



QUESTCORP

MINING INC.

Management's Discussion and Analysis

For the Six Months Ended January 31, 2025

Dated March 31, 2025

NOTE TO READER

This management's discussion and analysis ("MD&A") for the six months ended January 31, 2025 was prepared by management and approved and authorized for issue on March 31, 2025 for Questcorp Mining Inc. (the "Company" or "Questcorp") in accordance with International Financial Reporting Standards ("IFRS"). The MD&A supplements but does not form part of the condensed interim financial statements of Questcorp and the notes thereto for the six months ended January 31, 2025. Consequently, the MD&A should be read in conjunction with the Company's condensed interim financial statements and related notes for the six months ended January 31, 2025 and the annual audited financial statements for the year ended July 31, 2024.

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls to ensure that information used internally or disclosed externally, including the MD&A, is complete and reliable.

The Company's management is responsible for presentation and preparation of the financial statements and the MD&A. The financial statements have been prepared in accordance with IFRS issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

The MD&A has been prepared in accordance with the requirements of securities regulators, including National Instrument 51-102 of the Canadian Securities Administrators.

All amounts are in Canadian dollars unless otherwise specified. Additional information is available on the Canadian System for Electronic Document Analysis and Retrieval ("SEDAR+") at www.sedarplus.ca, and on the Company's website at www.questcorpmining.ca.

FORWARD-LOOKING INFORMATION

This MD&A includes "forward-looking statements", within the meaning of applicable securities legislation, which are based on the opinions and estimates of management and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. While these forward-looking statements, and any assumptions upon which they are based, are made in good faith, and reflect our current judgment regarding the direction of our business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions, or other future performance suggested herein.

Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar words suggesting future outcomes or statements regarding an outlook. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. These forward-looking statements include but are not limited to statements concerning:

- The Company's ability to identify, successfully negotiate and/or finance an acquisition of a new business opportunity
- The Company's success at completing future financings
- The Company's strategies and objectives
- General business and economic conditions
- The Company's ability to meet its financial obligations as they become due
- The positive cash flows and financial viability of new business opportunities

- The Company's ability to manage growth with respect to a new business opportunity
- The Company's tax position, anticipated tax refunds and the tax rates applicable to the Company

Readers are cautioned that the preceding list of risks, uncertainties, assumptions, and other factors are not exhaustive. Events or circumstances could cause actual results to differ materially from those estimated or projected and expressed in or implied by these forward-looking statements. Due to the risks, uncertainties, and assumptions inherent in forward-looking statements, investors in securities of the Company should not place undue reliance on these forward-looking statements.

INTRODUCTION

The Company is a resource exploration company focused on acquiring and exploring resource properties in Canada. The company is currently focusing its efforts on exploring its North Island Copper Property on Vancouver Island.

OVERVIEW

Recent Highlights

- The Company was incorporated under the laws of British Columbia on April 9, 2021.
- In December 2023, the Company completed its initial public offering and its common shares were listed on the Canadian Securities Exchange on December 11, 2023, under the trading symbol QQQ.
- In December 2023, the Company completed its initial public offering by issuing 2,500,000 common shares at \$0.20 per share for gross proceeds of \$500,000. The agent received a cash commission \$50,000 and corporate finance fees of \$25,000 in cash, 50,000 common shares at \$0.20 per share for a value of \$10,000 and 250,000 agent's warrants valued at \$36,154 using the Black Scholes Model, with each agent warrant exercisable for one common share at a price of \$0.20 until December 12, 2025. The Company incurred an additional \$72,741 cash share issuance costs in relation to the initial public offering.
- On May 22, 2024, all issued and outstanding common shares of the Company were consolidated on a 2:1 basis. All references to share, option, warrant and per share amounts have been retroactively restated to reflect the share consolidation.
- On June 28, 2024, the Company announced that completed a non-brokered private placement offering (the "Offering") of 4,999,999 units (each, a "Unit") at a price of \$0.07 per Unit for gross proceeds of \$350,000. Each Unit will consist of one common share of the Company and one common share purchase warrant entitling the holder to acquire a further common share of the Company at a price of \$0.10 per share for a period of two years.
- During the three months ended October 31, 2024, the Company entered into a letter of intent with Riverside Resources Inc. ("Riverside"), an arm's-length party, under which the Company will be granted an option (the "Transaction") to acquire a 100% interest in the La Union project (the "Project") located in Sonora, Mexico. In line with the terms of the Transaction, the Company can acquire full ownership of the Project by completing a series of cash payments totaling \$100,000, issuing 19.9% of its outstanding common shares, and incurring a minimum of \$5,500,000 in exploration expenditures on the Project.
- On January 24, 2025, the Company granted a total of 1,500,000 stock options to certain directors, officers and consultants of the Company. The Options are exercisable at a price of \$0.07 until January 24, 2030. The Options vest immediately.

