

**PLUTO VENTURES INC.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**December 31, 2024**

## **INTRODUCTION**

The following Management's Discussion and Analysis ("MD&A") is dated February 28, 2025 and should be read in conjunction with the unaudited interim condensed financial statements of Pluto Ventures Inc. ("Pluto" or the "Company") for the nine months ended December 31, 2024, and the audited financial statements for the years ended March 31, 2024 and 2023, including the notes thereon. Pluto prepares its financial statements in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The financial statements are presented in Canadian dollars, which is the functional currency of the Company.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of Pluto common shares; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) if it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Pluto's financial statements, MD&A and all other continuous disclosure documents are filed with Canadian securities regulators and are available for review under the Pluto Ventures Inc. profile at [www.sedarplus.com](http://www.sedarplus.com).

## **FORWARD-LOOKING STATEMENTS**

Certain statements contained in the following MD&A constitute forward-looking statements. Such forward looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements.

## **DESCRIPTION OF BUSINESS**

Pluto was incorporated on September 8, 2021 under the laws of the Province of British Columbia. The Company is principally engaged in the business of acquiring, exploring and developing interests in mining projects. To date, the Company has not generated revenues from its principal activities and is considered to be in the exploration stage. On October 30, 2024, the Company completed listing of its common shares on the Canadian Securities Exchange (the "CSE") and began trading under the symbol "PLTO".

The head office and principal address of the Company are located at Suite 2250, 1055 West Hastings Street, Vancouver, British Columbia, V6E 2E9. The registered and records office are located at Suite 1510, 789 West Pender Street, Vancouver, British Columbia, V6C 1H2.

On November 13, 2024, the Company completed a forward split of its shares on the basis of 2 new shares for each one share outstanding (the "Forward Split"). Except where otherwise indicated, all historical share numbers and per share amounts have been adjusted on a retroactive basis to reflect the Forward Split.

## **PROPOSED TRANSACTIONS**

On December 19, 2024, the Company entered into a Letter of Intent (the "LOI") to purchase all of the issued and outstanding shares of 1508260 B.C. Ltd. ("BC1508260"), which holds the rights to acquire a series of mineral claims located in Alaska known as the Union Bay property (the "Union Bay Property"), and resulting in the indirect acquisition of the right to acquire a 100% interest in the Union Bay Property.

In consideration for the acquisition of all outstanding shares of BC1508260, the Company shall issue 7,500,000 common shares of the Company (the "Consideration Shares") and 4,500,000 common share purchase warrants (the "Consideration Warrants") entitling the holders to acquire an equivalent number of

common shares of the Company at a price of \$0.35 for a period of thirty-six months.

## OVERALL PERFORMANCE

Since its incorporation on September 8, 2021, the Company has focused on completing and filing a listing application on the CSE and has incurred expenses relevant to such activity during the year ended March 31, 2024 as characterized by filing fees, accounting fees, consulting fees and legal fees.

Loss and comprehensive loss for the nine months ended December 31, 2024, was \$169,349 (2023 - \$14,670), which is further explained in "Discussion of Operations" below.

## Summary of Exploration Expenditures

### Terrace Property

On June 29, 2022, the company entered into an option agreement (the "Option Agreement") with Decade Resources Ltd. (the "Optionor" or "Decade") to acquire a 100% interest in the Terrace Property (the "Property"). The option will be exercised by the Company over a period of four years by making the following payments and share issuances, and completing expenditures on the property of at least \$2,000,000 by the fourth anniversary of the Company's common shares being listed (the "Listing Date") on the Exchange.

Dates	Cash	Shares	Expenditures
On signing of the Option Agreement	\$10,000 (paid)		
On or before the 15 <sup>th</sup> business day after the Listing Date	\$10,000	200,000 (Issued)	
On the 1 <sup>st</sup> anniversary of the Listing Date	\$20,000	200,000	\$50,000
On the 2 <sup>nd</sup> anniversary of the Listing Date	\$30,000	200,000	As recommended in the 43-101 report
On the 3 <sup>rd</sup> anniversary of the Listing Date	\$40,000	200,000	As recommended in the 43-101 report
On the 4 <sup>th</sup> anniversary of the Listing Date	-	-	As recommended in the 43-101 report
<b>Total</b>	<b>\$110,000</b>	<b>800,000</b>	<b>\$2,000,000</b>

Pursuant to the Option Agreement, the Company shall grant to the Optionor a 1% NSR royalty. The Company shall retain the right to purchase at any time from the Optionor for \$500,000. In addition, the Company shall grant the optionors a 2% NSR royalty pursuant to the terms and conditions of the agreement dated as of July 2017 between Decade and Detour Gold Corporation.

