INFLECTION RESOURCES LTD.

An exploration stage company

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED SEPTEMBER 30, 2022

The Management's Discussion and Analysis of Financial Condition and Results of Operations (the "MD&A"), dated January 30, 2023, provides an analysis of, and should be read in conjunction with the accompanying consolidated financial statements and related notes thereto for the years ended September 30, 2022 and 2021 (the "Financial Statements"), and other corporate filings available under the Company's profile on SEDAR at www.sedar.com.

Financial statement information presented herein was prepared using accounting policies in compliance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board. Inflection's reporting currency is the Canadian dollar ("$"), and all amounts in this MD&A are expressed in Canadian dollars, unless otherwise stated. Amounts in Australian dollars are expressed as "AUD". As at September 30, 2022, the indicative rate of exchange, per $1.00 as published by the Bank of Canada, was AUD 1.1259 (AUD 1.0915 at September 30, 2021). Amounts in United States dollars are expressed as "USD".

NOTES REGARDING FORWARD LOOKING STATEMENTS

Certain information contained or incorporated by reference in this MD&A, including any information as to our future financial or operating performance, constitutes "forward-looking statements". These statements are intended to provide investors with a reasonable basis for assessing the financial performance of the Company as well an indication of the Company's potential future performance. All statements, other than statements of historical fact, are forward-looking statements. The words "believe", "expect", "anticipate", "contemplate", "target", "plan", "intends", "continue", "budget", "estimate", "may", "will", "schedule" and similar expressions identify forward-looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by us, are inherently subject to significant business, economic and competitive risks, uncertainties, and contingencies. Such factors include, but are not limited to: fluctuations in the currency markets; fluctuations in the spot and forward price of gold or other commodities; changes in national and local government legislation, taxation, controls, regulations and political or economic developments in Australia, Canada, and in other countries (including measures implemented in response to the Covid-19 coronavirus outbreak ("Covid-19")); business opportunities that may be presented to, or pursued by us; operating or technical difficulties in connection with mining or development activities; employee relations; litigation; the speculative nature of exploration and development, including the risks of obtaining necessary licenses and permits; and contests over title to properties, particularly title to undeveloped properties. In addition, there are risks and hazards associated with the business of exploration, development and mining, including environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins, flooding and the risk of inadequate insurance, or inability to obtain insurance, to cover these risks. Many of these uncertainties and contingencies can affect our actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, us. Readers are cautioned that forward-looking statements are not guarantees of future performance, and they should not place undue reliance on these forward-looking statements, which speak only as of the date the statements were made. These statements are subject to known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those implied by the forward-looking statements; accordingly, readers are advised to consider such forward-looking statements in light of the risks as set forth below.

All of the forward-looking statements made in this MD&A are qualified by these cautionary statements, and we disclaim any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except to the extent required by applicable laws.

Furthermore, the Company continually seeks to minimize its exposure to business risks, but by the nature of its business, activities, and size, will always have some risk. These risks are not always quantifiable due to their uncertain nature. Should one or more of these risks and uncertainties, or those described in this MD&A under the heading "Risks and Uncertainties" materialize, or should underlying assumptions prove incorrect, then actual results may vary materially from those described in forward-looking statements.

USE OF TERMS

Except as otherwise indicated by the context and for the purposes of this report only, references in this MD&A to "we," "us," "our," or "the Company", refer to Inflection Resources Ltd. (the "Company", or "Inflection"), a British Columbia corporation.

Overview

Inflection is a junior resource company engaged in the exploration and evaluation of mineral properties for gold and copper in New South Wales and Queensland, Australia.

The Company was incorporated under the Business Corporations Act (British Columbia) on May 9, 2017 and is currently a reporting issuer in British Columbia, Alberta, and Ontario. The Company's common shares (the "Common Shares") trade on the Canadian Securities Exchange (the "CSE") under the symbol "AUCU", and are listed on the OTCQB under symbol "AUCUF".

The Financial Statements include the accounts of the Company and its 100% wholly owned subsidiaries in Australia: Australian Consolidated Gold Holdings Pty Ltd ACN 619 975 405 ("ACGH"), ACGH II Pty Ltd ACN 623 704 898 ("ACGHII"), and Romardo Copper (NSW) Pty Ltd ACN 605 976 565 ("Romardo Copper"). Inter-company balances and transactions are eliminated on consolidation.

Highlights from fiscal 2022 and recent developments

- Successfully drill tested multiple copper-gold targets on the New South Wales project (the "NSW Project") located in the interpreted northern extension of the Macquarie Arc, part of the Lachlan Fold Belt region of New South Wales, Australia.
    - Highlights of drilling reported to-date include intersecting intense and favourable porphyry-style alteration at the NSW Project's "Duck Creek" copper-gold alkalic porphyry target.
- Expanded the project area at the NSW Project through applying for several new Exploration Licenses ("EL"). Several new target areas have been identified on these new license areas.
- Completed a short, follow-up drill program on the Carron gold project ("Carron"), located in Northern Queensland, Australia.
- Closed a non-brokered private placement (the "2022 Financing") with a lead order from Crescat Capital, for total gross proceeds of $1,647,500 through the sale of 16,475,000 units ("Units").
- Approved to receive up to AUD 145,500 in exploration grant funding under the Government of NSW's New Frontiers Exploration Program for expenditures at the NSW Project's Duck Creek target. AUD 100,000 was awarded for drilling, and an additional AUD 45,500 was awarded for a geophysical survey.

Outlook

First-pass drilling is planned to continue in Northern New South Wales with a focus on the portfolio of targets located in an area extending over approximately 250 kilometres in Northern NSW. The Company has a large number of copper-gold targets that remain to be drill tested.

Follow-up step-out holes are planned at Duck Creek, Myallmundi, Meringo, Fairholme, and Marra, where initial drilling intercepted favourable alteration and geochemistry. Further updates will be provided as the program resumes and as fieldwork is completed.

