LEXSTON MINING CORPORATION

(An Exploration and Evaluation Stage Company)

MANAGEMENT DISCUSSION AND ANALYSIS – FORM 51-102F1

For the three and six-month periods ended November 30, 2024

This Management Discussion and Analysis for Lexston Mining Corporation (the "Company") provides analysis of the Company's unaudited condensed interim consolidated financial statements for the three and six-month periods ended November 30, 2024. The following information should be read in conjunction with the accompanying unaudited condensed interim consolidated financial statements and related notes for the three and six-month periods ended November 30, 2024.

1.1 Date of Report

The following Management Discussion and Analysis ("**MD&A**") for Lexston Mining Corporation (the "**Company**" or "**Lexston**") is prepared as of January 10, 2025 and should be read in conjunction with the Company's unaudited condensed interim consolidated financial statements for the three and six-month periods ended November 30, 2024 and the Company's audited consolidated financial statements for the years ended May 31, 2024 and 2023 which were prepared in accordance with International Financial Reporting Standards ("**IFRS**"), as issued by the International Accounting Standards Board ("**IASB**"). Except as noted, all dollar amounts contained in this MD&A and in the unaudited condensed interim consolidated financial statements are in Canadian dollars.

Forward-Looking Statements

This MD&A contains forward-looking statements within the meaning of applicable securities laws. All statements contained herein that are not clearly historical in nature are forward-looking, and the words "anticipate", "believe", "expect", "estimate", "may", "will", "could", "leading", "intend", "contemplate", "shall" and similar expressions are generally intended to identify forward-looking statements. Forward-looking statements in this MD&A include, but are not limited to, statements with respect to:

- our expected future loss and accumulated deficit levels;
- our projected financial position and estimated cash burn rate;
- our requirements for, and the ability to obtain, future funding on favourable terms or at all;
- our projections for development plans and progress of each of our mineral exploration and evaluations;
- our expectations about our mineral exploration and evaluation's safety and efficacy;
- our expectations regarding our ability to arrange for and scale up of our mineral exploration and evaluations;
- our expectations regarding the progress, and the successful and timely completion, of the various stages of the regulatory approval process;
- our expectations about the timing of achieving milestones and the cost of our exploration and evaluation programs;
- our expectations regarding the acceptance of our resources by the market;
- our ability to access and retain appropriate staff, management and expert advisers and consultants;
- our expectations about whether various regulatory milestones will be achieved;
- our strategy to acquire and develop new mineral explorations and to enhance the safety and efficacy of existing mineral exploration and evaluations;
- our expectations with respect to existing and future corporate alliances with third parties, and the receipt and timing of any payments to be made by us or to us in respect of such arrangements; and
- our strategy with respect to the protection of our intellectual property and mineral claims.

All forward-looking statements reflect our beliefs and assumptions based on information available at the time the assumption was made. These forward-looking statements are not based on historical facts but rather on management's expectations regarding future activities, results of operations, performance, future capital and other expenditures (including the amount, nature and sources of funding thereof), competitive advantages, business prospects and opportunities. By its nature, forward-looking information involves numerous assumptions, inherent risks and uncertainties, both general and specific, known and unknown, that contribute to the possibility that the predictions, forecasts, projections or other forward-looking statements will not occur. In evaluating forward-looking statements, readers should specifically consider various factors, including the risks outlined under the heading "**Risk Factors**" in this MD&A. Some of these risks and assumptions include, among others:

- substantial fluctuation of losses from quarter to quarter and year to year due to numerous external risk factors, and anticipation that we will continue to incur significant losses in the future;
- uncertainty as to our ability to raise additional funding to support future operations;

- our ability to generate revenue to maintain our operations without additional funding;
- the risks associated with the exploration and evaluation of our mineral properties which are at early stages of development;
- our reliance on the capabilities and experience of our key executives and technical consultants and the resulting loss of any of these individuals;
- competition from other mineral resource companies;
- our ability to fully realize the benefits of acquisitions;
- our ability to adequately protect and maintain our exploration and evaluation assets; and
- our ability to source and maintain permits from regulatory authorities.

Although the forward-looking statements contained in this MD&A are based upon what our management believes to be reasonable assumptions, we cannot assure readers that actual results will be consistent with these forward-looking statements. Any forward-looking statements represent our estimates only as of the date of this MD&A and should not be relied upon as representing our estimates as of any subsequent date. We undertake no obligation to update any forward-looking statement or statements to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events, except as may be required by securities legislation.

Management's Responsibility for Financial Statements

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

Management of the Company is continuously developing, reviewing and updating its internal controls as required given the changes and growth of the Company's business operations in order to provide reasonable assurance that the Company's assets are safeguarded and to facilitate the preparation of relevant and timely information.

1.2 Nature of Business and Overall Performance

Lexston Mining Corporation (the "Company") was incorporated on January 3, 2020 under the laws of the province of British Columbia. The address of the Company's registered and records of is 1150 – 789 West Pender Street, Vancouver, BC V6C 1H2 and its principal place of business is 929 Mainland Street, Vancouver, BC V6B 1S3.

During the six-month period ended November 30, 2024, the following transactions and events occurred:

- On June 5, 2024, the Company granted 2,000,000 incentive stock options to its consultants. Each stock option is exercisable at $0.09 per share, vest immediately and expire on June 5, 2029.

- On June 13, 2024, the Company announced the engagement of Hillside Consulting and Media Inc. to provide digital marketing services including SEO (search engine optimization), PPC (pay per click), e-mail, YouTube and social media channels, to increase corporate awareness for a term of six months from June 12, 2024 to December 12, 2024. The Company will pay Hillside a cash fee of $120,000 plus applicable taxes.

- On June 18, 2024, the Company announced the engagement of Aurora Geosciences Ltd. in preparation for the 2024 field season to begin verifying historical results and ground truthing favorable anomalism in high priority target areas on the properties.

- On June 25, 2024, the Company released 639,000 common shares from escrow to leave a nil balance.

- On June 27, 2024, the Company announced that Aurora Geosciences Ltd. crews arrived in Nunavut to begin verifying historical results and ground truthing favorable anomalism in high priority target areas on the properties.
- On July 3, 2024, the Company announced that it became aware of promotional activities on June 28, 2024 and that a newsletter was prepared and disseminated by Primetime Profiles. While the Company agrees with the identification of the mineral properties of the Company, the newsletter included information and promotional language that went beyond the factual statements in the Company's news releases. The Company was informed that its service provider Hillside Consulting and Media Inc., made a payment in the amount of $45,000 USD to Primetime Profiles to disseminate publicly available information about the Company. The Company is a junior exploration company and, as such cannot provide any assurance with respect to the future growth of value for its shareholders. The Company, its officers and directors were not involved directly or indirectly with the creation, payment, or distribution of this newsletter.
- On September 23, 2024, the Company announced it had entered into an Online Marketing Agreement with i2i Marketing Group LLC for the provision of corporate marketing and investor awareness services for a period of 12 months. The budget for these services is US$400,000.
- On October 7, 2024, the Company granted 1,400,000 incentive stock options to its business and finance consultants. Each stock option is exercisable at $0.08 per share, vest immediately and expire on October 7, 2029.
- On October 15, 2024, the Company provided a project update on its Itza and 176 Uranium properties in Nunavut.
- issued 6,442,500 common shares for the exercise of 4,282,500 warrants at $0.075 and 2,160,000 warrants at $0.08 for total proceeds of $493,988.
- issued 250,000 common shares at $0.05 per common share for proceeds of $12,500 pursuant to the exercise of stock options which resulted in a transfer from share-based payments reserve to share capital of $10,825.
- issued 500,000 common shares at $0.09 per common share for proceeds of $45,000 pursuant to the exercise of stock options which resulted in a transfer from share-based payments reserve to share capital of $36,196.

