Cameo Resources Inc.

Management's Discussion and Analysis of Results of
Operations and Financial Condition
For the year ended August 31, 2024
(Expressed in Canadian Dollars)

Introduction

The following Management Discussion and Analysis ("MD&A") of Cameo Resources Inc. (the "Company") has been prepared by management, in accordance with the requirements of National Instrument 51-102 ("NI 51-102") as of December 31, 2024 and should be read in conjunction with the audited financial statements for the year ended August 31, 2024 and 2023 and the related notes contained therein which have been prepared under International Financial Reporting Standards ("IFRS"). The information contained herein is not a substitute for detailed investigation or analysis on any particular issue. The information provided in this document is not intended to be a comprehensive review of all matters and developments concerning the Company. The Company is presently a "Venture Issuer" as defined in NI 51-102. Additional information relevant to the Company's activities can be found on SEDAR+ at www.sedarplus.ca.

All financial information in this MD&A has been prepared in accordance with IFRS and all dollar amounts are quoted in Canadian dollars, the reporting and functional currency of the Company and its subsidiary, unless specifically noted.

Overall Performance/Significant Events

The Company is a junior mineral exploration entity without any operating segments. It has one project in Nevada, USA. No extraordinary circumstances have or are expected to affect the Company's operations outside the normal risks inherent in the global economy. An upturn in the global demand could increase the cost of acquisition and exploration but it would also increase the potential and interest in acquisitions and developing prospects that would attract capital to the Company.

Significant events during the year ended August 31, 2024 include the following:

a) On November 7, 2023, the Company entered into debt reorganization agreements with the CEO of the Company and a company controlled by the CEO, the "Debt Holders", whereby the Debt Holders agreed to settle debt of $450,000 through the issuance of 4,500,000 common shares of the Company, forgive debt of $262,700 and issue a postponement of payment for $213,852 until the date which is 13 months from the date that the Company's common shares are listed and called for trading on the Canadian Stock Exchange ("CSE"). The Company issued these shares on November 7, 2023.

b) On May 7, 2024, the Company approved the issuance of 750,000 stock options to IPO Agents as commission for assisting the Company with listing its shares on the CSE. Each stock option is exercisable at $0.10 per share until May 7, 2029. The grant date fair value of these options was $61,711 and recognized as share issuance costs. The assumptions used to value the options included volatility of 116.13% a risk-free interest rate of 3.63% and a five-year term. As at May 7, 2024, the Company had recognized $61,711 as share issuance costs.

c) The Corporation's Shares were listed on the CSE effective May 7 2024, The Corporation's Shares commenced trading on the CSE under the trading symbol "MEO" on May 8, 2024.

Significant events that occurred subsequent to the year ended August 31, 2024 include the following:

On October 15, 2024, the Company entered into a binding letter of intent (the "LOI") with Tristar Energy Corp ("Tristar") to acquire a 20% interest in the VMP Property (the "Property"), an early-stage epi-mesothermal gold discovery, covering 162 hectares ("ha") in the Santo Domingo de los Tsachilas province of Ecuador.

Under the terms of the LOI, the Company will earn its undivided 20% interest in the Property upon paying to Tristar cash payments totaling $1,500,000 and issuing 8,000,000 common shares of the Company. The transaction contemplated by the LOI is expected to close on or before January 31, 2025, is subject to a due diligence period and customary closing conditions and approvals by the exchange.

In conjunction with this transaction, the Company will conduct a private placement to raise $2,000,000 by the offering of 13,333,333 units at a price of $0.15 per unit where each unit shall comprise one common share with a half-warrant where one whole share purchase warrant shall be exercisable at $0.30 per common share for two years from issuance. The share purchase warrant shall be subject to the following acceleration clause: if the closing price of common shares of the Company as traded on the CSE is $0.30 or more for 20 consecutive trading days, then commencing immediately after such 20 day trading period, the exercise term of the share purchase warrants shall be deemed to have been reduced to 15 calendar days. The Company will not provide notice of the accelerated exercise term.