The Company continues to evaluate new copper-gold exploration opportunities elsewhere in NSW and Australia.

Mineral Properties

The Company's mineral property interests encompass a large portfolio of exploration licenses and applications in New South Wales, and Queensland Australia.

Expenditures directly attributable to the acquisition of mineral property interests have been capitalized; staking costs, related land claims fees paid, and ongoing exploration expenditures, have also been capitalized. Exploration grants awarded are applied against the carrying value of the particular mineral property. Details of exploration and evaluation expenditures incurred by the Company at its mineral property interests are summarized in this MD&A under heading "*Selected Financial Information - Financial Position - Assets*".

The Company holds interests in, and has been actively working on, the following mineral resource projects:

a) New South Wales ("NSW") Project

The Company is targeting gold and copper-gold deposits in the interpreted northern extension of the Macquarie Arc, part of the Lachlan Fold Belt region of New South Wales, Australia (the "LFB"). The Macquarie Arc is considered Australia's premier porphyry gold-copper province, host to Newcrest Mining's Cadia Valley deposits, the CMOC-Northparkes deposits, Evolution Mining's Cowal deposits, and numerous active exploration prospects.

The NSW project is the Company's principal project, and as of the date of this MD&A consists of a large portfolio of 100% owned non-surveyed non-contiguous ELs located in the LFB. Eleven of the ELs were acquired in 2018 (the "Acquired NSW licenses"); a further two ELs (the "Romardo Licenses") were acquired pursuant to the February 2020 acquisition of Romardo Copper. All other ELs were staked by the Company.

The initial drill program on the NSW Project began in July 2020; drilling and fieldwork continued intermittently over several targets since that time. Most recently the Company's planned exploration programs have been delayed by an extended period of extremely wet weather which impacted most of eastern Australia.

Favourable alteration and zones of disseminated sulphides encountered in multiple targets drilled to-date gives the Company further confidence in our ongoing exploration strategy of identifying mineral deposits under a sequence of post-mineral cover.

At the Duck Creek target, drill holes DCKDH005 and DCKDH006 intercepted porphyry-style alteration similar to that found in the previously reported hole DCKDH002 extending the zone of favourable alteration over an approximate 400 by 250 metre area. Based on drill results and the geophysical characteristics of the broader Duck Creek area, the Company believes the potential exists for the area to host multiple copper–gold mineralized centres. Based on favourable porphyry-style alternation intercepted in the initial drilling at Duck Creek, management prioritized the program to focus on the Duck Creek target for the immediate future, deferring drilling at the originally planned holes at the Fairholme, Meringo, and Marra targets.

There is a 2% net smelter return royalty ("NSR") on the Acquired NSW licenses payable on production from these ELs, of which the Company may purchase 1% for AUD 3,000,000 at any time. The two "Romardo Licenses" are subject to a 2% NSR of which the Company may purchase 1% for AUD 2,000,000 at any time, and the Company has the right of first refusal to purchase any royalty interest offered for sale by consideration payable in cash.

In addition, the Company has the following contingent payments payable at its discretion upon attainment of certain milestones relating to the two Romardo ELs:

i. AUD 500,000 payable in cash or Common Shares upon completion of a pre-feasibility study.
ii. AUD 2,000,000 payable in cash or Common Shares upon completion of a feasibility study.
iii. AUD 6,000,000 payable upon the Company's decision to commence construction of a commercial mine.

With effect beginning September 2020, Inflection has been approved for multiple grants from the Government of NSW's New Frontiers Cooperative Drilling Program (the "NFCDP Grants"). This program is managed by the Geological Survey of NSW and is part of the NSW Mineral Strategy commitment to promote investment in mining and exploration. The New Frontiers Cooperative Drilling program provides grants to successful applicants for exploration drilling programs that demonstrate strong prospectivity, sound financial planning and a proven technical base.

Receipt of NFCDP grant funds is made by reimbursement of eligible expenditures, specifically, reimbursement of 50% of the first-pass direct drilling costs on specified NSW project licenses. Through to September 30, 2022, the Company has been awarded an aggregate of AUD 141,120 in eligible funding pursuant to the NFCDP Grants. An aggregate of AUD 71,711 ($67,520) had been approved and received through September 30, 2022 (year ended September 30, 2021: AUD 40,309 ($38,312)); reducing the carrying value of the NSW Project. There was no amount receivable at September 30, 2022; eligibility for these grants expires March 30, 2023.

Subsequent to year end, the Company was notified that it was eligible to receive up to AUD 145,500 in additional exploration grant funding under the New Frontiers Exploration Program ("2023 Grant Funding"). The 2023 Grant Funding is made by reimbursement of eligible expenditures at the NSW Project's Duck Creek target. AUD 100,000 was awarded for drilling, and an additional AUD 45,500 was awarded for a MIMDAS geophysical survey.

b) Carron gold project ("Carron")

Located approximately 400 kilometres west of Cairns in Northern Queensland, Carron comprises approximately 30 kilometres of northwest trending structures with a large number of high-priority drill targets along strike from the adjacent historic Croydon Goldfields ("Croydon"), one of Queensland's significant historical gold mining districts.

The Company's interest in Carron is held through a farm-in agreement (the "Farm-in Agreement") with Oakland Gold Pty Ltd. (the "Optionor"). The Farm-in Agreement, as amended, provides the Company with an option to earn up to a 100% interest in the property.

The Company earned an initial 50% interest (the "Initial Earn-in") in Carron further to an amending agreement, dated November 22, 2019 (the "Initial Earn-in Date"), whereby the Company and the Optionor agreed to recognize i) expenditures incurred as of September 30, 2019 of AUD 297,172 (plus GST of AUD 16,293), including the completion of an airborne magnetics survey, and (ii) the reimbursement to the Optionor of an amount of AUD 50,000 for costs incurred by the Optionor, as satisfying the Initial Earn-in.

