CARLYLE COMMODITIES CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE MONTHS ENDED MAY 31, 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 July 31, 2023, reviews the financial condition and results of operations of Carlyle Commodities Corp. ("Carlyle" or the "Company") for the three months ended May 31, 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 condensed consolidated interim financial statements for the three months ended May 31, 2023 and annual audited consolidated financial statements and related notes 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 interim 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.

These condensed consolidated interim 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 or through the sale of its investments at amounts favorable to the Company. 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 condensed consolidated interim 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.

EXPLORATION AND EVALUATION ASSETS

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.

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:

		Newton		Owl Lake		Total
Acquisition costs:						
Balance, February 28 and May 31, 2022	**$**	**4,632,993**	**$**	**-**	**$**	**4,632,993**
Balance, February 28, 2023	**$**	**4,657,993**	**$**	**-**	**$**	**4,657,993**
Exploration costs:						
Balance, February 28, 2022	**$**	**123,483**	**$**	**-**	**$**	**123,483**
Permitting		16,500		-		16,500
Balance, May 31, 2022	**$**	**139,983**	**$**	**-**	**$**	**139,983**
Balance, February 28, 2023	**$**	**922,877**	**$**	**-**	**$**	**922,877**
Permitting		3,304		-		3,304
Balance, February 28, 2023	**$**	**926,181**	**$**	**-**	**$**	**926,181**
Balance, May 31, 2022	**$**	**4,772,976**	**$**	**-**	**$**	**4,772,976**
Balance, February 28, 2023	**$**	**5,580,870**	**$**	**-**	**$**	**5,580,870**
Balance, May 31, 2023	**$**	**5,584,174**	**$**	**-**	**$**	**5,584,174**

SUMMARY OF QUARTERLY RESULTS

	May 31, 2023 $	February 28, 2023 $	November 30, 2022 $	August 31, 2022 $
Total assets	6,041,436	6,639,726	6,183,412	4,886,197
Shareholders' equity	5,641,169	5,997,453	6,028,228	4,635,109
Revenue	-	-	-	-
Loss and comprehensive loss	(966,217)	(1,023,786)	(1,073,414)	(190,333)
Basic and diluted loss per share	(0.04)	(0.04)	(0.09)	(0.03)

	May 31, 2022 $	February 28, 2022 $	November 30, 2021 $	August 31, 2021 $
Total assets	4,946,304	5,025,900	8,345,397	8,528,357
Shareholders' equity	4,795,432	4,826,822	8,118,686	8,338,359
Revenue	-	-	-	-
Loss and comprehensive loss	(76,303)	(3,095,471)	(256,673)	(376,886)
Basic and diluted loss per share	(0.00)	(0.46)	(0.04)	(0.06)

RESULTS OF OPERATIONS

The three months ended May 31, 2023 and 2022

		May 31, 2023		May 31, 2022	$ Variance	% Variance
General and administrative expenses						
Bank and interest charges	$	790	$	488	302	62%
Consulting fees		189,583		12,500	177,083	1417%
Depreciation		179		310	(131)	-42%
Investor relations		308,161		645	307,516	47677%
Management fees		75,824		60,500	15,324	25%
Office costs		19,196		27,267	(8,071)	-30%
Professional fees		33,590		6,227	27,363	439%
Share-based payments		251,300		-	251,300	100%
Transfer agent and filing fees		11,538		3,331	8,207	246%
Travel and entertainment		11,240		9,947	1,293	13%
Total general and administrative expenses	$	(901,401)	$	(121,215)	(780,186)	644%
Other income (expenses)						
Gain (loss) on debt settlement		(16,660)		44,912	(61,572)	-137%
Other expense		(48,156)		-	(48,156)	100%
Loss and comprehensive loss	**$**	**(966,217)**	**$**	**(76,303)**	**(889,914)**	**1166%**

The notable changes between comparable periods are as follows:

Consulting fees – significantly increased due to the corporate development activities.

Investor relations fees – significantly increased due to focus on raising the Company's profile in the equity markets during the current period.

Professional fees –The Company engaged an external counsel to assist with general corporate matters.

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

Gain (loss) on debt settlement – the Company recognized a loss in the current period as the value of common shares issued exceeded the value of outstanding balances settled, in the comparative period the value of common shares was below the outstanding balances settled.

Other expense – the Company incurred other expense in connection with cancellation of the Cecilia option agreement.

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 condensed consolidated interim financial statements for the three months ended May 31, 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 funding 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 May 31, 2023 was $14,238 compared to a working capital of $373,648 as at February 28, 2023.

Cash and Financial Conditions

The Company had a cash balance of $85,535 as at May 31, 2023 compared to a cash balance of $562,840 as at February 28, 2023.

Operating activities: The Company used $458,279 in operations in the three months ended May 31, 2023 (the three months ended May 31, 2022 - $100,885).

Investing activities: The Company spent $306,025 on exploration and evaluation activities during the three months ended May 31, 2023 (the three months ended May 31, 2022 - $nil).

Financing activities: The Company generated $286,999 in financing activities in the three months ended May 31, 2023 (the three months ended May 31, 2022–$nil). The cash inflows include the proceeds of $236,249 from private placements and proceeds of $50,750 from stock options exercised.

SECURITIES OUTSTANDING

As at the date of this MD&A the Company has 27,427,106 common shares, 12,294,929 share purchase warrants, and 4,610,965 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 three months ended		May 31, 2023		May 31, 2022
Management fees	$	63,000	$	55,500
Consulting fees		7,500		7,500
Share-based payments		96,750		-
Total compensation	**$**	**167,250**	**$**	**63,000**

Due from or to related parties

As of May 31, 2023, $74,153 (February 28, 2023, $339,098) was included in trade payables and accrued liabilities for fees owed to related parties.

As of May 31, 2023, the Company had the following balances originated from transactions with a legal entity controlled by CEO:

As at		May 31, 2023		February 28, 2023
Receivables	$	187	$	187
Prepaid expenses and deposits		37,024		-
Loans receivable		50,000		50,000

Total compensation	**$**	**87,211**	**$**	**50,187**

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, receivables, 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
Receivables	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 May 31, 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	$ 400,267	$ 400,267	$ 400,267	$ -	$ -
Totals	**$ 400,267**	**$ 400,267**	**$ 400,267**	**$ -**	**$ -**

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.