The Company shall have the right to terminate this LOI and the definitive agreement, if (i) the Company cannot raise the funds from the proposed private placement g by the Closing, or (ii) the Company has not received from its consultants a satisfactory due diligence review within 60 days of the execution of this LOI or (iii) the Company is required to hold a shareholders' meeting and obtain approval of the transactions contemplated by this LOI or the definitive agreement and Tristar has not waived in writing its condition precedent that there be no shareholder approval the transactions contemplated by this LOI or the definitive agreement within five business days of being advised in writing that the CSE requires such shareholder approval.

Stock Options

The Company's plan allows the directors to grant stock options to directors, officers, employees and consultants to purchase up to a total of 10% of the issued and outstanding common shares. No stock option granted under the plan is transferable by the optionee other than by will or the laws of descent and distribution, and each stock option is exercisable during the lifetime of the optionee only by such optionee.

On May 15, 2023, the Company approved the issuance of 1,050,000 stock options to officers and directors of the Company to be effective on the date the Company lists its shares on the CSE. Each stock option will be exercisable at $0.10 per share for a period of five years from the date of listing. The estimated grant date fair value of these options was $87,768 using the Black-Scholes Option Pricing Model. The assumptions used to value the options included volatility of 120.66% a risk-free interest rate of 3.08% and a five-year term. As at August 31, 2024, the Company had recognized $51,450 (2023 - $36,318) as share-based compensation.

On May 7, 2024, the Company approved the issuance of 750,000 stock options to IPO Agents as commission for assisting the Company with listing its shares on the CSE. Each stock option is exercisable at $0.10 per share until May 7, 2029. The estimated grant date fair value of these options was $61,711 and recognized as share issuance costs. The fair value was estimated using the Black-Scholes Option Pricing Model using volatility of 116.13% a risk-free interest rate of 3.63% and a five-year term.

National Instrument 43-101 Report

On December 7, 2022 the Company received a new 43-101 report on its Nevada Lithium property from Robert D. Martin. Mr. Martin provided an updated 43-101 report dated April 27, 2023 to reflect the Company's 100% ownership in the property, as discussed further below. Recommend expenditures for the property in the next phase are approximately USD$191,000 for the first phase and USD$312,000 for the second.

The Company completed the Phase 1 exploration program on its Bonnie Claire East (BCE) Property, northwest of Beatty, Nevada USA subsequent to August 31, 2024. Hasbrouck Geophysics, Inc. and Advantage Geophysics, Inc. has completed the Seismic and HSAMT survey as per Phase I of the prospectus.

The Company paid an advance of USD$191,000 (CDN$263,535) in relation to the Phase I expenditures estimated and disclosed in its final prospectus dated November 24, 2023. As at August 31, 2024, the Company recognized $189,545 of this payment as exploration advances and $73,990 in exploration and evaluation assets.

Overview

The Company was incorporated on August 22, 2014 as Elmira Capital Inc., under the Business Corporation Act of British Columbia. On May 12, 2023, the Company changed its name to Cameo Resources Inc. The head office of the Company is; 5623 145A Street, Surrey, B.C. V3S 8E.

Exploration Activities

Nevada, USA claims

The Company entered into an option agreement with Kokanee Placer Two Ltd. ("Kokanee") in December 2018, which was amended in November 2019 and amended on September 21, 2022. Pursuant to the agreement, Kokanee granted the Company an option to earn an 80% interest in certain mineral claims in Nevada, USA for consideration of the following:

i) Cash payment of $50,000 USD (paid);
ii) Issuance of 1,000,000 shares on or before January 31, 2019 (issued with a fair value of $30,000); and
iii) $75,000 USD in exploration expenditures incurred on or before each of September 1, 2019 and December 31, 2019, respectively (deemed by optionor to have been incurred).

Kokanee further granted the Company an option to purchase up to an additional 20% interest in the mineral claims in consideration of cash payments of $1,000,000 for each additional 5% interest in the mineral claims for up to $4,000,000.

On September 21, 2022, Kokanee provided notice to the Company that it removed the requirement of the for the additional cash payments of $1,000,000 for each additional 5% interest in the mineral claims and confirmed that the Company had earned the additional 20% interest prior to December 31, 2021.

