CARLYLE COMMODITIES CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE AND SIX MONTHS ENDED AUGUST 31, 2024

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 October 30, 2024, reviews the financial condition and results of operations of Carlyle Commodities Corp. ("Carlyle" or the "Company") for the three and six months ended August 31, 2024 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 six months ended August 31, 2024 and annual audited consolidated financial statements and related notes for the year ended February 29, 2024.

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 1111 West Hasting Street, 15th Floor, 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 Newton Mining Corp. ("**IMC**")	British Columbia	100%
OWL Lake Mining Corp. ("**OWL**")	British Columbia	100%
1500285 B.C. LTD.	British Columbia	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 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.

PERFORMANCE SUMMARY AND SUBSEQUENT EVENTS

- On April 4, 2024, the Company granted 1,000,000 stock options to certain consultants of the Company with an exercise price of $0.055 and a life of five years.

- On May 14, 2024, the Company closed the first tranche of a non-brokered private placement by issuing 2,400,000 units at a price of $0.05 per unit for gross proceeds of $120,000. Each unit consists of one common share of the Company and one common share purchase warrant entitling the holder to purchase one additional common share at a price of $0.10 per share for a period of 36-months. The Company paid finders' fees of $4,000 and issued 80,000 finders' warrants exercisable at a price of $0.05 for a period of 36-months.

- During the period ended August 31, 2024, the Company Closed two tranches of a non-brokered private placement by issuing an aggregate of 8,725,000 units at a price of $0.04 per unit for gross proceeds of $349,000. Each unit consists of one common share and one, with each entitling the holder to purchase one additional share at a price of $0.10 for a period of three years following the issuance.

  The Company paid finders' fees of $4,800 and issued 120,000 finders' warrants, exercisable at a price of $0.05 each into 120,000 shares for a period of three years following the issuance, valued at $3,847. In connection with the offering, the Company incurred additional closing costs of $5,717.

- During the period ended August 31, 2024, 500,000 stock options were exercised for gross proceeds of $27,500.

- During the period ended August 31, 2024, an aggregate of 147,619 common shares were issued to settle trade payables and accrued liabilities valued at $7,500.

- Subsequent to the period ended August 31, 2024, the Company issued an aggregate of 4,601,920 common shares with a value of $134,083 to settle $230,096 in accounts payable owing to various directors, officers, and consultants.

- Subsequent to the period ended August 31, 2024, the Company entered into an option agreement with Divitiae Resources Ltd. to acquire a 100% interest in certain mining claims in the Quesnel Terrane in central British Columbia (the "Quesnel Gold Project"), subject to a 2% NSR royalty, 1% of which may be purchased for $1,000,000. To exercise the option, the Company must:

    - make a cash payment of $15,000 within five days of the option agreement (*paid*);
    - issue 2,000,000 common shares within five days from the date of the option agreement (*issued*); and
    - issue 2,000,000 common shares within 65 days from the date of the option agreement.

- Subsequent to the period ended August 31, 2024, the Company entered into a non-binding letter of intent (the "LOI") with Axcap Ventures Inc. ("Axcap") for the sale of the Company's Newton Gold Project. Pursuant to the LOI, the Company will sell a 100% interest in its Newton Gold project for the following consideration:

    - $100,000 upon the signing of the LOI (*received*);
    - $150,000 upon signing the definitive agreement;
    - $250,000 upon Axcap closing an equity financing at a price of $0.20 per security for proceeds not less than $4,000,000. In the event the financing is not closed, Axcap will pay $125,000 upon closing of the sale with an additional $125,000 to be paid within 90 days of closing.
    - 3,750,000 common shares and 500,000 warrants of Axcap upon closing of the sale, with each warrant exercisable for a period of three years at a price of $0.20; and
    - shares of Axcap with a value of $1,250,000 calculated on the 20-day volume weighted average trading price of the Axcap shares on the Canadian Securities Exchange, on the date that is 12-months following the closing of the sale.

    As at the date of these condensed consolidated interim financial statements, the definitive agreement has not been signed and the sale remains subject to exchange approval.

- Subsequent to the period ended August 31, 2024, the Company entered into an agreement with Miramis Mining Corp. ("Miramis"), whereby the Company will amalgamate with Miramis and all of the issued and outstanding common shares of Miramis following the amalgamation will be immediately exchanged for common shares of the Company on a one-to-one basis. Miramis currently holds an option to acquire a 100% interest in certain mineral claims comprising the Nicola East Property (subject to a 2% net smelter return royalty to be retained by the optionors), which is located 24 kilometers northeast of Merritt, BC. As at the date of these condensed consolidated interim financial statements, the transaction remains subject to regulatory approval and the approval of Miramis shareholders.