The schedule below outlines the costs incurred on the Property as at December 31, 2024:

	As at March 31		As at March 31		As at December 31	
	2023	Additions/ (Writedowns)	2024	Additions/ (Writedowns)	2024	
	\$	\$	\$	\$	\$	\$
<b>Acquisition</b>						
Cash payment	10,000	-	10,000	-		10,000
Share issuance	-	-	-	50,000		50,000
	<b>10,000</b>	<b>-</b>	<b>10,000</b>	<b>50,000</b>		<b>60,000</b>

	March 31, 2023	Expenditures during the year	March 31, 2024	Expenditures during the period	December 31, 2024
	\$	\$	\$	\$	\$
<b>Exploration and evaluation expenditures</b>					
Assays and reports	4,844	10,624	15,468	731	16,198
Geological consulting	-	8,000	8,000	10,500	18,500
Helicopter	-	15,000	15,000	-	15,000
Surveys and geophysics	24,245	38,500	62,745	-	62,745
Travel and accommodation	-	11,375	11,375	2,823	14,198
G&A	-	-	-	326	326
<b>Total exploration and evaluation expenditures</b>	<b>29,089</b>	<b>83,499</b>	<b>112,588</b>	<b>14,380</b>	<b>126,968</b>

## RESULTS OF OPERATIONS

### Year to Date

Key components of loss and comprehensive loss for the nine months ended December 31, 2024 were as follows:

- Accounting fees of \$16,701 (2023: \$Nil) relating to the Company's June 30, 2024 review and review of the non-offering prospectus by the auditor for listing on the CSE;
- Consulting fees of \$30,000 (2023: \$13,750) relating to the Company's advisory services;
- Filing fees of \$29,986 (2023: \$711) relating to CSE listing fees and continuous disclosure;
- Legal fees of \$56,401 (2023: \$Nil) relating to the Company's legal fees for non-offering prospectus;
- Transfer agent fees of \$9,458 (2023: \$Nil) relating to treasury order processing; and
- Regulatory fees of \$16,750 (2023: \$Nil) relating to listing fees and monthly maintenance.

### Three Months Ended December 31, 2024

Key components of loss and comprehensive loss for the three months ended December 31, 2024 were as follows:

- Accounting fees of \$2,675 (2023: \$Nil) relating to review of the non-offering prospectus by the auditor for listing on the CSE;
- Consulting fees of \$30,000 (2023: \$Nil) relating to the Company's advisory services;
- Filing fees of \$21,036 (2023: \$711) relating to CSE listing fees and continuous disclosure;
- Transfer agent fees of \$6,003 (2023: \$Nil) relating to Sedar filing;
- Regulatory fees of \$16,750 (2023: \$Nil) relating to listing fees and monthly maintenance; and
- Investor relations fees of \$10,000 (2023: \$Nil) relating to investor relations and marketing services.

## SUMMARY OF QUARTERLY RESULTS

The following table sets out selected unaudited quarterly financial information of the Company for the eight

most recently quarters of operation. This information is derived from unaudited quarterly financial statements prepared by management. The financial data for the quarters ended from March 31, 2023 to December 31, 2024, are prepared in accordance with IFRS.

	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023
			\$	\$	\$	\$	\$	\$
Total Assets	293,866	437,611	430,440	456,615	155,617	156,399	128,807	124,581
Working Capital	78,809	159,823	249,112	262,538	9,575	12,857	4,515	76,960
Revenue	-	-	-	-	-	-	-	-
Net Loss	(81,014)	(74,909)	(13,426)	(43,913)	(782)	(68)	(13,820)	(6,077)
Loss per Share	(0.004)	(0.003)	(0.000)	(0.002)	(0.000)	(0.000)	(0.002)	(0.001)

Overall, accounting fees, filing fees and legal fees were the major components that caused variances in net loss from quarter to quarter. During the three months ended December 31, 2024, the major expenses of the Company were consulting fees of \$30,000, filing fees of \$21,036, and regulatory fees of \$16,750.