Selected Annual Information

The following financial information represents selected information of the Company for the three most recently completed financial years:

	August 31, 2024	August 31, 2023	August 31, 2022
Total revenue	$ Nil	$ Nil	$ Nil
Loss for the year	(38,483)	(271,420)	(151,101)
Comprehensive loss for the year	(38,483)	(271,420)	(151,101)
Basic and diluted loss per share	(0.00)	(0.02)	(0.01)
Total assets	735,866	334,015	313,117
Total non-current liabilities	Nil	(918,352)	(686,947)

No revenues have been or are likely to be recorded in the past or near future. There were no significant variations outside of the normal course of business. No acquisitions or discontinued operations have occurred, been negotiated or are contemplated.

During the years ended August 31, 2024 and 2023, the Company recognized share-based payments of $51,450 and $36,318, respectively.

Results of Operations

Revenues

Due to the Company's status as an exploration and development stage mineral resource company and a lack of commercial production from its properties, the Company currently does not have any revenues from its operations.

General and administrative expenses

For the years ended August 31, 2024 and 2023

The Company had a net loss of $38,483 for the year ended August 31, 2024, compared to $271,420 for the year ended August 31, 2023, and comprehensive losses of $38,483 and $271,420, respectively.

Expense variances are detailed as follows:

a) Accounting fees of $44,646 (2023 -$59,569)
b) Consulting fees of $42,500 (2023 - $25,000)
c) Management fees of $15,000 (2023 - $55,000)
d) Office expenses of $63,615 (2023-$75,471)
e) Professional fees of $72,794 (2023 - $34,594)
f) Share-based payments of $51,450 (2023 - $36,318)

Other items included in comprehensive loss included unrealized loss on marketable securities of $745 (2023 gain of $168), impairment of marketable securities of $433 (2023 - $ Nil) and gain on settlement of debt of $262,700 (2023 - $14,364).

For the three months ended August 31, 2024 and 2023

The Company had a net loss of $6,205 for the three months ended August 31, 2024, compared to $95,380 net loss for the three months ended August 31, 2022. Expense details are as follows:

a) Accounting fees of $25,746 (2023 - $10,904) – the increase is the result of increase in audit fees due to the change in Company's financial statements associated with filing of Company's prospectus during the period.
b) Consulting fees of $25,500 (2023 - $5,000) – $10,000 incurred by the CFO of the Company in the comparative periods and $15,500 to others providing services to the Company primarily property evaluations.
c) Management fees of $7,500 (2023 – $10,000) – incurred by the CEO of the Company in the comparative periods.
d) Office and administration a recovery of $49,628 (2023 – $25,535) – the increase is the result of transfer agent and filing fees as a result of going public.
e) Professional fees a recovery of $8,368 (2023 – expense of $17,629) – the decrease is the result of decrease in legal fees that were associated in 2023 revising the Company's prospectus as well as a reallocation of share issuance costs.
f) Gain of forgiveness of debt reversal of $9,955 (2023 – gain of $14,532) – decrease is result of reallocation of amounts paid by a related party.
g) Share-based payments of $25,384 (2023 - $26,142l) –is the result of vesting of option approved for issuance by the Company to directors and officers of the Company .

For the three months ended August 31, 2023 and 2022

The Company had a net loss of $95,380 for the three months ended August 31, 2023, compared to $46,086 for the three months ended August 31, 2022. Expense details are as follows:

a) Accounting fees of $10,904 (2022 - $1,100) – the increase is the result of increase in audit fees due to inactivity of the Company during the period.
b) Consulting fees of $5,000 (2022 - $6,000) – incurred by the CFO of the Company in the comparative periods.
c) Management fees of $10,000 (2022 – $15,000) – incurred by the CEO of the Company in the comparative periods.
d) Office and administration of $25,535 (2022 - $11,184) – the increase is the result of fees associated with the financing with Pacific International.
e) Professional fees of $17,629 (2022 - $4,780) – the increase is the result of increase in legal fees in revising the Company's prospectus.
f) Share-based payments of $26,142 (2022 - $nil) – the increase is the result of vesting of option approved for issuance by the Company to directors and officers of the Company.

