CARLYLE COMMODITIES CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED FEBRUARY 28, 2023

FORWARD LOOKING STATEMENTS

The Company's Financial Statements and this accompanying Management's Discussion and Analysis ("MD&A") contain statements that constitute "forward-looking statements" within the meaning of National Instrument 51-102, Continuous Disclosure Obligations of the Canadian Securities Administrators. Forward-looking statements often, but not always, are identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect", "targeting" and "intend" and statements that an event or result "may", "will", "should", "could", or "might" occur or be achieved and other similar expressions. Forward-looking statements in this MD&A include statements regarding the Company's future exploration plans and expenditures, the satisfaction of rights and performance of obligations under agreements to which the Company is a part, the ability of the Company to hire and retain employees and consultants and estimated administrative assessment and other expenses. The forward-looking statements that are contained in this MD&A involve a number of risks and uncertainties. As a consequence, actual results might differ materially from results forecast or suggested in these forward-looking statements. Some of these risks and uncertainties are identified under the heading "Risks Related to the Company's Business" in this MD&A. Additional information regarding these factors and other important factors that could cause results to differ materially may be referred to as part of particular forward-looking statements. The forward-looking statements are qualified in their entirety by reference to the important factors discussed under the heading "Risks Related to the Company's Business" and to those that may be discussed as part of particular forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that 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 the forward-looking statements. Factors that could cause the actual results to differ include market prices, exploration success, continued availability of capital and financing, inability to obtain required regulatory approvals and general market conditions. These statements are based on a number of assumptions, including assumptions regarding general market conditions, the timing and receipt of regulatory approvals, the ability of the Company and other relevant parties to satisfy regulatory requirements, the availability of financing for proposed transactions and programs on reasonable terms and the ability of third-party service providers to deliver services in a timely manner. Forward-looking statements contained herein are made as of the date of this MD&A and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

INTRODUCTION

This MD&A prepared as at June 26, 2023, reviews the financial condition and results of operations of Carlyle Commodities Corp. ("Carlyle" or the "Company") (formerly Delrey Metals Corp.) for the year ended February 28, 2023 and all other material events up to the date of this report. The following discussion should be read in conjunction with the Company's annual audited consolidated financial statements for the year ended February 28, 2023.

The financial data included in the discussion provided in this report has been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretation Committee ("IFRIC"). All dollar amounts are in Canadian dollars, unless otherwise noted.

The Company's certifying officers are responsible for ensuring that the consolidated financial statements and MD&A do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made. The Company's officers certify that the consolidated financial statements and MD&A fairly present, in all material respects, the financial condition, results of operations and cash flows, of the Company as the date hereof.

DESCRIPTION AND OVERVIEW OF BUSINESS

Carlyle Commodities Corp, ("CCC", or the "Company") was incorporated on October 18, 2017 under the Business Corporations Act of British Columbia. The Company's head and registered office address is 620 – 1111 Melville Street, Vancouver, BC. The Company's common shares began trading on the Canadian Securities Exchange (the "CSE") on October 24, 2018, under the symbol "DLRY". On February 18, 2020, the Company changed its name to Carlyle Commodities Corp and continued trading under the symbol "CCC". The Company's consolidated financial statements include the financial statements of the following subsidiaries:

Company	Place of Incorporation	Effective Interest
BC Vanadium Corp. ("**BCVC**")	British Columbia	100%
WEM Western Energy Metals Ltd. ("**WEM**")	British Columbia	100%
ISAAC Mining Corp. ("**IMC**")	British Columbia	100%
OWL Lake Resources Ltd. ("**OWL**")	Ontario	100%

The principal business of the Company is the exploration and evaluation of mineral property interests. The success of the Company will be dependent on obtaining the necessary financing to evaluate and pursue these opportunities.

The Company's consolidated financial statements have been prepared with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company's ability to continue in the normal course of operations is dependent on its ability to raise equity financing. This indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. These consolidated financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations.

The number of shares and per share amounts for the current and comparative figures in these consolidated financial statements have been adjusted to reflect the changes resulting from a 10 for 1 share consolidation which took effect on September 6, 2022.

On May 16, 2023 and June 23, 2023, the Company terminated the Cecilia Agreement the Sunset Property option agreement respectively.

In February 2023, the Company completed the Phase 1 drilling program for a total over 2,000 meters and demobilized equipment and personnel from camp.