The Farm-In Agreement also provides for incremental farm-in levels by incurring additional expenditures at the discretion of the Company, as follows:

1. The Company may earn a further 20% interest to bring its participating interest to 70% if it elects within three years of the Initial Earn-in Date to incur a further AUD 1,000,000 in mineral exploration expenditures, with a substantial portion being the cost of drilling (the "Stage 2 Earn-in").

   Through September 30, 2022, and continuing to the date of this MD&A, the Company continued to incur expenditures toward the Stage 2 Earn-in. All expenses recognized are those incurred by the Company.

2. Following the Stage 2 Earn-in, the Company may elect at its sole discretion to complete a further earn-in (the "Stage 3 Earn-in"), as either:

   i) Acquire a further 30% interest to bring its interest to 100% by issuing a number of Common Shares to the Optionor based on a formula determined by an independent valuator; or

   ii) Acquire a further 20% interest to bring its participation interest to 90% by completing a feasibility study. Where the Company achieves a Stage 3 Earn-in to a 90% interest, the Company shall enter into a royalty agreement with the Optionor.

   Within 60 days of the Stage 3 Earn-in Date, the Optionor may elect to contribute to expenditures in proportion to its 10% participating interest in a bankable feasibility study, and if the Optionor does not make such election, then its 10% interest shall be converted into a 2% NSR royalty.

The exploration program at Carron is targeting a series of previously untested geophysical targets interpreted to represent possible high-grade, orogenic, gold-bearing quartz veins geologically analogous to, on trend from, those at Croydon.

The Company undertook a planned drill program at Carron in November 2021, completing two drill holes before having to pause in light of inclement wet weather. The Company has now drilled four holes totalling 1,030 metres on the project. Three of the four completed holes intersected widely spaced mineralization typical of that seen at Croydon although the assays returned with low gold values. Numerous targets still remain to be drill tested, with significant scope remaining for the discovery of mineralised veins.

The Company recognized AUD 7,200 ($6,247) in grant funding from the State of Queensland in the year ended September 30, 2022, and AUD 72,000 ($68,432) in the year ended September 30, 2021. The Company reduced the carrying value of Carron by the value of the grant funding in each year.

c) Artificial Intelligence Project

The Company assumed an interest in the "AI Project", located in the southern part of the Macquarie Arc in New South Wales, pursuant to an exploration alliance agreement (the "AI Agreement"), as amended.

After having written off four of the five ELs that comprised the AI Project in the preceding year, the Company determined to abandon the one remaining EL at the AI Project in the year ended September 30, 2021, resulting in the write-off of the remaining carrying value ($321,282). A final deposit of AUD 10,000 related to the final license was refunded to the Company in July 2022.

Although there were no further expenditures on the AI Project through the year ended September 30, 2022, and the ELs themselves have been relinquished, certain provisions of the AI Agreement survive, including the Company's right, through May 1, 2023, to acquire an interest in a mineral property within the areas covered by the proprietary data by paying a 5% fee on all quarterly exploration expenditures incurred on the specified property. After May 1, 2023, the Company may acquire an interest in a mineral property within the area covered by the proprietary data with no further compensation to the Licensor.

SELECTED FINANCIAL INFORMATION

Management is responsible for, and the Board approved, the Financial Statements. Except as noted, the Company followed the significant accounting policies presented in Note 3 - Significant Accounting Policies, contained in the Financial Statements consistently throughout all periods summarized in this MD&A.

The Company operates in one segment – the exploration of mineral property interests. The Company has two geographic segments – the exploration activities occur in Australia, while head office, finance, marketing and administration activities occur in Canada. Management has determined that the parent entity and each of the Australian subsidiaries have a Canadian dollar functional currency.

Selected Annual Information

The following tables and discussion provide selected financial information from, and should be read in conjunction with, the Financial Statements:

		September 30, 2022		September 30, 2021		September 30, 2020
Total revenue	$	-	$	-	$	-
Net loss and comprehensive loss for the year	$	1,069,837	$	1,926,253	$	1,037,387
Loss per share, basic & diluted	$	0.01	$	0.03	$	0.02
Total assets	$	10,503,484	$	9,986,632	$	7,580,731
Total non-current liabilities	$	-	$	-	$	-
Cash dividend declared per common share	$	-	$	-	$	-

Because the Company is in the exploration stage, it did not earn any significant revenue, and will not for the foreseeable future. The comparative loss and comprehensive loss in each period illustrate the level and nature of exploration activity undertaken at the Company's mineral property interests which may vary based on results received, weather conditions, and market factors.

Expenditures directly attributable to the acquisition of mineral property interests have been capitalized; staking costs, related land claims fees paid, and ongoing exploration expenditures, have also been capitalized. Exploration grants awarded (received or receivable) are applied against the carrying value of the particular mineral property.

Selected Statement of Comprehensive Loss data

The Company's operating expenses are summarised as follows:

		Year ended September 30, 2022		Year ended September 30, 2021
Salaries and benefits	$	544,693	$	502,823
Investor communication	$	177,898	$	295,801
Office and administrative	$	127,129	$	76,449
Share-based compensation	$	121,550	$	285,501
Professional fees	$	69,118	$	70,338
Listing and filing fees	$	35,386	$	68,856
Depreciation expense	$	26,968	$	-
Consulting fees	$	4,500	$	37,082
Project generation	$	8,785	$	10,193
Foreign exchange loss (gain)	$	(37,719)	$	53,470
Interest income	$	(8,471)	$	(12,879)
Write-down of exploration and evaluation assets	$	-	$	538,619
	$	**1,069,837**	$	**1,926,253**

Discussion of results

Salaries and benefits of $544,693 were recognized for the year ended September 30, 2022 ($502,823 for the comparative year) and reflects amounts earned by individuals employed directly by the Company that are not attributable to exploration. There were more directly employed personnel during the year ended September 30, 2022 than there were in the comparative period.

Investor communication expenses of $177,898 were recorded for the year ended September 30, 2022 ($295,801 for the comparative year) and consisted of expenditures on marketing activities and materials. The decrease in fiscal 2022 as compared to the preceding year reflects savings from more online-based marketing activities, and generally a reduction in the volume and type of activities undertaken.