Summary of Quarterly Reports

	August 31, 2024	May 31, 2024	February 29, 2024	November 30, 2023
Revenue	$ Nil	$ Nil	$ Nil	$ Nil
Gain/(loss) for the period	(6,734)	(224,356)	48,521	241,128
Comprehensive gain/(loss) for the period	(6,734)	(224,356)	48,521	241,128
Exploration and evaluation assets	448,296	328,706	328,706	328,706
Total assets	735,866	879,500	359,736	336,038
Loss per share	(0.00)	(0.00)	(0.00)	(0.00)

	August 31, 2023	May 31, 2023	February 28, 2023	November 30, 2022
Revenue	$ Nil	$ Nil	$ Nil	$ Nil
Loss the period	(95,380)	(63,471)	(76,709)	(35,860)
Comprehensive loss for the period	(95,380)	(63,471)	(76,709)	(35,860)
Exploration and evaluation assets	328,706	328,706	326,311	264,083
Total assets	334,015	340,218	336,747	334,366
Loss per share	(0.00)	(0.00)	(0.00)	(0.00)

No abnormal variations are present. Any variation is normal for a junior mineral exploration company at this stage of exploration and development.

Comparison Table regarding us of Capital as per prospectus to amount spent as of August 31, 2024

	Prospectus Amounts	August 31, 2024
Nevada Project Phase I – exploration and evaluation work	$ 264,936	$ 73,990
Nevada Project Phase I – exploration advance	-	189,545
Annual holding Costs of property payable September 1, of each year to the BLM	8,926	8,926
Annual holding costs due by October 31, to Nye County Nevada	1,298	1,298
General and Administrative Expenses (12 months)	175,489	177,315
Unallocated Working Capital	425	-
TOTAL	$ 451,074	$ 451,074

Liquidity and Capital Resources

The Company will continue to require funds for exploration work on the Nevada claims, USA, as well as to meet its ongoing day-to-day operating expenses and will continue to rely on equity financing during such period. There can be no assurance that financing will be available to the on terms satisfactory to the Company. The Company does not have any other commitments for material capital expenditures over the near and long term other than as disclosed above plus normal operating expenses.

Since incorporation, the Company's capital resources have been limited. The Company relies upon the issuance of equity securities to acquire interest in mineral properties acquisition payments, for exploration expenditures and to pay operating expenses.

As at August 31, 2024, the Company had a working capital deficiency of $85,871 (2023 - $133,438).

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due or can do so only at excessive cost. The Company has significant financial liabilities outstanding including accounts payable and due to related parties. The Company is exposed to the risk that it may not have sufficient liquid assets to meet its commitments associated with these financial liabilities.

The Company's approach to managing liquidity is to ensure that it will always have sufficient cash to meet its liabilities when due, without incurring unacceptable losses or risking damage to the Company's reputation. To the extent that the Company does not believe it has sufficient liquidity to meet these obligations, management will consider securing additional funds through equity transactions. The Company manages its liquidity risk by continuously monitoring cash flow requirements relating to its anticipated exploration and evaluation activities as well as general overhead requirements. Liquidity risk is assessed as high.

Credit Risk

Credit risk is the risk of loss associated with a counter party's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to its cash balances. The Company manages its credit risk on bank deposits by holding deposits in high credit quality banking institutions in Canada.

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. As the Company does not have any cash or variable interest loans, management considers the interest rate risk to be minimal.

Foreign Exchange Risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign currency exchange rates. The Company's functional currency is the Canadian dollar. All of the Company's financial instruments are denominated in Canadian dollars. In management's opinion there is no material foreign exchange risk to the Company.

Off Balance Sheet Arrangements

There are no off-balance sheet arrangements to which the Company is committed.

Transactions with Related Parties

During the years ended August 31, 2024 and August 31, 2023, the Company was involved in the following related party transactions:

a) Incurred management fees of $15,000 (August 31, 2023 - $55,000) and rent expenses, grouped in office and administration, of $nil (August 31, 2023 - $27,500) to the CEO and Director of the Company.
b) Incurred consulting fees of $17,500 (August 31, 2023 - $23,000) to the CFO of the Company.
c) Recognized vesting of share-based payments of $51,450 (August 31, 2023 - $36,318) to the officers and directors of the Company.
d) As at August 31, 2024, $17,500 (August 31, 2023 - $52,000) was owing to the CFO of the Company and included in accounts payable and accrued liabilities. The amount is due on demand and non-interest bearing.
e) As at August 31, 2024, $332,952 (August 31, 2023 - $608,152) was due to the CEO and Director of the Company and $nil (August 31, 2023 - $310,200) was owing to a Company controlled by the CEO and Director of the Company.