- On March 19, 2025, the Company closed a non-brokered private placement, issuing 45,832,539 units at a price of \$0.06 per unit for gross proceeds of \$2,749,952. Each unit consists of one common share of the Company and one common share purchase warrant. Each warrant will be exercisable for a period of two years from the Closing Date at an exercise price of \$0.10 per share. \$181,752 finders' fees and 3,029,207 finders' warrants were disbursed in relation to this private placement. Additionally, the Company has also granted 3,000,000 incentive stock options and 2,750,000 restricted share units to certain directors, officers and consultants of the Company. The incentive stock options vest immediately and are exercisable at a price of \$0.15 until March 19, 2030.
- Subsequent to the period ended January 31, 2025, the Company issued 942,000 common shares pursuant to the exercise of 942,000 warrants at a price of \$0.10 per share for gross proceed \$94,200.

Exploration highlights

For more details on the following highlights, please refer to the news releases available on Questcorp's website and on SEDAR+: <https://www.sedarplus.ca>

North Island Copper Property, BC, Canada

On October 4, 2021, the Company entered into an option agreement to acquire a 100% interest in the North Island Copper Property (the "Property") with a third party. Following the exercise of the option, the Property will remain subject to a 3% net smelter return royalty ("NSR"). The Company may purchase the first 1% of the NSR for \$750,000 and may purchase the remaining 2% of the NSR for an additional \$1,000,000.

Pursuant to the option agreement, the Company is required to complete the following:

- (1) to acquire a 51% interest in the Property, the Company shall pay \$10,000 to the vendor upon the effective date of the Option Agreement (paid);
- (2) to acquire an additional 49% interest in the Property, the Company shall: (a) pay a total of \$85,000 to the vendor; (b) issue a total of 1,100,000 common shares; and (c) spend a total of \$500,000 on exploration expenditures on the Property as set out below:
 - (a) the Company shall pay the cash portion as follows:
 - (i) \$10,000 upon the Listing Date (paid);
 - (ii) \$10,000 on or before the first anniversary of the Listing Date (paid);
 - (iii) \$5,000 on or before the second anniversary of the Listing Date; and
 - (iv) \$60,000 on or before the third anniversary of the Listing Date,
 - (b) the Company shall issue the common shares as follows:
 - (i) 1,000,000 common shares upon the date listed on a Canadian exchange ("Listing Date") (issued);
 - (ii) 50,000 common shares within the first anniversary of the Listing Date (issued);
 - (iii) 25,000 common shares within the second anniversary of the Listing Date; and
 - (iv) 25,000 common shares within third anniversary of the Listing Date,
 - (c) the Company shall make the exploration expenditures on the Property according to the following schedule:
 - (i) \$80,000 on or before the first anniversary of the Listing Date (incurred);

- (ii) \$100,000 on or before the second anniversary of the Listing Date; and
- (iii) \$320,000 on or before the third anniversary of the Listing Date.

The road is accessible, 1168-hectare North Island Copper Property lies south of Port Hardy on northern Vancouver Island, an area of active exploration for porphyry copper mineralization focused on locating additional mineralization similar to the past producing Island Copper Mine. Due to its proximity to the Island Copper Mine, the North Island Copper property has a long exploration history, including soil geochemistry, ground and airborne magnetometer surveys, prospecting and geological mapping and limited diamond drilling and trenching.