Office and administrative expenses of $127,129 were incurred during the year ended September 30, 2022 ($76,449 for the comparative year). Office and miscellaneous expenses consist of bank fees, computer and internet, office supplies, telecommunications, rent, and, meals and travel costs. The Company continues to increase the level of active business activity, and accordingly the costs to run the Company have increased. The implementation, and subsequent lifting of widespread restrictions relating to Covid-19, has given rise to some variability in corporate travel and general office activities, reducing the comparability of periods.

Share-based compensation of $121,550 was recognized in the consolidated statements of loss and comprehensive loss for the year ended September 30, 2022 ($285,501 for the comparative year). Refer in this MD&A under section "*Outstanding Securities – Stock-based compensation*" for a summary of cancellations, forfeitures and new awards of Options during the year. The remaining average contractual life of Options outstanding is 2.80 years.

In determining the fair market value of stock-based compensation granted to employees and non-employees, management makes significant assumptions and estimates. These assumptions and estimates have an effect on the stock-based compensation expense recognized and on the contributed surplus balance on our statements of financial position. Management has made estimates of the life of the Options, the expected volatility, and the expected dividend yields that could materially affect the fair market value of this type of security. Stock-based compensation expense should be expected to vary from period-to-period depending on several factors, including whether Options are granted in a period, and the timing of vesting or cancellation of such equity instruments.

Subsequent to year end, the Company (i) awarded 1,975,000 Options to directors, officers, employees and certain consultants to the Company, and (ii) cancelled 124,000 Options pursuant to the termination of certain service agreements.

Professional fees of $69,118 were recognized for the year ended September 30, 2022 ($70,338 for the comparative year), and include primarily assistance with tax compliance, audit and audit related activities, accounting assistance and general legal fees. The Company anticipates professional fees to be relatively consistent period-over-period.

Listing and filing fees of $35,386 were recorded for the year ended September 30, 2022 ($68,856 for the comparative year). Such fees were paid in connection with the Company's ongoing listing on the CSE, and related ongoing continuous disclosure requirements, listing maintenance costs, and the commencement of trading on the OTCQB. Expenditures on listing and filing fees were lower in the current period than for the year ended September 30, 2021 as the comparative period included the Company's initial application process to list on the OTCQB.

Consulting fees of $4,500 were recognized for the year ended September 30, 2022 ($37,082 for the comparative year). The comparative period included amounts invoiced by a former executive officer of the Company for certain financial and advisory services that were not provided in the current year.

Project generation expenses of $8,785 (2021: $10,193) relate to Company initiatives to assess the prospectivity of ground beyond the Company's existing project interests. Because the Company's accounting policy permits only the deferral of exploration expenditures on ground for which it already has a legal interest, the cost of generative activities is reflected on the statement of loss.

There was no write-down of exploration and evaluation assets in the year ended September 30, 2022. In 2021 the Company wrote-down $538,619 further to having determined to abandon the final AI Project EL.

A foreign exchange gain of $37,719 was recognized for the year ended September 30, 2022 (a loss of $53,470 for the comparative year) on transactions and balances denominated primarily in Australian dollars. Depending on the volatility of the exchange rate from period-to-period, the impact on the statement of loss and comprehensive loss could be significant.

Interest income was $8,471 for the year ended September 30, 2022 ($12,879 for the comparative year) for interest earned on the Company's balance of cash and cash equivalents. The balance of cash or GICs held will vary period-to-period depending on the timing of financing and capital raises, and the level and timing of exploration activity.

Segment information

The Company undertakes administrative activities in Canada, and is engaged in the acquisition, exploration, and evaluation of certain mineral property interests in New South Wales and Queensland Australia. Accordingly, the Company's operations are in one commercial and two geographic segments.

The Company is in the exploration stage and accordingly, has no reportable segment revenues. Net loss is distributed by geographic segment per the table below, for the year ended:

		September 30, 2022		2021
Canada	$	1,033,041	$	1,320,681
Australia		36,796		605,572
	$	**1,069,837**	**$**	**1,926,253**

Mineral property interests and refundable security deposits are held in Australia, and cash is predominantly held in Canada. The Company's assets are distributed by geographic segment, as per the tables below:

September 30, 2022		Canada		Australia		Total
Current assets	$	1,504,257	$	319,923	$	1,824,180
Refundable security deposits		-		358,833		358,833
Exploration and evaluation assets		-		8,320,471		8,320,471
Total assets	**$**	**1,504,257**	**$**	**8,899,227**	**$**	**10,503,484**

September 30, 2021		Canada		Australia		Total
Current assets	$	3,409,456	$	266,878	$	3,676,334
Refundable security deposits		-		323,419		323,419
Exploration and evaluation assets		-		5,986,879		5,986,879
Total assets	$	**3,409,456**	**$**	**6,577,176**	**$**	**9,986,632**

Summary of Quarterly Results and Fourth Quarter

The following table sets out selected quarterly financial information derived from the Company's unaudited quarterly financial statements prepared by management.

	Sep 30, 2022	**Jun 30, 2022**	**Mar 31, 2022**	**Dec 31, 2022**
Total revenue	-	-	-	-
Loss and comprehensive loss for the period	$ 207,080	$ 313,926	$ 255,818	$ 293,013
Loss per share, basic and diluted	$0.01	$0.00	$0.00	$0.00

	Sep 30, 2021	**Jun 30, 2021**	**Mar 31, 2021**	**Dec 31, 2020**
Total revenue	-	-	-	-
Loss and comprehensive loss for the period	$ 855,541	$ 327,691	$ 377,851	$ 365,170
Loss per share, basic and diluted	$0.01	$0.01	$0.01	$0.01

Because the Company is in the exploration stage, it did not earn any significant revenue. A discussion of significant expenses is included in the interim management's discussions and analyses for each respective period. The Company's expenditures and cash requirements may fluctuate and lack a degree of comparability from period to period as a result of a number of factors including seasonal fluctuations, the write-off of capitalized amounts, (in particular the amount recognized in the period ended September 30, 2021), tax recoveries and other factors that may affect the Company's activities. In addition, the non-cashflow related impacts from foreign exchange, and vesting of share-based payments may give rise to variability in results from one period to the next.