Subsequent to November 30, 2024, the Company:

- On December 16, 2024, the Company announced it had cancelled is Annual General and Special Meeting due to the Canada Post strike and the anticipated delays in delivering the Meeting material to shareholders of record.
- Paid $10,000 for the second option payment for the Dory Property.
- On January 10, 2025, the Company announced the amendment to the Dory Agreement. The parties agreed to extend for one additional year the term to incur $100,000 in exploration expenditures and the issuance of 250,000 common shares in order to earn the remaining 49% interest in the Dory Property. The Company also announced the amendment to the Project 176 and Project Itza Agreement. The parties agreed to extend for one additional year the term to make the remaining cash payments and to issue shares to the optionors. Now the Company has two years from the date of the Project 176 and Project Itza Agreement to pay $100,000 and issue 2,000,000 shares to the optionors and three years to pay $200,000 and issue 3,000,000 shares to the optionors to earn 100% in Project 176 and Project Itza.

Going Concern Assumption

During the six-month period ended November 30, 2024, the Company used cash flows in operating activities of $1,021,425 (November 30, 2023 - $278,623) from operating activities and has an accumulated deficit of

$5,228,903 (May 31, 2024 - $4,379,742). The Company expects to incur further losses and the ability of the Company to continue as a going concern depends upon the ability to develop profitable operations and to continue to raise adequate financing. The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues to cover its operating costs and proposed mineral exploration and evaluation activities. These factors indicate the existence of material uncertainties that may cast significant doubt on the Company's ability to continue as a going concern.

The unaudited condensed interim consolidated financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and thus be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these unaudited condensed interim consolidated financial statements.

There can be no assurance that the Company will be able to continue to raise funds in which case the Company may be unable to meet its obligations. Should the Company be unable to realize its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded in the unaudited condensed interim consolidated financial statements.

MINERAL EXPLORATION AND EVALUATION ASSETS

1. Dory Project – Vancouver Island

Option Terms

Pursuant to a mineral property option agreement dated January 18, 2023 and amended May 31, 2023, the Company entered into an option to earn a 51% interest in the Dory Property, which consists of four mineral claims (claim #1098125, #1098126, #1098127 and #1098419) located 25 km west of Port Alberni in British Columbia. In order to earn the 51% interest, the Company must, within six months from the date of acceptance by the Canadian Securities Exchange (the "Exchange") of the option agreement and the change of business of the Company:

a) pay to the Optionor $85,000 (paid); and

b) issue to the Optionor a total of 250,000 (issued) common shares of the Company.

The Company will earn a further 49% interest in the Dory Property making the total interest of the Company in the Property 100% by:

a) making a cash payment to the Optionor in the amount of $10,000 within one year from the date of the acceptance of the Option Agreement and the change of business of the Company by the Exchange (paid subsequent to November 30, 2024);

b) incurring expenditures on the Dory Property in the amount of $100,000 within one year from the date of the acceptance of the Option Agreement and the change of business of the Company by the Exchange; and

c) issuing to the Optionor a total of 250,000 common shares of the Company within one year from the date of the acceptance of the Option Agreement and the change of business of the Company by the Exchange.

The option is subject to 2% net smelter return royalty in favour of the Optionor, 1/2 of which can be purchased by the Company for $1,000,000.

Subsequent to November 30, 2024, the Company announced the amendment to the Dory Agreement. The parties agreed to extend for one additional year the term to incur $100,000 in exploration expenditures and the issuance of 250,000 common shares in order to earn the remaining 49% interest in the Dory Property.

Description and Geological Summary

The Dory Property consists of four non-surveyed contiguous mineral claims totalling 1,348 hectares located within the Alberni Mining Division of British Columbia. The Property is easily accessed by a series of paved and gravel roads branching from the Pacific Rim Highway (Provincial Highway No. 4 also known as River Road), that runs west from Port Alberni past Sproat Lake to the west coast of Vancouver Island.

The highly complex geology of Vancouver Island and the Port Alberni area specifically has resulted in the discovery of diverse mineral deposit types containing varied metallic, industrial, and energy minerals. According to the B.C. Ministry of Energy Mines MINFILE database, mineral deposits of economic significance on Vancouver Island are as follows: Porphyry copper- molybdenum-gold-silver, Volcanic massive sulphide copper-zinc-lead-silver-gold, Gold-silver Skarns, and Gold-silver-copper quartz veins.

Helicopter borne geophysics performed in 1996 identified a conductive/resistive low anomaly coincident with one outcrop which was subsequently drilled in 1999. The conclusion was that the anomaly may have been the result of underlying copper sulphide mineralization. In 2007, Perovic Enterprises Inc. reported the collection of 34 grab rock samples. The exact location of these samples is not clear in the assessment report (Perovic, 2007). One reported float sample (06-SK-C1) returned 12.73 % Cu.

The NI 43-101 Technical Report prepared for the Dory Property dated March 13, 2023 authored by Derrick Strictland, P. Geo. filed on SEDAR+ June 2, 2023, recommends a Phase One work program which includes the compilation of all historical geological, geophysical, and geochemical data available for the Property and the rendering of this data into a digital database in GIS formats for further interpretation. He also recommends the Company undertake a property wide mapping program focusing on previous areas interesting anomalous mineralization. In addition, it is recommended to extend the Nora grid to the north to possibly expand the copper and zinc soil anomalies. The estimated cost of Phase One is approximately $130,000.

2. Project Itza and 176 Properties - Nunavut

Option Terms

The Company entered into the Project Itza and Project 176 Option Agreement dated November 27, 2023 (the **“Agreement”**) with three optionors (the **“Optionors”**) to acquire 100% interest in the uranium mineral property, generally known as "Project Itza" (claim #103463, #103478 and #103465) and “Project 176” (claim #103470) located in the Thelon Basin in Nunavut and occupying a total area of 5,661.93 hectares (the **“Property”**).

To exercise the option and earn the 100% interest in the Property, the Company has over a period of two years to pay a total of $400,000 and issue a total of 6,000,000 shares to the Optionors as follows:

- upon the execution of the Agreement to pay $10,000 (paid);
- sixty days from the date of the Agreement to pay $90,000 (paid) and issue 1,000,000 shares (issued);
- within one year from the date of the Agreement to pay $100,000 and issue 2,000,000 shares; and
- within two years from the date of the Agreement to pay $200,000 and issue 3,000,000 shares.

The Option is subject to a net smelter return royalty payable by the Company to the Optionors equal to one percent on the proceeds from production for all minerals derived from the Property. The Company may elect to purchase from the Optionors at any time one-half of the net smelter return royalty, upon the payment to the Optionors of $1,000,000.

The Optionors are arm’s length parties to the Company.

On January 23, 2024, the Company announced that it had arranged to stake five new mineral claims totalling 5,688 hectares for a cost of $14,985. These new claims join Project 176 and Project Itza making it one contiguous land package totalling 11,350 hectares located within the Thelon Basin in the Kivalliq Region.

