# NEOTECH METALS CORP.
# (FORMERLY CARAVAN ENERGY CORPORATION)
**(also referred to as "Neotech", the "Corporation", or the "Company")**

**Management's Discussion & Analysis**

The following management discussion and analysis should be read in conjunction with the condensed interim financial statements for the periods ended December 31, 2024, and 2023 prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB").

All dollar figures included therein and in the following discussion analysis are quoted in Canadian dollars unless otherwise noted.

**Date**

This management's discussion and analysis ("MD&A") is dated February 28, 2025 and is in respect of the periods ended December 31, 2024 and 2023. The discussion in this management's discussion and analysis focuses on this period. Estimates and forward-looking information are based on assumptions of future events and actual results may vary from these estimates. This MD&A is prepared in conformity with National Instrument 51- 102F1 and has been approved by the Board of Directors.

**Disclaimer for Forward-Looking Statements**

This MD&A contains forward-looking statements relating to future events. In some cases, forward-looking statements can be identified by such words as "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", "believe" or similar expressions. These statements represent management's best projections, but undue reliance should not be placed upon them as they are derived from numerous assumptions. These assumptions are subject to known and unknown risks and uncertainties, including the business risks discussed in the MD&A which may cause actual performance and financial results to differ materially from any projections of future performance or results expressed or implied by such forward-looking statements. Accordingly, readers are cautioned that events or circumstances could cause results to differ materially from those predicted.

**Description of the Business**

Neotech Metals Corp. (formerly Caravan Energy Corporation) ("Neotech" or the "Company") is a company incorporated on October 21, 2020 under the Business Corporations Act (British Columbia). The registered records and head office of the Company is located at 220 – 333 Terminal Avenue, Vancouver BC V6A 4C1. The Company is in the business of acquiring, exploring and evaluating mineral resource properties in Canada. On October 26, 2023, the Company changed its name from Caravan Energy Corporation to Neotech Metals Corp. The Company's shares are listed on the Canadian Securities Exchange ("CSE") under the trading symbol "NTMC" (formerly "CNRG"), on the OTCQB Venture Market under the symbol "NTMFF" and on the Frankfurt Stock Exchange under the trading symbol "V690".

**Exploration and Evaluation Highlights**

***EBB Nickel-Cobalt Property***

On June 15, 2022, the Company entered into an option agreement to acquire a 100% undivided interest in the EBB Nickel-Cobalt Property subject to a 2% net smelter royalty payable to the optionor. This property was located near Port Renfrew, BC. In order to exercise the option agreement, the Company must make the following payments:

- Cash payment of $30,000 upon execution of the option agreement – paid;
- Cash payment of $35,000 within four months of executing the option agreement - paid;
- Share payment of 200,000 shares on the date the Company's shares are listed for trading on a stock exchange in Canada – paid;
- Cash payment of $30,000 and share payment of 250,000 shares on the first anniversary of the date the Company's shares are listed for trading on a stock exchange in Canada;
- Cash payment of $40,000 and share payment of 300,000 shares on the second anniversary of the date the Company's shares are listed for trading on a stock exchange in Canada.

The Company was also to incur the following expenditures under the option agreement in order to earn its interest:

- Incur expenditures of $110,000 on or before the first anniversary of the date the Company's shares are listed for trading on a stock exchange in Canada – incurred;
- Incur expenditures of $240,000 on or before the second anniversary of the date the Company's shares are listed for trading on a stock exchange in Canada.

The Company had the right to purchase 50% of the NSR, being one percent (1%), from the optionor in exchange for cash payment of $1,000,000 payable to the optionor.

During the year ended June 30, 2024, the Company halted exploration on the EBB Nickel-Cobalt property and did not make payments required under the option agreement. Pursuant to these events, the Company recognized $205,457 in impairment expenses on the EBB Nickel-Cobalt property.

***TREO Property***

During September 2023, the Company entered into a series of agreements to acquire its rare earth TREO Property located 80 km northeast of Prince George, BC. The property is comprised of a total of 35 unpatented mineral claims and has a size of 15,930 hectares. The property is located within close proximity of critical infrastructure, including highways, railways and power supplies.

Under the terms of the purchase agreements, the Company acquired the TREO property claims by:

- Paying $100,000 in cash and issuing 4,363,636 common shares to acquire 24 TREO claims. These claims are subject to a 2% net smelter royalty. The Company may buy back 50% of the royalty on these claims for $1,000,000 in cash.

- Paying $100,000 in cash and issuing 1,045,454 common shares to acquire four TREO claims. $50,000 of the cash consideration was paid as of December 31, 2023 with the remainder paid on January 31, 2024. These claims are subject to a 2% net smelter royalty. The Company may buy back 50% of the net smelter royalty on these claims through paying $500,000 in cash.

- Paying $50,000 in cash and issuing 100,000 common shares to acquire five mineral claims. These claims are subject to a 2% net smelter royalty. The Company may buy back 50% of the royalty on these claims for $1,000,000 in cash. The seller of these claims was appointed as an officer of the Company.

The agreements closed on October 6, 2023. 595,865 common shares were also issued to finders in connection with these agreements.

During November 2023, the Company staked five new claim units contiguous to the existing TREO claim group. On November 29, 2023, the Company acquired an additional two TREO claims adjacent to the existing claim group in exchange for $5,000 in cash and 20,000 common shares. These new claims covered an area of 5,225 hectares. The Company dropped and consolidated three TREO claims during January 2024 to bring the property size down to 15,930 hectares.

Regionally, the TREO property is within the Foreland Belt (FB) near the eastern edge of the Omineca Belt. The FB, mainly consisting of Proterozoic rocks, was the last orogenic belt to form in the British Columbia Cordillera, spanning the late Jurassic to Paleocene. It is a northwest trending morpho-geological feature, marked by the Rocky Mountain Trench (RMT) on its western edge, comprising an assemblage of imbricated and miogeoclinal rocks forming the most easternmost ranges of the Cordillera. The RMT can be traced from the northern edge to the southeastern corner of British Columbia. The Carbonatite-alkaline complexes and dike-diatreme swarms forming the Alkali Province of British Columbia occur mainly within the FB on either side and parallel to the trend of RMT. These rare earth/rare metal-bearing intrusions include the Wicheeda, Aley, Kechika River, Virgil, Lonnie, Mount Bisson, Bearpaw Ridge, Ice River, Trident Mountain, Mount Grace, and Rock Canyon occurrences.