The Company's primary source of funding is through the issuance of share capital; accordingly, the Company's activity level and the size and scope of planned exploration projects may also fluctuate depending upon the availability of equity financing with favourable terms. When capital markets strengthen, and the Company is able to secure equity financing with favourable terms, the Company's activity levels and the size and scope of planned exploration may increase.

Fourth quarter

The Company's loss and comprehensive loss for the fourth quarter of 2022 reflects (i) wages and salaries; (ii) consulting, advisory and professional fees (v) general office & administrative costs, investor relations and other costs to administer the Company generally incurred on an ongoing basis, net of a foreign exchange gain arising on the relative strengthening of the Canadian dollar compared to the Australian dollar over the year.

Financial position

The following financial data and discussion is derived from the Financial Statements.

		September 30 2022		September 30 2021
Current Assets	$	1,824,180	$	3,676,334
Total Assets	$	10,503,484	$	9,986,632
Total Current Liabilities	$	72,538	$	233,463
Total Liabilities	$	72,538	$	233,463
Shareholders' Equity	$	10,430,946	$	9,753,169
Weighted avg. number of Common Shares outstanding		73,572,656		62,659,325
Basic and fully diluted loss per weighted average number of Common Shares for the period ended	$	0.01	$	0.03

Assets

Although wetter-than-expected weather in Australia resulted in a lower-than-expected level of expenditures through the earlier months of the fiscal year, the resumption of an active drilling program in May 2022 has resulted in an increase of i) $2,193,502 to the carrying value of Inflection's exploration property interests compared to that of September 30, 2021, and ii) $35,414 to the amount held as refundable security deposits relating to exploration. There is less cash held at September 30, 2022 compared to the comparative period as funds were used for exploration, overhead, salaries, and investor relations related costs through the year.

Mineral Properties: The value of the Company's exploration and evaluation assets including cumulative expenditures incurred, net of impairment charges, and government grant benefits, is as follows:

		NSW Project		Carron Project		AI Project		Total
Acquisition costs:								
Balance, September 30, 2020	$	525,413	$	95,214	$	217,337	$	837,964
Write-down of exploration assets		-		-		(217,337)		(217,337)
Balance, September 30, 2021		525,413		95,214		-		620,627
Balance, September 30, 2022	**$**	**525,413**	**$**	**95,214**	**$**	**-**	**$**	**620,627**
Deferred exploration costs:								
Balance, October 1, 2020	$	1,804,917	$	221,298	$	314,379	$	2,340,594
Additions:								
Drilling and assays		1,823,314		208,532		-		2,031,846
Geological services		647,424		93,519		1,427		742,370
Administration and maintenance		280,647		27,172		-		307,819
Claim management fees		252,230		19,734		5,476		277,440
Geophysics		73,556		20,653		-		94,209
Total additions		3,077,171		369,610		6,903		3,453,684
Write-down of exploration assets		-		-		(321,282)		(321,282)
Recovery of exploration grant		(38,312)		(68,432)		-		(106,744)
Balance, September 30, 2021	$	4,843,776	$	522,476	$	-	$	5,366,252
Additions:								
Drilling and assays		887,315		197,666		-		1,084,981
Geological services		429,518		221,264		-		650,782
Claim management fees		236,488		32,504		-		268,992
Administration and maintenance		222,445		61,712		-		284,157
Geophysics		95,470		11,632		-		107,102
Total additions:		1,871,236		524,778		-		2,396,014
Accumulated depreciation of equipment		(26,968)		-		-		(26,968)
Recovery of exploration grant		(29,208)		(6,246)		-		(35,454)
Balance, September 30, 2022	**$**	**6,658,836**	**$**	**1,041,007**	**$**	**-**	**$**	**7,699,844**
Total, September 30, 2021	$	5,369,189	$	617,690	$	-	$	5,986,879
Total, September 30, 2022	**$**	**7,184,249**	**$**	**1,136,220**	**$**	**-**	**$**	**8,320,471**

The Company held refundable security deposits, each representing a mineral property EL and permitted disturbance thereon, held with the Governments of New South Wales and of Queensland as follows:

	NSW Project	AI Project	Total
October 1, 2020	$ 168,946	$ 47,725	$ 216,671
Additions/(recovery)	151,724	(37,428)	114,296
Foreign exchange	(6,413)	(1,135)	(7,548)
September 30, 2021	314,257	9,162	323,419
Additions/(recovery)	67,109	(8,882)	58,227
Foreign exchange	(22,533)	(280)	(22,813)
September 30, 2022	**$ 358,833**	**$ -**	**$ 358,833**

Refundable security deposits consist of the basic security deposit required on issuance of each EL, as well as additional deposits for environmental related bonding amounts. Basic security deposits are each valued at AUD 10,000 ($8,882) per claim held. Environmental related bonding amounts are based on the respective EL size and levels of disturbance contemplated under the specific exploration permit.

Liabilities

The balances of payables and accruals are unsecured and will generally vary dependent upon the level of activity at the Company, and the timing at period end of invoices and amounts we have actually paid.

The Company's liabilities at September 30, 2022, and 2021 include obligations due to service providers and vendors arising in the normal course of operations.

Cash Flows

The Company is still considered to be in the exploration and development stage and as such does not earn any significant revenue.

Total cash used in operating activities was $1,009,054 during the year ended September 30, 2022 compared to $1,371,308 in cash used in operating activities during the comparative year. This reflects ongoing, normal-course business and a continued ramp-up in activity since the IPO in the later part of fiscal 2020.

