CARLYLE COMMODITIES CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE AND NINE MONTHS ENDED NOVEMBER 30, 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 January 26, 2023, reviews the financial condition and results of operations of Carlyle Commodities Corp. ("Carlyle" or the "Company") for the three and nine months ended November 30, 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 and nine months ended November 30, 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.

PERFORMANCE SUMMARY AND SUBSEQUENT EVENTS

- On March 3, 2023, the Company closed the second tranche of the non-brokered private placement announced in February 2023 consisting of 140,000 units for gross proceeds of $35,000. Each unit consists of one common share of the Company and one-half of a share purchase warrant, with each whole warrant entitling the holder to purchase one additional common share at a price of $0.375 for a period of three years following the issuance.

- On March 22, 2023, the Company closed a non-brokered private placement by issuance of 1,341,664 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 three years following the issuance. In connection with the offering, the Company issued 53,333 finders' warrants, exercisable at a price of $0.15 each into 53,333 units.

- On August 18, 2023, the Company closed the first tranche of a non-brokered private placement by issuance of 7,617,823 units at a price of $0.085 per unit for gross proceeds of $647,515. Each unit consists of one common share and one warrant, with each entitling the holder to purchase one additional share at a price of $0.15 for a period of three years following the issuance. In connection with the offering, the Company issued 84,560 finders' warrants, exercisable at a price of $0.15 each into 84,560 common shares of the Company.

- On August 30, 2023, the Company closed the first tranche of a non-brokered private placement by issuance of 6,205,705 units at a price of $0.085 per unit for gross proceeds of $527,485. Each unit consists of one common share and one warrant, with each entitling the holder to purchase one additional share at a price of $0.15 for a period of three years following the issuance. In connection with the offering, the Company issued 58,400 finders' warrants, exercisable at a price of $0.085 each into 58,400 common shares of the Company.

- On September 12, 2023, the Company granted 2,500,000 stock options to certain officers, directors, and consultants of the Company for the purchase of up to 2,500,000 common shares of the Company. Each option vested immediately and is exercisable for a period of five years at an exercise price of $0.125.

- On October 18, 2023, the Company granted 300,000 stock option to a consultant of the Company for the purchase of up to 300,000 common shares of the Company. Each option vested immediately and is exercisable for a period of five years at an exercise price of $0.17.

- During the period ended November 30, 2023, the Company issued an aggregate of 1,200,000 common shares for stock options exercised at an average price of $0.133 per common share for proceeds of $160,000.

- During the period ended November 30, 2023, the Company issued an aggregate of 8,480 common shares for warrants exercised at an average price of $0.15 per common share for proceeds of $1,272.

- During the period ended November 30, 2023, the Company issued an aggregate of 1,309,309 common shares valued at $150,816 to consultants to settle trade payables and accrued liabilities valued at $126,795. The Company recognized a loss on settlement of trade payables and accrued liabilities equal to $24,021 in the statement of loss.

- Subsequent to the period ended November 30, 2023, the Company closed a non-brokered private placement by issuing 4,501,762 flow-through units at a price of $0.17 per unit for gross proceeds of $765,299. Each unit consists of one flow-through common share and one-half of a share purchase warrant, with each whole warrant entitling the holder to purchase one non-flow-through common share at a price of $0.30 per share for a period of two years. In connection with the offering, the Company paid finders' fees of $57,865 and issued 324,941 finders' warrants, each entitling the holder to purchase on non-flow-through common share at a price of $0.17 per share for a period of two years.

- Subsequent to the period ended November 30, 2023, the Company issued an aggregate of 62,049 common shares to consultants to settle trade payables and accrued liabilities valued at $5,000.

- Subsequent to the period ended November 30, 2023, the Company commenced the Phase 2 of drilling program at the Newton Gold Project. The initial portion of the Company's Phase 2 drill campaign is anticipated to include approximately seven drill holes and 1,500 meters total drilling, at an average depth of 200 meters per hole. The Company intends to expand this drill program once work is underway.