While a significant portion of the historic exploration was actually focused on skarn mineralization associated with several lenses of Quatsino limestone in the area, the key target remains porphyry copper. Historic soil sampling, mapping and rock sampling, and preliminary induced polarization (IP) surveying led to the identification of an interesting chargeability anomaly, the Marisa Target, that was subsequently followed up by a five-hole, 376.43-metre diamond drilling program in 1992. Two of the five holes hit interesting copper values including downhole intervals of 0.078 per cent copper over 56.39 meters in DDH92-01 and 0.041 per cent copper over 70.71 meters in DDH92-03 in an altered quartz diorite. Copper grades were increasing with depth in DDH92-03. These values were never followed up.

In February 2024, independent qualified person Warrern Robb P.Geo. visited the property with Company Directors to define the next stage of the exploration program. Mr. Robb reviewed the November 2021 Questcorp exploration program as well as the historical exploration data and concluded Questcorp should concentrate on the Marisa Target.

North Island Copper Exploration Completed During the Six Months Ended January 31, 2025

Mr. Robb made recommendations and subsequently completed an August 2024 program of mapping and rock and soil sampling focused on the Marisa Target. His report and assay results are outstanding as of the date of this MDA.

North Island Copper Exploration Completed Subsequent to the Six Months Ended January 31, 2025

Mr. Robb's report and assay results remain outstanding as of the date of this MDA.

SELECTED ANNUAL INFORMATION

The following table summarizes selected financial data reported by Questcorp for the years ended July 31, 2024, 2023 and 2022. The information set forth should be read in conjunction with the audited annual financial statements, prepared in accordance with International Financial Reporting Standards ("IFRS"), and the related notes thereon.

	For the year ended or as at July 31, 2024	For the year ended or as at July 31, 2023	For the year ended or as at July 31, 2022
Project operator fees	Nil	Nil	Nil
Interest and other income	\$212	\$-	\$-
Loss	\$556,683	\$193,196	\$52,975
Basic and diluted loss per common share	\$(0.06)	\$(0.02)	\$(0.01)
Total assets	\$525,862	\$229,896	\$149,752
Shareholders' equity (deficiency)	\$390,739	\$155,405	\$118,101
Share capital	\$1,167,991	\$402,750	\$120,250
Contributed surplus	\$39,626	\$-	\$-
Deficit	\$804,028	\$247,345	\$54,149
Cash dividends declared per common share	Nil	Nil	Nil

RESULTS OF OPERATIONS

As at January 31, 2025 exploration and evaluation assets totaled \$320,236 (January 31, 2024 - \$250,174). For details of the cost break-down, please refer to Note 3 of the condensed interim financial statements for the six months ended January 31, 2025.

For the six months ended January 31, 2025 and 2024

Net loss before income taxes for the six months ended January 31, 2025 ("YTD-2025") was \$421,009 or (\$0.03) per common share (January 31, 2024 ("YTD-2024") – \$197,520 or (\$0.03) per common share). The variance from the prior year was primarily due to the following items:

- Investor relations expenses increased by \$95,905 in comparison to YTD-2024 as the Company undertook more marketing and other promotional activities during the period.
- Listing and filing fees increased by \$34,276 in comparison to YTD-2024 due to DTC advisory fees.
- Share-based compensation increased \$94,550 in comparison to YTD-2024 driven by the vesting of options granted during the period.
- Professional fees increased by \$40,290 in comparison to YTD-2024. It is comprised of audit fees, accounting fees and legal fees.
- Travel and conference fees decreased by \$21,950 in comparison to YTD-2024. The decrease is due to less business travel and conferencing activities in the current period.

SUMMARY OF QUARTERLY RESULTS

The following table summarizes selected quarterly financial data reported by the Company.

	Jan 31, 2025	Oct 31, 2024	Jul 31, 2024	Apr 30, 2024	Jan 31, 2024	Oct 31, 2023	Jul 31, 2023	Apr 30, 2023
Revenues	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Interest and other income (expense)	Nil	Nil	Nil	40	172	Nil	Nil	Nil
Net loss	218,082	202,927	211,037	148,126	130,053	56,068	108,920	44,596
Basic and diluted loss per common share	(0.01)	(0.01)	(0.02)	(0.01)	(0.02)	(0.01)	(0.01)	(0.01)
Total assets	346,202	377,376	525,862	355,331	488,116	205,192	229,896	264,325
Shareholders' equity	80,630	200,662	390,739	272,018	420,144	99,337	155,405	264,325
Share capital	1,171,491	1,167,991	1,167,991	828,855	828,855	402,750	402,750	402,750
Contributed surplus	134,176	39,626	39,626	36,154	36,154	Nil	Nil	Nil
Deficit	1,225,037	1,006,955	804,028	592,991	444,865	303,413	247,345	138,425
Cash dividends declared per common share	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