Subsequent to November 30, 2024, the Company announced the amendment to the Project 176 and Project Itza Option Agreement. The parties agreed to extend for one additional year the term to make the remaining cash payments and to issue shares to the optionors. Now the Company has two years from the date of the Project 176 and Project Itza Agreement to pay $100,000 and issue 2,000,000 shares to the optionors and three years to pay $200,000 and issue 3,000,000 shares to the optionors to earn 100% in Project 176 and Project Itza.

Description and Geological Summary

Both projects sit at the mapped unconformity between the Thelon Formation and the underlying Amer Lake Metasediments. Containing reactivated Faults identified in 2013 - not identified when the properties were last explored (2012). The intersection of reactivated faults and unconformities is highly prospective for uranium deposits. e.g., Cigar Lake, Key Lake.

The two projects are within the most prospective region of the Thelon Basin and contain the highest-grade uranium oxide samples.

Project Opportunity:

- strong land position in the up-and-coming Thelon Basin;
- Extensive historical data available to guide exploration planning;
- Historical high-grade uranium occurrences;
- Previous exploration programs terminated without extensive drill testing;
- Thelon Basin is experiencing a staking rush, and these projects cover the historically most attractive areas; and
- Multiple projects that cover the spectrum from conceptual exploration targets to near-drill ready targets.

<u>Project 176 – 1708 ha / 17km2</u>

Project 176 is in the Northeastern portion of the Thelon Basin - 176 is within the most prospective region of the Thelon Basin that contains the highest-grade uranium sample – 380,000 ppm uranium.

Extremely high-grade boulders discovered: Boulders up to % uranium have been found within the project and previous explorers never identified the source. A 0.88% uranium oxide boulder sits within the project and planned drilling in 2007 was never completed.

Project 176 was previously owned and explored by NexGen Energy (“**NexGen**”) who purchased the project from Mega Uranium in 2012 – following the uranium price collapse, NexGen let the licenses lapse without drill testing any anomalies defined in 2012 regional work.

The project contains very high-grade boulders with assays up to 38% uranium. Multiple coincident anomalies:

Magnetic low	VLF Electromagnetic
Gravity Low	Radiometric
Uranium in Soil	Track-etch Anomalies

The combination of the anomalies defined historically provides prime ingredients for discovering a high-grade uranium deposit within the project area.

Geophysical work in 2012 defined similar fault arrays in the 176 Project area but market conditions prevented detailed follow-up.

Lockett Consultation Services Inc. ("**Lockett**") applied for the required exploration permits for the Company's summer geophysical program at Itza and 176 Projects. Lockett will continue to work closely with all Regulatory Agencies including Crown Indigenous Relations and Northern Affairs Canada (CIRNAC). The Company has initiated engagement and consultations with local knowledge holders and stakeholders, which will continue throughout all the phases of permitting, exploration, and closure.

Proposed Work:

- A minimum of an 8 line-kilometre, ground-based Induced Polarization (IP) resistivity-chargeability geophysical survey.
- Complete high-resolution airborne VTEM geophysical survey with attempts to add resolution to the basement conductors and anomalies identified in previously flown regional fixed wing surveys.
- Complete a high-resolution airborne Gravity geophysical survey.
- Scintillometer-assisted prospecting and reconnaissance level geochemical sampling.

<u>Project Itza – 3955 ha / 39.6 km2</u>

Project Itza is located in the Northeastern portion of the Thelon Basin - Itza was identified before the staking rush took place and is within the most prospective region of the Thelon Basin that contains the high-grade uranium oxide samples.

A 0.88% uranium oxide boulder sits within the project and planned drilling in 2007 was never completed. At least 3 radioactive boulder trains are located, and the source is yet to be tested. Project Itza sits at the mapped unconformity between the Thelon Formation and the underlying Amer Lake Metasediments. It contains reactivated Faults identified in 2013 - not identified when the properties were last explored (2012). The intersection of reactivated faults and unconformities is highly prospective for uranium deposits. e.g. Cigar Lake, Key Lake. Historical assessment reports show expenditures > $10m in the area, with at least $2m on the Itza Project. Multiple radioactive boulders were measured, including a 10,400ppm Uranium / 1.27% uranium oxide.

Previous explorers (Titan and Mega) focused only on Amer Lake geology based on data acquired from previous operators, the potential for Neoarchean Rumble formation to underly part of the licence is high which presents a high-quality unconformity target.

The project requires evaluation using concepts developed since exploration stopped in 2012.

The project has yet to be explored since the 2007 geophysical surveys or the 2013 revised geological framework by Jefferson et al. The only drilling on the property was in 1980 and the aim then was to understand stratigraphy – not hunting for a deposit. No explorer has tested the Neoarchean rocks that are projected to underlie the project area - These rocks host the nearby Tatiggaq discovery and Kiggavik deposit.

The Company completed its Nunavut summer program results carried out from June 26 to July 3, 2024. Aurora Geoscience geologists completed 7 days of prospecting, mapping and sampling with helicopter access to the Project based out of Baker Lake. The work was completed with two crew, daily field traverses resulted in 75 km of prospecting. Five areas were prospected and mapped utilizing a RS-125 scintillometer, a total of 113 boulders and 16 outcrops were surveyed. A total of 21 samples were collected and have been submitted to ALS laboratories for Geochemical Analysis – these results are still pending. Aurora geologists also provided field-based mapping outlining the extent of Till Veneer and Glaciofluvial deposits which cover >90% of the mapped areas.

Preliminary Results

The summer field reconnaissance program yielded promising results, identifying several key indicators favorable for uranium mineralization. Notably, low-level anomalous readings were detected over a broad area of boulder trains and outcrops using a handheld scintillometer, highlighting potential mineralization zones. Most of the prospective areas (approximately 90-95%) are covered by a thin veneer of glacial till and glaciofluvial deposits, which is consistent with regional patterns and suggests that a potential deposit may be concealed beneath this cover.

Encouraging signs of a broader mineralized system were observed, including strong hematite alteration and with elevated scintillometer readings. These findings, along with historical data, point to the 176-target area as particularly promising, though the central area also shows positive equal signs.

Additionally, historical board spaced geophysics and regional geological mapping have identified significant structural lineaments in the area, intersecting with the unconformity associated with Thelon Basin sandstones. Basement structures known to host uranium-rich hydrothermal convection are present, and the proximity to the unconformity suggests that potential uranium mineralization could be relatively shallow.

Local geophysical anomalies align with the detected low-level uranium anomalism. Given the overlying till veneer, further geophysical investigations are expected to refine our understanding of the structural lineaments and better define the location of the unconformity within the identified anomalous zones.

Uranium spot price has increased by approximately 33% to US$73.15/lbs from May 31, 2023 and with the acquisition of these two properties allows the Company an opportunity to get a foothold in a data-rich part of the Thelon Basin. High-resolution, modern geophysics has not been deployed to the project before, providing an advantage for Lexston to leverage the $2,000,000 in previous expenditures for uranium exploration in the area.

