cash and issued 111,111 shares at a value of $22,222)	-
On or before December 19, 2023 [i]	-	-	150,000 (incurred)
On or before December 19, 2024 [i]	10,000 (paid)	20,000 (100,000 shares at a value of $30,000)	$138,755 additional (incurred)
On or before December 19, 2025 [i]	40,000	40,000	$311,245 additional (to start by June 15, 2025)
On or before December 19, 2026 [i]	50,000	50,000	500,000 additional
On or before December 19, 2027 [i]	100,000	50,000	900,000 additional
Total	200,000	200,000	2,000,000

[i] the Vendor agreed to defer the issuance of shares until the earlier of: upon the Company becoming listed on the Canadian Securities Exchange or any other stock exchange or mutual agreement between the Company and the Vendor. The Company was listed on September 3, 2024.

[ii] On December 11, 2024, the Company signed an amending agreement to its option agreement with Cariboo Rose Resources to update the planned amount exploration expenditures at different milestones.

The Company will not earn the 60% in the property until all of the option payments are complete. The Company may, at its option, accelerate the exercise of the option at any time by completing the applicable option payments as set forth in the table above.

Upon completion of the option payments and having earned the 60% interest, the Company will enter into a joint venture agreement with the Vendor who owns the remaining the 40% interest. The parties agree to pay their pro-rata share of exploration expenditures going forward, failing which their respective interest will be diluted. The Company will be the initial operator of the property.

The Vendor will retain a 2.5% net smelter return royalty if the Company earns an interest of 85% or more. The royalty may be reduced to 1% by a single payment of $2,000,000 to the Vendor.

SUMMARY OF QUARTERLY RESULTS

The following table sets out selected unaudited interim financial information, in Canadian dollars, in accordance with IFRS for each of the eight most recently completed quarters.

	Quarter Ended			
	January 31, 2025 ($)	**October 31, 2024 ($)**	**July 31, 2024 ($)**	**April 30, 2024 ($)**
Total revenue	-	-	-	-
Net income (loss)	2,796,883	19,862,768	(111,796)	(87,341)
Earnings (loss) per share – basic	0.09	0.70	(0.00)	(0.00)
Earnings (loss) per share – diluted	0.06	0.56	(0.00)	(0.00)
	Quarter Ended			
	January 31, 2024 ($)	**October 31, 2023 ($)**	**July 31, 2023 ($)**	**April 30, 2023 ($)**
Total revenue	-	-	-	-
Net loss	(86,992)	(81,199)	(198,263)	(90,965)
Loss per share – basic and diluted	(0.00)	(0.00)	(0.01)	(0.01)

During the quarter January 31, 2025, the net income decreased from net income of $19,862,768 for quarter October 31, 2024 to $2,796,883 as the change in fair value of investment in The AleAnna shares was less significant during the quarter.

During the quarter October 31, 2024, the net income increased from loss of $111,796 for quarter July 31, 2024 to $19,862,768, primarily due to the material change in fair value of the investment in the AleAnna shares.

RESULTS OF OPERATIONS

For the three months ended January 31, 2025 compared to the three months ended January 31, 2024

Net income for the three months ended January 31, 2025 totaled $2,796,883, compared to a net loss of $86,992 for the three months ended January 31, 2024. The difference relates to the increase in write-off of payables and unrealized gain on investment that was partially offset by the decrease in legal and accounting fees and regulatory fees.

The following is a summary of expenses and the reasons for their changes:

		Three Months ended January 31, 2025 ($)	**Three Months ended January 31, 2024 ($)**	**Increase (Decrease) ($)**
Consulting fees	A	45,000	42,973	22,927
Finance costs	B	7,734	21,476	6,881
Legal and accounting	C	29,014	48,463	(30,094)
Office and general	D	6,222	11,272	25,675
Regulatory fees	E	240	1,931	(6,936)
Share-based payments	F	495,000	-	495,000

A. Balances primarily relate to consulting fees paid or accrued to the CEO. Increase due to increase in CEO's fees.

B. Primarily relates to an adjustment to the interest and accretion incurred on the Company's convertible debentures, as well as the recognition of the loss on the modification of the debt. There was an increase due to the increase in the principal on the convertible debentures on which the interest expense is calculated.

C. Primarily relates to a decrease in legal services rendered in the current period.

D. Primarily relates to an increase in general expenses, rent expenses and bank charges during the current period.

E. Primarily relates to transfer agent and regulatory fees in order to list on the Exchange. Decrease in fees due to a decrease in filings during the period.