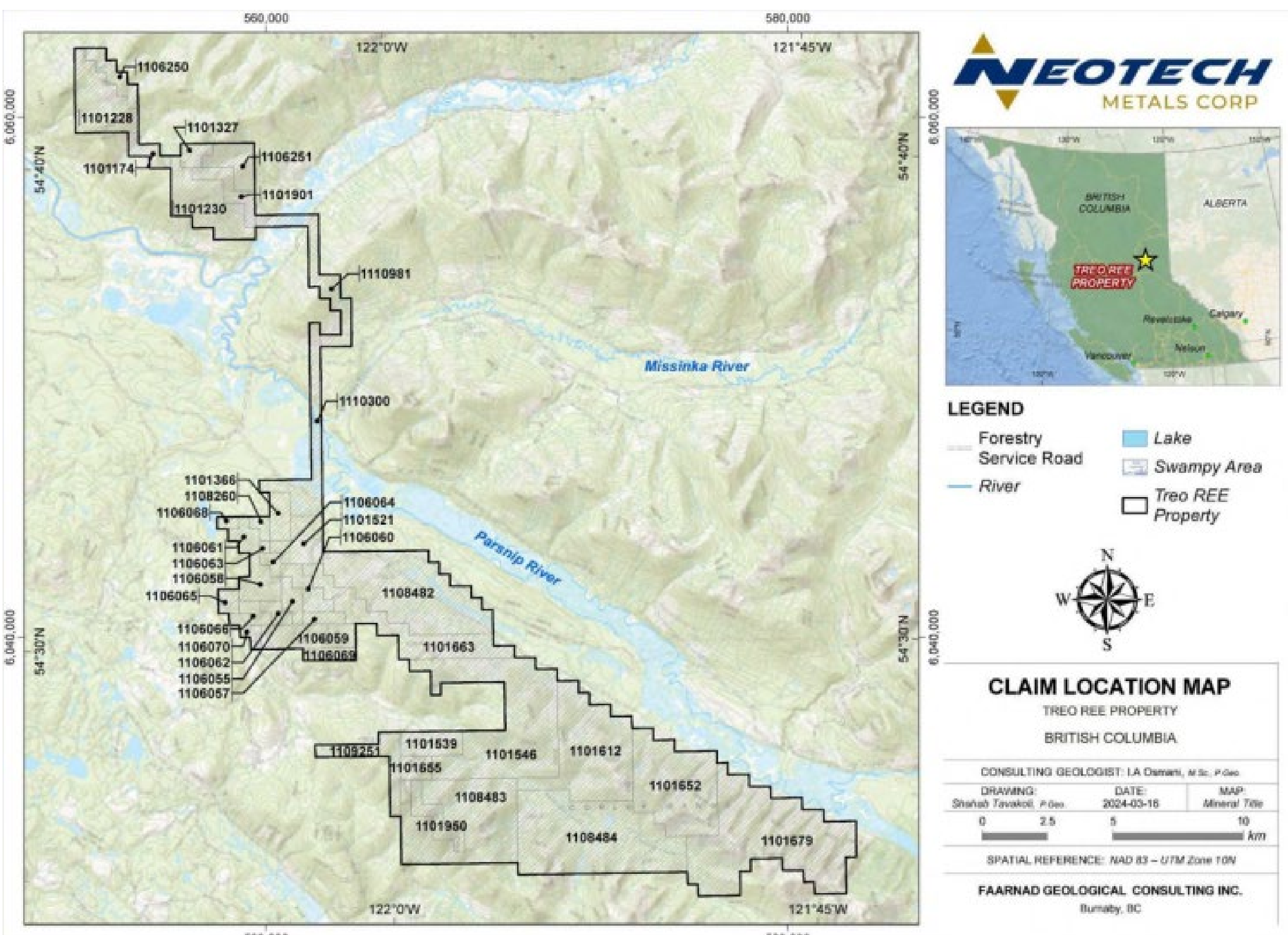


*Figure 1 - TREO Property Claim Map*

The TREO property is underlain predominantly by rocks ranging in age from Neoproterozoic to Ordovician. The most dominant rocks on the property belong to the Kechika Group rocks of the Cambrian to Ordovician, followed by Gog (Upper Proterozoic to Lower Cambrian), Misinchinka (Proterozoic to Cambrian), and Miette (Proterozoic) groups. The central and southern parts of the property are underlain mainly by fairly massive white limestone interbedded with the least massive, thinly bedded medium to dark grey limestone. The limestone unit is interbedded from the main limestone with light grey calcareous argillites and weakly calcareous phyllites, with few thick light to medium grey limestone beds. Locally, the limestone beds are more silty with increasing pseudo-nodular and sedimentary boudinage structures. The argillites and phyllites are locally ferruginous.

The Carbo Carbonatite, a dike/sill-like complex of varying composition and thickness along its strike, intrudes the sedimentary rocks subparallel to a central limestone unit within the central TREO property. The carbonatite is medium to coarse-grained, generally quartz-free, and contains feldspar, carbonate, pyroxene, and micas intergrowths. The Carbo Carbonatite complex on the TREO Property contains predominantly LREE-bearing minerals, which include a combination of bastnasite-parisite, pyrochlore, ancylite, allanite, and monazite. These REE minerals and other rare metals-bearing minerals, such as columbite and sphene-rutile, occur as disseminations, aggregates, clots, and patches in veins and vugs. Highgrade mineralization has also been reported from strongly gouged black or whitish clay in fractured intrusive rocks from the central part of the Property, suggesting some remobilization by hydrothermal fluid may have occurred due to syn-to post-emplacement tectonic activity.

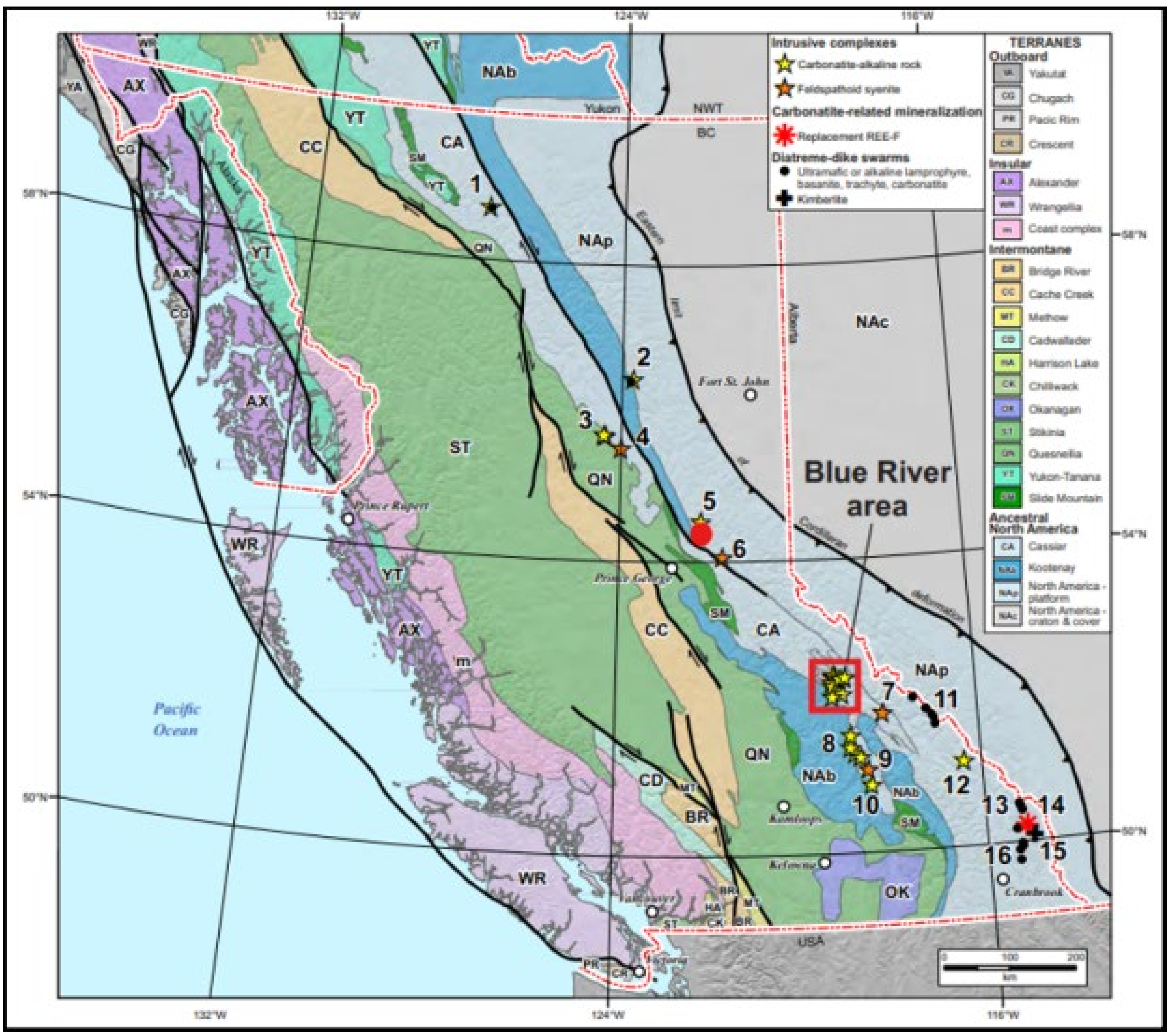

*Figure 2 - Carbonatite-alkaline complexes and dike-diatreme swarms*

During November 2023, the Company completed a regional sampling program within its TREO property claim boundaries. The program involved the collection of over 1,700 soil samples, 75 stream sediment samples and 30 rock samples. The samples returned anomalous values, providing valuable insights and direction for the Company's summer 2024 exploration program. During November 2024, the Company received assay results from the completed 2024 exploration program. Out of the 113 rock samples collected, the assay results saw a peak value of 28.97% TREO with 17 samples that assayed above 1.0% TREO. Additionally, numerous assays from the TREO rock sample set exhibited anomalous niobium values, with a peak of 2.91% $Nb_2O_5$ and 20 samples exceeding 0.15% $Nb_2O_5$.