PERFORMANCE SUMMARY AND SUBSEQUENT EVENTS

During and subsequent to the year ended February 28, 2023, the Company:

- (i) Closed a non-brokered private placement by issuing 14,674,998 units (each, a "Unit") at a price of $0.15 per Unit for gross proceeds of $2,201,250 as follows:
    - 6,918,332 Units on October 21, 2022
    - 2,810,000 Units on October 31, 2022
    - 4,946,666 Units on November 10, 2022

  Each unit consists of one common share of the Company and one-half warrant. Each full warrant is exercisable for one common share at a price of $0.30 for a period of three years following the closing of each tranche of the private placement. The warrants are subject to an acceleration provision whereby in the event the common shares have a closing price on the CSE of $0.50 or greater per common share for a period of 10 consecutive trading days at any time from the date of issuance, the Company may accelerate the expiry date of warrants. In connection with the offering, the Company paid an aggregate of $81,460 in finders' fees and incurred an additional $16,238 in other closing costs and issued 631,066 finders' warrants valued at $109,273. The finders' warrants were valued using the Black-Scholes pricing model with following assumptions: (i) share price of $0.19, (ii) expected life of three years, (iii) dividend yield of 0%, (iv) risk-free rate of 3.96%, and (v) expected volatility of 196.1%

  (ii) On December 30, 2022, the Company closed a non-brokered private placement by issuing 1,000,000 flow-through units (each, a "FT Unit") at a price of $0.25 per FT Unit for gross proceeds of $250,000. Each FT Unit was comprised of one flow-through share and one-half warrant, each entitling the holder to acquire one non-flow-through common share at a price of $0.375 per common share for a period of 18 months. In connection with the offering, the Company paid an aggregate of finders' fees of $12,600 and incurred an additional $6,399 in other closing costs and issued 50,400 finders' warrants, exercisable at $0.25 for a period of 18 months valued at $8,014. The finders' warrants were valued using the Black-Scholes pricing model with following assumptions: (i) share price of $0.23, (ii) expected life of 18 months, (iii) dividend yield of 0%, (iv) risk-free rate of 4.03%, and (v) expected volatility of 174.5%. The Company used the residual method to calculate the fair value of the tax deduction attached with the flow-through common share and recorded a flow-through liability of $25,000. The Company incurred eligible exploration and evaluation expenditures during the year ended and recognized a flow-through premium recovery of $25,000.

  (iii) On February 24, 2023, the Company closed a first tranche of private placement by issuing 740,000 units (each, a "Unit") at a price of $0.25 per Unit for gross proceeds of $185,000.

Each unit consists of one common share and one-half warrant. Each full warrant is exercisable for one common share at a price of $0.375 for a period of three years following the closing of each tranche of the private placement. The warrants are subject to an acceleration provision whereby in the event the common shares have a closing price on the CSE of $0.50 or greater per common share of the Company for a period of 10 consecutive trading days at any time from the date of issuance, the Company may accelerate the expiry date of warrants. In connection with the offering, the Company paid an aggregate of $14,000 in finders' fees and issued 56,000 finders' warrants valued at $9,968. The finders' warrants were valued using the Black-Scholes pricing model with following assumptions: (i) share price of $0.205, (ii) expected life of three years, (iii) dividend yield of 0%, (iv) risk-free rate of 4.02%, and (v) expected volatility of 175.6%

- Issued 475,000 for stock options exercised at an average price of $0.24 per common share for proceeds of $113,500. Upon exercise, $109,050 relating to the fair value of the stock options was reclassified from reserves to share capital.

- Issued 568,992 common shares valued at $156,364 to Directors of the Company and consultants to settle trade payables and accrued liabilities valued at $185,758. The Company recognized a gain on settlement of trade payables and accrued liabilities equal to $29,394 in the statement of loss.

- On March 3, 2023, the Company closed the second tranche of the private placement announced in February 2023 consisting of 140,000 units for gross aggregate proceeds of $35,000.

- On March 22, 2023, the Company closed a non-brokered private placement by issuance of 1,341,666 units at a price of $0.15 per unit for gross proceeds of $201,250. Each unit consists of one common share and one-half warrant, with each entitling the holder to purchase one additional share at a price of $0.375 for a period of 36 months following the issuance. Finder's commission of 53,333 finder's warrants exercisable at a price of $0.15 each into 53,333 units of the Company were issued in connection with the closing of the Offering. Each finder unit consists of one share and one-half of one warrant, with each warrant entitling the holder to purchase one share at a price of $0.375 for a period of 36 months following the issuance.