The technical information contained in this description and geological summary has been reviewed by Mr. Richard Walker, a director of the Company and a Certified Professional Geologist with the American Institute of Professional Geologists and a member of the Geological Society of Nevada, and by Luke van der Meer., P. Geo. Mr. van der Meer, a Qualified Person as defined by National Instrument 43-101

1.3 Selected Annual Information

N/A

1.4 Results of Operations

During the six-month period ended November 30, 2024, the Company's net loss and comprehensive loss was $909,161 (six-month period ended November 30, 2023 - $250,597). The Company's operating expenses were $873,470 for the six-month period ended November 30, 2024 (six-month period ended November 30, 2023 - $199,282). The loss per share was $0.02 for the six-month period ended November 30, 2024 (six-month period ended November 30, 2023 – $0.01). Operating expenses were mainly attributable to:

a. Advertising and promotion for the six-month period ended November 30, 2024 was $256,841 (six-month period ended November 30, 2023 – $2,500). On June 13, 2024 the Company announced that it had engaged Hillside Consulting and Media Inc., a marketing and distribution firm to provide digital marketing services, including search engine optimization, pay per click, e-mail, YouTube and social media channels to increase shareholder awareness for a term of six months for a fee of $120,000. The Company announced on September 23, 2024 that it had engaged i2i Marketing Group LLC to provide corporate marketing and investor awareness services for a twelve month period for total compensation of US$400,000.

b. Consulting fees for the six-month period ended November 30, 2024 was $121,426 (six-month period ended November 30, 2023 – $45,500). During the current six-month period, the Company retained business, geological and finance consultants to facilitate introductions to uranium experts as part of its Nunavut property exploration and evaluation program, perform due diligence on capital financing structures and cash flow requirements and to assist with public disclosure documentation.

c. Exploration and evaluation expenditures for the six-month period ended November 30, 2024 was $114,832 (six-month period ended November 30, 2023 – $nil). The Company sent its geological consulting team to its Nunavut properties during the period June 26 to July 3, 2024. The crew assessed targets which were prospected and mapped to confirm the probable source of historic results. Each target was sampled with the goal of defining the source and the potential extent of each anomaly. The results of the program were disseminated October 15, 2024.

d. Management fees for the six-month period ended November 30, 2024 was $76,720 (six-month period ended November 30, 2023 – $25,000). During the current fiscal six-month period, the Company incurred an average of approximately $11,000 per month for the management of Lexston performed by Jag, Bal, CEO and President. In the current six-month period, the Company also incurred $10,000 (2023 – $nil) to the CFO, Jatinder "Jesse" Manhas for financial consulting services which included review of the Company's interim and annual financial statements, potential financing opportunities and capital financing structures.

e. Professional fees for the six-month period ended November 30, 2024 was $40,501 (six-month period ended November 30, 2023 – $89,615). Professional fees for the prior comparable period included the Company's Change of Business application to the CSE. The current and prior comparable period includes quarterly accounting services which includes interim and audited financial statement preparation and legal services required for public company filing requirements.

f. Regulatory and transfer agent fees for the six-month period ended November 30, 2024 was $26,311 (six-month period ended November 30, 2023 - $35,694). In the prior comparable period, the Company incurred additional regulatory fees due to the Change of Business application required by the CSE.

g. Share-based compensation expense for the six-month period ended November 30, 2024 was $233,750 (six-month period ended November 30, 2023 – $nil). During the six-month period ended November 30, 2024, the Company granted a total of 3,400,000 (six-month period ended November 30, 2023 – nil) stock options to consultants that are exercisable at $0.08 and $0.09 (six-month period ended November 30, 2023 – $nil) per share for a period of five years which vest immediately. The granting of stock-based compensation allows the Company to preserve cash flows for operations whiling employing, retaining and motivating current officers, directors, employees and consultants. Stock-based compensation is a non-cash expense and is attributable to the number of options granted and vested during the period and the assumptions used for the Black-Scholes option pricing model.

h. Loss from discontinued operations for the six-month period ended November 30, 2024 was $35,691 (six-month period ended November 30, 2023 – $51,315). Expenses relating to the discontinuation of the business line have been eliminated from the Company's continuing operations and are shown as a single line item in the consolidated statements of operations and comprehensive loss. The Company is searching for opportunities to market its subsidiaries to get the most value for our shareholders.

A summary of the Company's net loss from discontinued operations for the three and six-month periods ended November 30, 2024 and 2023 is as follows:

	Three-month period ended November 30, 2024	Three-month period ended November 30, 2023	**Six-month period ended November 30, 2024**	Six-month period ended November 30, 2023
	$	$	**$**	$
Amortization	**–**	6,574	**–**	13,197
Management fees	**7,500**	7,500	**15,000**	15,000
Office	**47**	2,490	**1,688**	4,115
Rent	**9,501**	9,501	**19,003**	19,003
	17,048	26,025	**35,691**	51,315

There can be no assurance that the Company will be able to continue to raise funds, in which case the Company may be unable to meet its obligations. Should the Company be unable to realize its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded in the unaudited condensed interim consolidated financial statements.

There are no legal proceedings, contingent liabilities, defaults under debt or other contractual obligations, breach of any laws or special resolutions during the six-month period ended November 30, 2024 or as of the date of this MD&A.

As at November 30, 2024, the Company had a working capital of $289,670 (May 31, 2024 - $413,593). The Company anticipates that additional funding will be in the form of equity financing from the sale of common shares or exercise of outstanding warrants and/or options. The Company may also seek to obtain short term loans from directors of the Company.

1.5 Summary of Quarterly Results

The following is a summary of the Company's financial results for the eight most recently completed quarters:

	Q2 Nov. 30, 2024 $	Q1 Aug. 31, 2024 $	Q4 May 31, 2024 $	Q3 Feb 29, 2024 $	Q2 Nov. 30, 2023 $	Q1 Aug. 31, 2023 $	Q4 May 31, 2023 $	Q3 Feb. 28, 2023 $
Total revenues	–	–	–	–	–	–	–	–
Exploration and evaluation expenditures	4,782	110,050	5,938	–	–	–	–	–
Net loss and comprehensive loss	(410,829)	(498,332)	(244,438)	(372,678)	(138,178)	(112,419)	(84,123)	(304,977)
Loss per share	(0.01)	(0.01)	(0.01)	(0.01)	(0.00)	(0.01)	(0.00)	(0.01)

The expenses incurred by the Company are those typical of early-stage companies in the mineral exploration and evaluation business and prior to October 2023 was an emerging growth company. In some quarters, more expenses are incurred than in others as a result of non-recurring activities or events. During the fourth quarter ended May 31, 2023, consultants of the Company agreed to defer fees while the Company was halted for approval of the Change of Business by the CSE.

1.6 Liquidity

The unaudited condensed interim consolidated financial statements have been prepared assuming the Company will continue on a going-concern basis. The Company has incurred losses since inception and the ability of the Company to continue as a going concern depends upon its ability to develop profitable operations and to continue to raise adequate financing. In order for the Company to meet its liabilities as they come due and to continue its operations, the Company is solely dependent upon its ability to generate such financing.

There can be no assurance that the Company will be able to continue to raise funds in which case the Company may be unable to meet its obligations. Should the Company be unable to realize its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded in the unaudited condensed interim consolidated financial statements.

The unaudited condensed interim consolidated financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations.

a) The Company had cash of $50,468 as of November 30, 2024 (May 31, 2024 – $390,405) and has working capital of $276,226 (May 31, 2024 – $413,593).