For the three months ended January 31, 2025 and 2024

Net loss before income taxes for the three months ended January 31, 2025 ("Q2-2025") was \$218,082 or (\$0.01) per common share (January 31, 2024 ("Q2-2024") – \$141,452 or (\$0.02) per common share). The variance from the prior year was primarily due to the following items:

- Investor relations expenses increased by \$18,810 in comparison to Q2-2024 as the Company undertook more marketing and other promotional activities during the period.
- Management and consulting fees decreased by \$33,250 in comparison to Q2-2024 due to a decrease of services provided by related parties during the period.
- Share-based compensation increased \$94,550 in comparison to Q2-2024 driven by the vesting of options granted during the quarter.
- Professional fees increased by \$20,952 in comparison to Q2-2024. It is comprised of audit fees, accounting fees and legal fees.
- Travel and conference fees decreased by \$19,138 in comparison to Q2-2024. The decrease is due to less business travel and conferencing activities in the current period.

LIQUIDITY AND CAPITAL RESOURCES

As at January 31, 2025, Questcorp had a negative working capital of \$239,606 (July 31, 2024 – positive working capital of \$135,369). Questcorp has sufficient cash to fund its current operating and administration costs for the next twelve months.

At January 31, 2025, Questcorp had a cash balance of \$4,738 (July 31, 2024 - \$178,901) to settle accounts payable and accrued liabilities of \$240,572 (July 31, 2024 - \$135,123). All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to conventional trade terms.

The net change in cash as at January 31, 2025 was an decrease in cash of \$174,163 (July 31, 2024 – increase in cash of \$114,576) due to the following activities:

Cash used in operating activities

Net cash used in operating activities during the six months ended January 31, 2025 was \$125,647 (January 31, 2024 - \$280,720). Cash was mostly spent on exploration and development work, consulting, and general and administrative costs.

Cash used by investing activities

Total cash used by investing activities during the six months ended January 31, 2025 was \$61,366 (January 31, 2024 – \$10,000), resulting from exploration and evaluation assets.

Cash generated by financing activities

Total net cash generated by financing activities during the six months ended January 31, 2025 was \$12,850 (January 31, 2024 - \$371,699), resulting from subscription received related to a private placement closed during the year ended July 31, 2024.

At January 31, 2025, Questcorp's investment in exploration and evaluation assets, aggregated \$320,236 (July 31, 2024 - \$255,370), made up of the following:

		North Island, BC, Canada		Total
ACQUISITION				
Balance July 31, 2024	\$	130,500	\$	130,500
Acquisition costs		13,500		13,500
Balance January 31, 2025		144,000		144,000
EXPLORATION				
Balance July 31, 2023		122,904		122,904
Field and camp costs		5,196		5,196
Cost recoveries		(3,230)		(3,230)
Balance July 31, 2024		124,870		124,870
Assaying		23,793		23,793
Field and camp costs		27,573		27,573
Balance January 31, 2025	\$	176,236	\$	176,236
CARRYING VALUE				
July 31, 2024	\$	255,370	\$	255,370
January 31, 2025	\$	320,236	\$	320,236

Risks and Uncertainties

Uncertainty of Funding

The Company has no history and has not begun any operating activity. 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 securing the required funding to start operation. The Company plans to obtain financing upon the completion of its plan of arrangement through debt financing, equity financing, or other means. There is no assurance that the Company will be able to obtain adequate financing 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.

Potential 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 BCBCA 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 BCBCA. 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.

Dividends

Questcorp has no earnings or dividend record and is unlikely to pay any dividends in the foreseeable future as it intends to employ available funds for mineral exploration and development. Any future determination to pay dividends will be at the discretion of the Board of Directors of Questcorp and will depend on Questcorp's financial condition, results of operations, capital requirements and such other factors as the Board of Directors of Questcorp deem relevant.