## LIQUIDITY AND CAPITAL RESOURCES

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The Company's capital management approach is also disclosed in Note 9 of the financial statements for the nine months ended December 31, 2024.

During the quarter ended December 31, 2024 the Company's cash decreased by \$199,994 primarily due to the consulting fees, regulatory fees, and filing fees associated to the Company's non-offering prospectus for listing on the CSE.

### Fiscal Year 2025

On December 27, 2024, the Company issued 200,000 common shares at a price of \$0.25 per share to Decade as the option payment.

On October 16, 2024, the Company entered into an escrow agreement between the Company, Endeavor Trust Corporation, and certain shareholders of the Company, whereby 5,200,000 common shares have been deposited in escrow. On June 6, 2024, at the discretion of the Company, 1,212,000 special warrants and 400,000 compensation special warrants were into 1,612,000 common shares, without any additional compensation.

### Fiscal Year 2024

On September 21, 2023, the Company completed a private placement of 1,212,000 of special warrants (each a "Special Warrant") valued at CDN\$0.025 per Special Warrant for total proceeds of \$30,300 whereby each Special Warrant will convert into one common share of the Company (i) at any time, at the discretion of the Company, (ii) on the date on which the Company obtains the final receipt of a non-offering prospectus by the British Columbia Securities Commission, or (iii) the date that is 18 months from the date of issuance of the Special Warrant. Cash fees of \$2,640 and 400,000 Special Warrants valued at \$10,000 have been paid in connection with the private placement.

On March 22, 2024, the Company completed a non-brokered private placement whereby the Company issued 8,000,000 common shares at a price of \$0.025 per share for gross proceeds of \$200,000.

On January 8, 2024, the Company completed a non-brokered private placement whereby the Company issued 4,000,000 common shares at a price of \$0.025 per share for gross proceeds of \$100,000.

### Special Warrants

During the year ended March 31, 2024, the Company completed a private placement of 1,212,000 of special

warrants (each a “Special Warrant”) valued at CDN\$0.025 per Special Warrant for total proceeds of \$30,300 whereby each Special Warrant will convert into one common share of the Company (i) at any time, at the discretion of the Company, (ii) on the date on which the Company obtains the final receipt of a non-offering prospectus by the British Columbia Securities Commission, or (iii) the date that is 18 months from the date of issuance of the Special Warrant.

Cash fees of \$2,640 and 400,000 Special Warrants valued at \$10,000 have been paid in connection with the private placement.

On June 6, 2024, at the discretion of the Company, 1,212,000 special warrants and 400,000 compensation special warrants were into 1,612,000 common shares, without any additional compensation.

### **Stock options (“Options”), Performance Share Units, Restricted Share Units and Deferred Share Units (“Performance-Based Award”)**

The Company has adopted an Omnibus Equity Incentive Plan (the “Plan”), which is a rolling plan for Options and Performance-Based Awards such that the aggregate number of common shares issuable under the Plan (and all of the Company’s other Security-Based Compensation Arrangements) in respect of Options and Performance-Based Awards shall not exceed 20% of the Company’s then total issued and outstanding common shares calculated as at the date of any grant.

**As at December 31, 2024, none of the options and performance-based awards have been issued.**

### **SUMMARY OF OUTSTANDING SHARE DATA**

The Company’s issued and outstanding share capital as at the date of this report is as follows:

1. Authorized: Unlimited number of common shares without par value.
2. The Company has 21,812,000 common shares issued and outstanding.

### **OFF-BALANCE SHEET ARRANGEMENTS**

There are no off-balance sheet arrangements.

### **RELATED PARTY BALANCES AND TRANSACTIONS**

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

As of December 31, 2024, \$Nil (March 31, 2024 - \$Nil) was due to related parties.

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has identified its directors and certain senior officers as its key management personnel and the compensation costs for key management personnel and companies related to them were recorded at their exchange amounts as agreed upon by transacting parties.