Cash Flows from Operating Activities

During the six-month period ended November 30, 2024, the Company used cash in operating activities of $1,021,424 (six-month period ended November 30, 2023 – $278,623) which was primarily related to general operating costs which includes advertising and promotion, consulting, mineral property exploration expenditures, management fees and professional, regulatory and transfer agent fees.

Cash Flows from Financing Activities

During six-month period ended November 30, 2024, the Company received cash proceeds from the issuance of common shares pursuant to the exercise of warrants of $493,988 (six-month period ended November 30, 2023 – $nil), pursuant to the exercise of stock options of $57,500 (six-month period ended November 30, 2023 - $1,500). The Company also received $130,000 from Clint Sharples, a director of the Company, which is unsecured, non-interest bearing and due on demand.

As of November 30, 2024, the Company has the following financial obligations:

		< 1 year		1 - 5 years		> 5 years		Total
Accounts payable	$	58,985	$	–	$	–	$	58,985
Loan payable		130,000		–	–	–		130,000
	$	188,985	$	–	$	–	$	188,985

The Company is not subject to any externally imposed capital requirements.

The Company currently has a “burn” rate of approximately $75,000 per month for operating activities.

1.7 Capital Resources

The Company is not subject to any externally imposed capital requirements.

The Company manages its capital structure and adjust it considering changes in economic conditions and the risk characteristics of the underlying assets. As a mineral exploration and evaluation company and formerly an emerging growth company, issuance of equity has been the primary source of capital to date. Debt and/or equity financing may be pursued in the future as deemed appropriate to balance debt and equity. To maintain or adjust the capital structure, our Company may issue new shares, take on debt or sell assets to reduce debt.

While management plans to generate positive cash flows by the continuation of financing our Company through the issuances of additional equity securities or debt instruments, there can be no assurance that enough revenue or financing will occur to meet our cash needs for the next 12 months. If we are unable to identify, acquire and develop a viable mineral resource, our liquidity could be adversely impacted, and we may need to seek additional sources of financing. Our operating results could adversely affect our ability to raise additional capital to fund our operations and there is no assurance that sufficient debt or equity financing will be available, on acceptable terms, or on a timely basis.

1.8. Off-Balance Sheet Arrangements

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

1.9 Transactions with Related Parties

Key Management Compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers and Board of Director members. All related party transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

	Three-month period ended November 30, 2024 $	Three-month period ended November 30, 2023 $	**Six-month period ended November 30, 2024 $**	Six-month period ended November 30, 2023 $
Management/salaries and short-term benefits				
Jag Bal, President, CEO and director	**25,720**	5,000	**66,720**	25,000
Jatinder Manhas, CFO and director	–	–	**10,000**	–
Clinton Sharples, director	–	–	**20,000**	–

a) As at November 30, 2024, the Company owed $130,000 (May 31, 2024 - $Nil) to Clinton Sharples, director. This loan is unsecured, non-interest bearing and due on demand.

b) During six-month period ended November 30, 2024, the Company incurred $66,720 (2023 - $25,000) of management fees to Jag Bal, the Chief Executive Officer of the Company.

c) During the six-month period ended November 30, 2024, the Company incurred $10,000 (November 30, 2023 - $nil) of management fees to the Jatinder Manhas, Chief Financial Officer of the Company.

d) During the six-month period ended November 30, 2024, the Company incurred $20,000 (2023 - $nil) of consulting fees to Clinton Sharples, director.

1.10 Second Quarter

During the three-month period ended November 30, 2024, the Company's net loss and comprehensive loss was $410,829 (three-month period ended November 30, 2023 - $138,178). The Company's operating expenses were $393,7811 for the three-month period ended November 30, 2024 (three-month period ended November 30, 2023 - $112,113). The loss per share was $0.01 for the three-month period ended November

30, 2024 (three-month period ended November 30, 2023 – $0.00). Operating expenses were mainly attributable to:

a. Advertising and promotion for the three-month period ended November 30, 2024 was $196,045 (three-month period ended November 30, 2023 – $nil). On September 23, 2024 the Company announced that it had engaged i2i Marketing Group LLC., to provide corporate marketing and investor awareness services for a twelve month period for total compensation of US$400,000.

b. Consulting fees for the three-month period ended November 30, 2024 was $35,500 (three-month period ended November 30, 2023 – $22,500). During the current fiscal three-month period, the Company retained corporate consultants to perform due diligence on capital financing structures and cash flow requirements.

c. Exploration and evaluation expenditures for the three-month period ended November 30, 2024 was $4,782 (three-month period ended November 30, 2023 – $nil). The Company received and analyzed assay results from its Nunavut work program during the current three-month period.

d. Management fees for the three-month period ended November 30, 2024 was $25,720 (three-month period ended November 30, 2023 – $5,000). During the current fiscal three-month period, the Company incurred an average of approximately $8,500 per month for the management of Lexston performed by Jag, Bal, CEO and President.

e. Professional fees for the three-month period ended November 30, 2024 was $24,083 (three-month period ended November 30, 2023 – $59,005). Professional fees for the prior comparable period included the Company's Change of Business application. The current and prior comparable period includes quarterly accounting services which includes interim and audited financial statement preparation and legal fees required for public company filing requirements.

f. Share-based compensation expense for the three-month period ended November 30, 2024 was $88,973 (three-month period ended November 30, 2023 – $nil). During the three-month period ended November 30, 2024, the Company granted 1,400,000 (2023 – nil) incentive-based compensation to consultants that are exercisable at $0.08 (2023 – $nil) per share for a period of five years which vest immediately. The granting of stock-based compensation allows the Company to preserve cash flows for operations whiling employing, retaining and motivating current officers, directors, employees and consultants. Stock-based compensation is a non-cash expense and is attributable to the number of options granted and vested during the period and the assumptions used for the Black-Scholes option pricing model.

g. Loss from discontinued operations for the three-month period ended November 30, 2024 was $17,048 (three-month period ended November 30, 2023 – $26,065). Expenses relating to the discontinuation of the business line have been eliminated from the Company's continuing operations and are shown as a single line item in the consolidated statements of operations and comprehensive loss. The Company is searching for opportunities to market its subsidiaries to get the most value for our shareholders.

1.11 Proposed Transactions

In the normal course of business, the Company evaluates business acquisition transactions and mineral property exploration and evaluation projects and, in some cases, makes proposals to acquire such businesses and mineral exploration and evaluation projects. These proposals, which are usually subject to Board, regulatory and, sometimes, shareholder and CSE approvals, may involve future payments, share issuances and financing. These future obligations are usually contingent in nature and generally the Company is only required to incur the obligation if it wishes to continue with the transaction. As of this date, management of the

Company continues to examine viable transactions that would potentially generate positive cash flow and increase shareholder value. Management is uncertain whether any of these proposals will ultimately be completed.

1.12 Critical Accounting Estimates and Judgments

The preparation of the unaudited condensed interim consolidated financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the unaudited condensed interim consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The unaudited condensed interim consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the unaudited condensed interim consolidated financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised, and the revision affects both the current and future periods.

Significant areas requiring the use of management estimates include the carrying value of investments, property and equipment, fair value of share-based compensation, and recoverability of unrecognized deferred income tax assets.