| Sample ID | $NB_2O_5$ (%) |
|---|---|
| 74491 | 0.17 |
| 79513 | 0.24 |
| 79527 | 0.21 |
| 79541 | 0.19 |
| 79545 | 0.15 |
| 79546 | 0.52 |
| 79548 | 0.35 |
| 79553 | 0.71 |
| 79554 | 1.50 |
| 79555 | 0.62 |
| 79556 | 1.19 |
| 79557 | 1.08 |
| 79558 | 1.50 |
| 79559 | 0.20 |
| 79561 | 0.18 |
| 79563 | 0.23 |
| 79576 | 0.18 |
| 79577 | 0.19 |
| **79592** | **2.91** |
| 79593 | 0.37 |

| Sample ID | TREO[1] (%) |
|---|---|
| 74476 | 1.80 |
| 74478 | 3.47 |
| 74479 | 14.85 |
| 74481 | 3.98 |
| 79503 | 3.60 |
| 79504 | 11.20 |
| **79512** | **28.97** |
| 79513 | 4.47 |
| 79514 | 13.77 |
| 79533 | 1.15 |
| 79535 | 11.10 |
| 79536 | 4.11 |
| 79577 | 1.76 |
| 79579 | 2.65 |
| 79593 | 5.14 |
| 79598 | 1.74 |
| 79599 | 4.01 |

*Figure 3 – Sample assays with results over 0.15% for $Nb_2O_5$ and over 1% TREO*

**<u>Notes:</u>**

(1) *TREO (Total Rare-Earth Oxides) is calculated by converting the elemental ppm to Rare-Earth Oxides using a conversión factor and is the summation of* $CeO_2$ + $La_2O_3$ + $Pr_6O_{11}$ + $Nd_2O_3$ + $Sm_2O_3$ + $Eu_2O_3$ + $Gd_2O_3$, $Tb_4O_7$ + $Dy_2O_3$ + $Ho_2O_3$ + $Er_2O_3$, $Tm_2O_3$ + $Yb_2O_3$ + $Lu_2O_3$ + $Y_2O_3$.

All samples were sourced from bedrock/outcrop exposures within mapped carbonatites featuring iron-oxide alteration, altered phyllites, and syenites. The grades of TREO and niobium were found to correlate with varying degrees of alteration.

The Company plans to expand on the November 2024 results through off-season modelling, including 3D projections to project and define drill targets, as well as planning additional reconnaissance work programs for the summer 2025 exploration season to both broaden and define targets. During January 2025, the Company received a mineral exploration permit from the BC Mines Office to conduct drilling on locations identified through prior exploration programs.

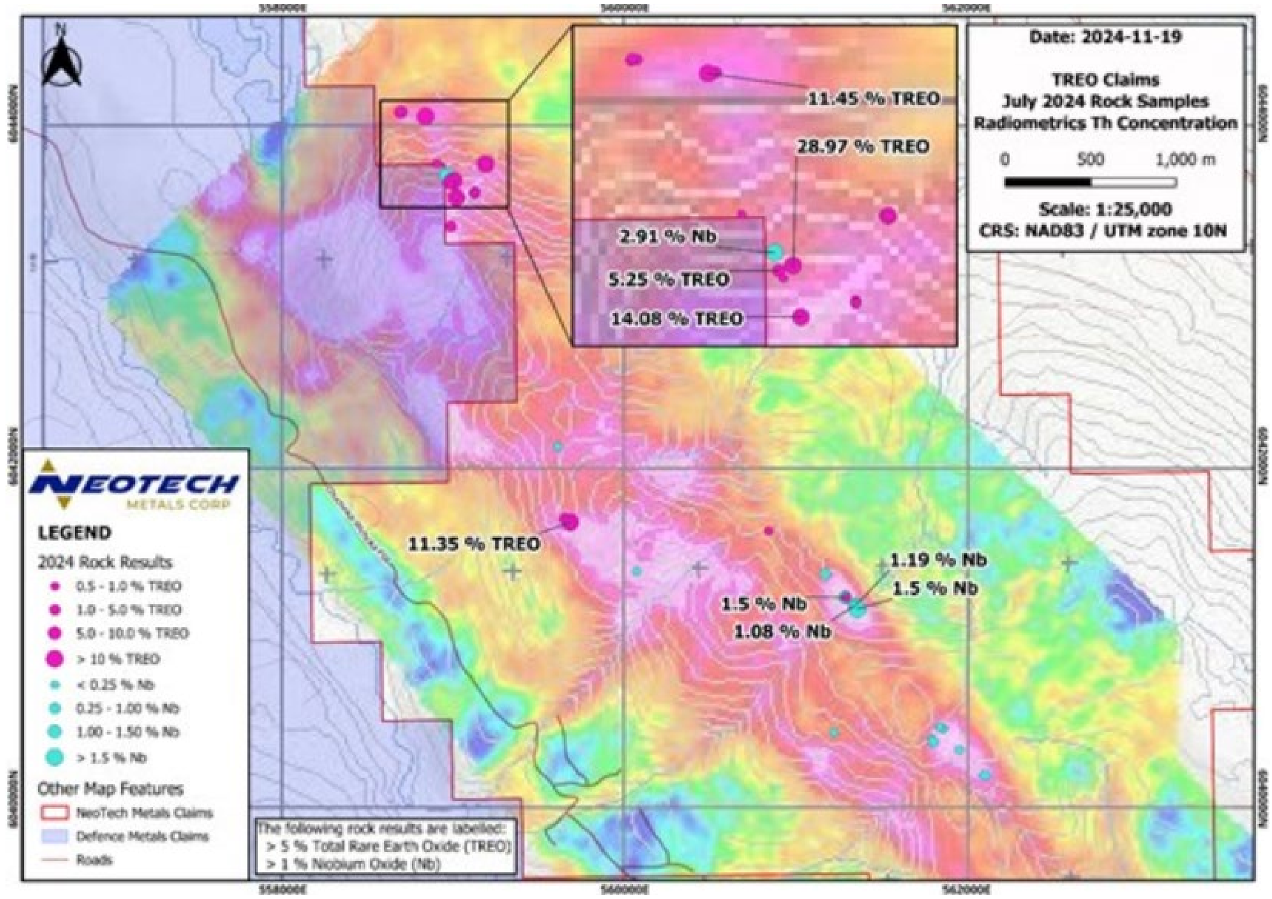

*Figure 4 – Detailed rock sample results map showing sample locations across the TREO project claims*

***Thor Property***

On December 13, 2023, the Company entered into an option agreement to acquire a 100% undivided interest in 22 mining claims comprising the Thor Rare Earth Elements Project. This mid-stage exploration property is located in the eastern Mojave Desert Regions, approximately 119 kilometers south of Las Vegas. The Company must make the following payments under the option agreement:

- Cash payment of USD$50,000 within seven days of executing the option agreement. – paid;
- Share payment of USD$75,000 within ten days of executing the option agreement – paid;
- Cash payment of USD$75,000 and share payment valued at USD$125,000 on or before December 1, 2024;
- Cash payment of USD$75,000 and share payment valued at USD$200,000 on or before December 1, 2025.

During March 2024, the Company terminated the Thor option agreement. Pursuant to the termination, USD$25,000 was returned to the Company in March 2024 with the remaining USD$25,000 returned in June 2024. The 85,829 common shares were also returned to treasury.

***Foothills Property***

During January 2024, the Company incurred $28,905 in connection with staking its Foothills Rare Earth Elements property. This property is comprised of nine claims across 16,517 hectares and is located 95 kilometers northeast of Kelowna in Central British Columbia. The region features year-round access via maintained roads and local communities, services and other infrastructure.

On May 15, 2024, the Company commenced its summer exploration program on the Foothills property. Ground based geophysics, rock and stream sediment sampling, geochemical soil and biogeochemical sampling focusing on the anomalous British Columbia Geological Survey stream-sediment samples will be used to aid in targeting any potential discoveries. This exploration program was completed in June 2024. Over 695 samples were collected on the property. These included biogeochemical, soil stream and rock composites. Additionally, magnetic susceptibility measurements and ground-based radiometric surveys were undertaken. Samples have been submitted to various labs and assays are pending.

***Hecla-Kilmer Property***

During July 2024, the Company closed an agreement to acquire a 100% interest in the Hecla-Kilmer property. The property is located in Northern Ontario and consists of 224 claims covering an area of approximately 4,617 hectares. In exchange, The Company must make the following payments under the agreement:

- Cash payment of $600,000 due by April 8, 2024 – paid;
- Cash payment of $400,000 due by June 30, 2024 – paid;
- Share payment of 500,000 common shares due and released from escrow by November 20, 2024 – paid;
- Share payment of 1,500,000 common shares due June 30, 2024 and released from escrow by July 19, 2025;
- Share payment of 1,500,000 common shares due June 30, 2024 and released from escrow by July 19, 2026;
- Share payment of 500,000 common shares due June 30, 2024 and released from escrow by October 26, 2026.