During the nine months ended December 31, 2024, \$Nil (December 31, 2023 - \$Nil) was recognized as share-based payments arising from stock options granted to key management.

The following is a summary of related party transactions with key management personnel that occurred during the nine months ended December 31, 2024 and 2023, and amounts in accounts payable and accrued liabilities at December 31, 2024 and 2023:

	<b>For the nine months ended December 31, 2024</b>	For the nine months ended December 31, 2023	Amount payable as at December 31, 2024	Amount payable as at December 31, 2023
Accounting and management services	<b>30,000</b>	-	30,000	-
<b>Total</b>	<b>30,000</b>	-	30,000	-

The services were provided by a company where a director of the Company served as the managing director, and by a company owned by a director of the Company.

## **FINANCIAL INSTRUMENTS**

The Company is exposed to financial risks through its use of financial instruments in its ordinary course of operations. The financial risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company does not have any written risk management policies and guidelines. However, the board of directors meets regularly and co-operates closely with key management to identify and evaluate risks and to formulate strategies to manage financial risks. The Company has not used any derivatives or other instruments for hedging purposes and does not hold or issue derivative financial instruments for trading purposes. The most significant risks to which the Company is exposed to are described below.

### **(i) Currency risk**

Some of the operating expenses and cash held are denominated in foreign currencies and as such are subject to currency risk. The Company does not enter into derivative financial instruments to mitigate this risk but the Company does not believe its net exposure to foreign exchange risk is significant as most funds are held by the Company in Canadian dollars.

### **(ii) Credit risk**

Credit risk arises from the non-performance by counterparties of contractual financial obligations. The Company's credit risk arises primarily with respect to subscription receivables from private placements.

### **(iii) Interest rate risk**

Interest rate risk is the risk that the fair value or cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has interest-bearing assets in relation to cash at banks. The Company's operating cash flows are substantially independent of changes in market interest rates. The Company has not used any financial instrument to hedge potential fluctuations in interest rates. The exposure to interest rates for the Company is considered minimal. The Company has no interest bearing borrowings.

The policies to manage interest rate risk have been followed by the Company since prior years and are considered to be effective.

### **(iv) Liquidity risk**

The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances. The Company had net current assets as at December 31, 2024 of \$78,809 (March 31, 2024: \$262,538). The Company manages its liquidity risk by forecasting cash flows from

operations and anticipating any investing and financing activities. Management and the board of directors are actively involved in the review, planning and approval of significant expenditures and commitments.

The liquidity policies have been followed by the Company since prior years and are considered to have been effective in managing liquidity risk.

#### **(v) Fair value measurements**

The following table presents financial assets and liabilities measured at fair value in the statement of financial position in accordance with the fair value hierarchy. The hierarchy groups financial assets into three levels based on the relative reliability of significant inputs used in measuring the fair value of these financial assets. The fair value hierarchy has the following three levels:

Level 1 – quoted prices (unadjusted) in active markets for identical assets;

Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 – inputs for the asset that are not based on observable market data (unobservable inputs).

The level in the fair value hierarchy within which the financial asset is categorized in its entirety is based on the lowest level of input that is significant to the fair value measurement.

There have been no significant transfers between levels 1 and 2 in the respective reporting years. The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared to the previous reporting years. Marketable securities are measured at fair value using level 1.

Financial instruments that are not measured at fair value are represented by cash and accounts payable and accrued liabilities. The fair value of these financial instruments approximates their carrying value due to their short-term nature.

#### **CAPITAL RISK MANAGEMENT**

The Company's capital management objectives are to ensure the Company's ability to continue as a going concern so as to benefit from its operations to provide an adequate return for its shareholders.

The Company manages its capital structure and makes adjustments to it based on the funds available to the Company in order to support the acquisition, exploration and development of mineral properties. The Company defines capital that it manages as its shareholders' equity. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The Company has historically relied on the equity markets to fund the acquisition, exploration and development of mineral properties. In addition, the Company is dependent upon external financings to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

The Company is not subject to externally imposed capital requirements.

#### **SUBSEQUENT EVENT**

On February 19, 2025, the Company terminated the LOI with BC1508260 to purchase all of the issued and outstanding shares of BC1508260.