- On March 22, 2023, the Company granted 1,900,000 stock options to certain officers, directors, and consultants of the Company for the purchase of up to 1,900,000 common shares. Each option vested immediately and is exercisable for a period of five years at an exercise price of $0.145 per common share; 150,000 of these stock options were exercised on June 1, 2023 and 350,000 of these stock options were exercised on April 26, 2023.

- On March 24, 2023, the Company granted 50,000 stock options to a consultant for the purchase of up to 50,000 common shares. Each option vested immediately and is exercisable for a period of five years at an exercise price of $0.135 per common share.

- Between March 9, 2023 and June 9, 2023, the Company issued an aggregate 1,182,110 common shares of the Company to consultants for services and debt settlement.

EXPLORATION AND EVALUATION ASSETS

Sunset Mining Property, British Columbia

On November 7, 2017, the Company entered into an agreement to have the right to earn a 100% interest in the Sunset Property consisting of four mineral claims.

The Company could earn a 100% interest in the Sunset Property subject to a 2% Net Smelter Royalty, by completing $1,000,000 in exploration, making cash payments of $15,000 (paid) and issuing 9,524 common shares (issued during the year ended February 28, 2019). If there is a shortfall in exploration in any one year, the agreement can be maintained in good standings by making a payment in the equivalent cash, of the shortfall. On June 25, 2018, the $100,000 in exploration expenditures to incur by June 30, 2018 was extended to September 30, 2018.

On July 29, 2021, the Company entered into an amending agreement. Pursuant to the terms of the amending agreement, the Company has extended the second and third scheduled payments of exploration expenditures from December 31, 2020 and December 31, 2022 to December 31, 2022 (as to $200,000) and December 31, 2022 (as to $700,000) respectively.

On December 29, 2021, the Company entered into another amending agreement. Pursuant to the terms of the amending agreement, the Company further extended the second and third schedule payments of exploration expenditures from December 31, 2021 to December 31, 2022 (as to $200,000) and December 31, 2023 (as to $700,000) respectively.

The Company was required to incur $1,000,000 of exploration as follows:

By September 30, 2018	$	100,000	*(completed during the year ended February 28, 2019)*
By December 31, 2022		200,000	(*Not incurred, option agreement terminated*)
By December 31, 2023		700,000	
	$	1,000,000	

Excess expenditures from one year can be applied to the next period.

In June 2022, the Company notified the optionor it was terminating the option agreement and therefore recognized a write-off of $168,495 in the consolidated statement of loss and comprehensive loss reducing the carrying value to $nil during the year ended February 28, 2022.

WEM acquisition, British Columbia

On December 12, 2018 the Company acquired 100% of issued and outstanding common shares of WEM in exchange for 607,143 common shares and agreed to pay $10,000 in WEM's existing payables. WEM owned a 100% interest in the Blackie and the Peneece vanadium properties, located in northwestern British Columbia.

During the year ended February 28, 2021, the Company has agreed to dispose of the properties in settlement of $12,500 in debt. Accordingly, for the year ended February 28, 2022, the Company has written the value of the properties down to $nil and recognized a write-off of $584,168 to statement of loss and comprehensive loss.

Cecilia Gold-Silver Property, State of Sonora

During the year ended February 28, 2021, the Company entered into an option agreement (the "Cecilia Agreement") with Riverside Resources Inc. ("Riverside"), a TSX Venture Exchange ("TSXV") listed issuer trading under the symbol "RRI", to purchase an undivided 100% interest in and to Cecilia Gold-Silver Project (the "Property") located in the State of Sonora, Mexico.

Under the terms of the Cecilia Agreement, the Company had the option to acquire a 100% interest in the Property by:

Date		Cash	Shares		Exploration Expenditures
Upon execution of the LOI	$	10,000 *(paid)*	-	$	-
Upon closing		40,000 *(paid)*	150,000 *(issued)*		-
12 months from Closing		50,000 (*paid*)	-		750,000
24 months from Closing		50,000 (*unpaid*)	-		500,000
36 months from Closing		50,000	-		1,250,000
	$	200,000	150,000	$	2,500,000

Upon completion of the option payments, the Company will be deemed to have exercised the option and will have earned an undivided 100% legal and beneficial interest in and to the Property, subject to a 2.5% net smelter return royalty ("NSR Royalty") to be granted to Riverside. During the year ended February 28, 2021, the Company advanced $750,000 to Riverside as operator of the project, of which $608,991 had been expended on exploration and evaluation activities as at February 28, 2022 with $141,327 remaining in exploration and evaluation advance. During the year ended February 28, 2022, the Company incurred additional $123,322 on exploration and evaluation activities.