On September 1, 2023 the Company entered into amendment agreements with the CEO of the Company who agreed to temporarily cease charging monthly management fees of $5,000 and monthly rental fees of $2,500 until the Company's shares were listed on a Canadian Stock Exchange. On February 13, 2024 the parties further amended the agreements whereby the CEO reduced the monthly management fees to $2,500 once the Company's shares are listed on a Canadian Stock Exchange and to be reviewed on each anniversary date of the agreement of the parties do not agree on an increase within 30 days of the anniversary date the amount shall be automatically increased by the greater of 10% or the amount of the cost of living index published by the City of Vancouver and to postpone charging the Company monthly rental fees until the first anniversary of the Company's shares being listed on a Canadian Stock Exchange.

On November 7, 2023, the Company entered into debt reorganization agreements with the CEO of the Company and a company controlled by the CEO, the "Debt Holders", whereby the Debt Holders agreed to settle debt of $450,000 through the issuance of 4,500,000 common shares of the Company, forgive debt of $262,700 and issue a postponement of payment for $213,852 until the date which is 13 months from the date that the Company's common shares are listed and called for trading on the CSE. The Company issued these shares on November 7, 2023.

Critical Accounting Estimates

The preparation of the consolidated financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of expenses during the reporting period. Actual reports could differ from management's estimates.

Adoption of new and amended accounting standards

Please refer to the August 31, 2024 audited financial statements on www.sedarplus.ca.

Financial Instruments

Please refer to the August 31, 2024 audited financial statements on www.sedarplus.ca

Additional Information

Additional information relating to the Company is on SEDAR at www.sedarplus.ca.

Disclosure of Outstanding Security Data

As at the date of this report, the following securities are outstanding:

- Common Shares: 29,040,001
- Warrants: Nil
- Options: 1,800,000

Forward-looking information

This MD&A contains "forward-looking statements". Forward-looking statements reflect the Company's current views with respect to future events, are based on information currently available to the Company and are subject to certain risks, uncertainties, and assumptions, including those discussed above. Forward-looking statements include, but are not limited to, statements with respect to the success of mining exploration work, title disputes or claims, environmental risks, unanticipated reclamation expenses, the estimation of mineral reserves and resources and capital expenditures. In certain cases, forward-looking statements can be identified by the use of words such as "intends", "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, risks related to international operations, fluctuation of currency exchange rates, actual results of current exploration activities, changes in project parameters as plans are refined over time, the future price of gold and other precious or base metals, possible variations in mineral resources, grade or recovery rates, accidents, labour disputes and other risks of the mining industry, delays in obtaining, or inability to obtain, required governmental approvals or financing, as well as other factors discussed under "Risks and Uncertainties". Although the Company has attempted to identify material factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. The Company has made numerous assumptions about the forward-looking statements and information contained herein, including among other things, assumptions about the Company's anticipated costs and expenditures and its ability to achieve its goals. Even though the Company's management believes that the assumptions made and the expectations represented by such statements or information are reasonable, there can be no assurance that the forward-looking statements statement or information will prove to be accurate. Forward-looking statements contained in this MD&A are made as of the date of this report. 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.

The Company will update forward-looking statements in its management discussion and analysis as required by applicable law.

Risks and Uncertainties

The common shares should be considered highly speculative due to the nature of the Company's business and the present stage of its development. In evaluating the Company and its business, investors should carefully consider, in addition to the other information contained in the MD&A, the following risk factors. These risk factors are not a definitive list of all risk factors associated with an investment in the Company or in connection with the Company's operations. There may be other risks and uncertainties that are not known to the Company or that the Company currently believes are not material, but which also may have a material adverse effect on its business, financial condition, operating results or prospects. In that case, the trading price of the Company's common shares could decline substantially, and investors may lose all or part of the value of the common shares held by them.