- Subsequent to the period ended November 30, 2023, the Company granted 1,800,000 stock options to certain officers, directors, and consultants of the Company with an exercise price of $0.09 and life of five years.

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.

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

		Newton
Acquisition costs:		
Balance, February 28, 2022	**$**	**4,632,993**
Additions		25,000
Balance, February 28 and November 30, 2023	**$**	**4,657,993**
Exploration costs:		
Balance, February 28, 2022	**$**	**123,483**
Permitting		83,335
Targeting, planning and logistics		48,625
Equipment rental		33,076
Field personnel		150,772
Drilling		292,982
Assaying		45,572
Fuel		3,527
Consumables		37,459
Travel and meals		86,005
Project management		18,041
Balance, February 28, 2023	**$**	**922,877**
Permitting		20,159
Targeting, planning and logistics		40,677
Equipment rental		14,330
Field personnel		107,357
Fuel		2,760
Consumables		9,542
Travel and meals		46,458
Project management		8,827
Balance, November 30, 2023	**$**	**1,172,987**
Balance, February 28, 2023	**$**	**5,580,870**
Balance, November 30, 2023	**$**	**5,830,980**

SUMMARY OF QUARTERLY RESULTS

	August 31, 2023 $	August 31, 2023 $	May 31, 2023 $	February 28, 2023 $
Total assets	6,269,564	6,955,854	6,041,436	6,639,726
Shareholders' equity	5,942,629	6,422,264	5,641,169	5,997,453
Revenue	-	-	-	-
Loss and comprehensive loss	(923,593)	(473,390)	(966,217)	(1,023,786)
Basic and diluted loss per share	(0.02)	0.02	(0.04)	(0.04)

	August 31, 2022 $	August 31, 2022 $	May 31, 2022 $	February 28, 2022 $
Total assets	4,886,197	4,886,197	4,946,304	5,025,900
Shareholders' equity	4,635,109	4,635,109	4,795,432	4,826,822
Revenue	-	-	-	-
Loss and comprehensive loss	(190,333)	(190,323)	(76,303)	(3,095,471)
Basic and diluted loss per share	(0.03)	(0.03)	(0.00)	(0.46)

RESULTS OF OPERATIONS

The three months ended November 30, 2023 and 2022

		November 30, 2023		November 30, 2022	$ Variance	% Variance
General and administrative expenses						
Bank and interest charges	$	869	$	3,150	(2,281)	-72%
Consulting fees		155,803		335,100	(179,297)	-54%
Depreciation		202		204	(2)	-1%
Investor relations		257,058		49,684	207,374	417%
Management fees		100,094		178,031	(77,937)	-44%
Office costs		21,305		26,307	(5,002)	-19%
Professional fees		23,518		33,925	(10,407)	-31%
Share-based payments		345,896		362,250	(16,354)	-5%
Transfer agent and filing fees		15,981		46,846	(30,865)	-66%
Travel and entertainment		1,075		37,919	(36,844)	-97%
Total general and administrative expenses	$	(921,801)	$	(1,073,416)	151,615	-14%
Other income (expenses)						
Gain (loss) on debt settlement		(1,792)		-	(1,792)	100%
Other income		-		2	(2)	-100%
Loss and comprehensive loss	**$**	**(923,593)**	**$**	**(1,073,414)**	**149,821**	**-14%**

The notable changes between comparable periods are as follows:

Consulting fees – decreased as the comparative period included a significant one-time invoice for strategic advisory services.

Investor relations – significantly increased due to efforts to engage with existing and prospective investors to raise funding through equity financings.

Management fees – decreased as the comparative period included management bonuses.

Transfer agent and filing fees – decreased as the comparative period included the close of two tranches of a private placement, which required additional regulatory costs.

Gain (loss) on debt settlement – the balance generally reflects an accounting outcome of settlement of trade payable through the issuance of the Company's common shares. The Company recognized loss as the fair value of common shares issued to settle trade payables was greater than the carrying value of trade payables settled.