On closing, the Company issued 300,000 special warrants to Riverside, which will automatically vest and convert into one share of the Company, for no additional consideration, with the following vesting schedule:

Vesting Date	**No. of Special Warrants Vested / Converted**
12 months from Closing	50,000 (*vested and converted on July 13, 2021*)
18 months from Closing	50,000 (*vested and converted on January 13, 2022*)
24 months from Closing	50,000 (*Cancelled May 2022*)
30 months from Closing	50,000 (*Cancelled May 2022*)
36 months from Closing	100,000 (*Cancelled May 2022*)
	300,000

The special warrants will be cancelled if the Cecilia Agreement is terminated and have therefore been accounted for consistent with other option payments and will be recognized as acquisition costs as they vest. The Company issued 1,000,000 common shares upon exercise of Special warrants valued at $62,500 during the year ended February 28, 2022 and made a cash payment of $50,000 pursuant to the terms of the Cecilia Agreement.

In May 2022, the Company notified the optionor that it was terminating the option agreement and therefore recognized a write-off of $1,384,343 in the consolidated statement of loss and comprehensive loss reducing the carrying value to $nil.

The Company wrote off the advance of $18,005 for the project as the management made the decision to terminate the Cecilia option agreement in May 2022. The advance is considered not recoverable pursuant to the terms of the option agreement.

Mack option agreement, British Columbia

During the year ended February 28, 2021, the Company entered into an option agreement (the "Mack Agreement") with United Mineral Services Ltd. ("UMS"), a private company. The Company has agreed with UMS that Amarc Resources Ltd. ("Amarc") will operate the exploration program.

Under the terms of the Mack Agreement, the Company has the right to earn a 50% working interest in the Mack copper-molybdenum-gold property by funding $400,000 for an initial drill program as follows:

a) $50,000 on or before August 14, 2020 (paid); and
b) $350,000 on the earlier of:
    i) within 5 days of notice from Amarc that it has received the necessary permit required for the agreed upon earn-in program for the Mack Property before September 30, 2020 (paid); and
    ii) April 1, 2022, if the permit is in-hand after September 30, 2020 but before April 1, 2022; or such other date as agreed to by the parties

As a result of completing the above, the Company holds a 50% interest in the Mack property.

During the year ended February 28, 2021, the Company issued 10,000 common shares with a value of $19,000 to stake additional contiguous claims on the Mack property.

During the year ended February 28, 2022, the Company did not intend to perform further work on the Mack property and assessed its recoverable amount to be $nil and therefore recognized a write-off of $454,928 in the consolidated statement of loss and comprehensive loss in the same year.

Isaac Mining Corp amalgamation agreement, British Columbia

On December 16, 2020, the Company entered into an amalgamation agreement (the "Agreement") with Isaac Mining Corp. ("IMC"), a private British Columbia corporation, and 1269597 B.C. Ltd. ("NewCo"), a wholly-owned subsidiary of the Company.

IMC is a private British Columbia mineral exploration corporation which owns 100% of the Newton Gold Project (the "Newton Gold Project" or the "Project") located in the Clinton Mining Division of the Province of British Columbia.

Under the Agreement, the Company is required to pay an annual advance royalty payment of $25,000 (paid – December 2022) paid to IMC and AMARC Resources Ltd. relating to the 2% net smelter returns royalty (the "NSR"). The NSR can be purchased by the Company at any time for $2,000,000.

The Company deposited $40,000 with the Ministry of Energy, Mines and Low Carbon Innovation during the year ended February 28, 2022 as part of the exploration permit application requirement.

From March 2022 through early summary the Company focused its efforts on obtaining the 5-year Notice of Work Permit which was granted on June 2, 2022. Concurrently, during the first quarter of 2022, the Company updated its NI 43-101 Resource Calculation of the Newton Project and subsequently published the updated technical report on June 14, 2022.

Carlyle commenced and completed its Phase 1 Drill Program in the last quarter of the year with a total of over 2,000 meters of drilling completed. The equipment and personnel were demobilized upon the completion of the drilling program. Currently, the Company is working towards preparation of a Phase 2 Drill Program in anticipates commencing in the summer of 2023.

OWL Lake Resources Ltd amalgamation agreement, Ontario

On June 14, 2021, the Company entered into an amalgamation agreement (the "Agreement") with OWL Lake Resources Ltd. ("OWL"), a private British Columbia corporation, and 1305339 B.C. Ltd. ("NewCo"), a wholly-owned subsidiary of the Company.