An investment in securities of the Company should only be made by persons who can afford a significant or total loss of their investment. There is currently no market through which these securities may be sold and purchasers may not be able to resell securities purchased.

No Ongoing Operations and No Production History

The Company is a mineral exploration company and has no operations or revenue.

Limited Operating History

The Company has no history of earnings. There are no known commercial quantities of mineral reserves on the Company's Property. There is no assurance that the Company will ever discover any economic quantities of mineral reserves.

Negative Operating Cash Flow

Since inception, the Company has had negative operating cash flow. The Company has incurred losses since its founding. The losses and negative operating cash flow are expected to continue for the foreseeable future as funds are expended on the exploration program on the Property and administrative costs. The Company cannot predict when it will reach positive operating cash flow.

Requirement for Further Financing

The Company has limited financial resources and may need to raise additional funds to carry out exploration of its Property. There is no assurance the Company will be able to raise additional funds or will be able to raise additional funds on terms acceptable to the Company. If the Company's exploration programs are successful and favourable exploration results are obtained, the Property may be developed into commercial production. The Company may require additional funds to place the Property into production. The only sources of future funds presently available to the Company are the sale of equity capital, debt, or offering of interests in its Property to be earned by another party or parties by carrying out development work.

There is no assurance that any such funds will be available to the Company or be available on terms acceptable to the Company. If funds are available, there is no assurance that such funds will be sufficient to bring the Company's Property to commercial production. Failure to obtain additional financing on a timely basis could have a material adverse effect on the Company, and could cause the Company to forfeit its interest in its Property and reduce or terminate its operations. There is no assurance the Company will be able to raise additional funds.

Exploration

At present, there are no bodies of ore, known or inferred, on the Property and there are no known bodies of commercially recoverable ore on the Property. There is no assurance that the Company's mineral exploration activities will result in any discoveries of commercial bodies of ore on the Property.

Development

The business of exploration for precious metals involves a high degree of risk. Few exploration properties are ultimately developed into producing properties. The Company's Property is at the exploration stage.

Title to Properties

Acquisition of title to mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed. Although the Company has investigated its title to the Property for which it holds an option to acquire concessions or other mineral leases or licenses and the Company is satisfied with its review of the tile to the Property, the Company cannot give an assurance that title to the Property will not be challenged or impugned. Mineral properties sometimes contain claims or transfer histories that examiners cannot verify, and transfers under foreign law often are complex. The Company does not carry title insurance on the Property. A successful claim that the Company does not have title could cause the Company to lose its rights to the Property, perhaps without compensation for its prior expenditures relating to the Property.

Surface Rights

The Company does not own the surface rights to the Property. The Company understands that it is necessary, as a practical matter, to negotiate surface access, and the Company is continuing to do so. However, there is a risk that local communities or affected groups may take actions to delay, impede or otherwise terminate the contemplated activities of the Company. There can be no guarantee that the Company will be able to negotiate a satisfactory agreement with any such existing landowners/occupiers for such access, and therefore it may be unable to carry out significant exploration and development activities. In addition, in circumstances where such access is denied, or no agreement can be reached, the Company may need to rely on the assistance of local officials or the courts in such jurisdiction, which assistance may not be provided or, if provided, may not be effective. If the development of a mine on the Property becomes justifiable it will be necessary to acquire surface rights for mining, plant, tailings and mine waste disposal. There can be no assurance that the Company will be successful in acquiring any such rights.

Management

The success of the Company is largely dependent upon the performance of its management. The loss of the services of these persons may have a material adverse effect on the Company's business and prospects. There is no assurance that the Company can maintain the service of its management or other qualified personnel required to operate its business.

Requirement for Permits and Licenses

The Company will be applying for all necessary licenses and permits under applicable laws and regulations to carry on the exploration activities which it is currently planning in respect of the Property, and the Company believes it will comply in all material respects with the terms of such licenses and permits. However, such licenses and permits are subject to changes in regulations and in various operational circumstances. A substantial number of additional permits and licenses will be required should the Company proceed beyond exploration. There can be no guarantee that the Company will be able to obtain such licenses and permits.