Hecla-Kilmer is a Carbonatite and Syenite Intrusive system hosting rare earth elements, Niobium, Tantalum, and Phosphates in a unique setting that features abundant Permanent-Magnet Rare Earth Oxides ("PMREOS") (Praseodymium, Neodymium, Dysprosium, and Terbium) that are found to be hosted via volcanic-derived apatites (rare earth element mineralization) and pyrochlore (Niobium mineralization). The property is situated approximately 25 kilometers from established infrastructure, including the 180MW Otter Rapids Hydroelectric-Power generation facility, paved highways, and active railway.

Historical drilling at Hecla-Kilmer has been successful in intercepting broad zones of mineralization in 18 of 24 holes drilled to date, starting at bedrock surface in many holes. Furthermore, magnetic and gravity surveys have identified structures with correlating intercepted mineralization on a 3 X 2 kilometer scale, warranting follow-up drilling to determine whether broad-based mineralization occurs outside of the main discovery holes.

| Hole | From (m) | Interval (m) | TREO (%) | PMREO[1] | MHREO[2] (%) | $Nb_2O_5$ (%) | $Ta_2O_5$ ppm |
|---|---|---|---|---|---|---|---|
| HK22-013 | 83 | 361 | 0.96 | 0.20 | 0.14 | 0.13 | 23.4 |
| *including* | 155 | 66.60 | 1.57 | 0.34 | 0.17 | 0.09 | 20.8 |
| HK20-005 | 80.75 | 237.50 | 0.49 | 0.08 | 0.04 | 0.20 | 27.3 |
| HK21-008 | 237 | 120 | 0.57 | 0.04 | 0.10 | 0.20 | 21.3 |
| Including | 324 | 11 | 1.13 | 0.09 | 0.20 | 0.38 | 39.2 |
| HK22-020 | 149 | 212 | 0.69 | 0.06 | 0.17 | 0.12 | 14.0 |

*Figure 5 – Select holes drilled between 2020 and 2023 by VR Resources Ltd.*

**Notes:**

*(1) PMREO is the summation of high-value rare earth oxides used in permanent magnet motors and turbines used in electric vehicles, wind turbines etc. and is made up of $Pr_2O3 + Nd_2O_3 + Tb_2O_3 + Dy_2O$.*

*(2) MHREO is the summation of the middle and heavy rare earth oxides $Sm_2O_3 + Eu_2O_3 + Gd_2O_3 + Tb_2O_3 + Dy_2O_3 + Ho_2O_3 + Er_2O_3 + Tm_2O_3 + Yb_2O_3 + Lu_2O_3 + Y_2O_3$.*

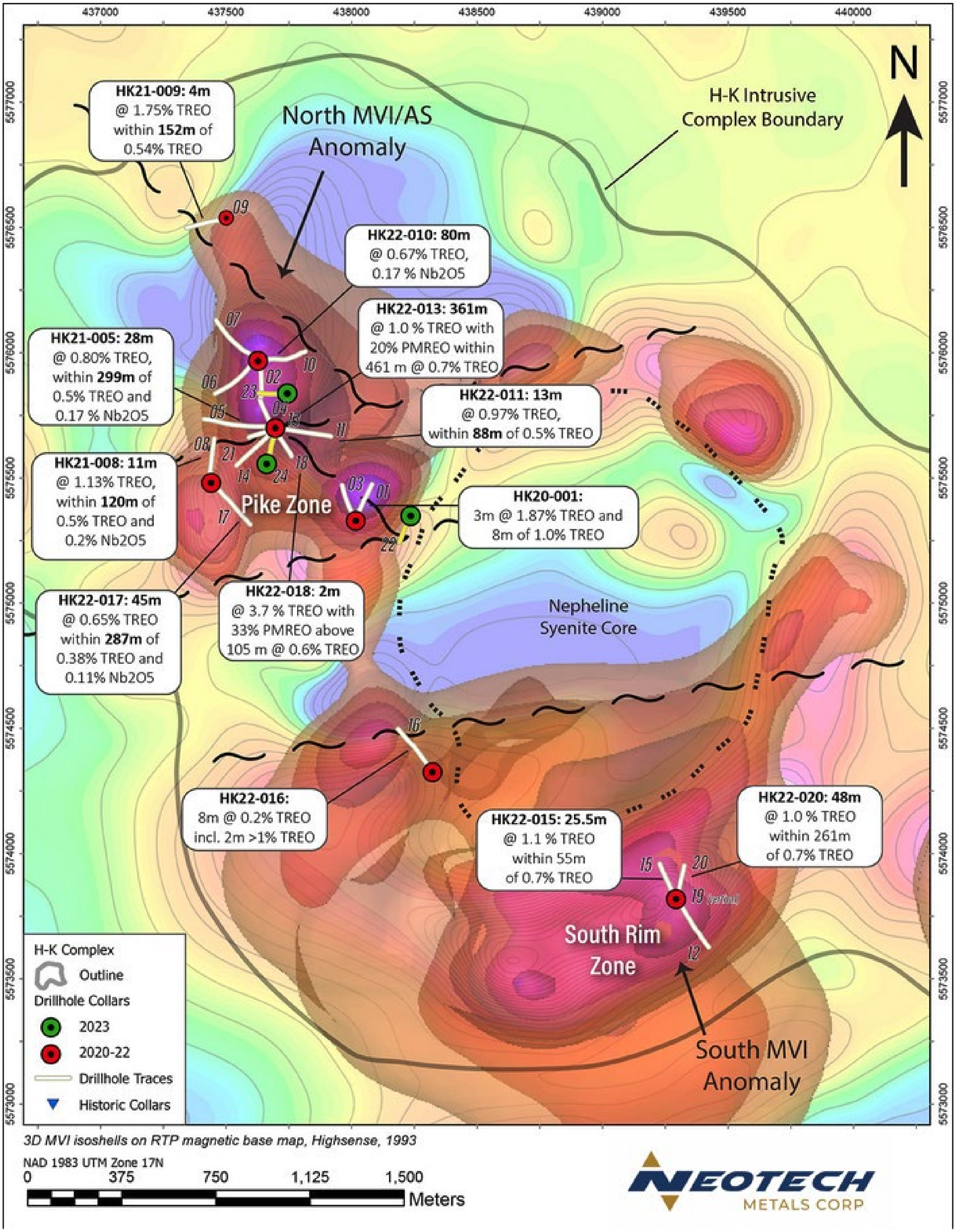


*Figure 6 – 3D isoshells on RTP magnetic base map, 1993*

During September 2024, the Company commenced metallurgical testing on Hecla-Kilmer. The testing aims to assess the economics of an expanded drill campaign that integrates the apatite-hosted rare earth mineralization, niobium-related mineralization and overall phosphate recoveries to help advance the project. This first-phase trial will focus on evaluating the project's metallurgical response to a variety of flowsheets including gravity, flotation, and magnetic separation methods. The analysis will consider potential recoveries, liberation, beneficiation components, and other variables, progressing the project to its next milestone.

Throughout October and November 2024, the Company completed its maiden drill program at Hecla-Kilmer. The program conducted nearly 5,000 meters of drilling, where all core is to be assessed, sampled, split, and sent to laboratories for assays. The fully-funded drill program aimed to extend out laterally from holes such as HK24-013 that intercepted 361m of 1.0% TREO(20% was PMREOs) from bedrock surface and hole HK24-008 with 120m of 0.5% TREO and 0.20% Nb2O5" in the Pike Zone. Additional drill testing in the "South Rim" zone and more peripheral targets was also undertaken.