Incorporated in October of 2018, OWL is a private British Columbia mineral exploration corporation which owns 100% of the Owl Lake Property (the "Owl Lake Property" or the "Property") located in the Hemlo-Schreiber Greenstone Belt in the Thunder Bay South Mining Division in the Province of Ontario.
Pursuant to the Agreement, the Company acquired all of the issued and outstanding OWL Shares by way of a "three-cornered" amalgamation (the "Amalgamation") whereby NewCo and OWL amalgamated pursuant to the provisions of the Business Corporations Act (British Columbia) to form one corporation, which continued under the name "OWL Lake Mining Corp.", a wholly owned subsidiary of the Company. Accordingly, each of the common shares of OWL (each, an "OWL Share") were cancelled and, in consideration for such OWL Shares, each OWL shareholder (collectively, the "OWL Shareholders") received one common share in the capital of the Company for every three and a half of OWL Share held by such shareholder. An aggregate of 1,371,427 common shares of the Company were issued to the OWL Shareholders in exchange for their respective OWL Shares.

The Company has determined that the transaction does not meet the definition of a business combination and treated the amalgamation as an asset acquisition.

In connection with the Transaction, the Company paid a finder's fee to Triview Capital Ltd., a private Calgary corporation, by issuing 93,571 common shares. As the acquired entity did not constitute a business and majority of net assets acquired was cash, the finder's fee was classified as share issuance cost.

Purchase price consideration		
Value of 1,371,427 common shares issued at $1.30	$	1,782,855
Assets and liabilities acquired		
Cash	$	872,494
Owl Lake Property		43,061
Trade payables and accrued liabilities		(54,334)
Transaction cost		921,634
Total purchase price allocated	**$**	**1,782,855**

As at February 28, 2022, the Company has determined it will not pursue exploration and evaluation of the OWL Lake Property and estimated its recoverable amount to be $nil. Therefore, the company recognized a write-off of $43,061 in the consolidated statement of loss and comprehensive loss in the year ended February 28, 2022.

A continuity of the Company's exploration and evaluation assets is as follows:

	Sunset	Mack	Cecilia	Newton	Owl Lake	Total
Acquisition costs:						
Balance, February 28, 2021	**$ 65,000**	**$ 25,822**	**$ 540,000**	**$ 4,632,993**	**$ -**	**$ 5,263,815**
Additions	-	-	112,500	-	43,061	155,561
Write-off	(65,000)	(25,822)	(652,500)	-	(43,061)	(786,383)
Balance, February 28, 2022	**$ -**	**$ -**	**$ -**	**$ 4,632,993**	**$ -**	**$ 4,632,993**
Additions	-	-	-	25,000	-	25,000
Balance, February 28, 2023	**$ -**	**$ -**	**$ -**	**$ 4,657,993**	**$ -**	**$ 4,657,993**
Exploration costs:						
Balance, February 28, 2021	**$ 103,495**	**$ 429,106**	**$ 608,521**	**$ -**	**$ -**	**$ 1,141,122**
Field personnel	-	-	24,870	-	-	24,870
Sampling	-	-	44,404	-	-	44,404
Geological consulting	-	-	30,440	75,260	-	105,700
Supplies and other	-	-	2,076	-	-	2,076
Travel and meals	-	-	7,896	-	-	7,896
Permitting	-	-	-	48,223	-	48,223
Project management	-	-	13,636	-	-	13,636
Write-off	(103,495)	(429,106)	(731,843)	-	-	(1,264,444)
Balance, February 28, 2022	**$ -**	**$ -**	**$ -**	**$ 123,483**	**$ -**	**$ 123,483**
Permitting	-	-	-	83,335	-	83,335
Targeting, planning and logistics	-	-	-	48,625	-	48,625
Equipment rental	-	-	-	33,076	-	33,076
Field personnel	-	-	-	150,772	-	150,772
Drilling	-	-	-	292,982	-	292,982
Assaying	-	-	-	45,572	-	45,572
Fuel	-	-	-	3,527	-	3,527
Consumables	-	-	-	37,459	-	37,459
Travel and meals	-	-	-	86,005	-	86,005
Project management	-	-	-	18,041	-	18,041
Balance, February 28, 2023	**$ -**	**$ -**	**$ -**	**$ 922,877**	**$ -**	**$ 922,877**
Balance, February 28, 2022	**$ -**	**$ -**	**$ -**	**$ 4,756,476**	**$ -**	**$ 4,756,476**
Balance, February 28, 2023	**$ -**	**$ -**	**$ -**	**$ 5,580,870**	**$ -**	**$ 5,580,870**