Total cash flows used in investing activities was $2,418,787 during the year ended September 30, 2022 ($3,461,236 in the comparative year). Investing cash flows are primarily for exploration activities, with the remainder comprised of cash paid or recovered for refundable security deposits, net of cash received on receipt of government grant funding. The decrease in the current year reflects a curtailed exploration program in fiscal 2022 due to the extraordinarily wet weather in eastern Australia.

Total cash flows provided by financing activities was $1,626,064 during the year ended September 30, 2022 ($4,309,072 in the comparative year). Although it is generally foreseeable that there will likely be new capital raised by the Company each successive year, the amount and terms of such financing will vary depending upon a number of circumstances, many of which are outside the control of the Company.

Going concern, liquidity, capital management, and contractual obligations

Going Concern and liquidity

The properties in which Inflection currently holds an interest are in the exploration stage. The Company has not generated significant revenues or cash flows from operations since inception and does not expect to do so for the foreseeable future. As at the date of this MD&A, the Company has approximately $1.0 million available in working capital. Inflection's financial liabilities of payables and accrued liabilities are generally payable within a 90-day period.

The Financial Statements have been prepared on a going concern basis that contemplates the realization of assets and discharge of liabilities at their carrying values in the normal course of business for the foreseeable future; and do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. The Company's continuation as a going concern depends on its ability to successfully raise financing through the issuance of debt or equity.

Although the Company has been successful in the past in obtaining financing, there is no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be on acceptable terms, therefore giving rise to a material uncertainty, which may cast significant doubt as to whether Inflection's cash resources and working capital will be sufficient to enable the Company to continue as a going concern for the 12-month period after the date of the Interim Financial Statements. A number of the circumstances that could impair management's ability to raise additional funds, or their ability to undertake transactions, are discussed in this MD&A under heading "*Risks and Uncertainties*". In particular, the Company's access to capital and its liquidity will be impacted by global macroeconomic trends, fluctuating commodity prices, and investor sentiment; and may continue to be impacted by delays in undertaking planned exploration and drill programs as a result of travel or other government-imposed restrictions in Australia as a response to Covid-19, and increasing incidences of wetter than historically typical weather in Australia.

Consequently, management pursues various financing alternatives to fund operations and advance its business plans, the most recent of which include the 2022 Private Placement, which provided the Company with approximately $1.65 million in additional capital for deployment across the business.

Capital Management

Inflection manages its capital in order to meet short term business requirements, after taking into account cash flows from operations, expected capital expenditures and the Company's holdings of cash. To facilitate the management of its capital requirements, management prepare annual expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. On an ongoing basis, management evaluates and adjusts its planned level of activities, including planned exploration, development, permitting activities, and committed administrative costs, to ensure that adequate levels of working capital are maintained. The Company believes that this approach is reasonable, given its relative size and stage.

There may be circumstances where, for sound business reasons, funds may be re-allocated at the Company's discretion. While Inflection remains focused on the continued exploration and development of the Company's mineral property interests, management may (i) conclude to curtail certain operations; or (ii) should management enter into agreements in the future on new properties it may be necessary to make cash payments and complete work expenditure commitments under those agreements, which would change planned expenditures.

There are no known restrictions on the ability of the Company's affiliates to transfer or return funds amongst the group.

Contractual obligations

In addition to normal course operating contracts and agreements relating largely to exploration activities and for the retention of exploration personnel, the Company is also party to agreements to acquire mineral properties that are disclosed in the accompanying Financial Statements, and in this MD&A.

In connection with a non-brokered private placement which closed on May 14, 2021 (the "2021 Private Placement"), the Company entered into an agreement providing Crescat Portfolio Management LLC ("Crescat") the right to purchase additional Inflection securities (the "Participation Right") up to its then proportional percentage. The Participation Right terminates on the date on which Crescat's ownership of Common Shares falls below 1% of the then outstanding Common Shares. Crescat and the Company also entered into a strategic shareholder agreement, dated July 20, 2022, whereby Crescat have agreed to share geologic and technical expertise with the Company from time to time.

Crescat participated in the 2022 Financing, increasing its proportional percentage over that which it held prior to that financing.

Critical Accounting Policies and Estimates

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates, and assumptions that affect the reported amounts of assets, liabilities, and expenses. A detailed presentation of all of Inflection's significant accounting policies and the estimates derived therefrom, along with discussion as to judgments and estimates made by management which might impact the financial information, and a summary of new accounting pronouncements, please refer to our disclosures in the Financial Statements at Note 3.

Related Party Transactions

In addition to the officers and directors of the Company, Inflection's related parties include (i) its subsidiaries; (ii) OCP Holdings Ltd. ("OCP"), as a reflection of its approximate 16.81% ownership interest in the Company at September 30, 2022; and (iii) those legal entities noted under the table below.

Key management personnel compensation is comprised of the following:

	For the year ended September 30,			
		2022		2021
Salaries, benefits, and director fees	$	398,235	$	428,924
Geological consulting capitalized		212,753		188,187
Share-based compensation		78,993		98,602
Salaries and benefits capitalized		29,700		-
	$	**719,681**	**$**	**715,713**

An amount of $156,000 in directors' fees for the year ended September 30, 2022 (2021 - $160,106) is included in "salaries and benefits". A total of $29,700 (2021 - $nil) in salaries and benefits was capitalized to the value of the exploration and evaluation assets (Carron Project) as geological services.

The Company's Vice President – Exploration ("VPEx") is remunerated pursuant to an agreement with a company he controls beginning with effect of February 1, 2022. Pursuant to the agreement, Mr. Menzies is paid AUD 17,000 on a monthly basis. During the year ended September 30, 2022, an amount of AUD 136,000 ($123,176) was charged to the Company by Mr. Menzies' company and capitalized to exploration and evaluation assets as geological services (2021 - $nil).

The Company's former VPEx (through January 2022) was remunerated pursuant to an agreement with a company he controls. During the year ended September 30, 2022, an amount of AUD 82,000 ($75,085) was charged to the Company by Mr. Swensson's company and capitalized to the NSW Project and the Carron project based on work performed and time incurred as geological services (2021 - AUD 198,000 ($188,187)). Mr. Swensson continues to serve as a director of the Australian entities. He is also remunerated as the Company's Qualified Person at a monthly rate of AUD 2,000.