Significant judgments of the Company include the following:

- Assessment of whether the going concern assumption is appropriate which requires management to take into account all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting period; and
- Judgment with respect to the assessment of fair value of investment in a private company. The fair value of common shares in a private company is determined by valuation techniques such as recent arm's length transactions, option pricing models, or other valuation techniques commonly used by market participants.

1.13 Changes in Accounting Standards including Initial Adoption

A number of new standards, and amendments to standards and interpretations, are not yet effective for six-month period ended November 30, 2024 and have not been early adopted in preparing these unaudited condensed interim consolidated financial statements. These new standards, and amendments to standards and interpretations are either not applicable or are not expected to have a significant impact on the Company's unaudited condensed interim consolidated financial statements.

1.14 Financial Instruments and Risk Management

The Company is exposed to various financial instrument risks and assesses the impact and likelihood of these exposures. These risks include liquidity risk, credit risk, price risk, currency risk and interest rate risk. Where material, these risks are reviewed and monitored by the Board of Directors.

Fair values

Assets and liabilities measured at fair value on a recurring basis were presented on the Company's unaudited condensed interim consolidated statement of financial position as of November 30, 2024 as follows:

	Fair Value Measurements Using			
	Quoted prices in active markets for identical instruments (Level 1) $	Significant other observable inputs (Level 2) $	Significant unobservable inputs (Level 3) $	Carrying Amount $
Investment	–	1	–	1

Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The levels of the fair value hierarchy are defined as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3 - Inputs for assets or liabilities that are not based on observable market data.

The fair values of other financial instruments, which include cash, accounts receivable, accounts payable and accrued liabilities and amounts due to related parties approximate their carrying values due to the relatively short-term maturity of these instruments.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising debt and equity financing in a timely manner and by maintaining sufficient cash more than its anticipated needs. The Company has cash of $50,468 as of November 30, 2024 (May 31, 2024 – $390,405) in order to meet short-term liabilities of $188,985 (May 31, 2024 – $39,869). There is no assurance that financing will be available or, if available, that such financing will be on terms acceptable to the Company. The Company monitors its risk of shortage of funds by monitoring the maturity dates of its existing liabilities. The Company's accounts payable are all due within one year.

Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets which is primarily cash. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions. The Company's cash is held with a Canadian-based financial institution. The carrying amount of financial assets represents the maximum credit exposure.

Foreign exchange rate and interest rate risk

The Company is not exposed to any significant foreign exchange rate or interest rate risk.

Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders.

The Company depends on external financing to fund its activities. The capital structure of the Company currently consists of cash and equity comprised of issued share capital. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares through private placements or sell assets to fund operations. Management reviews its capital management approach on a regular basis. The Company is not subject to externally imposed capital requirements.

1.15 Other MD&A Requirements

Disclosure of Outstanding Share Capital

a) Authorized:

Unlimited number of common shares without par value.

Issued and Outstanding:

There is a total of 49,126,000 common shares issued and outstanding as of November 30, 2024 as described in detail in Note 8 to the unaudited condensed interim consolidated financial statements for the six-month period ended November 30, 2024.

	SHARE CAPITAL	
	NUMBER	AMOUNT ($)
Balance, May 31, 2023	30,309,167	4,163,662
Issued shares for cash:		
Shares issued for non-brokered private placement (net)	6,999,333	389,318
Shares issued for pursuant to property option payment	1,250,000	97,500
Shares issued for exercise of stock options	2,475,000	245,070
Shares issued for exercise of warrants	900,000	67,500
Balance, May 31, 2024	41,933,500	$ 4,963,050
Issued shares for cash:		
Shares issued for exercise of warrants	6,442,500	493,988
Shares issued for the exercise of stock options	750,000	104,521
Balance, November 30, 2024 and January 10, 2025	**49,126,000**	**$ 5,561,559**

During the six-month period ended November 30, 2024, the Company issued a total of 7,192,500 common shares as follows:

i. the Company issued 4,282,500 common shares at $0.075 per common share for proceeds of $321,188 pursuant to the exercise of share purchase warrants.

ii. the Company issued 2,160,000 common shares at $0.08 per common share for proceeds of $172,800 pursuant to the exercise of share purchase warrants.

iii. the Company issued a total of 250,000 common shares at $0.05 per common share for proceeds of $12,500 pursuant to the exercise of stock options which resulted in a transfer from share-based payments reserve to share capital of $10,825.

iv. the Company issued a total of 500,000 common shares at $0.09 per common share for proceeds of $45,000 pursuant to the exercise of stock options which resulted in a transfer from share-based payments reserve to share capital of $39,196.

b) Escrow Shares

Pursuant to an escrow agreement dated June 7, 2021, a total of 4,260,000 common shares of the Company were deposited into escrow for certain principal shareholders. Under the escrow agreement, 10% of the escrowed common shares were released on the date of listing and 15% will be released subsequently every 6 months thereafter over a period of 36 months. As of November 30, 2024, there were nil shares held in escrow.

c) Share Purchase Warrants:

The continuity of share purchase warrants is summarized below:

	Weighted average exercise price $	Number of warrants
Balance, May 31, 2023	0.16	21,750,359
Issued pursuant to private placement	0.08	6,999,333
Broker warrants issued pursuant to private placement	0.08	177,280
Expired	0.75	(2,790,319)
Exercised	0.075	(900,000)
Balance, May 31, 2024	0.08	25,236,653
Exercised	0.075	(6,442,500)
Balance, November 30, 2024 and January 10, 2025	**0.08**	**18,794,153**

The following table summarizes the warrants outstanding and exercisable on November 30, 2024:

Expiry date	Weighted average remaining contractual life (years)	Exercise price	Number of warrants
July 4, 2027	1.90	$0.075	13,777,540
May 15, 2026	0.38	$0.08	5,016,613
	2.28		**18,794,153**

d) Stock Options:

The Company has a Stock Option Plan whereby stock options are granted in accordance with the policies of regulatory authorities at an exercise price equal to the market price of the Company's stock on the date of the grant and, unless otherwise stated, vest on the grant date and with a term not to exceed five years. Under the plan, the board of directors may grant up to 10% of the issued number of shares outstanding as at the date of the stock option grant.

	Weighted average exercise price $	Number of stock options
Outstanding, May 31, 2023	0.05	3,000,000
Granted	0.08	1,250,000
Exercised	0.05	(2,475,000)
Outstanding and exercisable, May 31, 2024	0.07	1,775,000
Granted	0.09	3,400,000
Exercised	0.07	(750,000)
Outstanding and exercisable, November 30, 2024 and January 10, 2025	**0.09**	**4,425,000**

Additional information regarding stock options outstanding as of November 30, 2024 is as follows:

Expiry date	Weighted average remaining contractual life (years)	Exercise price $	Number of Stock options outstanding	Number of Stock options exercisable
October 5, 2027	2.85	0.05	575,000	575,000
January 11, 2029	4.12	0.08	950,000	950,000
June 5, 2029	4.52	0.09	1,500,000	1,500,000
October 7, 2029	4.85	0.08	1,400,000	1,400,000
	4.32		**4,425,000**	**4,425,000**

During the six-month period ended November 30, 2024, the Company recognized share-based compensation of $233,750 (six-month period ended November 30, 2023 - $nil) for the grant and vesting of stock options to consultants. The weighted average fair value of options granted during the six-month period ended November 30, 2024, was $0.09 (November 30, 2023 – $nil) per option.