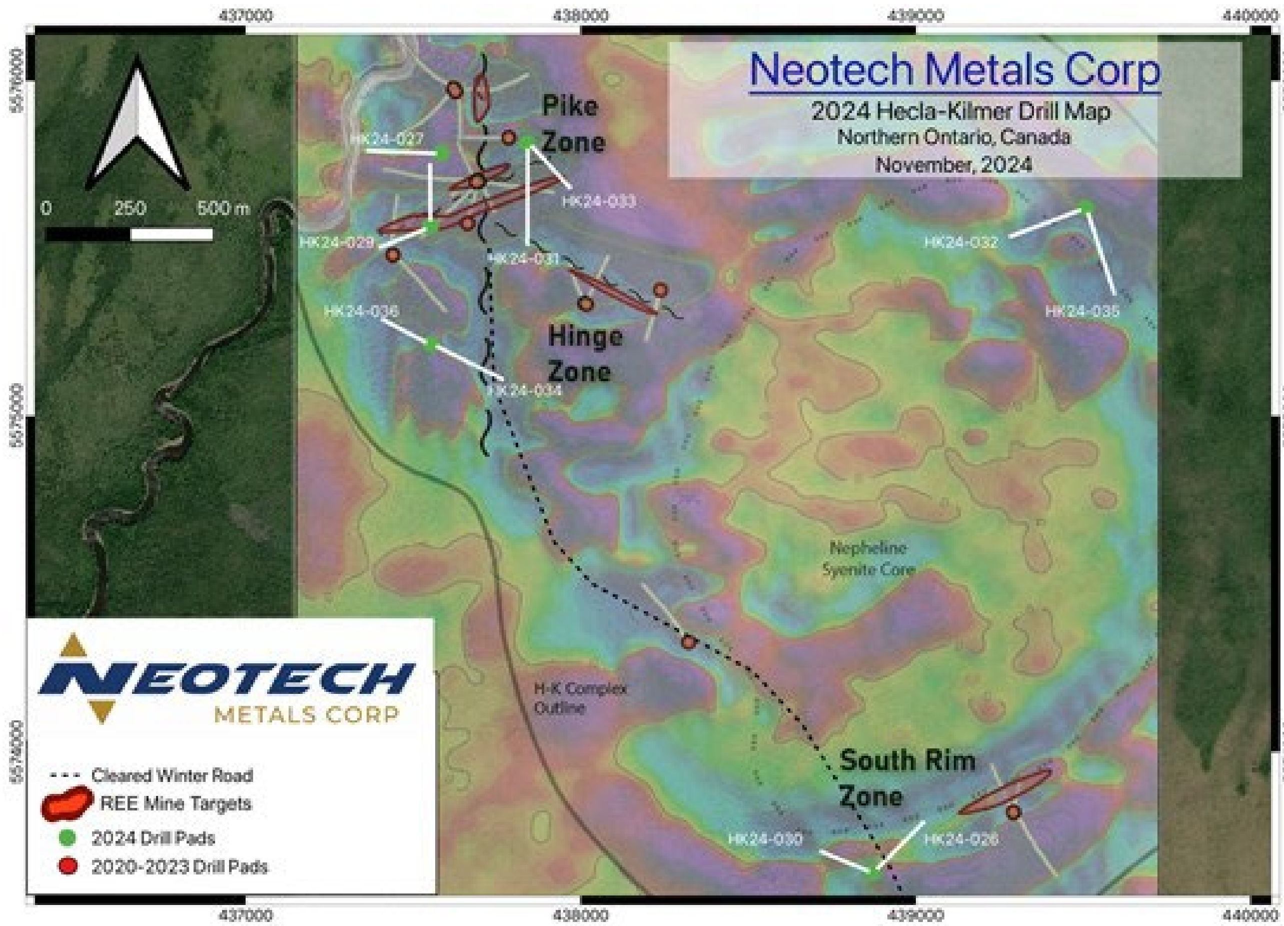


*Figure 7 – Details magnetics map showing drilling performed by VR Resources Ltd. and the Company*

During February 2025, the Company received preliminary geochemical assay results from its maiden drill program. A total of 12 new drill holes (of which 11 are still to be reported) were completed in 2024 by the Company to supplement the 24 legacy drillholes completed by VR Resources Ltd. in previous exploration campaigns. The 2024 drillholes (see Figure 8) were designed to test for intervals of TREO and $Nb_2O_5$ within the alkaline intrusive carbonatite complex, targeting 3 primary areas identified through historical magnetic and gravity surveys. Target areas include the Pike Zone (7 drill holes, 3061 meters), Northeast Zone (3 holes, 1281 meters), and South Rim Zone (2 holes, 698 meters).

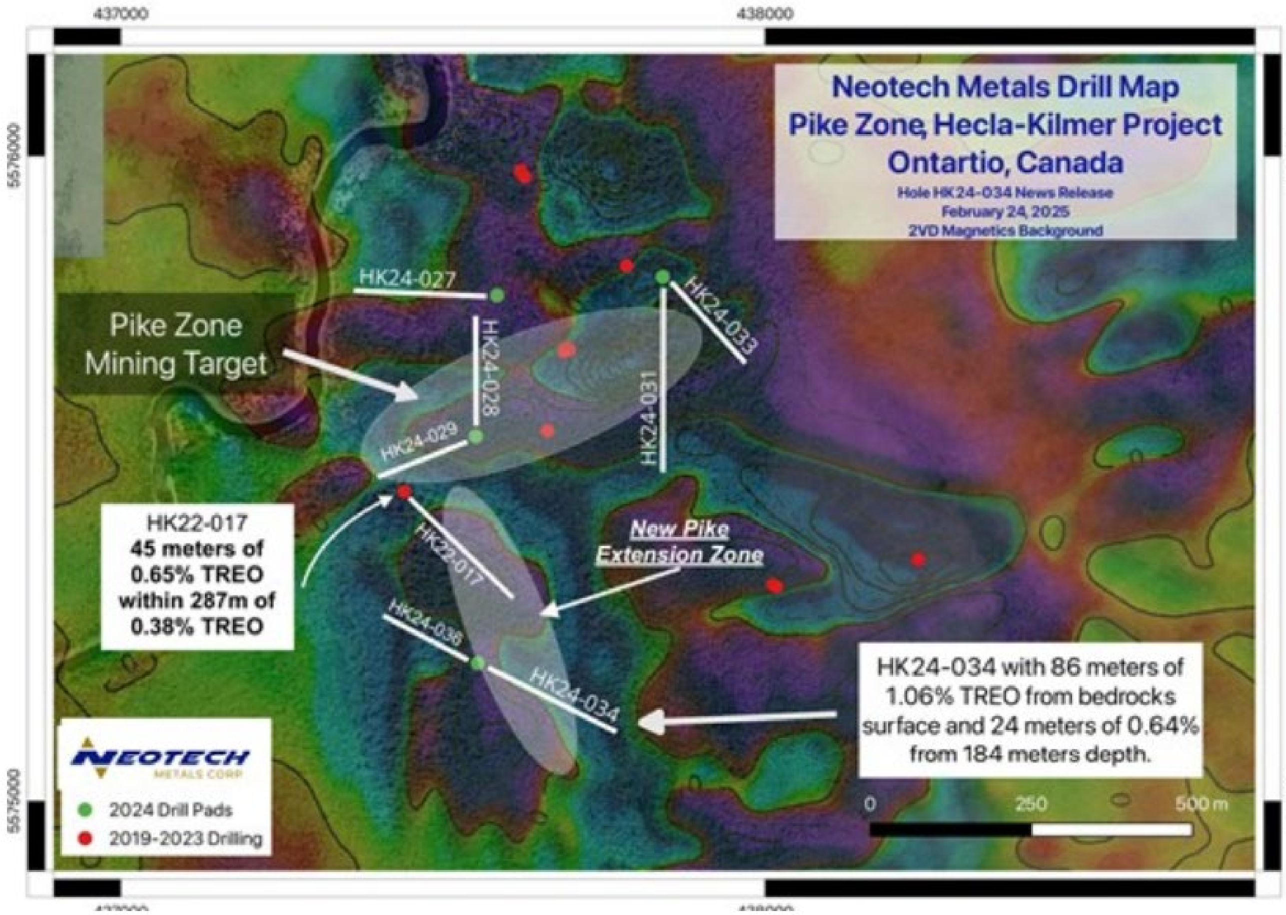

*Figure 8 – Drill map of Hecla-Kilmer's Pike Zone from 2024 drill season*

Hole HK24-034, located approximately 300m south of the Pike Zone region, has confirmed the presence of multiple mineralized intervals that contain elevated levels of niobium and/or rare earth elements. These intervals coincide with altered and/or mineralized intervals that were identified visually by the Company's core loggers in the field.

| **From (m)** | **To (m)** | **Interval (m)** | **TREO (%)** | **PMREO (%)** |
|---:|---:|---:|---:|---:|
| 44 | 130 | 86 | 1.06 | 0.18 |
| 184 | 208 | 24 | 0.64 | 0.12 |