At September 30, 2022, $18,401 (September 30, 2021 - $29,861) was payable to the individual directors and officers of the Company (including reimbursement of expenses) and is included in accounts payable and accrued liabilities. The comparative period balance also included charges of $29,861 for unpaid services, and amounts due in salaries and director fees.

From time-to-time, Newquest Capital Inc. ("NewQuest"), a private company controlled by three of the Company's directors facilitates access to certain third-party administrative services and supplies on an as-needed basis; the cost of which is typically allocated amongst Inflection and other entities sharing the same office space in Vancouver. NewQuest does not charge a fee to the Company, allocating all expenses at cost. A total of $13,631 was invoiced to Inflection during the year ended September 30, 2022 (September 30, 2021 - $15,126), of which $1,179 was payable at September 30, 2022 (September 30, 2021 - $1,338).

Amounts due from related parties are non-interest bearing and payable on demand (Note 7).

Outstanding Securities

There were 87,745,670 Common Shares issued and outstanding as at September 30, 2022 (71,270,670 at September 30, 2021, and 87,745,670 Common Shares as of the date of this MD&A). As at September 30, 2022, 6,552,001 Common Shares were subject to a regulatory escrow (13,104,001 at September 30, 2021, and as of the date of this MD&A 3,276,001, all subject to release on July 16, 2023).

Recent financings and issuances of equity

Common Shares

On August 10, 2022, the Company closed the 2022 Private Placement, which included participation by Crescat increasing their proforma ownership interest in the Company to 8.54% (14.93% on a partially diluted basis). The 2022 Private Placement resulted in the issuance of 16,475,000 units of the Company, with each unit comprised of one Common Share and one Warrant. The Warrants issued in the 2022 Private Placement are exercisable at a price of $0.15 per Common Share, and valid for a period of 24-months from the date of issuance. Inflection raised gross proceeds of $1,647,500 in the 2022 Private Placement. Cash finder's fees of $21,436 were paid. All securities issued were subject to a hold period which expired on December 11, 2022. Insiders of the Company, including Crescat, purchased a total of 6,200,000 units.

Warrants

Pursuant to the 2022 Private Placement 16,475,000 additional Warrants were issued, as described in this MD&A. A total of 22,864,141 Warrants expired unexercised during the year ended September 30, 2022.

There were 23,408,578 Warrants outstanding as at September 30, 2022 (29,797,719 at September 30, 2021); Unchanged as at the date of this MD&A.

Stock-based compensation

The Company issued the following Options during, and in the period subsequent to the year ended September 30, 2022:

Issue Date	Expiry Date	Number of Options	Exercise Price
March 2, 2022	March 2, 2027	2,075,000	$ 0.12
December 21, 2022	December 21, 2027	1,975,000	$ 0.12

Subsequent to year end, 124,000 Options were cancelled pursuant to the termination of certain consulting agreements.

There were 6,374,000 Options outstanding as at September 30, 2022 (4,794,000 as at September 30, 2021). There were 8,225,000 Options outstanding as at the date of this MD&A.

FINANCIAL INSTRUMENTS

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

Cash is carried at fair value using Level 1 fair value measurement. The carrying value of receivables and accounts payable approximate their fair value because of the short-term nature of these instruments.

The security deposits are refundable at a fixed amount in AUD and are carried at fair value using Level 1 fair value measurement, which is based on the $ equivalent at the date of each statement of financial position.

Financial Risk Factors

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors is provided with updates from management as to changes in perceived risks, and is responsible for approving and monitoring risk management processes. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The majority of cash is deposited in a bank account held with a major bank in Canada. The risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies. The Company has secondary exposure to credit risk on its receivables. This risk is minimal as receivables consist primarily of refundable goods and services taxes.

Foreign Exchange Risk

The significant market risk to which the Company is exposed is foreign exchange risk. The results of the Company's operations are exposed to currency fluctuations. To date, the Company has raised funds entirely in Canadian dollars. The majority of the Company's mineral property expenditures will be incurred in Australian dollars. The fluctuation of the Canadian dollar relation to the AUD will consequently have an impact upon the financial results of the Company.

The Company has not entered into any derivative contracts to manage foreign exchange risk at this time. A significant portion of the Company's cash balance may be held in AUD in any given period.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements. The Company assessed its liquidity risk as high.

Interest rate risk

Interest rate risk is the risk that fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. As the only interest-bearing financial instruments held by the Company consist of either higher-interest savings accounts, short-term Government Investment Certificates held with major bank in Canada, the Company is not exposed to interest rate risk.

Additional disclosure for Venture Issuers without Significant Revenue

Additional disclosure concerning Inflection's general and administrative expenses and mineral exploration property costs are provided in the statements of loss and comprehensive loss and notes to the Financial Statements. These financial statements are available on Inflection's website at https://inflectionresources.com/ or on its SEDAR profile accessed through www.sedar.com.

Proposed Transactions

There are no proposed material transactions. However, as is typical of the mineral exploration and development industry, management of Inflection continually review potential merger, acquisition, investment, and joint venture transactions and opportunities that could enhance shareholder value. The Company also notes that in order to satisfy its capital requirements and continue to undertake planned exploration programs it will be necessary to raise funds, likely through the issuance of Common Shares, or units including Warrants, from time to time. There is no guarantee that any contemplated transaction will be concluded.

Risks and Uncertainties

Exploration and mining companies face many and varied kinds of risks. While risk management cannot eliminate the impact of all potential risks, the Company strives to manage such risks to the extent possible and practical.

The principal activity of the Company is mineral exploration, which is inherently risky. Exploration is also capital intensive, and the Company currently has no source of income and must depend on equity financings as its main source of capital. Only the skills of its management and staff in mineral exploration and exploration financing serve to mitigate these risks and therefore are one of the main assets of the Company.