Environmental Risks and other Regulatory Requirements

The current or future operations of the Company, including the exploration activities and commencement of production on the Property, will require permits from various federal and local governmental authorities, and such operations are and will be governed by laws and regulations governing exploration, development, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, site safety and other matters. There can be no assurance that all permits which the Company may require for its facilities and conduct of exploration and development operations will be obtainable on reasonable terms or that such laws and regulations would not have a material adverse effect on any exploration and development project which the Company might undertake.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in exploration and development operations may be required to compensate those suffering loss or damage by reason of the exploration and development activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations.

Amendments to current laws, regulations and permits governing the operations and activities of mineral companies, or more stringent enforcement thereof, could have a material adverse impact on the Company and cause increases in capital expenditure or exploration and development costs or reduction in levels of production at producing properties or require abandonment or delays in development of new properties.

Uninsurable Risks

Exploration of mineral properties involves numerous risks, including unexpected or unusual geological conditions, rock bursts, cave-ins, fires, floods, earthquakes and other environmental occurrences, and political and social instability. It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any further profitability and result in increasing costs and a decline in the value of the securities of the Company. The Company does not maintain insurance against environmental risks.

Competition

Significant and increasing competition exists for mineral opportunities in Nevada, USA. There are a number of large established mineral exploration companies with substantial capabilities and greater financial and technical resources than the Company. The Company may be unable to acquire additional mineral properties or acquire such properties on terms it considers acceptable. Accordingly, there can be no assurance that the Company's exploration programs will yield any reserves or result in any commercial mineral operations.

Economic Conditions

Unfavorable economic conditions may negatively impact the Company's financial viability as a result of increased financing costs and limited access to capital markets.

Conflicts of Interest

Directors of the Company may, from time to time, serve as directors of, or participate in ventures with other companies involved in natural resource development. As a result, there may be situations that involve a conflict of interest for such directors. Each director will attempt not only to avoid dealing with such other companies in situations where conflicts might arise but will also disclose all such conflicts in accordance with the *Business Corporations Act* (British Columbia) and will govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law.

Litigation

The Company and/or its directors may be subject to a variety of civil or other legal proceedings, with or without merit. The Company does not know of any such pending or actual material legal proceedings as of the date of the Prospectus.

No Cash Dividends

The Company has not declared any cash dividends to date. The Company intends to retain any future earnings to finance its business operations and any future growth. Therefore, the Company does not anticipate declaring any cash dividends in the foreseeable future.

Ore Reserves and Reserve Estimates

The Company's business relies upon the ability to determine whether a given property has commercial quantities of recoverable minerals. No assurance can be given that any discovered mineral reserves and resources will be recovered or that they will be recovered at the rates estimated. Mineral reserve and resource estimates are based on limited sampling and, consequently, are uncertain because the samples may not be representative. Mineral reserve and resource estimates may require revision (either up or down) based on actual production experience.

Proposed Transactions

There are no proposed transactions that have not been disclosed herein.

Contingencies

There are no contingent liabilities.

Additional Disclosure for Venture Issuers without Significant Revenue

Exploration and Evaluation Assets

The Company records its interests in exploration and evaluation assets and areas of geological interest at cost. All direct and indirect costs relating to the acquisition of these interests are capitalized on the basis of specific claim blocks or areas of geological interest until the assets to which they relate are placed into production, sold or management has determined there to be impairment. These costs will be amortized on the basis of units produced in relation to the proven reserves available on the related property following commencement of production.

The recorded cost of exploration and evaluation asset interests is based on cash paid, the assigned value of share considerations issued for exploration and evaluations and exploration and development costs incurred. The recorded amount may not reflect recoverable value as this will be dependent on the development program, the nature of the mineral deposit, commodity prices, adequate funding and the ability of the Company to bring its projects into production.

The Company defers all exploration expenses relating to exploration and evaluations assets and areas of geological interest until the properties to which they relate are placed into production, sold or abandoned or management has determined there to be impairment. These costs will be amortized over the proven reserves available on the related property following commencement of production.

Please refer to the August 31, 2024 audited financial statements on www.sedar.com for details of the Company's exploration and evaluation assets.

Management's Responsibility for Financial Statements

The information provided in this report, including the financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the financial statements.