*Figure 9 – Highlights from HK24-034*

**Selected Financial Information**

The following table sets out selected financial information for the Company, which has been prepared in accordance with IFRS:

| **Six months ended December 31,** | **2024** | **2023** |
|---|---|---|
| Total operating expenses | 602,892 | 4,481,834 |
| Income (loss) and comprehensive income (loss) | (149,463) | (4,417,011) |
| Basic and diluted earnings (loss) per share | (0.00) | (0.16) |
| Weighted average number of shares outstanding | 55,554,796 | 27,493,150 |

| **Three months ended December 31,** | **2024** | **2023** |
|---|---|---|
| Total operating expenses | 268,071 | 4,328,091 |
| Income (loss) and comprehensive income (loss) | 131,269 | (4,263,268) |
| Basic and diluted earnings (loss) per share | 0.00 | (0.11) |
| Weighted average number of shares outstanding | 59,367,509 | 39,737,190 |

| **As at** | **December 31, 2024** | **June 30, 2024** |
|---|---|---|
| Cash | 458,174 | 2,843,559 |
| Current assets | 1,250,942 | 3,193,244 |
| Total assets | 7,451,832 | 6,034,361 |
| Total liabilities | 1,087,002 | 1,470,119 |
| Total equity | 6,364,830 | 4,564,242 |

**Result of Operations – Six Months Ended December 31, 2024**

The Company incurred a comprehensive loss of $149,463 (2023 – $4,417,011). The decrease in comprehensive loss during the six months ended December 31, 2024, relative to the 2023 comparative period was mostly due to a significant drop in advertising and promotion costs as well as a fall in share-based compensation granted to directors, officers and consultants. The smaller loss during the six months ended December 31, 2024 was also a result of the Company incurring higher legal expenses in the 2023 comparative period pursuant to acquiring the TREO and Thor properties as well as completing a substantial private placement in October 2023. Additionally, during the six months ended December 31, 2024, the Company's loss for the period was partially offset by a flow-through premium recovery of $435,482 whereas only a $30,536 recovery was recognized in the 2023 comparative period.

***Operating Expenses***

During the six months ended December 31, 2024, the Company incurred operating expenses of $602,892 (2023 – $4,481,834). This decrease was mostly due to a decline in advertising and promotion costs and share-based compensation. Legal expenses, project scoping costs and transfer agent and regulatory fees also fell during the six months ended December 31, 2024 relative to the 2023 comparative period.

Advertising and promotion expenses decreased to $22,500 (2023 - $1,228,187) during the six months ended December 31, 2024. The decrease was due to the absence of $1,160,865 of marketing services with Financial Star News, $34,374 of advertising services with Ninja Media LLC and $20,000 of branding services with Audience Marketing Inc. During the six months ended December 31, 2023, the Company retained Financial Star News to create advertising campaigns, ad groups, text ads, display ads, perform detailed keyword research, set up and manage remarketing campaigns, optimize keyword options, coordinate online advertisers and marketers corresponding to online marketing targets, create landing pages for ad campaigns and generally bring attention to the business of the Company. Ninja Media LLC was retained to post a video review of the Company on YouTube. Audience Marketing Inc. was engaged to develop the Company’s brand and logo. No similar services were received by the Company during the six months ended December 31, 2024.

Consulting fees increased to $111,999 (2023 - $105,369) during the six months ended December 31, 2024. This increase was primarily due to $15,000 in market maker services which were not present in the 2023 comparative period.

Insurance expenses increased to $5,810 (2023 - $4,810) during the six months ended December 31, 2024. The increase during the six months ended December 31, 2024 was not significant.

Office and miscellaneous expenses increased to $15,590 (2023 - $12,581) during the six months ended December 31, 2024. This increase was due to a rise in the Company’s administrative expenses alongside the significant rise in exploration activity across its three mineral properties. This increase in activity commenced following the completion of the Company’s private placement financing in October 2023 and was not in place prior to that point.

Professional fees decreased to $125,041 (2023 – $206,968) during the six months ended December 31, 2024. The decrease during the six months ended December 31, 2024 was mainly attributed to the absence of significant legal expenses incurred as part of closing the Company’s October 2023 private placement and completing the TREO and Thor property acquisitions. During the six months ended December 31, 2024, legal fees amounted to $30,945 (2023 - $136,407). The remaining $94,096 (2023 - $70,561) pertained to accounting and audit expenses.

Project scoping costs were $Nil (2023 - $33,364) during the six months ended December 31, 2024. This decline was due to the Company focusing its exploration activities on its TREO and Hecla-Kilmer properties during the six months ended December 31, 2024 and not searching for additional mineral properties to acquire as it did in the 2023 comparative period.

Salaries and benefits increased to $76,416 (2023 - $50,074) during the six months ended December 31, 2024. The increase was due to the Company compensating its current CEO as an employee. The Company’s previous CEO was compensated on a consultancy basis throughout much of the 2023 comparative period.

Share-based compensation decreased to $213,607 (2023 - $2,800,131) during the six months ended December 31, 2024. The decrease was due to a significant decline in the number of options and restricted share units (“RSUs”) granted to officers, directors and consultants in the six months ended December 31, 2024. During the six months ended December 31, 2023, the Company granted 4,000,000 RSUs and 325,000 options to directors, officer and consultants. $2,712,459 in share-based compensation expenses were recognized in connection with the issued RSUs and $87,672 with the granted options during this 2023 period. During the six months ended December 31, 2024, only 50,000 in options were granted to a consultant advising the Company’s board of directors on matters pertinent to the Hecla-Kilmer property. $150,055 and $63,552 in share-based compensation expenses were incurred in connection with the vesting of these and previously granted RSUs and options respectively.

Transfer agent and regulatory fees decreased to $31,929 (2023 - $40,350) during the six months ended December 31, 2024. The decrease was primarily due to the absence of warrant exercise activity during the six months ended December 31, 2024. 7,092,000 warrants were exercised throughout the 2023 comparative period. Transfer agent and regulatory fees were also higher during the 2023 comparative period due to the larger private placement completed in October 2023 relative to the LIFE offering closed by the Company in October 2024.

**Result of Operations – Three Months Ended December 31, 2024**

The Company incurred a comprehensive income of $131,269 (2023 – $4,263,268 loss). The comprehensive income during the three months ended December 31, 2024, relative to the loss in the 2023 comparative period, was mostly due to a significant drop in advertising and promotion costs as well as a fall in share-based compensation granted to directors, officers and consultants. The income during the three months ended December 31, 2024 was also a result of the Company incurring higher legal expenses in the 2023 comparative period pursuant to acquiring the TREO and Thor properties as well as completing a significant private placement in October 2023. Additionally, during the three months ended December 31, 2024, the Company recognized a flow-through premium recovery of $374,103 whereas the recovery was only $30,536 in the 2023 comparative period.

***Operating Expenses***

During the three months ended December 31, 2024, the Company incurred operating expenses of $268,071 (2023 – $4,328,091). This decrease was mostly due to a decline in advertising and promotion costs and share-based compensation. Legal expenses and project scoping costs also fell during the three months ended December 31, 2024 relative to the 2023 comparative period.

Advertising and promotion expenses decreased to $13,750 (2023 - $1,221,848) during the three months ended December 31, 2024. The decrease was due to the Company not incurring $1,215,239 to engage Financial Star News, Ninja Media LLC and Audience Marketing Inc. to provide marketing services. During the three months ended December 31, 2023, the Company retained Financial Star News to create advertising campaigns, ad groups, text ads, display ads, perform detailed keyword research, set up and manage remarketing campaigns, optimize keyword options, coordinate online advertisers and marketers corresponding to online marketing targets, create landing pages for ad campaigns and generally bring attention to the business of the Company. Ninja Media LLC was retained to post a video review of the Company on YouTube. Audience Marketing Inc. was engaged to develop the Company's brand and logo. No similar services were received by the Company during the three months ended December 31, 2024.

Consulting fees decreased to $57,563 (2023 - $68,769) during the three months ended December 31, 2024. This decrease was primarily due to the Company no longer incurring directors fees with one of its former directors during the three months ended December 31, 2024. Director fees were charged by this director during the 2023 comparative period.

Insurance expenses increased to $2,905 (2023 - $2,405) during the three months ended December 31, 2024. The increase during the three months ended December 31, 2024 was not significant.

Office and miscellaneous expenses decreased to $4,905 (2023 - $12,101) during the three months ended December 31, 2024. This decrease was due to a fall in the Company's meals and entertainment and travel expenses during the three months ended December 31, 2024 relative to the 2023 comparative period. The Company incurred higher meals and entertainment and travel expenses during the 2023 comparative period pursuant to attending investor and broker dealer meetings in connection with financing activities and visits to Brazil to conduct prospective property assessments.