The following are the risk factors which the Company's management believes are most important in the context of the Company's business. It should be noted that this list is not exhaustive and that other risk factors may apply. An investment in the Company may not be suitable for all investors.

The Company has Limited History of Operations

The Company has limited history of operations and is in the early stages of exploration on its mining properties. The Company may experience higher costs than budgeted and delays which were not expected. The Company must also locate and retain qualified personnel to conduct exploration work. Further adverse changes in any one of such factors or the failure to locate and retain such personnel will have an additional adverse effect on the Company, its business and results of operations.

The Mining Industry is Speculative and of a Very High-Risk Nature

Mining activities are speculative by their nature and involve a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. The Company's activities are in the exploration stage and such exploration is subject to the risk that previously reported inferred mineralization is not economic. If this occurs, the Company's existing resources may not be sufficient to support a profitable mining operation. The Company's activities are subject to a number of factors beyond its control including intense industry competition and changes in economic conditions, including some operating costs (such as electrical power). Its operations are subject to all the hazards normally incidental to exploration, development and production of precious metals, any of which could result in work stoppages, damage to or loss of property and equipment and possible environmental damage. An adverse change in any one of such factors, hazards and risks would have a material adverse effect on the Company, its business and results of operations. This might result in the Company not meeting its business objectives.

The Company is Dependent on Various Key Personnel

The Company's success is dependent upon the performance of key personnel. The Company does not maintain life insurance for key personnel and the loss of the services of senior management or key personnel could have a material and adverse effect on the Company, its business and results of operations.

Title Matters

Title to and the area of mining claims may be disputed. Although the Company has taken steps to verify the title to mineral properties in which it has an interest, in accordance with industry standards for the current state of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

COVID-19 Pandemic

On March 11, 2020, the World Health Organization declared the outbreak and spread of a novel coronavirus, Covid-19, a global pandemic. In response to the outbreak, governmental authorities around the world introduced and have subsequently updated various recommendations and measures to try to limit the pandemic. Although restrictions and measures imposed by the international community in response to Covid-19 have largely abated, there remains a risk of volatility in the financial markets, and some remaining potential impact on the Company's ability to carry out its business plans through fiscal 2023 and beyond.

Competition

The Company competes with many companies that have substantially greater financial and technical resources than the Company for the acquisition of mineral properties as well as for the recruitment and retention of qualified employees.

The Company's Activities might suffer Losses from or Liabilities for Risks which are not Insurable

The Company does not currently carry any form of political risk insurance, insurance for loss of or damage in respect of its equipment and property or any form of environmental liability insurance, since insurance is prohibitively expensive. The payment of any such liabilities would reduce the funds available to the Company. If the Company suffers damage to its equipment, it might be required to suspend operations or enter into costly interim compliance measures pending completion of a permanent remedy.

The Company is subject to substantial environmental requirements which could cause a restriction or suspension of our operations

The current and anticipated future operations and exploration activities of the Company on its projects in Australia require permits from various governmental authorities and such operations and exploration activities are and will be governed by Federal, State and local laws and regulations governing various elements of the extractive industry. It is the Company's intention to ensure that the environmental impact on areas where it operates is mitigated by restoration and rehabilitation of affected areas.

As the Company is presently at the early exploration stage with all of our properties, the disturbance of the environment is limited and the costs of complying with environmental regulations are minimal. However, if operations result in negative effects upon the environment, government agencies will likely require Inflection to provide remedial actions to correct the negative effects. Failure to comply with applicable laws and regulations may result in civil or criminal fines or penalties or enforcement actions, including orders issued by regulatory authorities curtailing the Company's operations or requiring corrective measures, any of which could result in the Company incurring substantial expenditures. No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration or development.

Disclosure Controls and Procedures

Disclosure Controls and Procedures Disclosure controls and procedures ("DC&P") are intended to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized and reported within the time periods specified by securities regulations and that information required to be disclosed is accumulated and communicated to management. Internal controls over financial reporting ("ICFR") are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

CSE listed companies are not required to provide representations in the annual filings relating to the establishment and maintenance of DC&P and ICFR, as defined in National Instrument 52-109. In particular, the CEO and CFO certifying officers do not make any representations relating to the establishment and maintenance of (a) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation, and (b) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in their certificates regarding the absence of misrepresentations and fair disclosure of financial information. Investors should be aware that inherent limitations on the ability of certifying officers of a CSE issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Scientific and Technical Disclosure

The Company's mineral property interests are all early stage and do not contain any mineral resource estimates as defined by NI 43-101. The potential quantities and grades disclosed herein are conceptual in nature and there has been insufficient exploration to define a mineral resource for the targets disclosed herein. It is uncertain if further exploration will result in targets on any of Company's mineral property interests being delineated as a mineral resource.

The Company's exploration program is directed by Mr. Douglas Menzies (BSc, MAIG, RPGeo), Inflection's Vice President Exploration. Carl Swensson (FAusIMM), a consultant to the Company is a "Qualified Person" ("QP") as defined in National Instrument 43-101 and has reviewed and approved the scientific and technical information contained in this MD&A.

Off Balance Sheet Arrangements and Legal Matters

Inflection has no off-balance sheet arrangements, and there are no material outstanding legal matters of which management is aware.

Subsequent Events Not Otherwise Described Herein

With the exception of transactions and activities described in this MD&A, and in the Financial Statements, there were no subsequent events.

Board of Directors and Officers of the Company

As at the date of this report, the directors of the Company are Alistair Waddell (President and Chief Executive Officer), Wendell Zerb (Chair), Cecil R. Bond, Tero Kosonen, and Stuart Smith. Doug Menzies is Vice President, Exploration, John Wenger is Chief Financial Officer, and Sandra Wong is Corporate Secretary.

The Board has approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it, and links to it will be posted to the Company's website.

(signed) Alistair Waddell

Alistair Waddell

President and Chief Executive Officer