The nine months ended November 30, 2023 and 2022

		November 30, 2023		November 30, 2022	$ Variance	% Variance
General and administrative expenses						
Bank and interest charges	$	1,957	$	4,027	(2,070)	-51%
Consulting fees		450,803		392,600	58,203	15%
Depreciation		548		655	(107)	-16%
Investor relations		770,924		52,785	718,139	1360%
Management fees		262,204		311,039	(48,835)	-16%
Office costs		67,327		78,875	(11,548)	-15%
Professional fees		86,402		76,693	9,709	13%
Share-based payments		597,196		362,250	234,946	65%
Transfer agent and filing fees		37,586		56,528	(18,942)	-34%
Travel and entertainment		16,076		57,054	(40,978)	-72%
Total general and administrative expenses	$	(2,291,023)	$	(1,392,506)	(898,517)	65%
Other income (expenses)						
Gain (loss) on debt settlement		(24,021)		52,412	(76,433)	-146%
Other income		-		44	(44)	-100%
Other expense		(48,156)		-	(48,156)	100%
Loss and comprehensive loss	**$**	**(2,363,200)**	**$**	**(1,340,050)**	**(1,023,150)**	**76%**

The notable changes between comparable periods are as follows:

Consulting fees – increased due to expanded scope of corporate activities and initiatives in relation to exploration and evaluation.

Investor relations – significantly increased due to efforts to engage with existing and prospective investors to raise funding through equity financings.

Management fees – decreased as the comparative period included management bonuses.

Professional fees – increased primarily due to the increase in legal and audit fees.

Share-based payments – increased and related to the fair value of stock options granted during the period..

Transfer agent and filing fees – decreased as the comparative period included the close of two tranches of a private placement, which required additional regulatory costs.

Gain (loss) on debt settlement – the balance generally reflects an accounting outcome of settlement of trade payable through the issuance of the Company's common shares. The Company recognized loss in the period as the fair value of common shares issued to settle trade payables was greater than the carrying value of trade payables 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 and nine months ended November 30, 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 November 30, 2023 was $69,262 (February 28, 2023 - $ 373,648).

Cash and Financial Conditions

The Company had a cash balance of $138,314 as at November 30, 2023 compared to a cash balance of $562,840 as at February 28, 2023.

Operating activities: The Company used $1,456,561 in operations in the period ended November 30, 2023 (2022 - $1,185,909).

Investing activities: The Company spent $525,329 on exploration and evaluation activities during the period ended November 30, 2023 (2022 – $75,335) and received $nil (2022 - $5,040) in proceeds from loan repayments.

Financing activities: The Company generated $1,560,364 in financing activities in the period ended November 30, 2023 (2022 – $2,016,316). Financing activities include net proceeds of $1,399,092 (2022 - $2,106,316) from private placements $160,000 (2022 - $nil) from stock options exercised, and $1,272 (2022 - $nil) from warrant exercises.

SECURITIES OUTSTANDING

As at the date of this MD&A the Company has 46,620,473 common shares, 27,855,657 share purchase warrants, and 6,535,714 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:

		Nine Months Ended November 30, 2023		2022
Management fees	$	256,230	$	269,031
Consulting fees		22,500		22,500
Share-based payments		191,905		144,900
Total compensation	**$**	**470,635**	**$**	**436,431**

Due to related parties
As of November 30, 2023, $180,000 (February 28, 2023, $339,098) was included in trade payables and accrued liabilities for fees owed to related parties.

As of November 30, 2023, the Company had the following balances originated from transactions with a legal entity controlled by CEO:

As at		November 30, 2023		February 28, 2023
Receivables	$	238	$	187
Prepaid expenses and deposits		45,274		-
Loans receivable		50,000		50,000
	$	**95,512**	**$**	**50,187**

During the period ended November 30, 2023, a legal entity with the officer in common advanced a loan of $10,000. The loan bears no interest and due on demand. The loan was repaid during the same period.

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
Loan 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 of November 30, 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	$ 326,935	$ 326,935	$ 326,935	$ -	$ -
Totals	**$ 326,935**	**$ 326,935**	**$ 326,935**	**$ -**	**$ -**

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.sedarplus.ca.