Share-based compensation is determined using the Black-Scholes option pricing model with the following assumptions and assuming no expected dividends or forfeiture rates:

	Six-month period ended November 30, 2024	Six-month period ended November 30, 2023
Annualized volatility	**109 - 111%**	Nil
Risk-free interest rate	**3.06 - 3.41%**	Nil
Expected life	**5 years**	Nil

Internal Control over Financial Reporting

National Instrument 52-109 requires the CEO and CFO to certify that they are responsible for establishing and maintaining internal control over financial reporting (“ICFR”) for the Company and that those internal controls have been designed and are effective in providing reasonable assurance regarding the reliability of financial reporting and the preparation of interim and year end financial statements in accordance with IFRS. The CEO and CFO are also responsible for disclosing any changes to the Company’s internal controls during the most recent period that have materially affected, or are reasonably likely to materially affect, its internal control over financial reporting.

The Company is continuously developing, reviewing and updating its internal controls as required given the changes and growth of the Company’s business operations in order to provide reasonable assurance that the Company’s assets are safeguarded and to facilitate the preparation of relevant and timely information.

Disclosure Controls

Management is also responsible for the design and operation of disclosure controls and procedures to provide reasonable assurance that material information related to the Company, including its consolidated subsidiaries, is made known to the Company’s certifying officers. Jag Bal and Jatinder Manhas, the Company’s Chief Executive Officer and Chief Financial Officer continue to work with the Board of Directors and consultants to design and improve its financial reporting disclosure controls and procedures.

RISK FACTORS

Much of the information included in this report includes or is based upon estimates, projections or other forward-looking statements. Such forward-looking statements include any projections or estimates made by the Company and its management in connection with the Company's business operations. While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect the Company's current judgment regarding the direction of its business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions, or other future performance suggested herein. Except as required by the law, the Company undertakes no obligation to update forward-looking statements to reflect events or circumstances occurring after the date of such statements.

Such estimates, projections or other forward-looking statements involve various risks and uncertainties as outlined below. The Company cautions readers of this report that important factors in some cases have affected and, in the future, could materially affect actual results and cause actual results to differ materially from the results expressed in any such estimates, projections or other forward-looking statements. In evaluating the Company, its business and any investment in its business, readers should carefully consider the following factors:

Risks Related to the Company's Business

The Company's future is dependent upon its ability to obtain financing and if the Company does not obtain such financing, the Company may have to cease its activities and investors could lose their entire investment.

There is no assurance that the Company will operate profitably or will generate positive cash flow in the future. The Company will require additional financing to sustain its business operations if it is not successful in earning revenues in the future. The Company currently does not have any arrangements for further financing and it may not be able to obtain financing when required. The Company's future is dependent upon its ability to obtain financing. If the Company does not obtain such financing, its business could fail and investors could lose their entire investment.

Unlimited Number of Authorized but Unissued Shares

The Company has an unlimited number of Common Shares that may be issued by its Board of Directors without further action or approval of the shareholders. While the Board of Directors is required to fulfill its fiduciary obligations in connection with the issuance of such shares, the shares may be issued in transactions with which not all shareholders agree, and the issuance of such shares will cause dilution to the ownership interests of the shareholders of the Company.

Dilution

The financial risk of the future activities of the Company will be borne to a significant degree by purchasers of their Common Shares and other securities. If the Company issue securities from its treasury for financing purposes, control of the Company may change and purchasers may suffer additional dilution.

The Company's directors and officers are engaged in other business activities and accordingly may not devote sufficient time to the Company's business affairs, which may affect its ability to conduct operations and generate revenues.

The Company's directors and officers are involved in other business activities. As a result of their other business endeavours, the directors and officers may not be able to devote sufficient time to the Company's business affairs, which may negatively affect its ability to conduct its ongoing operations and its ability to generate revenues. In addition, the management of the Company may be periodically interrupted or delayed as a result of its officers' other business interests.

The Company has limited operating history

The Company has limited operating history and may not succeed. The Company is subject to all risks inherent in a developing business enterprise or acquiring, exploring, evaluating and potentially developing a viable mineral resource. The Company's likelihood of continued success must be considered in light of the problems, expenses, difficulties, undercapitalization, cash shortages, limitations with respect to personnel, financial and other resources, lack of revenues, complications, and delays frequently encountered in connection with the competitive and regulatory environment in which it operates. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of the early stage of operations.

History of Losses

The Company has incurred losses in operations for the six-month period ended November 30, 2024 of $909,161 (six-month period ended November 30, 2023 – $250,597) and has a deficit of $5,228,903 (May 31, 2024 – $4,379,742). The Company may not be able to achieve or maintain profitability and may continue to incur significant losses in the future. In addition, the Company expects to continue to increase operating expenses as it implements initiatives to continue to grow its business. If the Company's is unable to develop its mining interests to economic viability and revenues do not increase to offset these expected increases in costs and operating expenses, it will not be profitable.

Reliance on Management

The Company is currently in good standing with all former employees and believes that with well managed practices will remain in good standing. The success of the Company will be dependent upon the ability, expertise, judgment, discretion and good faith of its senior management and key consultants. Any loss of the services of such individuals could have a material adverse effect on the Company's business, operating results or financial condition.

Uninsured Risks

The Company's business is subject to a number of risks and hazards including accidents, labour disputes and changes in the regulatory environment. Such occurrences could result in damage to assets, personal injury or death, delays in operations, monetary losses and possible legal liability.

The Company, as a participant in exploration and mining programs, may become subject to liability for hazards such as unusual geological or unexpected operating conditions that cannot be insured against or against which it may elect not to be so insured because of high premium costs or other reasons. The Company is currently uninsured against all such risks as such insurance is either unavailable or uneconomic at this time. The Company also currently has no key person insurance or property insurance as such insurance is uneconomical at this time. The Company may obtain such insurance once it is available and, in the opinion of their directors, economical to do so. The Company may incur a liability to third parties (in excess of any insurance coverage) arising from pollution or other damage or injury.

The Company is not insured against environmental risks. Insurance against environmental risks has not been generally available to companies within the mining and exploration industry. Without such insurance, and if the Company does not become subject to environmental liabilities, the costs of such liabilities would reduce or eliminate the available funds of the Company or could result in bankruptcy. Should the Company be unable to fully fund the remedial costs of an environmental problem, they may be required to enter into interim compliance measures pending completion of the required remedy.

Dependence on Suppliers and Skilled Labour

The ability of the Company to compete and grow will be dependent on it having access, at a reasonable cost and in a timely manner, to skilled labour, equipment, parts and components. No assurances can be given that the Company will be successful in maintaining its required supply of skilled labour, equipment, parts and components. This could have an adverse effect on the financial results of the Company.

Managing Growth

In order to manage growth and changes in strategy effectively, the Company must: (a) maintain adequate systems to meet customer demand; (b) expand sales and marketing and administrative functions; (c) expand the skills and capabilities of its current management team; and (d) attract and retain qualified employees. While it intends to focus on managing its costs and expenses over the long term, the Company expects to invest its earnings and capital to support its growth but may incur additional unexpected costs. If the Company incurs unexpected costs, it may not be able to expand quickly enough to capitalize on potential market opportunities.