F. Primarily relates to the options granted to officers and directors during the period.

FINANCING, LIQUIDITY AND CAPITAL RESOURCES

At January 31, 2025, the Company had cash of $233,693 compared to $335,045 at October 31, 2024.

Working capital deficiency at January 31, 2025 was $58,312, compared to $39,925 as at October 31, 2024. The increase in working capital is due to the Company raising cash through private placements. Current liabilities were $425,075 at January 31, 2025 compared to $414,746 at October 31, 2024. The Company's accumulated deficit at January 31, 2025 was $16,232,105 compared to $19,028,988 as at October 31, 2024.

The Company has historically relied on the issuance of share capital to raise funds. The Company is continually evaluating additional financing opportunities to meet its operational needs.

Notwithstanding previous success in acquiring financing on acceptable terms, there is no guarantee that the Company will be able to obtain funding or on what terms any such capital may be available to the Company.

The Company's ability to continue as a going concern is dependent upon its ability to raise the necessary funds and/or to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due. General market conditions may have an impact on the Company's ability to raise funds in the future. If the Company is not able to continue as a going concern, the Company may be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the condensed interim consolidated financial statements.

TRANSACTIONS WITH RELATED PARTIES

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers and Board of Director members.

The aggregate value of transactions relating to key management personnel were as follows:

	Period ended January 31, 2025	Period ended January 31, 2024
Consulting fees accrued or paid to the CEO (Byron Coulthard)	**$ 45,000**	$ 30,000
Accounting fees accrued or paid to a Director (Cyrus Driver)	**6,000**	6,000
Rent accrued for the CEO	**6,000**	6,600
Share-based payments (2,000,000 options to directors and officers)	**495,000**	-
	$ 552,000	$ 42,600

As at January 31, 2025, $50,440 (October 31, 2024 - $64,440) was owing to a Director, Cyrus Driver, which is included in accounts payable and accrued liabilities. The amounts payable is non-interest bearing, are unsecured, and have no specific terms of repayment.

As at January 31, 2025, $69,200 (October 31, 2024 - $58,700) was owing from the CEO were included in due form related party. The amount is non-interest bearing, unsecured and has no specific terms of repayment.

During the year ended October 31, 2023, the Company entered into an option agreement with the Vendor, whereby the Company can earn up to a 60% interest in the Cowtrail Property and this agreement was amended during the year ended October 31, 2024. Subsequent to entering into this agreement but prior to the amendment, the Company appointed J. William Morton, a director of the Vendor, as a director of the Company.

OFF-BALANCE SHEET ARRANGEMENTS

There are no off-balance sheet arrangements to which the Company is committed to as at January 31, 2025.

OUTSTANDING SHARE DATA

The Company had the following securities outstanding as of March 28, 2025:

a) Issued and outstanding share capital

Class	Par Value	Authorized	Outstanding
Common	No Par Value	Unlimited	29,932,395

b) Issued and outstanding options

Number of Options	Exercisable	Exercise Price	Expiry Date
2,000,000	2,000,000	$0.25	January 15, 2028

c) Issued and outstanding warrants

Number of Warrants	Exercise Price	Expiry Date
2,000,000	$0.10	December 30, 2025
2,900,000	$0.10	December 30, 2025
140,000	$0.10	December 30, 2025
133,000	$0.10	December 30, 2025
500,000	$0.10	January 5, 2026
4,109,224	$0.10	June 5, 2026
2,000,000	$0.15	January 9, 2027
140,000	$0.15	January 9, 2027
5,166,666	$0.15	January 25, 2027
17,088,890		

CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

For a detailed summary of the Company's material accounting policy information, the readers are directed to Note 3 of the unaudited condensed interim consolidated financial statements for the period ended January 31, 2025, that are available on SEDAR+ at www.sedarplus.ca.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Company's financial instruments consist of cash, investment due from related party, accounts payable and accrued liabilities and convertible debentures. The Company's cash and investment are classified at FVTPL and its due from related party, accounts payable and accrued liabilities and convertible debentures are carried at amortized cost.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are as follows:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2 – Inputs are other than quoted prices in Level 1 that are either directly or indirectly observable for the asset or liability.
- Level 3 – Inputs for the asset or liability that are not based on observable market data.

Assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the placement within the fair value hierarchy level.

The fair value of cash is determined based on Level 1 inputs which consist of quoted prices in active markets for identical assets. The fair value of the investment is determined based on level 2 inputs. As at January 31, 2025 and 2024, the Company believes that the carrying values of its due from related party, accounts payable and accrued liabilities and convertible debentures approximate their fair values because of their nature and relatively short maturity dates or durations.

Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its cash. The carrying value of this financial asset represents the Company's maximum exposure to credit risk. The Company manages its credit risk by maintaining its cash in a federally regulated financial institution in Canada.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, investment fluctuations, and equity prices. Market conditions will cause fluctuations in the fair values of financial assets classified as fair value through profit or loss, and cause fluctuations in the fair value of future cash flows for assets or liabilities measured at fair value. The Company is exposed to significant market risk on its investment due to the one year lock-up provision that may prevent the Company from realizing the current gains. The Company is also exposed to foreign exchange risk on its investment.

Foreign Exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign currency exchange rates. A significant change in the currency exchange rates between the US dollar and the Canadian dollar could have an effect on the Company's results of operations, financial position or cash flows. The Company is exposed to currency risk to the extent that monetary assets and liabilities held by the Company are not denominated in Canadian dollars. The Company has not entered any foreign currency contracts to mitigate this risk.

The Company is exposed to currency risk through the following monetary assets and liabilities denominated in foreign currencies:

		January 31, 2025	October 31, 2024
Investment	USD$	**19,473,269**	17,757,009
Deferred tax liability	USD$	**3,430,584**	3,430,584

Based on the above net exposures and if all other variables remain constant, a 10% change in the value of the foreign currency against the Canadian dollar would result in an increase or decrease of approximately $2,200,000 (2024 – $Nil) in income (loss) and comprehensive income (loss).

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities as they become due. The Company's financial liabilities consist of its accounts payable and accrued liabilities and convertible debentures. As at January 31, 2025, the Company had a working capital deficiency of $58,312 (October 31, 2024 – working capital of $39,925).

The Company will manage its liquidity risk by gaining access to funding at market rates through equity and debt markets. In the future, the Company may issue new shares, adjust its debt levels or mix between short-term and long-term borrowings.

PROPOSED TRANSACTIONS

There are no proposed transactions.

CONTINGENCIES

There are no contingent liabilities.

RISKS AND UNCERTAINTIES

Early stage – Need for additional funds

The Company has no history of profitable operations and its present business is at an early stage. As such, the Company is subject to many risks common to such enterprises, including undercapitalization, cash shortages and limitations with respect to personnel, financial and other resources and the lack of revenues. There is no assurance that the Company will be successful in achieving a return on shareholders' investments and the likelihood of success must be considered in light of its early stage of operations.

The Company has no source of operating cash flow and no assurance that additional funding will be available. The Company has not been successful in the past in obtaining financing through equity, therefore there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favorable.

Price Volatility

In recent years securities markets have experienced extremes in price and volume volatility. The market price of securities of many early-stage companies, among others, have experienced fluctuations in price which may not necessarily be related to the operating performance, underlying asset values or prospects of such companies. It may be anticipated that any market for the Company's securities will be subject to market trends generally and the value of the Company's securities may be affected by such volatility. In addition, as the Company's securities are not currently listed on a stock exchange, this may further impact the market for, and value of, the Company's securities.

Economic Conditions

Unfavorable economic conditions may negatively impact the Company's financial viability as a result of increased financing costs and limited access to capital markets.

Dependence on Management

The Company is very dependent upon the personal efforts and commitment of its existing management. To the extent that management's services would be unavailable for any reason, a disruption to the operations of the Company could result, and other persons would be required to manage and operate the Company.

Conflicts of interest

The Company's directors and officers may serve as directors and officers or may be associated with other reporting companies or have significant shareholdings in other public companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions or ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding terms respecting the transaction. If a conflict of interest arises, the Company will follow the provisions of the *Business Corporations Act* (British Columbia) (the "Act") in dealing with conflicts of interest. These provisions state that where a director/officer has such a conflict, the director must arrange a meeting of the board to disclose his interest and must refrain from voting on the matter unless otherwise permitted by the Act. In accordance with the laws of the Province of British Columbia, the directors and officers of the Company are required to act honestly, in good faith and in the best interests of the Company.

OTHER INFORMATION

You should read this MD&A of the financial position and results of operations of the Company for the period ended January 31, 2025 in conjunction with the Company's unaudited condensed interim consolidated financial statements for the period ended January 31, 2025 and audited consolidation financial statements for the years ended October 31, 2024 and 2023. Additional information relating to the Company is available through the Company's public filings on SEDAR+ at www.sedarplus.ca.