SUMMARY OF QUARTERLY RESULTS

	February 28, 2023 $	November 30, 2022 $	August 31, 2022 $	May 31, 2022 $
Total assets	6,639,726	6,183,412	4,886,197	4,946,304
Shareholders' equity	5,997,453	6,028,228	4,635,109	4,795,432
Revenue	-	-	-	-
Loss and comprehensive loss	(1,023,786)	(1,073,414)	(190,323)	(76,313)
Basic and diluted loss per share	(0.04)	(0.09)	(0.03)	(0.01)

	February 28, 2022 $	November 30, 2021 $	August 31, 2021 $	May 31, 2021 $
Total assets	5,025,900	8,345,397	8,528,357	6,770,217
Shareholders' equity	4,826,822	8,118,686	8,338,359	6,581,012
Revenue	-	-	-	-
Loss and comprehensive loss	(3,095,471)	(256,673)	(376,886)	(538,010)
Basic and diluted loss per share	(0.46)	(0.04)	(0.06)	(0.01)

RESULTS OF OPERATIONS

The three months ended February 28, 2023 and 2022

	February 28, 2023	February 28, 2022	$ Variance	% Variance
General and administrative expenses				
Bank and interest charges	$ 8,889	$ 508	8,381	1650%
Consulting fees	179,992	(20,000)	199,992	-1000%
Depreciation	191	249	(58)	-23%
Investor relations	169,535	680	168,855	24832%
Management fees	78,750	54,000	24,750	46%
Office costs	34,689	26,544	8,145	31%
Professional fees	98,728	33,645	65,083	193%
Share-based payments	421,800	-	421,800	100%
Transfer agent and filing fees	21,546	10,297	11,249	109%
Travel and entertainment	11,603	(3,423)	15,026	-439%
Total general and administrative expenses	$ (1,025,723)	$ (102,500)	(923,223)	901%
Other income (expenses)				
Gain (loss) on debt settlement	(23,018)	2,250	(25,268)	-1123%
Write-off of exploration and evaluation assets	-	(2,050,827)	2,050,827	-100%
Write-off of receivables and advances	-	(22,760)	22,760	-100%
Transaction cost	-	(921,634)	921,634	-100%
Flow-through premium income	25,000	-	25,000	100%
Loss and comprehensive loss	**$ (1,023,741)**	**$ (3,095,471)**	**2,071,730**	**-67%**

The notable changes between comparable periods are as follows:

Consulting fees – increased due to the Company's expanded scope of activities and engagement of more consultants with higher fees to progress corporate development during the period.

Investor relations – increased because of engagement of consultants who focused on raising awareness of the Company and the Newton Project.

Professional fees – increased because the Company incurred greater legal fees associated with increased scope of activities in the period.

Share-based payments – increased because no stock options were granted and vested in the comparative period.

Write-off of exploration and evaluation assets – decreased due to impairment of a few mineral properties in the comparative period. No impairment was recognized in Q4'2023. Refer to 'Exploration and Evaluation Assets' section of MD&A for details.

Transaction cost – decreased due to transaction cost incurred on the three-way amalgamation of OWL Lake Resources Ltd. in the comparative period; no transactions of this nature occur in the current period. Refer to 'Exploration and Evaluation Assets' section of MD&A for details.

The years ended February 28, 2023 and 2022

	February 28, 2023	February 28, 2022	$ Variance	% Variance
General and administrative expenses				
Bank and interest charges	$ 12,916	$ 3,475	9,441	272%
Consulting fees	572,592	507,901	64,691	13%
Depreciation	846	1,102	(256)	-23%
Investor relations	222,320	170,695	51,625	30%
Management fees	389,789	239,997	149,792	62%
Office costs	113,565	109,462	4,103	4%
Professional fees	175,421	100,043	75,378	75%
Share-based payments	784,050	50,605	733,445	1449%
Transfer agent and filing fees	78,074	30,749	47,325	154%
Travel and entertainment	68,657	30,088	38,569	128%
Total general and administrative expenses	$ (2,418,230)	$ (1,244,117)	(1,174,113)	94%
Other income (expenses)				
Gain (loss) on debt settlement	29,394	(43,542)	72,936	-168%
Write-off of exploration and evaluation assets	-	(2,050,827)	2,050,827	-100%
Write-off of receivables and advances	-	(22,760)	22,760	-100%
Transaction cost	-	(921,634)	921,634	-100%
Other income	-	15,840	(15,840)	-100%
Flow-through premium income	25,000	-	25,000	100%
Loss and comprehensive loss	**$ (2,363,836)**	**$ (4,267,040)**	**1,903,204**	**-45%**

The notable changes between comparable periods are as follows:

Consulting fees – increased due to the Company's expanded scope of activities and engagement of more consultants with higher fees to progress corporate development during the period.