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.

Subsequent to the period ended August 31, 2024, the Company entered into a letter of intent to dispose of the Newton Gold Project. The Company remeasured the value of the project based upon the expected proceeds on disposal and recognized an impairment of $3,422,049 (2023 - $nil).

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

		Newton
Acquisition costs:		
Balance, February 28, 2023	**$**	**4,657,993**
Additions		**25,000**
Balance, February 29, 2024	**$**	**4,682,993**
Impairment		**(3,422,049)**
Balance, August 31, 2024	**$**	**1,260,944**
Exploration costs:		
Balance, February 28, 2023	**$**	**922,877**
Permitting		20,159
Targeting, planning and logistics		58,082
Equipment rental		41,204
Field personnel		212,588
Drilling		347,002
Assaying		42,204
Fuel		8,306
Consumables		10,418
Travel and meals		65,754
Project management		19,159
Balance, February 29, 2024	**$**	**1,747,753**
Equipment rental		5,283
Field personnel		24,401
Assaying		3,082
Project management		792
Balance, August 31, 2024	**$**	**1,781,311**
Balance, February 29, 2024	**$**	**6,430,746**
Balance, August 31, 2024	**$**	**3,042,255**

SUMMARY OF QUARTERLY RESULTS

	August 31, 2024 $	May 31, 2024 $	February 29, 2024 $	November 30, 2023 $
Total assets	3,426,054	6,748,624	6,736,252	6,269,564
Shareholders' equity	2,826,901	6,188,921	6,258,746	5,942,629
Revenue	-	-	-	-
Loss and comprehensive loss	(3,694,663)	(273,613)	(370,590)	(923,593)
Basic and diluted loss per share	(0.07)	(0.01)	(0.01)	(0.02)

	August 31, 2023 $	May 31, 2023 $	February 28, 2023 $	November 30, 2022 $
Total assets	6,955,854	6,041,436	6,639,726	6,183,412
Shareholders' equity	6,422,264	5,641,169	5,997,453	6,028,228
Revenue	-	-	-	-
Loss and comprehensive loss	(473,390)	(966,217)	(1,023,786)	(1,073,414)
Basic and diluted loss per share	0.02	(0.04)	(0.04)	(0.09)

RESULTS OF OPERATIONS

The three months ended August 31, 2024 and 2023

		August 31, 2024		August 31, 2023	$ Variance	% Variance
General and administrative expenses						
Bank and interest charges	$	550	$	298	252	85%
Consulting fees		72,193		105,417	(33,224)	-32%
Depreciation		135		167	(32)	-19%
Investor relations		74,150		205,705	(131,555)	-64%
Management fees		81,975		86,286	(4,311)	-5%
Office costs		3,102		26,826	(23,724)	-88%
Professional fees		34,763		29,294	5,469	19%
Transfer agent and filing fees		7,043		10,067	(3,024)	-30%
Travel and entertainment		1,784		3,761	(1,977)	-53%
Total general and administrative expenses	$	(275,695)	$	(467,821)	192,126	-41%
Other income (expenses)						
Gain (loss) on debt settlement		-		(5,569)	5,569	-100%
Impairment of exploration and evaluation assets		(3,422,049)		-	(3,422,049)	100%
Flow-through premium income		3,081		-	3,081	100%
Loss and comprehensive loss	**$**	**(3,694,663)**	**$**	**(473,390)**	**(3,221,273)**	**680%**

The notable accounts and changes between comparable periods are as follows:

Consulting fees – decreased as the comparative period included significant corporate development activities.

Investor relations – decreased as the Company focused on the optimization of its working capital.

Management fees – were considered comparable period over period.

Professional fees – were considered comparable period over period.

Transfer agent and filing fees – decreased as the comparative period included additional costs related to the close of private placements completed.

Impairment of exploration and evaluation assets – Upon signing of the LOI to dispose of the Newton project subsequent to the period end, the Company remeasured the value of the project based upon the expected proceeds on disposal and recognized an impairment of $3,422,049.

Flow-through premium income – flow-through premium income is recognized as the Company satisfies its flow-through obligations and its flow-through liabilities are reduced.