Professional fees decreased to $52,810 (2023 – $121,893) during the three months ended December 31, 2024. The decrease during the three months ended December 31, 2024 was due to the absence of significant legal and accounting expenses incurred as part of closing the Company's October 2023 private placement and completing the TREO and Thor property acquisitions. During the three months ended December 31, 2024, legal fees amounted to $3,683 (2023 - $81,210). The remaining $49,127 (2023 - $40,683) pertained to accounting and audit expenses.

Project scoping costs were $Nil (2023 - $33,364) during the three months ended December 31, 2024. This decline was due to the Company focusing its exploration activities on its Hecla-Kilmer property during the three months ended December 31, 2024 and not searching for additional mineral properties to acquire as it did in the 2023 comparative period.

Salaries and benefits decreased to $38,397 (2023 - $40,888) during the three months ended December 31, 2024. The decrease during the three months ended December 31, 2024 was not significant.

Share-based compensation decreased to $72,729 (2023 - $2,800,131) during the three months ended December 31, 2024. The decrease was due to a decline in the number of options and RSUs granted to officers, directors and consultants in the three months ended December 31, 2024. During the three months ended December 31, 2023, the Company granted 4,000,000 RSUs and 325,000 options to directors, officer and consultants. $2,712,459 in share-based compensation expenses were recognized in connection with the issued RSUs and $87,672 with the granted options during this period. During the three months ended December 31, 2024, only 50,000 in options were granted to an advisor to the Company's board of directors. $47,603 and $25,126 in share-based compensation expenses were incurred in connection with the vesting of these and previously granted RSUs and options respectively.

Transfer agent and regulatory fees decreased to $25,012 (2023 - $26,692) during the three months ended December 31, 2024. The decrease during the three months ended December 31, 2024 was not significant.

**Summary of Quarterly Results**

The following table provides selected quarterly financial data for the eight most recently completed quarters:

| | **Three months ended** | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | **December 31, 2024** | **September 30, 2024** | **June 30, 2024** | **March 31, 2024** | **December 31, 2023** | **September 30, 2023** | **June 30, 2023** | **March 31, 2023** |
| Income (loss) for the period | 131,269 | (280,732) | (1,081,988) | (1,804,275) | (4,263,268) | (153,743) | (916,974) | (127,289) |
| Basic and diluted earnings (loss) per share | 0.00 | (0.01) | (0.02) | (0.04) | (0.11) | (0.01) | (0.06) | (0.01) |

The Company incurred a comprehensive income of $131,269 during the three months ended December 31, 2024 in contrast to a $4,263,268 loss during the 2023 comparative period. The comprehensive income during the three months ended December 31, 2024 was mainly due to the absence of significant marketing services with Financial Star News, Ninja Media LLC and Audience Marketing Inc. as well as a large drop in RSUs and options granted to directors, officers and consultants. Higher legal expenses were also incurred in the 2023 comparative period pursuant to acquiring the TREO and Thor properties as well as completing a significant private placement in October 2023. Additionally, a flow-through premium recovery of $374,103 was recognized during the three months ended December 31, 2024 whereas the recovery was only $30,536 in the 2023 comparative period.

The Company incurred a comprehensive loss of $280,732 during the three months ended September 30, 2024 relative to a $153,743 loss during the 2023 comparative period. This difference is primarily due to the presence of share-based compensation with directors and officers during the three months ended September 30, 2024. The Company did not grant or have any share-based compensation vesting during the 2023 comparative period.

The Company experienced fluctuating earnings over its quarters ended on and before June 30, 2024. This is a result of the Company increasing its business activities following incorporation and listing on the CSE and, as such, historical financial information is not comparable on a quarter-to-quarter basis.

**Disclosure of Outstanding Share Data**

Authorized share capital of the Company consists of an unlimited number of common shares without par value.

As of December 31, 2024, the Company had 61,873,668 common shares, 17,844,229 warrants, 2,800,000 options and 283,334 RSUs. As of the date of this report, the Company had 61,873,668 common shares, 17,844,229 warrants, 2,800,000 options and 283,334 RSUs.

The following share capital transactions were completed during the six months ended December 31, 2024:

- On October 25, 2024, the Company closed a LIFE offering and issued 9,009,665 units at $0.15 per unit for gross proceeds of $1,351,450. Each unit is comprised of one common share and one share purchase warrant. Each warrant entitles its holder to purchase one common share at a price of $0.25 for a period of three years. The Company issued 207,072 finders' warrants in connection with the financing.
- On October 18, 2024, 295,833 common shares were issued to officers and directors of the Company in connection with the vesting of RSUs.
- The Company issued 4,000,000 common shares in relation to the acquisition of the Hecla-Kilmer property.

The following share capital transactions were completed during the six months ended December 31, 2023:

- On October 6, 2023 the Company completed a flow-through and non-flow through private placement of 6,000,000 flow-through units ("FT unit") at a price of $0.50 per FT unit for gross proceeds of $3,000,000 and 7,262,524 non-flow-through units ("NFT Unit") at a price of $0.42 per NFT Unit for gross proceeds of $3,050,260. Each FT and NFT Unit consists of one common flow-through share and common non-flow through share, respectively, and one common share purchase warrant. Each warrant will entitle the holder thereof to acquire an additional common share in the capital of the Company at a price of $0.60 per common share for a period of 24 months from the date of issuance. In addition, the Company issued 826,800 finders' warrants with the same terms as the common share purchase warrants.
- The Company issued 58,165 common shares in connection with acquiring the Thor project.
- The Company issued 6,124,955 common shares in connection with acquiring the TREO property.
- The Company issued 5,112,500 common shares as a result of restricted share units ("RSU") being converted to shares. The Company also received $893,400 in proceeds pursuant to the exercise of warrants into 7,092,000 shares.

**Liquidity and Capital Resources**

Historically and prospectively, the Company's primary source of liquidity and capital resources has been and will continue to be proceeds from the issuance of shares. Based on our current level of operations and our expected results of operations over the next 12 months, we believe that cash generated from operations and cash on hand and anticipated future capital raises, will be adequate to meet our anticipated liquidity requirements, capital expenditures and working capital needs for the next 12 months. However, we cannot be certain that our business will be able to raise capital through the issuance of equity to continue operations.

As at December 31, 2024, the Company had a working capital surplus of $163,940 (June 30, 2024 - $2,185,983). Working capital decreased as of December 31, 2024, primarily due to cash being spent on exploring the Company's TREO and Hecla-Kilmer properties. As at December 31, 2024, the Company had cash on hand of $458,174 (June 30, 2024 - $2,843,559) to meet current liabilities of $1,087,002 (June 30, 2024 - $1,007,261).

Net cash used in operating activities for the six months ended December 31, 2024, was $827,190 compared to $1,945,778 for the comparative period ended December 31, 2023. The decrease in net cash used is largely due to the Company incurring fewer marketing expenses. Operating cash outflows were also lower during the period ended December 31, 2024 due to the Company incurring costs with acquiring its TREO and Thor properties during the 2023 comparative period. No new mineral properties were acquired during the six months ended December 31, 2024.

Net cash used in investing activities for the six months ended December 31, 2024 was $2,868,659 compared to $482,340 for the six months ended December 31, 2023. These cash outflows related to acquisition and exploration costs associated with the Company's TREO, Foothills and Hecla-Kilmer properties.

Net cash from financing activities was $1,310,464 for the six months ended December 31, 2024 compared to $6,414,837 in the six months ended December 31, 2023. These cash inflows were due to proceeds received for shares not yet issued.

The Company does not have any commitments to make capital expenditures in future fiscal periods.

**Other Factors Affecting Liquidity**

During the six months ended December 31, 2024, the Company incurred a net loss of $149,463 (2023 - $4,417,011) and as at December 31, 2024, had an accumulated deficit of $8,604,084 (June 30, 2024 - $8,454,621). The Company has not generated significant cash inflows from operations. These conditions cast significant doubt about the Company's ability to continue as a going concern. The Company may raise additional equity or debt capital or enter arrangements to secure necessary financing to fund the completion of projects, to meet obligations or for the general corporate purposes of the Company. Such arrangements may take the form of loans, strategic agreements, or other agreements. The sale of additional equity could result in additional dilution to the Company's existing shareholders, and financing arrangements may not be available to the Company, or may not be available in sufficient amounts or on acceptable terms.

From time to time, the Company may pursue various strategic business opportunities. These opportunities may include proposed development and/or management of investment in or ownership of additional businesses through direct investments, acquisitions, joint venture arrangements and other transactions.