Investor relations – increased because of engagement of consultants who focused on raising awareness of the Company and the Newton Project.

Management fees – increased due to one-time bonus payments and increased pay per the terms of new contracts with a few members of management personnel.

Professional fees – increased because the Company incurred greater legal fees associated with increased scope of activities in the period.

Share-based payments – increased because no stock options were granted and vested in the comparative period.

Write-off of exploration and evaluation assets – decreased due to impairment of a few mineral properties in the comparative period. No impairment was recognized in 2023. Refer to 'Exploration and Evaluation Assets' section of MD&A for details.

Transaction cost – decreased due to transaction cost incurred on the three-way amalgamation of OWL Lake Resources Ltd. in the comparative period; no transactions of this nature occur in the current period. Refer to 'Exploration and Evaluation Assets' section of MD&A for details.

LIQUIDITY AND CAPITAL RESOURCES

The Company has not generated any cash flow from operations. Carlyle's financial success relies on management's ability find economically recoverable reserves in its exploration and evaluation asset.

In order to finance the acquisition of assets or a business and corporate overhead, the Company will be dependent on investor sentiment remaining positive towards the junior companies, and towards Carlyle Commodities Corp., in particular, so that funds can be raised through the sale of the Company's securities. Many factors have an influence on investor sentiment, including a positive climate from investors to support junior exploration companies, a company's track record and the experience and calibre of a company's management. There is no certainty that equity funding will be available at the times and in the amounts required to fund the Company's activities. Note 1 of the Company's consolidated financial statements for the year ended February 28, 2023 further discusses the going concern issue. The financial statements do not include any adjustments that might result from these uncertainties.

The Company plans on financing its continued activities through equity financings. It is anticipated as general sentiment towards junior exploration companies remains positive, the Company can raise the necessary capital to secure and finance the acquisition of assets or a business. Debt financing has not been used to fund asset and business acquisitions; the Company has no current plans to use such financing. There are no other sources of financing that have been arranged by the Company. The Company's working capital at February 28, 2023 was $373,648 compared to a working capital of $26,565 as at February 28, 2022.

Cash and Financial Conditions

The Company had a cash balance of $562,840 as at February 28, 2023 compared to a cash balance of $134,535 as at February 28, 2022.

Operating activities: The Company used $1,753,238 in operations for the year ended February 28, 2023 (2022 – used $866,414).

Investing activities: The Company used $437,560 in investing activities for the year ended February 28, 2023 (2022 – used $200,983) primarily due to payments towards exploration and evaluation activities of $417,600 (2022 - $160,983), offset by proceeds of $5,040 from the loan repayment (2022 - $nil).

Financing activities: The Company generated $2,619,103 in financing activities for the year ended February 28, 2023 (2022 – $1,040,771) primarily due to proceeds from private placements, net of share issue costs, of $2,505,553 (2022 - $nil), proceeds from stock option exercises of $113,500 (2022 - $98,825) and advances of $24,950 to related parties (2022 – repayments of $69,452 from related parties).

SECURITIES OUTSTANDING

As at the date of this MD&A the Company has 27,397,477 common shares, 12,321,595 share purchase warrants, and 4,760,965 stock options outstanding.

OUTLOOK

It is anticipated that in the continued and foreseeable future, Carlyle will rely on the equity markets to meet its financing needs. Should cash flow build through its business operations, the Company will be in a position to finance other initiatives from cash flow.

Without continued external funding to pursue and finance any business opportunities, there is substantial doubt as to the Company's ability to operate as a going concern. Although Carlyle has been successful in raising funds to date, there can be no assurance that additional funding will be available in the future.

Management and the Board of Directors continuously review and examine business proposals for the Company and conduct their due diligence in respect of the same.

OFF-BALANCE SHEET ARRANGEMENTS

At the date of this report, the Company had no off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

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

The compensation awarded to key management personnel is as follows:

For the year ended		February 28, 2023		February 28, 2022
Management fees	$	336,281	$	206,440
Consulting fees		30,000		70,000
Share-based payments		144,900		-
Total compensation	**$**	**511,181**	**$**	**276,440**

Due to related parties
As of February 28, 2023, $339,098 (February 28, 2022 - $123,822) was included in trade payables and accrued liabilities for fees owed to related parties. As of February 28, 2023, the Company had a receivable of $187 owed from the CEO.