The six months ended August 31, 2024 and 2023

	August 31, 2024	August 31, 2023	$ Variance	% Variance
General and administrative expenses				
Bank and interest charges	$ 1,087	$ 1,088	(1)	0%
Consulting fees	168,875	295,000	(126,125)	-43%
Depreciation	271	346	(75)	-22%
Investor relations	102,038	513,866	(411,828)	-80%
Management fees	161,322	162,110	(788)	0%
Office costs	7,617	46,022	(38,405)	-83%
Professional fees	45,219	62,884	(17,665)	-28%
Share-based payments	52,193	251,300	(199,107)	-79%
Transfer agent and filing fees	10,971	21,605	(10,634)	-49%
Travel and entertainment	3,935	15,001	(11,066)	-74%
Total general and administrative expenses	$ (553,528)	$ (1,369,222)	815,694	-60%
Other income (expenses)				
Gain (loss) on debt settlement	(595)	(22,229)	21,634	-97%
Impairment of exploration and evaluation assets	(3,422,049)	-	(3,422,049)	100%
Flow-through premium income	7,896	-	7,896	100%
Other expense	-	(48,156)	48,156	-100%
Loss and comprehensive loss	**$ (3,968,276)**	**$ (1,439,607)**	**(2,528,669)**	**176%**

The notable accounts and changes between comparable periods are as follows:

Consulting fees – decreased as the comparative period included significant corporate development activities.

Investor relations – decreased as the Company focused on the optimization of its working capital.

Management fees – were considered comparable period over period.

Professional fees – decreased as a result of less requirement for corporate legal services during the current period.

Transfer agent and filing fees – decreased as the comparative period included additional costs related to the close of private placements completed.

Impairment of exploration and evaluation assets – Upon signing of the LOI to dispose of the Newton project subsequent to the period end, the Company remeasured the value of the project based upon the expected proceeds on disposal and recognized an impairment of $3,422,049.

Flow-through premium income – flow-through premium income is recognized as the Company satisfies its flow-through obligations and its flow-through liabilities are reduced.

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 six months ended August 31, 2024, 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 deficiency at August 31, 2024 was $257,287 (February 29, 2024 –$214,204).

Cash and Financial Conditions

The Company had a cash balance of $107,831 as at August 31, 2024 compared to a cash balance of $102,056 as at February 29, 2024.

Operating activities: The Company used $374,522 in operations in the six months ended August 31, 2024 (2023 - $360,393).

Investing activities: The Company spent $45,846 on exploration and evaluation activities during the six months ended August 31, 2024 (2023 – $306,025).

Financing activities: The Company generated $426,143 in financing activities in the six months ended August 31, 2024 (2023 – $1,481,592). Financing activities include net proceeds of $448,643 (2023 - $1,399,092) from private placements, $nil (2023 - $10,000) from loans advanced, and $27,500 (2023 - $72,500) from stock options exercised, less $50,000 (2023 - $nil) in loan repayments made.

SECURITIES OUTSTANDING

As at the date of this MD&A the Company has 65,336,678 common shares, 38,630,257 share purchase warrants, and 8,180,000 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:

	Six Months Ended August 31,	
	2024	2023
Management fees	$ 161,323	$ 162,110
Consulting fees	15,000	15,000
Exploration costs	30,477	-
Share-based payments	-	96,750
Total compensation	**$ 206,800**	**$ 273,860**

Due to related parties
As of August 31, 2024, $172,756 (February 29, 2024 - $131,274) was included in trade payables and accrued liabilities for fees owed to related parties, the amounts owing are non-interest bearing and due on demand. During the period ended May 31 2024, the Company entered into an agreement with a legal entity controlled by the CEO whereby a $50,000 loan receivable owing to the Company was applied against trade payables and accrued liabilities owing to the legal entity.

As of August 31, 2024, the Company had the following balances originated from transactions with a legal entity controlled by CEO:

As at	August 31, 2024	February 29, 2024
Receivables	$ 238	$ 238
Loans receivable	-	50,000
	$ 238	**$ 50,238**

The receivables and loans receivable are non-interest bearing and due on demand.

During the year ended February 29, 2024, a legal entity with the officer in common advanced a series of loans totaling $110,000. The loans bear no interest and are due within one year. During the year ended February 29, 2024, $10,000 was repaid. During the period ended May 31 2024, a further $50,000 was repaid.

As at August 31, 2024, maturities on outstanding loans are as follows:

- $25,000- due January 24, 2025
- $25,000 - due February 26, 2025

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 29, 2024.

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
Loans payable	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 August 31, 2024, 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	$	532,906	$	532,906	$	532,906	$	-	$	-
Loans payable	$	50,000		50,000		50,000				
Totals	**$**	**582,906**	**$**	**582,906**	**$**	**582,906**	**$**	**-**	**$**	**-**

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.