OFF BALANCE SHEET ARRANGEMENTS

Questcorp does not utilize off balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

Key management compensation

Key management consists of Questcorp's directors and officers. In addition to management and consulting fees paid to these individuals, or companies controlled by these individuals, the Company provides non-cash benefits. The aggregate value of compensation with key management for the six months ended January 31, 2025 was \$153,791 (2024 - \$45,000) and was comprised of the following:

		Six months ended January 31, 2025		Six months ended January 31, 2024
Management and consulting fees	\$	75,000	\$	45,000
Share-based compensation	\$	78,791	\$	-
		153,791		45,000

The amounts charged to Questcorp for the services provided have been determined by negotiation among the parties and, in certain cases, are covered by signed agreements.

Related party transactions and balances not disclosed elsewhere in these condensed interim financial statements are as follows:

Other related party transactions

During the six months ended January 31, 2025, Questcorp incurred a total of \$7,500 (2024 - \$6,000) in rent expenses to a company owned by the CEO. Additionally, the Company incurred \$Nil (2024 - \$7,500) in accounting fees to a firm in which a director is a partner.

Due to/from related parties

As at January 31, 2025, the Company owed \$91,311 (2024 - \$15,200) to related parties. The amount is included in accounts payable and accrued liabilities. Amounts due to related parties are unsecured, have no fixed repayments and are non-interest bearing.

Loan payable

As at January 31, 2025, the Company owed \$5,000 in loan payable (2024 – \$nil) to the CEO of the Company.

PROPOSED TRANSACTIONS

There are no proposed transactions that should be disclosed.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual reports could differ from management's estimates.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

Categories of financial assets and liabilities

The Company is exposed to various financial instrument risks and assesses the impact and likelihood of this exposure. These risks include capital management, liquidity risk, credit risk, and interest rate risk. Where material, these risks are reviewed and monitored by the Board of Directors.

Capital management

The Company manages its capital to safeguard the Company's ability to continue as a going concern, so that it can continue to provide adequate returns to shareholders and benefits to other stakeholders, and to have sufficient funds on hand for business opportunities as they arise.

The Company considers the items included in shareholders' equity as capital. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares through short-term prospectuses, private placements, sell assets, incur debt, or return capital to shareholders. As at January 31, 2025, the Company is not subject to externally imposed capital requirements.

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and GST recoverable.

The Company limits exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions. The Company's cash is held with a major Canadian based financial institution. The carrying amount of financial assets represents the maximum credit exposure.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. At January 31, 2025, Questcorp had a cash balance of \$4,738 (July 31, 2024 - \$178,901) to settle accounts payable and accrued liabilities and loan payable of \$265,572 (July 31, 2024 - \$135,123).

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 commodity and equity prices.

(a) Interest rate risk

The Company is not exposed to interest rate risk.

(b) Foreign currency risk

The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. The Company is not exposed to foreign currency risk.

DISCLOSURE OF OUTSTANDING SHARE DATA

As at the date of this MD&A, the following common shares and share purchase warrants were outstanding:

	# of Shares	Exercise Price	Expiry Date
Issued and outstanding common shares	61,824,538		
Warrants	250,000	\$0.20	December 12, 2025
	2,500,000	\$0.10	November 5, 2026
	4,057,999	\$0.10	June 28, 2026
	57,600	\$0.10	June 28, 2026
Options	45,832,539	\$0.10	March 19, 2027
	1,500,000	\$0.07	January 24, 2030
	3,000,000	\$0.15	March 19, 2030
RSU	2,750,000	\$0.15	n/a
Fully Diluted at March 31, 2025	121,772,676		

NOTE: On May 22, 2024, all issued and outstanding common shares of the Company were consolidated on a 2:1 basis. The outstanding warrants & options were also adjusted on this basis.

APPROVAL

The Board of Directors of Questcorp Mining Inc. has approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.

ADDITIONAL INFORMATION

Additional information can be obtained on SEDAR www.sedarplus.ca or by contacting:

Questcorp Mining Inc.

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Website: www.questcorpmining.ca
Email: info@questcorpmining.ca

QUESTCORP MINING INC.

/s/ "Saf Dhillon"
Satvir 'Saf' Dhillon
Chief Executive Officer

QUESTCORP MINING INC.

/s/ "Scott Davis"
Scott Davis
Chief Financial Officer