During the year ended February 28, 2023, the Company advanced a loan of $nil (year ended February 28, 2022 - $50,000) to an officer of the Company. The loan advanced in prior year was not repaid during the year ended February 28, 2023. The Company expects to collect the outstanding loan within a year from the reporting period date.

During the year ended February 28, 2022, the Company advanced a loan of $5,040 to a legal entity with a director in common. The loan is non-interest bearing and repayable within 12 months from the commencement date. The loan was fully repaid in June 2022.

During the year ended February 28, 2021, the Company issued a loan of $55,482 to a Company with an officer in common. The loan is non-interest bearing and repayable on demand. During the year ended February 28, 2022, the Company received a loan repayment of $55,482.

During the year ended February 28, 2023, the Company received a loan of $75,000 from a legal entity with an officer in common. The loan did not bear interest and was due on demand. It was fully repaid during the year ended February 28, 2023.

PROPOSED TRANSACTIONS

There are currently no proposed asset or business acquisitions or dispositions, other than those disclosed in this MD&A and the Company's consolidated financial statements.

CRITICAL ACCOUNTING ESTIMATES

Carlyle Commodities Corp. prepares its financial statements in accordance with International Financial Reporting Standard ("IFRS") and requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities, the 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.

Estimates and assumption where there is significant risk of material adjustments to assets and liabilities in future accounting period include the recoverability of the carry value of the exploration and evaluation assets, the measurements for financial instrument, the measurement of share-based payments and the recoverability of deferred tax assets.

RECENT ACCOUNTING PRONOUNCEMENTS

The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended February 28, 2023.

FINANCIAL INSTRUMENTS AND RELATED RISKS

Fair values

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs in the valuation techniques as follows:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

The carrying values of cash, restricted cash, loans receivable, trade payables and accrued liabilities approximate their fair values due to the immediate or short-term nature of these instruments. There has been no significant change in credit and market interest rates since the date of its receipt.

Fair value estimates are made at a specific point in time, based on relevant market information and information about the financial instruments. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and, therefore, cannot be determined with precision. Change in assumptions could significantly affect the estimates.

The following table summarizes the classification of the Company's financial instruments under IFRS 9:

Financial assets	
Cash	Amortized cost
Restricted cash	Amortized cost
Loans receivable	Amortized cost
Financial liabilities	
Trade payables and accrued liabilities	Amortized cost

Capital and Risk Management

The Company's objective and polices for managing capital are to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Company manages its capital structure and makes changes based on economic conditions, risks that impact the operations and future significant capital investment opportunities. In order to maintain or adjust its capital structure, the Company may issue new equity instruments or raise additional debt financing.

The Company is exposed to a variety of financial risks by virtue of its activities: market risk, interest rate risk, liquidity risk and foreign currency risk. The Board of Directors has overall responsibility for the determination of the Company's capital and risk management objectives and policies while retaining ultimate responsibility for them. The Company's overall capital and risk management program has not changed throughout the period. It focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on financial performance. Risk management is carried out by the executive team under policies approved by the Board of Directors. The executive team identifies and evaluates financial risks in close cooperation with the Board of Directors.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's interest-bearing debt instrument has a fixed interest rate and is not subject to interest rate cash flow risk. As at February 28, 2023, the Company is not exposed to significant interest rate risk.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company generally relies on external financing or key management to provide sufficient liquidity to meet budgeted operating requirements. The following table sets forth details of the payment profile of financial liabilities based on their undiscounted cash flows:

		Total carrying amount		Contractual cash flows		Less than 1 year		1 to 5 years		More than 5 years
Trade payables and accrued liabilities	$	642,273	$	642,273	$	642,273	$	-	$	-
Totals	**$**	**642,273**	**$**	**642,273**	**$**	**642,273**	**$**	**-**	**$**	**-**

Taking into consideration the Company's current cash position, volatile equity markets, global uncertainty in the capital markets and increasing cost pressures, the Company is continuing to review its needs to seek financing opportunities in accordance to its capital risk management strategy.

Foreign currency risk
Foreign currency risk is defined as the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The majority of purchases are transacted in the Canadian dollar. Management believes the foreign exchange risk derived from current conversions is not significant and therefore does not hedge its foreign exchange risk.

ADDITIONAL SOURCES OF INFORMATION

Additional information relating to Carlyle Commodities Corp. can be found on the SEDAR website at www.sedar.com.