The Company can provide no assurance that it will successfully identify additional opportunities or that, if it identifies and pursue existing opportunities, any of them will be consummated.

**Off-Balance Sheet Arrangements**

During September 2024, the Company was approved for a $200,000 grant under the Ontario Junior Exploration Program to help fund exploration activities within the province of Ontario. These funds will be allocated to the Company's drilling program on its Hecla-Kilmer property.

**Transactions with Related Parties**

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. Key management personnel comprise officers and directors of the Company.

Related parties consist of the following individuals:

- Reagan Glazier, CEO and director
- AROC Resources Ltd. – Company controlled by Reagan Glazier
- Brayden Glazier – Related to Reagan Glazier
- Patrick Glazier – Related to Reagan Glazier
- Philip Ellard, CFO

- Jared Galenzoski, VP of Exploration
- FIDES Strategic Resource Management Ltd. – Company controlled by Jared Galenzoski
- Charn Deol, Former director and CEO
- Spiral Investment Corp. – Company controlled by Charn Deol
- Robert Krause, Director
- 695809 B.C. Ltd. – Company controlled by Robert Krause
- Brian Thurston, Director
- Canmex Consulting & Leasing – Company controlled by Brian Thurston
- Nicolas Thurston – Related to Brian Thurston
- James Thurston – Related to Brian Thurston
- Joao Vieira – Director

Remuneration attributed to key management personnel during the six months ended December 31, 2024 and 2023 is summarized as follows:

| | Nature of Transactions | 2024 | 2023 |
|---|---|---|---|
| **Consulting fees** | | | |
| FIDES Strategic Resource Management Ltd. | Consulting fees | $ 883 | $ - |
| Spiral Investment Corp. | Consulting fees | 15,000 | 24,000 |
| 695809 BC Ltd. | Consulting fees | 3,000 | 5,500 |
| Canmex Consulting & Leasing | Consulting fees | 9,000 | 3,500 |
| | | 27,883 | 33,000 |
| **Salaries and Benefits** | | | |
| Reagan Glazier | Salaries and benefits | 69,797 | 40,592 |
| Philip Ellard | Salaries and benefits | 6,240 | 6,240 |
| | | 76,037 | 46,832 |
| **Share-based compensation** | | | |
| Reagan Glazier | Share-based compensation | 161,765 | 119,305 |
| Patrick Glazier | Share-based compensation | - | 126,000 |
| Jared Galenzoski | Share-based compensation | 45,722 | - |
| Charn Deol | Share-based compensation | - | 35,815 |
| Spiral Investment Corp. | Share-based compensation | - | 42,000 |
| Robert Krause | Share-based compensation | 3,164 | - |
| 695809 BC Ltd. | Share-based compensation | - | 32,593 |
| | | 210,651 | 355,713 |
| **Total** | | $ 314,571 | $ 435,545 |

During the six months ended December 31, 2024, the company incurred the following exploration expenditures on its TREO, Foothills and Hecla-Kilmer and Foothills properties:

| Exploration Expenditure | Nature of Transactions | | 2024 | | 2023 |
|---|---|---|---|---|---|
| Reagan Glazier | Exploration Expenses | $ | 46,950 | $ | 3,829 |
| AROC Resources Ltd. | Exploration Expenses | | 63,000 | | - |
| Brayden Glazier | Exploration Expenses | | 7,154 | | - |
| Fides Strategic Resource Management Ltd. | Exploration Expenses | | 30,817 | | - |
| Nicolas Thurston | Exploration Expenses | | 24,640 | | - |
| James Thurston | Exploration Expenses | | 7,200 | | - |
| **Total** | | $ | 179,761 | $ | - |

Further, during the six months ended December 31, 2024, the Company incurred expenses of $89,229 (2023 - $65,963) with Treewalk Consulting Inc., a separate management entity for the provision of CFO services, which is included in professional and consulting fees. As of December 31, 2024, the Company owed $59,733 (June 30, 2024 - $45,549) to this management entity for the provision of CFO services. This balance is non-interest bearing, unsecured and due on demand.

At December 31, 2024, the Company owed $18,900 (June 30, 2024 – $3,150) to Spiral Investment Corp., $1,000 (June 30, 2024 - $3,000) to Canmex Consulting & Leasing, $3,825 (June 30, 2024 - $2,325) to 695809 BC Ltd., $3,120 (June 30, 2024 - $1,560) to Philip Ellard, $4,568 (June 30, 2024 - $Nil) to FIDES Strategic Resource Management Ltd. and $22,000 (2024 - $27,209) to Reagan Glazier. These amounts are non-interest bearing, unsecured and due on demand.

At December 31, 2024, the Company was owed $40,673 in principal and interest (June 30, 2024 - $40,470) from Reagan Glazier in the form of a promissory note. $204 (2023 - $Nil) in interest income was recognized on this note during the period ended December 31, 2024. The Company was also owed $19,111 (June 30, 2024 - $Nil) by Reagan Glazier for withholding taxes paid in connection with the vesting of RSUs. The $19,111 is non-interest bearing, unsecured and due on demand. This amount was paid back to the Company subsequent to December 31, 2024.

## Financial Risks

In the normal course of business, the Company is inherently exposed to certain financial risks, including market risk, credit risk and liquidity risk, through the use of financial instruments. The timeframe and manner in which the Company manages these risks varies based upon management's assessment of the risk and available alternatives for mitigating risk. All transactions undertaken are to support the Company's operations. These financial risks and the Company's exposure to these risks are provided in various tables in Note 11 of the financial statements.

## Capital Management

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern to pursue its operations and to maintain a flexible capital structure, which optimizes the costs of capital at an acceptable risk level.

The Company's primary source of capital is through the issuance of common shares. The Company manages and adjusts its capital structure when changes in economic conditions occur. To maintain or adjust the capital structure, the Company may seek additional funding. The Company may require additional capital resources to meet its operating expenses and investment needs.

The Company believes it will be able to raise capital as required but recognizes there will be risks involved that may be beyond its control. There are no external restrictions on the management of capital. There have been no changes in the way in which the Company manages capital during the period ended December 31, 2024.

**Critical Accounting Estimates and Judgments**

This MD&A is based on the financial statements which have been prepared in accordance with IFRS. The preparation of financial statements in compliance with IFRS requires management to exercise judgment in applying the Company's accounting policies and make certain critical accounting estimates. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The significant estimates and judgments are set out in Note 2 to the audited financial statements for the years ended June 30, 2024 and 2023.

**Significant Accounting Policies**

The accounting policies followed by the Company are set out in Note 3 to the audited financial statements for the years ended June 30, 2024 and 2023.

**Adoption of New Standards and Interpretations, and Recent Accounting Pronouncements**

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not early adopted any new standards. The new standards and recent accounting pronouncements are set out in Note 2 to the audited financial statements for the years ended June 30, 2024 and 2023.

**Use of Proceeds Disclosure**

Issuers that have raised funds from financing are required to disclose how financing was spent in relation to original expenditure plans. The following table provides this information for each of the Company's expenditure categories as disclosed.

***October 2023 Flow-Through Private Placement***

| | As at December 31, 2024 | Expected | Variance |
|---|---|---|---|
| Exploration expenditures | $ 3,000,000 | $ 3,000,000 | $ - |
| Share issuance costs | 523,868 | 523,868 | - |
| General working capital | 2,526,392 | 2,526,392 | - |
| Total use of proceeds | $ 6,050,260 | $ 6,050,260 | $ - |

There were no differences between expected and actual expenditures as of December 31, 2024.

***April 2024 Flow-Through Private Placement***

| | As at December 31, 2024 | Expected | Variance |
|---|---|---|---|
| Exploration expenditures | $ 107,656 | $ 800,000 | $ (692,344) |
| Share issuance costs | 56,000 | 56,000 | - |
| Total use of proceeds | $ 163,656 | $ 856,000 | $ (692,344) |

Exploration expenditures were $692,344 lower than expected. These expenditures are expected to be made throughout 2025 once the Company commences additional exploration programs on its TREO, Foothills and Hecla-Kilmer properties.

**Additional Sources of Information**

This MD&A has been reviewed and approved by Jared Galenzoski, P.Geo. Mr. Galenzoski has acted as a Qualified Person responsible for preparing, reviewing and approving all technical information disclosed by the Company, as required by National Instrument 43-101.

Additional information relating to the Company can be found on the SEDAR website at www.sedarplus.ca.