Exploration, Mining and Operational Risks

The business of exploring for and mining minerals involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. At present, the Dory Property and the Project Itza and 176 Properties do not have any known mineral resources or reserves and any exploration and drilling programs are an exploratory search for such mineral resources or reserves.

The operations of the Company are subject to all the hazards and risks normally associated with the exploration, development and mining of minerals, any of which could result in risk to life, to property, or to the environment. These operations may be subject to disruptions caused by unusual or unexpected formations, formation pressures, fires, power failures and labour disputes, flooding, explosions, cave-ins, landslides, the inability to obtain suitable or adequate equipment, machinery, labour or adverse weather conditions. The availability of insurance for such hazards and risks is extremely limited or uneconomical at this time.

In the event the Company is fortunate enough to discover a mineral deposit, the economics of commercial production depend on many factors, including the cost of operations, the size and quality of the mineral deposit, proximity to infrastructure, financing costs and Government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting minerals and environmental protection. The effects of these factors cannot be accurately predicted, but any combination of these factors could adversely affect the economics of commencement or continuation of commercial mineral production.

Mining Claims

The prospecting activities of the Company are dependent upon the grant of appropriate mineral tenures and regulatory comments, which may be withdrawn or made subject to limitations. Mineral claims are renewable subject to certain expenditure requirements. Although the Company believes that it will obtain the necessary prospecting licenses and permits, including but not limited to drill permits, there can be no assurance that they will be granted or as to the terms of any such grant. Furthermore, the Company is required to expend required amounts on the mineral claims of the Dory Property in order to maintain them in good standing. If the Company is unable to expend these amounts on their properties, they may lose its title to these properties on the expiry date(s) of the relevant mineral claims on these properties. There is no assurance that, in the event of losing their title to mineral claims, the Company will be able to register the mineral claims in their names without a third party registering its interest first.

Aboriginal Land Claims

Aboriginal rights may be claimed on Crown properties or other types of tenure with respect to which mining rights have been conferred. The Supreme Court of Canada's recent decision in Tsilhqot'in Nation v. British Columbia marked the first time in Canadian history that a court has declared Aboriginal title to lands outside of a reserve. No assurance can be given that a broad recognition of aboriginal rights by way of a negotiated settlement or judicial pronouncement would not have an adverse effect on the activities of the Company of its mineral properties. Such impact could be marked and, in certain circumstances, could delay or even prevent the exploration or mining activities of the Company.

Assurance of Title

The Company has taken all reasonable steps to attempt to ensure that proper title to its mineral properties has been obtained and that all grants of such rights thereunder, if any, have been registered with the appropriate public offices. Despite the due diligence conducted by the Company, there is no guarantee that title to the properties of the Company will not be challenged or impugned. The mineral property interests of the Company may be subject to prior unregistered agreements or transfers or aboriginal land claims and title may be affected by undetected defects.

Possible Failure to Obtain Mining Licenses

Even if the Company does complete the required exploration activities on their respective mineral properties, they may not be able to obtain the necessary licenses or permits to conduct mining operations, and thus would realize no benefit from such exploration activities.

Volatility of Commodity Prices

The market prices of commodities are volatile and are affected by numerous factors, which are beyond the control of the Company. These factors include international supply and demand, consumer product demand, international economic trends, currency exchange rate fluctuations, interest rates, inflation, global or regional political events, as well as a range of other market forces. Sustained downward movements in commodity prices, including gold, silver and rare earth deposits could render less economic, or uneconomic, some or all of the exploration activities to be undertaken by the Company.

Environmental Risks and Other Regulatory Requirements

Inherent with mining operations is an environmental risk. The current or future operations of the Company require permits from various governmental authorities. Such operations are governed by laws and regulations that govern prospecting, mining, development, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety, and other matters. There can be no assurance that all permits that the Company require for future exploration and development of mining facilities will be obtainable on reasonable terms or that such laws and regulations would not have an adverse effect on the operations of the Company.

The legal framework governing this area is constantly developing, therefore the Company is unable to fully ascertain any future liability that may arise from the implementation of any new laws or regulations, although such laws and regulations are typically strict and may impose severe penalties (financial or otherwise). The proposed activities of the Company, as with any exploration, may have an environmental impact which may result in unbudgeted delays, damage, loss and other costs and obligations including, without limitation, rehabilitation and/or compensation. There is also a risk that the operations of the Company and financial position may be adversely affected by the actions of environmental groups or any other group or person opposed in general to the activities of the Company.

Internal Controls

Effective internal controls are necessary for the Company to provide reliable financial reports and to help prevent fraud. Although the Company undertakes a number of procedures and implements a number of safeguards, in each case, in order to help ensure the reliability of its financial reports, including those imposed on the Company under Canadian securities law, the Company cannot be certain that such measures will ensure that the Company will maintain adequate control over financial processes and reporting. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Company’s results of operations or cause it to fail to meet its reporting obligations. If the Company or its auditors discover a material weakness, the disclosure of that fact, even if quickly remedied, could reduce the market’s confidence in the Company’s financial statements and materially adversely affect the trading price of the Company’s shares.

Liquidity

The Company cannot predict at what prices the Company will trade and there can be no assurance that an active trading market will develop or be sustained. There is a significant liquidity risk associated with an investment in the Company.

Negative Cash Flow from Operating Activities

The Company has no earnings at this time and had negative cash flow from operating activities since inception. The Company's mineral properties are in the early exploration stage and there are no known mineral resources or reserves and the exploration program on the Nunavut Property is exploratory in nature. Significant capital investment will be required to achieve commercial production. There is no assurance that the Company's mineral properties will generate earnings, operate profitably or provide a return on investment in the future. Accordingly, the Company will be required to obtain additional financing to meet its future cash commitments.

Litigation

The Company may become party to litigation from time to time in the ordinary course of business which could adversely affect its business. Should any litigation in which the Company becomes involved be determined against the Company such a decision could adversely affect the Company's ability to continue operating and the market price for the Company's shares and could use significant resources. Even if the Company is involved in litigation and wins, litigation can redirect significant resources.

Directors and Officers

Jagdip Bal	Director, President and CEO
Jatinder Manhas	Director, CFO and Secretary
Clinton Sharples	Director
Richard Walker, Jr.	Director

The Company is dependent on a small number of key directors and officers. Loss of any one of those persons could have an adverse effect on the Company. The Company does not maintain "key-person" insurance with respect to any of its management.

Conflicts of Interest

Certain officers and directors of the Company are officers and/or directors of Egret Bioscience or Zen Labs or are associated with other companies that acquire interests in businesses. Such associations may give rise to conflicts of interest. The directors are required by law, however, to act honestly and in good faith with a view to the best interests of the Company and its shareholders and to disclose any personal interest which they may have in any material transaction which is proposed to be entered into with the Company and to abstain from voting as a director for the approval of any such transaction.

Outlook

The Company is currently evaluating, analyzing and summarizing Nunavut summer program results which will be disseminated once complete. The Company is also evaluating other viable transactions that could potentially generate positive cash flow and create shareholder value. Management is uncertain whether any of these proposals will ultimately be completed.

Other Information

Additional information is available on SEDAR+ at www.sedarplus.ca or the Company's website at www.lexston.ca.

BY ORDER OF THE BOARD

"Jagdip Bal"	*"Jatinder Manhas"*
Jagdip Bal President & CEO	Jatinder Manhas CFO & Secretary

January 10, 2025